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## **China Vanadium Titano-Magnetite Mining Company Limited**

**中國鈦磁鐵礦業有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 00893)

### **PROFIT WARNING**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors of the Company that, as disclosed in the 2014 interim report of the Company, the loss and total comprehensive loss attributable to owners of the Company for the six months ended 30 June 2014 was approximately RMB129.0 million and the market prices of iron ore products continue to fall in the 2<sup>nd</sup> half of 2014, the Group hence expects to record a loss and total comprehensive loss attributable to owners of the Company of no more than approximately RMB300.0 million for the year ending 31 December 2014 based on the initial assessment of the Group's unaudited management accounts, as compared with the profit and total comprehensive income attributable to owners of the Company of approximately RMB179.1 million recorded for the corresponding period in 2013.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made by China Vanadium Titano-Magnetite Mining Company Limited (the “**Company**” together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the “**SFO**”).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company that, as disclosed in the 2014 interim report of the Company, the loss and total comprehensive loss attributable to owners of the Company for the six months ended 30 June 2014 was approximately RMB129.0 million and the market prices of iron ore products continue to fall in the 2<sup>nd</sup> half of 2014, the Group hence expects to record a loss and total comprehensive loss attributable to owners of the Company of no more than approximately RMB300.0 million for the year ending 31 December 2014 based on the initial assessment of the Group’s unaudited management accounts, as compared with the profit and total comprehensive income attributable to owners of the Company of approximately RMB179.1 million recorded for the corresponding period in 2013. The loss is mainly attributable to:

- (i) the recognition of an impairment loss on property, plant and equipment of the new iron pelletising plant;
- (ii) the decrease in sales volume and market prices of the Group’s products as a result of the decrease in market demand. Such decrease in market demand is mainly due to the severe unfavourable downstream market and production reduction of steel companies within the region, which lead to the Group’s periodic production suspension and adversely affect the performance of the Group; and
- (iii) the increase in unit cost of sales of the Group’s products as a result of the decrease in production volume, as compared with that for the corresponding period in 2013.

The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the information currently available including the latest unaudited management accounts of the Group, which have not been audited or reviewed by the Company’s auditors. As at the date of this announcement, the Group’s consolidated results for the year ending 31 December 2014 have not yet been finalised, and are subject to necessary adjustments. Further details of the Group’s financial information will be disclosed as and when the audited annual results of the Group for the year ending 31 December 2014 are announced in late March 2015.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**China Vanadium Titano-Magnetite Mining Company Limited**  
**Jiang Zhong Ping**  
*Chairman*

Hong Kong, 28 November 2014

*As at the date of this announcement, the Board comprises Mr. Jiang Zhong Ping, Mr. Tang Wei and Mr. Roy Kong Chi Mo as executive directors; Mr. Teo Cheng Kwee and Mr. Yu Xing Yuan as non-executive directors; and Mr. Yu Haizong, Mr. Liu Yi and Mr. Wu Wen as independent non-executive directors.*

*Website: [www.chinavtmmining.com](http://www.chinavtmmining.com)*