

Royal Nickel Announces First Quarter 2012 Results

- On April 16, 2012, RNC announced the completion of additional metallurgical testwork on production of by-product iron ore (magnetite) concentrate from the Dumont Nickel Project and an initial assessment of the marketability of the concentrate completed by CRU Strategies. This additional work confirms the potential to produce an iron ore by-product from the existing magnetic tailings stream in the Dumont pre-feasibility nickel recovery flowsheet.
 - On January 18, 2012, RNC announced that it had engaged Rothschild as its financial advisor in planning, preparing and subsequently implementing the currently contemplated project financing for the Dumont Nickel Project.
 - RNC incurred a net loss of \$2.5 million for the three months ended March 31, 2012 compared to a net loss of \$1.7 million in the same period in 2011.
-
- Announcement of revised pre-feasibility study highlights on May 14, 2012
 - Completion of an updated NI 43-101 pre-feasibility study technical report by the end of the second quarter of 2012.
 - Initiation of the feasibility study in mid 2012
 - Ramp-up of the project financing process in the first half of 2012, focusing on selecting a project partner
 - Downstream processing options (including ferronickel) study by mid 2012
 - Completion of Environmental and Social Impact Assessment by the second half of 2012
 - Potential placement of long-lead orders starting in the second half of 2012

	March 31, 2012	December 31, 2011
Cash position ¹	15.6	19.7
Working capital ²	21.5	27.1
Tax credits receivable ³	9.7	11.1
Total assets	84.2	86.4
Shareholder's equity	74.5	76.7

1 Includes Cash and Cash equivalents

2 Working capital is a measure of current assets less current liabilities

3 Current portion of tax credits receivable \$8.9 million (2011: \$10.5 million) and non-current portion \$0.8 million (2011: \$0.6 million)

For further information:

Additional assets available online: [Documents \(1\)](#)