

TORONTO, July 21, 2016 /CNW/ - Royal Nickel Corporation ("RNC" or the "Company") (TSX: RNX) has announced today that it has completed its previously announced non-brokered private placement financing, issuing a total of 3,274,000 flow-through shares of the Company (the "Flow-Through Shares") at a price of \$0.51 per Flow-Through Share for gross proceeds of approximately \$1.7 million (the "Offering").

The proceeds from the Offering will be used to fund "Canadian exploration expenses" ("CEE") (within the meaning of the Income Tax Act (Canada)) related to RNC's Qiqavik Property in Québec ("Qiqavik" or the "Project"). Qiqavik, located in Northern Québec, is an exploration stage property held by RNC through its 68% owned subsidiary, True North Nickel ("TNN"). TNN has outlined a \$3.0 million exploration program at Qiqavik focused on gold prospecting, mapping, and geophysics to follow up on high grade gold discoveries made during the prior exploration season (multiple grab samples returned grades between 5 g/t and 198 g/t) and initiate a 1,000 metre drill program. The remaining funding required for the \$3.0 million exploration program will be satisfied by RNC's 32% equity partner at TNN, and by CEE-eligible flow-through funds already held by RNC and its subsidiaries. For more information on the Project, refer to RNC's news release dated March 2, 2016.

"With funding support from our partner at TNN, RNC is able to leverage this \$1.7 million placement into a \$3.0 million exploration program. The 2015 prospecting results demonstrated the potential for the Qiqavik project to host important new gold and copper deposits. Our intent is that the results from this summer's program will position RNC to joint venture or spin out this asset to allow funding of future exploration programs with minimal dilution at the RNC level" said Mark Selby, President and CEO of RNC.

The Offering took place by way of a private placement to qualified investors in such provinces of Canada and otherwise in those jurisdictions where the Offering could lawfully be made. The securities issued under the Offering have a hold period of four months and one day from closing.

Qualified Person and Quality Assurance and Quality Control

The disclosure of the technical information contained in this news release has been approved by Alger St-Jean, P. Geo., Vice President Exploration of RNC, and a Qualified Person under NI 43-101.

The 2015 work program at Qiqavik was supervised by Michelle Sciortino, Senior Project Geologist who is responsible for all aspects of the work, including the quality control/quality assurance program. On-site personnel at the project log and weigh all samples prior to sealing and shipping. Sample shipments are sealed and shipped to ALS Chemex in Val d'Or, Quebec for analysis by ME-ICP61a for 33 elements (Four Acid Near Total - ICPAES Multi-element Intermediate Grade Method) and Au-ICP22 for gold (Fire Assay Fusion). Any samples which reported over 10g/t Au were analysed by method GRA22 (Fire Assay by Gravimetric Methods). Lab crusher and pulveriser were washed with blank material in between each sample. Preparation and assaying may be done in ALS facilities in Val d'Or, Sudbury or Vancouver. ALS Chemex's quality system complies with the requirements for the International Standards ISO 9001:2000 and ISO 17025:1999. Analytical accuracy and precision are monitored by the analysis of reagent blanks, reference material and replicate samples.

About Qiqavik

The Qiqavik property is located in the Paleoproterozoic trans-Hudsonian orogen of Northern Quebec, also known as the Cape Smith Belt. Gold and copper mineralization is hosted in metavolcanic and metasedimentary rocks of the Parent Group. The gold mineralization was initially discovered by Falconbridge while prospecting for nickel in the region. TNN's advantageous land position in this emerging mineral belt has given it a unique opportunity to acquire some of the most prospective ground in the Cape Smith Belt for its new Qiqavik Project in one of the best mining jurisdictions in the world. Both Qiqavik and West Raglan could represent major discoveries in this underexplored, emerging polymetallic belt, which is comparable in scale to the Kambalda-Kalgoorlie camp of Western Australia, and home to the world class Raglan Mine.

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 Concerning Forward-Looking Statements

This news release contains "forward-looking information" including without limitation statements relating to the completion of the

Offering.

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

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