

FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

Fathom Nickel Inc. ("**Fathom**" or the "**Company**")
Suite 730, 521 - 3rd Avenue SW
Calgary, Alberta T2P 3T3

2. Date of Material Change

September 16, 2022

3. News Release

The news release announcing the material change described in this material change report was disseminated through the services of NewsFile on September 19, 2022, and a copy is filed on the Company's SEDAR profile at www.sedar.com.

4. Summary of Material Change

Fathom announces option agreement on the Gochager Lake Nickel-Copper-Cobalt project with historic drill intercepts up to 2.79% NiEQ.

5.1 Full Description of Material Change

Please see attached Schedule "A".

5.2 Disclosure for Restructuring Transaction

Not applicable.

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

Not applicable.

7. Omitted Information

No significant facts have been omitted from this report.

8. Executive Officer

Doug Porter
President and Chief Financial Officer
(403) 870-4349
Email: dporter@fathomnickel.com

9. Date of Report

September 21, 2022

SCHEDULE "A"



FATHOM ANNOUNCES OPTION AGREEMENT ON THE GOCHAGER LAKE NICKEL-COPPER-COBALT PROJECT WITH HISTORIC DRILL INTERCEPTS UP TO 2.79% NiEq*

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- Executed option agreement for up to 100% of the Gochager Lake Property, a nickel-copper-cobalt project consisting of 4,696 hectares in north-central Saskatchewan.
- Property contains a historical, open pitable, NI 43-101 non-compliant resource of 4,262,400 tons at 0.295% Ni, 0.081% Cu.
- 1990 resource calculation suggested 1,770,000 tons at 0.735% NiEq* (NI 43-101 non compliant).
- Historic resources suggest an estimated 25 million pounds of contained nickel. (The reader is cautioned that this estimate is based on a historic, NI 43-101 non-compliant resource as reported in the Saskatchewan Mineral Deposit Index, SMDI # 0880).
- Historic drillhole I-12 contained a drill intercept of 0.581% Ni, 0.113% Cu over 290.40 meters (0.62% NiEq*), including an interval of 2.369% Ni, 0.350% Cu and 0.143% Co over 9.70 meters (2.79% NiEq*)

Calgary, Alberta – September 19, 2022 – Fathom Nickel Inc. (the "Company" or "Fathom") (CSE:FNI) (FSE: 6Q5), (OTCQB: FNICF) is pleased to announce that it has entered into a mineral property option agreement (the "Option Agreement") with the sole owner of the Gochager Lake Property (the "Property"). The Option Agreement provides Fathom with the exclusive right and option to earn, subject to the reservation of a 2% net smelter return royalty, up to a 100% title and interest to nine mineral claims covering approximately 4,696 hectares located in north-central Saskatchewan. The Property is approximately 60 km southwest from the Company's flagship Albert Lake Property in north-central Saskatchewan.

"We are excited to execute the Option Agreement for the Gochager Lake Project. My first-hand knowledge of the Property suggests that there is significant exploration upside and, specifically, potential to define massive sulphide sections within the known historic deposit. There is also significant cobalt associated with this style of mineralization, however, cobalt was not systematically included in the historical assay process. Furthermore, there is the opportunity to utilize borehole electromagnetic ("BHEM") probes in historic drill holes. BHEM is a proven methodology in defining massive sulphide bodies and we know that the massive sulphide at Gochager Lake is nickel-cobalt rich," commented Ian Fraser, CEO & VP Exploration.

About the Gochager Lake Property

The Gochager Lake Property is comprised of nine mineral dispositions totalling 4,696 hectares located in north-central Saskatchewan, approximately 75 km north of the town of La Ronge and in close proximity to the Company's flagship Albert Lake Project. The Property has had an estimated 149+ historic drillholes completed on the project totalling approximately 27,200 meters drilled.

Historical resource estimates that do not meet the standards of National Instrument 43-101 were generated in 1968 and 1990 and are reported in the Saskatchewan Mineral Deposit Index [SMDI #0880] as well as in a 2017 technical report completed by a previous owner. The 1968 resource for the Gochager non-compliant resource estimated 4.3 million tons grading 0.295% Ni and 0.081% Cu. A 1990 report

reported that vertical and longitudinal sections were constructed from the existing data and an orebody with reasonably well-defined limits was defined containing 1.8 million tons at 0.735% nickel-equivalent. Historically, previous operators were inconsistent when assaying for cobalt and there is very limited data with respect to palladium and platinum analyses. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves, and the Company is not treating the historical estimate as current mineral resources or mineral reserves. However, the historical resources do point to the potential of the project hosting a nickel-copper-cobalt mineral deposit.

Fathom believes the Property has significant exploration upside as there has been no significant drilling activity at the project since 1989-1990, with the exception of two drillholes drilled in 2018. A 2008 VTEM survey defined numerous quality conductors that, to date, have not been ground-assessed nor tested by drilling. No borehole EM (BHEM) surveys have ever been conducted within the historic resource area.

