

NICKEL ASIA FY2014 SHIPMENT VOLUME INCREASED BY 130% IN VALUE

The total volume of nickel ore shipped and delivered from the Company's four operating mines reached 17.9 million wet metric tons (WMT) in 2014, an increase of 28% compared to the 14 million WMT shipped in 2013. The record volume of ore sales achieved combined with much improved ore prices led to a 130% surge in the estimated value of shipments, or from P10.3 billion in 2013 to P23.7 billion in 2014.

The growth in shipment volumes in 2014 was largely the result of increased ore deliveries to the HPAL plants, in particular to the Taganito HPAL facility during its first full year of commercial operations. As a result, total ore deliveries to the two HPAL plants reached 7.41 million WMT in 2014 compared to 4.28 million WMT in 2013. The direct exports of ore also showed strong results, with shipments increasing from 9.72 million WMT in 2013 to 10.47 million WMT in 2014.

On a per mine basis, the Company's Taganito mine, which is now the largest operation, accounted for 40% of total shipments. The mine shipped a total of 2.27 million WMT of saprolite ore and 4.82 million WMT of limonite ore, including 4.02 million WMT of limonite to the new plant. The Rio Tuba mine accounted for 33% of total shipments. The mine shipped 2.27 million WMT of saprolite ore and 3.70 million WMT of limonite ore, including 3.38 million WMT to the adjacent Coral Bay plant. The Company's Hinatuan mine achieved total shipments of 3.15 million WMT of limonite ore and 314 thousand WMT of saprolite ore, while the Cagdianao mine shipped a total of 461 thousand WMT of limonite ore and 890 thousand WMT of saprolite ore.

The effect of the Indonesian ore export ban has led to significantly higher ore prices in 2014. On a US dollar per WMT basis, the average realized price received for ore sales to Japanese and Chinese customers totaling 10.47 million WMT of both saprolite and limonite ore sold amounted to \$45.11. This compares to an average price of \$21.28 per WMT for the same period last year on a total of 9.72 million WMT of ore sold.

With respect to low-grade limonite ore sold to both the Coral Bay and Taganito plants, which continues to be linked to LME prices, we realized an average of \$7.69 per pound of payable nickel on 7.41 million WMT sold in 2014. This compares to an average price of \$6.70 per pound of payable nickel on 5.34 million WMT sold in 2013.

"We are extremely satisfied with our achievements in 2014. We were able to surpass our sales targets and capitalize on the strong prices which prevailed for most part of the year", said Gerard H. Brimo, President and CEO of the Company.

The Company also disclosed the approval of the Board of Directors to hire two new officers. Mr. Augusto Villaluna, Vice President – Operations, will supervise the Company's two largest operations, Taganito and Rio Tuba, and will report to the

Chief Operating Officer. Mr. Gerardo Ongkingco, Vice President – Human Resources (HR), will supervise the HR activities of the group and will report to the President. The hiring is effective 2 February 2015.