

RNC MINERALS

Q1 2018 Results
Conference Call

May 14, 2018



TSX:RNX

Cautionary Statements Concerning Forward-Looking Statements

This presentation provides certain financial measures that do not have a standardized meaning prescribed by IFRS. Readers are cautioned to review the stated footnotes regarding use of non-IFRS measures.

This presentation contains "forward-looking information" including without limitation statements relating to the liquidity and capital resources of RNC, production and cost guidance, the potential of the Beta Hunt and Reed mines, and the potential of the Dumont development project and Orford Mining's Qiqavik, West Raglan, Jones-Keystone Loflin and Landrum-Faulkner exploration 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. Factors that could affect the outcome include, among others: 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, projected cash costs, failure to obtain regulatory or shareholder 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, including the most recent Annual Information Form, 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 presentation 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 Regarding the Beta Hunt Mine

The decision by SLM to produce at the Beta Hunt Mine was not based on a feasibility study of mineral reserves, demonstrating economic and technical viability, and, as a result, there may be an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, including increased risks associated with developing a commercially mineable deposit. Historically, such projects have a much higher risk of economic and technical failure. There is no guarantee that that anticipated production costs will be achieved. Failure to achieve the anticipated production costs would have a material adverse impact on SLM's cash flow and future profitability. It is further cautioned that the PEA is preliminary in nature and includes inferred resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. No mining feasibility study has been completed on Beta Hunt. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that the PEA will be realized.

Cautionary Note to U.S. Readers Regarding Estimates of Resources

This presentation uses the terms "measured" and "indicated" mineral resources and "inferred" mineral resources. The Company advises U.S. investors that while these terms are recognized and required by Canadian securities administrators, they are not recognized by the SEC. The estimation of "measured" and "indicated" mineral resources involves greater uncertainty as to their existence and economic feasibility than the estimation of proven and probable reserves. The estimation of "inferred" resources involves far greater uncertainty as to their existence and economic viability than the estimation of other categories of resources. It cannot be assumed that all or any part of a "measured", "inferred" or "indicated" mineral resource will ever be upgraded to a higher category.

Under Canadian rules, estimates of "inferred mineral resources" may not form the basis of feasibility studies, pre-feasibility studies or other economic studies, except in prescribed cases, such as in a preliminary economic assessment under certain circumstances. The SEC normally only permits issuers to report mineralization that does not constitute "reserves" as in-place tonnage and grade without reference to unit measures. Under U.S. standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. U.S. investors are cautioned not to assume that any part or all of a "measured", "indicated" or "inferred" mineral resource exists or is economically or legally mineable. Information concerning descriptions of mineralization and resources contained herein may not be comparable to information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC.

Central strategic focus on advancing toward a construction decision for the world's largest undeveloped nickel and cobalt reserves and a leading Battery Metals Project



