Fathom Confirms Rare PGEs at Albert Lake Property

Rhodium, Osmium, Iridium and Ruthenium

Calgary, Alberta--(Newsfile Corp. - May 31, 2021) - Fathom Nickel Inc. (CSE:FNI) (the "Company" or "Fathom"), today is pleased to announce that additional analysis on the 2017 Bulk Sample collected at the historic Rottenstone deposit located on the Company's Albert Lake Property, SK has yielded significant results for the four rare Platinum Group Elements ("PGE"): rhodium, osmium, iridium and ruthenium. The Company believes that these results further improve the potential economic viability of the Ni-Cu-Co + PGE magmatic type deposits that it is exploring for at the Albert Lake Property.

As part of the Q1-2021 Albert Lake exploration program (drill results pending), Fathom submitted samples of material previously analysed in the 2017 metallurgical study for targeted assaying. Highlights of the 2017 metallurgy include:

- Fathom collected a bulk sample (23.75 kg) representative of Rottenstone-type mineralization and submitted this sample to Kemetco Research Inc. of Richmond, B.C. for a preliminary mineralogy and metallurgy scoping.

- The bulk sample returned a head grade of; 3.99% Ni, 1.32% Cu, 0.097% Co, 5.91 g/t Pt, 5.94 g/t Pd, and 0.74 g/t Au (12.59 g/t Pd-Pt+Au) which equates to a NiEq of 9.56% at current prices[1].
- Initial flotation conditions provided high base metal recovery: >92% recovery for Ni and Cu, >95% recovery for Co, and >80% recovery for Pd and Pt.

  1 Metal prices of Ni $7.98/lb, Cu $4.60/lb, Co $20.03/lb, Pt $1,117/oz, Pd $2,808/oz & Au $1,895oz (Formula for NiEq calculation NiEq% = Ni% +Cu% x $4.60/$7.98 + Co% x $20.03/$7.98 + Pt [g/t]/31.103 x $1,171/$7.98/22.04 + Pd [g/t]/31.103 x $2,808/$7.98/22.04 + Au [g/t]/31.103 x $1,895/$7.098/22.04)

In Q2-2021, four coarse reject samples from the 2017 bulk sample were analysed for rhodium, osmium, iridium, and ruthenium:

- The four samples returned an average grade of 0.20 g/t Rh, 0.13 g/t Os, 0.11 g/t Ir and 0.06 g/t Ru, further demonstrating that in addition to the very good palladium and platinum grades associated with Rottenstone-type mineralization, the four rare PGEs occur in significant quantities as well.
- These additional rare PGEs would further enhance potential economics and, at current prices, translate to an incremental NiEq of 1.07%[2].

  2 Metal prices of Ni $7.98/lb, Rh $24,500/oz, Ir $6,000/oz, Os $1846/oz & Ru $800/oz (Formula for NiEq calculation NiEq% = Rh [g/t]/31.103 x $24,500/$7.98/22.04 + Ir [g/t]/31.103 x $6,000/$7.98/22.04 + Os [g/t]/31.103 x $1,846/$7.98/22.04 + Ru [g/t]/31.103 x $1,846/$7.98/22.04)

The 2017 bulk sample result confirms the exceptional reported Ni-Cu-Co + PGE grades associated with the historic Rottenstone deposit, confirms the presence of cobalt (neither recognized nor recovered in the 1965 - 1969 mining operation), and suggests that very good metal recovery can be expected from this type of mineralization. Additionally, the presence of rhodium, osmium, iridium and ruthenium in significant quantities is further testament to the very PGE-rich component of this type of mineralization existing at the Albert Lake Property. Fathom is well funded, has initiated its 2021 exploration program and will be aggressively exploring for additional Ni-Cu-Co + PGE deposits at Albert Lake.

Brad Van Den Bussche, President and CEO commented, "When we submitted this bulk sample in 2017 the goal was to test the reported historic grades of Rottenstone-type mineralization and to assess preliminary insight into potential metal recoveries of this type of mineralization. Although we had a previous indication of potential grade, the potential for very good metal recoveries was an added bonus." Ian Fraser, VP Exploration, added, "Fathom now has a good understanding of the geologic setting and controls at the historic Rottenstone deposit. In combination with our ever improving geophysical and geochemical database, the Company is in a strong position to find more of these types of deposits at Albert Lake. Although difficult to predict if we will be successful in replicating the 2017 bulk sample grades at new Rottenstone-type deposit discoveries, it is very exciting to know these types of Ni-Cu-Co + PGE grades do exist at our Albert Lake Property."

