

## **PRESS RELEASE**

### **NICKEL ASIA CORPORATION ANNOUNCES Q1 2015 FINANCIAL AND OPERATING RESULTS**

Manila, May 5, 2015 - Nickel Asia Corporation (NAC) (PSE:NIKL) today announced its unaudited financial and operating results for the three months ended March 31, 2015 with an attributable net income (net of minority interests) of P675.8 million, 281% higher compared to P177.1 million reported during the same period last year. Earnings before interest, tax, depreciation and amortization (EBITDA) amounted to P1.56 billion compared to P795.5 million in the prior year.

The Company's net income for the first quarter of 2015 is inclusive of P140.3 million in equity income from its 22.5% investment in Taganito HPAL Nickel Corporation (THPAL), and P72.5 million from its 10% equity interest in Coral Bay Nickel Corporation (CBNC). During the same period last year, equity income in THPAL amounted to P11.7 million, as the newly commissioned plant was undergoing fine-tuning, while there was no equity contribution from CBNC since the Company's direct equity interest took effect in April 2014.

Total revenues during this first quarter increased to P3.12 billion compared to P1.70 billion last year due to higher sales volumes and prices. It will be recalled that nickel prices last year were at fairly low levels during the early part, and only started trending upwards towards the second quarter.

The Company sold an aggregate 3.49 million wet metric tons (WMT) of nickel ore in the first three months ended March 31, 2015, as compared to 2.65 million WMT in the same period last year. The 32% surge in ore shipments is due to increases from all four mines of the Company. The Taganaan and Cagdianao mines, which typically do not have shipments during this time of the year, managed to ship 160 thousand WMT and 50 thousand WMT of nickel ore, respectively, as a result of a shorter rainy season in the south of the country.

Of the total volume of ore sold, deliveries to the two HPAL plants reached 1.99 million WMT during the first three months of 2015 compared to 1.80 million WMT during the same period last year. Shipments of ore to China likewise increased from 278 thousand WMT to 1.08 million WMT, while ore shipments to Japan amounted to 313 thousand WMT compared to 566 thousand WMT in 2014. An additional 111 thousand WMT of ore was also shipped to Australia during the first quarter of the year.

In terms of prices, with respect to sales to the HPAL plants, the pricing of which remains linked to the LME, the Company realized an average of \$6.50 per pound of payable nickel during the first three months of the year as against \$6.68 per pound of payable nickel during the same period last year. With respect to export sales, the Company achieved an average price of \$32.44 per WMT, much higher compared to \$21.98 realized last year.

"We started the year on a high note with a big jump in shipments during the first quarter", says Gerard H. Brimo, President and CEO of the Company. "Following the momentum established in the first three months, overall shipment volumes should be stronger this year", Mr. Brimo added.

In a meeting of the Board of Directors today, the Board authorized management, subject to satisfactory due diligence, to execute and implement the acquisition of 100% of Geogen Corp. (GEOGEN) for up to Php720 million and 10% of NIHAO Mineral Resources International, Inc. (NIHAO) at Php4.00 per share. As disclosed in the Company's April 8, 2015 press release, GEOGEN holds a Mineral Production Sharing Agreement over a nickel property (Isabela Nickel Project) located in Dinapigue, Isabela. NIHAO will be entitled to receive 20% of the net profits that may be derived from the operation of the Isabela Nickel Project by the Company and the Company will have the sole and exclusive preference and priority to explore, develop and operate NIHAO's other properties.

Finally, the Board of Directors likewise approved the creation of a Board-level Risk Committee, separate from the present Audit and Risk Committee, which will henceforth be separately called the Audit Committee.

