FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Continental Nickel Limited
67 Yonge Street, Suite 1500
Toronto, Ontario M5E 1J8

Item 2 Date of Material Change

January 8, 2008

Item 3 News Release

The press release attached as Schedule A was released over Marketwire on January 8, 2008.

Item 4 Summary of Material Change

The material change is described in the press release attached as Schedule A.

Item 5 Full Description of Material Change

The material change is described in the press release attached as Schedule A.

Item 6 Reliance of subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Craig MacDougall, President and CEO
Continental Nickel Limited
Tel: (416) 364-7111 X228

Item 9 Date of Report

January 8, 2008

SCHEDULE A

Continental Nickel Announces Closing of C$9.0 Million 'Bought Deal' Private Placement Financing

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

Toronto, Ontario (January 8, 2008) : **CONTINENTAL NICKEL LIMITED** (TSXV:CNI) is pleased to announce that it has completed the sale of 3.0 million common shares (the "Common Shares") at a price of $3.00 per Common Share (the "Offering") for a aggregate gross proceeds of $9.0 million pursuant to an underwriting agreement with a syndicate of underwriters led by Paradigm Capital Inc. and including PI Financial Corp. and Raymond James Ltd. (the "Underwriters"). The Underwriters agreed to complete the private placement, on a bought deal private placement basis, with a right to substitute purchasers. As part of the financing, the Underwriters exercised an option to purchase an additional 390,000 Common Shares at $3.00 per Common Share which is part of the aggregate gross proceeds of $9,000,000.

This financing was first announced on December 12, 2007. The Company intends to use the net proceeds of the Offering for further exploration of its Nachingwea nickel project in Tanzania as well as to pursue new exploration property acquisitions and for general corporate activities.

Continental Nickel paid the Underwriters a cash commission representing 6.5% of the gross proceeds of the Common Shares sold pursuant to the Offering. The Underwriters also received Compensation Options entitling them to purchase that number of common shares equal to 3.25% of the total number of Common Shares sold pursuant to the Offering at a price of $3.00 per Common Share. The Compensation Options expire on July 8, 2009. All securities issued pursuant to the financing are subject to a 4 month statutory hold period from closing which expires on May 9, 2008.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons as defined under applicable securities laws unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Continental Nickel

Continental Nickel Limited is an exploration company focused on developing and advancing nickel sulphide exploration projects in geologically prospective, but under explored regions globally. On a post-private placement basis, Continental Nickel now has 30,009,727 shares issued and outstanding (32,435,916 on a fully-diluted basis) and trades on the TSX Venture Exchange under the symbol CNI.

On behalf of
Continental Nickel Limited

"Craig MacDougall"
President & Chief Executive Officer

For further information please contact:

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Forward-Looking Statements

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. Some of the statements contained herein may be forward-looking statements which involve known and unknown risks and uncertainties. Without limitation, statements regarding potential mineralization and resources, exploration results, closing of financing transactions and future plans and objectives of the Company are forward looking statements that involve various degrees of risk. The following are important factors that could cause the Company's actual results to differ materially from those expressed or implied by such forward looking statements: changes in the world wide price of mineral commodities, general market conditions, risks inherent in mineral exploration, risks associated with development, construction and mining operations, the uncertainty of future profitability and the uncertainty of access to additional capital.