



NICKEL  
CREEK  
PLATINUM

# **Annual Letter to Shareholders**

2018

**April 2018**

## **Presidents Letter to Shareholders**

Dear Shareholders,

Nickel Creek Platinum navigated a transformational year in 2017 amidst increasing demand for electric vehicle and battery-related commodities. Shortly after the 2017 year-end we changed our name<sup>1</sup> to reflect the Nickel Shāw Project's growing potential to make the Company Canada's next large-scale nickel copper sulphide producer.

Major milestones included adding key talent to the new management team and the completion of a comprehensive review of technical aspects of the Yukon-based project. This work culminated in a new geologic model, advanced metallurgical testing, optimization of the flowsheet, mine plan optimization and new NI 43-101 resource estimate. With an already large known resource, the work completed in 2017 was absolutely essential for the strategy of de-risking the project and taking it up the value chain.

### **Nickel Shāw: Nickel, Copper, Cobalt and PGM**

Nickel Shāw hosts a Resource containing an estimated 2 billion pounds of nickel, 1 billion pounds of copper, 121 million pounds of cobalt and 6 million ounces of platinum group metals (PGM) and gold<sup>2</sup>. The deposit is notable for not only the large amount of nickel, copper, and cobalt – which are essential metals for electric vehicles and grid storage – but also, the significant amount of platinum and palladium, which adds a strategic element due to their scarcity in the western hemisphere. The substantial precious metals component also has the potential to yield more attractive payment terms for our concentrates.

Nickel Shāw's location in mining-friendly Yukon Territory, 317 km west of its capital Whitehorse, offers excellent proximity to existing infrastructure. The Company envisions leveraging the site's direct access to the Alaska Highway to truck its concentrate from site to the deep-sea shipping ports of Haines or Skagway, Alaska. The proximity to infrastructure also has the potential to benefit development activities and lower associated costs.

The deposit spans over 2.2 km in strike length, within an 18 km strike length land package held by Nickel Creek Platinum. Historic geophysics, limited previous drilling and a 2017 field mapping program hold promise that additional mineralization beyond the known resource may be identified through future drill programs. The Company intends to perform more advanced and sophisticated geophysics testing this summer to identify future drill targets to determine the district's potential.

### **Advancing the Project: 2017 in Review**

The technical review of the Nickel Shāw deposit during 2017 was a critical step in advancing the project. We believe 2018 will present an opportunity to further move this project into the next stage of its lifecycle.



<sup>1</sup> Previously Wellgreen Platinum Ltd.

<sup>2</sup> Total Measured + Indicated Resource: 362.0 MMT containing 0.26% Ni, 0.14% Cu, 0.231 g/t Pt, 0.244 g/t Pd, 0.04 g/t Au, and 150 ppm Co

The metallurgical testwork program we completed in 2017 proved we could produce a quality bulk concentrate, while giving us indications of the potential to produce separate nickel and copper concentrates. Last year's 2,700-metre core drilling program was designed to (1) obtain sufficient sample material to conduct the next phase of metallurgical testing to determine the viability of producing separate nickel and copper concentrates; and (2) complete the infill drilling needed to convert inferred material within the pit to measured and indicated status. The 2017 field season also included extensive ground-based mapping to target future potential deposits within our land package.

### **Underscoring the Importance of Corporate Social Responsibility**

We also saw success in our commitment to strengthen relationships with the project's many broader stakeholders. This included the nomination of Nickel Creek Platinum for the prestigious Robert E. Leckie Award for Excellence in Environmental Stewardship. This honour provided public recognition of our efforts to clean up and remediate the historic camp facilities adjacent to the deposit, and the implementation of best practices to ensure the minimization of our environmental footprint.

We are also building enhanced partnerships with local community groups into our core mission, a trend we hope to build on in the coming years. Our continuing commitment to hire locally was further evidenced by our personnel statistics, as last year more than 60% of our site contractors were hired in partnership with the Kluane First Nation.

