

**CSM Group Limited
P O Box 105745
Auckland**

27 April 2017

BY MAP.NZX

NZX Limited
WELLINGTON

For: Market Information

Sale of Scrap Steel

CSM Group Limited (“CSM”) advises its wholly owned subsidiary China Scrap Metal Resources Pty Ltd (“CSM Pty”) has today entered into an agreement to sell approximately 4,000 tonnes of scrap metal to Norstar Recycling Pty Ltd (“Norstar”) a Victoria, Australia based scrap metal recycling company.

The principal terms of the arrangement are:

1. The sale price per tonne of scrap is A\$195, plus GST for heavy meeting steel category
2. The scrap is loaded daily at CSM Pty’s yard onto Norstar vehicles for transport to Norstar
3. It is expected that the sale and transfer of the scrap metal will take approximately two months to fulfil from the date of commencement
4. CSM estimates the gross sales proceeds from the transaction will be A\$720,000 - A\$780,000 plus GST.

Given the nature of the scrap metal inventory, which is held in very large stockpiles at CSM’s yard in Lara, Victoria, it is very difficult to calculate with absolute precision the exact volume of scrap metal to be sold as part of the transaction.

For further queries please contact:

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