

# **TIMMINCO**

**News Release**

**STOCK SYMBOL: TIM**  
**(The Toronto Stock Exchange)**  
**Sedar Filer Profile #00000838**

## **TIMMINCO ANNOUNCES CCAA FILING**

TORONTO, January 3, 2012 - Timminco Limited (“Timminco”) (TSX: TIM) announced that, after consideration of the available alternatives, its Board of Directors has determined that it is in the best interests of the stakeholders of Timminco and its wholly-owned subsidiary, Bécancour Silicon Inc. (“Bécancour Silicon” and, together with Timminco, the “Company”) for the Company to commence proceedings under the *Companies’ Creditors Arrangement Act* (the “CCAA”).

The Company’s liquidity position has deteriorated as a result of various factors, including reduced cash flows from silicon metal operations, solar market developments that have adversely impacted the timing of a restart of commercial scale production of Timminco Solar, restricted availability of funding under existing credit facilities, and inability to secure additional sources of financing.

Accordingly, the Company today applied for and obtained an order (the “Initial Order”) from the Ontario Superior Court of Justice (Commercial Division) (the “Court”) under the CCAA. The Court has granted CCAA protection for an initial period of 30 days, expiring on February 2, 2012. While under CCAA protection, creditors and others are stayed from enforcing any rights against the Company.

The Company will remain in possession and control of their current and future assets, undertaking and properties, and the proceeds thereof. The Company’s operations will continue uninterrupted during the CCAA proceeding and obligations to employees and suppliers of goods and services provided after the filing date will continue to be met thereafter.

Québec Silicon Limited Partnership, which is a production partnership that produces silicon metal for Bécancour Silicon and Dow Corning, has not applied for creditor protection under CCAA and is not part of these proceedings.

Pursuant to the Initial Order, FTI Consulting Canada Inc. has been appointed as monitor in the CCAA proceedings (the “Monitor”).

All inquiries regarding the CCAA proceeding should be directed to the Monitor (email: [Timminco@fticonsulting.com](mailto:Timminco@fticonsulting.com), or telephone: (416) 649-8125). Information about the Company’s CCAA proceedings, including copies of all Court Orders made and the Monitor’s reports, will be available on the Monitor’s website, at <http://cfcanada.fticonsulting.com/timminco>.

## **About Timminco**

Timminco produces silicon metal for the chemical (silicones), aluminum and electronics/solar industries, through its 51%-owned production partnership with Dow Corning, known as Québec Silicon. Timminco is also a producer of solar grade silicon, using its proprietary technology for purifying silicon metal, for the solar photovoltaic energy industry, through Timminco Solar, a division of its wholly owned subsidiary Bécancour Silicon.

## **Cautionary Notes**

This news release contains “forward-looking information,” as such term is defined in applicable Canadian securities legislation, concerning Timminco’s future financial or operating performance and other statements that express management’s expectations or estimates of future developments, circumstances or results. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “expects”, “believes”, “anticipates”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “plans” and variations of such words and phrases, or by statements that certain actions, events or results “may”, “will”, “could”, “would” or “might” “be taken”, “occur” or “be achieved”. In this news release, such information includes statements regarding liquidity and alternate sources of funding. Forward-looking information is based on a number of assumptions and estimates that, while considered reasonable by management based on the business and markets, in which Timminco operates, are inherently subject to significant operational, economic and competitive uncertainties and contingencies. Timminco cautions that forward-looking information involves known and unknown risks, uncertainties and other factors that may cause Timminco’s actual results, performance or achievements to be materially different from those expressed or implied by such information, including, but not limited to: liquidity risk; global economic uncertainty; credit risk; pricing and availability of raw materials; silicon metal selling prices; customer concentration; power supply and electricity prices; production interruptions; transportation disruptions; limited history with solar grade silicon; solar grade silicon selling prices; customer commitments for solar grade silicon; solar grade silicon production costs; quality of solar grade silicon; producing ingots with Timminco’s solar grade silicon; protection of intellectual property rights; expansion of solar grade silicon production capacity; class action lawsuits; closure of former magnesium facilities; foreign exchange; investment in Applied Magnesium; interest rate risk; financing for capital expenditures; environmental liabilities; relationships with AMG; dependence upon key executives and employees; completion and integration of potential acquisitions, partnerships or joint ventures; risks with foreign operations and suppliers; environmental, health and safety laws and liabilities; intellectual property infringement claims; new regulatory requirements; labour disputes; and changes in tax laws. These factors are discussed in greater detail in Timminco’s Annual Information Form for the year ended December 31, 2010, and in Timminco’s most recent Management’s Discussion and Analysis, each of which is available via the SEDAR website at [www.sedar.com](http://www.sedar.com). Although Timminco has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in forward-looking information, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate or that management’s expectations or estimates of future developments, circumstances or results will materialize. Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking information in this

news release is made as of the date of this news release and Timminco disclaims any intention or obligation to update or revise such information, except as required by applicable law.

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