



CHINA VANADIUM TITANO-MAGNETITE MINING COMPANY LIMITED
中國鈦鈦磁鐵礦業有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

Stock Code 股份代號: 00893

2012 Interim Results Announcement

Orderly Expansion
for a Better Future

有序擴張 力拓商機

August 2012

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2012 Interim Results Overview



Financial Performance Overview



For the six months ended 30 June

	1H2012 (RMB mm)	1H2011 (RMB mm)	YoY (%)
Revenue	773.9	845.4	(8.5)
Gross profit	338.0	431.4	(21.7)
<i>Gross profit margin</i>	43.7%	51.0%	(7.3) pts
EBIT	293.5	376.9	(22.1)
EBITDA	362.0	432.8	(16.4)
Profit before tax	276.0	366.1	(24.6)
Profit and total comprehensive income for the period	200.2	303.7	(34.1)
Profit and total comprehensive income attributable to owners of the Company	197.1	300.6	(34.4)
<i>Net profit margin ⁽¹⁾</i>	25.5%	35.6%	(10.1) pts
	(RMB Yuan)	(RMB Yuan)	
Basic and diluted earnings per share ⁽²⁾	0.09	0.14	

(1) Net profit margin= Profit and total comprehensive income attributable to owners of the Company /Revenue.

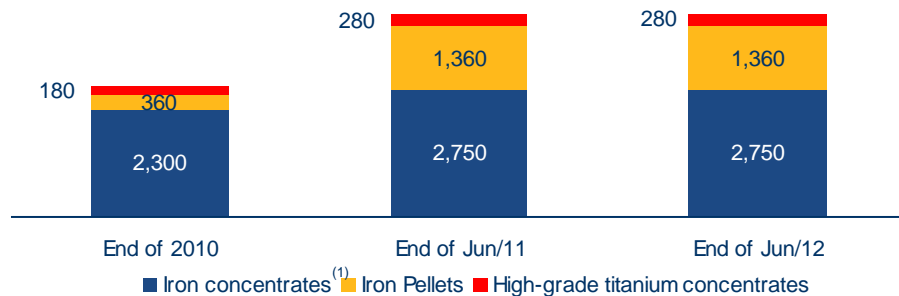
(2) Weighted average number of shares of 2,075,000,000 in issue during the period.

Operating Performance



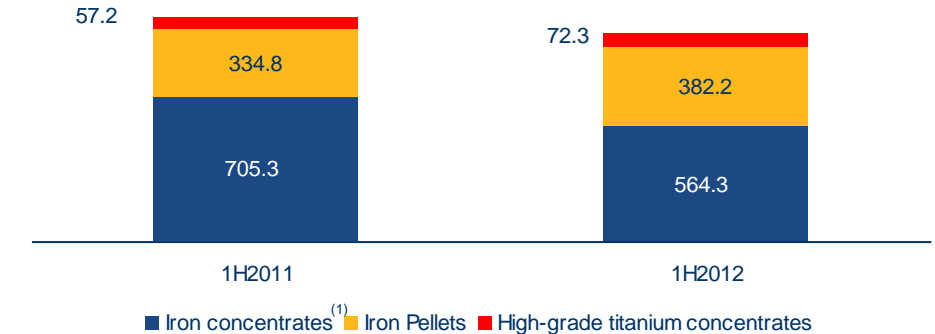
Self Annual Production Capacity

(ktpa)



