First Atlantic Nickel & Cobalt Produces High Grade Alloy Concentrate Up to 71.9% Nickel and 1.76% Cobalt from Its Pipestone XL Nickel-Cobalt Alloy Project, Using Its First-Ever ONSHORE MAX (Magnetic Alloy eXtraction) Recovery & Concentration Process,

12:30 Uhr | GlobeNewswire

GRAND FALLS-WINDSOR, June 24, 2026 - First Atlantic Nickel & Cobalt Corp. (TSXV: FAN | OTCQB: FANCF | FSE: P210) ("First Atlantic" or the "Company") is pleased to report preliminary results from its proprietary ONSHORE MAX™ (Magnetic Alloy eXtraction) recovery and concentration process, which upgraded rock samples from the RPM Zone of its wholly owned Pipestone XL Nickel-Cobalt Alloy Project into a high grade alloy concentrate averaging 67.4% nickel and grading up to 71.9% nickel and 1.76% cobalt. The bench-scale test work was completed at SGS Canada Inc. ("SGS") and represents the Company's first metallurgical recovery and concentration test work on awaruite. The test work used a simple, two-stage process consisting of low-intensity magnetic separation ("LIMS") followed by flotation. The Company has initiated the permitting process for a large-scale bulk sample at the RPM Zone to optimize and advance the ONSHORE MAX™ process toward a pilot-scale plant.

Awaruite (Ni?Fe) is a naturally occurring, magnetic, sulphur-free nickel-iron-cobalt alloy that already exists in a reduced metallic state. This allows awaruite to be concentrated by magnetic separation and flotation, bypassing the energy- and capital-intensive secondary midstream processes of smelting, roasting, or high-pressure acid leaching. The Company believes this gives awaruite a differentiated, smelter-free pathway, whereby a high-grade concentrate could move directly into downstream nickel and cobalt battery refining, stainless steel and specialty-alloy production. This pathway supports a vertically integrated North American and allied G7 critical-mineral supply chain that bypasses the constrained midstream smelting step and reduces dependence on foreign countries for nickel processing.

The U.S. Geological Survey identified awaruite as a potential solution to nickel concentrate shortages in its Mineral Commodity Summaries 2012[1], stating:

"The development of awaruite deposits in other parts of Canada may help alleviate any prolonged shortage of nickel concentrate. Awaruite, a natural iron-nickel alloy, is much easier to concentrate than pentlandite, the principal sulfide of nickel."

First Atlantic will showcase the high-grade concentrate from its Pipestone XL Nickel-Cobalt Alloy Project this week at the Fastmarkets Lithium Supply & Battery Raw Materials Conference in Las Vegas, being held from June 22 to 25, 2026. Members of management will be available to meet with investors, potential investors, and industry and government delegates, including representatives of the U.S. Department of Commerce, Tesla, Panasonic, General Motors, Ford, Prime Planet Energy and Redwood Materials.

The Company believes the concentrate could anchor a vertically integrated nickel-cobalt supply chain in North America, moving from mine to refinery and enabling the direct refining of nickel sulphate (NiSO?), the qualifying nickel defined under Section 45X(c)(6) of the U.S. Advanced Manufacturing Production Credit.

To arrange a meeting, or for investor inquiries, please call Rob Guzman, Investor Relations, at +1-844-592-6337 or by email rob@fanickel.com.

KEY HIGHLIGHTS

1. High Grade Alloy Concentrate Grading Up to 71.9% Nickel and 1.76% Cobalt: The ONSHORE MAX™ process produced an awaruite (Ni?Fe) nickel-cobalt alloy concentrate grading up to 71.9% nickel and 1.76% cobalt, approaching the grade of pure awaruite.
2. Pipestone XL Awaruite Concentrate Significantly Exceeds Nickel Sulfide and Laterite Concentrate Grades: The four flotation tests averaged 67.4% nickel and reached up to 71.9% nickel, significantly higher than the 10% to 15% grade of a typical nickel concentrate, according to the Nickel Institute.[2]
3. First Recovery and Concentration Test Work on Awaruite: The bench-scale program at SGS is the Company's first metallurgical recovery and concentration test work on awaruite, using LIMS followed by flotation.
4. Cobalt Recovers with Nickel: Cobalt reported into the same concentrate at 1.76%, which the Company believes indicates that a separate cobalt circuit may not be required. Cobalt was assayed in the final test only, and all samples will be assayed for cobalt going forward.
5. Simple, Two-Stage Process Using Proven Methods: A low-intensity magnetic separator drum produced a magnetic concentrate grading approximately 1.6% nickel, which flotation then upgraded into the final high-grade concentrate using equipment and reagents common across the mining industry.
6. Smelter-Free, Direct Metal-to-Downstream Pathway for Full North American Vertical Integration: The Company believes the concentrate could move from mine to refinery, feeding directly into downstream North American nickel and cobalt battery refining, stainless steel and specialty-alloy industries without smelting or offshore processing.
7. Large-Scale Bulk Sample Permitting Initiated Toward a Pilot-Scale Plant: The Company has initiated the permitting process for a large-scale bulk sample at the RPM Zone to advance the ONSHORE MAX™ toward a pilot-scale plant.

