



ROYAL NICKEL CORPORATION

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| Title: | Disclosure Policy | | |
| Prepared by: | Gowling Lafleur Henderson LLP | | |
| Approved by: | Board of Directors | Date approved: | December 14, 2012 |
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Royal Nickel Corporation (the “**Corporation**”) is committed to providing timely, orderly, consistent and credible information, consistent with legal and regulatory requirements, to promote orderly behavior in the market for its securities.

This disclosure policy (the “**Policy**”) confirms in writing the Corporation’s existing policy to ensure that all required disclosures are made on a broadly disseminated basis in accordance with all applicable laws and not selectively disclosed.

This Policy applies to any form of written communication, and where possible, any form of oral communication by the Corporation, its affiliates and their respective directors, officers and employees (“**Personnel**”). This Policy is not exhaustive and difficult issues regarding disclosure may arise, which issues may only be properly resolved with experience, sound judgment and often with the assistance of legal and professional advice.

All terms noted in *italics* are defined at the end of this Policy under Section 15 (Definitions).

1 DISCLOSURE OBLIGATIONS GENERALLY

Whenever there is a *material change* in the affairs of the Corporation, applicable securities laws require the Corporation to immediately issue a news release disclosing the nature and substance of this change and subsequently file a *material change* report in respect of such change with securities regulators within prescribed time limits. In addition, applicable stock exchange rules also require the Corporation to make immediate disclosure of *material information* by way of a news release.

2 DISCLOSURE PRINCIPLES

The Corporation will adhere to the following basic disclosure principles:

- *Material information* will be publicly disclosed on a timely basis as required by applicable securities laws, regulations and policies.
- Disclosure of *material information* must be balanced and factual.
- Unfavourable news must be disclosed as promptly and completely as favourable news.
- Disclosure must include any information the omission of which would make the rest of the disclosure misleading and must communicate clearly and accurately the nature of the information, without unnecessary details and exaggerated reports or editorial commentary designed to colour the public’s perception of the information.
- There must be no selective disclosure of *material information*. Non-public *material information* must not be disclosed to selected individuals (e.g., in an interview with any



analyst or in a telephone conversation with an investor). If non-public *material information* has been inadvertently disclosed to an analyst or any other person not bound by an express confidentiality obligation, the procedures set out under Section 10 (Inadvertent Disclosure) must be followed.

- Disclosure should be corrected as soon as reasonably practicable if the Corporation subsequently learns that earlier disclosure contained a material error at the time it was made.

2.1 Forward-looking information, future-oriented financial information and financial outlooks.

The following are guidelines that the Corporation will adhere to in publicly disclosing *forward-looking information, future-oriented financial information (FOFI) or a financial outlook*:

- The Corporation must have a reasonable basis for the forward-looking information.
- Any FOFI or financial outlook must be based on assumptions that are reasonable in the circumstances and must (i) be limited to a period for which the information in the FOFI or financial outlook can be reasonably estimated and (ii) use the accounting policies the Corporation expects to use to prepare its historical financial statements for the period covered by the FOFI or the financial outlook.
- The forward-looking information, FOFI or financial outlook will be clearly identified as such.
- The forward-looking information, FOFI or financial outlook must be accompanied by disclosure that cautions users of such information that actual results may vary from such information or outlook and identifies material risk factors that could cause actual results to differ materially from such information or outlook.
- The forward-looking information, FOFI or financial outlook must be accompanied by disclosure that states the material factors or assumptions used to develop such information or outlook.
- The forward-looking information, FOFI or financial outlook will be accompanied by a statement that disclaims any intention or obligation of the Corporation to update or revise such information or outlook, whether as a result of new information, future events or otherwise, except as required by applicable law.
- Any FOFI or financial outlook will be accompanied by disclosure that (i) states the date management approved the FOFI or financial outlook, if the document containing the FOFI or financial outlook is undated and (ii) explains the purpose of the FOFI or financial outlook and cautions readers that the information may not be appropriate for other purposes.
- Earnings (or other financial) guidance shall be reviewed by the Corporation's Audit Committee prior to any public disclosure.
- In addition to the other requirements set forth in Section 5.8 of National Instrument 51-102 – Continuous Disclosure Obligations, the Corporation must disclose in its management's discussion and analysis any material differences between actual results for the applicable period and any previously disclosed FOFI or financial outlook, unless such information or outlook is properly withdrawn before the end of the period covered by the *FOFI* or outlook.