### **Looking Ahead to 2018**

During the coming year we expect to complete the final stage of the metallurgical testwork needed to demonstrate the viability of producing commercially saleable separate nickel and copper concentrates. The program continues to focus on flowsheet optimization and batch scale



testing followed by Mini Pilot Plant (“MPP”) testing. This work is expected to be completed in the second quarter of 2018.

Upon successful completion of the testwork, we can finalize the flowsheet and mine plan, optimize throughput rates and select the location of certain site facilities, to enable us to determine the best path forward into pre-feasibility. XPS Expert Process Solutions labs in Sudbury, Ontario is performing our metallurgical testwork.

We also plan to further study the additional exploration potential within the Nickel Shāw land package. As noted above, the deposit has a strike length of 2.2 km within an 18 km trend. Through the 2017 mapping program and a planned 2018 geophysics program we aim to identify additional drilling targets along the strike length to determine whether our already large resource is part of an even larger, district scale system.

### **A Continuing Commitment to Shareholders**

I sincerely appreciate the substantial support and trust that investors have placed in our team. I would like to especially thank those core shareholders who led us through the successful financings needed to advance the project and conduct the necessary key technical studies. These include Electrum Strategic Opportunities Fund (26%), Resource Capital Funds (11%), Drake Private Investments (9%) and Tocqueville Asset Management (5%).

### **Nickel Creek Platinum’s Key Resource: Our People**

Nickel Creek Platinum holds a world-class asset with growing potential driven by emerging market demand and a significant institutional shareholder base. We are uniquely positioned to add significant value to the project and our shareholders. However, each step in that process has been driven by a far bigger asset: our people.

During the past year, we have added a range of talent to our growing team to better enable us to deliver maximum value to all of Nickel Creek Platinum’s stakeholders. This included the hiring of Heather White (Voisey’s Bay, Vale, NovaGold), as chief operating officer; James Berry (Romarco, Barrick, Homestake) as chief geologist and Graeme Jennings (Cormark Securities) as vice-president of corporate development and investor relations. Taken together, by the end of last year we employed 9 full-time employees and 90 contractors at site.

It is to them that I extend my most profound thanks for the achievements they helped us realize.



