



ROYAL NICKEL CORP

NEWS RELEASE

Royal Nickel Announces LOI to Acquire 56% of True North Nickel and the West Raglan Nickel Project

RNC will host a conference call/webcast today at 10:00 a.m. (Eastern Time) to discuss the proposed transaction and the nickel market (access information below)

Toronto, Ontario, June 2, 2014 – Royal Nickel Corporation (“RNC”) (TSX: RNX) is pleased to announce it has signed a non-binding Letter of Intent (“LOI”) with the primary selling shareholders of True North Nickel Inc. (“True North”) to acquire approximately 56% of True North, a private company whose main asset is a 100% interest in the West Raglan nickel sulphide project located in Quebec.

“West Raglan will be an excellent addition to RNC’s asset base as it provides additional exposure to a rapidly improving nickel market and strengthens RNC’s position as a pure-play nickel vehicle on the TSX. The West Raglan Project is in an excellent mining jurisdiction and is one of only a few high grade sulphide nickel and PGM exploration targets in close proximity to existing mining operations,” said Mark Selby, President and CEO of RNC.

Donald McInnes, Co-Chairman and CEO of True North Nickel, will join the RNC Board of Directors upon closing (pursuant to the right of RNC’s Board to appoint a director following RNC’s upcoming AGM) and Dr. Mark O’Dea, Co-Chairman of True North Nickel, will be appointed as a Special Advisor to the RNC Board. Both Donald McInnes and Mark O’Dea have proven track records of building significant value for shareholders. The acquisition of True North builds on the recent acquisition by RNC of a 25% strategic shareholding in Sudbury Platinum Corporation.

RNC has a Board and management team that was largely at the core of Inco Limited, an iconic Canadian-based integrated base metals company. With the acquisition of True North, RNC is positioning itself to become a platform to fill the void left in Canadian capital markets caused by the consolidation of the Canadian base metals sector over the last decade.

“We are truly excited at the prospect of joining the Royal Nickel team and actively support Royal Nickel’s efforts to advance the Dumont project and to seek and acquire

additional high grade sulphide nickel deposits worldwide,” said Donald McInnes, Co-Chairman and CEO of True North. “With its skilled, knowledgeable team and high-quality assets, we believe there is a tremendous opportunity to transform Royal Nickel into a significant player in the nickel market.”

Mr. McInnes has more than 20 years’ experience in natural resource development including founding Kutcho Copper Corp. (formerly Western Keltic Mines Inc.) and Plutonic Power Corp., a renewable power development company with a broad portfolio of clean energy projects. Mr. McInnes is currently Vice-Chairman of Alterra Power Corp, Chairman of the Clean Energy Association of British Columbia, and a cofounder of Oxygen Capital Corp. He is a Director of Pilot Gold and True Gold Mining. Mr. McInnes is also a past President and Director of the AMEBC, and past Director of the PDAC and a past Governor of the Business Council of British Columbia.

Dr. O’Dea has created and led a family of strong, well-financed resource companies focused on the discovery and advancement of gold, copper, uranium and nickel projects around the world. He was co-founder and CEO, of both Fronteer Gold Inc. and Aurora Energy Resources Inc., which were sold to Newmont Mining Corp. and Paladin Energy Ltd. respectively in 2011. Dr. O’Dea is Founder of Oxygen Capital Corp. and plays leadership roles in all Oxygen companies. He is currently Co-founder and Chairman of Pilot Gold, Executive Chairman of True Gold Mining, and Director of Laurentian Goldfields.

The LOI provides that RNC’s acquisition of an approximate 56% interest in True North is for a consideration of approximately 5.6 million RNC Common Shares representing a nominal value of approximately CDN\$3.5 million and that existing True North options and warrants may be converted and replaced with RNC options and warrants. A condition of closing is that RNC shall acquire not less than a 50.1% interest in True North Nickel on a fully diluted basis. The parties are anticipating execution of definitive agreements on or about June 5, 2014.

West Raglan Project

West Raglan is a mature nickel sulphide exploration project located in the centre of the Cape Smith Nickel Belt in northern Quebec, Canada. The Cape Smith Belt is home to prolific, high-grade nickel sulphide deposits, including two producing mines; Glencore’s Raglan Mine and Jilin Jien Nickel’s Nunavik Mine. Over \$50 million has been spent in exploration at West Raglan including the drilling of over 200 diamond drill holes. Seven zones of Ni-Cu-PGM sulphide have been found to date on the 700-square-kilometre West Raglan property. One of these zones, the Frontier Zone, includes five key high-grade lens clusters. True North’s exploration model is based on the potential to build a resource out of the mineralized lenses at Frontier, exploring for additional lenses, and for new lens clusters across the other zones of the property. The neighbouring Raglan Mine hosts similar clusters of mineralized lenses in 12 distinct zones, four of which are currently in production and feeding a central mill facility.

