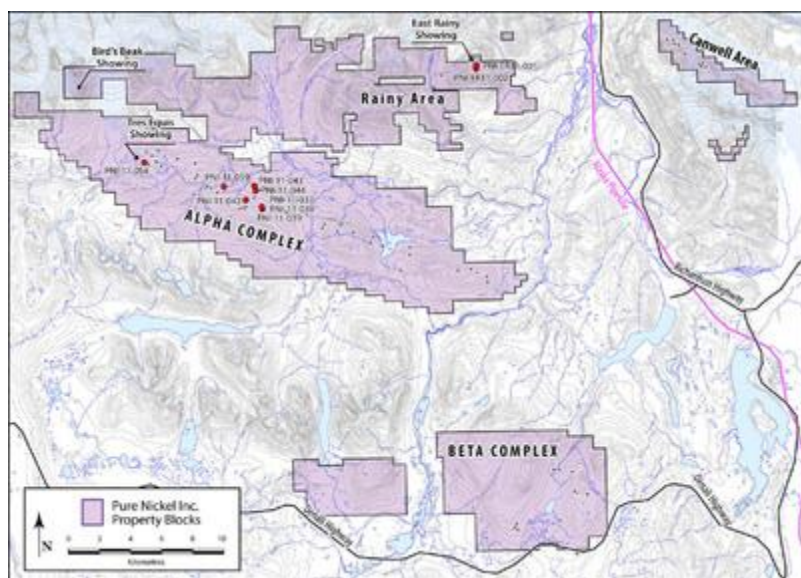




Pure Nickel MAN Alaska Exploration Update

Wednesday, December 21, 2011

(TSX: NIC)



TORONTO, Dec. 21, 2011 /CNW/ - Pure Nickel Inc. (TSX: NIC) today announced results from its 2011 exploration program at the MAN project, Alaska. The MAN property is currently under a joint venture agreement with ITOCHU Corporation of Japan whereby ITOCHU can earn up to a 75% interest in the property by incurring \$40 million of exploration expenditures by 2012. To date, ITOCHU has invested approximately \$17 million in exploration expenditures and vested a 30% interest.

The MAN project targets Nickel (Ni) - Copper (Cu) - Platinum Group Element (PGE) mineralization in a series of mafic-ultramafic complexes located approximately 300 km southeast of Fairbanks, Alaska. Four such complexes are present on the property, Alpha, Beta, Canwell and Rainy. Sulphide showings on the property have returned extremely high metal concentrations in grab samples, including 2.0% Ni, 1.3% Cu and 7.9 g/t PGE+Au+Ag from the East Rainy showing, 1.39% Ni, 0.48% Cu and 7.0 g/t PGE + Au + Ag from the Bird's Beak, and 6.7% Ni, 1.0% Cu and 1.5 g/t PGE from the Tres Equis showing. Pure Nickel Inc.'s work programs are currently focussed on identification of economic deposits of disseminated to massive Ni-Cu-PGE sulphide mineralization in the mafic-ultramafic complexes.

The 2011 work program completed 2580 metres of drilling in 11 holes a total of 151 line kilometres of detail ground magnetometer surveys, and 6.9 line kilometres of ground EM surveys. A summary of drill assay results from the 2011 drilling program are reported on the Pure Nickel website. The Company is encouraged by the results of the 2011 work program, which has led to new models for mineralization on the property, and identified several key target areas for follow-up work during the 2012 season. Interpretation of results and planning for the 2012 work program is ongoing.

The majority of exploration work completed in 2011 focussed on the Alpha complex in the central part of the property. One of the key objectives of the 2011 program was to evaluate the potential for "reef" style PGE mineralization in the Alpha complex. The possible presence of this type of mineralization was inferred from the occurrence of highly anomalous PGE values in historic drill hole FL009, 2.197 g/t Pt + Pd, completed by Nevada Star in 2003. The mineralization was associated with a distinctive gabbro/pyroxenite sequence interpreted as discrete layers in the complex. During the 2011 program, three holes targeting the potential reef successfully intersected the correct lithological sequence, but assay results did not confirm the presence of economic concentrations of PGE.

