



ROYAL NICKEL CORP

NEWS RELEASE

(All amounts expressed in US dollars unless otherwise indicated)

Royal Nickel Revised Pre-feasibility Study Significantly Increases Dumont Nickel Project Value by 31% to \$1.4 Billion (NPV_{8%})

Toronto, Ontario, May 14, 2012 – Royal Nickel Corporation (“RNC”) (TSX: RNX) is pleased to announce the results of a revised pre-feasibility study (“revised PFS”) for its Dumont Nickel Project (“Dumont”), which demonstrate a 31% increase to the project’s NPV_{8%}, to \$1.4 billion compared to the previous PFS filed on SEDAR in December 2011.

Dumont Revised PFS Highlights (base case including trolley assist option)

- 31% increase in after-tax NPV_{8%} to \$1.4 billion; 19.5% after-tax internal rate of return (“IRR”)¹
- 16% increase in the initial 50 ktpd nickel production to 33 kt (72 million pounds or Mlbs) annually
- 12% increase in production to 49 kt (108 Mlbs) annually during 19-year mine life; and a 7% increase in production to 29 kt (63 Mlbs) annually for the subsequent 12 years from processing of the lower grade stockpile
- 10% increase in recoveries over life of the project to 45%; including an average recovery of 52% during the 19-year mine life
- C1 cash costs² of \$4.07 per pound (\$8,973 per tonne), second quartile unit cash costs
- Diesel consumption reduced by 28% through use of electric trolley assist in haul trucks

“The revised PFS adds significant value to an already robust and structurally low cost project,” said Tyler Mitchelson, President and CEO of Royal Nickel Corporation. “The inherent value of this project continues to be revealed as we advance the development and testwork. This revised PFS demonstrates lower costs, higher annual production and improved rates of return, compared to our initial PFS. In addition, we have identified further potential value from a saleable iron ore by-product concentrate. Development work at Dumont continues on schedule and we look forward to completing our feasibility study in 2013.”

The revised PFS adds significant value to Dumont by incorporating a large amount of technical work in the areas of geology, mineralogy, metallurgy and engineering completed since the initial pre-feasibility study: 50,000 additional metres of drilling were completed for a total of 163,000 metres; 403 additional mineralogy samples were completed for a total of 1,097 samples; additional lab scale metallurgical tests were completed to improve confidence in nickel recoveries. The results of this technical work have further de-risked the project by increasing confidence in the resource estimate and recovery calculations. The revised PFS results are summarized below.

¹ Based on \$9.00 per pound long term nickel price and CDN\$1.00 = US\$0.90 exchange rate. NPV and IRR calculated from assumed start of construction, January 2014 and based on October 2011 real costs.

² C1 cash costs are defined as the cash cost incurred at each processing stage, from mining through to recoverable nickel delivered to the market, net of by-product credits.

Economic Summary of the 2011 PFS and 2012 Revised PFS¹

		PFS Dec. 16, 2011 ²	Revised PFS May 14, 2012 ³	
	Units	PFS	Base Case	Base Case + Trolley Assist
Ore Mined	Mt	1,070	1,066	1,066
Strip Ratio	Waste:Ore	1.18	1.19	1.19
Payable Ni	kt	1,085	1,204	1,204
Payable Ni	MIbs	2,393	2,655	2,655
Payable NiEq	kt	1,167	1,238	1,238
Payable NiEq	MIbs	2,572	2,729	2,729
Net Smelter Return	\$ /t ore	\$18.79	\$19.91	\$19.91
Site Operating Costs	\$/t ore	\$7.89	\$7.95	\$7.63
Total C1 Costs	\$ /t Ni	\$10,582	\$9,811	\$9,524
Total C1 Costs	\$ /lb Ni	\$4.68	\$4.45	\$4.32
By-product Credits	\$ /t	\$1,213	\$551	\$551
By-product Credits	\$ /lb	\$0.55	\$0.25	\$0.25
Net C1 Costs	\$ /t Ni	\$9,105	\$9,259	\$8,973
Net C1 Costs	\$ /lb Ni	\$4.13	\$4.20	\$4.07
Diesel Consumption	Gigalitres	1.20	1.20	0.87
Initial Capital	\$M	\$1,112	\$1,099	\$1,112
Expansion Capital	\$M	\$733	\$733	\$739
Sustaining Capital	\$M	\$733	\$761	\$829
Total Capital	\$M	\$2,578	\$2,593	\$2,680
Pre-Tax NPV _{8%}	\$M	\$1,918	\$2,365	\$2,437
Pre-Tax IRR		20.2%	23.4%	23.5%
Post-Tax NPV _{8%}	\$M	\$1,083	\$1,379	\$1,420
Post-Tax IRR		16.6%	19.3%	19.5%