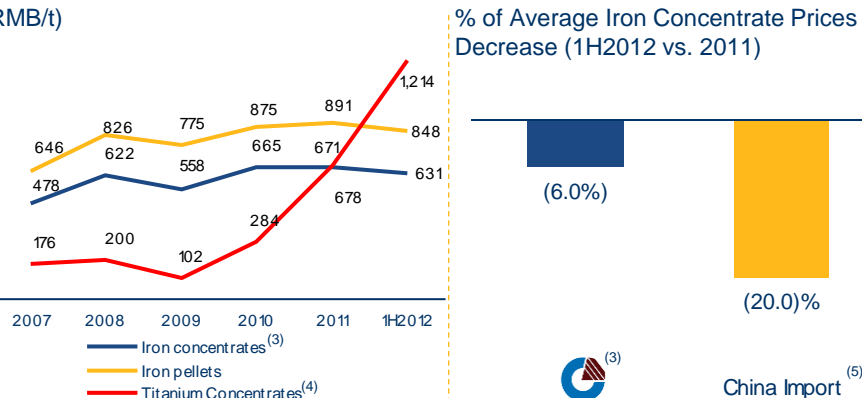
High-Grade Titanium Concentrates Sales Increased

(kt)



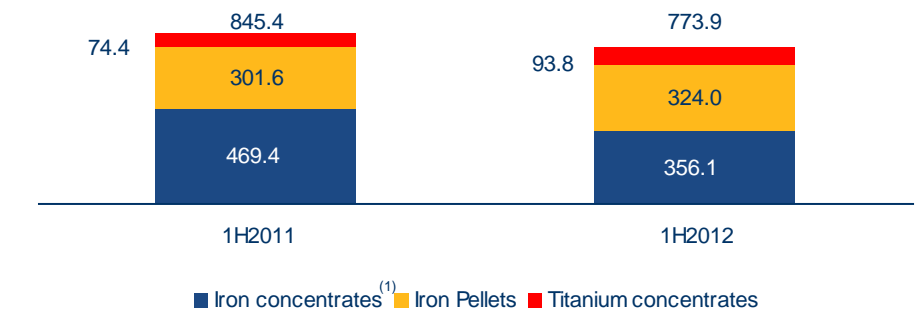
ASP ⁽²⁾ Driven by Increasing High-Grade Titanium Concentrates

(RMB/t)



Stable Total Revenue

(RMB mm)



High-Grade Titanium Concentrates Continue to be the Growth Factor.

Source: Company filings, bloomberg.

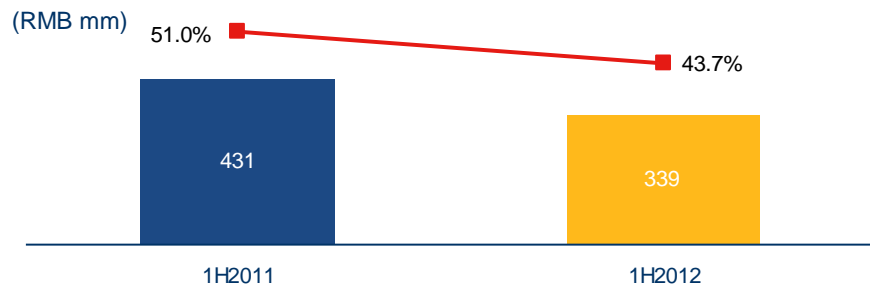
Note: Production and sales volume on dry basis. Production capacity on wet basis. Dry=90% wet

(1) Including vanadium-bearing iron concentrates and ordinary iron concentrates. (2) Total revenue of all products/total sales volume of all products. (3) Weighted average selling prices of vanadium-bearing iron concentrates and ordinary iron concentrates. (4) Weighted-average selling prices of medium-grade titanium concentrates and high-grade titanium concentrates. (5) China import iron ore fines 58% Fe spot (CFR Tianjin port).