THE ONSHORE MAX™ PROCESS AND TEST WORK

ONSHORE MAX™ (Magnetic Alloy eXtraction) is the Company's simple, two-stage process for recovering and concentrating awaruite using low-intensity magnetic separation (LIMS followed by flotation. Both are proven, widely used mineral-processing methods.

The program was performed on a 74.5-kilogram composite of 32 individual samples taken from 96 meters of continuous core from RPM Zone discovery hole AN-24-02. The composite returned an average head grade of approximately 0.12% magnetically recoverable nickel, as measured by Davis Tube Recovery ("DTR") at SGS.

A low-intensity magnetic separator drum operating at approximately 1,000 Gauss produced a magnetic concentrate grading approximately 1.6% nickel. Flotation, using a xanthate-based collector, then upgraded that concentrate to a final awaruite concentrate averaging 67.4% nickel and grading from 63.7% to 71.9% nickel across four tests. All test work was conducted at SGS.

Figure 1: Representative sample of awaruite concentrate product averaging 67.4% Nickel from Pipestone XL - RPM Zone.

Figure 2: Preliminary metallurgical test of composite material from RPM zone at Pipestone XL project, picture showing the rougher flotation stage. The metallic surface visible on-top of liquid within a bench scale flotation cell is awaruite particles attaching to the surface of bubbles and floating to the top to be collected and cleaned in a multi-stage process isolating and concentrating the awaruite nickel-iron-cobalt alloy metal.

Figure 3: Preliminary metallurgical test of composite material from RPM zone at Pipestone XL project undergoing flotation testing, picture showing the multi-stage process of flotation including rougher and cleaning phases to isolate and concentrate the nickel-iron-cobalt alloy metal.

Figure 4: Image of Eriez laboratory drum separator collecting magnetic concentrate while operating at a magnetic intensity of approximately 1,000 Gauss, Low Intensity Magnetic Separation (LIMS) process.

A SIMPLE, CLEAN, LOW-ENERGY PROCESS

The Company believes the program confirms a simple, clean, low-energy and effective process for recovering and concentrating awaruite. Both stages performed as intended, with magnetic separation delivering stable and repeatable performance. The Company believes there is clear potential to improve recovery and grade as grind size, reagents, and flotation conditions are optimized. Because awaruite is sulphur-free and the process uses only magnetic separation and flotation, without midstream smelting, roasting, or high-pressure acid leaching, the process avoids the SO? emissions, high electricity demand, and acid mine drainage risks commonly associated with conventional nickel processing.

A HIGH-GRADE CONCENTRATE IN CONTEXT

The 71.9% nickel grade of the concentrate approaches the grade of pure awaruite. By comparison, the Nickel Institute reports that a typical nickel concentrate grades 10% to 15% nickel. The Company believes awaruite's high nickel and cobalt content, natural magnetism and metallic form allow it to be concentrated to grades well above those achievable from conventional nickel sulphide and laterite minerals.

RPM ZONE BULK SAMPLE PERMITTING UNDERWAY FOR PILOT SCALE PLANT

The Company has initiated the permitting process for a large-scale bulk sample at the RPM Zone, which is intended to provide the volume of material required to advance the ONSHORE MAX™ process from bench scale toward a pilot-scale plant. In parallel, the Company intends to advance an expanded metallurgical program to optimize the magnetic separation and flotation circuit, evaluate the addition of gravity separation, assess chromium as a potential secondary credit, and evaluate downstream refining toward battery-grade nickel sulphate (NiSO?).The Company believes battery-grade nickel sulphate produced from the concentrate could qualify as nickel under Section 45X(c)(6) of the U.S. Advanced Manufacturing Production Credit, if refined in the US.

