



October 5, 2011

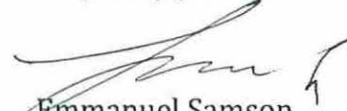
PHILIPPINE STOCK EXCHANGE INC.
3F Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: Ms. Janet A. Encarnacion
Head, Disclosure Department

Dear Ms. Encarnacion;

We write with respect to the news article entitled "Nickel Asia says to cover shipments after attack", posted in abs-cbnnews.com on October 4, 2011. For this reason, please refer to the attached updated company disclosure.

Very truly yours,



Emmanuel Samson
Senior Vice President



We wish to inform the investing public of our assessment of the damage caused by the insurgency attack on the mining operations of our subsidiary, Taganito Mining Corp. (TMC), and two other mining companies on October 3, 2011 in Surigao del Norte. We estimate that the damage amounts to approximately P500 million in replacement value of the equipment and structures damaged by the attack. TMC has more than sufficient funds to cover the damage and is embarking on a procurement program to replace the damaged equipment and repair the structures.

We are pleased to advise that TMC has resumed mining operations and estimate that we can commence loading operations of our nickel ore within the next three weeks. In the meantime a number of these shipments will be diverted to our other mines. Consequently, we do not expect a significant reduction in our shipment tonnage for the year. Approximately 25% of total shipments from TMC for the year, or an estimated 500 thousand wet metric tonnes, have been scheduled for delivery in the fourth quarter.

We are also pleased to report that the damage caused to the adjacent nickel processing plant, which is currently under construction, is expected to be minimal. At this time, we have not received a monetary estimate of the damage caused, or of any possible delays in the timetable for the completion of the project from the majority owner, Sumitomo Metal Mining. We will disclose these once we receive the information.

It is apparent that the insurgents are not happy with the economic progress in this part of Surigao province accelerated by the commencement of this project. The project currently employs 6,000 people and the impact of this on the local economy has been significant and palpable. The populist rhetoric that followed the armed raid is unadulterated propaganda which has no demonstrable basis in fact. TMC stands by its exemplary social and environmental record for the past 24 years, which have earned the company various awards in these fields

Whatever may have been the political agenda for this unfortunate incident, the company will not be deterred in its mission. We will proceed with the project and our partners join us in this resolve. We acknowledge and appreciate the assistance provided by the local and national governments in dealing with this situation and take comfort in their assurances that all will be done to prevent a recurrence.

We shall continue to partner with government, the people of Surigao, our contractors and employees, to ensure that our efforts at development shall not be hindered further by political issues.

GERARD H. BRIMO
President and CEO
Nickel Asia Corporation