

**Royal Nickel
Dumont Nickel Project
Summary of Revised Pre-feasibility Results (base case including trolley assist option)
May 14, 2012**

Production	units	Yr -2	Yr -1	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	Yr 11 - 19	Yr 20 - 32 Total	
Ore Mined	000 tonnes	3,199	15,501	20,709	19,729	36,783	42,116	57,077	44,077	66,821	86,245	100,031	76,738	498,741	-	1,067,767
Waste Mined	000 tonnes	9,363	28,205	33,518	40,857	24,544	25,993	51,874	109,166	90,892	72,620	50,275	78,024	654,200	-	1,269,531
Total Mined	000 tonnes	12,562	43,706	54,227	60,586	61,327	68,109	108,951	153,244	157,713	158,865	150,306	154,762	1,152,940	-	2,337,298
Strip Ratio	waste : ore	2.93	1.82	1.62	2.07	0.67	0.62	0.91	2.48	1.36	0.84	0.50	1.02	1.31		1.19
Ore Milled	000 tonnes	-	-	15,969	18,250	18,250	18,250	31,938	36,500	36,500	36,500	36,500	36,500	328,500	452,509	1,066,165
Diluted Grade Ni	% Ni	-	-	0.263	0.304	0.347	0.370	0.308	0.284	0.299	0.288	0.324	0.275	0.284	0.238	0.270
Diluted Grade Cobalt	% Co	-	-	0.010	0.011	0.011	0.011	0.011	0.010	0.011	0.011	0.012	0.011	0.011	0.011	0.011
Contained Ni	000 lbs	-	-	92,676	122,421	139,757	148,713	217,153	228,458	240,638	232,038	260,847	221,267	2,057,403	2,378,463	6,339,835
Contained Co	000 lbs	-	-	3,544	4,226	4,440	4,566	7,556	8,414	8,841	9,233	9,376	9,157	77,873	104,935	252,161
Recovery Ni		0.0%	0.0%	58.5%	52.5%	55.9%	59.0%	50.8%	46.8%	52.9%	47.9%	56.0%	47.0%	52.2%	33.2%	45.0%
Recovered Ni	000 lbs	-	-	54,170	64,301	78,180	87,698	110,400	106,882	127,296	111,182	145,948	103,891	1,074,240	790,745	2,854,933
Recovered Co	000 lbs	-	-	2,073	2,220	2,481	2,693	3,827	3,936	4,674	4,422	5,239	4,295	40,109	34,316	110,284
Annual Recovered Ni	000 lbs	-	-	54,170	64,301	78,180	87,698	110,400	106,882	127,296	111,182	145,948	103,891	119,360	63,260	90,633
Annual Recovered Co	000 lbs	-	-	2,073	2,220	2,481	2,693	3,827	3,936	4,674	4,422	5,239	4,295	4,457	2,745	3,501
Nickel Concentrate Grade	% Ni	-	-	33.0	31.1	28.7	28.1	30.0	31.0	28.6	24.2	25.5	27.3	30.2	28.9	29.1
Nickel Concentrate	000 tonnes	-	-	75	94	124	142	167	156	202	208	260	172	1,611	1,239	4,448
Payable Ni	000 lbs	-	-	50,378	59,800	72,708	81,559	102,672	99,400	118,385	103,400	135,731	96,619	999,043	735,393	2,655,087
Payable NiEq	000 lbs	-	-	51,760	61,280	74,362	83,354	105,224	102,024	118,202	109,647	123,103	115,648	973,389	811,457	2,729,448
Annual Payable Ni	000 lbs	-	-	50,378	59,800	72,708	81,559	102,672	99,400	118,385	103,400	135,731	96,619	111,005	58,831	84,288
Annual Payable NiEq	000 lbs	-	-	51,760	61,280	74,362	83,354	105,224	102,024	118,202	109,647	123,103	115,648	108,154	64,917	86,649
Cash Taxes	US\$ MM	-	-	-	-	-	-	-	121	190	160	200	183	1,563	1,325	3,743
Capital Summary																
Initial Capital	US\$ MM	545	483	84	-	-	-	-	-	-	-	-	-	-	-	1,112
Expansion Capital	US\$ MM	-	-	-	17	112	387	225	-	-	-	-	-	-	-	739
Sustaining Capital	US\$ MM	\$0	\$0	\$5	\$16	\$16	\$16	\$26	\$197	\$32	\$41	\$24	\$37	282	137	829
Closure Bond		13	7	7	-	-	-	-	-	-	-	-	-	-	0	27
Changes in Working Capital	US\$ MM	5	3	6	1	1	1	9	5	0	1	0	0	14	16	-
Total Investment	US\$ MM	563	493	101	34	129	404	259	202	31	40	25	37	268	121	2,707

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Cash Taxes	US\$ MM	-	-	-	-	-	-	-	119	186	157	195	177	1,490	1,322	3,645
Capital Summary																
Initial Capital	US\$ MM	542	507	50	-	-	-	-	-	-	-	-	-	-	-	1,099
Expansion Capital	US\$ MM	-	-	-	10	102	409	212	-	-	-	-	-	-	-	733
Sustaining Capital	US\$ MM	\$0	\$0	\$5	\$16	\$16	\$16	\$25	\$171	\$42	\$43	\$22	\$28	240	137	761
Closure Bond		13	7	7	-	-	-	-	-	-	-	-	-	-	0	27
Changes in Working Capital	US\$ MM	5	3	6	1	1	1	9	4	0	1	1	1	13	18	-
Total Investment	US\$ MM	559	517	67	27	119	426	246	175	42	42	23	29	227	119	2,620