

Royal Nickel Corporation - Beta Hunt "Hand Of Faith" Zone Delivers High Grade Gold - Mining Commences In Area With Drill Intercept Of 1000+ G/T Gold

Compilation of historical drilling highlights 5 drill intercepts greater than 311 g/t Au (10 oz/t) over core lengths in excess of 0.5m in 5 distinct zones of the mine and underscores bonanza-grade production potential

RNC signs agreement giving it right to acquire 100% of Beta Hunt Mine

RNC will host a call/webcast today at 10:00 a.m. (Eastern Time) to discuss the significant exploration and high grade potential at its recently acquired Beta Hunt Mine. North American callers please dial: 1-888-231-8191, international callers please dial: (+1) 647-427-7450. For the [webcast of this event](#) [click \[here\]](#) (replay access information below)

TORONTO, April 4, 2016 /CNW/ - Royal Nickel Corporation ("RNC") (TSX: RNX) announces that high grade visible coarse gold has been successfully mined in a development drive at the Beta Hunt Mine. The area, which was named "Hand of Faith" (HOF) by the mine operators because of its significant coarse gold content, was delineated by a historical intersection in drill hole BE20-44 grading 455.9 g/t Au (14.7 oz/t) over 0.8m including 1000 g/t Au (32.2 oz/t) over 0.3m. Face sampling in the HOF drive confirmed this intersection at a mining scale yielding 84.0 g/t Au (2.7 oz/t) over 3.3m including 390 g/t Au (12.5 oz/t) over 0.7m.

Compilation of historical drilling highlights multiple bonanza-grade (>311 g/t or 10 oz/t) intersections at multiple locations on the mine property underscoring the potential for multiple HOF style zones. These intersections are listed in Table 1 and select intersections are shown in Figure 2. Table 1 also shows how these areas carry high grade over thicknesses in excess of the minimum mining width defined in the Beta Hunt Mine Preliminary Economic Assessment (PEA) Technical Report dated March 4, 2016.

"RNC acquired Beta Hunt with a focus on the remarkable gold exploration potential of a mine situated in one of the great gold camps – a potential that had been largely ignored because Beta Hunt operated primarily as a nickel mine for many decades. There is significant potential for multiple *Hand of Faith* type areas. Historical drilling focused primarily on nickel resources has identified a number of high grade multi-ounce gold intersections in similar geological structures outside the existing Beta Hunt resource and a number of potential target areas that remain untested because of the lack of focus on gold. These results highlight just one dimension of the excellent upside potential to the resource base and production that was identified in the Preliminary Economic Assessment" said Mark Selby, President and CEO of RNC.

Table 1. Bonanza-grade and adjacent intersections (uncut) in historical Beta Hunt database.

| Historical Drill hole | From (metres) | To (metres) | Interval (metres) | Gold (gram/t) | Gold (oz/t) | Comment |
|-----------------------|---------------|--------------|-------------------|---------------|-------------|--------------------|
| BE20-44 | 35.40 | 38.80 | 3.40 | 107.5 | 3.5 | <i>HOF Zone</i> |
| including | 35.40 | 36.70 | 1.30 | 0.2 | 0.0 | <i>mined in</i> |
| and | 36.70 | 37.20 | 0.50 | 0.8 | 0.0 | <i>2141</i> |
| and | 37.20 | 38.00 | 0.80 | 455.9 | 14.7 | <i>development</i> |
| including | 37.20 | 37.50 | 0.30 | 1000.0 | 32.2 | <i>drive</i> |
| and | 37.50 | 38.00 | 0.50 | 129.4 | 4.2 | |
| followed by | 38.00 | 38.80 | 0.80 | 0.1 | 0.0 | |
| BE20-44 | 64.30 | 69.50 | 5.20 | 77.6 | 2.5 | <i>Potential</i> |
| including | 64.30 | 65.40 | 1.10 | 3.3 | 0.1 | <i>near term</i> |
| and | 65.40 | 66.40 | 1.00 | 131.7 | 4.2 | <i>development</i> |
| and | 66.40 | 66.90 | 0.50 | 0.1 | 0.0 | <i>target</i> |
| and | 66.90 | 67.20 | 0.30 | 0.1 | 0.0 | |
| and | 67.20 | 67.50 | 0.30 | 0.3 | 0.0 | |
| and | 67.50 | 68.40 | 0.90 | 0.1 | 0.0 | |
| and | 68.40 | 69.20 | 0.80 | 38.5 | 1.2 | |