The Rottenstone Deposit

The Rottenstone deposit was first recognized by prospectors in 1928. The name Rottenstone comes from the "hill of rottenstone" and refers to how First Nation peoples described the outcrop on the east shore of what is now Rottenstone Lake. It was initially drilled in 1929, with subsequent drilling in 1954. Nickel - copper plus palladium, platinum and rhodium were recognized within the rusty, weathered Rottenstone deposit. The historic drilling and the outcropping Rottenstone deposit suggested a flat lying mineralized body containing Ni-Cu + Pd-Pt and Rh and measuring approximately 55m long, 36m wide and 9m in thickness. There are varying historic resource estimates referenced in available literature and the Saskatchewan Mineral Deposit Index (#0958) reports a historic mineral resource of 36,000t - 45,000t of approximately 2% Ni, 1% Cu and combined Pd-Pt-Rh of 5.5 g/t for the Rottenstone deposit *. In 1965 mining commenced on the Rottenstone outcrop and continued mining east by open pit method to a depth of approximately 13.0m below surface. Mining took place during the summer months. The ore was concentrated on site, collected in the winter months via a network of winter roads, and delivered to Prince Albert, SK, for final transportation by rail car to INCO's smelting facilities in Copper Cliff, ON for final refinement. Incomplete records available in the Saskatchewan Mineral Deposit Index (#0958) suggest that from 1965 to 1969, 26,058t grading 3.23% Ni, 1.63% Cu, 9.63 g/t Pd-Pt+Au was extracted from the Rottenstone deposit*. It is Fathom's belief the historic Rottenstone deposit is a function of a significant magmatic system in place at the Albert Lake property and Rottenstone is one of several potential mineral deposits of this type.

*NOTE: Fathom cannot confirm the reliability of the existing historical data referencing either resource estimates or final tons extracted; nor can we confirm the reliability of the assumptions, parameters and methods used to prepare these estimates. The estimate is not considered NI 43-101 compliant by the definition of a "mineral resource". At present it is impossible to confirm these historic resources as, it is well known, a portion of the historic resource was exploited during the mining period from 1965 to 1969. Hence, Fathom is not treating the historical estimate as a current mineral resource.

QA/QC

The four coarse reject samples of the 2017 bulk sample were submitted to ALS Johannesburg, South Africa for full suite PGE analyses. ALS is an accredited laboratory, ISO compliant and independent of Fathom. Assays for rhodium, osmium, iridium and ruthenium were obtained on a 30g split by Nickel Sulphide Fire Assay Fusion followed by ICP-MS finish (PGM-MS25NS).

Qualified Person and Data Verification

Ian Fraser, P. Geo., VP Exploration and a Director is a "qualified person" as such term is defined by National Instrument 43-101, and has verified the data disclosed in this news release, and has otherwise reviewed and approved the technical information in this news release on behalf of Fathom Nickel Inc.

About Fathom Nickel Inc.

Fathom is a resource development and exploration company that is targeting high-grade nickel sulfide discoveries for use in the rapidly growing global electric vehicle market.

The Company is accelerating exploration on its 100% owned, flagship Albert Lake Project; host to the historic Rottenstone mine, which is recognized as one of the highest-grade (Nickel, Copper, Platinum group metals) deposits of its type ever mined in Canada. The Albert Lake Project consists of over 90,000 ha of mineral claims located in the Trans-Hudson Corridor of Saskatchewan, which is home to numerous world-class mining camps.

For Further Information Please Contact:

Brad Van Den Bussche, President and CEO

or

Manish Grigo, Director of Corporate Development
+1-416-569-3292
Email: ir@fathomnickel.com

Forward Looking Statements:

This news release contains "forward-looking statements" that are based on expectations, estimates, projections and interpretations as at the date of this news release. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "seek", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur, and include, without limitation, statements regarding the timing for the results of the Company's Q1 2021 Drill Program, the funding of the Company's exploration program through until the end of 2022, the enhancement of the Company's geologic model and extending the areas of known mineralization, the Company's work towards defining a resource base and the automatic conversion of the NFT and FT Special Warrants. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and other factors may include, but are not limited to, the results of exploration activities; the ability of the Company to complete further exploration activities; timing and availability of external financing on acceptable terms. The Company does not undertake to update any forward-looking information except in accordance with applicable securities laws.