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China Vanadium Titano-Magnetite Mining Company Limited
中國釩鈦磁鐵礦業有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00893)

DISCLOSEABLE TRANSACTION
UPGRADE AND EXPANSION OF CAPACITY FOR MAOLING-YANGLONGSHAN MINE

CONSTRUCTION CONTRACT

The Board would like to announce that on 30 September 2025, Aba Mining, an indirect wholly-owned subsidiary of the Company, entered into the Construction Contract with the Contractor, pursuant to which the Contractor shall provide services in relation to the construction and engineering works for the Mining Site Upgrade and Capacity Expansion for the Contract Sum of RMB34,000,000 subject to the terms and conditions of the Construction Contract.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the Construction Contract exceed(s) 5% but is/are less than 25%, the entering into of the Construction Contract constitutes a discloseable transaction of the Company and is only subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board would like to announce that on 30 September 2025, Aba Mining, an indirect wholly-owned subsidiary of the Company, entered into the Construction Contract with the Contractor, pursuant to which the Contractor shall provide services in relation to the construction and engineering works for the Mining Site Upgrade and Capacity Expansion for the Contract Sum of RMB34,000,000 subject to the terms and conditions of the Construction Contract.

PERTINENT TERMS OF THE CONSTRUCTION CONTRACT

Date : 30 September 2025

Parties : (1) Aba Mining as the principal; and

(2) Zhejiang Zhongxiang Construction Group Co., Ltd.* （浙江中巷建工集團有限公司）as the Contractor.

Subject matter : Under the Construction Contract, the Contractor shall be responsible for the construction and engineering works in relation to the Mining Site Upgrade and Capacity Expansion in order to modernise mining operations, ensure operational continuity and improve overall operational efficiency and safety, which include (i) development of underground tunnels, extraction tunnels and air shafts together with the provision and installation of supporting mining machinery and ancillary systems for maintenance, water, power and gas supply, (ii) excavation, electromechanical works, ventilation, including logistic and transportation, (iii) construction of retaining walls in accordance with backfilling requirements and upgrading of existing tunnels in accordance with design specifications. Unless otherwise agreed, the Contractor shall not take more than 15 months to complete the construction and engineering works contemplated under the Construction Contract (the "**Construction Period**") in accordance with the terms and conditions thereof.

Consideration : The consideration (the "**Contract Sum**") payable by Aba Mining to the Contractor under the Construction Contract shall be up to RMB34,000,000, subject to adjustments as may be mutually agreed between the Parties in accordance with the Construction Contract. This amount covers the construction and related costs, including the Contractor's fees, labour costs, construction equipment costs, material costs, and other costs specified in the Construction Contract. For the avoidance of doubt, adjustments that may be made to the Contract Sum under the Construction Contract are customary adjustments for a construction contract to address, inter alia, additional costs as may be incurred by the Contractor due to variation orders or additional responsibilities as required by Aba Mining, and possible fluctuations in purchase prices of certain raw materials. As at the date of the Construction Contract, the Board does not expect adjustments to the Contract Sum, if any, to be material, which will result in any significant change in the classification of the transactions contemplated under the Construction Contract under Chapter 14 of the Listing Rules.

The Contract Sum has been determined after arm's length negotiations with the Contractor (i) with reference to "Budget Quota for Underground Works of Metallurgical Mines (2010)"《冶金礦山井巷工程預算定額》(2010) and its accompanying "Quota for Construction and Installation Costs of Metallurgical Mine Projects and Quota for Other Construction Costs of Engineering Projects."《冶金礦山建安工程費用定額、工程建設其他費用定額》; and (ii) having considered the technical capabilities, track records, experience, competency and construction qualifications of the Contractor.

The Contract Sum will be funded by the internal resources of the Group.

Payment terms : The Contract Sum shall be paid by Aba Mining to the Contractor in the following manner, among others:

(i) **Progress payments**: 70% of the value of work completed and certified by qualified supervising mining engineers, shall be payable to the Contractor on a monthly basis, with payment to be made by the 25th day of the following month;

(ii) **Final payment**: an aggregate of 95% of the Contract Sum shall be payable to the Contractor upon (i) confirming completion of the works in accordance with the Construction Contract; and (ii) the audit of the final settlement amount;

(iii) **Retention payment**: 5% of the Contract Sum to be withheld to ensure due performance of the Contractor's obligations under the Construction Contract, and shall only be released within one year from the date of completion provided that all the defects, if any, have been made good and obligations of the Contractor have satisfactorily been performed; and

(iv) **Tax**: The Contractor shall issue valid tax invoices to Aba Mining at the applicable tax rate of 9%.

TEMPORARY SUSPENSION OF PRODUCTION IN COMPLIANCE WITH REGULATORY REQUIREMENTS

In accordance with the Construction Contract, the Contractor shall take not more than 15 months to complete the construction and engineering works. At the same time, construction of ancillary safety facilities must also be carried out based on applicable national standards, during which on-site production at the Maoling-Yanglongshan Mine will need to be temporarily suspended in compliance with the PRC regulatory requirements.

Upon completion of the Construction Contract, the management will have up to 6 months to conduct safety evaluation, initiate trial production, and obtain all necessary approvals, including application for full-scale resumption of on-site mining operations and commercial production.

REASONS AND BENEFITS OF THE ENTERING INTO OF THE CONSTRUCTION CONTRACT

As previously disclosed in announcement of the Company dated 21 June 2024, the Company cited the strategic importance of the High-Fe Mining Operations which it intends to develop and further expand. The Company had also previously provided several business updates in the announcements, interim report and annual report during 2021 to 2024 regarding these strategic moves to expand and optimise operational efficiencies. The Company further disclosed that it has been progressively engaging in related mining engineering works to expand and optimise operational efficiencies, including evaluation of operational and production plans to expand the High-Fe Mining Operations.

