



# NOBLE MINERAL EXPLORATION INC.

TSX.V: NOB    FWB: NB7    OTC.PK: NLPXF

## **Noble Mineral Exploration Inc. Announces Creation of Canada Nickel Company**

- Mark Selby Appointed Chairman and CEO of Canada Nickel Company
- 100% Consolidation & Spin-out of Crawford Nickel-Cobalt Sulphide Project
- Fully-subscribed \$5 Million Private Placement in Canada Nickel Company

*NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR RELEASE, PUBLICATION, DISTRIBUTION OR DISSEMINATION DIRECTLY, OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES*

**October 1, 2019** - Noble Mineral Exploration Inc. (TSX-V NOB) (“Noble” or “the Company”) today announced its plan to:

- create the Canada Nickel Company (“Canada Nickel”), which will own a consolidated 100% interest in the Crawford nickel-cobalt sulphide project, and
- distribute a significant portion of Noble’s interest in Canada Nickel to Noble shareholders and qualify Canada Nickel as a new public entity.

Canada Nickel will be led by Mark Selby, who will be appointed Chairman & CEO. The Company also announced the plan to complete a fully-subscribed \$5 million private placement into Canada Nickel, subject to regulatory approval, to fund the cost of the Crawford project consolidation and continue exploration and mineralogical work to advance the project.

“I am delighted to welcome Mark Selby to lead Canada Nickel through the next phases of exploration and development to unlock the massive potential of Crawford. Mark is a recognized leader in the global nickel industry given his experience and network successfully advancing the Dumont nickel project,” said Mr. Vance White, President & CEO of Noble. “I am very proud of the team that made the Crawford nickel discovery, which is one of the few nickel discoveries in many years with large scale potential. With the planned consolidation of ownership in Crawford and private placement, Canada Nickel is well-positioned for the next exciting phase of growth and value creation for Noble shareholders.”

Mark Selby was most recently President & CEO of RNC Minerals, where he led the development of the Dumont nickel-cobalt project through to a fully permitted, construction ready project. Before RNC Minerals, he held senior management roles at Quadra and Inco and he is recognized as a leading authority on the nickel market.

“I am pleased to lead Canada Nickel and advance Crawford, which is an exciting project. Coupled with the close proximity to significant infrastructure near Timmins, I believe this will allow me to leverage all the experience and insights we learned in advancing Dumont,” said Mr. Selby. “The timing of this discovery is excellent. We are in a robust nickel market increasingly driven by demand for nickel from the electric vehicle market which will require new nickel projects to be built over the coming decade. I am encouraged by the strong support we have received from a number of new and existing investors who have committed to \$5 million in financing which will allow us to execute the next phase of drilling and metallurgical work for the project.”

## Crawford Nickel-Cobalt Sulphide Project

The recent drilling program by Spruce Ridge Resources Ltd (“Spruce Ridge”) (TSX-V SHL) and its Joint Venture partners, a group of private investors, Dr. K. Sethu Raman, Robert Hirschberg and Sam Sehota, was focused on the Crawford Ultramafic Complex, a 3.5-kilometre long body of peridotite, dunite and their serpentinized equivalents. The target, entirely under cover, was defined by a helicopter-borne magnetic and electromagnetic survey and an airborne gravity survey, both conducted over of the entire project area of 100 sq. km. An Artificial Intelligence (A.I.) review of data, provided by Albert Mining Inc. (TSX-V AIIIM), also identified the area as being prospective for nickel. All four discovery holes totaling 1,818 metres intersected multi-hundred metre intervals of serpentinized dunite with persistent nickel values with two of the four holes ending in mineralization. (see Noble release dated March 4, 2019)

Highlights from the drilling:

- Hole CR18-01 intersected 558 m of 0.26% nickel, 0.013% (127ppm) cobalt, (ended in mineralization)
- Hole CR18-03 intersected 318 m of 0.25% nickel, 0.013% (126 ppm) cobalt
- Hole CR18-04 intersected 208.5 m of 0.32% nickel, 0.013% (135 ppm) cobalt (ended in mineralization)

Drilling on the project has resumed both east and west of the existing drilling and to infill the existing drilling to test the southern contact.

