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Australian Stock Exchange Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

**CMI Industrial Pty Ltd (“Industrial”) Loan Receivable
Voluntary Administrators and Receivers and Managers Appointed**

CMI Limited has a loan receivable from Industrial of \$17 million arising from the sale of the Engineering division in 2008. This loan was recorded net of impairments at 31 December 2011 at \$nil.

The circumstances of that impairment were disclosed and announced to the ASX on 28 February 2012. In particular, that announcement stated that Industrial was negotiating a financial support package from major customers and the Victorian Government to enable the business to continue operating but that the timing and quantum of the package was uncertain.

CMI Limited notes that Industrial today announced that, following a resolution of its Board, it had appointed Voluntary Administrators to Industrial with immediate effect.

Following Industrial’s appointment of Voluntary Administrators, a secured creditor today appointed Receivers and Managers to take control of all Industrial’s businesses except for its Queensland businesses, Toowoomba Metal Technologies and CMI Water in Bundaberg, which will remain under the control of Industrial’s Voluntary Administrator.

CMI Limited has entered into an arrangement with the Receivers and Managers and their appointor for the conduct of the receivership, reporting to CMI Limited and realisations of assets.

CMI Limited will continue to monitor this situation and will inform the market as and when relevant information becomes available.

Yours Faithfully

A handwritten signature in black ink, appearing to read 'Sharyn Williams'.

**Sharyn Williams
Company Secretary**