BHEM surveys, in conjunction with drilling at the Company's Albert Lake Project, has been a key exploration tool in defining ultramafic associated mineralization over the 300+ meter Bay Island corridor that is situated within 500 meters of the historic Rottenstone mine.

The Company will immediately initiate the permitting process for the Property, a process that is expected to take between 60 and 90 days. Assuming the receipt of an exploration permit, Fathom is planning for a winter 2023 drill program at Gochager Lake in addition to an extensive winter drill program at the Albert Lake Project.

Option Agreement:

Terms

Pursuant to the terms of the Option Agreement, the Company is required to issue the following common shares and complete the following cash payments to the optionor of the Property (the "**Optionor**"), and completing the following exploration expenditures, subject to the earn-in provisions:

(a) issue an aggregate of 920,000 common shares of the Company to the Optionor as follows:

- (i) 150,000 on the date (the "**Execution Date**") of the Option Agreement or as soon as practicable thereafter;
- (ii) 170,000 on the first anniversary of the Execution Date;
- (iii) 250,000 on the second anniversary of the Execution Date; and
- (iv) 350,000 on the third anniversary of the Execution Date

(b) pay an aggregate of \$92,000 in cash to the Optionor as follows:

- (i) \$9,000 on the Execution Date of the Option Agreement or as soon as practicable thereafter;
- (ii) \$15,000 on the first anniversary of the Execution Date;
- (iii) \$30,000 on the second anniversary of the Execution Date; and
- (iv) \$40,000 on the third anniversary of the Execution Date;

- (c) incur an aggregate of \$2,000,000 in exploration expenditures on the Property as follows:
- (i) \$125,000 by the first anniversary of the Execution Date;
 - (ii) \$250,000 cumulative by the second anniversary of the Execution Date;
 - (iii) \$400,000 cumulative by the third anniversary of the Execution Date;
 - (iv) \$2,000,000 cumulative by the fourth anniversary of the Execution Date.

Earn-In Thresholds

Upon the Optionee satisfying each of the Earn-In Threshold Conditions below, the Optionee will have exercised the Option and acquired that percentage of an undivided right, title and interest in and to the Property at each respective threshold:

- (a) A minimum of \$350,000 in exploration expenditures, plus the share and cash payments required to be paid by the first anniversary of the Execution Date shall result in the transfer of a 10% undivided legal and beneficial interest in and to the Property;
- (b) a minimum of \$750,000 in cumulative exploration expenditures, plus the share and cash payments required to be paid by the second anniversary of the Execution Date shall result in the transfer of an additional 25% undivided legal and beneficial interest in and to the Property, for a cumulative ownership interest of the Optionee of 35%;
- (c) a minimum of \$1,200,000 in cumulative exploration, plus the share and cash payments required to be paid by the third anniversary of the Execution Date shall result in the transfer of an additional 20% undivided legal and beneficial interest in and to the Property, for a cumulative ownership interest of the Optionee of 55%;
- (d) a minimum of \$1,600,000 in cumulative exploration expenditures shall result in the transfer of an additional 20% undivided legal and beneficial interest in and to the Property, for a cumulative ownership interest of the Optionee of 75%; and
- (e) a minimum of \$2,000,000 in cumulative exploration expenditures shall result in the transfer of an additional 25% undivided legal and beneficial interest in and to the Property, for a cumulative ownership interest of the Optionee of 100%.

At its sole option, the Optionee can expedite its anniversary payments so as to earn the full 100% prior to the 4th anniversary provided all required payments (cash and shares) have been made and the required \$2,000,000 in exploration expenditures has been satisfied.

On the Optionee successfully exercising the Option and earning a 100% interest in the Property, the Company shall grant to the optionor a 2.0% net smelter return royalty on the Property (the "NSR"). The Company shall have the right to purchase 1.0% of the Royalty from the optionor for \$1,000,000 at any time.

Qualified Person and Data Verification

Ian Fraser, P.Geo., CEO, VP Exploration and a Director of the Company and the "qualified person" as such term is defined by National Instrument 43-101, 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 the Company.

About Fathom Nickel Inc.

Fathom is an exploration company that is targeting magmatic nickel sulphide discoveries to support the rapidly growing global electric vehicle market.

The Company now has a portfolio of two high-quality exploration projects located in the prolific Trans Hudson Corridor in Saskatchewan: 1) the Albert Lake Project, a 90,000+ hectare project that was host to the historic and past producing Rottenstone deposit (produced high-grade Ni-Cu+PGE, 1965-1969), and 2) the Gochager Lake Project, a 4696 hectare project that is host to a historic, NI43-101 non-compliant open pit resource consisting of 4.3M tons at 0.295% Ni and 0.081% Cu.

