

Wogen plc

9 January 2008

Wogen enters into long-term supply agreement for Titanium sponge with Zunyi Titanium and Thyssen Krupp Titanium

Zunyi Titanium successfully achieves aerospace approval from major European customer

Wogen plc ("**WGN**"), the AiM listed international specialty metals and minerals trader, is pleased to announce that its wholly owned subsidiary, Wogen Titanium Ltd ("Wogen Titanium"), has agreed a long term supply deal with Zunyi Titanium and Thyssen Krupp Titanium.

Wogen Titanium and ThyssenKrupp Titanium have together been cooperating over the past few years with Zunyi Titanium (China's largest Titanium sponge producer), and after an extensive two year audit ThyssenKrupp Titanium have approved the Chinese producer's material for standard aerospace applications. This is a landmark step and Zunyi Titanium is now the first Chinese titanium sponge producer to receive formal approval for the western aerospace market. As well as this successful accreditation, Wogen Titanium, ThyssenKrupp Titanium and Zunyi Titanium have also fixed a long term supply deal for this exciting metal.

Titanium is light, strong, and noncorrosive, and the greatest single source of demand for this metal comes from the aerospace industry where it is used in an array of parts from landing gears to wing structures, fasteners, panelling, door fittings etc – not only in civil aircraft but in military planes and helicopters as well. The past several years has seen soaring growth in the aerospace industry fuelled by the enormous increase in air travel in countries like China and India, whose comparatively nascent air travel industries are, quite literally, taking off. Now more so than ever there is a call for light, strong and therefore efficient materials like titanium in aircraft design on the back of high oil prices and a desire to minimise the world's carbon footprint. New plane designs are incorporating much higher percentages of titanium than older models did, so the future will see not just more planes in the air, but more titanium used in each plane as well.

Titanium sponge supplied by producers like Zunyi Titanium is melted into ingots and then forged and rolled into mill products, which can then be used by a variety of industries including aerospace, power, chemical, desalination, medical and military. China has doubled its titanium sponge production every year for the past four years and is now one of the largest producers in the world.

Commenting on the deal, Allan Kerr, Chief Executive Officer of Wogen, said:

"We are delighted to have helped Zunyi Titanium to become the first Chinese Titanium producer to receive European aerospace approval. This demonstrates the strength of Wogen's relationships in China. We look forward to further developing our business in this key market and to continuing our long-term cooperation with Zunyi Titanium and Thyssen Krupp Titanium".

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