3 DISCLOSURE CONTROLS AND PROCEDURES

It is essential that the *Disclosure Committee* be kept fully apprised of all pending and potentially material developments in order to be able to determine the appropriateness and timing of the public disclosure of those developments. Accordingly, all Personnel are under a positive obligation to make the *Disclosure Committee* aware of any circumstances or events that could reasonably be considered to be “material”.

- The Disclosure Committee shall determine whether undisclosed or non-public information is material or whether a material change in the business and affairs of the Corporation has taken place. In making a determination, the Disclosure Committee shall consult with legal counsel as and when the Disclosure Committee determines that such consultation is necessary or desirable.

4 MAINTAINING CONFIDENTIALITY

Personnel in possession of *material information* relating to the Corporation that has not been communicated to the public are prohibited from communicating that information internally or externally to anyone else, except in the *necessary course of business*. When Personnel communicate information to others in the *necessary course of business*, only that information which is necessary for (i) the person communicating the information or (ii) the recipient to be able to perform his or her responsibilities at the Corporation should be disclosed. *Personnel are required to treat all information about the Corporation as confidential unless Personnel are absolutely certain that, or have been advised by a member of the Disclosure Committee that, the relevant information has been generally disclosed.*

Personnel may be asked to annually certify his or her commitment and compliance with this Policy.

Outside parties in possession of non-public material information relating to the Corporation must be advised that they must not divulge the information to anyone else, except on a need-to-know basis, and that they may not trade in securities or related financial instrument of the Corporation or of another entity affected by such information until the information is publicly disclosed. An outside party may be required to enter into a written confidentiality agreement. A written confidentiality agreement will not normally be required from an outside party who owes a duty of trust or confidence to the Corporation because of a special relationship with the Corporation (such as a banker or lawyer).

In order to prevent the misuse or inadvertent disclosure of non-public material information, the following procedures should be observed at all times:

- Documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals on a need-to-know basis.
- Code names should be used, where appropriate.
- Confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis.
- Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them.
- Personnel must ensure that they maintain the confidentiality of information in their possession outside of the office as well as inside the office.
- Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed.



- Access to confidential electronic data should be restricted through the use of passwords.

5 AUTHORIZED CORPORATION SPOKESPERSONS

The CEO is designated as the only spokesperson (the “**Main Spokesperson**”) authorized to communicate with the investment community, investors and the media with respect to new material events or *material changes*. The CFO, SVP Business Development, VP Exploration, Director Investor Relations, and Manager Sustainable Development (the “**Secondary Spokespersons**”, together with the Main Spokesperson, “**Spokespersons**”) are authorized to communicate with the investment community, investors and the media with respect to new material events or *material changes*, only after the CEO has had the opportunity to communicate to the same. In addition to the Secondary Spokespersons, the Community Relations Coordinator is authorized to communicate with the host community regarding community relations issues.

Spokespersons are authorized to communicate with the investment community, investors and the media with respect to all other matters that are not new material events or *material changes*.

Other Personnel may from time to time be authorized by the CEO to respond to certain inquiries as necessary or appropriate.

Unless authorized as specified above, Personnel who are not Spokespersons, or who have not been authorized by the CEO, are not to respond under any circumstances to inquiries from the investment community or the media and shall refer all calls from the financial community, shareholders and the media to Spokespersons. Failure to follow this policy will result in disciplinary action, including termination for cause.

