MEDIA RELEASE **(ASX: SGM, NYSE: SMS)** **17 October 2011**

Form 20-F

Sims Metal Management Limited (the "Company") filed its annual report for the fiscal year ended 30 June 2011 on Form 20-F with the United States Securities and Exchange Commission on 14 October 2011 and with the Australian Securities Exchange Limited on 17 October 2011. The Form 20-F is available on the Company's website at www.simsmm.com. Shareholders may request a hard copy of the Company's complete audited financial statements, free of charge, upon request.

About Sims Metal Management
Sims Metal Management is the world's largest listed metal recycler with approximately 260 facilities and 6,300 employees globally. Sims' core businesses are metal recycling and recycling solutions. Sims Metal Management generated approximately 85 percent of its revenue from operations in North America, the United Kingdom, Continental Europe, New Zealand and Asia in Fiscal 2011. The Company's ordinary shares are listed on the Australian Securities Exchange (ASX: SGM) and its ADRs are listed on the New York Stock Exchange (NYSE: SMS). Please visit our website (www.simsmm.com) for more information on the Company and recent developments.

For further information contact

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F

☐ **Registration statement pursuant to Section 12(b) or 12(g) of the Securities Exchange Act of 1934**

or

☑ **Annual report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the fiscal year ended June 30, 2011

or

☐ **Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

or

☐ **Shell company report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
Date of event requiring this shell company report _____

Commission file number: 001-33983

Sims Metal Management Limited

(Exact name of Registrant as specified in its charter)

N/A
(Translation of Registrant's name into English)

Victoria, Australia
(Jurisdiction of incorporation or organization)

110 Fifth Avenue, Suite 700
New York, NY 10011
(Address of principal executive offices)

Frank M. Moratti, Company Secretary and General Counsel
(61 2) 9956-9101; Frank.Moratti@simsmm.com
Suite 1202, Level 12, 65 Berry Street
North Sydney, NSW 2060, Australia
(Name, Telephone, E-mail and/or Facsimile Number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Ordinary Shares	New York Stock Exchange*
American Depositary Shares, each representing one ordinary share	New York Stock Exchange

* Not for trading, but only in connection with the listing of American Depositary Shares pursuant to requirements of the Securities and Exchange Commission.

Securities registered or to be registered pursuant to Section 12(g) of the Act: None.

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None.

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of June 30, 2011:
205,393,914 Ordinary Shares

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

☑ Yes ☐ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934.

☐ Yes ☑ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☑ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

☐ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

☑ Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

US GAAP ☐
International Financial Reporting Standards as issued by the International Accounting Standards Board ☑
Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

☐ Item 17 ☐ Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes ☑ No

TABLE OF CONTENTS

	Page
PART I	
Item 1. Identity of Directors, Senior Management and Advisers	2
Item 2. Offer Statistics and Expected Timetable	2
Item 3. Key Information	3
Item 4. Information on the Company	17
Item 4A. Unresolved Staff Comments	31
Item 5. Operating and Financial Review and Prospects	31
Item 6. Directors, Senior Management and Employees	44
Item 7. Major Shareholders and Related Party Transactions	55
Item 8. Financial Information	57
Item 9. The Offer and Listing	58
Item 10. Additional Information	59
Item 11. Quantitative and Qualitative Disclosures About Market Risk	72
Item 12. Description of Securities Other than Equity Securities	72
PART II	
Item 13. Defaults, Dividend Arrearages and Delinquencies	73
Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds	73
Item 15. Controls and Procedures	73
Item 16A. Audit Committee Financial Expert	74
Item 16B. Code of Ethics	74
Item 16C. Principal Accountant Fees and Services	75
Item 16D. Exemptions from the Listing Standards for Audit Committees	75
Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers	75
Item 16F. Change in Registrant's Certifying Accountant	75
Item 16G. Corporate Governance	76
PART III	
Item 17. Financial Statements	77
Item 18. Financial Statements	77
Item 19. Exhibits	78

EXPLANATORY NOTE

Sims Metal Management Limited is a corporation incorporated in the State of Victoria, Australia. In this annual report, references to "we," "us," "our," "Group," "Company," or "Sims" means Sims Metal Management Limited and its consolidated subsidiaries.

We present our consolidated financial statements in Australian dollars. In this annual report, references to "A$" are to the Australian dollar and references to "US$" are to the United States dollar. Except as otherwise stated, all monetary amounts in this annual report are presented in Australian dollars. References to a particular "fiscal" year are to our fiscal year ended June 30 of such year. References to years not specified as being fiscal years are to calendar years.

Our principal executive offices are located at 110 Fifth Avenue, Suite 700, New York, New York 10011 and our telephone number is (212) 604-0710. Our registered office is located at Sir Joseph Banks Corporate Park, Suite 3, Level 2, 32—34 Lord Street, Botany, New South Wales, Australia 2019. The telephone number of the registered office is (61 2) 8113 1600.

On March 14, 2008, we acquired Metal Management, Inc., or Metal Management, through a merger transaction in which the stockholders of Metal Management received American Depositary Shares, or ADSs, representing Sims ordinary shares. Where this annual report provides information for dates prior to March 14, 2008, such information does not include the historical information of Metal Management.

We maintain an internet website at www.simsmm.com. None of the information contained on our website, or on any other website linked to our website, will be incorporated in this annual report by reference or otherwise be deemed to be a part of this annual report.