| | | | | | | | |
|-----------------|-----------|---------------|---------------|-------------|---------------|-------------|--------------------|
| | and | 69.20 | 69.50 | 0.30 | 790.0 | 25.4 | |
| BE19-292 | | 163.50 | 166.95 | 3.45 | 34.3 | 1.1 | <i>Potential</i> |
| | including | 163.50 | 164.10 | 0.60 | 19.3 | 0.6 | <i>near term</i> |
| | and | 164.10 | 164.20 | 0.10 | 836.2 | 26.9 | <i>development</i> |
| | and | 164.20 | 164.75 | 0.55 | 7.1 | 0.2 | <i>target</i> |
| | and | 164.75 | 165.25 | 0.50 | 3.4 | 0.1 | |
| | and | 165.25 | 165.85 | 0.60 | 7.6 | 0.2 | |
| | and | 165.85 | 166.60 | 0.75 | 1.2 | 0.0 | |
| | and | 166.60 | 166.95 | 0.35 | 2.8 | 0.1 | |
| BE19-292 | | 254.90 | 259.52 | 4.62 | 376.1 | 12.1 | <i>Potential</i> |
| | including | 254.90 | 255.90 | 1.00 | 39.1 | 1.3 | <i>near term</i> |
| | and | 255.90 | 256.70 | 0.80 | 0.9 | 0.0 | <i>development</i> |
| | and | 256.70 | 257.20 | 0.50 | 0.2 | 0.0 | <i>target</i> |
| | and | 257.20 | 257.90 | 0.70 | 16.4 | 0.5 | |
| | and | 257.90 | 259.52 | 1.62 | 1040.8 | 33.5 | |
| | including | 257.90 | 258.45 | 0.55 | 0.5 | 0.0 | |
| | and | 258.45 | 258.52 | 0.07 | 23760.0 | 763.9 | |
| | and | 258.52 | 259.52 | 1.00 | 22.7 | 0.7 | |
| BE20-157 | | 140.55 | 143.70 | 3.15 | 101.0 | 3.2 | <i>Potential</i> |
| | including | 140.55 | 141.55 | 1.00 | 2.8 | 0.1 | <i>near term</i> |
| | and | 141.55 | 142.20 | 0.65 | 466.0 | 15.0 | <i>development</i> |
| | and | 142.20 | 142.70 | 0.50 | 22.1 | 0.7 | <i>target</i> |
| | and | 142.70 | 143.70 | 1.00 | 1.4 | 0.0 | |
| BE18-38 | | 9.95 | 13.10 | 3.15 | 101.0 | 3.2 | <i>Potential</i> |
| | including | 9.95 | 10.40 | 0.45 | 698.5 | 22.5 | <i>development</i> |
| | and | 10.40 | 11.00 | 0.60 | 2.8 | 0.1 | <i>target</i> |
| | and | 11.00 | 12.10 | 1.10 | 0.4 | 0.0 | |
| | and | 12.10 | 13.10 | 1.00 | 1.8 | 0.1 | |
| HS13-65 | | 273.90 | 277.35 | 3.45 | 94.3 | 3.0 | <i>Potential</i> |
| | including | 273.90 | 275.00 | 1.10 | 2.4 | 0.1 | <i>development</i> |
| | and | 275.00 | 276.00 | 1.00 | 0.5 | 0.0 | <i>target</i> |
| | and | 276.00 | 276.35 | 0.35 | 1.6 | 0.1 | |
| | and | 276.35 | 277.35 | 1.00 | 321.5 | 10.3 | |

All intersections are from underground drill holes with dips ranging between -16 and +40 degrees intersecting subvertical veins. True thickness is therefore estimated to be 80% to 100% of core length. Drillhole locations are shown in Figure 2.