6 PUBLIC COMMUNICATION PROCEDURE

6.1 News releases

No news release announcing *material information* may be issued by the Corporation unless it has been approved in advance by the CEO and at least two members of the *Disclosure Committee*. For new releases of technical information, one of the two members must be a Qualified Person under National Instrument 43-101. In addition to such approval, all news releases must be reviewed by legal counsel prior to release.

If a stock exchange upon which securities of the Corporation are listed is open for trading at the time of the issuance of a news release announcing *material information*, prior notice of the news release must be provided to Investment Industry Regulatory Organization of Canada (IIROC) to enable a trading halt, if deemed necessary by IIROC. If a news release announcing *material information* is issued outside of trading hours, IIROC must be notified of the news release before the market reopens.

News releases will be disseminated through a widely circulated news or wire service and filed with all applicable stock exchanges and relevant regulatory bodies. News releases will be posted on the Corporation’s website as soon as possible after release over the news wire.

6.2 Material change reports

Where it has been determined by the *Disclosure Committee* that a *material change* has occurred, subject to the paragraph below, the Corporation must immediately issue a news



release followed by the filing of a *material change* report within the prescribed time limits and in accordance with applicable securities laws.

If the *Disclosure Committee* determines that (i) the issuance of a news release and the filing of a *material change* report would be unduly detrimental to the Corporation and (ii) there is no reason to believe that persons with knowledge of the *material change* have made use of their knowledge of the material change to engage in insider trading, then the Corporation may file a confidential *material change* report in compliance with applicable securities laws.

6.3 Financial reports

Annual and interim financial results will be publicly released as soon as possible following approval of the financial statements by the Board and/or the Audit Committee, as applicable.

6.4 Conference calls

Any conference calls held to discuss quarterly or annual results, major corporate developments or other *material information* shall be announced in advance by a news release that shall include:

- the date and time of the conference call,
- a general description of what is to be discussed,
- the means of accessing the conference call and for how long a replay of the conference call will be available, and
- how such a replay can be accessed.

7 DEALINGS WITH ANALYSTS AND INVESTORS

7.1 Meetings

Meetings with analysts and institutional investors are an important element of the Corporation's investor relations program. Spokespersons, whether they meet or communicate with analysts and investors on an individual or group basis, will do so in a timely, consistent and accurate manner in accordance with the terms of this Policy. Spokespersons will provide only non-*material information* and previously disclosed information during individual or group meetings or communications with analysts or investors, recognizing that an analyst or investor may construct this information into a mosaic that could form *material information*.

Spokespersons shall, when possible, keep notes of telephone conversations with analysts and investors and, where practical, more than one Corporation representative shall be present at all individual and group meetings.

7.2 Quiet periods

This section shall become applicable at such time if any as the Corporation commences generating revenues from operations.

In order to avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the Corporation shall observe a quarterly quiet period, during which no earnings guidance or comments with respect to the current quarter's operations or expected results will be provided to analysts, investors or other market professionals. The quiet period will coincide with the financial statement blackout period referred to in the Corporation's Insider Trading Policy. The Corporation need not stop all communications with analysts or investors



during the quiet period. However, communications should be limited to responding to inquiries concerning publicly available or non-material information.

Under the Corporation's Insider Trading Policy, financial statement blackout periods commence on the 7th calendar day prior to the scheduled release of quarterly or annual financial results, and end at the end of the 1st calendar day after the date on which a news release is issued disclosing the applicable quarterly or annual financial results.

8 COMMENTING ON DRAFT ANALYSTS' REPORTS

With respect to analysts' financial models or draft research reports, it shall be the Corporation's policy to review such materials to identify publicly disclosed factual information that may affect an analyst's model or to point out inaccuracies or omissions with reference to publicly available information. This review process will be conducted by Spokespersons only and shall be conducted orally with the particular analyst or in writing, provided that Spokespersons shall attach a written disclaimer indicating that the review was conducted to ensure factual accuracy only. Under no circumstances should Spokespersons make any confirmations or denials with respect to forecasts, projections or other *forward-looking information* contained in draft analysts' models or reports.

