

TORONTO, Nov. 5, 2015 /CNW/ - Royal Nickel Corporation ("RNC") (TSX: RNX) announces its review of activities and financial results for the quarter ended September 30, 2015. All amounts are expressed in Canadian dollars, unless otherwise noted, and are based on the unaudited condensed consolidated interim financial statements for the three months ended September 30, 2015, unless otherwise noted.

Mark Selby, President and CEO, commented, "RNC continued to make significant progress during the third quarter despite weak market conditions. We closed a \$13 million financing with Orion Mine Finance, signed an MOU with DF-Ausenco and are making good progress on the work required for a fixed price EPC Lump Sum Turnkey Proposal for Dumont, continued our work with Swedbank to advance preparations to launch a bond financing when nickel market conditions are ready, and we made multiple high grade Ni-Cu-PGE discoveries at our West Raglan project."

Mr. Selby continued "While the environment for commodity prices, including nickel, remains weak, we continue to see signs that the nickel market may be turning the corner as a number of physical Chinese nickel market indicators have improved and LME nickel inventories have dropped over 40,000 tonnes since peaking in June at 470,000 tonnes."

Third Quarter Highlights

- On September 29, 2015, RNC announced the discovery of new high grade Ni-Cu-PGE mineralization at multiple locations during the 2015 exploration season at its 68% owned West Raglan nickel sulphide project located in northern Quebec. These discoveries demonstrate the occurrence of high grade Ni-Cu-PGE mineralization outside of the Frontier zone and that the potential for the discovery of high grade deposits on the West Raglan property extends for tens of km along the strike of the North (Raglan) Trend at surface. The success of this year's program highlights the exploration potential of the remaining portions of the North (Raglan) trend and South (Nunavik Nickel) trend.
- On August 4, 2015, RNC announced it had executed a memorandum of understanding with Duro Felguera S.A. ("DF") and Ausenco Canada ("Ausenco"), pursuant to which DF-Ausenco will perform the work required to complete an EPC Lump Sum Turnkey Proposal for the Dumont Nickel Project. RNC has agreed to award to the DF-Ausenco alliance the engineering, procurement, construction and services agreement for the Dumont Project if certain technical and commercial parameters are met including delivery of a lump sum turnkey proposal no later than December 15, 2015. The EPC Proposal must not exceed C\$911 million for the defined scope of work, and will contain a Project Performance Guarantee related to the cost and schedule for completion. During the preparation of the EPC Proposal, DF-Ausenco will also make reasonable commercial efforts to reduce this not to exceed value, if possible.
- On July 30, 2015, RNC announced the receipt of a positive Environmental Assessment Decision for the Dumont Nickel Project from the Federal Minister of the Environment. The Minister determined that the project is not likely to cause significant adverse environmental effects with the implementation of mitigation measures outlined in the Comprehensive Study Report and has therefore referred the project back to the responsible authorities, Fisheries and Oceans Canada and Natural Resources Canada, for the issuance of permits. This decision, along with the main environmental permit received from the Quebec Government on June 25, 2015, leaves the project well positioned to proceed in a timely manner once financing is in place.
- On July 8, 2015, RNC announced the closing of a royalty and private placement transaction with Orion Mine Finance (Orion). RNC received gross proceeds of US\$10.0 million (C\$12.6 million) from Orion in exchange for a 0.75% net smelter return royalty in the Dumont Nickel Project and 10 million common shares of RNC, issued at \$0.395 per share. RNC has the right to repurchase 50% of the royalty (0.375%) for a cash payment of US\$15.0 million on the third, fourth or fifth anniversary of the closing.
- RNC incurred a net loss of \$1.5 million (\$0.01 per share) for the three months ended September 30, 2015, compared to a net loss of \$1.6 million (\$0.01 per share) for the same period in 2014.

Targeted Future Milestones

RNC has the following targeted key milestones to achieve the development of the Dumont Nickel Project:

- Completion of partnership and financing arrangements;
- Estimated construction schedule of 24 months post successful permitting, securing financing and completion of detailed engineering;
- Project commissioning is expected to begin in ten to eleven quarters after permits and financing are in place

Financial Results

For the three months ended September 30, 2015, RNC incurred a net loss of \$1.5 million (\$0.01 per share), compared to a net loss of \$1.6 million (\$0.01 per share) in the same period in 2014. The net loss decrease of \$0.1 million is due primarily to a gain on sale of mineral property interest (\$0.1 million).

RNC continues to closely monitor market conditions and will continue to manage cash prudently in light of these conditions.

Highlights of RNC's financial position are as follows (in millions of dollars):

September 30, 2015 December 31, 2014

Cash position ¹	14.4	2.9
Working capital ²	12.2	1.2
Total assets	84.6	80.3
Equity attributable to RNC shareholders	67.3	63.2

¹ Includes cash and cash equivalents.

² Working capital is a measure of current assets less current liabilities

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 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.

SOURCE Royal Nickel Corporation

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