Power Nickel Follows Up Release of NI 43-101 Compliant Mineral Resource Estimate on the Nisk Nickel Project With Commencement of Second Round of Drilling

written by Raj Shah | September 22, 2022

September 22, 2022 (Source) – **Power Nickel Inc. (the "Company" or "Power Nickel") (TSXV:PNPN)(OTCQB:CMETF)(Frankfurt:IVVI)** is pleased to follow up on the recent release of the NI 43-101 Technical Report and Mineral Resource Estimate ("MRE") on the "Nisk" Nickel project with the commencement of the second round of drilling. The NI 43-101 Technical Report and Mineral Resources Estimate for the Nisk Project was filed on SEDAR on August 30, 2022.

The Nisk Project is located in the southern portion of the Eeyo Istchee James Bay territory, Québec, a region that is the site of a number of mining projects (***Figure 1***) and improving infrastructure (***Figure 2***).[1]

[1] References to nearby properties is for information purposes only and there is no assurance that Power Nickel will achieve the same results as on the nearby properties.

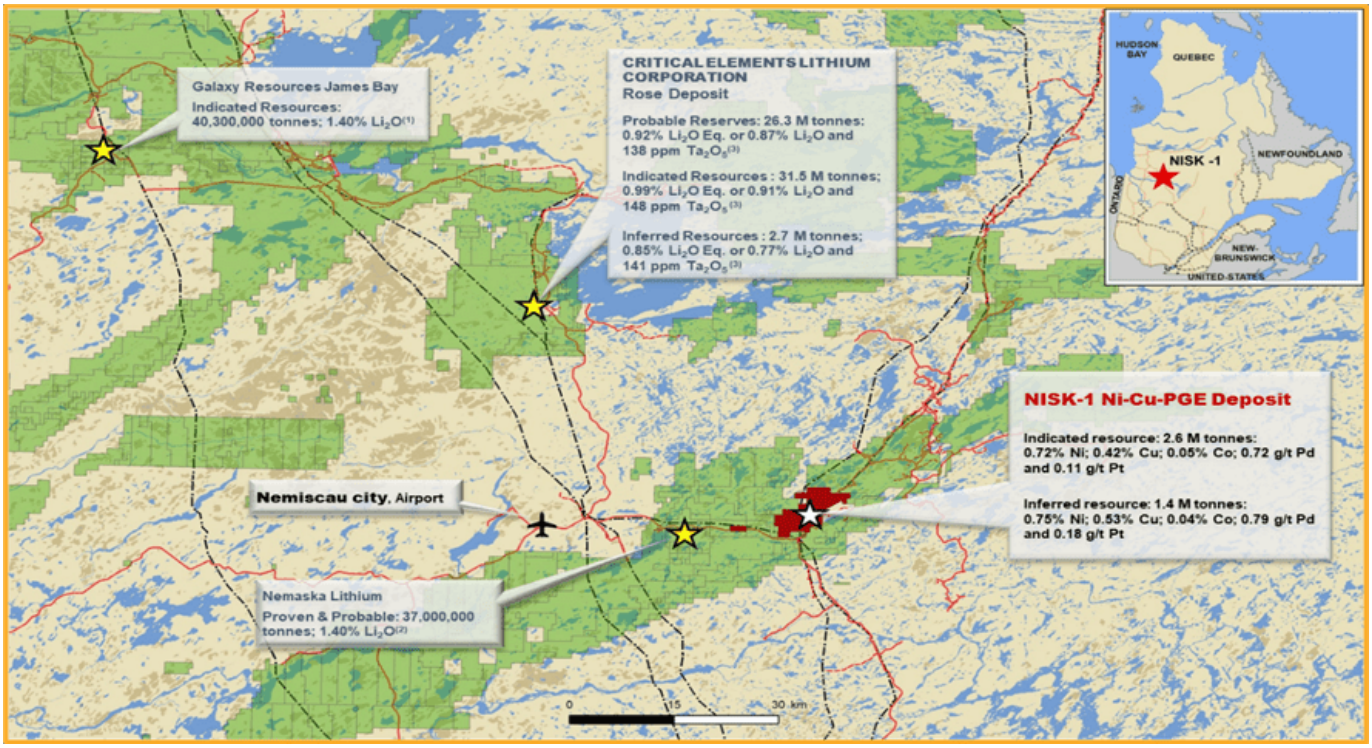


Figure 1 – Location of the Nisk Project with respect to the location of other known deposits.