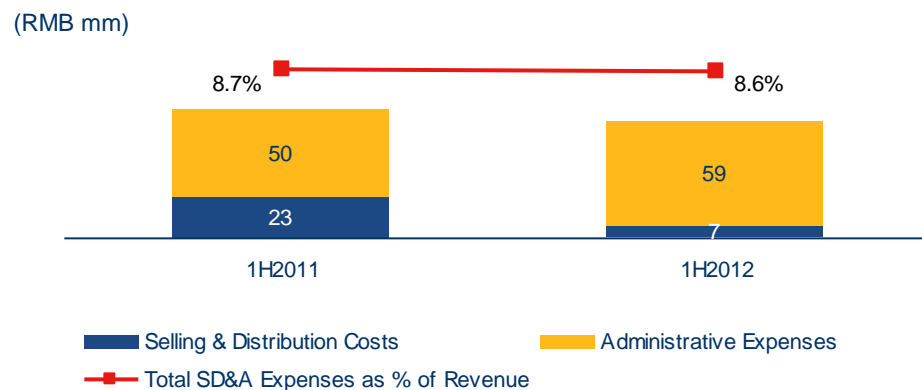


Cost and Margins

Gross Profit and Margin



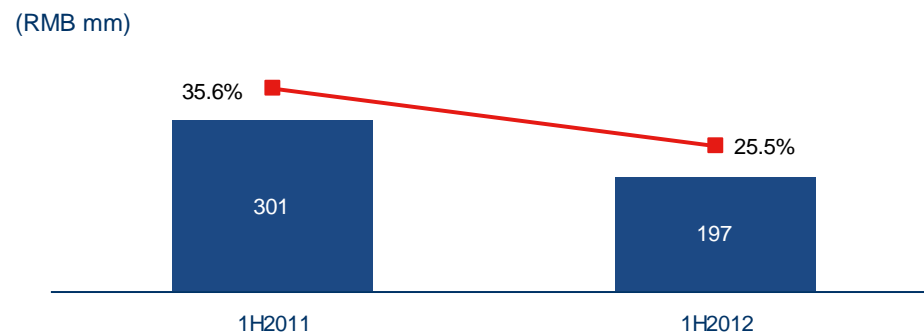
Selling & Distribution Costs and Administrative Expenses



Effective Tax Rate⁽¹⁾



Net Profit and Margin ⁽²⁾



Our costs and expenses are maintained within a stable range.

Source: Company filings.

(1) Effective tax rate = Income tax expense / Profit before tax.

(2) Net profit margin = Profit and total comprehensive income attributable to owners of the Company / Revenue.



Maintained Low Leverage

Net Debt/Total Capitalisation ⁽¹⁾



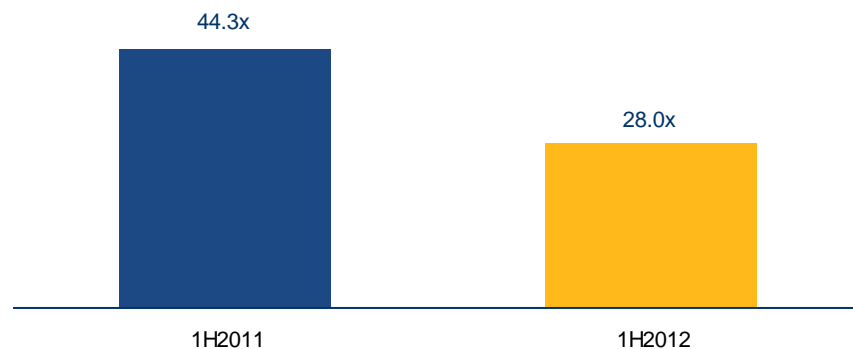
Total Debt/Total Capitalisation ⁽¹⁾



Total Debt/EBITDA



EBITDA/Interest Expenses ⁽²⁾



We are in a net cash position and ready for development of existing projects and further acquisition opportunities.

Source: Company filings.

(1) Total Capitalisation = Total Debt + Total Equity. (2) Interest expenses include interest on bank and other loans wholly repayable within five years.