1. Includes transportation of concentrate

2. Based on \$19,842/t (\$9/lb) Ni, \$26,455/t(\$12/lb) Co, \$1,500/oz Pt, \$750/oz Pd

3. Based on \$19,842/t (\$9/lb) Ni and \$26,455/t(\$12/lb) Co

Recovery Optimization – Mill Recovery Improvements

Project recoveries were improved to 45% in the revised PFS from 41% in the PFS due to the combination of significant additional metallurgical testwork, a 50% increase in mineralogy samples and a revised resource model incorporating 50,000 metres of additional drilling. Recoveries in years one to five of the mine life are 57%; 51% in years six to 19; and 33% in years 20 to 31. This improvement contributed an additional \$296 million to the project NPV_{8%}. The revised metallurgical ore classification was further refined into five separate domains rather than the four used in the initial PFS. Cobalt recovery is estimated to be an average of 45% over the life of the project, down from 70% in the PFS, as the deportment of cobalt between the recoverable minerals and silicates is similar to nickel. Platinum and palladium payable metals have not been included at this time in the revised PFS as their ability to upgrade above a minimum payable level in concentrate is uncertain due to limited technical resource and recovery work on PGEs.

Additional mineralogy and recovery testwork will continue throughout the feasibility study to further refine the understanding of the orebody. Additional testwork will specifically focus on recoverability of PGMs into concentrate.

Trolley Assist – Mining Cost Improvements

Pit design analysis performed during the PFS identified the potential to utilize trolley assist to improve the overall mining cost for the project by using electricity to replace a portion of the diesel fuel consumed by trucks. Detailed work to update the mining plan to include trolley assist and other improvements reduced mining costs by \$0.14 per tonne mined (\$0.32 per tonne ore) and reduced estimated diesel consumption by 28% to 872 million litres over the life of the project. The current pit design was completed during the initial PFS and is not optimized for use by trolley and will be redesigned during the feasibility study stage to allow for the potential to implement trolley assist during the expansion in year five.

Operating Summary (base case including trolley assist option)

Production	Units	50 ktpd Year 1–5 ²	100 ktpd Year 6–19 ²	Stockpile Year 20–31	Total
Ore Mined ¹	Mt	151	917	0	1,066
Strip Ratio ¹	Waste : Ore	1.14	1.20	n/a	1.18
Ore Milled	Mt	75	538	453	1,066
Ore Grade	% Ni	0.33	0.29	0.24	0.27
Recovery		57%	51%	33%	45%
Nickel In Concentrate	kt	139	797	359	1,295
Nickel In Concentrate	Mlbs	306	1,758	791	2,855

1. Totals for 50 ktpd include 13 million tonnes of ore and 50 million tonnes of waste pre-stripped before production commences.

2. Year 5 is a transition year from 50 to 100 ktpd and year 19 is a transition year from run of mine ore to stockpile processing.

Annual Production

(Contained metals in concentrate, base case including trolley assist option)

	Units	50 ktpd Year 1–5 ¹	100 ktpd Year 6–19 ¹	Stockpile Year 20–31	Average
Nickel	kt (Mlbs)	33 (72)	54 (119)	29 (63)	41 (91)
Cobalt	kt (Mlbs)	1 (2)	2 (4)	1 (3)	2 (4)

Operating Revenue and Costs (base case including trolley assist option)

	Units	100 ktpd				Average (Base Case)
		50 ktpd Year 1–5 ¹	Year 6– 19 ¹	Stockpile Year 20–31	Average	
NSR	\$/t ore	\$30.15	\$23.46	\$13.98	\$19.91	\$19.91
Mine	\$/t ore	\$4.36	\$4.52	\$0.74	\$2.91	\$3.23
Process	\$/t ore	\$4.62	\$4.25	\$4.26	\$4.28	\$4.28
G&A	\$/t ore	\$0.95	\$0.49	\$0.43	\$0.45	\$0.45
Site Costs	\$/t ore	\$9.92	\$9.26	\$5.43	\$7.63	\$7.95
C1 Cash Costs	\$/t	\$10,384	\$8,466	\$9,568	\$8,973	\$9,259
C1 Cash Costs	\$/lb	\$3.63	\$4.03	\$4.34	\$4.07	\$4.20

1. Year 5 is a transition year from 50 to 100 ktpd and year 19 is a transition year from run of mine ore to stockpile processing.