FORWARD LOOKING STATEMENTS

This annual report contains a number of forward-looking statements, including statements about our financial condition, results of operations, earnings outlook and prospects. Forward-looking statements are typically identified by words such as "plan," "believe," "expect," "anticipate," "intend," "outlook," "estimate," "forecast," "project," "will," "seek" and other similar words and expressions.

The forward-looking statements involve certain risks and uncertainties. Our ability to predict results or the actual effects of our plans and strategies is subject to inherent uncertainty. Factors that may cause actual results or earnings to differ materially from such forward-looking statements include those set forth in this annual report under "Item 3.D. — Risk Factors."

Because these forward-looking statements are subject to assumptions and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements. You are cautioned not to place undue reliance on these statements, which speak only as of the date of this annual report.

Factors that could cause our actual results to differ materially from those contemplated by the forward looking statements include, among others, the following:

- the impact of the global financial crisis and global economic conditions;
- adverse changes in economic or political policies in China;
- cyclicality and volatility in the metal recycling and steel industries;

- exposure to changes in commodity prices, currency exchange rates and interest rates;
- increases in steel imports into the United States or other significant market regions;
- continued availability of bank financing and the ability to access the capital markets and/or obtain capital on favorable terms;
- reduction in demand due to a significant increase in the use of scrap substitute materials by consumers of processed recycled ferrous metal;
- availability of adequate sources of material supply;
- risks associated with implementing technology into our business;
- the risks of global operations, including international hostilities and terrorism and risks arising from non-compliance with the U.S. Foreign Corrupt Practices Act and similar worldwide anti-bribery laws;
- risks associated with severe weather, natural disasters and climate conditions;
- legislative or regulatory changes, including those relating to protection of the environment and health and safety;
- the loss of export sales to markets outside of Australia, the United States and the United Kingdom due to changes in trade regulations or otherwise;
- competition from containerized recycled metal exports;
- exposure to customer credit risks with counterparties;
- the loss of senior executive employees or managers;
- the risk of labor disputes and risk of serious injury or death to our employees;
- potential for goodwill and other identified intangible or other long-lived asset impairments and other financial and accounting issues;
- existing and future litigation;
- risks of incurring uninsured losses or losses above our insurance policies coverage limits;
- significant influence of our largest shareholder over transactions requiring shareholder approval;
- loss of foreign private issuer status; and
- risks to our shareholders for not being afforded the same corporate governance compliance protection as companies without foreign private issuer status.

All subsequent written and oral forward-looking statements related to the information contained in this annual report and attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained in this annual report. Except to the extent required by applicable law or regulation, we undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this annual report or to reflect the occurrence of unanticipated events.

PART I

Item 1. Identity of Directors, Senior Management and Advisers

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

A. Selected Financial Data

We prepare our consolidated financial statements in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB. The following table presents selected consolidated financial data for the five years ended June 30, 2011 and as at the respective fiscal year ends. The data presented below have been derived from our audited consolidated financial statements.

In reading the selected financial data, please note that on March 14, 2008, we acquired Metal Management and its results are included only for the final 3.5 months in fiscal 2008. You should read our selected financial data in conjunction with "Item 5 — Operating and Financial Review and Prospects" and our consolidated financial statements and notes thereto included elsewhere in this annual report.

	As of and for the fiscal years ended June 30,				
	2011 A$	2010 A$	2009 A$	2008 A$	2007 A$
	(in millions, except per share data)				
Income statement data:					
Revenue	8,852.9	7,458.5	8,641.0	7,670.5	5,550.9
Goodwill impairment charge	—	—	(191.1)	(3.3)	—
Profit/(loss) before income tax	277.2	194.5	(122.2)	660.6	356.9
Profit/(loss) after tax	192.1	126.7	(150.3)	440.1	239.9
Basic earnings/(loss) per share (cents)[1]	93.9	64.9	(82.5)	309.3	191.1
Diluted earnings/(loss) per share (cents)[1]	93.3	64.5	(82.5)	306.3	190.0
Dividends declared per share (cents)	35.0	20.0	103.0	115.0	120.0
Dividends declared per share (US cents)[2]	33.1	16.3	63.1	102.6	94.4
Weighted average number of shares outstanding[1]	204.6	195.3	182.2	142.3	125.6
Weighted average number of diluted shares outstanding[1]	206.0	196.5	182.2	143.7	126.3
Statement of financial position data:					
Total assets	4,179.8	4,239.7	3,808.6	4,646.5	2,057.4
Borrowings	291.7	117.2	175.1	398.4	307.6
Total liabilities	1,259.3	960.9	949.6	1,812.6	885.3
Total equity	2,920.5	3,278.8	2,859.0	2,833.9	1,172.1

1 Diluted earnings per share for the periods prior to fiscal 2010 have been adjusted to reflect the shares issued in fiscal 2010 from our institutional placement and share purchase program. In accordance with IAS 33 *Earnings Per Share*, an adjustment to shares issued is required in the calculation of earnings per share when shares are offered to existing shareholders at a discount to the market price. This gives rise to a retrospective restatement of the weighted average number of shares.

2 The US dividend amount represents the net dividend paid to ADS holders by the depositary, Bank of New York Mellon, after converting the Australian dividend amount based on exchange rates at the dividend payment date and after withholding a fee of US$0.01 per share. See "Item 12.D. — American Depositary Shares."

