



ROYAL NICKEL CORP

## NEWS RELEASE

(All amounts expressed in Canadian dollars unless otherwise indicated)

### Royal Nickel Announces Second Quarter 2013 Results

**Toronto, Ontario, August 9, 2013** – Royal Nickel Corporation (TSX: RNX) (“RNC”) is pleased to report its review of activities and financial results for the quarter ended June 30, 2013. All amounts are expressed in Canadian dollars, unless otherwise noted, and are based on the unaudited condensed interim financial statements for the three months ended June 30, 2013.

Tyler Mitchelson, President and CEO, commented, “Solid progress was made during the second quarter with the announcement of positive feasibility study results for the Dumont project on June 17 and, subsequent to the end of the quarter, the filing of the 43-101 compliant Technical Report on July 25. Other important accomplishments during the quarter included Red Kite’s US\$15 million investment in Dumont and the signing of an MOU to provide a framework to govern the relationship between RNC and the Abitibiwinni First Nation. I look forward to continuing our progress towards RNC’s main near term goals of completing a partnership/financing package that will allow us to rapidly advance Dumont into construction following the anticipated completion of the main permitting process by the middle of next year.”

#### SECOND QUARTER AND RECENT HIGHLIGHTS

- On July 25, 2013, RNC announced that the Dumont Nickel Project NI 43-101 compliant technical report had been filed on SEDAR.
- On June 17, 2013, RNC announced the positive results of a feasibility study for its Dumont Nickel Project, demonstrating a technically and economically sound project with an after-tax US\$1.1 billion NPV<sub>8%</sub>.
- On May 13, 2013, RNC announced that it had closed a royalty financing with RK Mine Finance (“**Red Kite**”). Under the terms of the financing, Red Kite acquired a 1% net smelter return royalty in the Dumont Nickel Project for a purchase price of US\$15 million.
- On April 5, 2013, RNC announced the signing of a memorandum of understanding with the Abitibiwinni First Nation with respect to the Dumont Nickel Project.
- RNC incurred a net loss of \$1.9 million (\$0.02 per share) for the three months ended June 30, 2013, compared to a net loss of \$2.1 million (\$0.02 per share) for the same period in 2012.

For the three months ended June 30, 2013, RNC incurred a net loss of \$1.9 million compared to a net loss of \$2.1 million in the same period last year. The net loss decrease of \$0.2 million is due primarily to lower general and administrative expenses of \$0.4 million partially offset by a higher deferred tax expense of \$0.2 million. The decrease in general and administrative expenses of \$0.4 million is due primarily to lower consulting fees of \$0.3 million, lower investor relations expenses of \$0.2 million and lower business development expenses of \$0.2 million, partially offset by a net increase in the non-cash share-based payments expense of \$0.3 million.

## Targeted Future Milestones

- Completion of partnership and financing arrangements in advance of the receipt of permits;
- Potential placement of long-lead orders driven by the project schedule, market driven equipment lead times and financing capacity;
- Receipt of main permit by mid-2014;
- Start of construction in 2014 subsequent to receipt of permits; and
- Project commissioning in the first half of 2016 followed by production ramp-up throughout 2016.

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

	June 30, 2013	December 31, 2012
Cash position <sup>1</sup>	19.9	10.8
Working capital <sup>2</sup>	21.5	15.4
Tax credits receivable <sup>3</sup>	5.2	9.7
Total assets	78.3	79.0
Shareholder's equity	65.5	68.0

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 \$4.6 million (2012: \$7.3 million) and non-current portion is \$0.6 million (2012: \$2.4 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, in the municipalities of Launay and Trécesson, 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 trade on the TSX under the symbol RNX.

### Cautionary Statement Concerning Forward-Looking Statements

*This news release contains "forward-looking information" including without limitation statements relating to obtaining financing for Dumont, engaging a project partner, completion of permitting, advancing Dumont into construction and other targeted milestones.*

*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. The feasibility study results are estimates only and are based on a number of assumptions, any of which, if incorrect, could materially change the projected outcome. Even with the completion of the 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 achieve the milestones or 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](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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