

TORONTO, Feb. 8, 2016 /CNW/ - Royal Nickel Corporation ("RNC") (TSX: RNX) is pleased to announce that Salt Lake Mining Pty Ltd. ("SLM") has sold its non-core 100%-owned Widgiemooltha and Carr Boyd exploration projects for a cash payment of A\$1.6 million plus a future contingent payment of A\$0.6 million. On February 1, 2016 RNC announced it reached agreement to acquire 67% interest in SLM. The acquisition is expected to close in March 2016.

"RNC supports the prudent decision to divest of non-core exploration projects by SLM at this time. This transaction will put SLM in a stronger position to focus on the continued development of the Beta Hunt Mine and continuing to ramp up gold production to meet our 2016 guidance of 35 to 45 koz and nickel production of 3.5-4.5 kt on a 100% basis," said Mark Selby, President and CEO of RNC.

All conditions of the sale have been satisfied and funds deposited in SLM's bank account.

The sale has a significant cash flow impact for SLM as the company had budgeted approximately A\$1 million in annual statutory holdings costs in respect of the divested properties. The combined cost savings and additional cash of approximately A\$2.6 million will provide SLM with additional flexibility in funding the continued development of the Beta Hunt gold resource, which is targeted to generate sustained annual production in excess of 45 koz of gold when mining in the Western Flanks zone begins in the second half of 2016.

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 precious 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. RNC also trades on the OTCQX market under the symbol RNKLF.

About SLM

SLM is a private company based in Australia focused on developing mineral properties. Its main asset is the Beta-Hunt nickel-gold mine located in Western Australia.

Cautionary Statement Concerning Forward-Looking Statements

This news release contains "forward-looking information" including without limitation statements relating to the completion of the transaction contemplated by the Agreements, the potential of the Beta Hunt Mine.

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. Factors that could affect the outcome include, among others: failure of the parties to sign definitive agreements and satisfy conditions of closing; future prices and the supply of metals; the results of drilling; inability to raise the money necessary to incur the expenditures required to retain and advance the properties; environmental liabilities (known and unknown); general business, economic, competitive, political and social uncertainties; accidents, labour disputes and other risks of the mining industry; political instability, terrorism, insurrection or war; or delays in obtaining governmental approvals, projected cash costs, failure to obtain regulatory or shareholder approvals. 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

Contact

Rob Buchanan, Director, Investor Relations, T: (416) 309-0600, www.royalnickel.com; Mélanie Corriveau (French contact), Community Relations Coordinator, T: (819) 727-3777