

TORONTO, April 27, 2016 /CNW/ - Royal Nickel Corporation ("RNC") (TSX: RNX) (OTCQX: RNKLF) announces the completion of the previously announced acquisition of [VMS Ventures Inc.](#) ("VMS") by way of a plan of arrangement pursuant to which RNC has acquired all of the issued and outstanding common shares of VMS.

Pursuant to the plan of arrangement, VMS has become a wholly-owned subsidiary of RNC, and all of the issued and outstanding common shares of VMS were transferred to RNC in consideration for the issuance by RNC of an aggregate of 36,000,000 RNC common shares and CDN\$3,507,000 to the former shareholders of VMS.

"With the acquisition of VMS now complete, I am pleased to add the diversification of a second producing asset to the RNC portfolio. Exposure to copper production from a 30% share in the Reed Mine, located in the well-established and prolific Flin Flon-Snow Lake region in Manitoba, Canada, is highly complementary to our 66% interest in the Beta Hunt mine, a gold and nickel producing operation in Western Australia. Both Reed and Beta Hunt are cash generating assets that I expect will provide a stable platform for further growth and acquisitions. We continue to look at other opportunities in the base and precious metals space, and will not hesitate to aggressively pursue and acquire assets that create value within our portfolio," said Mark Selby, President and CEO of RNC.

"In the near term, I look forward to the continued ramp-up of the Beta Hunt Mine and the ability to increase RNC's ownership interest in Beta Hunt from 66% to 100% by exercising our option under a shareholders agreement with shareholders who hold the remaining 34%."

The option to acquire the remaining 34% of Beta Hunt is subject to shareholder approval at the Annual and Special Meeting of RNC Shareholders to be held on May 18, 2016. RNC intends to acquire the remaining 34% of Beta Hunt by the end of May 2016 in exchange for 24,324,066 RNC shares.

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 assets are its majority stake in the producing Beta Hunt nickel and gold mine in Western Australia, the Dumont Nickel Project located in the established Abitibi mining camp in Quebec and a 30% stake in the producing Reed Mine in the Flin Flon-Snow Lake region of Manitoba, Canada. RNC also owns a majority interest in the West Raglan and Qiqavik projects 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.

Cautionary Statement

The decision by SLM to produce at the Beta Hunt mine was not based on a feasibility study of mineral reserves, demonstrating economic and technical viability, and, as a result, there may be an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, including increased risks associated with developing a commercially mineable deposit. Historically, such projects have a much higher risk of economic and technical failure. There is no guarantee that that anticipated production costs will be achieved. Failure to achieve the anticipated production costs would have a material adverse impact on SLM's cash flow and future profitability. It is further cautioned that the PEA is preliminary in nature. No mining feasibility study has been completed on Beta Hunt. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that the PEA will be realized.

Cautionary Statement Concerning Forward-Looking Statements

This news release contains "forward-looking information" including without limitation statements relating to RNC further increasing its ownership of SLM and the potential of the Beta Hunt and Reed mine and the plans, intentions, beliefs and current expectations of RNC with respect to business activities and operating performance of the Company.

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