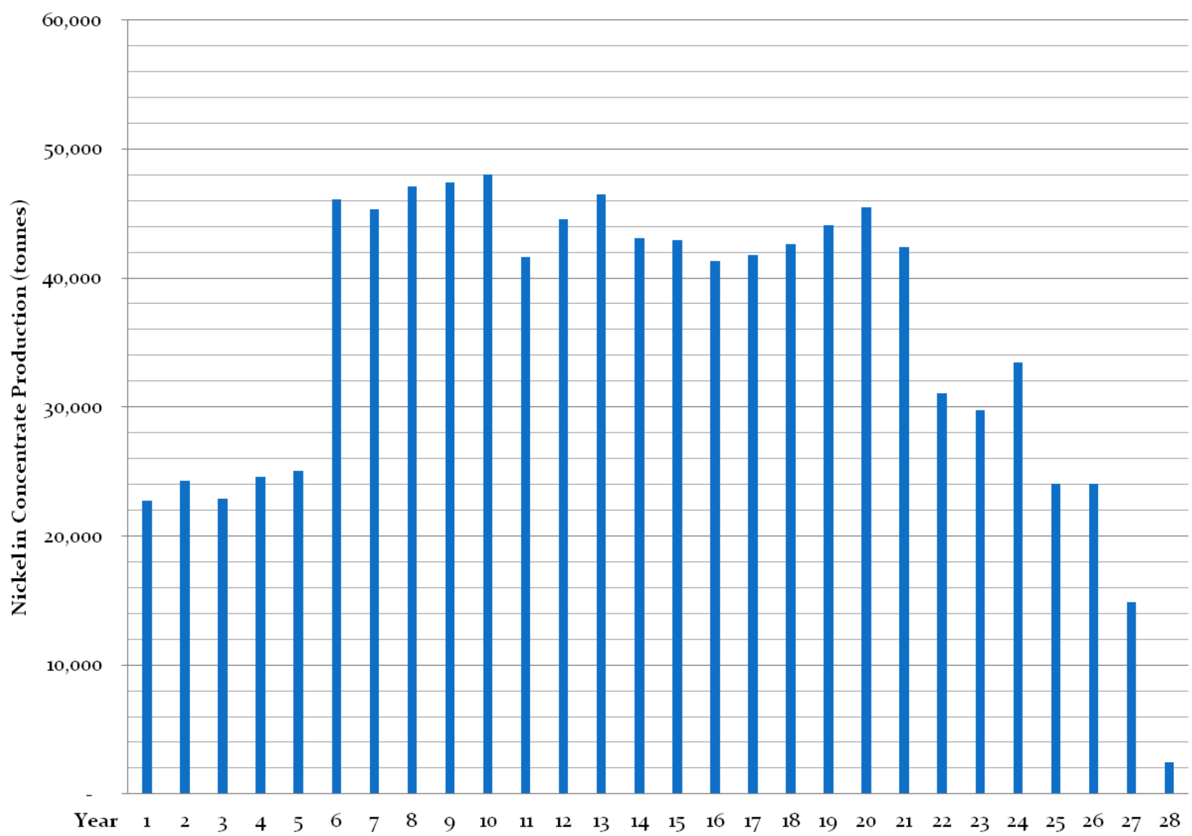
Hard Creek Nickel
CORPORATION

Summary - Turnagain Project
Preliminary Economic Assessment
Production of Nickel/Cobalt Concentrate
AMC Mining Consultants (Canada) Ltd.

The PEA, published December 2011, models production of an 18% Ni, 1% Co concentrate for sale to smelters. Initial mill throughput of 43,400 tonnes per day ramps up to 84,600 tonnes per day in year 6. After year 21, low grade stockpiles are processed.