Exchange Rate Data

For the periods indicated, the following table sets forth information concerning the exchange rate between the US dollar and the Australian dollar. The information is expressed in US dollars per Australian dollar and is based on noon buying rates in New York City for cable transfers in Australian dollars as certified for customs purposes by the Federal Reserve Bank of New York. The average rate for a year means the average of the exchange rates on the last day of each month during that year. The average rate for a month means the average of the daily exchange rates during that month.

	Period End Rate	Average Rate	Highest Rate	Lowest Rate
For the fiscal year ended June 30:				
2011	1.0732	0.9997	1.0970	0.8380
2010	0.8480	0.8837	0.9369	0.7751
2009	0.8055	0.7423	0.9797	0.6073
2008	0.9562	0.9042	0.9644	0.7860
2007	0.8491	0.7925	0.8491	0.7407
For the month ended:				
October 2011 (through October 6)	0.9699	0.9606	0.9699	0.9453
September 2011	0.9744	1.0236	1.0750	0.9744
August 2011	1.0702	1.0502	1.0930	1.0192
July 2011	1.1001	1.0781	1.1026	1.0565
June 2011	1.0732	1.0617	1.0737	1.0439
May 2011	1.0660	1.0675	1.0970	1.0496
April 2011	1.0937	1.0588	1.0937	1.0346

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Set forth below are risks that we believe are material to our business operations. Additional risks and uncertainties that are presently unknown or deemed to be immaterial may also adversely affect our business operations. If any of the following risks occur, our business operations may be materially adversely affected.

Risks Related to the Global Economy and Our Industry

Deterioration in global economic conditions has had, and may continue to have, an adverse impact on our results of operations and financial condition.

The impact of the recent global financial crisis and sovereign debt crisis in the United States, or US, and the Euro zone continues to be a cause of concern despite concerted efforts by certain governments and international institutions to contain the adverse effect of these events on the global economy.

Global financial and credit markets have been extremely unstable and unpredictable and economic conditions in some of the countries in which we operate have been weak. The instability of the credit markets and weakness of the global economy could continue to adversely affect the demand for our

customers' products, the amount, timing and stability of their orders from us, the financial strength of our customers and suppliers, their ability or willingness to do business with us, our willingness to do business with them, our suppliers' and customers' ability to fulfill their obligations to us and the ability of our customers, our suppliers and us to obtain credit. These factors have adversely affected, and could continue to affect, our results of operations and financial condition.

Changes in economic and political policies of the government of China could reduce overall economic growth in China, which could have a material and adverse effect on our results of operations and financial condition.

China has become the largest consumer of commodities in the world and represents an important market for our products. Accordingly, our results of operations and financial condition depend to a significant degree on economic developments in China. China's economy differs from the economies of most other countries in a number of respects, including with respect to the amount of government involvement in the economy, the general level of economic development, growth rates and government control of foreign exchange and the allocation of resources. Any future actions and policies adopted by the Chinese government could materially affect the Chinese economy and slow the growth of the demand for commodities in China, which could materially and adversely affect our business.

China is the largest consumer in the world market for steel making raw materials and is the world's largest producer of steel. China currently relies on imports for a majority of its scrap metal needs. However, as the economy in China continues to grow and expand, China could ultimately become a net exporter of scrap metals, which may impact future demand for our products from China. There can be no assurance that reduced demand from China could be offset by new demand from other markets. There may also be an adverse impact on demand for our products in China if the economy were to slow as a consequence of financial tightening, a banking crisis, social unrest, or other circumstances.

The metal recycling industry has historically been, and is expected to remain, highly cyclical and highly competitive and has been subject in the past to significant fluctuations in scrap metal prices as well as changes in supply and rapid demand, which could have a material adverse effect on our results of operations and financial condition.

Scrap metal prices and scrap intake are volatile and the operating results of the metal recycling industry, in general, have historically been cyclical, and are expected to remain highly cyclical, and our operations, specifically, are expected to be highly cyclical in nature. Scrap metal prices in global markets fell sharply in September 2008 due to a collapse in demand and the result was excess supply in the industry. The decline in prices during this period adversely affected the results of scrap metal companies, including us, resulting in lower revenues and write-downs of inventories to net realizable value. As a consequence of the lingering effect of the global financial crisis on our business, we have continued to encounter significant volatility in scrap pricing and demand. Our business conditions in our largest market being North America remain challenging.

Scrap metal prices are sensitive to trends in cyclical industries, such as the automotive and construction industries. In the past, substantial price decreases during periods of economic weakness have not always been offset by commensurate price increases during periods of economic strength. Although ferrous scrap prices have stabilized to a degree over the last few years, the timing and extent of factors that will lead to a recovery to inbound flows of scrap cannot be predicted. Recovery of inbound volumes will likely depend on a broad recovery from the current global economic downturn, although the length and nature of business cycles affecting the scrap metal industry have historically been unpredictable. We believe that constrained consumer spending in durable items such as automobiles and white goods has contributed greatly to reduced intake. Tight supplies of raw materials and increased competition have compressed our margins, particularly in North America. Additionally, if we were to experience a protracted downturn in scrap metal prices, this would adversely affect our results of operations and

financial condition, including, possible losses arising from write-downs of inventories and long-lived assets such as property, plant and equipment, investments and intangible assets.

Fluctuations in commodity prices could have a material adverse effect on our results of operations and financial condition and our inventory positions could be exposed to falling markets.

