



ROYAL NICKEL CORP

NEWS RELEASE

Royal Nickel Advances Dumont Project *Awards Contract for Environmental Impact Study;* *Pre-Feasibility Study to be released in November 2011*

Toronto, Ontario, September 26, 2011 – Royal Nickel Corporation (“RNC”) (TSX: RNX) is pleased to provide an update on activities related to its Dumont Nickel Project, located in the Abitibi region of Quebec.

- Pre-feasibility Study (“PFS”) results are expected to be released in November 2011, and a National Instrument 43-101 compliant technical report will be filed within 45 days of the release of the PFS results. The PFS plans to utilize a 50,000 tonnes per day (“tpd”) start-up scenario with a subsequent expansion to 100,000 tpd rather than the 80,000 tpd and 100,000 tpd scenarios utilized in the September 2010 Preliminary Economic Assessment. This smaller scale start-up option is expected to reduce the upfront capital required to bring the project into production.
- GENIVAR Inc., a leading international engineering consulting firm, has been retained to complete both the “Avis de Projet” (Project Notice), which initiates the environmental permitting process, and the Environmental and Social Impact Assessment (ESIA).
- Discussions have recently been conducted with a number of project finance advisory firms. A project finance advisor is expected to be appointed before the end of 2011. RNC intends to finance the construction of the Dumont project through a combination of a partner acquiring a 30-40% interest at the project level and debt finance of approximately 50% of the project’s initial capital.
- The initial report from the community consultation process initiated by RNC has been completed and the results will be incorporated in the development of the PFS where possible.

“We are eagerly anticipating the results of the PFS incorporating the results of the smaller startup scenario and our previously announced flowsheet simplification” said Tyler Mitchelson President and CEO of Royal Nickel Corporation. “In addition to the PFS, we continue to move the project forward on other fronts, including project financing, potential partner discussions, and other critical path items such as permitting, all with a view to achieving our goal of first production by late 2015.”

About GENIVAR Inc.

GENIVAR is a leading Canadian services firm providing private and public-sector clients with a complete range of professional consulting services throughout all project phases, including planning, design, construction and maintenance. Ranging in size and scope, GENIVAR's clients primarily operate in the building, industrial and energy, municipal infrastructure, transportation and environmental sectors. GENIVAR is one of Canada's largest services firm by number of employees, with approximately 4,700 managers, professionals, technicians, technologists and support staff in more than 100 offices in Canada and internationally.

About Royal Nickel Corporation

Royal Nickel Corporation is a mineral resource company focused primarily on the exploration, development, evaluation and acquisition of base metal and platinum group metal properties. RNC's principal asset is the 100% owned Dumont Nickel Project strategically located in the established Abitibi mining camp, 25 kilometres northwest of Amos, Quebec. A NI 43-101 compliant Preliminary Economic Assessment of the Dumont Nickel Project completed in September 2010 estimated after-tax NPV_{8%} to be US\$1.1 billion based on a planned 100,000 tonnes per day operation and production of over 64,000 tonnes of nickel per year on average over the life of the operation. RNC has a strong management team and Board with over 100 years of mining experience in the nickel business at Inco and Falconbridge. The Corporation's common shares and warrants trade on the TSX under the symbols RNX and RNX.WT.

Cautionary Statement Concerning Forward-Looking Statements

This news release contains "forward-looking information" which includes our expectation that the PFS results will be announced in November 2011 with the filing of a NI 43-101 compliant technical report within 45 days, our intentions as to construction financing of the Dumont project and our goal of first production by late 2015. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate" or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Readers should not place undue reliance on forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. The Preliminary Economic Assessment, and the estimates contained therein, as well as the results of studies and testing to date which form the basis of our expectations are preliminary in nature and are based on a number of assumptions, any one of which, if incorrect, could materially change the projected outcome. Factors that could affect the outcome include, among others: the actual results of current exploration and development activities; nickel recovery; project delays; funding needs; general business, economic, competitive, political and social uncertainties; future prices of metals; availability of alternative nickel sources or substitutions; 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 including the Corporation's Preliminary Economic Assessment dated as of September 30, 2010. Such forward-looking statements are based on a number of material factors and assumptions identified in the applicable document including, in the case of the estimate of NPV contained in the Preliminary Economic Assessment, an assumed long term nickel price of US\$7.50/lb. and an exchange rate of Cdn\$1.00 = US\$0.90.

Although the Corporation 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 the Corporation 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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