



ROYAL NICKEL CORP

NEWS RELEASE

Royal Nickel Appoints Rothschild as Dumont Project Finance Advisor

Toronto, Ontario, January 18, 2012 – Royal Nickel Corporation (“RNC” or the “Company”) (TSX: RNX) is pleased to announce that it has engaged Rothschild as its financial advisor in planning, preparing and subsequently implementing the currently contemplated project financing for the Company’s Dumont Nickel Project (“Dumont”) in the Abitibi region of Quebec.

As Dumont’s project finance advisor, Rothschild will play a key role in presenting all financing options for the development of Dumont. Rothschild’s role will also include advising on the development of key contracts and structures to ensure project bankability. RNC’s goal is to maximize shareholder value while maintaining its majority stake in the project and securing funding in a timely manner consistent with development milestones for Dumont.

Rothschild has extensive experience advising on the financing and partnering arrangements for major mine developments. Over the last 20 years, Rothschild has advised on more than US\$30 billion of resource sector project financings, many of which have involved the introduction of equity partners.

“Rothschild has an unparalleled reputation and track record of success in financing major mining developments and we are pleased to have a world-class financial advisor engaged to assist in moving Dumont forward,” said Tyler Mitchelson, President and CEO of RNC. “The appointment of Rothschild represents another important milestone as we continue to build momentum in advancing Dumont after the announcement of positive pre-feasibility results in November 2011, followed by the initiation of the permitting process and several very encouraging meetings with a number of potential strategic partners in December 2011.”

About Rothschild

Rothschild’s Global Financial Advisory division is a world leader in the provision of impartial, expert advice and execution services to governments, corporations, institutions and individuals. With 1,000 advisers based in 40 countries around the world, our scale, reach and local knowledge is focused on supporting clients wherever they need us. Rothschild is a leading financial advisor on mining sector transactions and has over 45 specialist mining professionals worldwide.

About Royal Nickel Corporation

Royal Nickel Corporation is a mineral resource company focused primarily on the exploration, development, evaluation and acquisition of base metal and platinum group metal properties. RNC's principal asset is the 100% owned Dumont Nickel Project strategically located in the established Abitibi mining camp, 25 kilometres northwest of Amos, 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 Statement Concerning Forward-Looking Statements

This news release contains "forward-looking information" including without limitation statements relating to obtaining project financing for Dumont. Readers should not place undue reliance on forward-looking statements.

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. The pre-feasibility study results are estimates only, are preliminary in nature and are based on a number of assumptions, any of which, if incorrect, could materially change the projected outcome. Until a positive feasibility study has been completed, and even with the completion of a positive feasibility study, there are no assurances that Dumont will be placed into production. Factors that could affect the outcome include, among others: the actual results of development activities; project delays; inability to raise the funds necessary to complete development; 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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