Ferro-nickel puck produced from Dumont concentrate

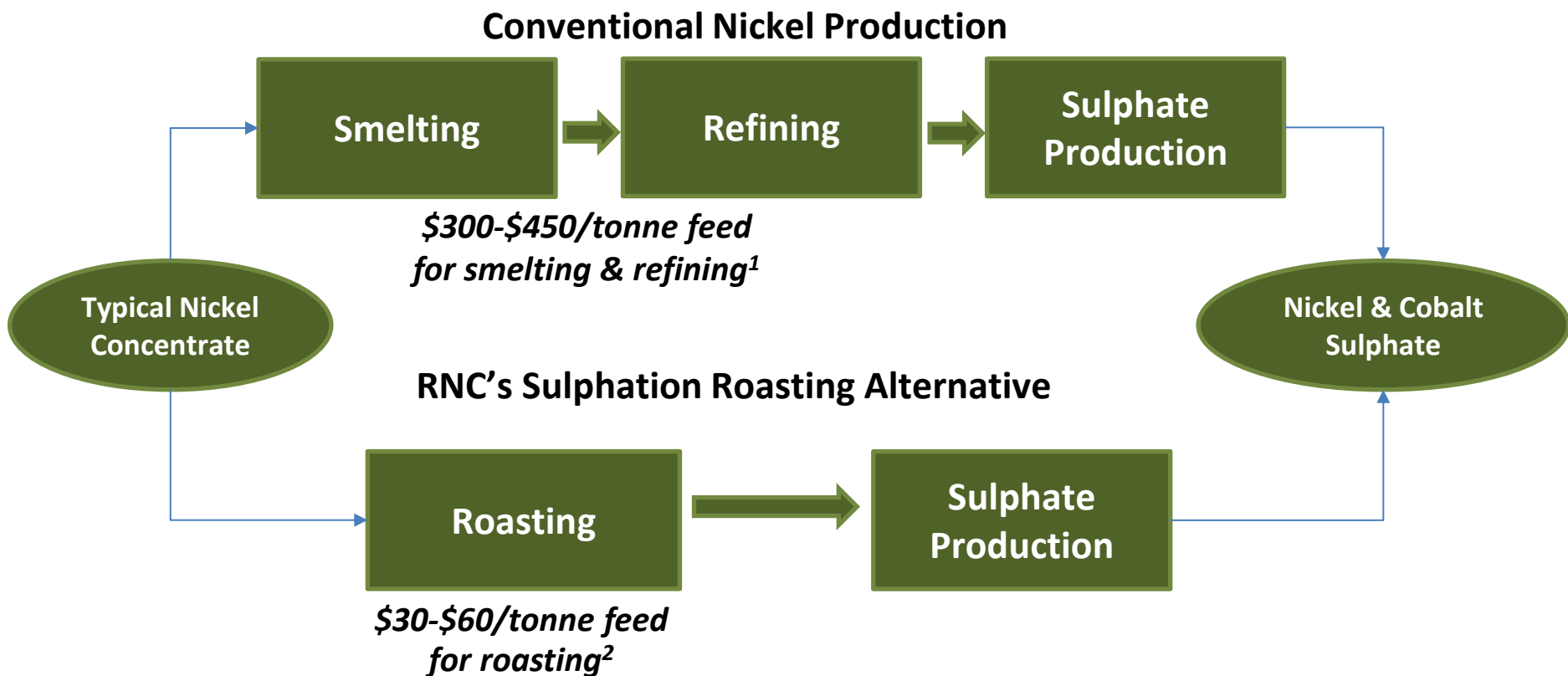
- 2nd largest nickel reserve in the world, 5th largest nickel sulphide discovery ever
- 8th largest cobalt reserve in the world, largest undeveloped reserve
- Fully permitted, shovel ready with feasibility study complete
- RNC - Waterton 50/50 JV to advance Dumont and grow nickel business with \$US 35 MM cash
- Cobalt 27 royalty acquisition underscores that Dumont *“ranks among the top battery metals projects in the world and one of only a few nickel-cobalt projects that will be built this cycle”*¹
- Positioned to deliver nickel and cobalt to global markets before the end of 2020

¹ Cobalt 27 news release February 22, 2018

Dumont – RNC’s Sulphation Roasting Approach

Significant Value Potential

Testwork is underway for RNC’s sulphation roasting approach which offers the potential to be a simpler, lower cost approach for converting a portion of the nickel and cobalt in sulphide concentrate into a nickel and cobalt sulphate for local electric vehicle market

