



Suite 725 – 1155 West Pender Street
 Vancouver, BC Canada V6E 2P4
 Tel: 604.681.8600
 e-mail: info@fpxnickel.com

April 25, 2019

President’s Letter

Over the past year, FPX Nickel Corp. (“**FPX Nickel**”, or “**the Company**”) continued the advancement of our flagship, 100%-owned Decar Nickel District (“**Decar**”, or “**the Decar District**”), located in central British Columbia, Canada. The focus of our activities over this period was on gaining a deeper understanding of the metallurgical performance of the nickel contained in our development-stage Baptiste deposit (“**the Project**”), which ranks among the largest undeveloped nickel deposits in the world.

The metallurgical testing conducted in 2018 and 2019 achieved remarkable improvements over the results of previous metallurgical test work used as a basis for the Baptiste deposit’s 2013 preliminary economic assessment (“**PEA**”), demonstrating significant increases in estimated nickel recovery and final concentrate quality, using conventional processing technologies.

Notably, the metallurgical test program confirmed the amenability of the Baptiste deposit to a conventional flowsheet based on grinding, magnetic separation and flotation processes. The testing achieved consistent production of nickel (“**Ni**”) concentrates with significant improvements in grade and recovery, versus 2013 PEA projections. Further, the results demonstrated the consistent production of iron ore concentrates grading up to 64% iron (“**Fe**”) content, the first successful generation of a potentially commercial by-product in the Project’s testing history.

A comparison of the results of the 2019 metallurgical test program with the assumptions in the 2013 PEA is provided in the Table below.

Summary of Metallurgical Improvements

Metallurgical Parameter	Metallurgical Assumptions in 2013 PEA	Results of 2019 Metallurgical Test Program
Nickel Concentrate Grade	13.5% Ni	55-72% Ni
Davis Tube Recoverable (“DTR”) Nickel Recovery	82%	80-90%
Iron Ore Concentrate Grade	N/A	58-64% Fe

The confirmation of a simple, robust flowsheet using conventional magnetic separation and flotation parameters paves the way for Decar’s ongoing development, and for the exploration and development of awaruite nickel targets generally. Over the next several months, we will continue to advance this metallurgical program through further testing and trade-off studies to optimize the components of an updated mine plan for the Baptiste Deposit.

Our continued advancement of Decar coincides with increasing investor and strategic interest in the nickel market. The global refined nickel market posted a cumulative deficit of approximately 240,000 tonnes from 2016 to 2018, and consensus analyst forecasts call for substantial nickel market deficits in 2019 and beyond. In this positive fundamental context, FPX Nickel is ideally positioned as the most attractive pure-play nickel development company in the Canadian market.

One of Decar's key attributes is its attractive location in central British Columbia, a region with a rich history of bulk-tonnage, open-pit mining operations including Mt. Milligan (Centerra Gold Inc.) and Gibraltar (Taseko Mines Limited). We note with particular interest the recent receipt by New Gold Inc. of Canadian federal government approval for the construction of the Blackwater Gold project, a large open-pit deposit located approximately 200 kilometres south of Decar. We believe this decision further demonstrates the durable attractiveness of central B.C. as a premier global mining jurisdiction.

As we advance Decar, our Chairman and largest shareholder, Peter Bradshaw, has continued to demonstrate a significant financial commitment to the Company, most recently by agreeing to advance FPX Nickel a C\$4 million loan, at a modest interest rate of 7.5%, maturing in 2025 (“**the Bradshaw Loan**”). Proceeds of the Bradshaw Loan will be used by the Company to repay 50% of the long-term debt owing to our existing arm's length lender, a private investor who is also one of FPX Nickel's largest shareholders (“**the Private Shareholder**”).

Concurrent with the Bradshaw Loan agreement, the Company has agreed with the Private Shareholder to extend the Private Shareholder loan's maturity date from September 2020 to September 2022. This increased balance sheet flexibility will permit the Company to focus its resources on the continued advancement of the Baptiste Deposit toward an updated PEA and beyond.

I would like to thank our shareholders for their continued support and to invite each of you to attend the Company's annual meeting, which will be held at 2:00 pm on May 30, 2019, in our offices, at Suite 725, 1155 West Pender Street, in Vancouver, B.C. If you are unable to attend in person, please take a few minutes to complete and submit your Proxy or VIF form, as applicable.

Yours very truly,

A handwritten signature in black ink, appearing to read 'Martin Turenne', written in a cursive style.

Martin Turenne, President & Chief Executive Officer