ONSHORE MAX™ PROCESS BYPASSES NEED FOR MIDSTREAM SMELTING

Awaruite already exists in metallic form. As a result, the ONSHORE MAX™ process can concentrate awaruite by magnetic separation and flotation without the smelting, roasting, or high-pressure acid leaching that nickel sulphide and laterite ores require. As stated in the August 2025 report, *From Rocks to Power: Strategies to Unlock Canada's Critical Minerals for Global Leadership in Energy Storage, EVs, & Beyond* from the Battery Metals Association of Canada:

"Awaruite is not a sulfide nor an oxide nickel ore but a high-content native nickel-iron ore. Simple beneficiation processes after mining could provide 60% Ni concentrate, ready for leaching for battery cathode purposes and would yield MHP as a by-product. This process would bypass pyrometallurgy or early hydrometallurgy stages and be among the lowest carbon-intensive nickel production sites in the global nickel market."[3]

The Company believes bypassing the midstream smelting step offers several advantages, including the avoidance of smelter or refinery treatment and refining charges (TCs/RCs) deducted from the concentrate payables, lower energy consumption, lower emissions and pollution, and, because awaruite is sulphur-free, no acid mine drainage risk. The high grade of the concentrate also reduces the tonnage and freight required to deliver a given quantity of nickel and cobalt to a downstream customer.

NORTH AMERICA'S PROCESSING AND MIDSTREAM SMELTING GAP FOR CONVENTIONAL NICKEL SOURCES

According to the U.S. Geological Survey, global nickel mine production was an estimated 3.9 million tonnes

in 2025, of which Indonesia produced approximately 2.6 million tonnes, or roughly two-thirds.[4] That supply is heavily tied to China. According to the U.S. International Trade Commission (USITC), approximately 90% of Indonesia's nickel exports went to China in 2022;[5] China has invested more than US$65 billion in Indonesia's nickel industry over the last decade;[6] and Indonesian officials have stated that China controls roughly 90% of the country's nickel mines and smelters.[7]

The Carnegie Endowment for International Peace projects that, by 2035, U.S. nickel demand will reach roughly 750,000 tonnes, compared with domestic supply of just 8,000 tonnes. This represents a project deficit of approximately 742,000 tonnes per year, expressed by Carnegie as import dependence of approximately 9,275%.[8]

North America also has limited capacity to process nickel. The last nickel smelter in the continental United States closed at Riddle, Oregon, in 1998, and the last U.S. primary nickel refinery, at Port Nickel, Louisiana, ceased operations in 1985. Vale's Thompson smelter in Manitoba closed in 2018, leaving only two operating pyrometallurgical nickel smelters in North America, both in Ontario, and no new nickel smelter currently under construction on the continent. The Company believes this means that nickel sulphide or laterite ore mined in North America would require either existing overseas smelting capacity or the development of new processing methods and capacity.

Building new nickel smelting capacity is a significant undertaking. A smelter is a large-scale facility with additional capital- and energy-intensive requirements layered on top of the mine. It requires a large and reliable electricity supply, SO?-emission and air-quality permitting, and other environmental approvals, and it can cost as much as, or more than, the mine it serves. In December 2025, Korea Zinc announced a partnership with the U.S. Department of War and the U.S. Department of Commerce to build an integrated primary zinc, lead, and copper critical-minerals smelter in Clarksville, Tennessee, with approximately US$6.6 billion in capital expenditures (approximately US$7.4 billion including working capital and financing), supported by a US$1.4 billion conditional investment from the U.S. Department of War.[9] First Atlantic is not affiliated with Korea Zinc or that project, which is referenced solely to illustrate the capital intensity of conventional smelting infrastructure.

The technical and environmental limitations of conventional smelting are well documented. As noted in the 2024 review published in the journal Minerals, "Review on the Challenges of Magnesium Removal in Nickel Sulfide Ore Flotation and Advances in Serpentinite Depressor":

"However, the traditional concentrate smelting-matte refining process, whilst technologically robust, is capital intensive and suffers from several environmental and technical issues such as sulfur dioxide emissions, poor recovery of cobalt and difficulty processing concentrates high in magnesia and arsenic without appropriate blending with high grade concentrates to dilute the concentration of these species."[10]

The Company believes awaruite and the ONSHORE MAX™ process avoid many of these constraints by producing a high-grade nickel-cobalt concentrate without the need for a smelter.

AN ALLIED SOURCE ALIGNED WITH U.S. AND G7 POLICY

In its January 14, 2026 proclamation, the White House stated:

"Even where the United States has domestic mining capacity, such as for cobalt, nickel, and rare earth elements, the United States lacks the domestic processing capacity to avoid downstream net-import reliance."[11]

At the June 17, 2026 G7 Summit, the G7 Leaders' Declaration named nickel as one of only two pilot critical minerals for a new allied traceability framework and committed G7 governments to mobilize equity investment and offtake.[12] On June 8, 2026, the U.S. House passed the DOMINANCE Act, which authorizes equity investment, co-financing and U.S.-priority offtake for allied projects and defines a "processed" critical mineral as one converted into "a metal, metal powder, or a master alloy."[13] The Company believes awaruite, a natural nickel-iron-cobalt alloy, is already in the form the Act defines as processed. In March 2026, First Atlantic was accepted into the U.S. Defense Industrial Base Consortium under the Office of the Assistant Secretary of War for Industrial Base Policy.[14]

