

NICKEL ASIA YTD Q3 2015 SHIPMENT VOLUME INCREASES BY 12%

The Company's four operating mines sold an aggregate 15.96 million wet metric tons (WMT) of nickel for the nine months ended September 30, 2015 as compared to 14.26 million WMT in the same period last year, or an increase of 12%.

The direct exports of ore mainly contributed to the Company's higher shipments, increasing to 10.34 million WMT in the first nine months of 2015 from 8.87 million WMT in the same period last year. Ore deliveries to the HPAL plants also rose, in particular to the Taganito HPAL facility, which is now operating at full capacity compared to 80% capacity during the same period last year. Total ore deliveries to the two HPAL plants reached 5.62 million WMT in 2015 as against 5.38 million WMT in 2014.

On a per mine basis, the Company's Taganito mine accounted for 39% of total shipments during the first nine months of the year. The mine shipped a total of 2.34 million WMT of saprolite ore and 3.92 million WMT of limonite ore, including 3.10 million WMT of limonite to the Taganito HPAL plant. The Company's Rio Tuba subsidiary accounted for 31% of total shipments during this period. The mine shipped 2.51 million WMT of saprolite ore and the same amount of limonite ore to the adjacent Coral Bay plant. The Company's Hinatuan mine sold a total of 2.18 million WMT of limonite ore and 542 thousand WMT of saprolite ore, while the Cagdianao mine shipped a total of 1.33 million WMT of limonite ore and 629 thousand WMT of saprolite ore.

Due to lower prices, the estimated value of shipments for the nine months ended September 30, 2015 amounted to P12.3 billion, 40% lower compared to P20.5 billion reported in the same period last year.

The estimated realized nickel price on 10.34 million WMT of direct exports of ore in the first nine months of the year averaged \$22.65 per WMT, considerably lower than the average of \$46.85 per WMT realized during the same period last year. It will be recalled that there was a surge in ore prices last year due to the expectation of supply tightness resulting from the effects of the Indonesian export ore ban. The tightness, however, did not materialize due to increase in supplies from other sources besides China nickel pig iron and weaker than expected global demand.

With respect to low-grade limonite ore to both the Coral Bay and Taganito processing plants, which remain linked to LME prices, the Company realized an average of \$5.74 per pound of payable nickel on 5.62 million WMT sold during the first nine months of the year. This compares to an average price of \$7.87 per pound of payable nickel on 5.38 million WMT sold during the comparable period last year.

"The slowdown in China and lackluster world economic growth has led to high metal inventories, which has in turn taken quite a toll on commodity prices in general", said Gerard H. Brimo, President and CEO of the Company. "We

however continue to feel that the bottom has been reached for nickel prices and now see a gradual withdrawal of metal from the LME warehouses. It bears mentioning that at current prices, about 60% of producers are operating at a loss, a situation unseen in many years”, Mr. Brimo said.

Emerging Power, Inc. (EPI), the Company’s 66%-owned renewable energy subsidiary, has commenced construction of its P7.7 billion 100MW solar facility at the Subic Bay Freeport Zone. EPI expects 60MW of capacity to go on stream prior to March 15, 2016, allowing the project to avail of the applicable solar feed-in tariff rate.

With respect to EPI’s 40MW Montelago geothermal project, Iceland Drilling Corporation (IDC) successfully mobilized and assembled its drilling rig and expects to commence drilling work this week. Further, on September 29, 2015, EPI formally awarded the EPC to the Spanish-Italian consortium of TSK-Turboden. TSK is one of the most relevant EPC companies in conventional and renewable energy projects worldwide while Turboden, a group company of Mitsubishi Heavy Industries, is focused on the development of geothermal Organic Rankine Cycle power plants worldwide.

For any questions and / or clarifications, please contact;

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