Additional Upside Opportunities

Potential for Iron Ore (Magnetite) Concentrate – Additional By-product Credit

The updated resource model generated an initial indicated resource of 580 Mt grading 3.87% magnetite (iron ore), representing 22.5 Mt of contained magnetite. An additional inferred resource of 1.3 billion tonnes grading 4.13% magnetite represents 53.8 Mt of contained magnetite. The additional capital required to build the 100 ktpd circuit to recover the magnetite concentrate was estimated to be \$98 million including a \$22 million contingency. Additional operating costs to produce the magnetite concentrate were estimated to be \$0.18 per tonne of ore milled. Transport costs to deliver the magnetite concentrate to a ship at the port in Quebec City are estimated to be C\$47 per tonne. As previously announced in our news release dated April 16, 2012, RNC completed testwork that indicated an average of 2.6% of total ore feed could be recovered to produce a 63.5% iron concentrate and a study with CRU Strategies indicated this concentrate could be sold for values shown in the table below. Based on the portion of the magnetite resource that was at an indicated resource level, the magnetite concentrate does not add any additional economic value. It is expected that mineralogy work on an additional 400 mineralogical samples from existing drill core will be completed in order to upgrade a substantial portion of the magnetite resource from the inferred to indicated resource category at which point the analysis will be updated and incorporated into the feasibility study. As well, additional metallurgical work will be completed to further refine the capital and operating costs and recovery / concentrate grade trade-offs.

CRU Strategies Price Forecast Incorporating Value-in-use Calculations – Real 2011\$

April 12, 2012 (using March 2012 CRU price forecast, capesize vessels)

All prices \$/dmt	Average 2009–2011	Forecast									
		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net Price, FOB Quebec City (net of trader discount)	\$94	\$111	\$114	\$104	\$95	\$90	\$67	\$57	\$52	\$49	\$47

Alternative Downstream Processing Options

A separate study remains underway to assess alternative processing options including roasting the concentrate to produce a nickel oxide product, that could be used by nickel pig iron or ferronickel producers and/or producing a final ferronickel product that can be used directly by

the stainless steel industry. In lab scale testwork, high-grade ferronickel was produced using proven and widely used downstream roasting and reduction processes. This alternate processing option has the potential to provide higher recoveries, lower costs and greater flexibility than conventional smelting and refining.

Project Development

Project development remains on schedule and RNC intends to advance the project on multiple fronts with a view to obtaining permits by the end of 2013 and commencing production by the end of 2015, subject to financing. Ongoing activities include the following targets:

- Feasibility study technical support work, including upgrading of inferred magnetite resource to indicated resource category (majority of the resource drilling is complete)
- Alternative downstream processing study (including ferronickel option) by mid-2012
- Project Director to oversee development and construction of the project is expected to be appointed by mid-2012
- Completion of environmental impact assessment expected by Q3 2012
- Project partner by early-2013
- Feasibility study by mid-2013
- Project financing by mid-2013

Project Overview

The Dumont Project will be a conventional open pit mine/mill operation, using conventional drilling, blasting and loading with electric shovels and truck haulage. The process plant will have an initial average throughput of 50 ktpd using a single SAG mill and 2 ball mills for grinding, desliming using cyclones, conventional flotation and magnetic separation, to produce a nickel concentrate also containing cobalt. The process plant has been designed to be expanded by the fifth year of operation to 100 ktpd by effectively duplicating most of the first mill. Additional mine equipment will also be purchased to allow the corresponding increase in mine throughput and the potential to implement trolley assist at this time.

The Dumont revised PFS was completed by Ausenco Limited, a global leader in engineering and project management services for the resource and energy sectors. Ausenco was chosen for the Dumont PFS because of its expertise and experience with similar sized, large scale base metal projects, and proven experience with processing of ultramafic nickel deposits. Ausenco has successfully designed and constructed the Lumwana concentrator (55 ktpd) for Equinox Minerals, the Phu Kham concentrator (33 ktpd) for PanAust and is currently executing the GDP3 expansion (new 30 ktpd concentrator) of the Gibraltar Mine for Taseko. Significant contributions to the report were made by SRK Consulting (Canada) Inc. (resource model, geotechnical), David Penswick, P.Eng., (mine design, financial evaluation), GENIVAR Inc. (environmental) and Golder Associates (environmental geochemistry).