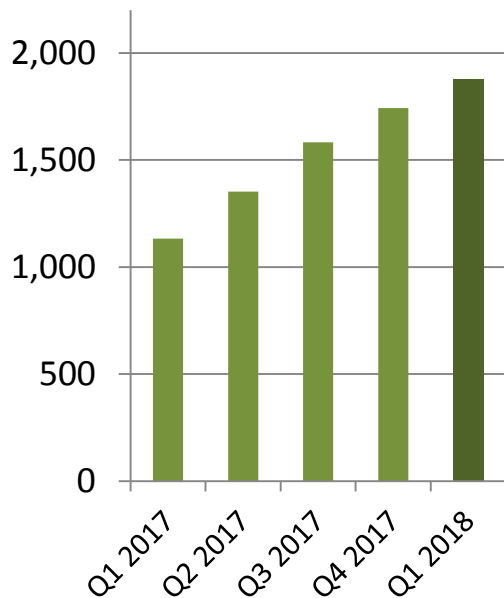


1. Source: Wood Mackenzie Nickel Industry Cost Service, December 2017 (costs for North American operations)

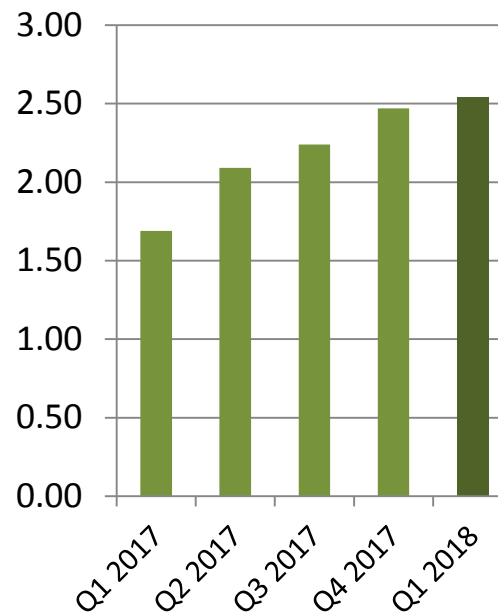
2. Source: RNC’s work with one of the large Japanese trading houses indicates that roasters in Asia are able to process feed at an approximate cost of \$30/tonne (RNC news release dated March 1, 2018). Costs are for 1 or 2 stage sulphation roasting of concentrate.

Four consecutive quarters in 2017 of quarter-over-quarter improvement. On-track for 5th consecutive quarterly improvement in Q2-2018.

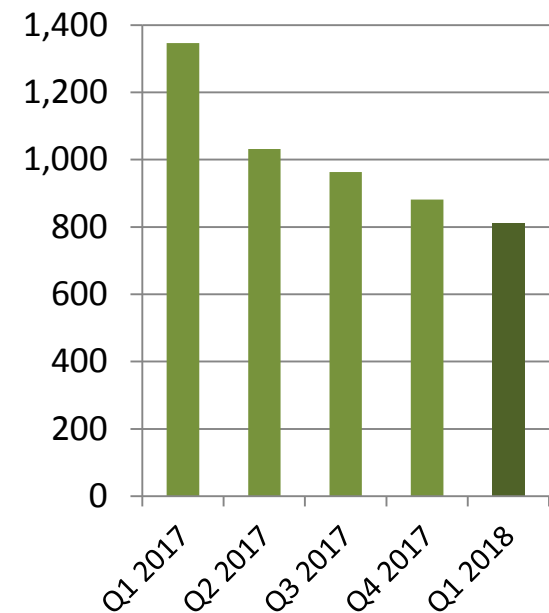
Gold Material Mined
(tonnes per day)



Gold Mined Grade
(grams per tonne)



Gold Mining Cash Cost
(US\$ per ounce)



- With toll milling sequence and subsequent sales, cost benefits from improvements in grade and throughput are delayed in quarterly reporting. This effect was amplified in Q1 as delays in tolling in March led to lower grade material mined at lower throughput rates earlier in the quarter being processed.
- The first toll subsequent to the end of Q1 has processed approximately 80kt of material at 2.7g/t.

Beta Hunt Mine – Q1 2018 Overview

- Mined gold production was 13,780 oz in Q1, up 8% from Q4/17
- Tonnes mined in Q1 up 6% quarter-over-quarter to 169 kt
- Q1 gold grade increased 3% quarter-over-quarter to 2.54 g/t
- Gold mining cash cost per ounce decreased by 8% to US\$812 per ounce from US\$882 per ounce in the fourth quarter of 2017
- Gold sales were 7,978 ounces in the first quarter, a decrease of 38% from the fourth quarter of 2017 (Q1 sales adversely impacted by tolling schedules and above normal seasonal rains)
- As gold production continues to ramp up, and grades improve, operating costs expected to decline towards target levels

Beta Hunt Mine	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017
Gold tonnes mined (kt)	169	160	145.5	123	102
Gold mined grade (g/t) ¹	2.54	2.47	2.24	2.09	1.69
Gold tonnes milled (kt)	110	158	182.3	98.1	114.3
Gold mill grade (g/t) ¹	2.36	2.39	2.23	2.07	1.62
Gold milled (ounces)	8,372	12,128	13,047	6,535	3,597
Gold mined (ounces) ^{1,2}	13,780	12,722	10,489	8,281	5,535
Gold sales (ounces)	7,978	12,896	8,659	5,891	6,132
Nickel tonnes mined (kt)	7.8	8.6	8.3	10.1	6.8
Nickel tonnes milled (kt)	8.7	7.0	10.2	9.6	6.8
Nickel mill grade, nickel (%)	1.89	2.64	2.84	2.84	2.51
Nickel in concentrate (kt)	0.14	0.16	0.25	0.24	0.15