The relative location of West Raglan to the Raglan and Nunavik mines is shown in figure 1 below.

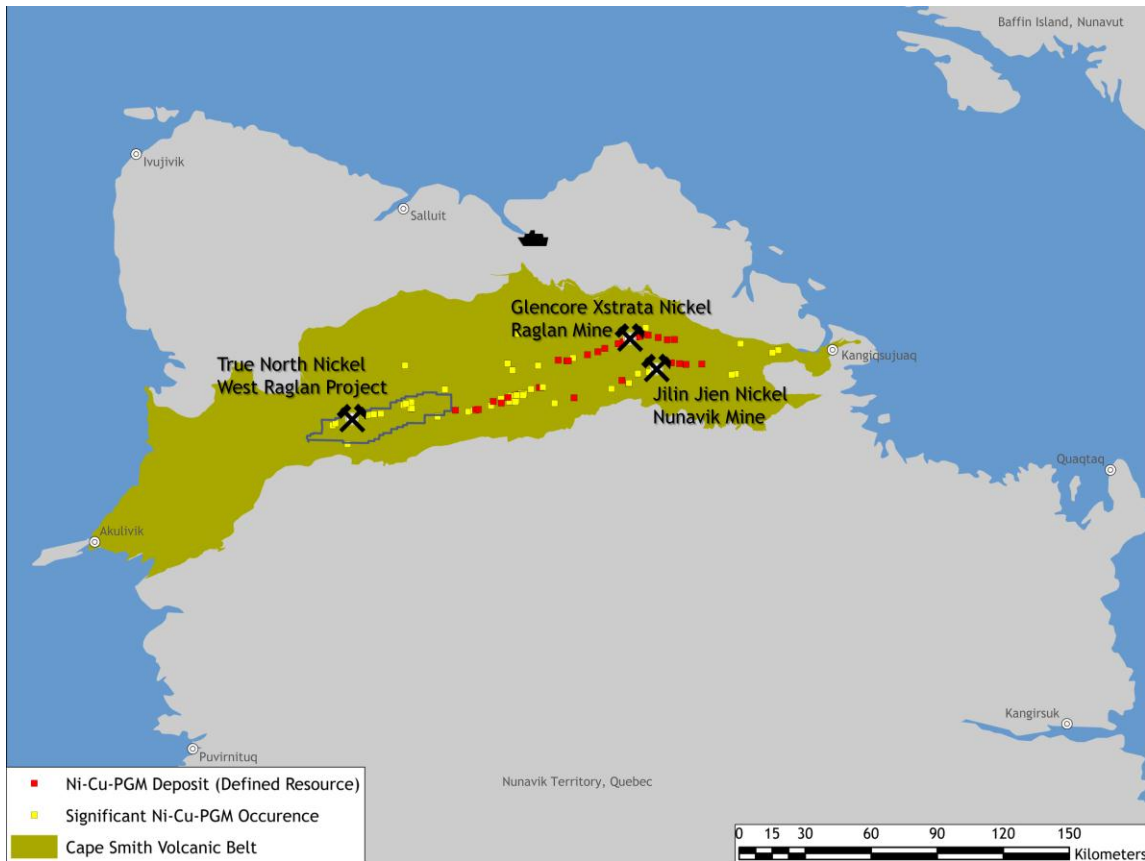


Figure 1: The Cape Smith Belt is host to prolific, high-grade, polymetallic nickel deposits and includes two operating mines. Raglan Mine ore grades are among the highest of significant global nickel deposits

Source: True North Nickel

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

Conference Call

Royal Nickel will be hosting a conference call and webcast today to discuss the proposed transaction 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 June 2, 2014, and can be accessed as follows:

North American callers please dial: 1-855-859-2056; Pass Code: 54556582

Local and international callers please dial: 416-849-0833; Pass Code: 54556582

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 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 the completion of the transaction contemplated by the LOI, the potential of the West Raglan Project and the outlook for the nickel market.

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. 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.

Cautionary Statement Concerning LOI

The LOI does not constitute a binding agreement or commitment of any nature between the parties respecting a transaction. The transaction is subject to the parties respective due diligence investigations and the entry into a Definitive Agreement on customary terms. The transaction will be subject to TSX approval. There is no assurance that the transaction will be completed as planned or at all.

Information Concerning West Raglan Property:

Information concerning the West Raglan property in this news release is taken from sources, some of which are historical, that RNC believes to be reliable, but RNC has not verified the information and does not assume responsibility for such third party information. The proximity to Glencore's Raglan Mine and Jilin Jien Nickel's Nunavik Mine does not mean the West Raglan project will obtain similar results. West Raglan is an exploration project without any current resource estimates and there is no certainty that any such estimates will ever be established.

For more information, please contact:

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