The 2141 development drive (Figure 3) intersected a gold enriched area including a zone of high grade gold known as the HOF where previous drilling has intersected 0.8 metres at 455.9 g/t Au in drill hole BE20-44. Examples of specimen gold mined from the HOF area are shown above in Figure 1.

Spectacular coarse specimen gold was mined from Beta Hunt in the past, with most of the specimen gold to date occurring at the top of the A Zone orebody near the basalt-ultramafic contact. Historical records show 3,295 oz gold was mined from specimen stone by WMC which represents 11.4% of total gold mined by WMC. Records from this period of mining indicate an average grade of 20,000 g/t (2%, 643 oz/t) Au for the specimen stone. (Western Mining Corporation Limited (1985) K.N.O. Progress Report November 1985 – Hunt Shoot K/2850, internal unpublished report by B.Thomson).

Next Steps

Development has been completed at Beta Hunt to allow ongoing mining from the HOF area. Approximately 100 tonnes of high grade HOF material was extracted and is awaiting processing.

Evaluation of options to process this high grade gold material from Beta Hunt is underway. Options include processing under our current gold toll milling agreement or alternatively using a dedicated gravity plant to scalp off the higher grade portion of the gold. The remaining material will

be processed under our current gold toll milling arrangement.

The next development target requires a final 20 metres of development towards drill hole BE19-292 (4.62m @ 376.1 g/t (12.1 oz/t) including 0.07m of 23,760 g/t (739.5 oz/t) or 2.3% Au) which are even higher grades than the BE20-44 intersection from the HOF area. While there is no certainty that other areas will replicate the high grade gold mineralization found at the HOF area, RNC is highly encouraged by its potential.

Agreement giving RNC Option to Acquire 100% of Beta Hunt

RNC, which currently owns 66% of Salt Lake Mining (100% owner of Beta-Hunt) ("SLM"), has also signed a shareholders agreement with shareholders who hold the remaining 34% of SLM, giving RNC the right ("Call Option") to acquire their SLM shares during the six month period commencing April 1, 2016 and ending September 30, 2016, at an exchange ratio calculated based on the date of exercise. RNC intends to seek shareholder approval in respect of the related RNC share issuance at an Annual and Special Meeting of RNC Shareholders expected to be held in May 2016. Assuming the Call Option is exercised during the month of May, 2016, the applicable share exchange ratio will be 1.8775 RNC shares for each remaining SLM share, or a total of 24,324,066 RNC shares issuable in exchange for the remaining 34% of SLM.

Compliance Statement (JORC 2012 and NI 43-101)

The technical information in this news release relating to historic exploration results at the Beta Hunt Mine is based on information compiled by Steve Devlin, who is a member of the Australian Institute of Mining and Metallurgy. Mr. Devlin is a full time employee of Salt Lake Mining Pty Ltd and has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results.

Face sampling in the HOF drive was conducted by SLM personnel. Samples are shipped to ALS Minerals Geochemistry of Kalgoorlie for preparation and assaying by 25 gram fire assay analytical method. First sample of each sample submission incorporates a barren rock sample as a flush to clean the lab crusher and pulveriser and as a check for contamination. Analytical accuracy and precision are monitored by the analysis of insertion of blank material and a certified standard.

QA/QC for historical drilling data from Beta Hunt is described in the Beta Hunt Mine PEA Technical Report dated March 4, 2016 available at www.royalnickel.com and www.sedar.com

The disclosure of scientific and technical information contained in this news release has been approved by Alger St-Jean, P. Geo., Vice President Exploration of RNC, a Qualified Person under NI 43-101.

Conference Call / Webcast

RNC will be hosting a conference call and webcast today beginning at 10:00 a.m. (Eastern time).