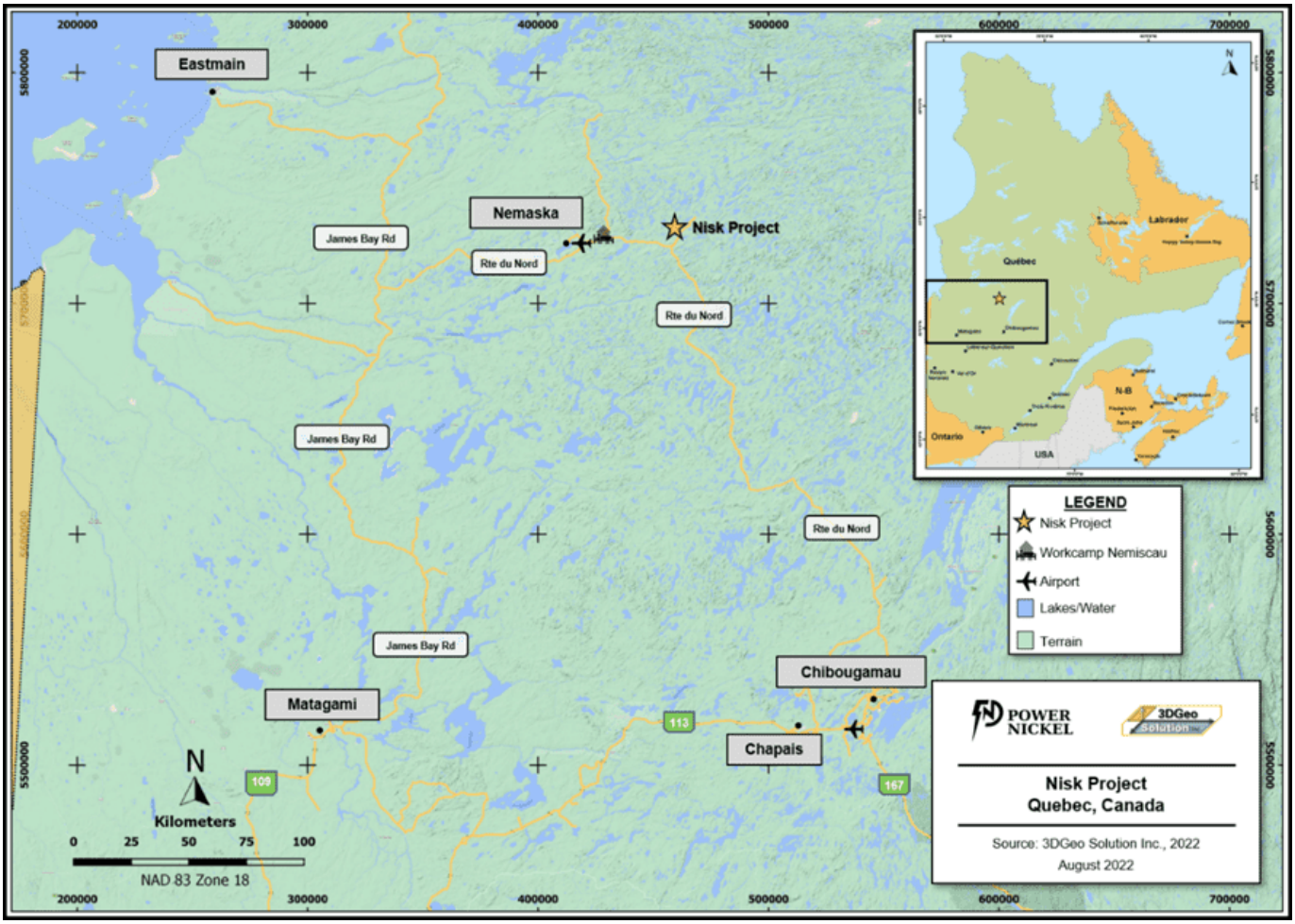
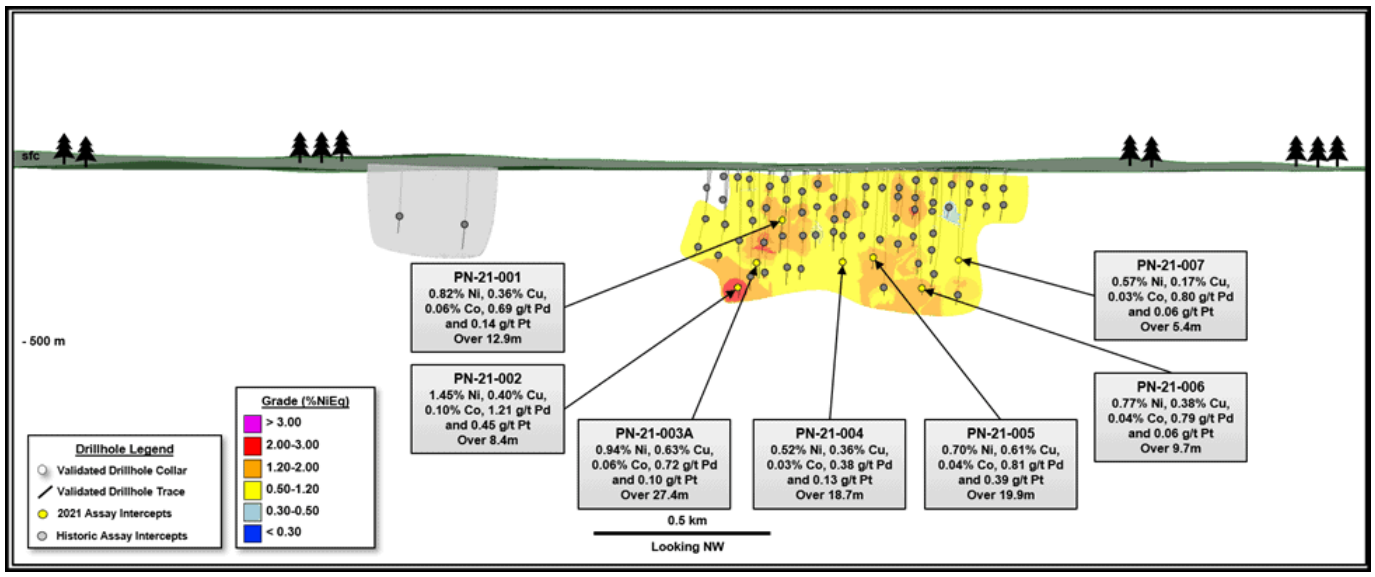


