



ROYAL NICKEL CORP

NEWS RELEASE

Royal Nickel Completes Dumont Bulk Test and Successfully Produces World's Highest Grade Nickel Sulphide Concentrate

Toronto, Ontario, December 15, 2015 – Royal Nickel Corporation (“RNC”) (TSX: RNX) has successfully completed a large scale bulk test which generated approximately 2 tonnes of nickel concentrate from 300 tonnes of ore from the Dumont Nickel Project. The sample was produced at a pilot plant at SGS Minerals Services in Lakefield, Ontario. The concentrate will be further treated through a roasting process and sent to potential customers in Asia and Europe which will allow RNC to continue to advance its offtake and financing discussions.

The average grade of the sulphide concentrate, as measured from the pilot plant surveys, was over 31% nickel, consistent with the previous test work performed as the basis of the feasibility study. Final assays for all material produced will be complete by the end of the month. Based on data from Wood Mackenzie, Dumont nickel concentrate grades surpass the current highest grade nickel concentrate produced of 25% from Voisey's Bay and are 2-3 times higher than typical concentrate grades of 10-15% nickel. The pilot plant, which operated for 6 weeks at SGS Minerals in Lakefield, Ontario performed well with pilot plant circuit performance similar to the feasibility study design. The pilot plant also produced several tonnes of magnetite enriched tailings. Further to the upside potential opportunity referred to in the Dumont Feasibility Study published July 25, 2013, additional work will be completed during 2016 to determine whether a low cost, marketable magnetite (iron ore) by-product can be produced.

Mark Selby, President and CEO, commented, “I am pleased to be moving this testwork forward with a view to confirming concentrate roasting as a lower cost, higher value processing alternative to traditional smelting and refining for the Dumont project. I continue to be confident that this roasted concentrate option has the potential to yield significant economic benefits for the Dumont project. The testwork is expected to confirm RNC's belief that high grade and relatively clean Dumont concentrate is ideally suited for this alternative processing option and will allow us to advance offtake and financing discussions with potential customers and financing partners – the final major step in beginning construction at Dumont.”

The next phase of the bulk test will be completed this month as the concentrate bulk sample will be roasted at XPS Consulting and Testwork Services at their pilot plant in Sudbury, Ontario on a specially built test facility for RNC. The 2 tonne sample of roasted concentrate will then be shipped to potential customers in Asia and Europe who have already successfully completed technical evaluations based on specifications provided by RNC. Providing these customers with samples will allow RNC to advance its offtake and financing discussions with these customers.

Mr. Selby continued, “Following the private equity financing we closed in July, RNC has a strong financial position relative to the junior mining sector. Consistent with our objective to create value, we are continuing to review numerous compelling investment opportunities in the mining space, including producing assets with positive cash flow. Despite weakness in current commodity markets, including nickel, we are optimistic that nickel prices have now bottomed out and, underpinned by a declining trend in LME + SHFE nickel inventories and declining NPI output in China, we look forward to sustained improvements in prices as we begin the next nickel price cycle.”

Dumont Project EPC Proposal Update

On August 4, 2015 RNC announced it had entered into an MOU with the DF-Ausenco joint venture under which DF-Ausenco agreed to provide an EPC lump sum turnkey proposal not to exceed \$C911 million for a defined scope of work. The EPC proposal, which covers 72% of the total capital cost outlined in the Dumont Feasibility Study, is progressing well and RNC continues to expect cost reductions versus feasibility study estimates through the identified areas of savings. In order to allow the joint venture team the ability to maximize the cost savings potential contained in the proposal, the work is now expected to be concluded during Q1 2016.

The Technical Information in this news release has been prepared under the supervision of Johnna Muinonen, Vice President Operations of RNC, a Qualified Person under NI 43-101.

About Royal Nickel Corporation

Royal Nickel Corporation is a multi-asset mineral resource company focused primarily on the acquisition, exploration, evaluation and development of base metal and platinum group metal properties. RNC's principal asset is the Dumont Nickel Project strategically located in the established Abitibi mining camp, in the municipalities of Launay and Trécesson, 25 kilometres northwest of Amos, Quebec. RNC also owns interests in two advanced stage nickel exploration properties: the Aer-Kidd project near Sudbury, Ontario and the West Raglan project in northern Quebec. RNC has a strong management team and Board with over 100 years of mining experience in the nickel business at Inco and Falconbridge. RNC's common shares and warrants trade on the TSX under the symbols RNX and RNX.WT.

Cautionary Statements Concerning Forward-Looking Statements

This news release contains "forward-looking information" including without limitation statements relating to the liquidity and capital resources of RNC, the outlook for the nickel market, key milestones for 2015 to 2018, including the potential of the Dumont, West Raglan and Aer-Kidd 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. There are no assurances that Dumont, or any of RNC's other property interests, will be placed into production. Factors that could affect the outcome include, among others: the inability to raise the funds necessary to achieve the milestones or complete development of Dumont and inability to raise the funds necessary to advance exploration activities; the actual results of development activities at Dumont and exploration activities at Aer-Kidd and West Raglan; project delays; general business, economic, competitive, political and social uncertainties; future prices of metals; availability of alternative nickel sources or substitutes; actual nickel recovery; 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.

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 news release 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.

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