Diane R. Garrett, President & CEO



**Large Scale Asset**



**Right Commodities**



**Location**



**Infrastructure**



**Proven Management**



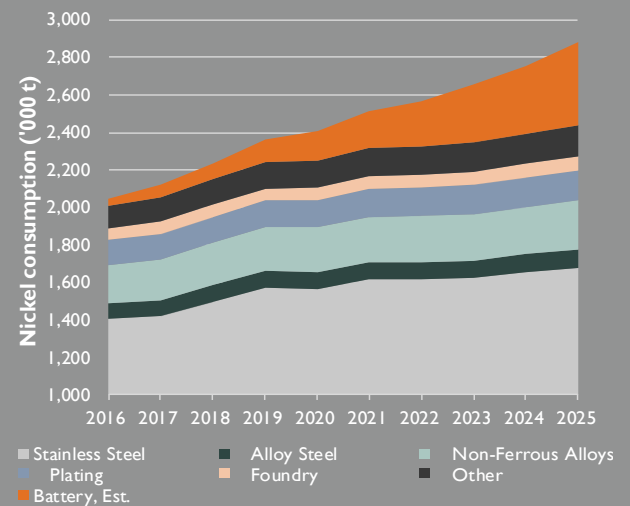
**Strategic Investors**

# NICKEL, COPPER & COBALT – COMMODITIES FOR THE FUTURE

## ELECTRIC VEHICLES DRIVING NICKEL DEMAND

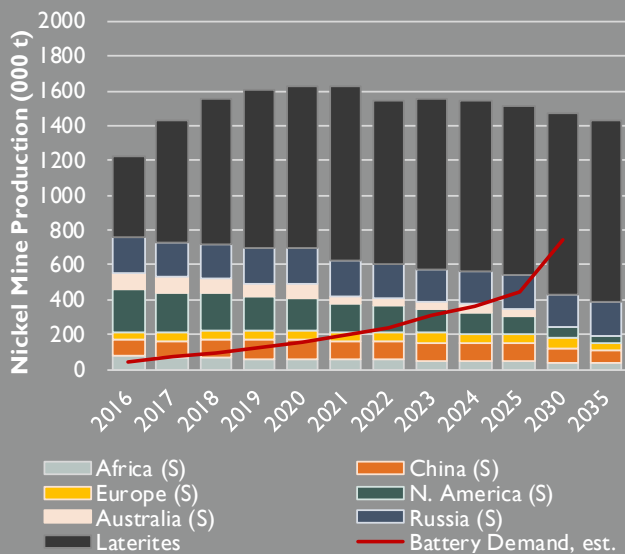
- The growing market for electric vehicles and energy storage is driving new demand for batteries, which typically contain nickel, cobalt, and manganese
- Li-Ion batteries are 75%+ nickel and moving to a higher nickel content to increase energy density
- Battery segment today accounts for ~2% of total nickel demand (40,000 T vs. 2.0 MMT total consumption)
- Nickel demand from battery segment expected to increase to 450,000 T over next five years
- Copper demand expected to grow from increased wiring in cars (4-5x) and to support charging infrastructure

## Nickel Demand Forecast



*“Our cells should be called Nickel-Graphite, because primarily the cathode is nickel ...”*  
**Elon Musk**

## Nickel Supply— Sulphides vs. Laterites

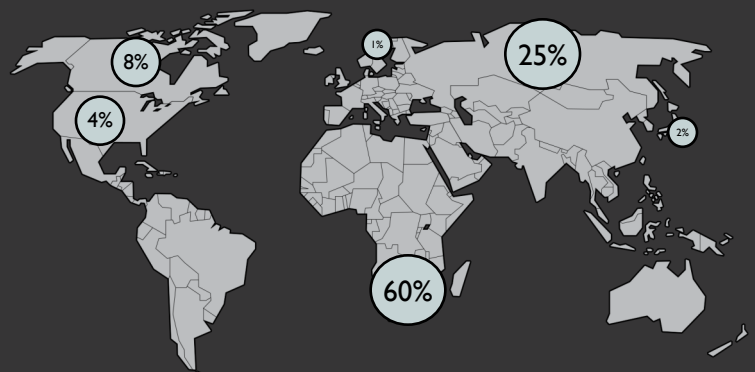


## SUPPLY CONSTRAINTS IN NICKEL

- Li-Ion batteries require high quality nickel feed
- Nickel sulphide mines produce pure nickel through conventional flotation, concentration, and smelting
- Laterite projects are more complex:
  - Ferronickel & NPI require uneconomic processing to produce pure nickel feed
  - HPAL projects have a history of high capex, significant cost overruns, and ramp-up challenges
- Nickel sulphide deposits account for approximately 25-30% of worldwide nickel production versus laterites.
- Nickel production from sulphide projects expected to decline due to low exploration spending over last 10 years

## PGMs IN THE WESTERN HEMISPHERE

- Over 85% of PGM production comes from Russia and South Africa/Zimbabwe
- Risk of rising labour costs, maturing assets and regulatory uncertainty
- Platinum and palladium demand from autocatalysts and jewelry
- PGM demand rising from hybrid vehicle adoption and fuel-cell electric vehicles