ONGOING ALLOY MAX NORTH & SOUTH DRILL PROGRAM AT NEW LARGE-SCALE ALLOY MAX DISCOVERY ON PIPESTONE XL PROJECT

Pipestone XL hosts a second large-scale awaruite discovery, the Alloy Max Zone, first announced on March 18, 2026 following district-wide surface sampling that integrated geological mapping, surface rock sampling with Davis Tube Recovery ("DTR") analysis, and geophysics. That work outlined a major new area of magnetically recoverable awaruite mineralization extending up to approximately 7 kilometres north of the RPM Zone, with an initial target area of approximately 4 kilometres of strike and up to 1.5 kilometres of width, larger than the RPM Zone. Surface DTR grades at Alloy Max were comparable to surface values at the RPM Zone, where drill core has consistently returned significantly higher grades than weathered surface samples, and Alloy Max was selected as a priority target for the Company's 2026 drill program.

On June 15, 2026, the Company reported the discovery hole, XL-26-15, the first hole drilled at Alloy Max North, located approximately 5.2 kilometres north of the RPM Zone discovery hole AN-24-02. Drilling is now ongoing at both the Alloy Max North and Alloy Max South zones, with additional holes underway from multiple drill pads where Company geologists identified visible awaruite in exposed bedrock prior to drilling.

1. Visible Awaruite Over the Entire 414-Metre Hole: Drilled at a 60-degree dip to the east, XL-26-15 intersected visibly disseminated awaruite over its full 414-metre length and ended in open mineralization, with visual abundance and grain size increasing down hole to the east.
2. Confirms a Second Large-Scale Discovery: The hole establishes a new mineralized area approximately 5.2 kilometres north of the RPM Zone.
3. Only 200 m of a ~1.5 km Width Tested: XL-26-15 tested roughly 200 metres of width within a zone mapped about 1.5 kilometres wide, leaving approximately 1.3 kilometres of untested width to the east, where mineralization visually improves down hole.
4. A ~4 km Strike, Larger Than the RPM Zone: Alloy Max spans approximately 4 kilometres of strike and is interpreted to be significantly larger than the RPM Zone in both strike and width; drilling will step east into the larger mineralized area.
5. Active Drilling at North and South: Drilling is ongoing across additional pads at Alloy Max North and South, with minimal overburden allowing geologists to expose bedrock and identify visible awaruite before drilling.

Figure 5. Visible awaruite (Ni?Fe) grains, up to 382 microns, in drill core from discovery hole XL-26-15 at Alloy Max North (340 metres). The bright, metallic grains are awaruite, the naturally magnetic nickel-iron-cobalt alloy that the ONSHORE MAX™ process recovers and concentrates.

Figure 6. Map of the Alloy Max and RPM Zone areas showing DTR nickel (%) in surface rock samples, including 2026 Alloy Max drill pad locations and the RPM 2025 drill holes.

STRATEGIC ADVISOR: DR. DOUGLAS WICKS, FORMER U.S. ARPA-E PROGRAM DIRECTOR

On April 29, 2026, First Atlantic appointed Dr. Douglas Wicks as a Strategic Advisor.[15] Dr. Wicks is a globally recognized expert in critical minerals processing and geologic hydrogen with more than 25 years of senior leadership across the U.S. government, industrial minerals, advanced materials and academia. From 2019 to 2025 he served as a Program Director at the U.S. Department of Energy's Advanced Research Projects Agency-Energy (ARPA-E), where he designed and led the MINER program (Mining Innovations for Negative Emissions Resource Recovery), targeting domestic nickel, cobalt and other critical minerals through lower-emission processing, and ARPA-E's Geologic Hydrogen portfolio, the first U.S. federal program to competitively fund stimulated geologic hydrogen research from ultramafic rocks. He now serves as Strategic Director, ASCENT Japan at Renaissance Philanthropy and sits on the Advisory Board of its Chimaera Fund geologic hydrogen initiative.

As quoted in the Company's April 29, 2026 news release announcing his appointment, Dr. Douglas Wicks commented:

"I'm excited by the novel composition of awaruite (Ni?Fe), a naturally occurring magnetic nickel-iron-cobalt (Ni-Fe-Co) alloy. Because awaruite occurs naturally as a metallic alloy, it can move directly from mine to metal, feeding stainless steel production or refining for downstream applications. Its natural magnetism makes awaruite amenable to magnetic separation, a proven processing method for separating and concentrating magnetic ores at large scale across the global iron ore industry. Awaruite from the Pipestone XL Project could help onshore the North American nickel and cobalt supply chain, bypassing midstream smelting constraints and delivering usable feedstock for stainless steel, specialty alloy, and electric vehicle battery manufacturing industries."

