
NOTICE OF EXPIRY OF WARRANTS W161110

To: ALL HOLDERS OF WARRANTS W161110 TO SUBSCRIBE FOR NEW SHARES IN COMPACT METAL INDUSTRIES LTD. (THE "COMPANY")

THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Holders of the Company's Warrants W161110 (the "Warrant Holders") who have sold their Warrants W161110 should immediately upon receipt of a copy of this Notice, send it to the purchaser or the bank, stockbroker or agent through whom the sale was effected for onward transmission to the purchaser.

In this notice, the term "Warrants W161110" refer to all Warrants W161110 issued by the Company, the terms of which are constituted in the deed poll executed by the Company on 18th October 2013 (the "Deed Poll").

EXPIRY OF WARRANTS W161110 ON 10 November 2016 AT 5.00 P.M.

Warrant Holders are reminded that in accordance with the terms and conditions of the Warrants W161110, the rights to subscribe for new ordinary shares in the capital of the Company (the "New Shares") comprised in the Warrants W161110 will expire at **5.00 p.m. on 10 November 2016** after which time, any exercise rights comprised in the Warrants W161110 which have not been exercised will lapse and the Warrants W161110 will cease to be valid for any purpose whatsoever.

EXERCISE PRICE

The exercise price of the Warrants W161110 is **S\$0.02** for each New Share (the "Exercise Price").

PROCEDURE FOR EXERCISE OF WARRANTS W161110

Warrant Holders who wish to exercise their exercise rights must do so in accordance with the terms and conditions of the Warrants W161110. In order to exercise the Warrants W161110, a Warrant Holder must complete and sign the exercise notice relating to the Warrants W161110 in the prescribed form (the "Exercise Notice").

The completed Exercise Notice must be delivered to the Warrant Agent **not later than 5.00 p.m. on 10 November 2016** together with the following:-

- (1) a remittance (in Singapore currency) by banker's draft or cashier's order drawn on a bank in Singapore, in favour of "**COMPACT METAL INDUSTRIES LTD.**", for the full amount of the Exercise Price payable in respect of the Warrants W161110 exercised;

The name of the exercising Warrant Holder, the number of Warrants being exercised and where the relevant warrant certificate is registered in the name of a person other than the CDP, the certificate number of the relevant warrant certificate, or where the relevant warrant certificate is registered with CDP, the securities account number of the exercising Warrant Holder from which the number of Warrants being exercised or to be debited, as the case may be, should be clearly written on the reverse side of the banker's draft or cashier's order.

- (2) the furnishing of such evidence (if any) as the Warrant Agent may require to determine or verify due execution of the Exercise Notice by or on behalf of the exercising Warrant Holder (including every joint Warrant Holder, if any) or otherwise to ensure the due exercise of the Warrants W161110 and such other evidence as the Company may require to verify due compliance with and for the purposes of administering and implementing the provisions set out in these Conditions;
- (3) the payment of any deposit or other fees or expenses being chargeable by and payable to CDP (if any) and any stamp, issue, registration or other similar taxes or duties arising on the exercise of the relevant Warrants W161110;
- (4) the payment of any fees for certificates of the New Shares to be issued, and pay any expenses for, and submit any necessary documents required in order to effect, the registration of the New Shares in the name of the exercising Warrant Holder or CDP (as the case may be) and the delivery of the certificates for the New Shares to be delivered

upon exercise of the relevant Warrants W161110 to the place specified by the exercising Warrant Holder in the Exercise Notice or to CDP (as the case may be);

- (5) any exercise by a Warrant Holder in respect of Warrants W161110 registered in the name of CDP shall be further conditional upon:-
- (a) the number of Warrants W161110 so exercised being credited to the "Free Balance" of the Securities Account of the exercising Warrant Holder and remaining so credited until the relevant Exercise Date; and
 - (b) the relevant Exercise Notice specifying that the New Shares to be issued on exercise of the Warrants W161110 are to be credited to the Securities Account of the exercising Warrant Holder or, in the case where funds standing to the credit of a CPF Investment Account are to be used for the payment of the Exercise Price, are to be credited to the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice, failing which the Exercise Notice shall be void and all rights of the exercising Warrant Holder and of any other person thereunder shall cease.

Any New Shares arising from such exercise of the Warrants W161110 shall rank *pari passu* in all respects with the then existing Shares of the Company save for dividends, rights, allotments and other distribution that may be declared or paid, the record date for which is on or before the relevant exercise date of the Warrants W161110. Record date in this context means, in relation to any dividends, rights, allotments or other distribution, the date at the close of business (or such other times as may have been notified by the Company) on which members must be registered in order to participate in such dividends, rights, allotments or other distributions.

Warrant certificate(s) registered in the name of a person other than the CDP shall no longer be acceptable for deposit with CDP for registration purpose, after 27 October 2016.

Where the Warrants are not registered in the name of CDP, purchasers of Warrants who have not been registered as holders of Warrants and who wish to exercise the Warrants must lodge with the Warrant Agent the relevant Warrant certificate(s), the relevant transfer(s) duly executed, the registration fee, the duly completed and signed Exercise Notice and other relevant documents together with the requisite payment for the aggregate Exercise Price of the New Shares in respect of the Warrants exercised in the manner above before **5.00 p.m. on 10 November 2016**.

If the Warrant Holders are not in Singapore, the person exercising the Warrants W161110 on behalf of such Warrant Holders must produce to the Warrant Agent, a Power of Attorney from such Warrant Holder authorizing the due execution of the Exercise Notice by or on behalf of such Warrant Holder (including every joint holder, if any).

LAST DAY FOR TRADING IN WARRANTS W161110

The last day for trading in the Warrants W161110 on the Singapore Exchange Securities Trading Limited (the "SGX-ST") will be **3 November 2016**, and trading will cease with effect from **9.00 a.m. on 4 November 2016**. The Warrants W161110 will then be delisted from Official List of the SGX ST on **11 November 2016**.

AFTER THE CLOSE OF BUSINESS AT 5.00 P.M. ON 10 November 2016, ANY EXERCISE RIGHTS UNDER THE WARRANTS W161110 WHICH HAVE NOT BEEN EXERCISED AS AFORESAID WILL LAPSE AND EVERY WARRANT WILL THEREAFTER CEASE TO BE VALID FOR ANY PURPOSE WHATSOEVER.

Copies of the Exercise Notice have been sent to all Warrant holders whose names appear in the register of Warrant Holders and in the Depository Register **as at 30 September 2016**; and are obtainable from the Warrant Agent, M & C Services Private Limited. The address, telephone number and business hours of the Warrant Agent are as follows:-

M & C Services Private Limited
112 Robinson Road, #05-01
Singapore 068902
Telephone No.: (65) 6227 6660
Business Hours: 8.45 a.m. to 5.45 p.m. from Mondays to Fridays

BY ORDER OF THE BOARD
COMPACT METAL INDUSTRIES LTD.
CHNG BENG HUA
Executive Director, CEO

Date: 10 October 2016