

**Form 51-102F3**  
**Material Change Report**

**Item 1 Name and Address of Company**

First Atlantic Nickel Corp. (the “Company”)  
Suite 1890 – 1075 W. Georgia St.  
Vancouver, BC V6E 3C9

**Item 2 Date of Material Change**

December 22, 2025 and December 23, 2025

**Item 3 News Release**

News release dated December 23, 2025 was disseminated by way of the facilities of Global Newswire and posted under the Company’s SEDAR+ profile.

**Item 4 Summary of Material Change**

The Company closed a non-brokered private placement (the “Offering”) and issued 3,201,220 charity flow-through common shares (each, a “CFT Share”) at a price of \$0.2432 per CFT Share and 8,765,618 flow-through common shares of the Company (each, a “FT Share”) at a price of \$0.21 per FT Share.

**Item 5 Full Description of Material Change**

On December 22, 2025 and December 23, 2025, the Company closed the Offering of flow-through common shares, issued without warrants, for aggregate gross proceeds of \$2,619,316. In connection with the Offering, a strategic investor exercised its top-up rights under an Investor Rights Agreement, which entitles it to maintain an ownership interest in the Company of up to 9.99%. The Offering consisted of (i): 3,201,220 CFT Shares issued at a price of \$0.2432 per CFT Share; and (ii) 8,765,618 FT Shares issued at a price of \$0.21 per FT Share. Each of the CFT Shares and FT Shares was issued on a “flow-through” basis pursuant to the Income Tax Act (Canada).

The proceeds of the Offering will be used on the Company’s Pipestone XL Nickel Alloy Project in Newfoundland to incur eligible “Canadian exploration expenses” that will qualify as “flow-through mining expenditures,” as those terms are defined in the Income Tax Act (Canada) (the “Qualifying Expenditures”), on or before December 31, 2026. The Company will renounce all Qualifying Expenditures to subscribers effective December 31, 2025.

The Company intends to use the proceeds to immediately advance drilling and exploration at the RPM Zone, test newly identified drill targets across the Pipestone XL Project, and expand the scope and scale of its metallurgical recovery and processing program.

In connection with the Offering, the Company paid cash finder’s fees of \$52,552.50 and issued an aggregate of 210,000 non-transferable finders’ warrants (the “Finders’ Warrants”) to eligible arm’s length finders, in accordance with TSX Venture Exchange policies and applicable securities laws. Each Finders’ Warrant entitles the holder to purchase one common share of the Company at an exercise price of \$0.21 for a period of two years from the date of issuance.

The FT Shares and CFT Shares were offered by way of private placement pursuant to applicable exemptions from the prospectus requirements under applicable securities laws. All securities issued in connection with the Offering are subject to a statutory hold period of four months and one day from the closing date of the Offering, in accordance with applicable Canadian securities laws. The Offering remains subject to receipt of final approval from the TSX Venture Exchange.

**Item 5.1 Disclosure for Restructuring Transactions**

Not applicable.

**Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

**Item 7 Omitted Information**

Not applicable.

**Item 8 Executive Officer**

Adrian Smith  
CEO & Director

Business Telephone: 778-331-3816

Email: [adrian@fanickel.com](mailto:adrian@fanickel.com)

**Item 9 Date of Report**

December 23, 2025