**Table 1 - Recent Drilling Results**

<b>CRAWFORD NICKEL PROJECT - 2018 DIAMOND DRILLING RESULTS</b>									
<b>DDH ID</b>	<b>From</b>	<b>To</b>	<b>Length</b>	<b>Ni (%)</b>	<b>Co (ppm)</b>	<b>Pt (g/t)</b>	<b>Pd (g/t)</b>	<b>Au (g/t)</b>	<b>S (%)</b>
<b>SUMMARY OF INTERVALS PASSING 0.20% Ni CUTOFF</b>									
CR18-01	36.00	594.00 eoh	558.00	0.261	127	0.010	0.016	0.002	0.051
<i>includes</i>	<i>234.00</i>	<i>525.00</i>	<i>291.00</i>	<i>0.293</i>	<i>118</i>	<i>0.011</i>	<i>0.020</i>	<i>0.002</i>	<i>0.062</i>
<i>includes</i>	<i>238.50</i>	<i>393.00</i>	<i>154.50</i>	<i>0.320</i>	<i>120</i>	<i>0.012</i>	<i>0.029</i>	<i>0.001</i>	<i>0.086</i>
<i>includes</i>	<i>238.50</i>	<i>283.50</i>	<i>45.00</i>	<i>0.384</i>	<i>144</i>	<i>0.019</i>	<i>0.061</i>	<i>0.001</i>	<i>0.140</i>
CR18-02	24.00	175.50	151.50	0.224	126	0.005	0.005	0.001	0.029
CR18-03	288.00	606.00 eoh	318.00	0.248	126	0.019	0.028	0.003	0.029
<i>includes</i>	<i>475.50</i>	<i>606.00 eoh</i>	<i>130.50</i>	<i>0.299</i>	<i>140</i>	<i>0.028</i>	<i>0.055</i>	<i>0.006</i>	<i>0.033</i>
<i>includes</i>	<i>492.00</i>	<i>547.50</i>	<i>55.50</i>	<i>0.324</i>	<i>139</i>	<i>0.028</i>	<i>0.096</i>	<i>0.005</i>	<i>0.039</i>
<i>includes</i>	<i>492.00</i>	<i>516.00</i>	<i>24.00</i>	<i>0.333</i>	<i>140</i>	<i>0.060</i>	<i>0.201</i>	<i>0.011</i>	<i>0.022</i>
CR18-04	193.50	402.00 eoh	208.50	0.324	135	0.018	0.028	0.003	0.181
<i>includes</i>	<i>205.50</i>	<i>402.00 eoh</i>	<i>196.50</i>	<i>0.332</i>	<i>135</i>	<i>0.010</i>	<i>0.027</i>	<i>0.002</i>	<i>0.183</i>
<i>includes</i>	<i>208.50</i>	<i>285.00</i>	<i>76.50</i>	<i>0.358</i>	<i>156</i>	<i>0.017</i>	<i>0.041</i>	<i>0.001</i>	<i>0.246</i>
<i>includes</i>	<i>208.50</i>	<i>220.50</i>	<i>12.00</i>	<i>0.532</i>	<i>220</i>	<i>0.030</i>	<i>0.070</i>	<i>0.001</i>	<i>0.512</i>
<i>Dumont Deposit average grade for comparison</i>				<i>0.270</i>	<i>107</i>	<i>0.009</i>	<i>0.020</i>	<i>n/a</i>	<i>n/a</i>
Note: eoc = End of Casing; eoh = End of Hole									

Note: the lengths reported are core lengths and not true widths. Spruce Ridge has insufficient information to determine the attitude, either of the ultramafic body or of mineralized zones within it. True widths will be less than the core lengths by unknown factors.