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Industry and Business Update

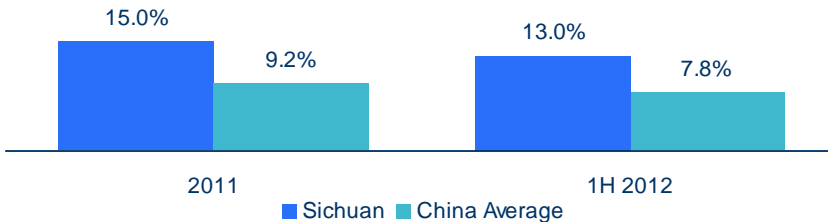
Industry Update-Steel and Iron Ore Industry



Strong Economic Growth Supported by Favorable Policies

- In midst of the gloomy global economic environment, the Chinese government has issued various policies to stimulate the country's domestic development in particular the western part of China
- In 2012, the western development has entered its twelfth year. Economy of southwest China has been developing rapidly with growth in both GDP and value-added industrial output exceeding the national averages

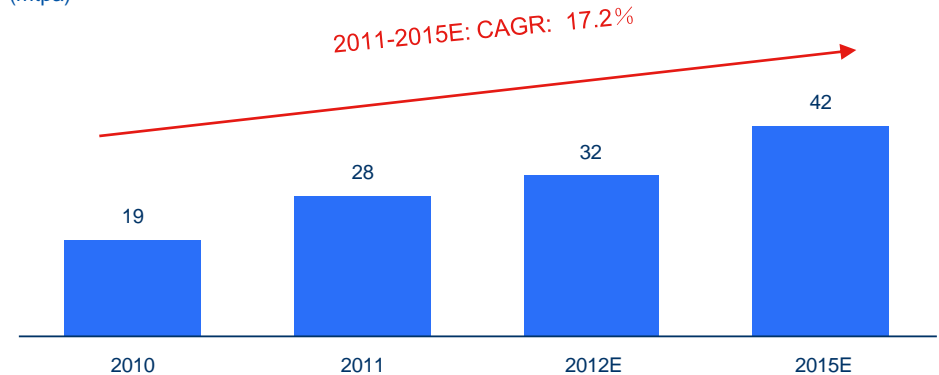
GDP Growth (%)



- Infrastructure construction will be the key focus in 2012, which included speeding up
 - Construction of Chengdu-Chongqing high-speed railway
 - Commencing of Xi'an-Chengdu high-speed railway
 - Chengdu-Guiyan high-speed railway, etc
- With these favourable policies, steel consumption in western China is expected to grow further. Thus, it will provide more business opportunities for the steel enterprises in the future while benefiting the upstream mining companies within the region

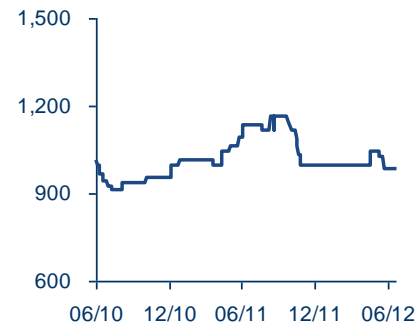
Pig Iron Outlook of Sichuan and Chongqing

(mtpa)

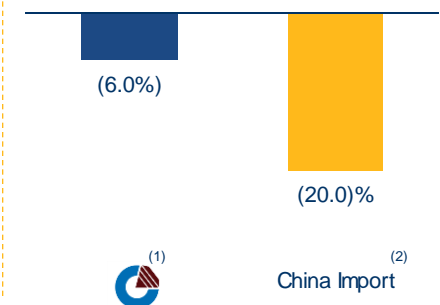


Sichuan Iron Ore Price

(RMB/t, 65% concentrate adjusted)



% of Average Iron Concentrate Prices Decrease (1H2012 vs. 2012)



Source: Company filings, Shanxi Feiwei, National Bureau of Statistics and Bloomberg.

