



CMI Limited ABN 98 050 542 553
150 Robinson Road Geebung Qld 4034 Australia
Postal address: PO Box 716 Virginia Qld 4014 Australia
Telephone: (07) 3865 9969 Facsimile: (07) 3865 3677
Email: corporate@cmilimited.com.au Web: www.cmilimited.com.au

26 November 2008

Australian Stock Exchange Limited
Level 6, Riverside Centre
123 Eagle Street
BRISBANE QLD 4000

AGREEMENT TO SELL FINANCE DIVISION

CMI Limited ('CMI') has agreed to sell 51% of its shares in Capitalcorp Finance & Leasing Pty Ltd to a private investor consortium supported by existing management. The sale will result in CMI selling a majority stake in its poorly performing finance division. The current book value of the CMI Finance division is nil.

The cash purchase price for the shares is \$100,000 payable on the division returning to profitability. The buyers will assume operational responsibility for the restructuring of the division.

CMI's directors consider the sale is in the best interests of the Company as it will minimise CMI's exposure to ongoing losses in the division as well as potentially reducing CMI's restructuring costs by up to \$2 million. CMI will bear some of the restructuring costs under the transaction.

The company will continue to focus on the growth of its electrical division and TJM and, currently, CMI has no further plans to dispose of any of its remaining divisions.

Yours Faithfully

A handwritten signature in black ink, appearing to read 'Sharyn Williams', written over a horizontal line.

Sharyn Williams
Company Secretary