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Sanmenxia Tianyuan Aluminum Company Limited*

三門峽天元鋁業股份有限公司

(A joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 8253)

**UPDATES ON WINDING-UP PETITION,
UPDATES ON CIVIL ACTION,
DISCHARGE OF ASSET ACQUISITION AGREEMENT
AND
TEMPORARY SUSPENSION IN PRODUCTION**

UPDATES ON WINDING-UP PETITION

Reference is made to the announcements of the Company in relation to the Winding-up Petition dated 18 April 2012 (the “April Announcement”), 24 July 2012 and 9 August 2012 respectively. Unless otherwise stated herein, capitalised term defined in the April Announcement shall have the same meaning when used in this announcement.

The Company and the Petitioners have settled the Petitioners’ claim pursuant to the settlement agreement dated 3 July 2012 and agreed that the Winding-up Petition should be dismissed.

On 27 September 2012, the Company received another winding-up petition (the “Second Winding-up Petition”) by Fujian Quanzhou Wangou Development Company Ltd (福建省泉州萬國發展有限公司) (“Quanzhou Wangou”) to the High Court of Hong Kong against the Company. The Second Winding-up Petition relates to an alleged sum of RMB67,564,168.75 for the outstanding balance due by the Company to Quanzhou Wangou under a sales contract for aluminum ingots entered into between the Company and Quanzhou Wangou in 2011.

On 12 November 2012, at the hearing in relation to the dismissal of the Winding-up Petition, Quanzhou Wangou was allowed to substitute the Petitioners as the petitioner in the Winding-up Petition upon its undertaking, among other things, to withdraw the Second Winding-up Petition. On 5 December 2012, the Second Winding-up Petition was withdrawn. The hearing of the Winding-up Petition was adjourned to 7 January 2013.

On 6 January 2013, a settlement agreement (the “Quanzhou Wangou Settlement Agreement”) was reached between the Company and Quanzhou Wangou. Pursuant to the Quanzhou Wangou Settlement Agreement, among other things, the Company shall pay an agreed total amount of RMB39,080,000 to Quanzhou Wangou by instalments by May 2013, and the Winding-up Petition shall be withdrawn after the Company pays the said total amount in full.

On 7 January 2013, the Winding-up Petition was adjourned to 10 June 2013.

UPDATES ON CIVIL ACTION

Reference is made to the announcement of the Company in relation to the Civil Action dated 9 August 2012 (the “August Announcement”). Unless otherwise stated herein, capitalised term defined in the August Announcement shall have the same meaning when used in this section headed “Updates on Civil Action”.

On 25 December 2012, a mediation certificate was issued by the Court, pursuant to which, among other things, the Company shall pay an agreed total amount of RMB129,139,986 to Zhejiang Zhongda by instalments by December 2013. Accordingly, the Civil Action was settled.

DISCHARGE OF ASSET ACQUISITION AGREEMENT

Reference is made to the announcement and the circular of the Company (the “Circular”) dated 4 June 2010 and 28 June 2010, respectively, in relation to the acquisition of the Assets. Unless otherwise stated herein, capitalised term defined in the Circular shall have the same meaning when used in this section headed “Discharge of Asset Acquisition Agreement”.

Following completion of the Asset Acquisition Agreement, title of certain Assets had not been transferred to the Company in accordance with the Asset Acquisition Agreement. In September 2012, under the petition of the Company, the Intermediate People’s Court of Sanmenxia City of Henan Province (河南省三門峽市中級人民法院) ordered that the Asset Acquisition Agreement shall be discharged. Pursuant to the court order, the Company had returned the Assets to Mianchi Tianrui and Mianchi Tianrui had refunded the sum of approximately RMB460 million to the Company, being the total amount Mianchi Tianrui received from the Company under the Asset Acquisition Agreement.

TEMPORARY SUSPENSION IN PRODUCTION

Given continues increase in production costs and fluctuation and decline in the price of electrolytic aluminum, with a view to avoiding the gross loss situation in production, the Company has temporarily suspended its production in November 2012. The Company has formulated a plan to commence preparation work in March 2013 for resuming production in about the second quarter of 2013.

Further announcements relating to the above matters will be made by the Company as and when appropriate or as required by the applicable rules and regulations.

Trading in the H shares of the Company on the Stock Exchange was suspended from 9:00 a.m. on 30 March 2012, and will remain suspended until further notice.

By order of the Board
Sanmenxia Tianyuan Aluminum Company Limited*
Li Zhi Yuan
Chairman

Henan Province, the PRC, 28 January 2013

* *for identification purposes only*

As at the date of this announcement, the Directors are as follows:

Executive Director:

Mr. Li Zhi Yuan (*Chairman of the Company*)

Non-executive Directors:

Mr. Yan Li Qi

Mr. Ma Yong Zheng

Independent Non-executive Director:

Mr. Chan Nap Tuck

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page on the GEM website at www.hkgem.com for at least 7 days from the day of its posting and on the Company’s website at www.styal.com.cn.