



ROYAL NICKEL CORP

NEWS RELEASE

RNC Awards Pre-Feasibility Study Contract, Announces Encouraging Results from Exploration and Metallurgical Programs

Toronto, Ontario, March 31, 2011 – Royal Nickel Corporation (TSX:RXN) (“RNC” or the “Corporation”) today announced further encouraging results from exploration and metallurgical studies at its flagship Dumont project, and also announced it has awarded the contract for the pre-feasibility study of the project.

The contract for the pre-feasibility study has been awarded to Ausenco and SRK Consulting, who are collaborating on this project. The results of this pre-feasibility study are expected to be announced by the end of the third quarter or early fourth quarter of 2011. Tyler Mitchelson, President and CEO said, “We are very pleased to have assembled a pre-feasibility team of such high calibre, led by Ausenco and SRK Consulting. The team has extensive experience in the mining, metallurgy, process engineering, and operation of process plants for nickel-containing ultramafic ores. In addition, the team has experience with a number of large concentrator projects and significant project experience in Canada.”

Exploration Activities

The work program currently underway on the Dumont project is focused primarily on acquiring geotechnical data to support the prefeasibility study. This includes drilling for rock mechanics for confirmation of pit design, as well as overburden drilling in all areas of potential mine and infrastructure development. An extensive sampling and testing program is also underway to further confirm the non-acid generating character of tailings and waste rock, as indicated by preliminary studies.

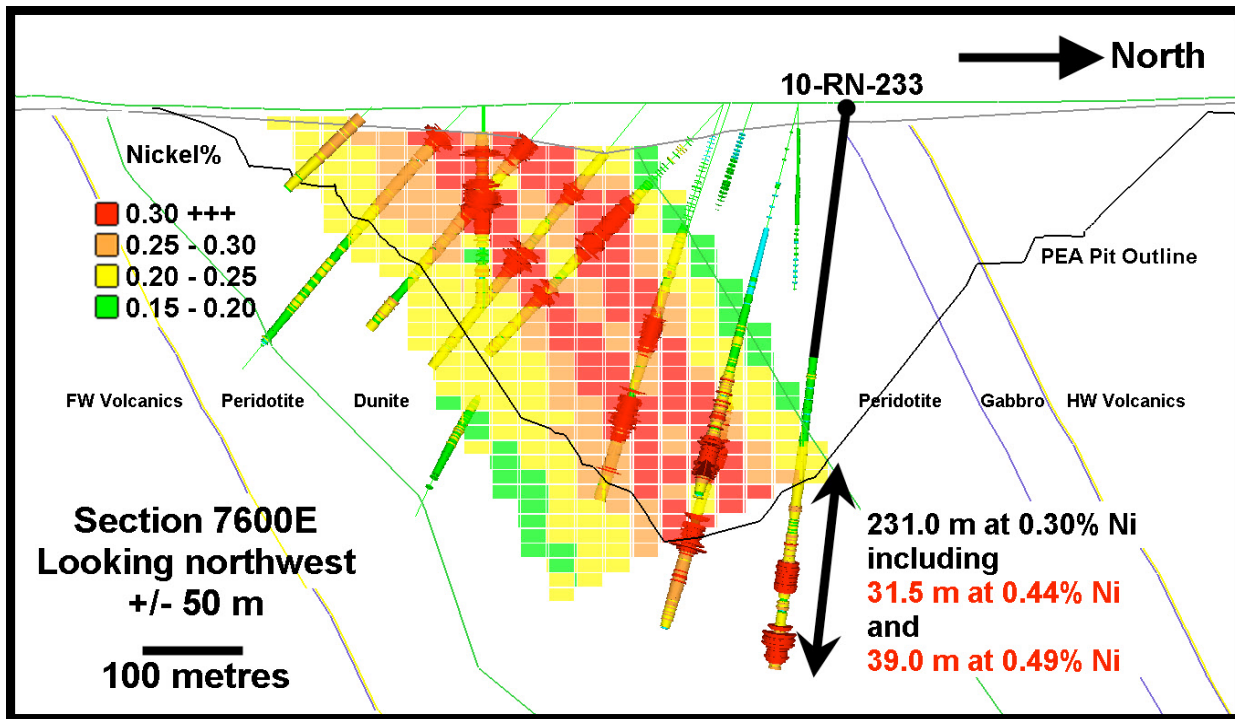
Concurrently with this geotechnical program, resource definition drilling continues within and at the margins of the pit shell defined in the Preliminary Assessment published on September 30, 2010 (“PA”). Resource drilling focuses particularly on areas of mineralization that are inside the pit shell and within the resource envelope but were treated as waste in the PA due to a lack of drill data.