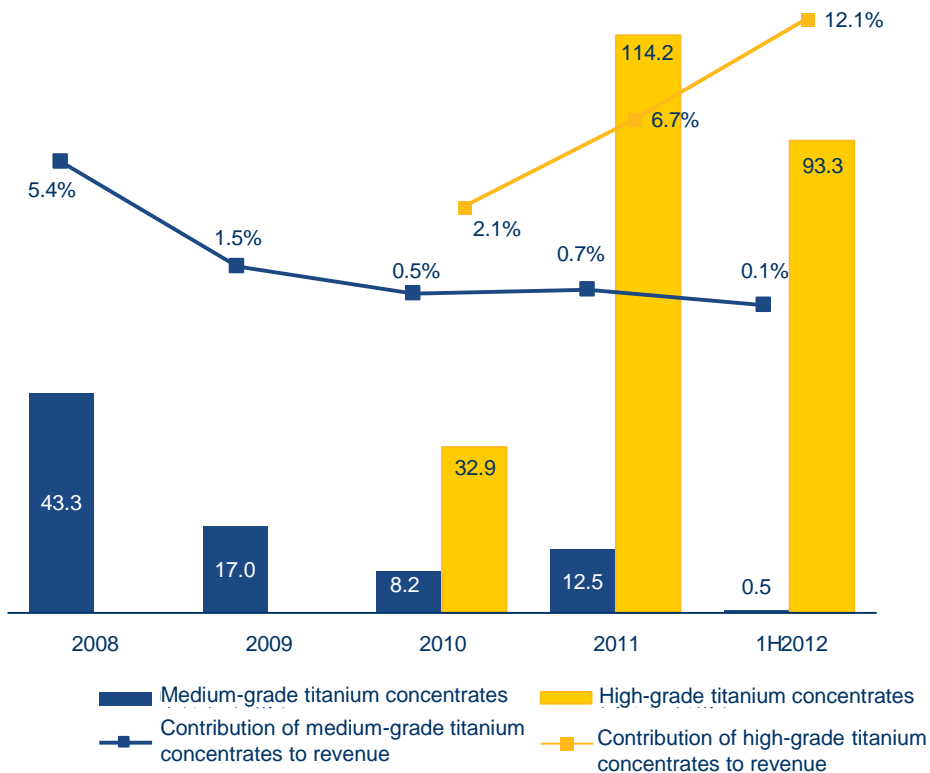
Note: (1) Weighted average selling prices of vanadium-bearing iron concentrates and ordinary iron concentrates. (2) China import iron ore fines 58% Fe spot (CFR Tianjin port).



Industry Update—High Value of Titanium Concentrates

Contribution of Titanium Concentrates to Revenue

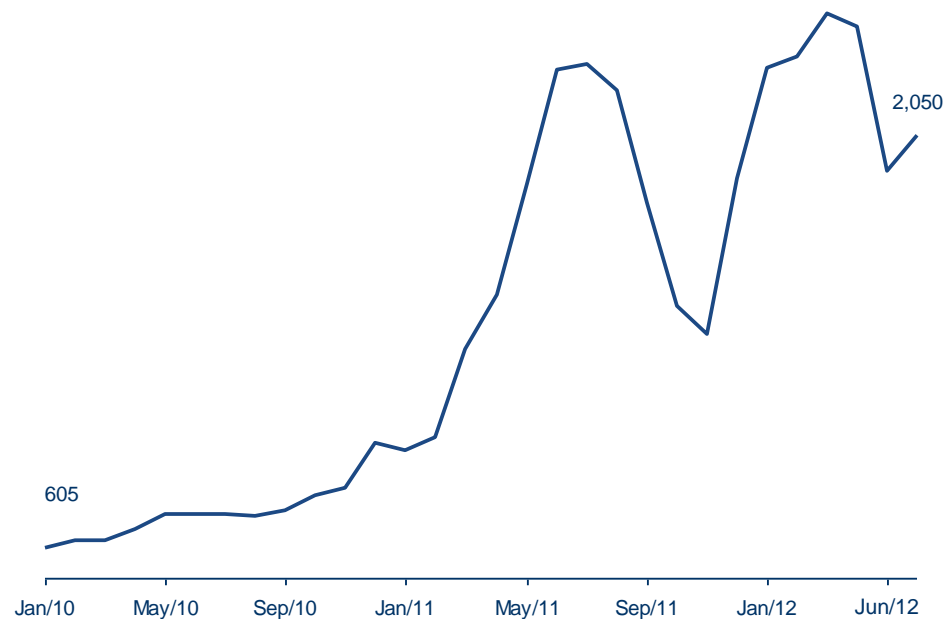
(RMB mm)



Source: Company filings.