GEOLOGIC HYDROGEN AND THE VEMA HYDROGEN JOINT VENTURE

The same serpentinization process associated with awaruite formation at Pipestone XL also generates hydrogen, and the Company is advancing a parallel geologic hydrogen initiative alongside its nickel-cobalt program. As announced on June 9, 2026, First Atlantic and Vema Hydrogen signed a letter of intent to jointly develop low-carbon Engineered Mineral Hydrogen (EMH) at Pipestone XL through a proposed 50/50 joint venture.[16] The presence of awaruite, which forms only when hydrogen reduces nickel and iron during serpentinization, is a direct geological signature of a hydrogen-generating system.

Samples from the Alloy Max Zone, including drill core from XL-26-15 and subsequent holes, will be used in the Company's Engineered Mineral Hydrogen (EMH) evaluation work at Pipestone XL.

THE PIPESTONE XL PROJECT: AN ENTIRE 30-KILOMETRE OPHIOLITE ENRICHED IN NICKEL, COBALT AND CHROMIUM

First Atlantic's wholly owned Pipestone XL Nickel-Cobalt Alloy Project spans the entire 30-kilometre Pipestone Ophiolite Complex in central Newfoundland, a belt of ultramafic rock enriched in nickel, cobalt and chromium that hosts multiple zones of awaruite (Ni?Fe) mineralization, including RPM, Alloy Max, Super Gulp, Atlantic Lake and Chrome Pond. The RPM Zone is the most advanced, where drilling has outlined magnetically recoverable awaruite over a strike length of more than 1.2 kilometres and a width of more than 800 metres. A second large-scale zone, Alloy Max, is currently being drilled to the north and spans approximately 4 kilometres of strike and up to 1.5 kilometres of width, larger than the RPM Zone.

Awaruite at Pipestone XL is the product of serpentinization, in which hydrogen generated by the alteration of ultramafic rock reduces nickel and iron into native metallic form. The same reducing conditions drive sulphur out of the system, producing a sulphur-free nickel-iron-cobalt alloy rather than a sulphide, which is why awaruite carries no acid mine drainage risk and can be concentrated by the ONSHORE MAX™ process without smelting. The project also hosts secondary chromium mineralization (chromite grading 60.2% Cr?O? at the RPM Zone) and reactive brucite, which the Company is evaluating as potential co-products.

The Pipestone XL Project is strategically located in an established infrastructure corridor in central Newfoundland. It has year-round road access from Grand Falls-Windsor and the Trans-Canada Highway to the north and from St. Alban's to the south, and sits near high-voltage transmission lines and clean hydroelectric power from the Bay d'Espoir Hydroelectric Generating Station, the largest hydroelectric facility on the island of Newfoundland.[17] The project lies within approximately 200 kilometres of Gander International Airport and of Vale's Long Harbour processing plant, which refines low-carbon nickel and cobalt from the Voisey's Bay mine into Class 1 nickel that Vale supplies to customers including Tesla under a long-term agreement.[18] Newfoundland and Labrador has ranked among the top 10 mining jurisdictions globally from 2022 to 2025 in the Fraser Institute's Annual Survey of Mining Companies; in the 2024 survey it placed 8th, one of only two Canadian jurisdictions in the top 10 alongside Saskatchewan (7th).[19]

Figure 7: Image showing discovery hole RPM DDH001 (24-AN-02) with disseminated sulfur-free nickel-iron alloy (awaruite). Top image showing close-up of drill core at 384 meters with coarse grained disseminated awaruite; middle image showing core boxes from 380 meters to 394 meters, end of hole; bottom images showing microscope photos of individual large grains of awaruite, 580 microns to 667 microns at 384 meters.

Figure 8: Awaruite mineral electron image showing desulphurization of primary pentlandite, from the Atlantic Lake Zone at the Pipestone XL Project. Imaged by Mike Piller (2012); credit Memorial University.

Figure 9: Map showing multiple target zones across the 30-kilometer nickel trend over total magnetic intensity (TMI) at the Pipestone XL project highlighting the showing the 30-kilometre Pipestone Ophiolite Complex and the RPM, Alloy Max, Super Gulp, Atlantic Lake and Chrome Pond zones.

AWARUITE: A SMELTER-FREE NICKEL-COBALT ALLOY (Ni?Fe)

Figure 10: USGS quote on awaruite nickel-iron-cobalt alloy.

Awaruite is a naturally occurring, sulfur-free nickel-iron-cobalt alloy with nickel content of approximately 77%. Because it already exists in a metallic state, awaruite can be processed into a high-grade concentrate of approximately 60% nickel through magnetic separation and flotation, without smelting, roasting, or high-pressure acid leaching. This concentrate can be sent directly for downstream battery chemical refining or for the manufacture of specialty alloys and stainless steel.