Location

The Dumont Nickel Project is located in the western portion of the province of Quebec. The property is located approximately 25 km west of the city of Amos, approximately 60 km northeast of the industrial and mining city of Rouyn-Noranda and 70 km northwest of the city of Val-d'Or.

Mineral Resources (inclusive of mineral reserves)

Mineral Resource Statement, Dumont Nickel Project, Quebec, SRK Consulting, April 13, 2012¹

Resource Category	Quantity	Grade		Contained Nickel		Contained Cobalt	
	(000 t)	Ni (%)	Co (ppm)	(000 t)	(Mlbs)	(000 t)	(Mlbs)
Measured	359,440	0.29	112	1030	2,260	40	89
Indicated	1,261,630	0.26	106	3,330	7,336	130	295
Measured + Indicated	1,621,070	0.27	109	4,360	9,596	170	384
Inferred	513,080	0.26	100	1,320	2,904	50	113

Resource Category	Quantity	Grade		Contained Palladium	Contained Platinum
	(000 t)	Pd (gpt)	Pt (gpt)	(ounces)	(ounces)
Indicated	182,860	0.036	0.018	211,000	107,000
Inferred	256,530	0.030	0.016	243,000	135,000

Resource Category	Quantity	Magnetite	Contained Magnetite	
	(000 t)	(%)	(000 t)	(Mlbs)
Indicated	579,620	3.87	22,450	49,500
Inferred	1,301,540	4.13	53,760	118,515

1. Reported at a cut-off grade of 0.2 percent nickel inside conceptual pit shells optimized using nickel price of \$9.00 per pound, average metallurgical and process recovery of forty-one percent, processing and G&A costs of \$5.40 per tonne milled, exchange rate of CN\$1.00 equal US\$0.90, overall pit slope of forty to forty-four degrees depending on the sector and a production rate of 100,000 tonnes per day. Values of palladium, platinum and magnetite are not considered in the cut-off grade calculation as they are by-products of recovered nickel. All figures rounded to reflect the relative accuracy of the estimates. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

Mineral Reserves

Mineral Reserve Statement, Dumont Nickel Project, Quebec, David Penswick, May 14, 2012¹

Reserve Estimate	Reserves (Mt)	Nickel Grade (%)	Contained Nickel	
			(000 tonnes)	(Mlbs)
Probable Reserves	1,066	0.27	2,876	6,340

1. Reported at a cut-off grade of 0.2 percent nickel inside an engineered pit design. This design was based on a Lerchs-Grossmann optimized pit shell using nickel price of \$6.70 per pound, average metallurgical and process recovery of forty-one percent, processing and G&A costs of \$6.30 per tonne milled, exchange rate of CDN\$1.00 = US\$0.90, overall pit slope of forty to forty-four degrees depending on the sector and a production rate of 50 ktpd. All figures rounded to reflect the relative accuracy of the estimates. Mineral reserves are based on a smallest mining unit of 6000m³ and include allowances of 0.65% for unplanned dilution and 0.80% for mining losses.

Mining

Approximately 56 million tonnes of material would be pre-stripped prior to start-up of operations. The life-of-mine plan is expected to mine 2.3 billion tonnes of material consisting of 1.2 billion tonnes of waste rock and overburden and 1.1 billion tonnes of ore over a 19-year mine life using electric rope shovels and large scale haul trucks. The trolley assist option can potentially be implemented during the expansion in year five. The lower grade, lower recovery portion of the

ore will be stockpiled in order to maximize throughput of higher value ore in the earlier years. The overall strip ratio for the project is 1.2:1.

Approximately 0.5 billion tonnes of the lower grade ore stockpile is expected to remain at the end of mine life and be processed for an additional 12 years, utilizing the open pit mine for tailings disposal.

A detailed production schedule can be accessed at the following [link](#).

Processing

The nickel recovery plant and associated infrastructure facilities will process run of mine ore delivered to a primary crusher feeding a conventional milling process consisting of a primary gyratory crusher, SAG and ball mill combination, desliming, nickel flotation and magnetic separation of the flotation tails. Subsequent cleaning stages on both the flotation and magnetic concentrate then occur. The nickel concentrate will be thickened and filtered on site. The concentrate is then loaded on either truck or rail for shipment to third party smelters.

In addition to nickel recovery, cobalt is also recovered to the nickel concentrate. Cobalt recovery has been estimated to be an average of 45% to follow nickel recovery, as the deportment of cobalt between the recoverable minerals and silicates is similar to nickel.