Beta Hunt Gold and Nickel Operation ⁵	Q1 2018	Q1 2017
Gold mining cash cost per ounce (US\$ per ounce mined) ⁵	\$812	\$1,347
Gold all-in sustaining cost, net of by-product credits (US\$ per ounce sold) ^{3,4}	\$1,594	\$1,685
Gold C1 cash operating cost, net of by-product credits (US\$ per ounce sold) ^{3,4}	\$1,502	\$1,647
Nickel C1 cash operating cost (US\$ per lb. sold) ⁴	\$4.54	\$2.97
Nickel C1 cash operating cost (US\$ per tonne sold) ⁴	\$10,003	\$6,541
Nickel all-in sustaining cost (AISC) (US\$ per lb. sold) ⁴	\$4.55	\$3.00
Nickel all-in sustaining cost (AISC) (US\$ per tonne sold) ⁴	\$10,038	\$6,618

1. The difference in gold sales ounces and gold mined ounces is due to timing differences in receipt of gold sales depending on completion date of tolling campaigns.

2. As of March 31, 2018, 104 kt of gold mineralization from first quarter 2018 production remained on the ROM pad for tolling in the subsequent quarter, compared to 45.4 kt of gold as of December 31, 2017.

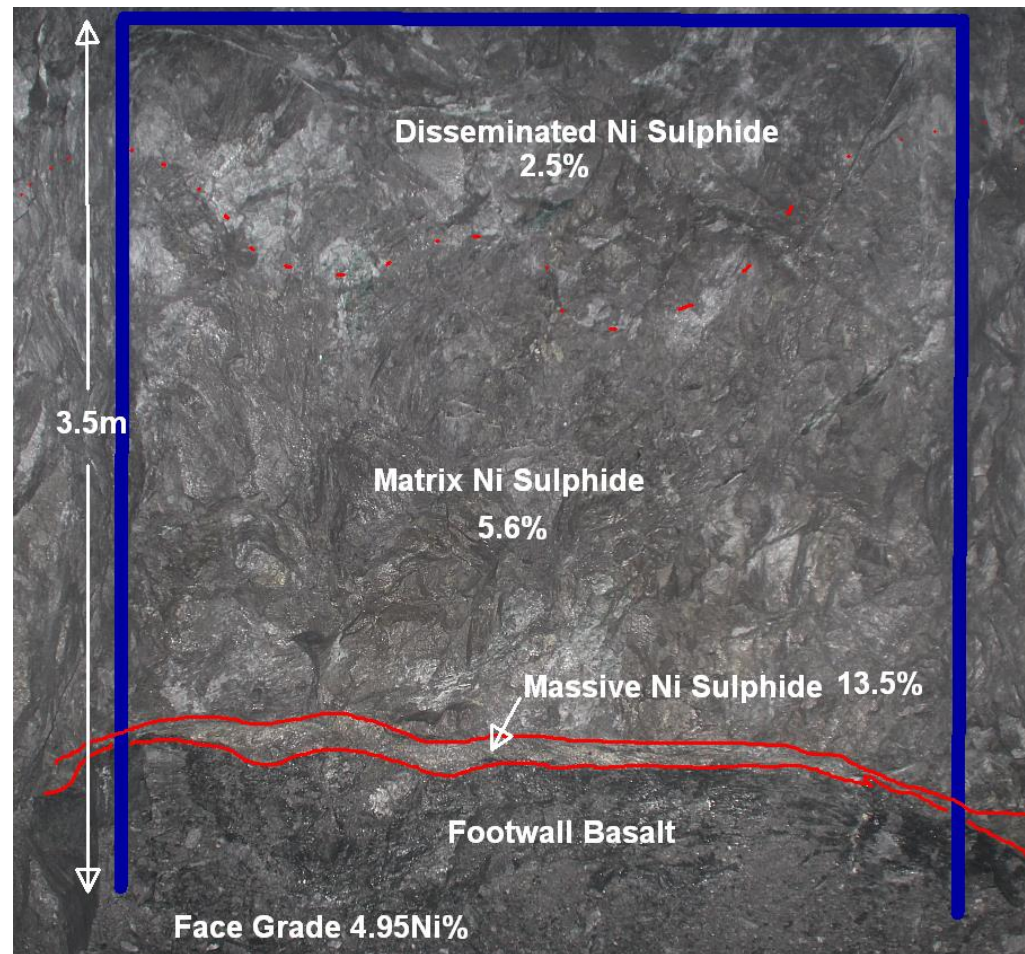
3. Gold operations declared commercial production in the second quarter of 2017 with effect on July 1, 2017. Prior to July 1, 2017, gold operations were in the ramp up stage towards commercial production and operating and sustaining costs per ounce for those periods are not comparable to other companies.