We are exposed to commodity price risk during periods in which we have title to products that are held in inventory for processing or resale. Prices of commodities, including recycled metals, can be volatile due to numerous factors beyond our control. In an increasing price environment for raw materials, competitive conditions may limit our ability to pass on price increases to our consumers. In a decreasing price environment for processed recycled metal, we may not have the ability to fully recoup the cost of raw materials that we procure, process and sell to our customers. New entrants into our markets could result in higher purchase prices for raw materials and lower margins from our recycled metal. We are unable to hedge positions in certain commodities, such as recycled ferrous metal, where no established futures market exists. Thus, our sales and inventory position will be vulnerable to adverse changes in commodity prices, which could adversely impact our operating and financial performance. We operate a global trading business that is involved in the purchase and sale of ferrous steel making raw materials without a corresponding sale or purchase. At any time, our global trading business may have a material number of "open" or "at risk" trading positions. To the extent that markets move in an adverse direction and we have not covered our position, this will have an adverse impact on our results of operations and financial condition.

Similarly, with our scrap metal inventory positions, we may have significant unsold positions during periods of falling prices that could adversely impact our results of operations and financial condition. Additionally, our electronics recycling business can own significant inventories at its smelter customers awaiting assay results for extended periods of time during which prices could decline.

Developments in the steel industry could have a material adverse effect on our results of operations and financial condition.

The scrap metal industry, and our business specifically, may also be adversely affected by increases in steel imports into the US, or other significant market regions, such as Australia and the United Kingdom, or UK, which may have an adverse impact on steel production in such market regions and a corresponding adverse impact on the demand for recycled metal from some of our facilities within such market regions. Additionally, the scrap metal industry, and our business specifically, could be negatively affected by changes in tariffs, or increased freight costs which could negatively impact export sales or attract imports of recycled metal or metal substitutes, which could, in turn, reduce demand for our recycled metal. In recent years, certain steel manufactures have vertically integrated into the scrap metal recycling industry. This has reduced domestic demand for scrap metal in our markets and has increased our focus and reliance on export markets.

Volatility and disruption of credit and equity markets may impede or prevent our ability to access the capital markets in the future and/or obtain capital on favorable terms.

In recent years, the credit and equity markets of both mature and developing economies have experienced extraordinary volatility, asset erosion and uncertainty. While currently these conditions have not impaired our ability to access credit and equity markets to finance our operations and fund our expansion, there can be no assurance that there will not be any further deterioration in the capital markets that could restrict our access to such markets. Until the credit and equity markets normalize on a long-term and sustainable basis, we may not be able to access the capital markets when required, or to access them on acceptable terms, to obtain funding needed for expansion or operation of our business in furtherance of our strategic plan. In addition, changes in the capital or other legal requirements applicable to commercial lenders may affect the availability or increase the cost of borrowing under our credit facilities. If we are unable to obtain needed capital in this manner on terms acceptable to us, that condition

may limit our growth initiatives or require us to take other actions that could adversely affect our business, results of operations and financial condition.

A significant increase in the use of substitute materials by consumers of processed recycled ferrous metal could reduce demand for our products.

During periods of high demand, tightness can develop in the available supply of recycled ferrous metal. The relative scarcity of recycled ferrous metal, particularly prime or industrial grades, during such periods provides opportunities for producers of substitute products, such as pig iron and direct reduced iron pellets. It cannot be assured that the use of substitutes to recycled ferrous metal will not proliferate in the future if the prices for recycled metal rise or if the supply of available unprepared ferrous metal tightens. A number of third parties around the world are developing technologies to produce recycled ferrous metal substitutes. If these efforts prove successful, they could become significant competitors and could adversely affect our results of operations and financial condition.

The profitability of our metal recycling operations depends, in part, on the availability of an adequate source of supply and scrap flows have been adversely impacted by global economic conditions in the US, the UK and elsewhere.

We procure our recyclable metal inventory from numerous sources. These suppliers generally are not bound by long-term contracts and have no obligation to sell recyclable metal to us. In periods of low industry prices, suppliers may elect to hold recyclable metal to wait for higher prices or intentionally slow their metal collection activities. If a substantial number of suppliers cease selling recyclable metal to us, we will be unable to recycle metal at desired levels and our results of operations and financial condition could be materially adversely affected. In addition, as a result of weak global economic conditions, a slowdown of industrial production and consumer spending in the US, UK and certain other countries has occurred which has reduced the supply of industrial and post-consumer grades of scrap metal, resulting in us having less recyclable metal available to process and market.

We are dependent on technology in our business and face risks associated with implementing technology into our business.

Technology is growing increasingly important in our industry and we have made significant investment into proprietary systems and our competitors are developing different approaches to similar technologies. The technology we recently implemented relates to downstream systems intended to increase the recovery of non-ferrous metals generally and copper wire in particular from our shredding systems. Our proprietary systems may not prove successful or our competitors may develop better technologies which could have a material adverse effect on our results of operations and financial condition.

Our operations are subject to risks and uncertainties relating to international conflicts and terrorism.

Due to the extensive diversification of our international operations and significant presence on ports, we are subject to a higher level of risk than some other companies relating to international conflicts, wars, internal civil unrest, trade embargoes and acts of terrorism. Our international operations include sales in developing countries, which may be more likely than developed countries to be affected by international conflicts and terrorism. Risks of this type may affect facilities owned or operated by us or facilities of our suppliers or customers. In addition, risks of this type may affect port facilities or other transportation infrastructure owned or used by us in the operation of our business. In circumstances implicated by international conflicts, there could be severe limitations imposed on intercontinental shipments of materials which could have a material adverse effect on our results of operations and financial condition.

Severe weather, natural disasters and climate conditions could have an adverse effect on our overall business.