The average concentrate grade was reduced to 29% as additional mineralogy work revealed that the nickel content of the pentlandite in certain areas of the orebody contained 27% nickel rather than the 33% nickel found throughout the majority of the orebody.

The tailings storage system consists of a tailings storage facility (“TSF”) located immediately north of the mine/mill complex. The TSF is designed to store 610 million tonnes of thickened tailings — enough for the first 19 years that the pit will be active. After that, as mining has ceased in the open pit, the mill tailings will be pumped directly into the open pit. Process water will be stored in lined ponds near the plant site. Process water will be a combination of water pumped from the mine, recycle from the TSF, surface water capture and some extraction of water from the Villemontel River.

Infrastructure

The Dumont project is located adjacent to a rail line and highway and a power line with sufficient capacity for the construction period. A short 8 km rail spur will be built off the rail line to provide access into the mine property and a 40 km power line from an existing sub-station will be constructed to provide sufficient power once operation commences.

Capital Cost Estimate

Summary of Capital Costs (base case including trolley assist option, \$ millions)^{1,2,3}

(\$ millions)	Initial Capital	Expansion Capital	Sustaining Capital	LOM Capital
Mine	\$335	\$172	\$303	\$810
Process Plant	\$354	\$313	\$337	\$1,004
Tailings	\$30	\$11	\$94	\$135
Infrastructure	\$67	\$25	0	\$92
Indirect Costs	\$184	\$117	0	\$301
Contingency	\$142	\$101	\$95	\$338
Total	\$1,112	\$739	\$829	\$2,680

1. Accuracy of capital cost estimates are +/- 25%
2. Infrastructure costs for sustaining capital are included in process plant costs
3. Trolley assist capital adds \$6 million to mine expansion capital and \$68 million to the mine sustaining capital

Contingency of 15% on direct and indirect costs for the initial capital estimate is based upon a line item review of the level of engineering definition achieved for the PFS by area.

Operating Cost Estimate

	Base Case + Trolley Option	Base Case
Operating Costs	\$/pound	\$/pound
Mining	\$1.17	\$1.30
Processing	\$1.71	\$1.71
G & A	\$0.18	\$0.18
Total Site Cost	\$3.06	\$3.19
TC / RC	\$1.26	\$1.26
By-product Credits	\$(0.25)	\$(0.25)
Total	\$4.07	\$4.20

Economic Analysis and Sensitivities

All metal price assumptions are the same as the figures used for the PFS.

Economic Analysis (base case including trolley assist option)

Parameter	Pre-Tax	After Tax
NPV (\$ millions @ 8%)	\$2,437	\$1,420
IRR	23.5%	19.6%
Simple Payback Period (years)	-	5.5

NPV calculated from assumed construction start date (January 2014) using October 2011 real dollar estimates.

Key Assumptions

Parameter	Assumption
NPV Discount Rate (%)	8%
Nickel Price (\$ per pound)	\$9.00
CDN\$/US\$ exchange rate	CDN\$1.00 = US\$0.90
Initial Capital Cost (\$ millions)	\$1,112
Expansion Capital Cost (\$ millions)	\$739
Total Site Operating Cost (\$ millions)	\$8,135
Total Sustaining Capital Cost (\$ millions)	\$829
Total TC/RC Costs (\$ millions)	\$3,340
Cobalt Price (\$ per pound)	\$12.00
Magnetite Price (\$ per tonne)	\$94
Electricity (CDN\$ per kilowatt hour)	\$0.043
Oil (\$ per barrel)	\$90

Sensitivity	NPV _{8%} (\$ millions)	IRR%
Nickel Price ±\$1/lb	\$491	3.5%
Nickel Price ±10% (\$8.10 – \$9.90/lb)	\$444	3.1%
Mill Recovery ±1.0%	\$99	0.7%
Payable Nickel ±1%	\$46	0.3%
Initial Capital Expenditure ±10%	\$76	1.4%
Expansion Capital Expenditure ±10%	\$45	0.5%
Total Capital Expenditure ±10%	\$129	1.8%
Site Operating Costs ±10%	\$166	1.2%
TC/RC ±10%	\$63	0.5%
US\$/CDN\$ ±\$0.05	\$142	1.5%
Cobalt Price ±\$1	\$11	0.1%
Oil Price ±\$10	\$18	0.2%

Permitting

The *Avis de Projet* (Project Notice) was filed in December 2011, in order to notify the Quebec Ministry of Sustainable Development, Environment and Parks (MDDEP) of RNC's intention to proceed with the development of Dumont. The Project Notice provides preliminary information about Dumont to the MDDEP and to the federal Canadian Environmental Assessment Agency. The filing of the Project Notice is the first step in the Environmental Impact Assessment and Review Procedure. RNC remains on target to meet its goal of obtaining permits for Dumont before the end of 2013.

