

FORM 51-102F3
Material Change Report

MATERIAL CHANGE REPORT UNDER SECTION 7.1 OF
NATIONAL INSTRUMENT NO. 51-102

Item 1. **Reporting Issuer**

Class 1 Nickel & Technologies Limited (the “Company”)
82 Richmond Street East
Toronto, Ontario
M5C 1P1

Item 2. **Date of Material Change**

A material change took place effective December 23, 2022

Item 3. **Press Release**

On December 23, 2022, a news release in respect of the material change was disseminated by the Company.

Item 4. **Summary of Material Change**

The Company announced that it had closed a private placement (the “Private Placement”) pursuant to which it issued convertible debentures in the aggregate principal amount of \$500,000 (the “Debentures”).

Item 5. **Full Description of Material Change**

The material change is described in the Company's press release attached hereto as Schedule "A", which press release is incorporated by reference herein.

The Company announced that it had completed the Private Placement pursuant to which it issued the Debentures to raise aggregate gross proceeds of Cdn\$500,000.

Pursuant to the Private Placement, David Fitch indirectly acquired all of the Debentures for an aggregate purchase price of \$500,000. Mr. Fitch is an insider of the Company. As of December 23, 2022 immediately prior to the closing of the Private Placement, Mr. Fitch and his joint actors held an aggregate of 63,178,830 common shares of the Company (“Shares”) and convertible securities entitling Mr. Fitch and his joint actors to acquire an additional 15,706,560 Shares, representing approximately 43.7% of the issued and outstanding Shares (and approximately 49.2% on a partially diluted basis assuming exercise of such convertible securities only). Following the closing of the Private Placement, Mr. Fitch and his joint actors hold an aggregate of 63,178,830 Shares and convertible securities entitling Mr. Fitch and his joint actors to acquire an additional 20,252,014 Shares (inclusive of the Debentures), representing approximately 43.7% of the issued and outstanding Shares (and approximately 50.6% on a partially diluted basis assuming exercise of such convertible securities only).

The Private Placement was approved by the board of directors pursuant to directors’ resolutions dated December 22, 2022. The transaction is exempt from the formal valuation and minority shareholder approval requirements of applicable

securities laws as at the time the Private Placement was agreed to, neither the fair market value of the subject matter of, or the fair market value of the consideration for, the Private Placement insofar as it involves interested parties, exceeded 25% of the Company's market capitalization. The Private Placement was completed to fund the exploration expenditures and general working capital expenses of the Company. A material change report is being filed in connection with the insider participation in the Private Placement less than 21 days in advance of closing of the Private Placement, as the Company did not have prior confirmation of the closing of the Private Placement.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

The report is not being filed on a confidential basis.

Item 7. Omitted Information

No information has been omitted.

Item 8. Executive Officer

David Fitch

Item 9. Date of Report

DATED at Toronto, in the Province of Ontario, this 23rd day of December, 2022.

SCHEDULE "A"

Class 1 Nickel and Technologies Ltd. Completes Private Placement

TORONTO, ONTARIO – December 23, 2022 – Class 1 Nickel and Technologies Ltd. (CSE: NICO/OTCQB: NICLF) ("Class 1 Nickel" or the "Company") is pleased to announce that it has completed a non-brokered private placement (the "Private Placement") pursuant to which it has issued convertible debentures in the aggregate principal amount of Cdn\$500,000 (the "Debentures"). The Debentures have a three-year term and bear an interest rate of 2% per annum. The principal amount owing under the Debentures shall be convertible at the option of the holder thereof into common shares of the Company ("Subject Shares") at a deemed price of \$0.11 per Subject Share, all in accordance with the terms and conditions of the certificates evidencing the Debentures. Mr. David Fitch, President of the Company, has purchased all of the Debentures issued pursuant to the Private Placement.

As Mr. Fitch is an insider of the Company, the Private Placement is a "related party transaction" under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61- 101"). The Company is relying upon the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in Sections 5.5(b) and 5.7(1)(a) of MI 61-101 in respect of related party participation in the Private Placement as the Company is listed on the Canadian Securities Exchange and neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the Private Placement, insofar as it involves the related parties, exceeded 25% of the Company's market capitalization (as determined under MI 61-101).

The Debentures and underlying securities Subject Shares are subject to a statutory hold period expiring on April 24, 2023.

About Class 1 Nickel

Class 1 Nickel and Technologies Limited (CSE: NICO/OTCQB: NICLF) is a mineral resource company focused on the development of its 100% owned Alexo-Dundonald Property, a portfolio of komatiite hosted magmatic nickel-copper-cobalt sulphide Mineral Resources located near the City of Timmins, Ontario. The Corporation also owns the Somanike komatiite-hosted nickel-copper sulphide property in Quebec, which includes the famous Marbridge Nickel Mine, as well as additional property interests.

For more information, please contact:

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For additional information please visit our website at www.class1nickel.com and our Twitter feed: @Class1Nickel.

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

Forward Looking Statements – Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties, including risks relating to the prospective nature of the Company's property interests. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of Class 1 Nickel, including with respect to the receipt of all permits and licenses, environmental matters, results of exploration activities, increased costs, delays caused by the COVID-19 pandemic, receipt of regulatory approvals, completion of the Private Placement as presently proposed or at all, and availability of capital. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.