Figure 2 – Location of the Nisk Project with respect to the current infrastructure available in the area.

Power Nickel completed the acquisition of its option to acquire up to 80% of the Nisk Project from Critical Elements Lithium Corp. (CRE:TSXV). The Nisk Project comprises a large land position (20 kilometres of strike length) with numerous high-grade Nickel intercepts. Since completion of the option, Power Nickel retained 3DGeo Solution Inc to create a geological model of the Nisk Project and used this as a guide to the very successful initial Power Nickel 2400-metre drill program completed last December and reported in March of 2022. (See figure 3 below, modified from Press Release dated March 30, 2022).



On the basis of this drill program and the historical drill results, 3DGeo Solution Inc was mandated to conduct a Mineral Resource Estimate and to prepare a NI 43-101 Technical Report on the Nisk Project. Engineering work related to defining a constraining pit shell and underground mineable shapes was contracted to InnovExplo Inc. The Highlights of the Mineral Resource Estimate are below.

Table 1 – 2022 Nisk Project Mineral Resource Estimate.

Scenario	Classification	*Cut-off* NiEq (%)	Mass (t)	*Grade* NiEq (%)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	Ag (g/t)	*Material Content* NiEq (t)
Open Pit	Indicated	0.33	894,100	0.87	0.53	0.32	0.03	0.08	0.47	0.04	2.05	7,800
	Inferred	0.33	67,000	1.04	0.62	0.34	0.04	0.13	0.70	0.07	2.46	700
Underground	Indicated	0.91	1,693,500	1.37	0.83	0.48	0.05	0.13	0.86	0.06	2.65	23,200
	Inferred	0.91	1,337,800	1.30	0.76	0.54	0.05	0.18	0.80	0.04	1.67	17,400
Total	**Indicated**	**0.33 + 0.91**	**2,587,600**	**1.20**	**0.72**	**0.42**	**0.05**	**0.11**	**0.72**	**0.05**	**2.44**	**31,000**
	Inferred	0.33 + 0.91	1,404,800	1.29	0.75	0.53	0.04	0.18	0.79	0.04	1.71	18,100