To further assist in the permitting process, RNC initiated a stakeholder consultation process. The results of the first phase of consultations were considered in the development of the PFS and revised PFS.

Geochemical testwork has shown that the waste rock and the tailings are not expected to be acid generating and the tailings will not require sub-aqueous deposition. Multiple baseline

studies have been completed and others are ongoing. The completed studies have not indicated any major environmental constraint.

NI 43-101 Compliance

The technical information in this news release has been prepared in accordance with Canadian regulatory requirements by, or under the supervision of, Paul Staples, P.Eng., of Ausenco Limited, Sébastien Bernier, P.Geo., of SRK Consulting (Canada) Inc. and David Penswick, P.Eng., all of whom are independent Qualified Persons as set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"). Technical information in this news release was reviewed by Alger St-Jean, P.Geo., Vice President, Exploration of RNC and Johnna Muinonen, P.Eng., Vice President, Operations of RNC, each a Qualified Person.

The Mineral Resource for the Dumont Deposit was classified according to the CIM Definition Standards for Mineral Resources and Mineral Reserves (December 2005) by Sébastien Bernier, P.Geo (OGQ#1034, APGO#1847), an appropriate independent person for the purpose of NI 43-101. Mr. Bernier has reviewed the resource statement presented in this news release.

The Mineral Reserve for the Dumont Deposit was classified according to the CIM Definition Standards for Mineral Resources and Mineral Reserves (December 2005) by David Penswick, P.Eng. (PEO#100111644), an appropriate independent person for the purpose of NI 43-101. Mr. Penswick has reviewed the technical content of this news release.

Readers are advised that Mineral Resources not included in Mineral Reserves do not demonstrate economic viability. Mineral Resource estimates do not account for mineability, selectivity, mining loss and dilution. These Mineral Resource estimates include Inferred Mineral Resources that are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that Inferred Mineral Resources will be converted to Measured and Indicated categories through further drilling, or into Mineral Reserves, once economic considerations are applied.

Based on the resource estimate, a standard methodology for pit limit analysis, mining sequence and cut-off grade optimization, including application of mining dilution, process recovery, economic criteria and physical mine and plant operating constraints has been followed to design the open pit mine and to determine the mineral reserve estimate for the deposit as summarized in the Mineral Reserve table.

The full revised PFS, prepared as a NI 43-101 compliant Technical Report, will be filed under RNC's profile on SEDAR at www.sedar.com within 45 days.

Conference Call

Royal Nickel will be hosting a conference call and webcast to discuss the revised PFS highlights on Monday, May 14, 2012 beginning at 10:00 a.m. (Eastern Time). Participants may join the call by dialing toll free 1-888-231-8191 or 1-647-427-7450 for local calls or calls from outside Canada and the United States. 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 May 14, 2012 by dialing toll free 1-855-859-2056 or

1-416-849-0833 for local calls or calls from outside Canada and the United States. The pass code for the replay is 78372527. A replay of the webcast and the associated webcast presentation will be available through a link on our website at www.royalnickel.com.

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 100% owned 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. The Corporation's common shares and warrants trade on the TSX under the symbols RNX and RNX.WT.

Cautionary Statement Concerning Forward-Looking Statements

This news release contains "forward-looking information" including without limitation statements relating to mineral reserve estimates, mineral resource estimates, realization of mineral reserve and resource estimates, capital and operating cost estimates, the timing and amount of future production, costs of production, success of mining operations, permitting, economic return estimates and potential upside. Readers should not place undue reliance on forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. The revised pre-feasibility study results are estimates only, are preliminary in nature and are based on a number of assumptions, any of which, if incorrect, could materially change the projected outcome. Until a positive feasibility study has been completed, and even with the completion of a positive feasibility study, there are no assurances that Dumont will be placed into production. Factors that could affect the outcome include, among others: the actual results of development activities; project delays; inability to raise the funds necessary to complete development; general business, economic, competitive, political and social uncertainties; future prices of metals; availability of alternative nickel sources or substitutes; actual nickel recovery; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; accidents, labour disputes and other risks of the mining industry; political instability, terrorism, insurrection or war; delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities. 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 the Corporation 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 the Corporation 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

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