*NiEq% based off spot prices Ni, Cu, Co as of Sept, 14, 2022 Ni - \$10.92/lbs, Cu - \$3.60/lbs, Co - \$23.25/lbs

ON BEHALF OF THE BOARD

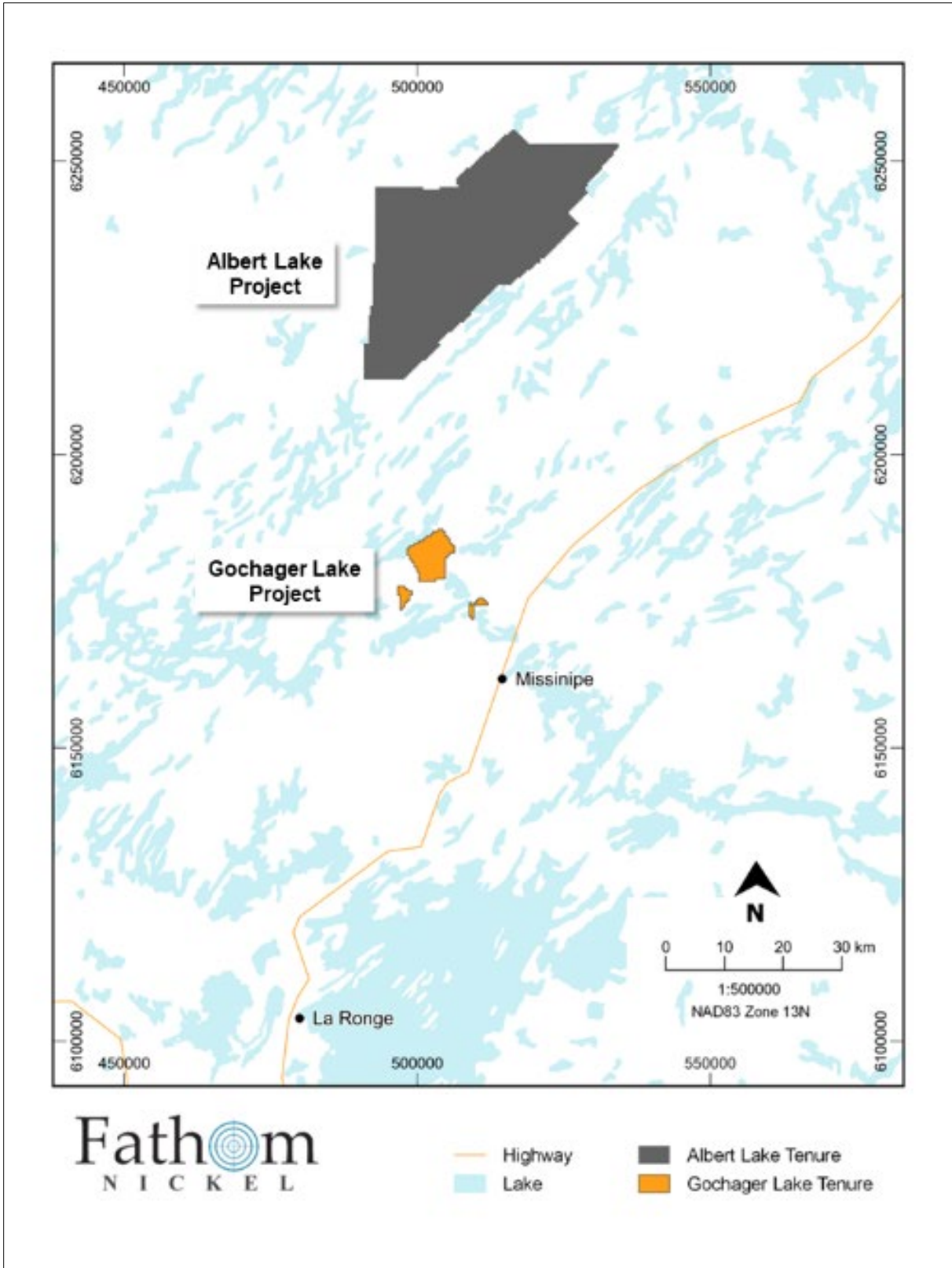
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Forward Looking Statements:

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 payment of terms under the Option Agreement, permitting for the Property, receipt of an exploration permit, timing of the exploration program on the Property and the Company achieving the earn-in thresholds under the Option Agreement. Forward-looking statements relate to information that is based on assumptions of management, forecasts of future results, and estimates of amounts not yet determinable. Any statements that express predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be "forward-looking statements." Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation: risks related to failure to obtain adequate financing on a timely basis and on acceptable terms; risks related to the outcome of legal proceedings; political and regulatory risks associated with mining and exploration; risks related to the maintenance of stock exchange listings; risks related to environmental regulation and liability; the potential for delays in exploration or development activities or the completion of feasibility studies; the uncertainty of profitability; risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; results of prefeasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; risks related to commodity price fluctuations; and other risks and uncertainties related to the Company's prospects, properties and business detailed elsewhere in the Company's disclosure record. 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. These forward-looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances except in accordance with applicable securities laws. Actual events or results could differ materially from the Company's expectations or projections.



Gochager Lake Location Map