Our facilities are located in places that could be affected by natural disasters, such as floods, earthquakes, hurricanes, tornados and other natural disasters. If natural disasters were to directly damage, destroy or disrupt our facilities, it could disrupt our operations, delay shipments of existing inventory or result in costly repairs, replacements or other costs, all of which would negatively impact our business. In fiscal 2011, our operations in Queensland, Australia were impacted by severe flooding, certain of our operations in New Zealand were impacted by earthquakes, and certain of our operations in North America were impacted by flooding around the Mississippi River.

Risks Related to Regulation

Our operations are subject to extensive governmental regulation in each of the jurisdictions in which we operate.

In each of the jurisdictions in which we operate, we are subject to a variety of laws and regulations relating to trade, competition, taxes, employees and employee benefits, worker health and safety, land use, the environment, transportation activities, international trade, and other matters. We may be required to make significant expenditures and to devote substantial management time and attention in order to operate our business in compliance with such laws and regulations. In addition, changes in these laws or regulations or their interpretations or enforcement may require us to make significant additional expenditures or to change our business practices. For example, at our 2011 annual general meeting (and at each annual general meeting thereafter) shareholders will have the opportunity to vote on the remuneration report in our home annual report. While this vote is advisory only and non-binding, changes to the Australian Corporations Act which came into effect on July 1, 2011, will mean that a vote against the remuneration report by at least 25% of the shareholders at successive annual general meetings will result in a further resolution being put to shareholders at the second of those annual general meetings that a further meeting be held at which the entire existing board (other than the managing director) be subject to re-election. Any change to our board may cause disruption to the operation of our business or cause investor concern.

If we fail to comply with applicable laws and regulations, we could incur criminal or civil fines, penalties, assessments or other damages which could be substantial and could have material restrictions or limitations placed on our business operations. In certain cases, such failure to comply also may give rise to potential claims for damages by private parties. Furthermore, we are dependent on international markets for shipping scrap and if laws or regulations were to prohibit or limit our ability to ship between continents, there could be an adverse effect to our results of operations and financial condition.

Our operations are subject to stringent environmental laws, regulations and permit and license requirements.

We are subject to comprehensive statutory and regulatory environmental requirements at all levels of government relating to, among others:

- the storage, treatment, handling and disposal of solid and hazardous waste and other hazardous materials;
- the discharge of materials and emissions into the air;
- the discharge of materials into water or the ground;
- the management, treatment and discharge of wastewater and storm water;
- the prevention and remediation of impacts to soil, surface water and groundwater; and
- the protection of employee health and safety.

The nature of our business, and previous operations by others at facilities currently or formerly owned or operated or otherwise used by us, exposes us to risks of claims under environmental laws and regulations, especially for the remediation of soil or groundwater impacts. We may be required to make material expenditures for remedial activities or capital improvements with regard to sites currently or formerly owned or operated or otherwise used by us.

Environmental statutes and regulations have changed rapidly in recent years by requiring greater and more expensive protective measures. Thus, it is possible that we will be subject to even more stringent environmental standards in the future. For example, in many jurisdictions in which we operate, there is actual or potential regulation and or legislation relating to the removal of mercury-containing

devices, e.g. mercury switches from automobile hulks that are purchased and processed by us. Legislation or regulations that may be enacted in the future cannot be presently known and neither can the effects, if any, that any such law or regulation could have on our business. For these reasons and others, the future capital expenditures for pollution control equipment, remediation or other initiatives that may be required cannot be predicted with accuracy. However, it is generally expected that environmental standards will become increasingly more stringent and the expenditures necessary to comply with those heightened standards will correspondingly increase.

Because companies in the metal recycling industry have the potential for discharging wastes or other regulated materials into the environment, in any given year, a significant portion of our capital expenditures could be related, directly or indirectly, to pollution control or environmental remediation.

In addition, some products we sell, or have sold in the past, are subject to electronics recycling legislation in certain jurisdictions or other legislation regulating certain aspects of the materials used in and the manufacturing or design of the product. Many jurisdictions are also considering similar legislation that may impact products we sell or sold and these laws could have a material adverse impact on our results of operations and financial condition.

We are required to maintain, and to comply with, various permits and licenses to conduct our operations. Failure to maintain, or violations of, any permit or license, if not remedied, could result in us incurring substantial fines, suspension of operations or closure of a site. Further, our metal recycling operations are conducted primarily outdoors and, as such, depending on the nature of the ground cover, such outdoor operations will involve the risk of releases of wastes and other regulated materials to the soil and possibly to surface water or groundwater. As part of our continuous improvement programs, we expect to incur costs to improve environmental control systems. Additionally, there also are requirements to possess permits and licenses that are necessary to sell and ship scrap metal into certain markets and if we were unable to renew such licenses or permits, our ability to market scrap metals in certain jurisdictions could be impacted and negatively affect our results of operations and financial condition.

Regulation of greenhouse gas emissions and climate change issues may adversely affect our operations and markets.

A number of governments or governmental bodies have introduced or are contemplating regulatory changes in response to the potential impacts of climate change. In July 2011, the Australian government announced it would introduce a carbon tax at A$23 per ton beginning on July 1, 2012, rising 2.5% annually plus inflation, after which it will transition to a cap-and-trade scheme with permits bought on the free market, but subject to a floor and ceiling price. If the legislation is passed, we may incur additional capital and operating costs to comply with such legislation including the acquisition of emissions allowances to continue operating.

