NEWS RELEASE **TSX Venture: NKL**

CONIC ANNOUNCES CHANGE OF NAME TO NICKEL 28 & REPOSITIONS ITSELF AS A PRODUCER OF NICKEL AND COBALT

TORONTO, ONTARIO, January 12, 2021 — Conic Metals Corp. ("**Conic**" or the "**Company**") (TSXV: **NKL**), is pleased to provide an update on its strategic direction and announce a proposed name change to **Nickel 28 Capital Corp.** to better represent its status as one of Canada's only listed nickel producers.

As the world slowly re-emerges from COVID-19 and equities linked to base metals continue to move higher, we have considered the need to reposition the Company and update our shareholders in greater detail regarding the Company's strategic plans and portfolio. We have observed that the Company is not consistently and/or accurately included in either nickel producer or streaming and royalty comp sets. We have contemplated why this may be, and believe that the market may not fully understand Conic's assets and its unique position as an owner of one of the world's top producing nickel-cobalt mines and one of the only pure-play nickel cobalt producers listed on the TSX Venture Exchange (the "**TSXV**"). As nickel and cobalt continue to have strong industrial demand and stand on the verge of having their demand profiles transformed with widespread adoption of electric vehicles and other battery storage systems, the market's view of Conic needs to appreciate these drivers. A wave of green investment globally stands only to bolster demand for these key metals, and, unlike many other publicly traded mining stocks, our flagship asset – a joint venture interest in the Ramu nickel-cobalt mine located in Papua New Guinea ("**Ramu**") - is at full production and has been for a number of years.

Conic has always been a nickel and cobalt producer. This is important. We are not an exploration story, nor are we a development story. Unlike so many exploration companies, we are not a promise of future production unlikely to be realized. When you own Conic you don't have to worry about whether a mining permit will be granted or if the market will support billions of dollars of equity and debt capital raises, or if the technology will work. Instead, we offer exposure to the production of nickel and cobalt metal today. We currently own a 8.56% joint venture interest in the Ramu nickel-cobalt mine and management expects this interest will increase over time. The Ramu mine produces an average of 33,000 tonnes of nickel and 3,000 tonnes of cobalt annually, has been in production for 9 years, and has a mineral reserve and mineral resource base that should support production in the decades to come.

By way of background, the Ramu deposit was discovered in 1962 and acquired by Highlands Pacific in 1993. As with many junior companies, when it came time to advance the project, Highlands was fortunate enough to secure Metallurgical Corporation of China ("**MCC**") as its partner in the Ramu nickel deposit. Working together, MCC and Highlands were able to complete five years of baseline environmental and engineering studies, extensive permitting requirements which culminated in construction taking place from 2009 to 2012 into what is today one of the lowest-cost and most successful nickel mines in the world.

Construction and initial ramp-up required approximately US$3.0 billion of capital with production commencing in 2012 (Conic's 8.56% joint venture interest of this capital is approximately US$260 million and at Conic's anticipated future joint venture interest of 11.3% this value increases to approximately US$339 million). In order to finance construction, Highlands entered into an agreement with MCC whereby MCC provided Highlands with non-recourse debt against Highlands ownership in the Ramu joint venture

(“**JV**”) to finance Highlands 8.56% portion of the construction capex. This JV debt is currently approximately US$105 million, which is separated into a US$25 million tranche of operating debt and a second US$80 million tranche of construction debt.

The non-recourse debt is paid down by cash sweeps from the free cash flow that is generated from nickel and cobalt sales. The first tranche of operating debt will be reduced in Q1 2021 by the cash flow generated in the second half of 2020. In addition, at current nickel prices, operating costs and production levels, management estimates that Conic’s attributable interest in Ramu should generate approximately US$25 million of cash flow in 2021, allowing the Company to fully repay the remaining amount of the first tranche of operating debt in 2021. This will be a transformative event for the Company, because once repaid, Conic will receive 35% of its attributable cash flow (being 35% of 8.56% from the net cash flow of Ramu), thus making the Company free cash flow generative.

Shareholders and analysts alike often have the same question – “Is Conic Metals a producer or a royalty company?” Conic Metals is a producer. Recently, we have observed an explosion in the number of streaming and royalty companies that are hoping to replicate the success of Franco-Nevada or Wheaton Precious Metals but most of these new entrants have early-stage and marginal assets. Our experience shows that a pure “streaming and royalty” investor is very rare, rather, there are precious metals investors who prefer the diversification of the streaming and royalty model and so express their industry views on precious metals by going long streaming and royalty companies, thus creating the high trading multiples we see in many senior streaming companies. We do not believe that in an increasingly crowded space trying to become a base metals royalty company suits Conic’s asset base, and instead firmly believe there is more shareholder value to be created by focusing on the quality, cash flow profile and imbedded upside of our Ramu JV combined with the leverage and optionality to nickel and cobalt prices that comes with our royalty portfolio.