Note: NiEq = Nickel Equivalent, Ni = Nickel, Cu = Copper, Co = Cobalt, Pt = Platinum, Pd = Palladium, Au = Gold, Ag = Silver, % = Percent, g = Gram, t = Metric tonne

Notes to Accompany Mineral Resource Table:

1. The Independent Qualified Persons for the purposes of this Mineral Resource Estimate (MRE), as defined in NI 43-101, is

Kenneth Williamson, P.Geo.. (OGQ # 1490) of Solution 3DGéo inc. The effective date of the estimate is May 17, 2022.

2. The estimate of the mineral resources of the Nisk Project complies with the “CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines” of November 29, 2019. The Mineral Resources were estimated in accordance with the Canadian Institute of Mining, Metallurgy, and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions (2014), and Best Practices Guidelines (2019) prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.

3. These mineral resources are not mineral reserves since their economic viability has not been demonstrated.

4. The resources are presented before dilution and in-situ and are considered to have reasonable prospects of economic extraction. Isolated and discontinuous blocks with a grade greater than the selected cut-off grade are excluded from the estimate of underground mineral resources. The blocks that must be included, i.e., isolated blocks with a grade below the cut-off grade located within potentially mineable volumes, have been included in the mineral resource estimate.

5. As of May 17, 2022, the database included a total of 66 drill holes (59 historic and 7 recent 2021 drill holes) totaling 15,266.3 meters of drilling.

6. A value of half of the assay lab detection limit for each element was used as a grade for the un-assayed core.

7. The assays were grouped within the mineralized domains in composites of 1.00 meters in length.

8. The block model was prepared using Leapfrog® Geo and Edge

software. The block model consists of 2-meter parent blocks and sub-blocks of 1 meter. The block model has a dip azimuth of 340°.

9. An interpolation according to the “inverse distance squared” (“ID^2“) method was performed to estimate the grades in the interpreted mineralized volume.

10. An interpolation according to the “inverse distance squared” (“ID^2“) method was performed to estimate the Density (SG) in the interpreted mineralized volume. Sample intervals with missing SG values were calculated based on a strong correlation with %Ni. The calculation used was SG = (0.7001 x %Ni) + 2.6751.

11. The “Open Pit” mineral resources are presented at a cut-off grade of 0.33 %NiEq and are confined within a “Whittle” pit shell. The “Underground” mineral resources are presented at a cut-off grade of 0.91 %NiEq and are confined within volumes defined using “DSO” (Deswik Stope Shape Optimizer). These volumes correspond to groups of contiguous blocks with a reasonable size to be exploited by underground mining methods.

12. The engineering work required for the cut-off grade estimation and the creation of the DSO volumes were performed by InnovExplo Inc., and the following economic parameters were used: US $8.00/lb Nickel, $3.00/lb Cu, $25.00/lb Cobalt, $1000/Oz Platinum, $1000/Oz Palladium, $1300/Oz Gold, and $17.00/Oz Silver; Exchange rate of USD/CAD 1.30, metallurgical recovery of 85%, total processing cost CA $40.00/t, mining cost CA $6.00/t, mining overburden cost CA $4.20/t, underground mining cost CA $110.00/t, G&A cost CA $12.20/t, northern logistics costs CA $10.00/t. It should be noted that the G&A cost could be underestimated depending on the extraction sequence chosen.

13. The independent qualified person is not aware of any environmental, licensing, legal, title-related, tax, socio-political or marketing-related issue, or any other relevant issue that could have a material impact on the estimate of mineral resources.

14. The numbers of tonnes are rounded to the nearest hundred to reflect uncertainties, which may cause slight differences.

Figure 4 shows the grade of the Nickel Equivalent (%NiEq) mineral resources and ***Figure 5*** shows the mineral resource classification (indicated and inferred). Note that portions of the deposit still contain unclassified mineral potential and requires more in-fill drilling to potentially include this in a future updated MRE.

