



ROYAL NICKEL CORP

NEWS RELEASE

Royal Nickel Announces Year End 2014 Results

Toronto, Ontario, February 27, 2015 – Royal Nickel Corporation (TSX: RNX) (“RNC”) is pleased to report its review of activities and financial results for the year ended December 31, 2014. All amounts are expressed in Canadian dollars, unless otherwise noted, and are based on the audited financial statements for the year ended December 31, 2014, unless otherwise noted.

Mark Selby, President and CEO, commented, “2014 saw RNC strengthen its’ position as a nickel focused TSX listed stock through the addition of interests in two advanced nickel-copper-PGE exploration properties – West Raglan in Quebec and Aer-Kidd in the Sudbury Basin. These properties, along with RNC’s flagship Dumont Nickel Project, leave RNC well positioned to benefit from what I believe will be an exciting period for the nickel market, beginning as supply deficits are expected to emerge and support a strong price environment. RNC is currently focused on its’ near term goals of securing the main environmental permit and advancing ongoing partnership and financing discussion for the Dumont project.”

2014 HIGHLIGHTS

- On March 24, 2014, RNC reported that Tsingshan Holding Group (“Tsingshan”), a party with whom RNC entered a strategic alliance in March 2013, is currently constructing the world’s first integrated nickel pig iron (“NPI”) plant to utilize nickel sulphide concentrate as part of the stainless steel production process. The plant is expected to begin operation this year. This significant innovation represents the first time that nickel sulphide concentrate will be directly used to create stainless steel. This innovation offers significant potential benefits to the producers of suitable nickel sulphide concentrate feed including lower costs due to simpler processing compared to traditional smelting and refining, and greater flexibility for more potential partners and customers. This plant is also expected to be possibly capable of handling nickel sulphide concentrate anticipated to be produced from the Dumont Nickel Project.
- On April 2, 2014, RNC announced the publication of the Dumont Nickel Project’s Environmental and Social Impact Assessment (“**ESIA**”) by the Quebec Ministry of Sustainable Development, Environment, Wildlife and Parks through the agency of the Bureau d’audiences publiques sur l’environnement (“**BAPE**”). This was an important step in the permitting process. The BAPE’s public information and consultation processes were completed in May and June.
- On April 14, 2014, RNC announced it had gained exposure to the highly prospective Aer-Kidd nickel-copper-platinum group metals project in Sudbury through the acquisition of a 25% interest in Sudbury Platinum Corporation for cash consideration of \$1.5 million.
- On June 18, 2014, RNC announced that it had closed the transaction to acquire an approximate 56% interest in True North Nickel Inc. (“**TNN**”), a private company the main asset of which is a 100% interest in the West Raglan nickel sulphide project in Quebec.
- On July 11, 2014, RNC announced that it had closed its previously announced public offering of units (“**Units**”). Pursuant to the offering, RNC issued 8,340,000 Units at a price of \$0.60

per Unit for aggregate gross proceeds of \$5 million. Each Unit was comprised of one common share of RNC and one-half of one common share purchase warrant.

- On July 17, 2014, RNC announced that the underwriters of its public offering of 8,340,000 Units that closed on July 11, 2014, had exercised their over-allotment option and have purchased an additional 1,251,000 Units at a purchase price of \$0.60 per Unit. The gross proceeds to RNC resulting from the exercise of the over-allotment option are \$0.75 million, for total gross proceeds from the offering of \$5.75 million.
- On July 29, 2014, RNC announced that the NI 43-101 compliant technical report for the West Raglan Project had been filed under RNC's profile on SEDAR at www.sedar.com.
- On August 26, 2014, RNC announced that Sudbury Platinum Corporation ("**SPC**"), a private company in which RNC has an interest, had completed the purchase of a 100% interest in the mineral rights of the Aer-Kidd Project ("**Aer-Kidd**") from CaNickel Mining Company Limited ("**CaNickel**").
- On September 25, 2014, RNC announced the publication of a report from the BAPE that concludes that the development of the Dumont Nickel Project is acceptable, provided adequate mitigation measures are implemented.
- On October 14, 2014, RNC announced that TNN, 100% owner of the West Raglan Nickel Project ("**West Raglan**"), and SPC, 100% owner of Aer-Kidd, have successfully raised \$0.8 million and \$2.0 million, respectively. The financing completed by TNN was provided by its shareholders, RNC (as to 56%) and Dundee Resources Limited (as to 44%).

Targeted Future Milestones

Royal Nickel has the following targeted key milestones to achieve the development of the Dumont Nickel Project:

- Completion of partnership and financing arrangements;
- Receipt of main permit during the first quarter of 2015;
- Estimated construction schedule of 24 months post successful permitting and securing financing and completion of detailed engineering;
- Project commissioning is expected to begin in ten to eleven quarters after permits and financing are in place. Assuming permits and financing are in place by the end of the first quarter of 2015, commissioning is targeted to begin by the end of 2017, followed by production ramp-up in 2018.

Financial Results

For the three months ended December 31, 2014, RNC incurred a net loss of \$3.0 million (\$0.04 per share), compared to a net loss of \$1.6 million (\$0.02 per share) in the same period last year. The net loss increase of \$1.4 million is due primarily to higher mineral property interests write-down (\$1.3 million) and general and administrative expenses (\$1.1 million), partially offset by lower deferred

income tax expense (\$0.5 million), a gain on dilution of associate (\$0.2 million), and unrealized gain on derivative financial instruments (\$0.2 million).

RNC incurred a net loss of \$10.0 million (\$0.10 per share) for the year ended December 31, 2014 compared to a net loss of \$6.7 million (\$0.07 per share) for the same period in 2013. The net loss increase of \$3.3 million is due primarily to higher general and administrative expenses (\$3.0 million) and mineral property interests write-down (\$1.3 million) partially offset by a lower deferred income tax expense (\$0.8 million) and gain on dilution of associate (\$0.2 million).

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

	December 31, 2014	December 31, 2013
Cash position ¹	2.9	11.9
Working capital ²	1.2	13.5
Tax credits receivable ³	0.5	3.5
Total assets	80.3	74.8
Shareholder's equity	66.6	62.6

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 is \$0.4 million (2013: \$3.3 million) and non-current portion is \$0.1 million (2013: \$0.2 million)

RNC's ability to operate as a going concern is dependent on its ability to raise financing. While management has been successful in securing financing in the past, there can be no assurance that adequate or sufficient funding will be available in the future, or available under terms acceptable to RNC.

About Royal Nickel Corporation

Royal Nickel Corporation is a mineral resource company focused primarily on the acquisition, exploration, evaluation and development 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, in the municipalities of Launay and Trécesson, 25 kilometres northwest of Amos, Quebec. RNC also owns interests in two advanced stage nickel exploration properties: the Aer-Kidd project near Sudbury, Ontario and the West Raglan project 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.

Cautionary Statements Concerning Forward-Looking Statements

This news release contains "forward-looking information" including without limitation statements relating to the liquidity and capital resources of RNC, the outlook for the nickel market, key milestones for 2014 to 2017, including timing of receipt of the main permit and the potential of the Aer-Kidd and West Raglan projects.

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. There are no assurances that Dumont, or any of RNC's other property interests, will be placed into production. Factors that could affect the outcome include, among others: the inability to raise the funds necessary to achieve the milestones or complete development of Dumont and inability to raise the funds necessary to advance exploration activities; the actual results of development activities at Dumont and exploration activities at Aer-Kidd and West Raglan; project delays; 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 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.

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