Analysts' reports are proprietary and are subject to copyrights in favour of the analysts' firm. Under no circumstances shall the Corporation distribute copies of analysts' reports to third parties. The Corporation may post on its website a complete list of all of the investment firms and analysts who are known to the Corporation to provide research coverage on the Corporation, regardless of their recommendation. If provided, the list shall not include links to the investment firms or analysts' websites or publications.

9 CONFERENCES AND TRADESHOWS

This Policy, and in particular section 8, shall apply, where possible, to speeches, roundtable discussions or informal discussions by Personnel made at any industry conference, tradeshow or similar event.

10 INADVERTENT DISCLOSURE

If an individual Personnel becomes aware that there may have been an inadvertent disclosure of non-public *material information* relating to the Corporation, such person should immediately contact a member of the *Disclosure Committee*. To the extent requested by a member of the *Disclosure Committee*, such person shall assist in the development and implementation of a plan to make prompt public disclosure of the *material information* in question on a timely basis by way of news release or other appropriate manner. In addition, reasonable efforts should be made to contact the recipient of the inadvertent disclosure and advise the recipient that such information is non-public *material information* and that the recipient cannot trade in the securities or related financial instruments of the Corporation or of any other entity affected by such information, until such information has been publicly disclosed.

11 RESPONDING TO MARKET RUMOURS

So long as it is clear that the Corporation is not the source of the market rumor, it shall be the policy of the Corporation to respond to market rumours consistently with the following statement: "It is our policy not to comment on market rumours or speculation." Should the relevant stock exchange or securities regulator request the Corporation to make a more definitive statement or respond to a market rumor, the determination of whether or not to do so, and the form of the response, will be made by the CEO or the *Disclosure Committee*.



12 CORPORATION WEBSITE AND ELECTRONIC COMMUNICATIONS

No posting may be made to the Corporation's website unless: (i) it is done in accordance with the guidelines approved by the *Disclosure Committee*, or (ii) it has been approved by two members of the *Disclosure Committee*.

Investor relations material shall be contained within a separate section of the Corporation's website. All data posted to the Corporation's website, including text and audiovisual material, shall show the date that the material was posted. Outdated information shall be moved to an archive.

Only information that is not *material information* or *material information* that has been publicly disclosed may be posted to the investor relations section of the Corporation's website. The following information must be posted to the investor relations section of the Corporation's website:

- all publicly disclosed *material information*, including documents filed with applicable securities regulators (which may be included as a link to the regulator's electronic filing system, such as SEDAR), and
- information that is given to analysts, institutional investors and other market professionals (such as fact sheets, fact books, slides of investor presentations and materials distributed at analyst and industry conferences), and
- if available, transcripts or web replays of investor and analyst conferences.

Any link from the investor relations section of the Corporation's website to a third party website must be approved in advance by the Disclosure Committee. Any link must include a notice that advises the reader that he or she is leaving the Corporation's website and that the Corporation is not responsible for the contents of the third party website.

Disclosure on the Corporation's website alone does not constitute adequate dissemination of non-public *material information*. Any disclosure of non-public *material information* on the Corporation's website will be preceded by the issuance of a news release or dissemination by other appropriate means.

Only public information or information which could otherwise be disclosed in accordance with this Policy shall be utilized in responding to electronic inquiries.

In order to ensure that no non-public *material information* is inadvertently disclosed, Personnel are prohibited from participating in online chat rooms, bulletin boards or newsgroup discussions on matters pertaining to the Corporation's activities or its securities. Personnel who encounter online significant or concerning discussions pertaining to the Corporation's activities or its securities should promptly advise a member of the *Disclosure Committee*.

13 INSIDER TRADING RESTRICTIONS AND BLACKOUT PERIODS

Reference should be made to the Corporation's Insider Trading Policy for the trading restrictions and blackout periods that are applicable to Personnel.

14 COMMUNICATION

This Policy is to be delivered to all Personnel upon its adoption or amendment and to all new Personnel at the start of their employment or other relationship with the Corporation.