## Initial Mineralogical Results (see Noble release dated June 11, 2019)

Twelve samples of drill core were selected from 1.5-metre analyzed intervals from the recent 1,818-metre, four-hole drill program, to cover a range of nickel, cobalt and palladium contents as well as differing degrees of serpentinization and a range of sulphur contents. Polished thin sections were made from the core samples and were examined under reflected-light microscope and a scanning electron microscope (SEM), which provided chemical analyses of individual mineral grains to aid in their identification. The following minerals were identified as carrying most of the nickel and cobalt (in order of decreasing abundance): pentlandite (nickel-iron sulphide - 50%), heazlewoodite (nickel sulphide – 35%), awaruite (nickel-iron alloy – 15%) and minor godlevskite (nickel sulphide with minor iron). In addition to the mineralogical identification study, an analysis was performed on pulp samples of the 12 core intervals from which the mineralogy samples were taken. Table 2 shows a comparison between the Peroxide Fusion analysis and the Aqua Regia analysis for cobalt and nickel and establishes the potential percentages of ‘Liberation’ of these key elements.

**Table 2 – Peroxide Fusion vs. Aqua Regia Analysis for Nickel & Cobalt**

DDH No.	From	To	Length	Co ppm FUS-ICP	Co ppm AR-ICP	percent liberated	Ni % FUS-ICP	Ni % AR-ICP	percent liberated	S % FUS-ICP
CR18-01	165.0	166.5	1.5	240	193	80%	0.669	0.431	64%	0.28
CR18-01	238.5	240.0	1.5	120	105	88%	0.297	0.203	68%	0.02
CR18-01	243.0	244.5	1.5	170	149	88%	0.487	0.332	68%	0.15
CR18-01	286.5	288.0	1.5	150	130	87%	0.345	0.232	67%	0.18
CR18-01	423.0	424.5	1.5	120	85	71%	0.317	0.203	64%	0.03
CR18-01	588.0	589.5	1.5	110	87	79%	0.272	0.178	65%	0.01
CR18-03	508.5	510.0	1.5	140	108	77%	0.332	0.217	65%	0.01
CR18-03	535.5	537.0	1.5	140	109	78%	0.337	0.227	67%	0.07
CR18-03	594.0	595.5	1.5	150	110	73%	0.349	0.205	59%	0.05
CR18-04	165.0	166.5	1.5	120	52	43%	0.182	0.050	27%	< 0.01
CR18-04	216.0	217.5	1.5	260	206	79%	0.647	0.423	65%	0.60
CR18-04	337.5	339.0	1.5	130	103	79%	0.427	0.275	64%	0.20
						<b>Mean Co liberation</b>	<b>77%</b>	<b>Mean Ni liberation</b>	<b>62%</b>	

## Canada Nickel - \$5 million Private Company Financing

A \$5 million private placement of common shares and flow through common shares into Canada Nickel has been fully subscribed and is expected to close on or before October 15, 2019. Under this private company financing, it is expected that Canada Nickel will issue 13 million common shares at \$0.25 per share and 5 million flow through shares at \$0.35 per share. The proceeds of the private placement will be used to fund the joint venture consolidation described above, mineral exploration of the Crawford project, and working capital requirements ancillary thereto. This financing will be completed by way of a private placement to qualified investors.

## 100% Crawford Project Consolidation

The planned consolidation of the Crawford properties will be implemented under the terms of a binding letter of intent that has been entered by Noble, Mr. Selby, Spruce Ridge Resources Ltd. (TSX-V SHL) ("Spruce Ridge") and certain private investors (the "Investors") under which, subject to certain specified conditions including required regulatory and shareholder approvals:

(Please note that for illustrative purposes consideration values below are based on Noble and Spruce Ridge closing prices as of September 27, 2019 of \$0.09 and \$0.065 respectively and a Canada Nickel value of \$0.25 per share based on the private placement value).

