



**ROYAL NICKEL CORP**

## **NEWS RELEASE**

### **Royal Nickel Announces First Quarter 2015 Results**

**Toronto, Ontario, May 8, 2015** – Royal Nickel Corporation (“RNC”) (TSX: RNX) announces its review of activities and financial results for the quarter ended March 31, 2015. All amounts are expressed in Canadian dollars, unless otherwise noted, and are based on the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2015, unless otherwise noted.

Mark Selby, President and CEO, commented, “We continued to advance our Dumont nickel project during the quarter with constructive discussions with a number of potential project partners, financiers, and suppliers. Many market participants share RNC’s outlook of strong long-term fundamentals for the nickel market and, with permits expected in the short-term, Dumont is well positioned as one of the very few shovel ready nickel projects.”

Mr. Selby continued, “Despite generally difficult market conditions for commodities, the fundamentals for nickel have begun to improve. Chinese data is showing signs that the expected structural changes in the nickel market are beginning to take hold as evidenced by record ferronickel imports during the first quarter of 2015, a significant drop in nickel pig iron output and the fact nickel has been trading at a sustained premium to LME prices in China. RNC is well positioned to bring substantial value to its shareholders by providing exposure to an improving nickel market through its main asset, the Dumont Nickel Project and its majority ownership stake in the advanced exploration stage nickel-copper-platinum group metals West Raglan property.”

#### **Targeted Future Milestones**

RNC 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 second quarter of 2015;
- Estimated construction schedule of 24 months post successful permitting, 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

#### **Financial Results**

For the three months ended March 31, 2015, RNC incurred a net loss of \$0.3 million (\$0.00 per share), compared to a net loss of \$2.3 million (\$0.02 per share) in the same period in 2014. The net loss decrease of \$2.0 million is due primarily to lower general and administrative expenses (\$1.1 million) and a higher deferred income tax recovery (\$1.1 million) partially offset by a higher unrealized loss on derivative financial instruments (\$0.2 million).

RNC reclaimed \$2 million in deposits that had been provided to Hydro-Québec for construction of a high voltage electricity connection to the Dumont nickel project. Under the current anticipated development schedule, the power connection is not a constraint to critical path and some of the work has therefore been postponed.

RNC continues to closely monitor market conditions and will continue to manage cash prudently in light of these conditions.

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

|   | <b>March 31, 2015</b> | <b>December 31, 2014</b> |
|---|-----------------------|--------------------------|
| Cash position <sup>1</sup>              | 2.6                   | 2.9                      |
| Working capital <sup>2</sup>            | 1.0                   | 1.2                      |
| Tax credits receivable <sup>3</sup>     | 0.2                   | 0.5                      |
| Total assets                            | 78.7                  | 80.3                     |
| Equity attributable to RNC shareholders | 63.2                  | 63.2                     |

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 \$0.1 million (2014: \$0.4 million) and non-current portion is \$0.1 million (2014: \$0.1 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 2015 to 2018, 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](http://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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