



ASX Announcement

8 March 2012

CONDITIONAL SETTLEMENT OF LEGAL PROCEEDINGS AGAINST CMI LIMITED AND OTHERS

Trojan Equity Limited (**TJN**) advises that it has entered into a Deed of Release and Discharge (**CMI Deed**) with CMI Limited (**CMI**) and a separate Deed of Release and Discharge with the other respondents (**Other Deed**) in the legal proceedings commenced by TJN in August 2011. The CMI Deed provides that:

- Subject to the adjournment of the proceedings, and various conditions, including approval by CMI shareholders, CMI will complete a buyback of all CMI Class A shares via a selective reduction of capital at a price of \$0.95 per Class A share; and
- Upon the successful completion of the buyback, CMI will pay TJN \$130,000 as a contribution towards Trojan's costs of the proceedings.

The Other Deed provides that, upon the successful completion of the buyback, the other respondents will pay TJN \$385,000 as a contribution towards TJN's costs of the proceedings.

Under the deeds:

- TJN and the respondents must forthwith apply to the court to adjourn the proceedings to 1 July 2012 and vacate the trial dates for the proceedings; and
- If the buyback proceeds, TJN will release and discharge all parties to the proceedings from all and any claims, actions, suits or demands and the proceedings will be dismissed.

For further information, please contact Troy Harry, Managing Director, on 07 3121 5666 or info@trojanequity.com.au.



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