The Group further disclosed in its interim report that the High-Fe Mining Operations have stabilised since its resumption of production in December 2024, but the economies of scale have variably been affected and disrupted by its existing on-site upgrade and progressive expansion engineering works as such upgrading works have been carried intermittently. Despite that and with a view to sustain, scale up and optimise the overall productivity of the High-Fe Mining Operations over a longer term, the Group would want to evaluate the feasibility for its next phase of on-site upgrade and expansion as the Group believes that such commercial evaluation and technical assessment are necessary following the completion of the resource integration process, being part of the Group's strategic expansion plans.

The strategic decisions to upgrade and expand the Maoling-Yanglongshan Mine thus build on the Group's resource integration process completed in 2023 for the combined Maoling-Yanglongshan Mine towards optimising production, improving operational efficiencies and increasing revenues stream for the longer term.

Having considered the above, the Construction Contract has thus been entered into in connection with the Mining Site Upgrade and Capacity Expansion, a strategic plan which aims to progressively increase the annual production capacity of iron concentrates of the Maoling-Yanglongshan Mine by approximately 30% to 40% upon optimisation of the upgraded production capacity in full commercial scale, which would in turn improve economies of scale and lower production unit cost, barring unforeseen circumstances.

The terms of the Construction Contract were arrived at after arm's length negotiation with the Contractor on normal commercial terms and was entered into in the ordinary and usual course of business of the Group, which the Board considered the terms thereof are fair and reasonable and is in the interest of the Company and its Shareholders as a whole.

For reference, the High-Fe Mining Operations contributed approximately 12.4% and 16.4% of the Group's revenue for the year ended 31 December 2024 and the six months ended 30 June 2025, respectively. Based on the information currently available, the Board does not expect the entering into of the Construction Contract and the temporary suspension of operation of Maoling-Yanglongshan Mine will have a material impact on the Group's financial position as at the date of this announcement.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the Construction Contract exceed(s) 5% but is/are less than 25%, the entering into of the Construction Contract constitutes a discloseable transaction of the Company and is only subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

INFORMATION ON THE COMPANY, THE GROUP AND ABA MINING

The principal activity of the Company is investment holding and the principal activities of the Group include mining and ore processing, the sale of self-produced products, trading of steel, mining facilities management, and management of strategic investments. The principal activity of Aba Mining is iron ore mining, iron ore beneficiation, and the sale of self-produced products.

INFORMATION ON THE CONTRACTOR

The Contractor holds a First-Class Qualification for General Contracting of Mining Engineering Construction ("礦山施工總承包一級資質") in the PRC, and is principally engaged in a range of businesses, including construction engineering, mining and mineral resource extraction, installation and maintenance of power facilities, construction project survey, and road freight transportation. It is also involved in related areas, such as project management services and mechanical equipment leasing. In addition, to the best of the Directors' knowledge, information, and belief, having made all reasonable enquiries, the Contractor and its ultimate beneficial owner are Independent Third Parties.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms or expressions shall have the following meanings:

"Aba Mining"	Aba Mining Co., Ltd.*（阿壩礦業有限公司), a limited liability company established in the PRC on 27 February 2004 and an indirect wholly-owned subsidiary of the Company
"Board"	the board of directors of the Company
"Company"	China Vanadium Titano-Magnetite Mining Company Limited, a limited liability company incorporated in the Cayman Islands on 28 April 2008
"connected persons"	having the meaning ascribed to it under the Listing Rules
"Construction Contract"	the contract dated 30 September 2025 entered into between Aba Mining and the Contractor for the services provided at the Contract Sum in relation to the construction works for the Mining Site Upgrade and Capacity Expansion, details of which are under the paragraph headed "Pertinent Terms of the Construction Contract" in this announcement
"Contract Sum"	has the meaning ascribed to this term under the sub-paragraph headed "Pertinent Terms of the Construction Contract – Consideration" in this announcement
"Contractor"	Zhejiang Zhongxiang Construction Group Co., Ltd.*（浙江中巷建工集團有限公司), a limited liability company established in the PRC on 28 May 2019 and an Independent Third Party
"Director(s)"	the director(s) of the Company
"DNRSP"	Department of Natural Resources of Sichuan Province*（四川省自然資源廳）
"Group"	the Company and its subsidiaries
"High-Fe Mining Operations"	operations of the sale of self-produced high-grade iron concentrates within the range of 65% TFe to 72% TFe

"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party(ies)"	third party independent of the Company and the connected persons of the Company
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Maoling-Yanglongshan Mine"	an ordinary magnetite mine located in Wenchuan County, Sichuan, with a mining area of 2.7366 sq.km as operated by Aba Mining and integrated under the mining licence issued by the DNRSP on 6 May 2023
"Mining Site Upgrade and Capacity Expansion"	the upgrade project of the mining area of the Maoling-Yanglongshan Mine, which is expected to progressively increase its annual production capacity of iron concentrates by approximately 30% to 40% per annum
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of PRC
"Shareholder(s)"	shareholder(s) of the Company
"sq.km"	square kilometres
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"TFe"	stands for total iron
"%"	per cent

* *For identification purpose only*

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

Hong Kong, 30 September 2025

As at the date of this announcement, the Board comprises Mr. Teh Wing Kwan (Chairman) as non-executive Director; Mr. Hao Xiemin (Chief Executive Officer) and Mr. Wang Hu as executive Directors; Mr. Yu Haizong, Mr. Wu Wen, Mr. Liu Yi and Mdm. Tang Guoqiong as independent non-executive Directors.