Many of the remaining drill holes targeted the basal (northern) contact of the Alpha contact, and tested possible extensions of mineralization at the Tres Equis massive sulphide showing. Due to poor drilling conditions and extensive faulting at the northern contact, the drill holes failed to intersect the contact. Despite these difficulties, encouraging results were obtained in hole PNI-058, which intersected 0.21% Cu and 0.65 % Ni over 0.91 metres.

For the first time Pure Nickel drilled on the Rainy complex in the northern part of the property. Two drill holes totalling 488 metres targeted the potential downdip continuation of the East Rainy showing, which hosts disseminated sulphide mineralization that has returned assays as detailed above from surface sampling. Hole ER-11-02 encountered disseminated sulphides at several depths, with anomalous PGE values of up to 650 ppb over 2.52 metres in drill core.

The Company also completed a mapping program on the Rainy Complex, and identified several gossanous areas at the complex's contact with the sedimentary host rocks. Grab samples from these gossanous contact rocks returned values up to 130ppb Au, 150 ppb Pt and 550ppb Pd. The gossanous zones are interpreted to reflect deposition of sulphides at the basal contact of the Rainy complex and, thus this stratigraphic interval is thought to offer significant potential for economic mineralization.

Dr. Larry Hulbert, D.Sc., P.Geo. is the designated Qualified Person for this project.

About Pure Nickel Inc.

Pure Nickel is a mineral exploration company with a diverse collection of Nickel, Copper and Platinum Group Element exploration properties in North America. With approximately \$3.1 million cash on hand and another \$2.5 million to be received within 12 months, Pure Nickel is in a strong position to advance its property portfolio.

Forward Looking Statements

Some of the statements contained herein may be forward-looking statements which involve known and unknown risks and uncertainties. Without limitation, statements regarding potential mineralization and resources, exploration results, expectations, plans, and objectives of Pure Nickel are forward-looking statements that involve various risks. The following are important factors that could cause Pure Nickel's actual results to differ materially from those expressed or implied by such forward-looking statements: changes in the worldwide price of mineral commodities, general market conditions, risks inherent in mineral exploration, risks associated with development, construction and mining operations, the uncertainty of future exploration activities and cash flows, and the uncertainty of access to additional capital. There can be no assurance that forward-looking statements will prove to be accurate as actual results and future events may differ materially from those anticipated in such statements. Pure Nickel undertakes no obligation to update such forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on such forward-looking statements.

The TSX Exchange does not accept responsibility for the adequacy or accuracy of this release.

Image with caption: "Pure Nickel MAN Alaska Project Map (CNW Group/Pure Nickel Inc.)". Image available at: http://photos.newswire.ca/images/download/20111221_C8414_PHOTO_EN_8432.jpg

About Pure Nickel Inc.

Pure Nickel is a mineral exploration company with a diverse collection of mineral exploration projects in North America.

Some of the statements contained herein may be forward-looking statements which involve known and unknown risks and uncertainties. Without limitation, statements regarding potential mineralization and resources, exploration results, and future plans and objectives of the Company are forward looking statements that involve various risks. The following are important factors that could cause the Company's actual results to differ materially from those expressed or implied by such forward looking statements: changes in the world wide price of mineral commodities, general market conditions, risks inherent in mineral exploration, risks associated with development, construction and mining operations, the uncertainty of future profitability and the uncertainty of access to additional capital. There can be no assurance that forward-looking statements will prove to be accurate as actual results and future events may differ materially from those anticipated in such statements. Pure Nickel undertakes no obligation to update such forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on such forward-looking statements.

TSX Trading Symbol: NIC (TSX), PNCKF (OTC BB)

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