



July 12, 2012

PHILIPPINE STOCK EXCHANGE INC.
3F Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: Ms. Janet A. Encarnacion
Head, Disclosure Department

Dear Ms. Encarnacion;

Please see attached press release disclosing information on the Company's first half 2012 shipments by volume and value.

Very truly yours,



Emmanuel Samson
Senior Vice President

NICKEL ASIA SHIPMENT VOLUMES UP BY 19%

The Company's four operating mines sold an aggregate 5.02 million wet metric tons (WMT) of nickel ore in the first half of 2012 as compared to 4.22 million WMT in the same period last year, or an increase of 19%. The estimated value of shipments for the six months ended June 30, 2012 amounted to P5.05 billion compared to P5.12 billion reported in the same period last year. The average realized exchange rate during the first semester of 2012 was P42.87 to the dollar.

The Company's Rio Tuba mine accounted for 55% of total shipments during the first half of the year. The mine shipped and delivered 1.1 million WMT of saprolite ore and 1.7 million WMT of limonite ore, the latter to the adjacent Coral Bay nickel processing plant. The Company's Taganito mine shipped a total of 495 thousand WMT of saprolite ore, as well as 550 thousand WMT of limonite ore mostly coming from existing stockpiles. The Company's two other operating mines, Hinatuan and Cagdianao, commenced shipments only in April and May, respectively, following the end of the wet season. The Hinatuan mine shipped a total of 894 thousand WMT of limonite, while the Cagdianao mine shipped a total of 90 thousand WMT of saprolite ore and 210 thousand of limonite ore.

In terms of price, the estimated realized nickel price applicable to 2.4 million WMT of ore shipped in the first half was at an average of \$8.60 per pound of payable nickel as against \$11.48 per pound of payable nickel during the same period last year. The balance of the shipments for the first half was sold on the basis of a negotiated price per WMT of ore, which averaged \$25.87 per WMT of ore compared to \$21.73 per WMT for the same period last year.

Construction of the Taganito nickel processing plant adjacent to the Taganito mine, the country's second hydrometallurgical downstream processing plant, proceeded well during this first half and has now exceeded the 50% completion mark. Commercial production is expected towards the latter part of next year.

The on-going global macroeconomic concerns coupled with a slowdown in China resulted in a weakening in metal prices in general during this first semester. "Nevertheless, demand for some of our ore types remains strong, resulting in higher volume compared to last year. Moving forward, we believe this is sustainable", says Gerard H. Brimo, President and CEO of the Company.