

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

First Nickel Inc. ("**First Nickel**")
120 Front St. East, Suite 206
Toronto, Ontario
M5A 4L9

Item 2. Date of Material Change

November 30, 2006.

Item 3. Press Release

Press release issued by First Nickel on November 30, 2006 via a Canadian news wire service.

Item 4. Summary of Material Change

First Nickel has completed of the first stage of its drill program at the Depth Zone of the Lockerby Mine which is designed to provide the basis for a new resource calculation from the 64 Level to the 72 Level.

Item 5. Full Description of Material Change

The first stage of the drill program consisted of a total of 40 diamond drill holes (totalling 6,427 metres in the aggregate) completed between the 64 Level and 67 Level of the Lockerby Mine. This stage of the program was designed to infill the existing resource model and facilitate the calculation of mineral reserves to the 67 Level for purposes of detailed mine planning.

The results to date from the first stage of drilling have met or exceeded management's expectations for this phase of the program. Assay results have been received for 25 holes and are summarized in Table 1 set out below. Highlights to date include FNI6363, which intersected a core length of 28.96 metres grading 2.34% Ni and 1.70% Cu, including 13.26 metres of 3.95% Ni and 1.81% Cu, and FNI6364, which intersected a core length of 47.62 metres grading 1.51% Ni and 0.90% Cu, including 11.45 metres grading 3.34% Ni and 1.32% Cu. All assay intervals reported are core length and do not represent true widths (defined as being measured at right angles to the direction of extension of the sulphide body). A long section with the distribution of drill intercepts received to date is provided in Figure 1, below. The results for the remaining 15 holes of this first stage of drilling will be reported once the assay data has been received.

Diamond drilling has now progressed directly into the second stage of the drill program. The second stage is designed to infill the central portion of the

Lockerby deposit between the 67 Level and the 72 Level to increase geological confidence in the continuity of the mineralization and facilitate long term mine planning. This second stage of diamond drilling is expected to be completed by the end of February 2007.

The diamond drilling program at the Lockerby Mine is being carried out under the supervision of First Nickel's Chief Mine Geologist, Stephen Conquer, P.Geo., a "qualified person" as such term is defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101"). The information set out in First Nickel's press release dated November 30, 2006 and this material change report was prepared under the direction of Paul Davis, P.Geo., First Nickel's Vice President of Exploration, also a "qualified person" as such term is defined in NI 43-101.

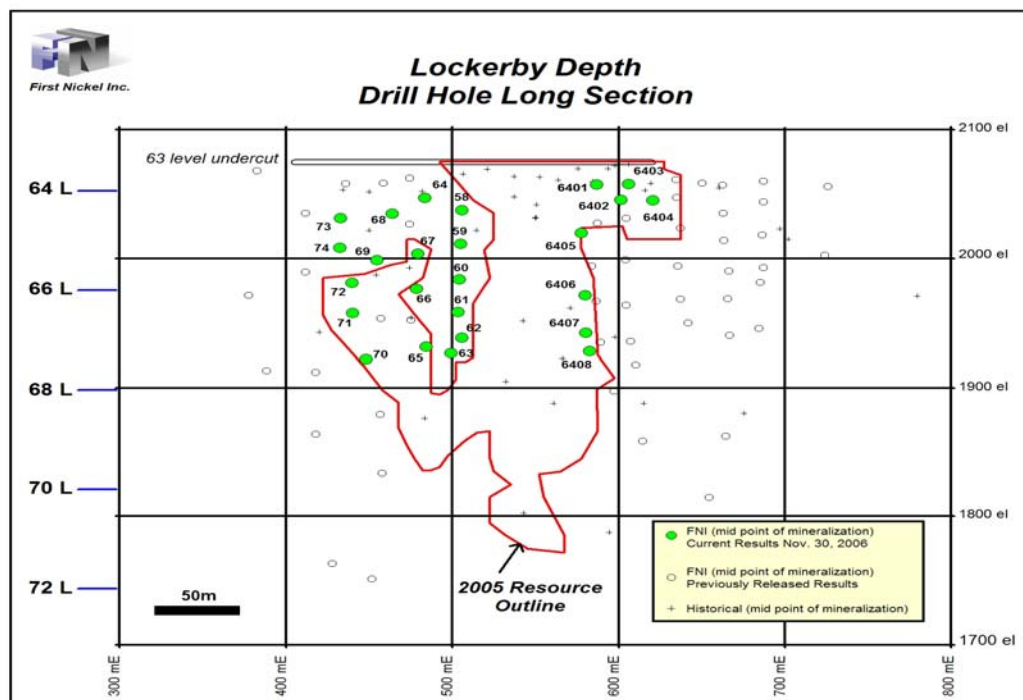
First Nickel follows a rigorous QA/QC protocol on all of its exploration projects. Whole drill core is sampled and sent to a commercial laboratory, SGS Laboratories in Garson ("SGS"), for preparation and specific gravity measurements and then shipped internally by SGS to Toronto for assay. A rigorous quality assurance/quality control program is employed which includes the insertion of standards and blanks for each batch of samples. Historic analytical work completed by Falconbridge Limited at the Lockerby Mine property was completed by a commercial laboratory, Lakefield Laboratories.