- Noble will receive 12 million common shares of Canada Nickel for a total consideration valued at \$3 million (representing a 24% interest in Canada Nickel post-financing) and \$2 million in cash for an aggregate consideration valued at \$5 million. Of the shares of Canada Nickel received by Noble, 10 million will be distributed to Noble shareholders.
- Spruce Ridge will relinquish its joint venture interest in the Crawford project (the current joint venture arrangements regarding the Crawford JV Agreement are described below) on the following terms:
  - Noble will pay \$1 million in cash to Spruce and cause Canada Nickel to issue 20 million common shares of Canada Nickel to Spruce for total consideration valued at \$6 million;
  - Noble will issue 10 million units to Spruce, each unit valued at \$0.09 to be comprised of one common share of Noble and one-half of a common share purchase warrant of Noble (exercisable for three years at \$0.15 per share) for a total consideration valued at \$900,000;
  - Spruce will issue 2 million common shares (each common share valued at \$0.065) to Noble as part of the share consideration to be paid pursuant to the Crawford JV Agreement which is being terminated as part of the project consolidation for a total consideration valued at \$130,000; and
  - As consideration for receiving the above 2 million common shares from Spruce, Noble will transfer certain assets to Spruce (unrelated to the Crawford project) subject to 25% earn-in rights.
- The Investors have agreed to relinquish their joint venture interest in the Crawford project (the current joint venture arrangements regarding the Investor Agreement are described below) on the following terms:
  - Spruce will transfer 10 million common shares of Canada Nickel (each common share of Canada Nickel valued at \$0.25) received from Noble (representing a 20% interest in Canada Nickel post-financing) to the Investors for a total consideration valued at \$2.5 million; Spruce will hold the remaining balance of 10 million shares of Canada Nickel (also representing a 20% interest post-financing); and
  - Spruce will issue 10 million units to the Investors for a total consideration valued at \$650,000, each unit (valued at \$0.065) to be comprised of one common share of Spruce and one-half of a common share purchase warrant of Spruce (exercisable for three years at \$0.10 per share) as full and final settlement of obligations pursuant to the Investor Agreement.

It is anticipated that neither of the transactions required to complete the planned consolidation of the Crawford properties will qualify as a "related party transaction" (as such term is defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transaction* which is incorporated by reference into the policies of the TSX Venture Exchange under Policy 5.9).

Noble and Spruce Ridge are parties to a joint venture agreement dated May 4, 2018 (the "Crawford JV Agreement") under which Spruce has the right, subject to the terms and conditions thereof, to earn

up to a 75% undivided interest in the Crawford project. Spruce and the Investors entered into an agreement relating to the Crawford JV Agreement, dated September 9, 2018 (the “Investor Agreement”) under which the Investors have the right to earn up to a 37.5% undivided interest in the Crawford project (with Spruce retaining a 37.5% undivided interest therein). For a description of the existing joint venture agreements between Noble, Spruce Ridge and the Investors, please refer to Noble news release dated May 8, 2018 and Spruce Ridge release dated September 27, 2018 (both available under the applicable corporate profiles on [www.sedar.com](http://www.sedar.com)). The Crawford JV Agreement and the Investor Agreement are being terminated pursuant to the consolidation of the Crawford properties as described above.

### Special Meeting - Distribution of Canada Nickel Shares

A special meeting of the shareholders of Noble is expected to be called to approve the distribution of the Canada Nickel common shares received as part of the transactions described and other matters relating thereto.

### Timing - Property Consolidation, Share Distribution & Canada Nickel Qualification as Public Entity

Subject to the receipt of regulatory and shareholder approval, it is expected that the consolidation of the Crawford properties will be completed on or prior to October 31, 2019, and that the distribution of the Canada Nickel common shares to Noble shareholders and qualification of Canada Nickel as a public entity will be completed on or prior to December 31, 2019.

