



## **AMG SUBSIDIARY TIMMINCO SIGNS DEFINITIVE AGREEMENTS WITH WINCA TO MERGE MAGNESIUM BUSINESSES**

*Amsterdam, 9 April 2009* --- AMG Advanced Metallurgical Group N.V.'s ("AMG," Euronext Amsterdam: "AMG") 50.7% owned subsidiary, Timminco Limited ("Timminco"; TSX: TIM) announced today that, further to its announcement on February 18, 2009, Timminco has executed definitive agreements with Winca Tech Limited, a leading Chinese-based producer of magnesium products ("Winca"), to merge the principal components of Timminco's magnesium and specialty metals business with all of Winca's magnesium operations. The combined business will be known as Applied Magnesium International ("AMI") and will be based in Denver, Colorado. Timminco's equity interest in AMI will be approximately 20%. Personnel from Timminco's magnesium business are expected to fill key management positions within AMI, and Timminco will also have representation on the board of directors of AMI, along with Winca and independent representatives.

The merger is expected to be completed by mid 2009. In the interim, Timminco and Winca will operate under certain inventory transitional arrangements that are designed to ensure that customer orders for magnesium products and specialty metals continue to be fulfilled and allow Timminco to negotiate future customer supply agreements for the benefit of AMI. Completion of the merger is subject to a number of conditions, including financing for AMI's operations, Timminco's senior lender approval, and negotiation and execution of ancillary agreements and arrangements regarding the structure and operation of the combined business.

In addition, Timminco confirmed that the closure of its Aurora magnesium extrusion operations and the recovery of working capital from its magnesium business are proceeding as planned. Timminco expects to generate net cash proceeds from these announced plans during 2009.

"We are very pleased to have concluded these binding agreements with Winca," said John Fenger, President – Light Metals of Timminco. "We have identified numerous ways in which the merger of Timminco's and Winca's operations will allow the two companies to build a strong market position in magnesium and specialty metals, resulting in an enhanced position to serve existing and new customers via a compelling and stable value proposition."

"More than ever, we believe that the manufacturing presence and technology synergies that exist between Winca and Timminco will allow AMI to become one of the lowest cost and best quality magnesium manufacturers in the world," said Dr. He Xu, Chairman of Winca. "Our customers will be the ultimate winners with this partnership in that AMI

can now offer them high quality products via a much lower cost and more reliable supply chain coupled with a highly experienced technical sales and marketing team,” added Dr. Aaron Fu, President of Winca USA.

Established in 1996, Winca specializes in the production and sales of magnesium alloy sacrificial anodes for electro-chemical corrosion control, high purity magnesium, magnesium alloys, and magnesium extrusions. The Winca College of Magnesium, located in Hebi, Henan province of China, was co-established by Winca, the Hebi Institute of Technology and the China Magnesium Association.

## **About AMG**

AMG, incorporated in the Netherlands, is a global leader in the production of highly engineered specialty metal products and advanced vacuum furnace systems. AMG serves growing industries worldwide with its unique combination of metallurgical engineering expertise and production know-how. AMG is a market leader in many of its products and systems, which are critical to the production of key components for the aerospace, energy (including solar and nuclear), electronics, optics, chemicals, construction and transportation industries. AMG has two operating divisions of businesses, Advanced Materials and Engineering Systems, and owns majority interests in publicly-listed companies Timminco Limited (TSX: “TIM”) and Graphit Kropfmühl AG (Deutsche Börse: GKR.DE).

The Advanced Materials Division develops and produces niche specialty metals and complex metals products, many of which are used in demanding, safety-critical, high-stress environments. AMG is one of a limited number of significant producers globally of niche specialty metals, such as ferrovanadium, ferronickel-molybdenum, aluminum master alloys and additives, chromium metal and ferrotitanium, used by steel, aluminum, chemical and superalloy producers for aerospace, automotive, energy, electronics, optics, chemicals, construction and other applications. Other key products produced by AMG include specialty alloys for titanium and superalloys, coating materials, tantalum and niobium oxides, vanadium chemicals and antimony trioxide.

The Engineering Systems Division designs, engineers and produces advanced vacuum furnace systems and operates vacuum heat treatment facilities. AMG is a global leader in supplying technologically-advanced vacuum furnace systems to customers in the aerospace, energy (including solar and nuclear), transportation, electronics, superalloys and specialty steel industries. Examples of furnace systems produced by AMG include vacuum remelting, solar silicon melting and crystallization, vacuum induction melting, vacuum heat treatment and high pressure gas quenching, vacuum precision casting, turbine blade coating and sintering. AMG also provides vacuum case-hardening heat treatment services on a tolling basis to customers through facilities equipped with vacuum heat treatment furnaces.

Timminco Limited is a majority controlled, publicly listed subsidiary of AMG. Timminco is a leader in the production of upgraded metallurgical silicon for the rapidly growing solar photovoltaic energy industry. Timminco also produces silicon metal and magnesium products for use in a broad range of industrial applications.

Graphit Kropfmühl AG is a majority controlled, publicly listed subsidiary of AMG. Based on its secure raw material sources in Africa, China and Europe, Graphit Kropfmühl is a specialist in the

production of silicon metal and the extraction, processing and refining of natural crystalline graphite for a wide range of energy saving industrial applications.

AMG operates globally with production facilities in Germany, the United Kingdom, France, Czech Republic, the United States, Canada, Mexico, Brazil, Sri Lanka and Australia and also has sales and customer service offices in Belgium, Russia, China and Japan (website: [www.amg-nv.com](http://www.amg-nv.com)).

**For further information please contact:**

**AMG Advanced Metallurgical Group N.V. +1 610 975 4901**  
**Jonathan Costello**  
**Director of Corporate Communications**  
[jcostello@amg-nv.com](mailto:jcostello@amg-nv.com)

**Timminco Limited +1 416 364 5171**  
**Robert Dietrich**  
**Executive Vice President and CFO**  
[rdietrich@timminco.com](mailto:rdietrich@timminco.com)

Disclaimer

Certain statements in this press release are not historical facts and are “forward looking”. Forward looking statements include statements concerning AMG’s plans, expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans and intentions relating to acquisitions, AMG’s competitive strengths and weaknesses, plans or goals relating to forecasted production, reserves, financial position and future operations and development, AMG’s business strategy and the trends AMG anticipates in the industries and the political and legal environment in which it operates and other information that is not historical information. When used in this press release, the words “expects,” “believes,” “anticipates,” “plans,” “may,” “will,” “should,” and similar expressions, and the negatives thereof, are intended to identify forward looking statements. By their very nature, forward looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward looking statements will not be achieved. These forward looking statements speak only as of the date of this press release. AMG expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward looking statement contained herein to reflect any change in AMG's expectations with regard thereto or any change in events, conditions, or circumstances on which any forward looking statement is based.