

## Royal Nickel Announces Third Quarter 2012 Results

(All amounts expressed in Canadian dollars unless otherwise indicated)

TORONTO, Nov. 9, 2012 /CNW/ - Royal Nickel Corporation ("RNC") (TSX: RNX) is pleased to report its review of activities and financial results for the quarter ended September 30, 2012. Third quarter results are based on the unaudited financial statements for the three months ended September 30, 2012.

"The third quarter was another period of substantial progress for RNC as important community, financial and project milestones were achieved," said Tyler Mitchelson, President and CEO. "Our near term focus for the Dumont project is to conclude the previously announced partner process by early 2013, file the Environmental and Social Impact Assessment by the end of 2012 and deliver the feasibility study by mid-2013. I continue to believe RNC is well positioned to unlock the value potential of the US\$1.4 billion NPV<sub>8%</sub><sup>1</sup> Dumont project. Dumont is one of only a few large scale, low cost nickel development projects at a sufficiently advanced stage to provide new production by mid-decade."

### THIRD QUARTER and recent Highlights

- On August 1, 2012, RNC announced the completion of a \$12 million investment in the Dumont Nickel Project ("Dumont") by Ressources Québec Inc., a subsidiary of Investissement Québec.
- On August 2, 2012, RNC announced the appointment of a Project Director for Dumont.
- On September 12, 2012, RNC reported that it had received confidential non-binding indicative partnership proposals from potential partners interested in the development of Dumont.
- On September 19, 2012, RNC announced that it had selected Norascon as the mining contractor for the overburden pre-stripping phase of the Dumont project.
- On September 26, 2012, RNC and the municipality of Launay announced the signing of a Provisional Collaboration and Partnership Agreement for the development of Dumont.
- RNC incurred a net loss of \$2.9 million for the three months ended September 30, 2012 compared to a net loss of \$1.2 million in the same period in 2011.
- On October 17, 2012, RNC announced it is engaged in discussions with multiple companies to process concentrate anticipated to be produced at Dumont.

For the three months ended September 30, 2012, RNC incurred a net loss of \$2.9 million (\$0.03 per share) compared to \$1.2 million (\$0.01 per share) in the same period last year. The net loss increase of \$1.7 million is due primarily to an increase in the deferred income tax expense for the three months ended September 30, 2012 of \$1.1 million. This is due primarily to the amount of deferred income tax liability associated with Quebec mining duties recorded in the period as compared to the prior period. The increase is specifically attributed to the amount and type of expenditures incurred in the current period as compared to the prior period.

### Targeted Key Near-Term Milestones

- Filing of the Environmental and Social Impact Assessment by the end of 2012
- Completion of the feasibility study mine plan by the end of 2012
- Completion of the project partner process by early 2013
- Completion of feasibility study by mid-2013

Highlights of RNC's financial position are as follows (in millions of dollars):

|                                     | September 30, 2012 | December 31, 2011 |
|-------------------------------------|--------------------|-------------------|
| Cash position <sup>1</sup>          | 17.2               | 19.7              |
| Working capital <sup>2</sup>        | 20.5               | 27.1              |
| Tax credits receivable <sup>3</sup> | 9.6                | 11.1              |
| Total assets                        | 81.3               | 86.4              |
| Shareholder's equity                | 69.7               | 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 \$7.4 million (2011: \$10.5 million) and non-current portion \$2.2 million (2011: \$0.6 million)

#### **About Royal Nickel Corporation**

Royal Nickel Corporation is a mineral resource company focused primarily on the exploration, evaluation, development and acquisition of base metal and platinum group metal properties. RNC's principal asset is the Dumont Nickel Project strategically located in the established Abitibi mining camp, 25 kilometres northwest of Amos, Quebec. RNC has a strong management team and Board with over 100 years of mining experience in the nickel business at Inco and Falconbridge. RNC's common shares and warrants trade on the TSX under the symbols RNX and RNX.WT.

Unless otherwise indicated, RNC has prepared the technical information in this news release ("Technical Information") based on information contained in the pre-feasibility study dated June 22, 2012, relating to the Company's Dumont Nickel Project and news releases (collectively the "Disclosure Documents") available under RNC's company profile on SEDAR at [www.sedar.com](http://www.sedar.com). Each Disclosure Document was prepared by or under the supervision of a qualified person (a "Qualified Person") as defined in National Instrument 43-101 of the Canadian Securities Administrators. Readers are encouraged to review the full text of the Disclosure Documents which qualifies the Technical Information. The Technical Information is subject to the assumptions and qualifications contained in the Disclosure Documents.

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<sup>1</sup> Based on US\$9.00 per pound long term nickel price and CDN\$1.00 = US\$0.90 exchange rate. NPV calculated from assumed start of construction, January 2014 and based on October 2011 real costs. See Technical Report dated June 22, 2012 available under RNC's profile on [www.sedar.com](http://www.sedar.com).

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