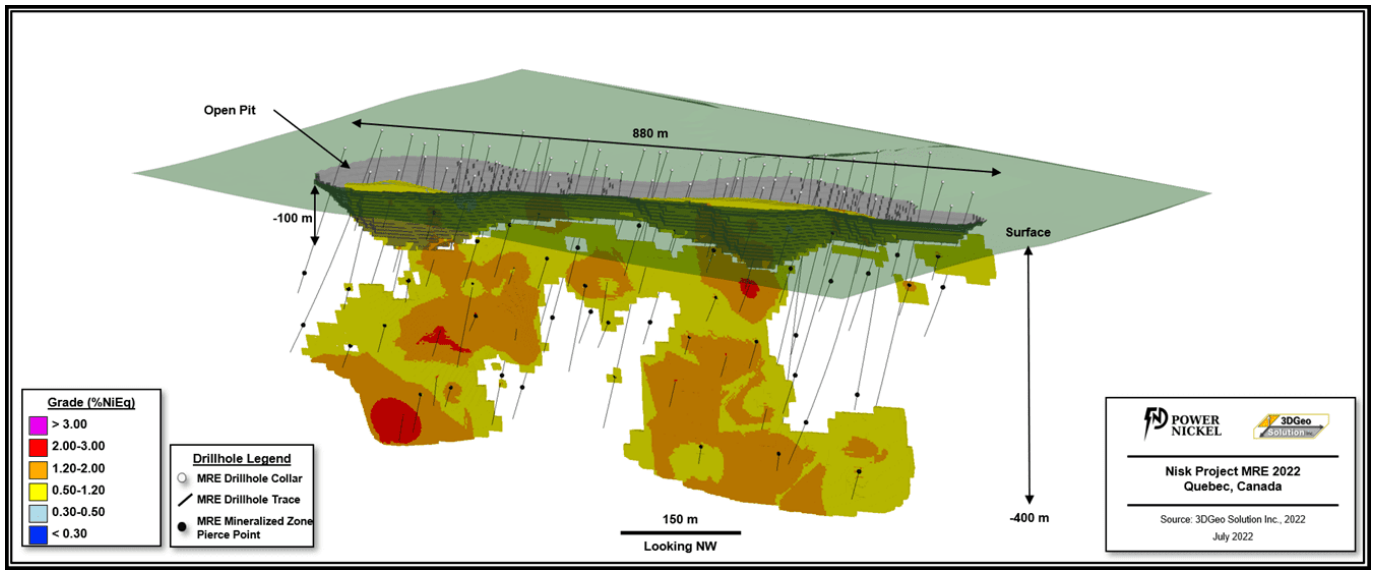


Figure 4 – Isometric view of the 2022 Nisk Project Mineral Resource Estimate, showing both the open pit constrained resources (using a cut-off grade of 0.33 %NiEq) and the underground constrained resources (at a cut-off grade of 0.91 %NiEq).

