



# Class 1 Nickel and Technologies Announces Private Placement of Flow-Through Units

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TORONTO, April 22, 2021 /CNW/ - Class 1 Nickel and Technologies Ltd. (CSE: NICO) (OTCQB: NICLF) ("**Class 1 Nickel**" or the "**Company**") is pleased to announce that it has entered into an agreement with Echelon Capital Markets ("**Echelon**"), as sole agent and bookrunner, that has agreed to sell, on a "best efforts" private placement basis, a minimum of \$2,000,000 of units of the Company (the "**Offering**") that will consist of common shares that will qualify as "flow-through shares" (within the meaning of subsection 66(15) of the Income Tax Act (Canada) and, with respect to those applied to the Company's Quebec operations, section 359.1 of the Taxation Act (Québec)) (collectively, the "**Offered Securities**").

The Offered Securities will be issued in two tranches:

- Tranche 1 ("**FT Tranche One**") will consist of a minimum of \$2,000,000 in Offered Securities to be issued at a price of \$0.60 to residents outside of Canada (the "**FT Units**"). Each FT Unit will be comprised of one common share and one common share purchase warrant (the "**FT Warrants**"). Each whole FT Warrant will entitle the holder to acquire one additional common share of the Company at a price of \$0.80 for a period of 3 years following the Closing Date.
- Tranche 2 ("**FT Tranche Two**") will consist of up to \$2,000,000 in Offered Securities to be issued at a price of \$0.65 to residents of Québec ("**Quebec FT Units**"). Each Quebec FT Unit will be comprised of one common share and one common share purchase warrant (the "**Quebec FT Warrants**"). Each whole Quebec FT Warrant will entitle the holder to acquire one additional common share of the Company at a price of \$0.85 for a period of 3 years following the Closing Date.

The Company has also granted Echelon an option to purchase up to an additional 15% of Offered Securities, in any combination of FT Units and Quebec FT Units as Echelon may determine, exercisable at any time until 48 hours prior to Closing.

It is anticipated that the net proceeds from the Offering will be used for exploration expenditures at the Company's Alexo-Dundonald Project in Ontario and the Somanike Project in Quebec.

The gross proceeds received by the Company from the sale of the Offered Securities will be used to incur Canadian Exploration Expenses ("**CEE**") that are "flow-through mining expenditures" (as such terms are defined in the *Income Tax Act* (Canada)) and, with respect to FT Tranche One, will also qualify as "eligible Ontario exploration expenditures" within the meaning of subsection 103(4) of the *Taxation Act, 2007* (Ontario) (collectively, the "**Qualifying Expenditures**"). In addition, with respect to Québec resident subscribers who are eligible individuals under the *Taxation Act* (Québec), the Canadian exploration expenses will also qualify for inclusion in the "exploration base relating to certain Québec exploration expenses" within the meaning of section 726.4.10 of the *Taxation Act*

(Québec) and for inclusion in the "exploration base relating to certain Québec surface mining expenses or oil and gas exploration expenses" within the meaning of section 726.4.17.2 of the *Taxation Act* (Québec).

The Qualifying Expenditures will be incurred on or before December 31, 2022 and will be renounced by the Company to the subscribers with an effective date no later than December 31, 2021 to the initial purchasers of the Offered Securities in an aggregate amount not less than the gross proceeds raised from the issue of the Offered Securities. In the event that the Company is unable to renounce on or prior to December 31, 2021 and/or if the Qualifying Expenditures are reduced by the Canada Revenue Agency, the Company will as sole recourse for such failure to renounce, indemnify each Offered Security subscriber for the additional taxes payable by such subscriber to the extent permitted by the *Income Tax Act* (Canada) as a result of the Company's failure to renounce the Qualifying Expenditures as agreed.

Echelon will receive a cash commission (the "**Commission**") equal to 7.0% of the gross proceeds from the Offering and the Company shall issue to Echelon compensation options (the "**Compensation Options**") equal to 7.0% of the number of Offered Securities sold under the Offering. Each Compensation Option shall entitle the holder thereof to subscribe for one common share unit (a "**Broker Unit**") at \$0.60 per unit for a period of 3 years from the Closing Date. Each Broker Unit will consist of one common share of the Company and one common share purchase Warrant, with each Warrant entitling the holder thereof to acquire one common share of the Company at a price \$0.80 for a period of 3 years following the closing of the Offering.

The Offering is scheduled to close on or about May 19, 2021 and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and other approvals including the approval of the Canadian Securities Exchange and the securities regulatory authorities.

The securities to be offered pursuant to the Offering have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

**Class 1 Nickel and Technologies Limited (CSE: NICO)** is a mineral resource company focused on the development of its 100% owned Alexo-Dundonald Project, a portfolio of komatiite hosted magmatic nickel-copper-cobalt sulphide resources located near Timmins, Ontario, as well the Somanike komatiite hosted nickel copper project in Quebec, which includes the famous Marbridge Mine.


*For additional information please visit our new website at [www.class1nickel.com](http://www.class1nickel.com) and our Twitter feed: @Class1Nickel .*

*This press release may include forward-looking information within the meaning of Canadian securities legislation, concerning the business of the Company. Forward-looking information is based on certain key expectations and assumptions made by the management of the Company. Although the Company believes that the expectations and assumptions on which such forward-looking information is based on are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurance that they will prove to be correct. Forward-looking statements contained in this press release are made as of the date of this press release. The Company disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise,*

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*Neither the Canadian Securities Exchange nor its regulation services provider has reviewed or accepted responsibility for the adequacy or accuracy of this press release.*

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