



Press Release

Continental Nickel Reports Grant of Stock Options

Toronto, Ontario (September 10, 2009): Continental Nickel Limited (TSXV: CNI) ("Continental" or the "Company") is pleased to announce the grant, pursuant to the Company's Stock Option Plan and subject to any regulatory approvals, of 407,500 incentive stock options to officers, directors and employees at an exercise price of \$0.98 per share with a term of five years.

About Continental Nickel

Continental Nickel Limited is focused on the exploration and discovery of nickel sulphide deposits in geologically prospective, but under-explored regions globally. Current projects include its 70% controlling interest in the Nachingwea project in Tanzania, where NI 43-101 Mineral Resources have been defined and an option joint venture on the St. Stephen project in New Brunswick, Canada. Continental Nickel has 30,132,395 shares issued and outstanding (32,849,895 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

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CAUTIONARY STATEMENT: 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. This News Release includes certain "forward-looking statements". All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding potential mineralization and reserves, exploration results, future plans and objectives of Continental Nickel Limited, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

Important factors that could cause actual results to differ materially from Continental Nickel Limited's expectations are the risks detailed herein and from time to time in the filings made by Continental Nickel Limited with securities regulators.