

DISCLOSURE STATEMENT
NAC to Buy Isabela Project and Invest in NiHao

Nickel Asia Corporation ("NAC") and NiHAO Mineral Resources International, Inc. ("NiHAO") have decided to enter into a transaction, pending the completion of due diligence by NAC and the authorizations from the respective Board of Directors of the parties, which is summarized as follows:

- NAC shall purchase and operate the Isabela Project while NiHAO will continue to share in the profits of the Project.
- NAC shall buy into and invest in NiHAO.

Salient details of the transaction are summarized as follows:

1. NAC to Purchase the Isabela Project.

NAC will acquire from the shareholders of Geogen Corporation ("GEOGEN") a controlling stake of up to all or one hundred percent (100%) of GEOGEN's total and outstanding shares of stock. NAC will pay the shareholders of GEOGEN a consideration of up to Seven Hundred Twenty Million Pesos (PHP720,000,000.00).

GEOGEN owns the mineral rights over a mineral property consisting of an aggregate area of 2,391.4081 hectares, more or less, located in Dinapigue, Isabela and covered by Mineral Production Sharing Agreement ("MPSA") No. 258-2007-II (the "Isabela Project"). NiHAO is the current Operator and General Contractor over the Isabela Project wherein NiHAO mines nickel saprolite and limonite ores for direct shipment and export from the Philippines.

2. NiHAO to have 20% Profit Share in Isabela.

NiHAO will turnover operations of the Isabela Project to NAC with NiHAO retaining economic interests over the Isabela Project.

As a result, NiHAO and GEOGEN shall cause the conversion of NiHAO's current Operating and General Contractorship Agreement over the Isabela Project into a twenty percent (20%) share in the net profits of said Project in favor of NiHAO.

3. NAC to buy NiHAO Shares

NAC will acquire from a group of existing and controlling shareholders of NiHAO such sufficient number of shares to constitute at least ten percent (10%) of the issued and outstanding capital stock of NiHAO at a purchase price of Four Pesos (PHP 4.00) per share.

Said purchase shall be effected and crossed through the facilities of the Philippine Stock Exchange (PSE) through a Trading Participant selected by the Parties.

4. NAC to Develop other NiHAO properties

NiHAO shall grant NAC exclusive preference and priority to explore, operate, and develop the other mining properties of NiHAO and its subsidiaries, namely, the mining claims of:

- (a) Mina Tierra Gracia, Inc. consisting of an aggregate area of 5,081.6408 hectares, more or less, located in Botolan and Iba, Zambales and covered by MPSA No. 315-2010-III;
- (b) Bountiful Geomines, Inc. consisting of an aggregate area of 1,944 hectares, more or less, located in Opol and Manticao, Misamis Oriental covered by EXPA-00093-X; and
- (c) Masbate 13 Philippines, Inc. consisting of an aggregate area of 4,136.7538 hectares, more or less, located in Milagros and Mandaon, Masbate and covered by EP-V2008-5.

If NAC proceeds to explore, operate, and develop the aforementioned properties, NIHAO and/or its subsidiary, as applicable, will likewise be granted the same terms as that of the Isabela Project.

5. Definitive Agreements and Conditions Precedent

NAC, NiHAO and other relevant parties shall execute definitive and implementing agreements covering the above described transaction upon completion of corresponding conditions precedent required for said transactions, such as completion of due diligence, authorizations for the respective Board of Directors of the parties, and other regulatory requirements to effect the transaction.

DISCLOSURE STATEMENT
DHK to Convert Advances to Equity in NiHao

DH Kingstone Holding Co., Ltd. ("DHK"), through its Philippine affiliate, as one of the sub-contractors in the operations of the Isabela Project, has made some advances for the benefit of NiHAO in said Project. NiHAO shall conduct an audit on all of the legitimate advances of DHK for and in behalf and for the benefit of NiHAO in relation to the Isabela Project (the "DHK Advances") less any amounts due to NiHAO from the operations of said Project.

After which, NiHAO is willing to cause the conversion of the net legitimate DHK Advances into equity in NiHAO. As a result, DHK may acquire such number of primary NIHAO shares to be issued from the existing authorized capital stock of NiHAO as a means to settle said net DHK Advances at a purchase price of FOUR PESOS (PHP4.00) per share.

DHK, NiHAO and other relevant parties shall execute definitive and implementing agreements covering the above described transaction upon completion of corresponding conditions precedent required for said transactions, such as completion of due diligence, authorizations for the respective Board of Directors of the parties, and other regulatory requirements to effect the transaction.