

November 17, 2008

Financial Post Questions Timminco's Disclosures

On November 11, Timminco Limited (TSX: TIM C\$6.37) reported a third quarter net loss of C\$13.7 million, or C\$0.13 per share. The Financial Post published an article on November 15 raising questions on the transparency of Timminco's disclosures.

The Financial Post notes that Timminco removed the "Photon Consulting Operational Review Report" from its website. The Photon report was released by Timminco on May 14 and gave a very positive outlook on Timminco's potential profitability. It was issued in response to criticism about the company's 2008 earnings claims and to defend its then C\$24.90 stock price. The day after the report was released Timminco shares rose more than 8%, despite the fact that Timminco's tactics, and the report itself, were extremely questionable. (click [here](http://www.asensio.com/Reports/ReportView.aspx?ReportId=855&CompanyId=161&CompanyName=Timminco+L) to read asensio.com's initial report on the Photon Consulting Review)

As noted in the Financial Post, Timminco's third quarter earnings release states that the report was removed from the Timminco website because the company "believes that some of the material factors or assumptions originally used to develop the forward-looking information in the Photon Report, including in respect of revenues, production volumes and costs, may no longer be valid."

The Financial Post also mentions criticism from Manuel P. Asensio, who stated that Timminco "is a corporate governance and fair disclosure case. This is not a new-technology or emerging-markets case."

The Financial Post goes on to question Timminco's disclosure concerning the appointment of a new corporate controller. The Post states that Timminco appointed a new corporate controller in September, but the company did not disclose when or why the former corporate controller left Timminco.

To read the Financial Post article, click [here](http://www.asensio.com/TIM/FP111508.pdf).