



Premium Nickel Resources Botswana Signs Definitive Asset Purchase Agreement to Acquire Assets in Botswana

September 28, 2021 – Premium Nickel Resources Botswana ("PNRB") is pleased to announce that it has executed a definitive asset purchase agreement ("**APA**") with the Liquidator of BCL Limited ("**BCL**") to acquire the Selebi, and Selebi North (together the "**Selebi Assets**") nickel-copper-cobalt ("**Ni-Cu-Co**") assets and related infrastructure formerly operated by BCL. PNRB is targeting the closing of this transaction, and transfer of ownership of the assets, within 120 days. PNRB is also negotiating a separate asset purchase agreement to finalize terms for any prioritized Tati Nickel Mining Company ("**TNMC**") assets that may be purchased.

PNRB is a wholly owned subsidiary of Premium Nickel Resources Corporation ("**PNR**") and is a Botswana registered company. PNRB is led and supported by a skilled team with strong financial, technical and operational expertise to take an asset from discovery through exploration, feasibility study, mine development, to production. The PNR/PNRB team have worked on over 100 projects collectively, cumulating over 400 years of resource discoveries, mine development and mine re-engineering experience on projects like BCL.

PNR submitted its indicative offer to the BCL and TNMC liquidators in June 2020 to acquire the assets of the former producing BCL Mining Complex and separately the TNMC operations located in north-eastern Botswana. On February 10, 2021, PNR was selected as the preferred bidder and on March 22, 2021, PNR entered into a memorandum of understanding providing for a six-month exclusivity period to complete additional work and negotiate the asset purchase agreements (see news release dated March 24, 2021).

PNRB CEO, Montwedi Mphathi commented "The signing of the APA is yet another encouraging milestone for the Company and for Botswana. The redevelopment of the former BCL Assets is named "Tsholofelo Project," in recognition of the hope it carries for the people of Selebi Phikwe and the region. Once the transfer of ownership of the assets to PNRB has been finalized, the Company will start an extensive exploration program to fully understand the size and character of the remaining resources. PNRB will then be able to better optimise its investment towards the creation of a modern low-cost producer of Ni-Cu-Co and the support of a sustained economy for the Selebi-Phikwe region."

The Selebi Assets include two shafts and related infrastructure (rail, power and water). Shaft sinking and plant construction started in 1970. Mining concluded in October 2016 when the operations were placed on care and maintenance due to a failure in the processing facility. PNRB's redevelopment plan is based on the re-characterization of the remaining resources and the ability to produce both a Cu concentrate and a separate Ni-Co concentrate.

PNRB 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. PNRB has developed Covid-19 travel, living and working protocols and is ensuring integration of those protocols with the currently applicable protocols of The Government of Botswana and surrounding communities.

ON BEHALF OF THE BOARD OF DIRECTORS

Montwedi Mphathi
Chief Executive Officer
Premium Nickel Resources Botswana

Kneipe Setlhare
Director

For more information or to speak to the Company directly please contact:

Premium Nickel Resources Botswana
Plot 61949, Tsholofelo East, Gaborone, Botswana
<https://www.pnr.co.bw/>
info@premiumnickel.com