



Suite 725 – 1155 West Pender Street  
Vancouver, BC Canada V6E 2P4  
Tel: 604.681.8600  
e-mail: [info@fpxnickel.com](mailto:info@fpxnickel.com)

April 18, 2018

### President's Letter

Over the past year, FPX Nickel Corp. (“**FPX Nickel**”, or “**the Company**”) re-commenced the aggressive advancement of our flagship, 100%-owned Decar Nickel District (“**Decar**”, or “**the Decar District**”), located in central British Columbia, Canada. Progress on Decar took place on two important fronts, with exploration focused on the enlargement of the main Baptiste Deposit and the identification of the new Van Target, and engineering activities geared at the development of a new mine plan for Baptiste.

On the exploration front, the aim of the 2017 campaign was to test the potential to add higher-grade resources immediately to the southeast of the existing Baptiste Deposit, where adjacent holes drilled during the final phase of the 2012 campaign returned the highest-grading drill intercepts on the property. The 2017 stepout drilling program was very successful, returning two of the three highest-grading broad near-surface intervals in the project's history. The 2017 holes significantly expanded the highest-grade portion of Baptiste, called the Southeast Zone, an area of near-surface mineralization measuring approximately 1,000 metres long east-west by 200 to 600 meters wide with Davis Tube magnetically-recovered (“**DTR**”) nickel grades approximately 30% higher than the material modeled in the 2013 Preliminary Economic Assessment (“**PEA**”).

The results of the 2017 stepout drilling program were incorporated into an updated National Instrument 43-101 mineral resource estimate dated February 26, 2018. The updated resource estimate, which was completed using an assumed nickel price of US\$6.00/lb, highlights Baptiste as one of the world's largest and most attractive nickel deposits. Further, the new resource block model clearly demonstrates the potential to significantly improve the development plan for Baptiste by incorporating additional near-surface, higher-grade tonnage to the southeast of the 2013 PEA pit outline. This new block model forms the basis of the Company's ongoing internal trade-off studies, which aim to optimize the elements of a mine plan for the eventual production of an updated PEA.

On January 15, 2018, the Company announced assay results of bedrock samples from the Van Target, located 6 kilometres north of Baptiste. These results highlight Van as a very promising, drill-ready target, one that is larger and more compelling at this point than Baptiste was before it was first drilled in 2010. The Van Target, which measures approximately 2.9 square kilometres, has bedrock sample nickel grades greater than those initially encountered at Baptiste, in the same ophiolite host rocks and with the same apparent structural controls. While our current focus remains on the advancement of Baptiste, the emergence of this very large, drill-ready target at Van highlights the strategic importance of the Company's district-scale land package at Decar.

Our advancement of multiple targets at Decar coincides with a notable strengthening in the London Metal Exchange nickel price, which has risen approximately 50% in the past year. The global refined nickel market posted a cumulative deficit of approximately 140,000 tonnes in 2016 and 2017, and consensus analyst forecasts call for substantial and growing nickel market deficits in 2018 and beyond. In this positive fundamental context, FPX Nickel is ideally positioned as the most attractive pure-play nickel development company in the Canadian market.

During 2017, the Company added two new board members, Mr. Peter Marshall and Mr. Rob Pease. Peter and Rob have deep experience in the financing, development, permitting and construction of large-scale, open-pit projects in central British Columbia, notably the Mt. Milligan copper-gold mine, located 80 km east of the Decar District. They will play a critical role in helping us to advance the Baptiste Deposit through the development and permitting process.

With the board appointments of Messrs Marshall and Pease, we note the departures of two long-serving FPX Nickel Directors, Mr. Robert Watts and Mr. John Gammon. Mr. Watts, who resigned from the board in November 2017, was a founding Director of the Company in 1996, and Mr. Gammon, who will not stand for re-election at this year's annual general meeting, has been a board member since 2008. The Company has benefitted tremendously from the wisdom and counsel provided by Bob and John, and we wish them very well in their future endeavours.

I would like to thank the shareholders for their continued support and to invite each of you to attend the Company's annual meeting, which will be held at 2:00 pm on May 23, 2018, in our offices, at Suite 725, 1155 West Pender Street, in Vancouver, B.C. If you are unable to attend in person, please take a few minutes to complete and submit your Proxy or VIF form, as applicable.

Yours very truly,

A handwritten signature in black ink, appearing to read 'Martin Turenne', written in a cursive style.

Martin Turenne, President & Chief Executive Officer