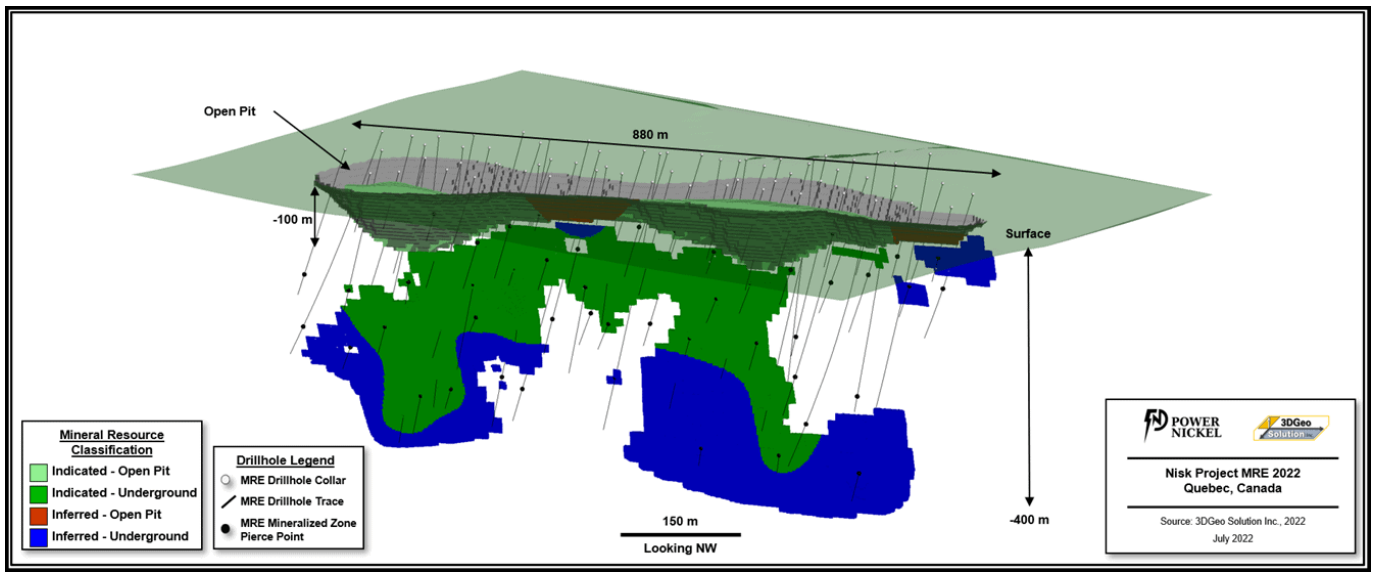
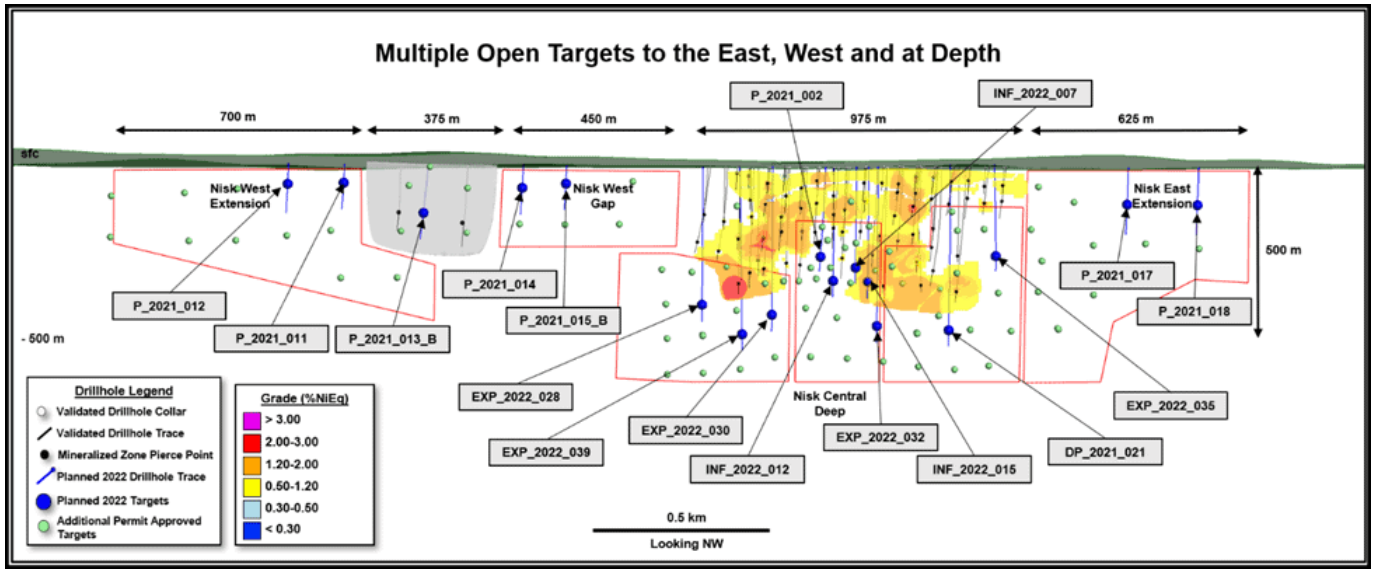


Figure 5 – Isometric view of the 2022 Nisk Project Mineral Resource Classification, showing both the open pit constrained resources (using a cut-off grade of 0.33 %NiEq) and the underground constrained resources (at a cut-off grade of 0.91 %NiEq).

Figure 6 **below shows the drill targets for phase 2 of the drilling at Nisk.**



As a follow-up to the filing of the Technical Report, 3DGeo Solution (3DGS) was mandated to design a drilling program aiming at infilling gaps within the defined resource area and to expand

the known mineralization along identified higher-grade shoots.