## RESOURCE ESTIMATE

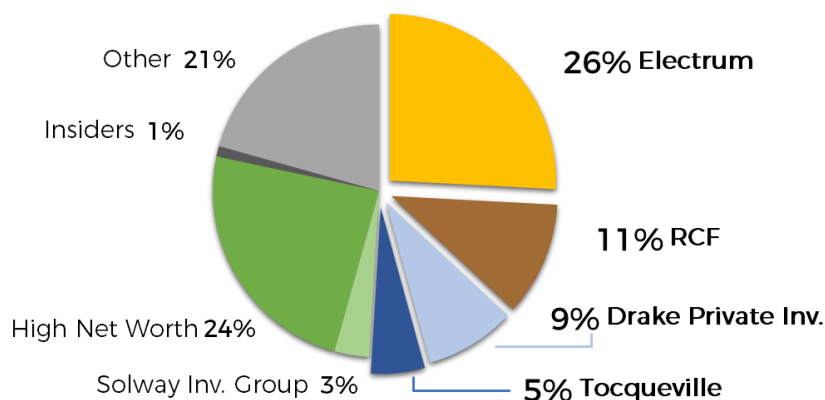
### 43-101 Resource Estimate

Tonnes 000 t	Ni %	Cu %	PtPdAu g/t	Co ppm	Ni BBlbs	Cu BBlbs	PtPdAu MMoz	Co MMlbs
<b>Measured</b>								
98,800	0.25	0.16	0.547	150	0.54	0.36	1.7	33
<b>Indicated</b>								
263,200	0.26	0.13	0.503	150	1.531	0.73	4.3	88
<b>Total M+I</b>								
<b>362,000</b>	<b>0.26</b>	<b>0.14</b>	<b>0.51</b>	<b>150</b>	<b>2.08</b>	<b>1.09</b>	<b>6.0</b>	<b>121</b>
<b>Inferred</b>								
<b>118,600</b>	<b>0.28</b>	<b>0.12</b>	<b>0.50</b>	<b>150</b>	<b>0.74</b>	<b>0.31</b>	<b>1.9</b>	<b>40</b>

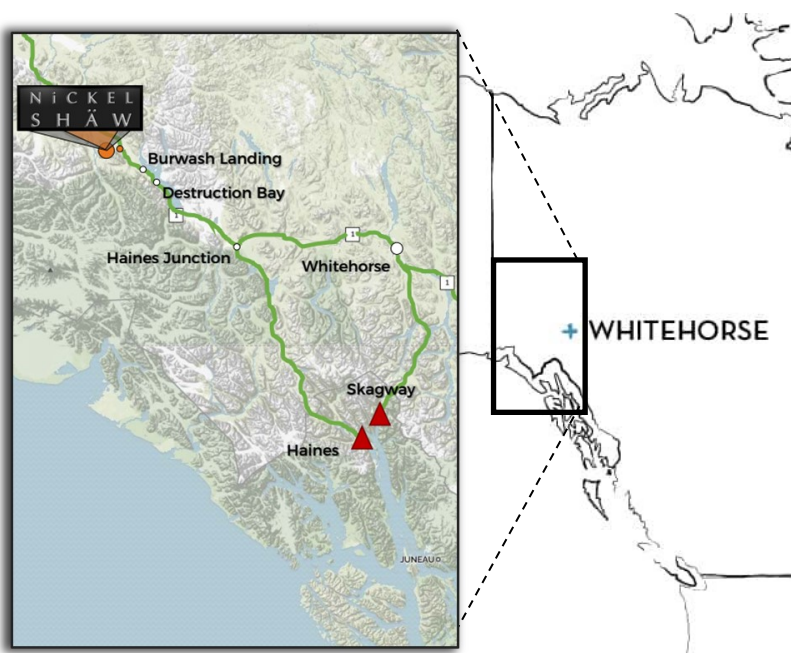
#### Notes:

1. "PtPdAu" = Pt + Pd + Au
2. Measured "PtPdAu" grades = Pt 0.25 g/t + Pd 0.24 g/t + Au 0.05 g/t; Indicated "PtPdAu" grades = Pt 0.22 g/t + Pd 0.24 g/t + Au 0.04 g/t; Inferred "PtPdAu" grades = Pt 0.22 g/t + Pd 0.25 g/t + Au 0.03 g/t
3. Resource estimate prepared by Independent Mining Consultants, dated June 26, 2017. All prices in US\$. Calculations were based on a pit constrained resource using Ni \$7.75/lb, Cu \$3.00/lb, Co \$11.80/lb, Pt \$1,350/oz, Pd \$860/oz, Au \$1,400/oz. The average calculated process recoveries for the metals in the mineral resource are: Ni 59.2%, Cu 77.7%, Pt 53.3%, Pd 60.4%, Au 78.3%, and Co 60.9%.

