

NIKL's Estimated Value of Shipments Jumps 47% In First Quarter 2017

Taguig, April 11, 2017 - Nickel Asia Corporation (PSE:NIKL; NAC) today announced that the Company's estimated value of shipments during the first quarter of 2017 rose by 47% to P2.19 billion from P1.49 billion during the same period last year. The increase is mainly due to much higher prices for its nickel ore sales coupled with a weaker peso exchange rate.

The Company sold an aggregate 3.05 million wet metric tons (WMT) of nickel ore from its Taganito and Rio Tuba mines during the first three months of 2017 compared to 3.49 million WMT achieved the previous year. The focus of the ore exports this quarter was on the higher-value saprolite ore, while shipments of the lower value limonite ore was limited to deliveries to both the Coral Bay and Taganito processing plants.

The Rio Tuba mine exported 908 thousand WMT of saprolite ore and delivered 950 thousand WMT of limonite ore to the Coral Bay processing plant. This compares to sales of 594 thousand WMT of saprolite ore and 1.37 million WMT of limonite ore during the same period last year, the latter consisting of 933 thousand WMT of ore delivered to the Coral Bay plant and 435 thousand WMT of ore exports to China.

The Taganito mine exported 156 thousand WMT of saprolite ore and delivered 1.04 million WMT of limonite ore to the Taganito processing plant. This compares to sales of 151 thousand WMT of saprolite ore and 1.38 million WMT of limonite ore for the comparable period last year, of which 1.11 million was ore delivered to the Taganito plant and 268 thousand WMT was ore exports to China.

Typically, the Company experiences low shipment volumes during the first quarter of the year since operations at the Taganaan and Cagdianao mines, both located in northeastern Mindanao, do not commence until the second quarter, the onset of the dry season.

The estimated realized nickel price on 1.06 million WMT of ore exports in the first quarter of this year averaged \$31.34 per WMT, much higher than the average of \$15.78 per WMT on 1.45 million WMT sold during the same period last year. It will be recalled that nickel prices hit a 13-year low during the first quarter of last year, mainly due to an economic slowdown in China. In addition, as mentioned above, export sales this quarter was limited to the higher-value saprolite ore.

The estimated realized price of limonite ore sold to the two processing plants, which are linked to LME prices, was at an average of \$4.64 per pound of payable nickel on 1.99 million WMT sold over the three month period ended March 2017. This compares to an average price of \$3.87 per pound of payable nickel on 2.04 million WMT sold during the same period last year.

The realized Peso / U.S. dollar exchange rate for ore sales was P50.05 during the first three months of the year compared to P47.12 in the same period last year.

“Ore export prices have held up very well during the first quarter brought about mainly by low levels of nickel ore inventory in China”, said Gerard H. Brimo, President and CEO of the Company. “Despite news on the partial reversal of Indonesia’s ore export ban, we are confident nickel ore prices will remain firm this year mainly due to an improved outlook globally and specifically for the Chinese economy”, Mr. Brimo added.