For any questions or clarifications, please contact;

Emmanuel Samson  
CFO & SVP  
[manny.samson@nickelasia.com](mailto:manny.samson@nickelasia.com)

**NICKEL ASIA CORPORATION AND SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**MARCH 31, 2015**  
**(With Comparative Audited Figures as at December 31, 2014)**  
**(Amounts in Thousands)**

	March 31, 2015	December 31, 2014
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	P10,077,917	P13,561,803
Trade and other receivables	2,137,593	1,431,080
Inventories	3,063,508	2,863,181
Available-for-sale (AFS) financial assets	5,579,744	2,281,632
Prepayments and other current assets	676,101	473,774
<b>Total Current Assets</b>	<b>21,534,863</b>	<b>20,611,470</b>
<b>Noncurrent Assets</b>		
AFS financial assets - net of current portion	522,797	522,797
Property and equipment	6,669,981	6,598,993
Investment properties	29,000	29,000
Investments in associates	5,515,037	5,304,040
Long-term stockpile inventory - net of current portion	761,632	812,760
Deferred income tax assets - net	252,424	207,967
Other noncurrent assets	1,166,485	1,096,881
<b>Total Noncurrent Assets</b>	<b>14,917,356</b>	<b>14,572,438</b>
<b>TOTAL ASSETS</b>	<b>P36,452,219</b>	<b>P35,183,908</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Trade and other payables	P1,301,239	P1,482,640
Income tax payable	954,397	513,598
Current portion of long-term debt	98,251	118,329
<b>Total Current Liabilities</b>	<b>2,353,887</b>	<b>2,114,567</b>
<b>Noncurrent Liabilities</b>		
Long-term debt - net of current portion	1,312,616	1,313,203
Deferred income tax liabilities - net	404,759	421,050
Deferred income - net of current portion	73,564	71,229
Provision for mine rehabilitation and decommissioning	130,359	130,175
Pension liability	243,827	231,338
<b>Total Noncurrent Liabilities</b>	<b>2,165,125</b>	<b>2,166,995</b>
<b>Total Liabilities</b>	<b>4,519,012</b>	<b>4,281,562</b>
<b>Equity Attributable to Equity Holders of the Parent</b>		
Capital stock	1,905,143	1,272,495
Stock dividends distributable		632,648
Additional paid-in capital	8,273,655	8,273,655
Other components of equity:		
Net valuation gains on AFS financial assets	153,995	171,322
Share in cumulative translation adjustment	80,466	82,154
Cost of share-based payment plan	59,478	47,060
Asset revaluation surplus	33,151	33,246
Retained earnings		
Unappropriated	16,348,913	15,673,051
Appropriated	1,000,000	1,000,000
	<b>27,854,801</b>	<b>27,185,631</b>
<b>Non-controlling Interests</b>	<b>4,078,406</b>	<b>3,716,715</b>
<b>Total Equity</b>	<b>31,933,207</b>	<b>30,902,346</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P36,452,219</b>	<b>P35,183,908</b>

**NICKEL ASIA CORPORATION AND SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENTS OF INCOME**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2015 AND 2014**  
**(Amounts in Thousands, Except Earnings per Share)**

	2015	2014
	(Unaudited)	
<b>REVENUES</b>		
Sale of ore	₱2,953,834	₱1,527,962
Services and others	166,894	170,214
	<b>3,120,728</b>	<b>1,698,176</b>
<b>COSTS AND EXPENSES</b>		
Cost of sales	1,260,638	766,240
Cost of services	93,951	93,677
Shipping and loading costs	283,009	177,385
Excise taxes and royalties	141,118	61,906
General and administrative	165,489	173,462
Marketing	6,202	-
	<b>1,950,407</b>	<b>1,272,670</b>
<b>FINANCE INCOME</b>	<b>56,877</b>	<b>35,212</b>
<b>FINANCE EXPENSES</b>	<b>(32,965)</b>	<b>(42,536)</b>
<b>EQUITY IN NET INCOME OF ASSOCIATES</b>	<b>212,791</b>	<b>11,656</b>
<b>OTHER INCOME - Net</b>	<b>15,834</b>	<b>44,066</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>1,422,858</b>	<b>473,904</b>
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b>		
Current	442,531	163,899
Deferred	(57,131)	(29,320)
	<b>385,400</b>	<b>134,579</b>
<b>NET INCOME</b>	<b>₱1,037,458</b>	<b>₱339,325</b>
Net income attributable to:		
Equity holders of the parent	₱675,767	₱177,138
Non-controlling interests	361,691	162,187
	<b>₱1,037,458</b>	<b>₱339,325</b>
<b>Earnings per share:</b>		
Basic	<b>₱0.18</b>	<b>₱0.05</b>
Diluted	<b>₱0.18</b>	<b>₱0.05</b>