

To: Financial Reporters

[Immediate Release]



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

***China VTM Mining planned to acquire the Maoling Mine and
the Yanglongshan Mine***

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Meet 2010 earning target notwithstanding severe drought in southwest region

[13 May 2010, Hong Kong] **China Vanadium Titano-Magnetite Mining Company Limited** (“China VTM Mining” or the “Company”, together with its subsidiaries, the “Group”; stock code: 00893.HK), the second largest operator and the largest non state-owned operator of iron ore mines in Sichuan Province, the PRC, announced that on 12 May 2010, the Group has agreed with Aba Mining Co., Ltd. (“Aba Mining”) to transfer the mining rights of Maoling mine to the Group, and entered into a memorandum of understanding with Aba Mining pursuant to grant the Company an option to acquire the exploration rights for a mine located at Yanglongshan in Wenchuan, Sichuan Province (the “Yanglongshan mine”).

Following the Sichuan earthquake in May 2008, Aba Mining plans to recommence its mining operations of the Maoling mine in the first quarter of 2011. The Company has agreed with Aba Mining that it shall proceed with the acquisition of the Maoling mine in accordance with the undertaking dated 17 June 2009 in relation to the transfer of the mining rights of Maoling mine to the Company, on the condition that Aba Mining obtains all necessary governmental approvals by the end of 2010 to recommence its mining operations of the Maoling mine.

The Group and Aba Mining has entered into a memorandum of understanding pursuant to which the parties shall enter into an option agreement to grant the Company an option to acquire the exploration rights for a mine of an area of 8.79 square kilometers located at Yanglongshan in Wenchuan, Sichuan Province which Aba Mining recently obtained. Aba Mining currently owns 75% interest of the exploration rights to the Yanglongshan mine, and the remaining 25% is owned by an independent third party.

On the same day, the Company also extended the option period in the option agreement dated 18 June 2009 between the Company and Panzhihua Jingzhi Mining Co., Ltd. in relation to the acquisition of the Xiaoheiqing Jingzhi mine by an additional year from 12 May 2010 to 11 May 2011.

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Commenting on the acquisition plan, Mr. Jiang Zhong Ping, Chairman of China VTM Mining said, "To accelerate our resource and production expansion plan and contribute to the business development of the Group effectively, acquisition is one of our major business strategies. Notwithstanding the recent severe drought in the southwest region in the PRC which affected the Group's iron concentrates production volume for the first 4 months ended 30 April 2010, we commenced iron concentrates production at the Hailong production facility and the Heigutianshe production facility in February 2010 and prices for our iron concentrates and iron pellets have increased from the 2010 minimum prices disclosed in the prospectus. We believe that the Group will be able to meet its earning target for 2010. Looking ahead, the Group will continue to seek potential mines and production facilities for acquisitions, expand production capacity, and enhance operating efficiency, striving to become the leader in the iron ore industry."

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About China Vanadium Titano-Magnetite Mining Company Limited

Listed on the main board of the Hong Kong Stock Exchange on 8 October 2009, China VTM Mining is the second largest operator and the largest non state-owned operator of iron ore mines in Sichuan Province. The Group is primarily engaged in mining, ore processing, iron pelletizing and the sale of iron concentrates, iron pellets, high-grade titanium concentrates and medium-grade titanium concentrates to steel producers and downstream users of titanium-related products. The Group owns and operates four vanadium-bearing titanomagnetite mines – the Baicao Mine, the Xiushuihe Mine, the Yangqueqing Mine and the Cizhuqing Mine, four production facilities, the Baicao Processing Plant, the Xiushuihe Processing Plant, the Hailong Production Facility and the Heigutianshe Production Facility and one Iron Pelletizing Plant, all located in Sichuan's Panxi region, a region with the most abundant vanadium-bearing titanomagnetite resources in the PRC.

More information please visit: <http://www.chinavtmmining.com>

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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