



ROYAL NICKEL CORPORATION

Title:	Procurement Policy – Dumont Project		
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Approved by:	Board of Directors	Date approved:	April 15, 2014
Policy number:	DUM-HSE-001	Replaces policy number:	N/A

Royal Nickel Corporation (the "Corporation" or "RNC") considers that responsible procurement is an important component of RNC's vision for the Dumont Project.

1 PURPOSE

Establish a framework to promote healthy and fair competition, and a positive impact on the communities where we operate in terms of safety, good environmental practices and wealth creation.

2 GOALS

For the Dumont Project, implement a procurement approach that favours suppliers who provide competitive goods or services and benefits the local community on social, economic and environmental levels.

Royal Nickel therefore will:

- Use standard selection criteria to evaluate procurement offers, namely:
 - Cost competitiveness
 - Quality of work and experience
 - Ability to meet the prescribed technical specifications with regards to goods and services
 - Ability to supply and deliver goods and services
 - Timely delivery and performance
 - Continuity of supply, delivery and after-sales service
 - Past health and safety performance, and current health and safety programs
 - Past environmental performance and current environmental programs
 - Financial capability
 - Any other criteria deemed appropriate by RNC
- Prioritize suppliers that have a real impact on the regional economy, given equal capacity, quality and cost.
- Encourage major subcontractors and suppliers to support local employment and subcontracting, as well as partnerships with local businesses.
- Communicate economic opportunities in order to increase local knowledge about business opportunities and work with local socio-economic groups.
- Assess local procurement opportunities in terms of needs, selection criteria and risk for both the Corporation and the local communities.
- Set up a process to report any illegal activity around the purchase of goods and services.
- Use existing or recognized guidelines to report on the Corporation efforts to maximize local benefits.