Price Trend of High-grad Titanium Concentrates in Sichuan (1)

(RMB/t)



Source: Jinqiu Caizhi Consulting (Beijing) Co., Ltd.
(1) Dry base packaging, $TiO_2 > 47\%$, not including tax.

Because of the three-in-one characteristic of our vanadium titanio magnetite, the value of titanium concentrates is the added value during processing.

Major Business Development



Increase resource quantity and production capacity through organic growth, acquisition and cooperation

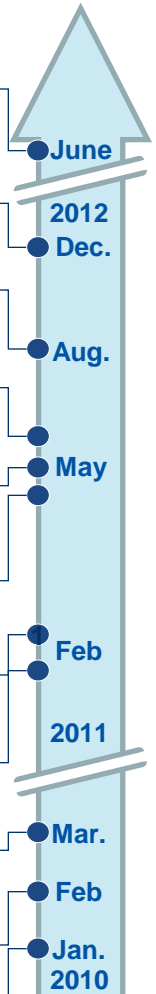


XSH: Xiushuihe, YQQ: Yangqueqing, CZQ: Cizhuqing, ML: Maoling, YLS: Yanglongshan, HL: Hailong, HGT: Heigutian, PC: Pingchuan, HBD: Haibaodang, DSS: Dashangshu

Source: Company filing. (1) including expansion

★ Acquisition ★ Capacity Expansion

★ 8	1H2012 Obtain China Standard Reserves Report: ML Expansion and YLS	ML ⁽¹⁾ : 333+: 47.8mt, average iron grade 24.3% YLS: 333+: 22.5mt, average iron grade 21.6%
★ 10	Dec, 2011: Entered into an acquisition agreement to acquire Panzhihua Yixingda (which owns the exploration right of Haibaodang mine) at a minimum of RMB600.0 mm	Haibaodang mine: Resources at least 100.0mt at average grade 15.0% or above
★ 9	Aug 2011: Entered into an agreement to establish JV to develop the DSS section (Pingchuan)	Dashanshu section of Pingchuan mine: Resources of at least 50.0mt at 10.0%-18.0%
★ 8	May 2011: Acquisition of Aba Mining at RMB150.0 mm	ML ⁽¹⁾ : Resources 40.6mt, average grade 25.7%, capacity 150.0ktpa YLS: Resources 20.2mt, average grade 20.0%, planned capacity 100.0ktpa
★	May 2011: Completed new iron pelletising plant phase I	~5.5km from XSH mine; new capacity: 1,000.0ktpa
★ 6	May 2011: Offshore strategic resources in Indonesia	Tapped into offshore strategic resources in Indonesia through the exchangeable note to secure stable supply of vanadium-bearing iron concentrates extend our business to eastern coastal area of the PRC
★ 5	Feb. 2011: Completion of Baicao new production line	Increased capacity: 40.0ktpa of high-grade titanium concentrates
★ 4	Feb. 2011: Completion of XSH new processing plant	Increased capacity: 300ktpa (iron concentrates); 60ktpa (high-grade titanium concentrates)
★ 3	March 2010: Acquisition of HGT processing plant at RMB550 mm	Increased capacity: 800 ktpa (iron concentrates); 120ktpa (high-grade titanium concentrates)
★ 2	Feb. 2010: Acquisition of CZQ Mine and HL processing plant at RMB310 mm	Increased area of 2.3 sq. km and resources of 25.57mt at 21.4% Increased capacity of 300ktpa
★ 1	Jan. 2010: Acquisition of YQQ Mine at RMB200 mm	Increased area of 0.25 sq. km and resources of 21.18mt at 25.1%