In April 2010, the UK government introduced the CRC Energy Efficiency Scheme, which was subsequently amended in February 2011 and became effective on April 1, 2011. The scheme applies to organizations, including us, whose mandatory half hourly metered electricity consumption is greater than 6,000 MWh in the qualification period (which for the first phase of the CRC is calendar year 2008). Potential impacts to us include the costs associated with improving energy efficiency and the administrative costs of participating in the scheme. We will be required to purchase emissions allowances from the UK government to cover our direct and indirect emissions in April of each year of the scheme beginning in April 2012 (where allowances will be purchased for emissions from the 2011 fiscal year). The cost of the allowances for the initial period of the scheme will be £12/ton, although the cost could increase in the later years of the scheme. These allowances were initially to be recycled and paid back to the best performing organizations however in October 2010, the UK government revised this and will now retain all revenue from participants. This effectively makes the CRC Energy Efficiency Scheme a straight carbon tax on energy emissions.

In 2007, the US Supreme Court ruled that the US Environmental Protection Agency, or USEPA, was authorized to regulate carbon dioxide emissions under the US Clean Air Act. Subsequently, USEPA issued the Mandatory Reporting of Greenhouse Gases Rule which requires large sources and suppliers in the US to report greenhouse gas (GHG) data at a facility located in the US if the levels of GHG emissions at such facility exceed certain threshold levels. In 2011, the US Supreme Court also ruled that the authority to regulate carbon dioxide emissions is limited to the USEPA under the Clean Air Act and does not extend to the states.

International treaties or agreements also may result in increasing regulation of greenhouse gas emissions, including the introduction of carbon emissions trading mechanisms, in jurisdictions in which we operate. Any such regulation likely will result in increased future energy and compliance costs and may result in increased future capital expenditures. From a medium and long-term perspective, we are likely to see an increase in costs relating to our assets that emit significant amounts of greenhouse gases as a result of these regulatory initiatives. These regulatory initiatives will be either voluntary or mandatory and may impact our operations directly or through our suppliers or customers. Assessments of the potential impact of future climate change regulation are uncertain, given the wide scope of potential regulatory change in countries in which we operate.

The potential physical impacts of climate change on our operations are highly uncertain, and would be particular to the geographic circumstances, such as increased water levels. These effects may adversely impact the cost, production and financial performance of our operations.

Our operations generate waste that is required to be treated (in some instances), stored and disposed of in accordance with applicable environmental laws.

Our metal recycling operations produce significant amounts of waste that we are required to pay to have treated (in some instances) or disposed of. For example, we operate shredders for which the primary feedstock is automobile hulks and obsolete household appliances. Approximately 20% of the weight of an automobile hulk consists of non-metallic material, commonly referred to as shredder fluff or automobile shredder residue, or ASR, which constitutes the remnant material after the separation of saleable ferrous and non-ferrous metals. Environmental regulations in countries in which we operate require us to test ASR to determine if it is to be classified as hazardous waste before disposing of it off-site in permitted landfills or beneficially reusing it as alternate daily landfill cover material. Our other waste streams in the US and other countries in which we operate are subject to similar requirements. Additionally, we employ significant source control programs to ensure, to the fullest extent possible, that prohibited hazardous materials do not enter our raw materials stream. However, we cannot be assured that such materials will be successfully removed from our source streams and resultant recycling waste streams. As a result, our waste streams may, from time to time, be classified as hazardous waste in which case we may incur higher costs for disposal of these waste streams.

Environmental assessments, conducted by independent environmental consulting firms, of certain of our operating sites have revealed that some soil impacts, potentially including impacts associated with various metals, petrochemical by-products, waste oils, polychlorinated biphenyls, which are referred to as PCBs, and volatile organic compounds are, or may be, present at varying levels. It is likely that such impacts at varying levels may exist at some of the sites and it is expected that some of these sites could require investigation, monitoring and remediation in the future. The costs of such remediation could be significant. The existence of such impacts at some of our facilities potentially could require us to incur significant costs to remediate and could materially adversely affect our ability to sell those properties.

We may have potential environmental investigation and cleanup liabilities.

Certain of our US subsidiaries have received notices from USEPA, US state agencies or third parties that they have been identified as potentially responsible for the cost of investigation and cleanup of landfills or other sites where our subsidiary's material was shipped or was otherwise released. In most cases, many other parties are also named as potentially responsible parties. The Comprehensive Environmental Response, Compensation and Liability Act, or CERCLA, which is the US federal cleanup law, enables USEPA and other entities to recover from owners, operators, generators and transporters the cost of investigation and cleanup of sites which pose or may pose serious threats to the environment or public health. In certain circumstances, a potentially responsible party may be held jointly and severally liable for the cost of cleanup. In other cases, a party which is liable may only be liable for a divisible share. Liability may be imposed even if the party shipped materials in a lawful manner at the time of shipment. Liability for investigation and cleanup costs can be significant, particularly in cases where joint and several liability may be imposed. The Superfund Recycling Equity Act of 1999, which amended CERCLA, limits the exposure of metals recyclers for sales of recyclable material under certain circumstances. However, the recycling defense is subject to conducting reasonable care evaluations of current and potential consumers. Because CERCLA liability can be imposed retroactively on shipments that occurred many years ago, and because USEPA and state agencies are still discovering sites that present problems to public health or the environment, we cannot be assured that we will not become liable in the future for significant costs associated with investigation and remediation of CERCLA or state cleanup sites.