As stated in the August 2025 report *From Rocks to Power: Strategies to Unlock Canada's Critical Minerals for Global Leadership in Energy Storage, EVs, & Beyond* from the Battery Metals Association of Canada:

"Awaruite is not a sulfide nor an oxide nickel ore but a high-content native nickel-iron ore. Simple beneficiation processes after mining could provide 60% Ni concentrate, ready for leaching for battery cathode purposes and would yield MHP as a by-product. This process would bypass pyrometallurgy or early hydrometallurgy stages and be among the lowest carbon-intensive nickel production sites in the global nickel market."[20]

The U.S. Geological Survey highlighted awaruite's potential in its Mineral Commodity Summaries 2012, stating:

"The development of awaruite deposits in other parts of Canada may help alleviate any prolonged shortage of nickel concentrate. Awaruite, a natural iron-nickel alloy, is much easier to concentrate than pentlandite, the principal sulfide of nickel."

The absence of sulfur reduces the risk of acid mine drainage and certain permitting challenges commonly associated with sulfide mineralization, positioning awaruite to supply North American industries including stainless steel, electric vehicles, aerospace, and defence.

ABOUT FIRST ATLANTIC NICKEL & COBALT CORP.

First Atlantic Nickel & Cobalt Corp. (TSXV: FAN | OTCQB: FANCF | FSE: P210) is a critical mineral exploration company in Newfoundland and Labrador developing the Pipestone XL Nickel-Cobalt Alloy Project. The project spans the entire 30-kilometre Pipestone Ophiolite Complex, where multiple zones, including RPM, Alloy Max, Super Gulp, Atlantic Lake and Chrome Pond, contain awaruite (Ni?Fe), a naturally occurring magnetic nickel-iron-cobalt alloy of approximately 77% nickel with no sulphur and no sulphides, along with secondary chromium mineralization. Awaruite's sulphur-free composition removes acid mine drainage risk, while its magnetic properties enable processing through magnetic separation and flotation, eliminating the electricity requirements, emissions and environmental impacts of conventional smelting, roasting or high-pressure acid leaching, while reducing dependence on overseas nickel processing

infrastructure.

INVESTOR INFORMATION

The Company's common shares trade on the TSX Venture Exchange under the symbol "FAN", on the OTCQB under the symbol "FANCF", and on several German exchanges, including Frankfurt and Tradegate, under the symbol "P210". Investors can get updates by signing up for news via email and SMS text at www.fanickel.com.

FOR MORE INFORMATION

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QUALIFIED PERSON

Adrian Smith, P.Geo., a director and the Chief Executive Officer of the Company, is a qualified person as defined by NI 43-101. The qualified person is a member in good standing of the Professional Engineers and Geoscientists Newfoundland and Labrador (PEGNL) and is a registered professional geoscientist (P.Geo.). Mr. Smith has reviewed and approved the technical information disclosed herein.

DISCLOSURE

A Master Composite sample from the RPM Zone was prepared by SGS Canada Inc. ("SGS") in Lakefield, ON. SGS is an ISO/IEC 17025-accredited laboratory and acted independently of the Company. The Master Composite comprises 32 continuous, representative drill core samples totalling 96 metres from AN24-02 and was subjected to detailed head characterization, including mineralogy, LIMS beneficiation, and flotation testing.

The metallurgical results disclosed herein are preliminary and are based on bench-scale test work performed on a single composite sample. The program was designed to confirm the core functionality of the proposed processing methodology rather than to define final design parameters. Accordingly, the preliminary results reported should be regarded as proof of concept only and may not be representative of results obtained from variability samples, larger-scale testing, or an optimized flowsheet. Additional test work is required and is planned, including the optimization testing discussed below.

The Master Composite was stage-ground to 100% passing 300 microns and screened from its top size down to 38 microns. Unpulverized material from each size fraction was submitted for Tescan Integrated Mineral Analysis ("TIMA") and electron microprobe analysis. The electron microprobe analysis results represent average readings from 33 separate tests conducted on the 106-micron and 38-micron size fractions to determine the average metal grades of the main minerals in the representative Master Composite material. Awaruite analysis showed an average grade of 77.62% nickel and 1.69% cobalt from 33 readings, with a minimum grade of 71.35% nickel and 0.41% cobalt and a maximum grade of 86.68% nickel and 6.05% cobalt.

Based on a total awaruite content of 0.16% across the combined size fractions and an average awaruite nickel content of 77.62%, the total grade of nickel as awaruite is 0.127%. This aligns well with the Davis Tube Recovery ("DTR") value measured on the Master Composite head sample of 0.120% DTR nickel. DTR nickel is measured using a Davis Tube magnetic separator operating at approximately 3,500 Gauss; because a Davis Tube has a more aggressive cleaning action than a LIMS drum, this intensity is roughly equivalent to the approximately 1,000 Gauss used in the LIMS drum separator and represents a similar recoverable, magnetic nickel. DTR nickel therefore provides a measurement against which LIMS nickel recovery is measured.