Projected Turnagain Nickel Production



KEY DATA

C1 Cash Cost: $4.26 per pound. (C1 is total cash cost to produce a pound of nickel, including transportation and smelter charges, net of byproduct credits)

NPV pre-tax* (8% discount)	US $1,295,000,000
NPV after-tax* (8% discount)	US $724,000,000

IRR pre-tax* (100% equity)	15.9%
IRR after-tax* (100% equity)	13.5%
Initial Capital Investment	US $1,357 million
Expansion Capital in Year 5	US $492 million
Payback period*	7.3 years
Mill operation	27.2 years

***** Based on: Nickel Price: US $8.50 per lb.
Cobalt Price: US $14.00 per lb.
Exchange Rate: 0.95 US$/CAN$

Resource within pit:	Measured	206 million tonnes, 0.231% Ni, 0.014% Co
	Indicated	356 million tonnes, 0.226% Ni, 0.013% Co
	Inferred	201 million tonnes, 0.235% Ni, 0.013% Co

The PEA includes the use of inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. The study is preliminary in nature and there is no assurance the mining, metal production, or cash flow scenarios outlined in this report would ever be realized. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

CAPITAL COSTS:

	(U.S. $ millions)		
	Initial	**Expansion** (Year 5)	**Total LOM**
Mine	244	68	406
Off Site Infrastructure	253	0	0
Processing	733	406	1,392
Other & Sustaining	95	18	478
Working Capital	32	0	32
Total Capital	$ 1,357	$ 492	$ 2,308

OPERATING COSTS:

	(US$/tonne)		
	Year 1-5	Year 6-21	LOM
Mining	3.11	3.11	2.52
Processing (incl. Tailings)	4.69	4.38	4.44
General and Administration	0.57	0.29	0.33
Total Operating Cost	$ 8.37	$ 7.78	$ 7.29

Operating costs are cash costs on site, before transportation and smelter charges.

MINERAL RESOURCES

The total estimated resource for the Turnagain Project, at a 0.1% Ni cut-off, is as follows:

Measured :	227,379,000 tonnes @ 0.22% Ni and 0.014% Co
Indicated :	638,103,000 tonnes @ 0.21% Ni and 0.013% Co
Inferred :	976,295,000 tonnes @ 0.20% Ni and 0.013% Co

DEVELOPMENT PLAN

The PEA evaluates the development of the Turnagain deposit by conventional open-pit methods with trucks and shovels. Material will be processed using a conventional concentrator to produce nickel-cobalt concentrate.

KEY METRICS:

	Year 1-5	Year 6-21	Average LOM
Strip Ratio	0.74	0.83	0.82
Annual Mill Throughput (Million tonnes)	15.8	31.3	28.1
Average Mill Feed Grade			
Nickel (%)	0.261	0.246	0.230
Cobalt (%)	0.014	0.013	0.013
Average Recoveries			
Nickel (%)	58.0	57.7	56.4
Cobalt (%)	58.0	57.7	56.4
Annual Metal Production			
Nickel (lbs.)	52,717,000	97,871,000	
Cobalt (lbs.)	2,822,000	5,363,000	
Total Metal Production			
Nickel	2,181,552,000 lbs.		
Cobalt	123,181,000 lbs.		
Annual Concentrate Production			
Dry (tonnes)	132,846	246,663	203,101
Total Concentrate Production	5,497,474 dry tonnes		

SENSITIVITY:

Nickel Price/lb. *	$7.50	**$8.50**	$9.50
Pre tax IRR	13.2%	**15.9%**	18.3%
After tax IRR	11.0%	**13.5%**	15.4%
Pre tax NPV (8%)	$781,000,000	**$1,295,000,000**	$1,809.000,000
After tax NPV (8%)	$367,000,000	**$724,000,000**	$1,035,000,000

***** *FX varies with nickel price.* ***At base case $8.50/lb. nickel, Cdn $ = .95 U.S. $.*** *At $9.50/lb. nickel, Cdn $ = 1 U.S. $. At $7.50/lb. nickel, Cdn $ = .90 U.S. $.*

OPPORTUNITIES

- Potential for payable platinum and palladium in the concentrate
- Improved metallurgical performance
- Increased mine life with existing defined resource and Hatzl area resource
- Optimization of tailings storage facility construction
- Additional resource potential for both nickel/cobalt and platinum/palladium within the Turnagain ultramafic complex
- Third party ownership/operation of the transmission line
- Financing of the proposed interconnection fee tariffs over five years
- Shared access development cost

This summary document uses the terms “measured” “indicated” and “inferred” resources. We advise U.S. investors that while those terms are recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize them. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories would ever be converted to reserves.

This summary document contains “forward looking statements”. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company’s plans to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Known risks include, but are not limited to, financing risks, commodity price risks, scheduling risks, inflation risks and engineering risks. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth in the company’s continuous disclosure filings as found at www.sedar.com.

This document has been reviewed and approved by Neil Froc, P. Eng, a Qualified Person consistent with NI 43-101.