

NIKL's Estimated Value of Shipments Rises 20% in 2018

Taguig, January 17, 2019 - Nickel Asia Corporation (PSE:NIKL; NAC) today announced that the Company's estimated value of shipments in 2018 rose by 20% to P17.29 billion in 2018 from P14.43 billion in 2017. The increase was due to a combination of higher export volume, improved prices and a more favorable Peso to US dollar exchange rate.

The Company sold an aggregate 19.35 million WMT of nickel ore from its four operating mines in 2018 at an average price of \$16.86 per WMT compared to 17.70 million WMT at an average price of \$16.17 per WMT in 2017.

The Company's Taganito mine accounted for 46% of total shipments during this period. The mine exported 4.56 million WMT of ore to China and Japan and delivered 4.25 million WMT of limonite ore to the Taganito HPAL plant for a total of 8.81 million WMT. The comparable figures for last year were 3.05 million WMT of ore exported to China and Japan and 4.59 million WMT of limonite ore delivered to the Taganito plant, for a total of 7.64 million WMT.

The Rio Tuba mine accounted for 30% of total shipments, which consisted of 2.21 million WMT of ore exports to China and Japan and 3.54 million WMT of ore deliveries to the Coral Bay HPAL plant or a total of 5.75 million WMT. The comparable figures for 2017 were 2.29 million WMT and 3.47 million WMT respectively, or a total of 5.76 million WMT.

The Hinatuan and Cagdianao mines showed mixed results. Total shipments from Hinatuan in 2018 amounted to 2.15 million WMT compared to 2.45 million WMT in 2017, while total shipments from the Cagdianao mine totaled 2.64 million WMT in 2018, much higher than the 1.85 million WMT achieved in the prior year.

In terms of price, the Company realized an average of \$6.02 per pound of payable nickel on its deliveries of ore to the two HPAL plants, the pricing of which is linked to the LME. This compares to an average price of \$4.62 per pound of payable nickel sold in 2017. With respect to export sales, the Company achieved an average price of \$22.64 per WMT compared to \$25.32 per WMT realized last year. On a combined basis, the average price received for sales of both ore exports and ore deliveries to the two processing plants in 2018 was \$16.86 per WMT, 4% higher than the \$16.17 per WMT achieved in 2017.

The realized Peso / U.S. dollar exchange rate for ore sales was P53.00 compared to P50.42 in 2017.

"Despite the significant jump in nickel ore supply from Indonesia, we are delighted that the Company still managed to increase its shipments for the year," says Martin Antonio G. Zamora, President of the Company. "In addition, though the LME nickel price was dragged down in 2018 by negative market sentiment as a result of the US-China trade dispute, we expect a recovery in 2019, on the back of demand from stainless steel producers and battery manufacturers catering to the electric car industry", Mr. Zamora added.