## SHAREHOLDERS



## PROJECT LOCATION



## CAPITAL STRUCTURE

As of March 31<sup>st</sup>, 2017

Share Price	C\$0.29
Market Capitalization	C\$69 MM
Cash	C\$7.4 MM
Debt	C\$0.0 MM
Issued & Outstanding	237 MM
Warrants	100 MM
Fully Diluted	337 MM

TSX: NCP | OTCQX: NCPCF

Nickel Creek Platinum Corp. is a Canadian mining exploration and development company focused on advancing its 100% owned Nickel Shāw project towards becoming Canada's next world-class nickel sulphide mine. Located in the Yukon, our asset is host to Resources containing an estimated 2 billion pounds of nickel, 1 billion pounds of copper, 6 million ounces of platinum group metals ("PGM's") and 121 million pounds of cobalt in the measured and indicated categories – positioning us well for the rapidly growing demand for these urbanization commodities. The project has exceptional access to infrastructure, located three hours west of Whitehorse via the paved Alaska Highway, which further offers year-round access to deep sea shipping ports in southern Alaska.

The Company is led by a management team with a proven track record of successful discovery, development, financing and operation of large-scale projects. Our vision is to create value for our stakeholders through development of the Nickel Shāw project into a leading North American nickel, copper, cobalt and PGM producer.

## MANAGEMENT

**Diane R. Garrett, Ph.D.**

President and Chief Executive Officer

**Joe Romagnolo, CPA, CA**

Sr Vice President and Chief Financial Officer

**Heather White, P.Eng**

Chief Operating Officer

**Graeme Jennings, CFA**

VP Corporate Development & IR

[www.nickelcreekplatinum.com](http://www.nickelcreekplatinum.com)

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## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this correspondence (“Correspondence”) constitute “forward-looking statements” within the meaning of Canadian securities legislation. These forward-looking statements are made as of the date of this Correspondence and the Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable laws. Forward-looking statements relate to future events or future performance and reflect management’s expectations or beliefs regarding future events. Except for statements of historical fact relating to the Company, the information contained herein constitutes forward-looking statements. This Correspondence contains forward-looking statements which reflect management’s expectations regarding the Company’s future growth, the Company’s medium and long-term goals and strategies to achieve those objectives and goals, as well as statements with respect to the Company’s beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words “may”, “will”, “continue”, “could”, “should”, “would”, “suspect”, “outlook”, “believes”, “plan”, “anticipates”, “estimate”, “expects”, “intends” and words and expressions of similar import are intended to identify forward-looking statements. In particular, statements regarding the results of the Phase 1 Metallurgical Program, results of the metallurgical testwork, results of future drilling programs, results of the resource estimate completed in June, 2017 (“Resource Estimate”), the undertaking of any potential PEA or pre-feasibility study, the Company’s future work plans at the Nickel Shāw Project and the ongoing advancement of project milestones at the Nickel Shāw Project to the pre-feasibility stage, other future exploration and development activities or other development plans, including the potential construction of a mine at the Nickel Shāw Project and estimated future financing requirements, as well as statements with respect to the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of estimated future production, costs of production, capital expenditures and success of mining operations, constitute forward-looking statements. Readers are cautioned that Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. These statements are not historical facts and only represent the Company’s current beliefs as well as assumptions made by and information currently available to the Company concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration and development activities and commitments and future opportunities. Although management considers those assumptions to be reasonable based on information currently available to them, they may prove to be incorrect. These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. By their very nature, forward-looking statements involve several 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. Readers are cautioned not to place undue reliance on these forward-looking statements, and readers are advised to consider such forward-looking statements considering the risk factors detailed in “Risk Factors” in the Company’s Annual Information Form (AIF) for the year ended December 31, 2017 (which is available under Nickel Creek Platinum’s SEDAR profile at [www.sedar.com](http://www.sedar.com)). The Company cautions that the foregoing list of factors that may affect future results is not exhaustive. When relying on any forward-looking statements in this Correspondence to make decisions with respect to the Company, investors and others should carefully consider the risk factors set out in this Correspondence and the AIF and other uncertainties and potential events.