15 DEFINITIONS

The **Disclosure Committee** is comprised of the CEO, CFO, SVP Business Development, VP Exploration, VP Operations and the Director Investor Relations.

Financial outlook means *forward-looking information* about prospective financial performance, financial position or cash flows that is based on assumptions about future economic conditions and courses of action and that is not presented in the format of a historical statement of financial position, statement of comprehensive income or statement of cash flows.

FOFI or future-oriented financial information means *forward-looking information* about prospective financial performance, financial position or cash flows, based on assumptions about future economic conditions and courses of action, and presented in the format of a historical statement of financial position, statement of comprehensive income or statement of cash flows.

Forward-looking information means disclosure regarding possible events, conditions or financial performance that is based on assumptions about future economic conditions and courses of action and includes *future-oriented financial information* with respect to prospective financial performance, financial position or cash flows that is presented as a forecast or a projection.

A **material change** is generally defined under applicable securities laws as a change in the business, operations or capital of the Corporation that would reasonably be expected to have a significant effect on the market price or value of the Corporation's securities and a change in the business, operations or capital of the Corporation would include a decision to implement such a change made by the Board, or by the Corporation's senior management if senior management believes that confirmation of such a decision by the Board is probable.

A **material fact** is generally defined under applicable securities laws, in the context of the business and affairs of the Corporation, as any information or fact that would reasonably be expected to have a significant effect on the market price or value of the Corporation's securities.

Material information is any information relating to the business and affairs of the Corporation that results in or would reasonably be expected to result in a significant change in the market price or value of any of the Corporation's securities and includes both a *material fact* and a *material change*.

Unless, after consultation with the Disclosure Committee, there is reason to believe otherwise, Personnel should assume that information regarding the following topics is always "material":

- **Corporate Structure**
 - changes in share ownership that may affect control of the Corporation
 - major reorganizations, amalgamations or mergers
 - take-over bids, issuer bids or insider bids
- **Capital Structure**
 - the public or private sale of additional securities
 - planned repurchases or redemptions of securities
 - planned splits of common shares or offerings of warrants or rights to buy shares
 - any share consolidation, share exchange or stock dividend
 - changes in the Corporation's dividend payments or policies
 - the possible initiation of a proxy fight



- material modifications to rights of security holders
- **Financial Results**
 - revenue and earnings figures (both historical and forward looking)
 - a significant increase or decrease in near-term earnings prospects
 - unexpected changes in the financial results for any periods
 - shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
 - changes in the value or composition of the Corporation's assets
 - any material change in the Corporation's accounting policies
- **Business and Operations**
 - any development that affects the Corporation's resources, technology, products or markets in a significant way
 - a significant change in capital investment plans or corporate objectives
 - major labor disputes or disputes with major contractors or suppliers
 - significant new contracts, products, patents, or services or significant losses of contracts or business
 - changes to the board of directors or executive management of the Corporation, including the departure of the Corporation's CEO, CFO or persons in equivalent positions
 - the commencement of, or developments in, material legal proceedings or regulatory matters
 - waivers of corporate ethics and conduct rules for officers, directors and other key employees
 - any notice that reliance on a prior audit is no longer permissible
 - de-listing of the Corporation's securities or their movement from one quotation system or exchange to another
- **Acquisitions and Dispositions**
 - significant acquisitions or dispositions of assets, property or joint venture interests
 - acquisitions of other companies, including a take-over bid for, or merger with, another company
- **Credit Arrangements**
 - the borrowing or lending of a significant amount of money
 - any mortgaging or encumbering of the Corporation's assets
 - defaults under debt obligations, agreement to restructure debt, or planned enforcement procedures by a bank or any other creditors
 - changes in rating agency decisions
 - significant new credit arrangements

The above list is provided for convenience only and is not exhaustive. Many other types of information could also be "material". The determination of whether or not a particular fact or a particular piece of



information is “material” should be made in the context of the Corporation’s business, affairs and financial condition and prospects as well as the prevailing market conditions.

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