

**COMPACT METAL INDUSTRIES LTD**  
(the “Company”)  
(Company Registration No. 197500009H)  
(Incorporated in the Republic of Singapore)

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**UPDATE ON APPLICATION FOR EXTENSION OF TIME TO MEET THE REQUIREMENTS UNDER RULE 1314 OF THE LISTING MANUAL (THE “LISTING MANUAL”) OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE “SGX-ST”) TO EXIT FROM THE SGX-ST WATCH-LIST (THE “WATCH-LIST”)**

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The board of directors (the “**Board**”) of the Company refers to the announcement released by the Board on 17 February 2017 (the “**Announcement**”) in relation to the submission for an extension of time for the Company to satisfy the requirements for removal from the Watch-List.

On 4 March 2015, the Company was placed on the Watch-List pursuant to Listing Rule 1314(1) of the Listing Manual of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Company was placed on the Watch-List with a cure period of 24 months to make an application for its removal from the Watch-List (the “**Cure Period**”). Unless extended, the Cure Period will expire at the end of the day of 3 March 2017.

Since then, the Company has taken steps to cut and minimise costs. The Company had successfully stepped up efforts in its debt collection to minimise potential bad debts. Pursuant to Rule 1313(2) of the SGX-ST Listing Manual, the Company has released quarterly update announcement to update shareholders on the Company’s financial situation as well as the Company’s future direction.

The Company wishes to inform the shareholders that the Company has received a notification from the SGX-ST on 2 March 2017 (the “**Notification**”). In the Notification, the SGX-ST has informed the Company, *inter alia*, that SGX-ST is unable to grant an extension of time for the Company to satisfy the requirements for removal from the Watch-List.

The Company will continue to update shareholders on any further developments.

**BY ORDER OF THE BOARD**  
**COMPACT METAL INDUSTRIES LTD**

**Zhang Zengtao**  
**Managing Director**

02 March 2017