What’s in a name?

The name Conic is a combination of “co” from cobalt and “nic” from nickel. While we have been consistent in highlighting Conic’s leverage to the nickel price and our status as a current producer of nickel and cobalt, few investors and analysts have recognized this fact. To emphasize our unique position as one of Canada’s only pure-play nickel-cobalt producers, our board of directors has approved a name change, back to our original roots, to Nickel 28 Capital Corp. This change is subject to approval of the TSXV and is expected to be effective in the coming weeks. The Company’s trading symbol on the TSXV “NKL” will remain unchanged and the Company’s website will change to www.nickel28.com. We will update shareholders once more information on timing is available.

Ramu’s Nickel Cobalt Mixed Hydroxide Product

It is also important to point out that our Company’s balance of nickel and cobalt exposure is unique among peers. Most battery experts believe that over time, lithium-ion battery chemistries will continue to evolve towards a 9-1-1 chemistry (with the “9” representing the relative proportion of nickel in the battery cathode). This translates into battery cathode producers strongly preferring feed materials that are approximately 10 parts nickel to 1 part cobalt as the building block for lithium-ion batteries. Ramu’s mixed hydroxide product (“**MHP**”) has a nickel to cobalt ratio of approximately 10:1 and as a hydroxide is in a form highly sought by battery manufacturers. In the future, the Dumont and Turnagain projects, which the Company has royalties on, are targeting nickel concentrates that contain a greater than 10:1 nickel to cobalt ratio.

In the short term, management believes that nickel pricing dynamics will likely continue to be dominated by non-battery uses such as stainless steel and global infrastructure investment. However, the electric vehicle and battery storage industries which already represents the largest segment of growth in nickel demand will, in the coming years, have a dramatic impact on nickel pricing.

Ramu's nickel and cobalt mining performance

For the 4th year in a row, Ramu exceeded its nameplate capacity, producing a total of 33,659 tonnes of contained nickel or 103% of nameplate capacity and 2,941 tonnes of contained cobalt in MHP.

In the second half of 2020, Ramu produced 17,421 Mt of contained nickel and 1,566 Mt of contained cobalt, compared to 16,238 Mt of contained nickel and 1,375 Mt of contained cobalt in the first half of 2020. In addition, the second half of 2020 saw much stronger nickel prices with the LME price averaging $6.84 per pound in the second half of 2020 compared to $5.66 per pound in the first half of 2020, an increase of more than 20%. Current LME nickel prices are close to US$8.00 per pound.

North American Nickel Sulphide Development Assets

Anyone following the nickel industry will be familiar with the cost overruns and challenges that have beset new entrants for the past few decades. Cost overruns in the billions of dollars have not been uncommon when developing nickel laterite deposits using high pressure acid leach ("**HPAL**") technology. Due to this experience, we believe that nickel sulphide deposits are most likely to be developed during this nickel cycle. HPAL is challenging to execute because it involves complex chemical reactions at high pressures and high temperatures. HPAL requires exotic materials (titanium, high alloy stainless steels, etc.) and significant technical expertise to operate. No two HPAL operations are the same because of variations in the ore, location and skills of the operator. Conversely, developing a nickel sulphide project is much easier. Sulphide mining has been around for over a century involving well understood and simple processing to produce a concentrate. Crushing, grinding and flotation are the basic steps in sulphide processes, none of them requiring exotic or complicated materials. There are no complex recycle streams of solutions and the waste rock and tailings are typically inert and do not impact the environment to the same extent as HPAL can.

In addition, sulphide deposits contain sulphur as a valuable co-product. Although sulphur is not desired in the production of stainless steel and alloys, sulphur is a valuable co-product in the production of lithium-ion batteries. Nickel sulphate and cobalt sulphate are the building blocks of lithium-ion cathode materials and producers are currently paying to convert nickel and cobalt metal into sulphate. A sulphide mine provides a valuable by-product (as the proposed product of the Dumont and Turnagain projects would be a NiS/CoS concentrate) that should become more important for battery producers as it will, in our opinion, allow for the producer to realize a sulphur credit. This is not different from the iron credit NPI (nickel pig iron) producers are able to realize from stainless steel customers.