The first-ever LIMS processing performed by SGS was conducted in stages to first reject the bulk of the non-magnetic gangue and then progressively upgrade the magnetic fraction. In rougher LIMS testing, two-kilogram charges of the Master Composite were stage-ground and passed once through an Eriez

laboratory drum separator operating at a magnetic intensity of approximately 1,000 Gauss. The resulting concentrate and tailings were filtered, dried, weighed and sub-sampled for assay. Rougher testing was performed across primary grind sizes ranging from approximately 500 to 150 microns (P80). An intermediate primary grind target of approximately 300 microns (P80) was selected as the optimal basis for bulk rougher LIMS, balancing mass rejection against nickel recovery; at this grind, approximately 74% of the mass was rejected. The bulk rougher LIMS concentrate was then reground to a P80 of approximately 71 microns and processed through a cleaner LIMS stage. A scavenger stage was performed on the cleaner tailings, and the two concentrates were combined. The combined cleaner concentrate was finally reground to a P80 of approximately 27 microns and processed through three stages of recleaner LIMS. The recleaner and scavenger concentrates were combined to produce the final magnetic concentrate used as flotation feed. Across the multi-stage LIMS circuit, approximately 94% of the feed mass was rejected to non-magnetic tailings while close to 90% of the recoverable DTR nickel was retained, producing a final magnetic concentrate, used as flotation feed, grading approximately 1.6% nickel. Both X-ray fluorescence (XRF) spectroscopy and Inductively Coupled Plasma (ICP) analytical methods were used to determine nickel and cobalt grades in this preliminary work. The LIMS results demonstrate that magnetic separation processing functioned as expected, with optimization testing remaining to improve on the preliminary success and further refine the demonstrated core process functionality.

Preliminary flotation testing was performed by SGS on the recleaner LIMS concentrate, with the objective of producing a concentrate grading approximately 60% nickel. Four preliminary flotation tests resulted in concentrate grades ranging from 63.7% to 71.9% nickel and averaging 67.4% nickel, exceeding the objective grade in nickel alloy concentrate. The baseline flotation circuit used sulphuric acid (H2SO4) for pH control, Sodium Isopropyl Xanthate as the collector, and a frother. The circuit consisted of a multi-stage rougher circuit followed by three stages of cleaner flotation, with timed concentrate collection and a conditioning period before each stage. The lead run targeted maximum concentrate grade by reducing the conditioning pH, increasing the slurry temperature to approximately 35°C before conditioning, extending the rougher circuit to seven stages, and applying a polishing pre-grind to the flotation feed. Under preliminary conditions, the rougher circuit recovered approximately 67.6% of the contained nickel into approximately 4.0% of the mass at a grade of 26.7% nickel. Three subsequent stages of cleaner flotation upgraded that rougher concentrate to a third-cleaner concentrate grading 71.9% nickel and 1.76% cobalt, producing a near-pure awaruite product. At approximately 63% to 67% nickel concentrate, nickel recovery from the flotation feed ranged between approximately 65% and 66%, with the balance representing the nickel that was missed and left behind, reporting predominantly as fine awaruite to the rougher flotation tailings and to earlier LIMS stages, or leached into solution during flotation, which remains to be investigated. Process recoveries cannot be predicted given the limited sample data and the preliminary nature of the testing, with planned work aiming to optimize lab/procedure detail and increase the sample size and representation from additional areas on the project. The filtrate/process water from flotation testing was assayed by ICP analysis and reported in mg/L. Back-calculated results indicate that 4.9% to 7.1% of the nickel from the magnetic concentrate was leached into solution during the four preliminary flotation tests; this leached nickel is not included in the preliminary calculations, as hydrometallurgy falls outside the scope of the preliminary test work. Further flowsheet optimization and continued metallurgical testing will investigate recovery of the leached nickel through known methods, including re-precipitation into a viable nickel product. Planned optimization work is expected to target a 60%-65% nickel alloy concentrate and will include further grind-size, LIMS, and flotation optimization. Larger pilot-scale work is planned to follow this first demonstration of core process functionality.

Forward-Looking Statements

This news release contains certain forward-looking information and forward-looking statements within the meaning of applicable securities laws. Forward-looking statements are frequently identified by words such as "expects", "intends", "plans", "anticipates", "believes", "may", "will", "would", "could", "potential", "proposed", "target", "prospective", "indicates", "designed to", "expected to" and similar expressions, or statements that events, conditions or results "will", "may", "could", "would" or "should" occur or be achieved.