Resource definition drilling in progress at Dumont continues to confirm that nickel mineralization continues at depth at consistent grades and thicknesses below the extent of the current resource block model and below the pit defined in the PA. The results presented below from diamond drill hole 10-RN-233 on section 7600E in the core of the deposit, show continuity of mineralization at a distance of over 100 metres down-dip from the nearest edge of the current resource block model and the pit limit.

Results from diamond drill hole 10-RN-233:

	Depth of Hole		% Nickel	Core Length (metres)	True Thickness (metres)
	From (metres)	To (metres)			
	357.0	588.0	0.30%	231.0	122.4
including	477.0	508.5	0.44%	31.5	16.7
and including	543.0	582.0	0.49%	39.0	20.7

The down-dip extent of the Dumont deposit mineralization remains unconstrained along the entire length of the pit defined in the PA.



Additional drill data from the resource drilling program will be released as milestone phases of the program are completed.

RNC follows a rigorous Quality Assurance/Quality Control (QA/QC) protocol on the Dumont project. Drilling is carried out under the direct supervision of RNC staff and all logging, sampling, core cutting and QA/QC are performed by RNC staff at RNC's facilities in Amos, Quebec where core is sampled and standards and blanks are inserted for each batch of samples. Samples are shipped to ALS-Chemex's preparation facility in Timmins, Ontario and are analyzed at ALS-Chemex's laboratory in Vancouver, British Columbia. Nickel grades are determined by a 35 element analysis using an aqua regia digestion and ICP-AES finish. In addition, all samples are assayed for precious metals (gold, platinum, palladium) using a standard fire assay with an ICP-AES finish.

Metallurgical Activities

Testing at the mini-pilot plant operation in Thetford Mines over the last two weeks has continued to focus on testing a simplified flowsheet with a single crushing/grinding step and a single defibreing/desliming step rather than the multiple stage dry and wet flowsheet outlined in the PA. The simplified flowsheet being tested also has a revised reagent scheme which significantly reduces the consumption of certain reagents by as much as 50%.

Results to date with this revised flowsheet are encouraging and will be incorporated into a formal trade-off study of various flowsheet options expected to be published next month.

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 Assessment of the Dumont Nickel Project completed in September 2010 showed that a 100,000 tonnes per day operation would generate US\$1.1 billion in after-tax NPV_{8%} and produce over 64,000 tonnes of nickel per year on average over the life of the operation. The Corporation 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.

Qualified Person

Preparation of this press release has been supervised by Johnna Muinonen, Vice-President, Metallurgy, and Alger St. Jean, P.Geo., Vice-President, Exploration of RNC, who are each a "Qualified Person" within the meaning of National Instrument 43-101. Ms. Muinonen and Mr. St. Jean are responsible for verification of the data and have reviewed the contents of this news release. For a summary of the geology and more information on the Dumont Nickel Project, please refer to RNC's NI 43-101 compliant technical report "Preliminary Assessment of the Dumont Property Launay and Trecession Township, Quebec, Canada" dated as of September 30, 2010 and available on RNC's website at www.royalnickel.com and on SEDAR at www.sedar.com.

Cautionary Statements Concerning Forward-Looking Statements

This news release contains "forward-looking information" which include targeted milestones for 2011. 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. Such factors include, among others: the actual results of current exploration and development activities; 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. 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. Such forward-looking statements are based on a number of material factors and assumptions identified in the applicable document.

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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