It is expected that Canada Nickel will have 50 million common shares outstanding following the transactions and private placement described above which may be summarized as follows (after the distribution of Canada Nickel common shares to the shareholders of Noble and Spruce Ridge):

	Canada Nickel Common Shares
Noble	2,000,000 (4%)
Noble Shareholders	10,000,000 (20%)
Spruce Ridge	5,000,000 (10%)
Spruce Ridge Shareholders	5,000,000 (10%)
Investors	10,000,000 (20%)
Private Placement Group	18,000,000 (36%)
<b>Total</b>	<b>50,000,000 (100%)</b>

### QA/QC Protocol:

Noble relied solely on internal QA/QC analytical procedures published by Spruce Ridge, the operator of this project, that are being used by Activation Laboratories Ltd., (“ActLabs”) which included the use of between 10 and 16 separate standards for different groups of elements in the ICP-OES peroxide fusion package (of which three included nickel and four included cobalt). Two standards were used for the fire assay procedures, one of which was included for every 20 samples in a batch. Duplicate analyses were performed on every fifth sample, and blanks were inserted after every tenth sample. Additionally, Spruce Ridge performed independent analysis of a duplicate pulp from approximately every fifth sample (184 out of 975 samples), using a portable X-Ray fluorescence instrument. Results accorded closely to those from the ActLabs ICP-OES peroxide fusion analyses. Cobalt and precious metal concentrations were too low to be reliably determined by portable XRF technology.

## **Security & Sample Preparation:**

NQ size drill core was delivered in sealed boxes by drill crews after every shift, to the Spruce Ridge's secure core shack in Timmins. Core was cut using a diamond saw in lengths of 1.5 metres, under the supervision of William MacRae, P.Geo., the project geologist. After every day of core cutting, Mr. MacRae personally delivered bagged and tagged samples to the Timmins laboratory facility of ActLabs.

## **Qualified Person**

Randy S C Singh PGeo (ON), PEng (ON), VP Exploration & Project Development of Noble and a "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 Noble Mineral Exploration Inc.

## **Contacts (Noble):**

H. Vance White, President

Phone: 416-214-2250 Fax: 416-367-1954 Email: [info@noblemineralexploration.com](mailto:info@noblemineralexploration.com)

Investor Relations Email: [ir@noblemineralexploration.com](mailto:ir@noblemineralexploration.com)

## **Contacts (Canada Nickel Company):**

Russell Starr

Phone: 647-669-9801

email: [RussellStarr@canadanickel.com](mailto:RussellStarr@canadanickel.com)

## **About Noble Mineral Exploration Inc.**

Noble Mineral Exploration Inc. is a Canadian-based junior exploration company which, in addition to its shareholdings in Spruce Ridge Resources Ltd. and MacDonald Mines Exploration Ltd., and its interest in the Holdsworth gold exploration property in the area of Wawa, Ontario, holds in excess of 79,000 hectares of mineral rights in the Timmins - Cochrane areas of Northern Ontario known as Project 81. Project 81 hosts diversified drill-ready gold, nickel-cobalt and base metal exploration targets at various stages of exploration. More detailed information is available on the website at [www.noblemineralexploration.com](http://www.noblemineralexploration.com).

Noble's common shares trade on the TSX Venture Exchange under the symbol "NOB".

## **Forward-Looking Statements**

Neither 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. This News Release includes certain "forward-looking statements" which are not comprised of historical facts. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management's expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, the intention to complete the transactions and the expected expenditure of the proceeds of the private placement, and the Company's objectives, goals or future plans. Factors that could cause

actual results to differ materially from such forward-looking information include, but are not limited to an inability to complete the Transactions, failure to identify mineral resources, failure to convert estimated mineral resources to reserves, delays in obtaining or failures to obtain required regulatory, governmental, environmental or other project approvals, political risks, inability to fulfill the duty to accommodate First Nations and other indigenous peoples, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry, and those risks set out in the Company's public documents filed on SEDAR. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act") or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.