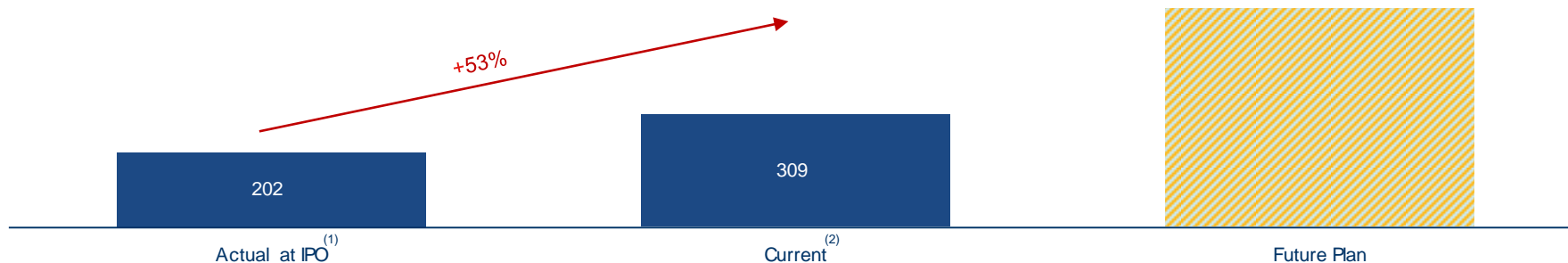




Continuous Growth of Resource Quantity and Productivity after IPO

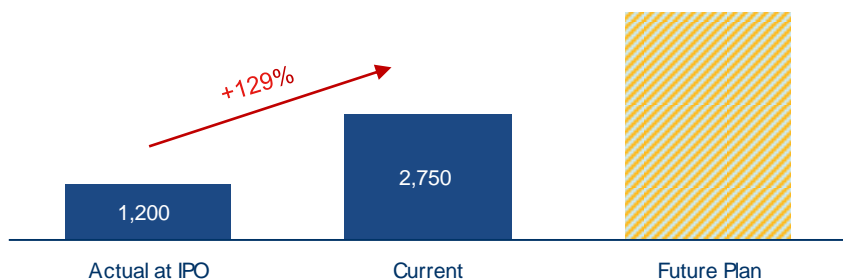
Substantial Growth of Resource Quantity

(mmt)



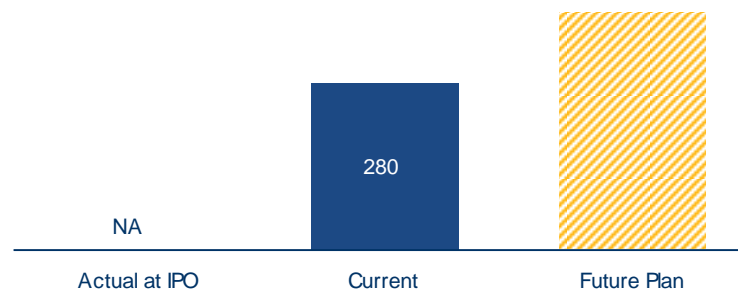
Marked Expansion of Iron Concentrates⁽³⁾ Productivity

(ktpa)



Continuous Growth of High-grade Titanium Concentrates

(ktpa)



Our resource quantity and productivity continue to grow. We will keep a robust growth momentum in the future.

