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PREMIUM NICKEL RESOURCES SELECTED AS PREFERRED BIDDER IN BCL LIQUIDATION PROCESS

Toronto, Ontario, February 16, 2021 – Premium Nickel Resources ("PNR") is pleased to announce that it has been selected as the preferred bidder for the Botswana nickel-copper-cobalt ("**Ni-Cu-Co**") assets formerly operated by BCL Limited ("**BCL**"), and currently in liquidation.

In June 2020, PNR submitted an indicative offer to the BCL Liquidator to acquire the former producing Selebi-Phikwe, Tati Phoenix and Selkirk Mines as well as regional exploration joint ventures on highly prospective Ni-Cu-Co projects located in Botswana.

On February 10, 2021 the Honourable, Moagi Lefoko, the Minister of Mineral Resources, Green Technology and Energy Security of Botswana, affirmed in Parliament the press release by the Liquidator for the BCL Group of Companies, stating that PNR was selected as the preferred bidder to acquire the assets formerly owned by BCL. This announcement follows an independent technical evaluation on behalf of the Liquidator, and a review by the Government of Botswana, over the last seven months.

PNR would like to thank the Minister of Mineral Resources, Green Technology & Energy Security, Botswana for publicly announcing that PNR was being awarded the Preferred Bidder status last week, as has been widely reported in the global media. PNR will now complete the documentation with the Liquidator to govern the six-month exclusivity period to complete due diligence on these assets. During the exclusivity period, PNR will negotiate definitive agreements to finalize terms on the prioritized assets to be purchased.

PNR continues to monitor the global Covid-19 developments and is committed to working with health and safety as a priority and in full respect of all government and local Covid-19 protocol requirements. PNR has developed Covid-19 travel, living and working protocols in anticipation of moving forward to on site due diligence and is integrating these protocols with those of The Government of Botswana and surrounding communities.

About Premium Nickel Resources Corporation

PNR is dedicated to the exploration and development of high-quality nickel-copper-cobalt (Ni-Cu-Co) resources. We believe that the medium to long-term demand for these metals will grow through continued global urbanization and the increasing replacement of internal combustion engines with electric motors. Importantly, these metals are key to a low-carbon future.

PNR maintains a skilled team with strong financial, technical and operational expertise to take an asset from discovery to exploration to mining.

PNR has focused its efforts in discovering world class nickel sulphide assets in jurisdictions with rule-of-law that fit a strict criteria that comply with PNR's values and principles which stand up against the highest acceptable industry standards. We are committed to Governance through transparent accountability and open communication within our team and our stakeholders.

ON BEHALF OF THE BOARD OF DIRECTORS

Charles Riopel
Chairman of the Board
Premium Nickel Resources Corporation

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This news release includes certain "forward-looking statements" and "forward-looking information" under applicable Canadian securities legislation concerning the business, operations and financial performance and condition of PNR. Forward-looking statements and forward-looking information includes, but is not limited to, statements about the ability of PNR to access capital, any spending commitments, the success of exploration activities, the future economics of minerals including nickel and copper, the benefits of the development potential of the properties of PNR, the benefits of drilling and advancement of projects. Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors, which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. All forward-looking information contained in this press release is given as of the date hereof and is based upon the opinions and estimates of management and information available to management as at the date hereof. PNR disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

Although PNR has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. Statements concerning mineral reserve and resource estimates may also be deemed to constitute forward-looking statements to the extent they involve estimates of the mineralization that will be encountered if the property is developed.