Conic's royalty portfolio includes exposure to two of the top nickel sulphide deposits in Canada: the Dumont project in Quebec and the Turnagain project in British Columbia. The Dumont project has completed all engineering and permitting studies and is construction ready. Upon securing funding and final approval, it could be in production in under 24 months and produce over 30,000 tonne per year of contained nickel as NiS concentrate. While the Turnagain project is slightly earlier in the process and requires more engineering, in addition to being a nickel sulphide deposit, there are characteristics of the resource that demonstrate the amenability to absorb CO^2 from the atmosphere and Giga Metals Corporation, the owner of the Turnagain project, is exploring the ability to operate the mine "carbon neutral" and environmentally friendly. In an increasingly complicated global political environment, we believe that exposure to these North American based assets materially enhances the net asset value of the Company.

Australian Nickel Assets

Often overlooked in our portfolio are our royalties on the Nyngan and Flemington projects in Australia. While both of these are long dated options, the deposits are large and provide additional potential upside through the next commodity cycle. We would also note that interestingly the Nyngan royalty uniquely offers investors scandium exposure.

Dividend / Share Buyback

Members of management and the board of directors own approximately 16.0% of the Company on a fully diluted basis. As we are all shareholders, we believe that this alignment in ownership has everyone working towards the same goal, a higher share price. With this in mind, and with free cash flow from Ramu on the horizon, the Company intends to use a significant portion of any excess cash flow in the future to repurchase shares and/or pay a dividend, depending on circumstances and the Company's share price at the time.

Performance since inception

Since the Company's listing on the TSXV in November 2019, our share price has appreciated, but with volatility and not to the extent we hoped. Our view is that the initial volatility post listing in the stock was a direct result of arbitrage style funds liquidating positions that they held in the Company as a matter of legacy. As the natural turnover in the stock ended, the broader markets sold off as COVID-19 fears gripped markets.

Since the bottom of the market in March 2019 we have seen the Conic share price recover dramatically. This recovery is driven by several factors. First, the nickel price has increased from US$5.00 per pound to around US$8.00 per pound and investors have recognized the leverage to nickel embedded in Conic's asset base. Second, with each passing month and helped by the higher nickel price, Conic grows closer to paying down its first tranche of JV debt. At current nickel price and production levels, the Company should earn free cash flow from Ramu in 2021.

We believe that throughout 2021 the key driver of value for shareholders will be paying down this debt in order to begin earning free cash from Ramu. In addition, positive developments from our 13 different royalty assets in Canada, Australia and Papua New Guinea could also materially impact value.

Sincerely,

Anthony Milewski (Chairman) & Justin Cochrane (President & CEO)

About Conic

Conic Metals Corp. is a base metals company offering direct exposure to nickel and cobalt, both being critical elements of electric vehicles and energy storage systems. Conic holds an 8.56% joint-venture interest in the producing, long-life and world-class Ramu nickel-cobalt operation located in Papua New Guinea which provides Conic with significant attributable nickel and cobalt production. In addition, Conic manages a portfolio of 13 nickel and cobalt royalties on development and exploration projects in Canada, Australia and Papua New Guinea.

Cautionary Note Regarding Forward-Looking Statements

This news release contains certain information which constitutes 'forward-looking statements' and 'forward-looking information' within the meaning of applicable Canadian securities laws. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as “may”, “should”, “anticipate”, “expect”, “potential”, “believe”, “intend” or the negative of these terms and similar expressions. Forward-looking statements in this news release include, but are not limited to: statements with respect to industrial demand for nickel and cobalt and the prospects of nickel and cobalt and global trends in respect of green investment and the electrification of vehicles; statements and figures with respect to the anticipated operational and financial results of the Company and the Ramu mine; statements related to the anticipated repayment of the Company’s Ramu operating debt, the timing thereof, and the impact of such repayment on the Company’s cash flows, results of operations and overall financial performance; statements with respect to the future price of the Company’s common shares; statements with respect to the proposed change of name of the Company; statements with respect to anticipated future battery chemistries and the impact of such developments on nickel and cobalt demand and prices; statements related to the future performance of mining operations utilizing HPAL technologies; statements related to the future development of the Dumont, Turnagain, Nyngan and Flemington projects in which the Company holds royalty interests; statements related to the impact of COVID-19 on the Company; and statements with respect to the business and assets of Conic and its strategy going forward. Readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties, most of which are beyond the Company’s control. Should one or more of the risks or uncertainties underlying these forward-looking statements materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements.

The forward-looking statements contained herein are made as of the date of this release and, other than as required by applicable securities laws, the Company does not assume any obligation to update or revise them to reflect new events or circumstances. The forward-looking statements contained in this release are expressly qualified by this cautionary statement.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. No securities regulatory authority has either approved or disapproved of the contents of this news release.

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