

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

First Nickel Inc. ("FNI")
130 King Street West, Suite 1600
Toronto, ON M5X 1J5

Item 2. Date of Material Change

March 30, 2005

Item 3. Press Release

Press release issued by FNI on March 31, 2005 via a Canadian news wire service.

Item 4. Summary of Material Change

FNI has provided the details of an agreement made between First Nickel and McFarlane Gordon Inc. relating to the offering of securities to finance the acquisition of the Lockerby mine from Falconbridge Limited.

Item 5. Full Description of Material Change

FNI has provided the details of an agreement made between First Nickel and McFarlane Gordon Inc. relating to the offering of securities to finance the acquisition of the Lockerby mine from Falconbridge Limited (see news in Stockwatch Nov. 29, 2004, and March 15, 2005).

First Nickel will offer special notes of its capital, by way of private placement for a maximum amount of \$15-million and a minimum amount of \$10.0-million. Each special note will be exchangeable, at no additional consideration, for units of securities of First Nickel, each unit consisting of \$1,000 principal amount of senior unsecured debentures of First Nickel and 200 common shares. The debentures will bear interest from the date of issue at 11 per cent per year payable semi-annually in arrears, the first payment to be made on the last day of the six-month period following closing. The maturity date of the debentures will be the two years from the completion of the acquisition of the Lockerby mine however First Nickel will have the right to prepay all or part of the outstanding principal amount of debentures on prior notice in writing. The subscription proceeds will be held in escrow pending the closing. First Nickel has agreed to pay MGI a commission of 6 per cent of the total gross proceeds, payable on the closing.

The offering is subject to board and regulatory approval.

Item 6. Reliance on Section 75(3) of the Act

Not Applicable.

Item 7. Omitted Information

No information has been omitted from this material change report.

Item 8. Senior Officer

The following senior officer of FNI is knowledgeable about the material change and the Report and may be contacted by the Commission as follows:

Elizabeth J. Kirkwood, President and Chief Executive Officer

Telephone: 416 364-6928
Facsimile: 416 364-0618
Internet: www.firstnickel.com

DATED April 11, 2005.

FIRST NICKEL INC.

“Elizabeth J. Kirkwood”

Per: _____
Elizabeth J. Kirkwood
President and Chief Executive Officer