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

**中國鈮鈦磁鐵礦業有限公司**

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

**(Stock Code: 00893)**

## **INSIDE INFORMATION**

### **INTERNAL REORGANISATION OF BUSINESS OPERATIONS**

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(2)(a) 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 of the Laws of Hong Kong).

#### **BACKGROUND AND RATIONALE**

The Group is principally engaged in mining and ore processing, sale of self-produced products, trading of steels and management of strategic investments. The existing mining facilities management (“**Mining FM**”) has been carried by the operational team of the Maoling-Yanglongshan Mine, which is also responsible for general management of the upstream mining operations.

To improve the operational efficiencies of the Group’s existing Mining FM, sharpen its focus towards developing environmentally responsible practices and align the standard of Mining FM with industry recommended practices while the Chinese Government continues to uphold efforts for sustainable mining development under the related compliance guidelines, the Group intends to segregate the Mining FM activities from its upstream mining operations, to the effect that the Group will consolidate and place all the Mining FM activities as a standalone business unit which is to be managed under a newly incorporated wholly-owned subsidiary of the Company (the “**Internal Reorganisation**”).

The Internal Reorganisation, as part of the Group’s regular operational review, aims to:

- (i) enable the coordinated efforts in strengthening the operational system capability of a specialised facilities management team for, among others, mine planning, mine restoration, energy and equipment optimisation, emission control, tailings management, mine site cleaning, security services and routine grounds maintenance;

- (ii) facilitate the decision-making process on implementation of the fast-changing compliance policies within the industry, allocation of relevant management resources for the Mining FM and integration of the value chain of the Mining FM with that of the upstream mining operations; and
- (iii) potentially, allow diversification of such expertise beyond mining industry should opportunities arise for the Group to generate additional revenue stream as facilities management continue to hold an increasingly important and integral role in other industries and sectors, which is thus relevant for the Group to progressively expand the level of such relevant expertise and equip with required skilled personnel and technological support that the Group could also potentially manage the entire value chain of the facilities management operations more efficiently under the newly incorporated subsidiary.

Given the above-mentioned, the Board is of the view that the Internal Reorganisation is in the interests of the Company and its shareholders.

## **IMPLEMENTATION**

To facilitate the Internal Reorganisation, the Company has incorporated a wholly-owned subsidiary, Sichuan Lingwei Property Services Ltd.\* (四川省凌威物業服務有限公司)(the “**New Subsidiary**”), principally engaging in providing facilities management services for the Group’s mining operations, including its processing plant located in the Aba Prefecture, Sichuan Province\* (阿壩州，四川省).

The incorporation of the New Subsidiary and its operations will be financed by the Group’s internal resources.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company as there is no certainty that the Internal Reorganisation will generate the operational or economic outcomes in accordance with the plans which the Group has laid out for implementation.**

\* *For identification purpose only*

By order of the Board  
**China Vanadium Titano-Magnetite Mining Company Limited**  
**Teh Wing Kwan**  
*Chairman*

Hong Kong, 22 December 2021

*As at the date of this announcement, the Board comprises Mr. Teh Wing Kwan (Chairman) as non-executive Director, Mr. Jiang Zhong Ping (Chief Executive Officer), Mr. Hao Xiemin (Financial Controller) and Mr. Wang Hu as 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)*