Our operations present risk of serious injury, illness or death.

Because of the heavy industrial activities that are conducted at our facilities, there exists a risk of serious injury or death to our employees or other visitors to our operations, notwithstanding the significant safety precautions that are taken. Our operations are subject to regulation by governmental agencies responsible for employee health and safety. We currently have in place policies and workplace strategies to minimize this risk to employees, contractors and other visitors to our facilities and, accordingly, to minimize the risk that we will incur government fines for violations of such regulations. We may, nevertheless, be unable to avoid material liabilities for any death, illness or injury that may occur in the future and these types of incidents may have a material adverse effect on our results of operations and financial condition.

We are subject to the U.S. Foreign Corrupt Practices Act and similar worldwide anti-bribery laws, which impose restrictions and may carry substantial penalties.

The U.S. Foreign Corrupt Practices Act, the recently enacted UK Bribery Act and similar anti-bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business. These laws may require controls, policies and processes, including record-keeping practices, to ensure business is conducted without the influence of bribery and corruption. These anti-bribery laws often carry substantial penalties including fines, criminal prosecution and potential debarment from public procurement contracts. Failure to comply may also result in reputational damage. Our corporate policies mandate strict compliance with these laws. Given the high level of complexity of these laws, however, there is a risk that violations of these laws could nevertheless occur in connection with our business operations. Any violation of these laws or allegations of such violations, whether or not merited, could result in a requirement for us to pay substantial penalties, result in disbarment from public procurement contracts and have a material adverse effect on our reputation.

Risks Related to Our Business

Exchange rate fluctuations could have a material adverse effect on our results of operations and financial condition.

We are exposed to movements in currency exchange rates in the countries in which we operate. Although our reporting currency is the Australian dollar, we have significant assets, liabilities and earnings denominated in currencies other than the Australian dollar, in particular US dollars, British pounds and Euros. These assets, liabilities and earnings, therefore, are exposed to fluctuations in exchange rates between these currencies and the Australian dollar. In general, an appreciation of the Australian dollar against another currency, and most particularly the US dollar, would adversely affect our results of operations, while a depreciation of the Australian dollar against another currency would have a favorable impact. In fiscal 2011, the Australian dollar strengthened by 13% against the US dollar. The increase in the value of the Australian dollar compared with the US dollar and our other reporting currencies resulted in a decrease in our reported earnings of approximately 9% in fiscal 2011.

Currency exchange rates have been extremely volatile in recent periods. In addition, exchange rate fluctuations may reduce the value of investments in overseas subsidiaries and associated companies and adversely affect our accumulated other comprehensive income. As a result, exchange rate fluctuations may negatively affect our results of operations and financial condition. Exchange rate fluctuations could also negatively impact compliance with credit agreements.

Changes in interest rates could have a material adverse effect on our results of operations and financial condition.

All of our borrowings have variable interest rates. It may not be possible for us to effectively hedge against changes in interest rates at all, or on an economically reasonable basis. Increases in market interest rates would increase our borrowing costs and could have a material adverse effect on our results of operations and financial condition.

The loss of export sales could adversely affect our results of operations and financial condition.

A significant portion of our recycled metal sales is exported to markets outside of Australia, the US and the UK, with significant sales to customers in China, Turkey, and South Korea. If business opportunities in these markets were to decline significantly for any reason and alternative markets could not be found at comparable market prices, it would have a material adverse effect on our results of operations and financial condition. Other risks associated with our export business include, among other factors, political and economic factors, economic conditions in the world's economies, changes in legal and regulatory requirements, purchases or exports of recycled metal, freight costs and customer collection risks. Any of these factors could result in lower export sales, which could have a material adverse effect on our results of operations and financial condition.

We are subject to competition from containerized recycled metal exports which can negatively affect our port operations and marketing programs.

We generate a significant portion of our earnings from the export of recycled metal. There has been an increasing recent trend of containers being used to export recycled metal. These containers are being used for exporting materials at a relatively low cost because vessel operators provide lower freight costs to container shippers relative to bulk shippers. Small recycled metal operators, principally in the Southwestern US, have been exporting significant quantities of recycled metal in containers in competition with us. The increasing competition from containerized recycled metal exports may reduce scrap intake to our yards and our gross margin on export sales, and accordingly, may have a material adverse effect on our results of operations and financial condition.

The commercial counterparties we transact with may not meet their obligations which could have a material adverse effect on our results of operations and financial condition.

We commercially contract with a large number of commercial and financial counterparties including customers, suppliers and financial institutions. We generally do not enter into long-term contracts with our customers. In addition, certain of our customers have in the past sought to terminate or modify their contracts on short notice without the payment of monetary or other penalties. The global financial crisis has placed strains on global financial markets, reduced liquidity and impacted business conditions generally. Our existing counterparty credit controls may not prevent a material loss due to credit exposure to a major customer or financial counterparty. In addition, customers or suppliers may fail to perform against existing contracts and obligations causing us to remarket our scrap and potentially realize lower prices and margins. These factors could negatively affect our results of operations and financial condition.

Potential credit losses from significant customers could adversely affect our results of operations and financial condition.

In connection with the sale of products (other than sales with letters of credit), we generally do not require collateral as security for customer receivables nor do we typically purchase credit insurance. We may have significant balances owing from customers that operate in cyclical industries and under leveraged conditions that may impair our collection of those receivables. We sell scrap metals to steel mills and other consumers which may have difficulty refinancing maturing obligations because of the conditions prevailing in the global credit markets. Failure to collect a significant portion of amounts due on those receivables could have a material adverse effect on our results of operations and financial condition.

