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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: 893

EXERCISE OF OVER-ALLOTMENT OPTION ANNOUNCEMENT

The Company announces that the Over-allotment Option referred to in the Prospectus has been fully exercised by the Sole Global Coordinator on behalf of the International Underwriters on October 27, 2009 in respect of an aggregate of 88,320,000 Shares (the “**Over-allotment Shares**”), representing 15% of the Offer Shares initially offered under the Global Offering before any exercise of the Over-allotment Option. The Over-allotment Shares will be used solely to cover over-allocations in the International Placing.

75,000,000 Shares will be issued and allotted by the Company (the “**Over-allotment New Shares**”) and 13,320,000 Shares will be sold by the Selling Shareholder at HK\$3.50 per Share (excluding brokerage fee of 1%, SFC transaction levy of 0.004% and the Stock Exchange trading fee of 0.005%), being the Offer Price per Share in connection with the Global Offering.

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The Over-allotment Shares will be used solely to cover over-allocations in the International Placing. Immediately after the issue and allotment of the Over-allotment Shares by the Company, approximately 32.63% of the issued share capital of the Company will be held by the public.

Listing of and permission to deal in the Over-allotment Shares have already been granted by the Listing Committee of the Stock Exchange. Listing of and dealing in such Over-allotment Shares are expected to commence on the Main Board of the Stock Exchange at 9:30 a.m. on November 5, 2009.

The shareholding structure of the Company immediately before and immediately after the issue and allotment of the Over-allotment Shares by the Company are as follows:

| Name | Immediately before the issue of the Over-allotment Shares | | Immediately after the issue of the Over-allotment Shares | |
|---------------------------------------|---|---|--|---|
| | Number of Shares | Approximate % of issued share capital | Number of Shares | Approximate % of issued share capital |
| Trisonic International ⁽¹⁾ | 1,193,400,000 | 59.67% | 1,193,400,000 | 57.51% |
| Green Globe ⁽²⁾ | 217,800,000 | 10.89% | 204,480,000 | 9.86% |
| Public | 588,800,000 | 29.44% | 677,120,000 | 32.63% |
| Total | <u>2,000,000,000</u> | <u>100.00%</u> | <u>2,075,000,000</u> | <u>100.00%</u> |

(1) As at the date of this Announcement, Trisonic International was 3.0% owned by Mr. LI Hesheng, 6.0% owned by Mr. WU Wendong, 6.0% owned by Mr. YANG Xianlu, 30.6% owned by Mr. WANG Jin, 40.0% owned by Kingston Grand, 7.2% owned by Mr. SHI Yinjun and 7.2% owned by Mr. ZHANG Yuangui.

(2) As at the date of this Announcement, Green Globe was a wholly owned subsidiary of AL Safat Asia Resources I Limited.

The net proceeds received by the Company from the Global Offering before the issue of the Over-allotment New Shares are approximately HK\$1,647.5 million. The additional net proceeds to be received by the Company upon issue and allotment of the Over-allotment New Shares are estimated to be approximately HK\$253.3 million. Please refer to the section “Future Plans and Use of Proceeds — Use of Proceeds” in the Prospectus for information on the intended use of proceeds.

The Company continues to comply with the public float requirements under Rule 8.08(1)(a) of the Listing Rules. No new Shares or securities convertible into equity securities of the Company may be issued within six months from the Listing Date save for the situations set out in Rule 10.08 of the Listing Rules.

By Order of the Board
China Vanadium Titano-Magnetite Mining Company Limited
Jiang Zhongping
Chairman

China, October 28, 2009

As at the date of this announcement, the executive Directors of the Company are Messrs Jiang Zhongping, Liu Feng, Wang Yunjian and Yu Xingyuan. The non-executive Directors of the Company are Messrs Wang Jin, Zhu Xiaolin, Teo Cheng Kwee and Devlin Paul Jason. The independent non-executive Directors of the Company are Messrs Yu Haizong, Gu Peidong, Liu Yi and Wu Wei.