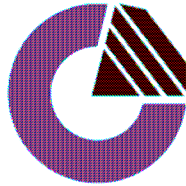


To: Business Editor

[For immediate release]



China Vanadium Titano-Magnetite Mining Company Limited
中國釩鈦磁鐵礦業有限公司

China VTM Announces Proposed Listing on the Main Board of HKEx
Offer Price at HK\$3.12 - HK\$3.86 per Offer Share
to Raise Up to HK\$2,273 million

The First and Only Hong Kong listed PRC Iron Ore Producer

Benefit from the Favourable Industry Dynamics
with Significant and Visible Future Growth Profile

[23 September 2009, Hong Kong] **China Vanadium Titano-Magnetite Mining Company Limited** (“**China VTM**” or the “**Company**”, together with its subsidiaries, the “**Group**”), the second largest operator and the largest non state-owned operator of iron ore mines in Sichuan Province, the PRC, today announced its proposed listing on the Main Board of The Stock Exchange of Hong Kong Limited (“**HKEx**”).

China VTM plans to offer an aggregate of 588,800,000 Shares, 90% of which being International Placing Shares and 10% of which being Hong Kong Public Offer Shares (subject to clawback mechanism), at an Offer Price Range of HK\$3.12 per Share and HK\$3.86 per Share. The Hong Kong Public Offer will begin on 24 September 2009 (Thursday) at 9:00am and close on 29 September 2009 (Tuesday) at noon. Dealings in the Shares of the Company are expected to commence on 8 October 2009 (Thursday). The Shares, with the stock code 893, will be traded in board lots of 1,000 each. The Over-allotment Option will be up to an aggregate of 88,320,000 Shares, representing 15% of the initial number of Offer Shares.

Citigroup Global Markets Asia Limited is the Sole Global Coordinator and Sole Sponsor; and Citigroup Global Markets Asia Limited and Deutsche Bank AG, Hong Kong Branch are the Joint Bookrunners and Joint Lead Managers.



China VTM will be the first and only Hong Kong listed PRC producer focused primarily on iron ore and iron-ore related products upon its listing. The Group is primarily engaged in mining, ore processing, iron pelletizing and the sale of iron concentrates, iron pellets and titanium concentrates to steel producers and downstream users of titanium-related products. The Group owns and operates two vanadium-bearing titanomagnetite mines – the Baicao Mine and the Xiushuihe Mine, both of which are located in Sichuan’s Panxi region, a region with the most abundant vanadium-bearing titanomagnetite resources in the PRC.

Chairman of **China VTM**, Mr. JIANG Zhongping described, “In 2008, the Chinese Government announced the 4 trillion Renminbi economic stimulus package. This resulted in a 7.9% economic growth in the second quarter of 2009 in the PRC. Naturally, along with this will be a significant increase in demand for iron and steel products in the PRC. In the wake of the tragic Sichuan earthquake in 2008, massive reconstruction efforts in the area have created a huge demand for steel. Moreover, the Chinese Government has also initiated various policies to promote the use of high-strength steel. Because vanadium is the only widely used additive to increase steel strength, vanadium-bearing ore, which **China VTM** produces, is expected to benefit from this favourable industry development”

China VTM is the second largest and the largest non state-owned operator of iron ore mines in Sichuan in terms of actual output volume of iron ore in 2008 and for the six months ended June 30, 2009, according to the records of the Sichuan Metallurgy Economic Association. The ore in the Group’s mines is vanadium-bearing titanomagnetite ore, which to be used to produce iron ore products and titanium products.

The PRC is the largest importer of iron ore in the world and Sichuan has the largest reserve of vanadium-bearing titanomagnetite in the country. Sichuan has approximately 83.2% of the total vanadium-bearing titanomagnetite reserves in the PRC, according to the Hatch Industry Report. As of 30 June 2009, the Baicao mine and the Xiushuihe mine together had a total proved and probable reserve of 78.7 millions tonnes of vanadium-bearing titanomagnetite. In 2009, **China VTM** obtained an exploration permit for the area to the west of the Xiushuihe Mine, which will eventually result in an additional resource of 78.2 million tonnes of vanadium-bearing titanomagnetite.

The Group’s mines utilized the open-pit mining method as each mine has a relatively thick ore bearing bed located at a relatively shallow depth. Open-pit mining method allows easy access to extraction areas and reduces operational risks associated with underground mining, and does not require any specialized machinery or supporting structures. In addition, due to the relatively rich mineral content and relatively simple processing requirements of the ore, the Group is able to separate iron concentrates and titanium concentrates simultaneously and efficiently through a single production process to lower production costs.