Live Conference Call and Webcast Access Information:

North American callers please dial: 1-888-231-8191

Local and international callers please dial: 647-427-7450

A live webcast of the call will be available through CNW Group's website at www.newswire.ca/en/webcast/index.cgi

A recording of the conference call will be available for replay for a one week period beginning at approximately 1:00 p.m. (Eastern Time) on April 4, 2016, and can be accessed as follows:

North American callers please dial: 1-855-859-2056; Pass Code: 84656725

Local and international callers please dial: 416-849-0833; Pass Code: 84656725

About Royal Nickel Corporation

Royal Nickel Corporation is a multi-asset mineral resource company focused primarily on the acquisition, exploration, evaluation and development of base metal and precious metal properties. RNC's principal assets are its majority stake in the producing Beta Hunt nickel and gold mine in Western Australia and the Dumont Nickel Project located in the established Abitibi mining camp in Quebec. RNC also owns a majority interest in the West Raglan and Qiqavik projects in northern 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. RNC also trades on the OTCQX market under the symbol RNKLF.

About SLM

SLM is a private company based in Australia focused on developing mineral properties. Its main asset is the Beta-Hunt nickel-gold mine located in Western Australia.

Cautionary Statement

The decision by SLM to produce at the Beta Hunt Mine was not based on a feasibility study of mineral reserves, demonstrating economic and technical viability, and, as a result, there may be an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, including increased risks associated with developing a commercially mineable deposit. Historically, such projects have a much higher risk of economic and technical failure. There is no guarantee that that anticipated production costs will be achieved. Failure to achieve the anticipated production costs would have a material adverse impact on SLM's cash flow and future profitability. It is further cautioned that the PEA is preliminary in nature. No mining feasibility study has been completed on Beta Hunt. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that the PEA will be realized.

Cautionary Statement Concerning Forward-Looking Statements

This news release contains "forward-looking information" including without limitation statements relating to RNC further increasing its ownership of SLM and the potential of the Beta Hunt Mine.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of RNC to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could affect the outcome include, among others: failure of the parties to sign definitive agreements and satisfy conditions of closing; future prices and the supply of metals; the results of drilling; inability to raise the money necessary to incur the expenditures required to retain and advance the properties; environmental liabilities (known and unknown); general business, economic, competitive, political and social uncertainties; accidents, labour disputes and other risks of the mining industry; political instability, terrorism, insurrection or war; or delays in obtaining governmental approvals, projected cash costs, failure to obtain regulatory or shareholder approvals. For a more detailed discussion of such risks and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, refer to RNC's filings with Canadian securities regulators available on SEDAR at www.sedar.com.

Although RNC has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this news release and RNC disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.


SOURCE Royal Nickel Corporation

Image with caption: "Figure 1: Top left: visible gold in the HOF diamond drill hole intersection (BE20-44); bottom and right shows specimen gold discovered from the vein of the HOF Lode in the 2141 development drive at the Beta Hunt Mine. (CNW Group/Royal Nickel Corporation)". Image available at: http://photos.newswire.ca/images/download/20160403_C2047_PHOTO_EN_656416.jpg

Image with caption: "Figure 2: Plan view of Beta Hunt Mine highlighting location of current HOF and planned mine activity at Beta. Plan also shows location of gold lode targets and high grade (uncut) drill intersections outside of existing resources. (CNW Group/Royal Nickel Corporation)". Image available at: http://photos.newswire.ca/images/download/20160403_C2047_PHOTO_EN_656418.jpg

Image with caption: "Figure 3: Photo of active mine area and plan view of new development drive 2141 at Beta Hunt Mine highlighting HOF gold lode target. (CNW Group/Royal Nickel Corporation)". Image available at: http://photos.newswire.ca/images/download/20160403_C2047_PHOTO_EN_656420.jpg

For further information: Rob Buchanan, Director, Investor Relations, T: (416) 309-0600, www.royalnickel.com; Pierre-Philippe Dupont (French contact), Manager Sustainable Development, T: (819) 442-0494

Additional assets available online:  [Photos \(3\)](#)