4. All-in sustaining cost, net of by-product credits, cash operating cost, net of by-product credits, cash operating cost, cash operating cost per tonne, all-in sustaining cost, and all-in sustaining cost per tonne are not recognized measures under IFRS. Such non-IFRS financial measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Management uses these measures internally. The use of these measures enables management to better assess performance trends. Management understands that a number of investors, and others who follow RNC's performance, assess performance in this way. Management believes that these measures better reflect RNC's performance and are better indications of its expected performance in future periods. This data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

5. Reference is made to the Non-IFRS Measures section of this MD&A.

Beta Hunt Mine: Nickel Production Expected to Improve in Q2/18

Nickel production expected to improve during the second quarter to approximately 800,000 pounds as higher grade nickel from the newly developed 1826 area continues to be produced



Beta Hunt Mine – 1826 Area

- February 1, 2016 Resource^{1,2,3,4,5} in 1820N_1825 area:
 - Indicated 63.9 kt of ore grading 3.1%
- Potential to extend lenses in multiple directions

1. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves.

2. The Mineral Resource estimates include Inferred Mineral Resources that are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is also no certainty that Inferred Mineral Resources will be converted to Measured and Indicated categories through further drilling, or into Mineral Reserves once economic considerations are applied. Mineral resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding

3. Nickel Mineral Resources are reported using a 1% Ni cut-off grade

4. Gold Mineral Resources are reported using a 1.8 g/t Au cut-off grade

5. Mineral Resources described here has been prepared by Elizabeth Haren, MAusIMM CPGeo, of Haren Consulting Pty Ltd.

Source: Beta Hunt Mine PEA dated March 4, 2016 and news release dated October 19, 2017, available at www.royalnickel.com and www.sedar.com

- Q1 production of 1.9 MM lbs copper (0.9 kt) and 349 oz of gold (RNC’s 29% share)
- Q1 AISC US\$0.54/lb copper (Q1 costs reflect a combination of higher copper grades, higher gold, silver and zinc by-product credits and the exclusion of mining and general and administration costs (as RNC has elected to dilute rather than continue to pay them in final quarters of mine operation))
- RNC’s interest to be diluted to approximately 26%
- 2018 production guidance (RNC’s share): 2.25-2.5 kt copper and 0.8-1 koz of gold
- Production to end in Q3/18; processing of stockpiled ore is expected to continue through December 2018

Reed Mine Q1 2018 Operating Review (100% basis)

	Q1 2018	Q1 2017
Ore (tonnes hoisted)	122,309	119,853
Ore (tonnes milled)	92,954	108,139
Copper (%)	3.54	2.96
Zinc (%)	0.93	0.67
Gold (g/t)	0.70	0.44
Silver (g/t)	9.43	5.64

Reed Mine Q1 Production and Costs (29% basis)¹

	Q1 2018	Q1 2017
Copper contained in concentrate (kilo tonnes)	0.86	0.85
Gold contained in concentrate (ounces)	349	283
Copper cash operating cost per pound sold ^{1,2,3}	\$0.51	\$2.06
Copper all-in sustaining cost per pound sold ^{1,2,3}	\$0.54	\$2.10

1. Cash operating cost per pound, and all-in sustaining cost per pound, are not recognized measures under IFRS. Such non-IFRS financial measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Management uses these measures internally. The use of these measures enables management to better assess performance trends. Management understands that a number of investors, and others who follow RNC’s performance, assess performance in this way. Management believes that these measures better reflect RNC’s performance and are better indications of its expected performance in future periods. This data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.
2. RNC has elected effective January 1, 2018 to allow its interest in the Reed Joint Venture to be diluted by not funding its share of mining costs and general and administration costs related to production. Consequently those costs are not included in the cost computation.
3. If unfunded mining costs and general and administration costs were included, the first quarter cash operating cost and all-in sustaining cost would have been US\$1.99 and \$2.02, respectively.