Table 1:
Lockerby Depth Zone: Summary of Assay Results

Hole ID	From (m)	To (m)	Core Length (m)	Ni (%)	Cu (%)	Co (%)
FNI6358	139.65	141.30	1.65	3.03	0.75	0.11
FNI6359	149.75	151.55	1.80	1.57	0.79	0.06
FNI6360	164.00	167.83	2.88	2.89	2.55	0.11
FNI6361	182.00	183.40	1.40	1.09	2.33	0.05
FNI6362	192.58	205.64	13.06	2.49	1.71	0.09
incl.	194.03	199.80	5.81	3.36	2.45	0.12
FNI6363	182.30	211.26	28.96	2.34	1.70	0.09
incl.	198.00	211.26	13.26	3.95	1.81	0.15
FNI6364	130.65	136.10	5.45	3.56	1.30	0.13
FNI6365	160.83	208.45	47.62	1.51	0.90	0.06
incl.	197.00	208.45	11.45	3.34	1.32	0.13
FNI6366	163.80	169.33	5.53	1.31	2.06	0.06
FNI6367	146.23	154.63	8.40	2.17	1.81	0.08
FNI6368	135.80	138.30	2.50	2.96	0.89	0.12
FNI6369	139.30	161.40	22.10	1.67	1.13	0.07
incl.	152.80	159.65	6.85	2.83	0.92	0.11
FNI6370	201.70	220.50	18.80	2.46	1.59	0.10
incl.	202.65	213.15	10.50	3.29	1.50	0.13
FNI6371	178.50	184.50	6.00	3.08	1.19	0.12

Hole ID	From (m)	To (m)	Core Length (m)	Ni (%)	Cu (%)	Co (%)
FNI6372	164.95	171.50	6.55	2.30	2.90	0.10
FNI6373	128.90	141.90	13.00	1.64	1.32	0.07
incl.	139.15	141.90	2.75	3.29	0.58	0.13
FNI6374	150.10	154.00	3.10	2.24	0.94	0.09
FNI6401	52.50	63.03	10.53	3.34	1.60	0.11
incl.	55.87	63.03	7.16	4.45	1.76	0.15
FNI6402	44.95	59.90	14.95	1.27	1.40	0.04
incl.	52.50	57.15	4.65	1.99	1.28	0.06
FNI6403	35.90	53.00	17.10	1.89	1.93	0.06
incl.	47.60	53.00	5.40	3.16	2.32	0.10
FNI6404	41.62	48.70	7.08	1.98	1.92	0.07
incl.	44.52	47.66	3.14	3.60	1.22	0.12
FNI6405	72.66	80.85	8.19	2.51	2.38	0.09
FNI6406	106.96	114.58	7.62	3.95	2.24	0.13
FNI6407	132.29	140.08	7.79	2.85	1.22	0.09
incl.	132.29	137.00	4.71	4.01	1.87	0.13
FNI6408	140.65	149.90	9.25	1.57	1.52	0.06
incl.	146.85	149.90	3.05	3.84	1.68	0.13

Figure 1:
Distribution of Drill Intercepts to Date



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 First Nickel is knowledgeable about the material change and the Report and may be contacted by the Commission as follows:

William Anderson, President and Chief Executive Officer

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DATED effective as of the 1st day of December, 2006.

FIRST NICKEL INC.

Per: "WILLIAM ANDERSON"
William Anderson
President and Chief Executive Officer

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