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To reduce downside revenue risks, the Group has entered into agreements with all of its customers of iron ore products in June 2009. The agreements set out the minimum pricing arrangements and off-take arrangements for iron ore products contracted for 2009 and 2010, respectively. The quantity and price arrangements set forth in the agreements with the customers provide the Group a basis upon which it has secured its production needs and minimum revenues for 2009 and 2010.

Chairman JIANG concluded, "Going forward, we aim to solidify China VTM's position as an industry leader in Sichuan Province, PRC. To this end, we will continue to increase iron ore reserves through expansion of the boundary of our current mining concessions, and through the acquisition of other mining sites. We will also build new iron concentrate and high-grade titanium concentrate production facilities to increase overall capacity while establishing new high titanium slag production lines to bring high value-added products onto the market. In addition, we have set our sights on switching our current medium-grade titanium concentrates to high-grade titanium concentrates to help boost overall sales and profitability. All of these strategies, together with the favourable industry dynamics will support our future strong growth potential. We are aiming to become a leading producer in the PRC's iron ore industry and committed to bringing the best returns to our shareholders."

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Issued by Porda International (Finance) PR Company Limited for and on behalf of **China Vanadium Titano-Magnetite Mining Company Limited**. For further information, please contact:

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Factsheet

Offering Summary:

Number of Offer Shares under the Global Offering	:	588,800,000 Shares Comprising 500,000,000 New Shares; and 88,800,000 Sale Shares) (subject to the Over-allotment Option)
Number of International Placing Shares	:	529,920,000 Shares (subject to adjustment and the Over-allotment Option)
Number of Hong Kong Offer Shares	:	58,880,000 Shares (subject to adjustment)
Offer Price	:	HK\$3.12 - HK\$3.86 per Offer Share
Board Lot	:	1,000 Shares
Subscription amount per lot	:	HK\$3,898.94
Public Offer Begins	:	9:00am, 24 September 2009 (Thursday)
Public Offer Ends	:	Noon, 29 September 2009 (Tuesday)
Expected Price Determination Date	:	30 September 2009 (Wednesday)
Announcement of Allotment Results	:	7 October 2009 (Wednesday)
Expected Listing Date	:	8 October 2009 (Thursday)
Stock Code	:	893

Use of Proceeds:

It is estimated that the aggregate net proceeds to the Company from the Global Offering (after deducting underwriting commissions and estimated expenses payable by the Company in the Global Offering, assuming the Over-allotment Option is not exercised, and an Offer Price of HK\$3.49 per share, being the mid-point of the Offer Price range of HK\$3.12 to HK\$3.86 per Share) will be approximately HK\$1,642.7 million. The Company intends to use the net proceeds for the following purposes:

	Amount (HK\$ million)	As a Percentage of Net Proceeds (%)
Expansion of mineral reserves		
• Acquisition or consolidation of other mines	1,018.4	62.0
• Expansion of mining boundaries	131.4	8.0
Expansion and construction of processing facilities		
• Construction of both a new iron concentrates production line with a planned annual production capacity of 300Kt and a new high-grade titanium concentrates production line with a planned annual production capacity of 60Kt	164.3	10.0
• Construction of titanium slag production lines	131.4	8.0
• Upgrade of the existing medium-grade titanium concentrates production lines to high-grade titanium concentrates production lines	65.8	4.0
Working capital	131.4	8.0



Track Record:

Set out below is the summary of the consolidated results of the Company for the financial years ended 31 December of 2006 to 2008 and six months ended 30 June of 2008 to 2009:

	For the year ended 31 December			For the six months ended 30 June	
	2006 RMB '000	2007 RMB '000	2008 RMB '000	2008 RMB '000 (Unaudited)	2009 RMB '000
Revenue	211,103	366,670	791,163	315,335	486,041
Gross Profit	110,973	178,901	427,041	178,284	209,503
Gross Profit Margin	52.6%	48.8%	54.0%	56.5%	43.1%
Total Comprehensive Income for the year/period attributable to owners of the Company	23,042	53,686	248,675	95,281	133,445
Net Profit Margin	10.9%	14.6%	31.4%	30.2%	27.5%

Profit forecast for the year ending 31 December 2009:

Forecast consolidated total comprehensive income attributable to the owners of the Company for the year ending 31 December 2009	Not less than RMB321.8 million (equivalent to approximately HK\$365.0 million)
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