Q1 2018 Summary

- The strategic alternatives process announced in March 2018, which may include the sale of all or a portion of Beta Hunt, has attracted a number of interested parties and we continue to expect the process to be completed by early Q3 2018
 - Beta Hunt is attractive to numerous potential acquirers, not only as a new gold operation with substantial exploration potential, but also as one of the few operating nickel sulphide mines in a low risk jurisdiction not controlled by a major nickel company
 - Beta Hunt Mine is now considered to be non-core to RNC and has been reclassified to Discontinued Operations for accounting purposes
- Adjusted EBITDA¹ from continuing operations for the three months ended March 31, 2018 was income of \$3.7 million or \$0.01 per share compared to a loss of \$0.2 million or nil per share for the three months ended March 31, 2017
- RNC incurred a net loss from continuing operations of \$1.8 million (\$0.01 per share) for the three months ended March 31, 2018, compared to a net loss of \$3.1 million (\$0.01 per share) for the three months ended March 31, 2017. The net loss from discontinued operations was \$10.7 million (\$0.03 per share) for the three months ended March 31, 2018, compared to a net loss of \$1.3 million (\$0.01 per share) for the three months ended March 31, 2017.
 - \$4.0 million of capital related costs were expensed during the quarter as business discontinued
 - Q1 sales adversely impacted by delays in tolling and above normal seasonal rains. Q2 performance will improve as grades, throughput higher. Current toll, completed after Q1, processed 80kt of material at 2.7 g/t
- Overall cash flow in Q1 effectively breakeven (\$0.3 million used) after excluding \$3.9 million impact on inventory due to toll delays. Cash flow expected to improve in Q2 as inventories drawn down and mine performance continues to improve

1. EBITDA is a non-IFRS measure. Please refer to "Adjusted EBITDA and Adjusted EBITDA per share" section of RNC's Management Discussion & Analysis for the period ended March 31, 2017

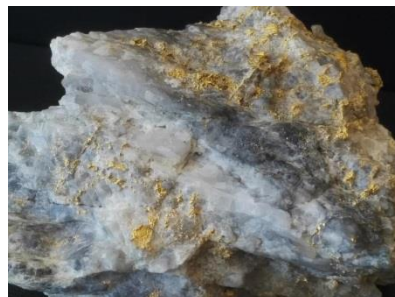
Quebec, Canada



Dumont Nickel-Cobalt Project (50%)

- 2nd largest nickel reserve in the world, 5th largest nickel sulphide discovery ever
- 8th largest cobalt reserve and largest undeveloped cobalt reserve
- Dumont Ni-Co Project: structurally low cost, large scale, shovel ready
- RNC - Waterton 50/50 JV to advance Dumont and grow nickel business

Western Australia



Beta Hunt Mine Gold, Nickel Producer

- Massive exploration potential - known gold showings over 4 km strike, open in three directions, limited exploration at depth
- Ramping up gold and nickel production
- Infrastructure in place to support much larger gold operation

Quebec and Carolinas



Orford Mining (~44%) Exploration Spin-Out

- High grade gold exploration projects in Northern Quebec and U.S. Carolina Gold Belt
- Successful 2017 drill program: multiple high-grade gold drill intersections up to 13.7 g/t, five new surface discoveries up to 457 g/t Au confirm 40-km high-grade “Qiqavik break” gold system
- Exploration to begin in Carolina Gold Belt properties
- Trading on TSX-V: ORM

Manitoba, Canada



Reed Mine (~30%)

- Copper Producer
- 2018 Production Guidance: Copper: 2.25-2.5 kt; Gold: 0.8-1 koz (RNC's share)
- Production expected to end in Q3/18; processing of stockpile ore to continue through Dec-2018

Share Structure¹:

▪ Basic Shares Outstanding¹:	361.6 million
▪ Convertible (<i>price: C\$0.2563</i>) ²	54.3 million
▪ Options (<i>ave. exercise price: C\$0.33</i>)	35.1 million
▪ Warrants (<i>exercise price: C\$0.40</i>) ³	23.9 million
▪ Deferred/Restricted Share Units	5.9 million
▪ Contingent Shares	7.0 million
<hr/>	
▪ Fully Diluted Shares Outstanding:	487.8 million
<hr/> <hr/>	
▪ Directors and Officers Share Ownership:	~3%

Balance Sheet Highlights:

▪ Cash and Cash Equivalents⁴:	C\$19.9 million
▪ Market Capitalization¹:	C\$70.5 million

1. Shares outstanding, fully diluted shares outstanding, shareholdings and market capitalization as at May 11, 2018
2. Assumes maximum conversion of 75% of US\$10M principal into RNC common shares; US/C \$ exchange rate as at June 7, 2017 and conversion of US\$6 million principal and interest into RNC common shares ; US/C \$ exchange rate at December 14, 2017
3. 16.5 million warrants @ C\$0.49, 5.9 million warrants @ C\$0.24 and 1.5 million compensation warrants @ C\$0.41
4. Cash and cash equivalents as at March 31, 2018