This second round of drilling, consisting of approximately 5,500 meters of drilling, aims at reaching over 15 of these different targets. GeoVector Management Inc is mandated as the operator of the current drilling program.

“We are very excited to get back to drilling and building on our resource at Nisk. The initial round of drilling was done largely to verify the historic resource and allow us to post the inaugural NI 43-101 Technical Report and MRE. This round, based on what we’ve learned from the MRE study, will enable us to better explore and we hope to expand the resource as we look to demonstrate Nisk has the potential to become Canada’s next Nickel Mine. The plan is to drill around 5,000 Metres but will adjust that to opportunities on the ground. We would expect the drilling program to continue into December and we will provide updates as progress dictates.” commented Terry Lynch CEO of Power Nickel

Qualified Persons

Kenneth Williamson, P.Geo., M.Sc. and Matthew DeGasperis, P.Geo., B.Sc., from 3DGeo Solution Inc and consultants to Power Nickel, are the independent qualified persons who have reviewed and approved the technical disclosure contained in this news release.

About Power Nickel Inc.

Power Nickel is a Canadian junior exploration company focusing on high-potential copper, gold, and battery metal prospects in Canada and Chile.

On February 1, 2021 Power Nickel completed the acquisition of its option to acquire up to 80% of the Nisk project from

Critical Elements Lithium Corp. (CRE:TSXV)

The NISK property comprises a large land position (20 kilometres of strike length) with numerous high-grade intercepts. Power Nickel is focused on expanding its current high-grade nickel-copper PGE mineralization Ni 43-101 resource with a series of drill programs designed to test the initial Nisk discovery zone and to explore the land package for adjacent potential Nickel deposits.

Power Nickel announced on June 8th, 2021 that an agreement has been made to complete the 100% acquisition of its Golden Ivan project in the heart of the Golden Triangle. The Golden Triangle has reported mineral resources (past production and current resources) in a total of 67 million ounces of gold, 569 million ounces of silver, and 27 billion pounds of copper. This property hosts two known mineral showings (gold ore and magee), and a portion of the past-producing Silverado mine, which was reportedly exploited between 1921 and 1939. These mineral showings are described to be Polymetallic veins that contain quantities of silver, lead, zinc, plus/minus gold, and plus/minus copper.

Power Nickel is also the 100-per-cent owner of five properties comprising over 50,000 acres strategically located in the prolific iron-oxide-copper-gold belt of northern Chile. It also owns a 3-per-cent NSR royalty interest on any future production from the Copaquire copper-molybdenum deposit, that was sold to a subsidiary of Teck Resources Inc. Under the terms of the sale agreement, Teck has the right to acquire one-third of the 3-per-cent NSR for $ 3 million at any time. The Copaquire property borders Teck’s producing Quebrada Blanca copper mine in Chile’s first region.

For further information on Power Nickel Inc., please contact:

Mr. Terry Lynch, CEO
647-448-8044
terry@powernickel.com

For further information, readers are encouraged to contact:

Power Nickel Inc.
The Canadian Venture Building
82 Richmond St East, Suite 202
Toronto, ON

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accept responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements

This news release contains certain statements that may be deemed "forward-looking statements" with respect to the Company within the meaning of applicable securities laws. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "indicates", "opportunity", "possible" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance, are subject to risks and uncertainties, and actual results or realities may differ materially from those in the forward-looking statements. Such material risks and uncertainties include, but are not limited to, the Company's ability to raise sufficient capital to fund its planned activities at the NISK Property and for general working capital purposes; the timing and costs of future

activities on the Company's properties; maintaining its mineral tenures and concessions in good standing; changes in economic conditions or financial markets; the inherent hazards associates with mineral exploration and mining operations; future prices of metals; changes in general economic conditions; accuracy of mineral resource and reserve estimates; the potential for new discoveries; the ability of the Company to obtain the necessary permits and consents required to explore, drill and develop the projects and if obtained, to obtain such permits and consents in a timely fashion relative to the Company's plans and business objectives for the projects; the general ability of the Company to monetize its mineral resources; and changes in environmental and other laws or regulations that could have an impact on the Company's operations, compliance with environmental laws and regulations, dependence on key management personnel and general competition in the mining industry. Forward-looking statements are based on the reasonable beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by law, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

SOURCE: Power Nickel Inc.