Forward-looking information in this news release includes, but is not limited to, statements regarding: the potential effectiveness, scalability and commercial application of the Company's ONSHORE MAX™ Magnetic Alloy eXtraction recovery and concentration process; the potential to improve nickel and cobalt recovery, concentrate grade and process performance through additional test work and optimization; the Company's plans to conduct further metallurgical test work, including grind-size, LIMS, flotation, gravity

separation, chromium, cobalt, hydrometallurgical and downstream refining studies; the potential recovery of nickel leached into solution during flotation testing; the potential to produce a 60% to 65% nickel alloy concentrate or other saleable nickel-cobalt products; the potential production of battery-grade nickel sulphate or other downstream nickel or cobalt products; the potential qualification of any future nickel product under Section 45X(c)(6) of the U.S. Advanced Manufacturing Production Credit; the potential advantages of awaruite and the ONSHORE MAX™ process compared with conventional nickel sulphide and laterite processing, including the potential to bypass midstream smelting, roasting, high-pressure acid leaching, offshore processing or treatment and refining charges; the potential environmental, energy, emissions, freight, processing, cost or supply-chain advantages of the process; the potential for awaruite concentrate to support a vertically integrated North American or allied G7 nickel-cobalt supply chain; the Company's plans to advance permitting for a large-scale bulk sample at the RPM Zone; the potential extraction and processing of a bulk sample; the potential advancement of the ONSHORE MAX™ process from bench scale toward a pilot-scale plant; the timing, design, construction, operation and results of any pilot-scale plant; the potential for the Company to benefit from government policies, programs, incentives, offtake, equity investment, co-financing or strategic supply-chain initiatives; and the Company's future exploration, metallurgical, development, permitting and corporate plans.

Forward-looking information is based on a number of assumptions that management considers reasonable as of the date of this news release, including assumptions that: the preliminary bench-scale metallurgical results are sufficiently encouraging to support further test work; the Master Composite and future bulk sample material will be sufficiently representative to advance the Company's metallurgical understanding of the RPM Zone; additional test work will be able to further optimize recoveries, grades and process conditions; the Company will be able to obtain required permits, approvals and authorizations for a bulk sample and related activities on acceptable terms and within expected timelines; sufficient material will be available from the RPM Zone for further metallurgical and pilot-scale work; awaruite mineralization will continue to demonstrate metallurgical characteristics favourable to magnetic separation and flotation; the Company will be able to access the technical, financial and operational resources required to advance the ONSHORE MAX™ process; downstream refining alternatives for nickel and cobalt products will remain technically and commercially available; applicable laws, policies, incentives and critical-minerals programs, including U.S. and allied initiatives, will remain in effect or develop in a manner favourable to the Company; and general business, market, commodity price, regulatory and economic conditions will not change in a material adverse manner.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from those expressed or implied by such forward-looking information. These risks and uncertainties include, but are not limited to: the risk that preliminary bench-scale metallurgical results may not be representative of future variability, bulk sample, pilot-scale or commercial-scale results; the risk that additional metallurgical test work may not improve recovery, grade, process performance or product quality; the risk that the ONSHORE MAX™ process may not prove technically, economically or commercially viable; risks related to scaling bench-scale results to pilot-scale or commercial operations; risks that future concentrate, nickel, cobalt or by-product grades, recoveries or specifications may not meet expectations or downstream customer requirements; risks related to the recovery or treatment of nickel leached into solution; risks associated with permitting, environmental review, Indigenous and community engagement, surface access, regulatory approvals and timing; risks that a bulk sample or pilot-scale plant may be delayed, modified, not permitted, not constructed or not operated as planned; risks that capital, operating, energy, transportation, treatment, refining or downstream processing costs may be higher than expected; risks that the Company may not obtain financing, strategic investment, offtake, government support or other arrangements on acceptable terms or at all; risks relating to changes in commodity prices, demand for nickel and cobalt, battery supply chains, stainless steel and specialty-alloy markets, and general economic conditions; risks relating to changes in laws, tax credits, government policies, trade policies, tariffs, critical-minerals programs or geopolitical conditions; risks that any future nickel or cobalt product may not qualify for applicable incentives or credits; environmental, technical, operational and development risks inherent in mineral exploration and development; and the other risks described in the Company's public disclosure documents filed under its profile on SEDAR+.

Although the Company believes that the assumptions and expectations reflected in the forward-looking information are reasonable as of the date of this news release, there can be no assurance that such assumptions or expectations will prove to be correct. Readers should not place undue reliance on forward-looking information. The forward-looking information contained in this news release is made as of the date hereof, and the Company does not undertake to update or revise any forward-looking information, except as required by applicable securities laws.

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Photos accompanying this announcement are available at
https://www.globenewswire.com/NewsRoom/AttachmentNg/5f9f3954-cc85-4215-a482-007a1214c3f7

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