### Scientific and Technical Information

The Company retained Independent Mining Consultants (“IMC”) of Tucson, Arizona to complete the 2017 Resource Estimate. John Marek, RMSME, President of IMC, is the Qualified Person (as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”)) in respect of the Nickel Shāw Project pertaining to the 2017 Resource Estimate, and is an independent consultant to the Company. The scientific and technical information disclosed in this Correspondence pertaining to

the 2017 Resource Estimate is derived from the technical report prepared by IMC entitled, “2017 Mineral Resource Estimate on the Wellgreen Ni-Cu-PGM Project, Yukon Canada, June 26, 2017”, and was reviewed and approved by Mr. Marek.

Quality Assurance, Quality Control: All scientific and technical Information disclosed in this Correspondence, except pertaining to the 2017 Resource Estimate, has been reviewed and approved by James Berry, the Company’s Chief Geologist and a Qualified Person as defined under NI 43-101. Please see the Resource Estimate (which is available under the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com)) for a description of data verification and quality assurance and quality control procedures.

### Cautionary Note to United States Investors

This Correspondence uses the terms “Measured”, “Indicated” and “Inferred” Resources in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards. Investors are advised that while such terms are recognized and required by Canadian securities laws, the United States Securities and Exchange Commission (“SEC”) does not recognize these terms. The term “Inferred Mineral Resource” refers to a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling and for which geological evidence is sufficient to imply but not verify, geological and grade or quality continuity. These estimates are based on limited information and have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category of resource, such as “Indicated” or “Measured”, because of continued exploration. Under Canadian securities laws, estimates of an “Inferred Mineral Resource” may not form the basis of pre-feasibility or feasibility studies and can only be used in economic studies in the limited circumstances as described in NI 43-101. Investors are cautioned not to assume that all or any part of “Measured” or “Indicated Mineral Resources” will ever be converted into “Mineral Reserves” (the economically mineable part of an “Indicated” or “Measured Mineral Resource”). Investors are also cautioned not to assume that all or any part of an Inferred Mineral Resource exists, or is economically or legally mineable. In addition, disclosure of contained ounces is permitted under Canadian regulations. However, except as to Reserves, the SEC only permits issuers to report mineralization as in place tonnage and grade without reference to unit measures.

All figures are expressed in US dollars unless otherwise noted.

### Non-GAAP Measures / Public Sources of Information

The Company has included in this Correspondence certain non-GAAP measures. The non-GAAP measures do not have any standardized meaning within Canadian GAAP and therefore may not be comparable to similar measures presented by other companies. The Company believes that these measures provide additional information that is useful in evaluating the Company. The data presented is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with Canadian GAAP.

Certain information contained in this Correspondence with respect to other companies and their business and operation has been obtained or quoted from publicly available sources, such as continuous disclosure documents, independent publications, media articles, third party websites (collectively, the “Publications”). In certain cases, these sources make no representations as to the reliability of the information they publish. Further, the analyses and opinions reflected in these Publications are subject to a series of assumptions about future events. There are a number of factors that can cause the results to differ materially from those described in these publications. None of the Company or its representatives independently verified the accuracy or completeness of the information contained in the Publications or assume any responsibility for the completeness or accuracy of the information derived from these Publications.



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