

**FOR IMMEDIATE RELEASE****China Vanadium Titano-Magnetite Mining Company Limited**  
**中國鈦鈦磁鐵礦業有限公司****China VTM Announces 2014 Interim Results**

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***Overcoming Challenges Through a Firm Foundation***

**Hong Kong, 25 August 2014 – China Vanadium Titano-Magnetite Mining Company Limited** (“China VTM” or the “Company”, together with its subsidiaries, the “Group”) (stock code: 00893.HK), today announced its unaudited interim results for the six months ended 30 June 2014 (the “Reporting Period”).

During the Reporting Period, due to the severe unfavourable downstream market and the production reduction of steel companies within the Panxi region, Sichuan province, the Group’s operation has been substantially affected both in terms of sales volume and selling prices. Production of the Group’s iron pelletising plant continued to be suspended during the Reporting Period and hence, a significant suspension expense and an impairment loss on property, plant and equipment were incurred which have adversely affected the Group’s results.

The Group’s revenue significantly decreased by 54.1% to approximately RMB383.9 million as compared to the corresponding period of last year. Gross profit also significantly decreased by 94.7% to approximately RMB17.4 million as compared to the corresponding period of last year. The loss and total comprehensive loss attributable to owners of the Company was approximately RMB129.0 million. The basic and diluted loss per share attributable to ordinary equity holders of the Company amounted to approximately RMB6 cents. The board of directors (the “Board”) of the Company does not recommend the payment of an interim dividend for the Reporting Period.

During the Reporting Period, the Group strived to explore different market opportunities and diversify its resources and reserves. On 22 May 2014, the Company via its indirect wholly-owned subsidiary, entered into an equity transfer agreement to acquire a 51% equity interest of the Sichuan Haoyuan New Materials Co., Ltd. (四川省浩遠新材料有限公司) (“Sichuan Haoyuan”). Sichuan Haoyuan, through its wholly-owned subsidiary, currently holds the mining permit of a shigou gypsum mine with an annual capacity of 300.0 Kt of gypsum raw ore. It enables the Group to extend its business into gypsum mine resources and reserves, an area previously outside its scope of operation. Gypsum is a material which is widely used for construction, industrial and medical purposes. The potential gypsum resources in the shigou gypsum mine can also help to enhance the Group’s revenue and investment return potential.

Commenting on the business outlook, **Mr. Jiang Zhong Ping, Chairman of China VTM** said, “We expect the market environment to remain challenging in the near future. Thus, we are strategically adjusting our production volume as the market prices of our products have yet to recover. On the other hand, we have formulated medium-to-long term strategies which focus on identifying new opportunities and further enhancing our competitive position building on our own strong business foundation”.

Looking ahead, while the management is wary of the Group’s short-term development, riding on the Chinese government’s measures to limit production capacity as well as the development of the Western China and the country’s ongoing infrastructure investment, the Group remains cautiously optimistic about its ability to achieve long-term business growth. The Group therefore intends to grasp new opportunities and continue to bolster its resources and reserves in a sustainable manner as it strives to achieve satisfactory results in the coming financial periods.

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#### **About China VTM**

China VTM has been listed on the main board of The Stock Exchange of Hong Kong Limited since 8 October 2009. The Group is primarily engaged in mining, ore processing, iron pelletising and the sale of iron concentrates, iron pellets and titanium concentrates to steel producers and downstream users of titanium-related products within Sichuan province. The Group currently owns four vanadium-bearing titano-magnetite mines (namely the Baicao mine, the Xiushuihe mine, the Yangqueqing mine and the Cizhuqing mine), and one ordinary iron ore mine (namely the Maoling-Yanglongshan mine), five processing plants (namely the Baicao processing plant, the Xiushuihe processing plant, the Hailong processing plant, the Heigutian processing plant and the Maoling processing plant) and one iron pelletising plant. All mines are located in Sichuan province, a region with the most abundant vanadium-bearing titano-magnetite resources in China. As at the date of this press release, the Group’s annual self-production capacity (on a wet basis) of vanadium-bearing iron concentrates, ordinary iron concentrates, iron pellets and high-grade titanium concentrates amounted to 2,600 Ktpa, 150 Ktpa, 1,000 Ktpa and 280 Ktpa, respectively.

For more information, please visit: <http://www.chinavtmmining.com>.

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