

PRESS RELEASE

NICKEL ASIA 2013 SHIPMENT VOLUME INCREASES BY 12.5%

The total volume of nickel ore sold and delivered from the Company's four operating mines reached 14.0 million wet metric tonnes (WMT) in 2013, an increase of 19% compared to the 11.7 million WMT sold and delivered in 2012. This is the highest volume of ore shipments achieved by the group in its history and represents five consecutive years of increasing ore sales.

The Company's Rio Tuba mine accounted for 41% of total volume shipped during the year. The Rio Tuba mine shipped and delivered 1.7 million WMT of saprolite ore and 4.0 million WMT of limonite ore. The Company's Taganito mine, which is the site of the newly commissioned HPAL nickel processing plant, shipped a total of 1.4 million WMT of saprolite ore and 2.5 million WMT of limonite ore, which combined accounted for 28% of the Company's total volume. About 874 thousand WMT of limonite ore was shipped to the Taganito plant during the year. The plant was declared in commercial operation in November 2013. The Hinatuan mine shipped a total of 3.4 million WMT of mostly high iron limonite ore, while the Cagdianao mine shipped a total of 350 thousand WMT of saprolite ore and 539 thousand WMT of limonite ore. These two mines accounted for 25% and 6% of the Company's full year volume, respectively.

Despite an increase in the volume of shipments, the Company's total estimated value of nickel ore shipments fell by 7% to P10.3 billion in 2013 from P11.1 billion reported in 2012, mainly due to a lower realized LME nickel price.

The realized LME nickel price applicable to 5.2 million WMT of ore shipped in 2013 was at an average of \$6.91 per pound of payable nickel as against \$8.10 per pound of payable nickel in 2012. The balance of the shipments, which are mainly the low and medium grade variety ore sold to Chinese customers, were sold on the basis of a negotiated price per WMT of ore which averaged \$20.03 per WMT of ore compared to \$24.40 per WMT of ore in 2012.

For the current year, the Company has executed contracts with various customers for the delivery of 15.3 million WMT of saprolite and limonite ore. This includes about 4.7 million WMT of limonite ore to be delivered to the new Taganito nickel processing plant, as it enters into its first full year of operation. Our Company has a 22.5% equity interest in the new plant.