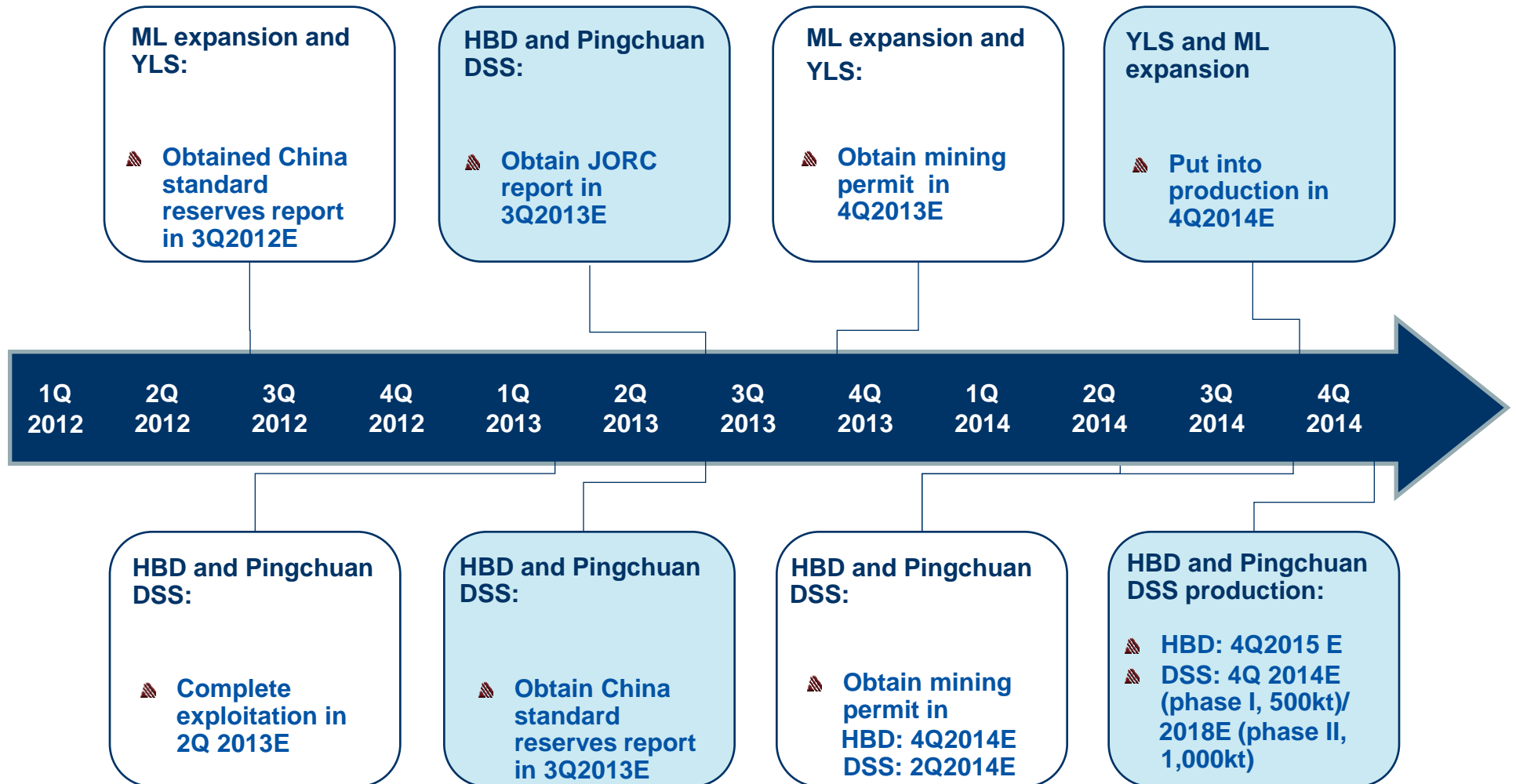
Source: Company filings.

Note: (1) Resources of Baicao and XSH (including XSH expansion) as of 01/01/2012.

(2) Total resources as of 01/01/2012 (YQQ expansion, HBD and DSS not included).

(3) Including vanadium-bearing iron concentrates and ordinary iron concentrates. Wet basis.

Recent Development and Future Plan of New Mines and Processing Plants





Thanks !

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