We rely in part on lines of credit from commercial banks to finance our operations. Our results of operations and financial condition would be materially adversely affected if we were unable to continue to have access to bank financing on acceptable terms.

As of June 30, 2011, the total amount available under these facilities was A$1,419.7 million of which A$330.8 million was outstanding, resulting in A$1,088.9 million of additional borrowing availability under the facilities. At June 30, 2011, we also had cash balances of approximately A$165.5 million. If these banking institutions were to fail or to otherwise become unable or unwilling to satisfy their obligations to us under our credit agreements, then these events would be likely to have a material adverse effect on our results of operations and financial condition. Furthermore, the credit facilities contain customary events of default. The occurrence of an event of default under a credit facility could result in the termination of such credit facility by the relevant lender and, due to the existence of cross default provisions among our various lenders, could result in the termination of all of our credit facilities. Should these events occur, then they would be likely to have a material adverse effect on our results of operations and financial condition. We are also subject to certain financial covenants under the credit facilities which are measured on a bi-annual basis. If we are unable to comply with such covenants then such non-compliance would result in a deemed default under the facilities due to the aforementioned cross default provisions. Although we were in compliance with all of the financial covenants in our credit facilities as of June 30, 2011, based on economic uncertainty and its lingering effects on commodity markets, there can be no assurance given that we will be able to continue to comply with our financial or other obligations under the credit facilities.

Our credit facilities mature in June 2014. There can be no assurance that we will be able to extend or refinance our existing credit facilities when they mature. If we are able to extend or refinance our existing credit facilities, there can be no assurance that the financial and other terms of the new facilities will be comparable to the terms of our existing credit facilities or that the available terms will be acceptable to us. Our inability to extend or refinance our existing credit facilities at all, or on terms comparable to the terms of our existing credit facilities, could have a material adverse effect on our results of operations and financial condition.

The loss of any member of our senior management team or a significant number of our managers could have a material adverse effect on our results of operations and financial condition.

Our operations depend heavily on the skills and efforts of our senior management team. In addition, we rely substantially on the experience of the management of our businesses with regard to day-to-day operations. While we have employment agreements with certain of our senior management team, we may be unable to retain the services of any of those individuals. The terms of the employment contracts with our Group CEO and Group CFO both expire on June 30, 2012, unless otherwise extended. The loss of any member of our senior management team or a significant number of managers could have a material adverse effect on our results of operations and financial condition.

Our compensation plans incorporate a long-term incentive element that relates to our common stock. In recent years, due to the decline in our share price, this element of compensation has not been meaningful to employees and could adversely affect retention.

We may not be able to negotiate future labor contracts on favorable terms.

Many of our employees are represented by various labor unions. As the agreements with those unions expire, we may not be able to negotiate extensions or replacements of them on terms favorable to us, or at all, or avoid strikes, lockouts or other labor actions from time to time. Therefore, as labor contracts expire, we cannot be assured that new labor agreements will be reached with our unions or on terms that we find acceptable. Any labor action resulting from the failure to reach an agreement with our unions could have a material adverse effect on our results of operations and financial condition.

Changes in assumptions underlying the carrying value of goodwill or other identifiable intangible assets, as a result of adverse market conditions, could result in an impairment of such assets and adversely affect our results of operations, the price of our securities and our ability to pay dividends.

In accordance with IFRS, we test goodwill for impairment at least annually, or more frequently if events or changes in circumstances indicate that goodwill may be impaired. Impairment is determined by assessing the recoverable amount of the cash-generating unit, or CGU, to which the goodwill relates. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

In fiscal 2009, the global financial crisis and recession led to the decline in our market capitalization and negatively affected the fair value of our CGUs for purposes of our periodic testing of goodwill for impairment. As a result, we recorded A$191.1 million of goodwill impairment charges in fiscal 2009. As of June 30, 2011, the balance of goodwill and other identifiable intangible assets was A$988.7 million and A$136.2 million, respectively. While there was no goodwill impairment charge recorded in fiscal 2011, a change in any of the key assumptions used in measuring the fair value of our CGUs could have resulted in additional goodwill impairment. Refer to Note 13 of the consolidated financial statements included in Item 18 of this annual report for an analysis of the effect of changes in the forecasted cash flows and discount rates.

The metal recycling industry is highly cyclical and we are more likely than other less cyclical companies in other industries to incur impairment losses due to variability in our earnings and cash flows. We may be required to record additional impairment charges relating to goodwill and other identified intangibles in future periods if the fair value of any of our CGUs declines below the fair value of related assets net of liabilities. Any additional impairment charges will negatively affect our results of operations and financial condition.

We are exposed to the risk of legal claims and other liabilities that may have a material adverse effect on our results of operations and financial condition.

We are exposed to the risk of legal claims and other liabilities arising in connection with the operation of our business that may have a material adverse effect on our results of operations and financial condition. These claims and liabilities may include (i) claims by employees or former employees relating to personal injury, compensation or employment law violations; (ii) environmental, land use and other claims arising out of the ownership or operation of facilities; and (iii) disputes with customers, suppliers and other business relations. The nature of our business may make us more likely than some other companies to be exposed to the risk of legal claims and other liabilities. In particular, metal recycling companies are generally exposed to higher risks of environmental claims and liabilities than companies in non-manufacturing industries, and employees working in the metal recycling industry may be more likely to suffer workplace injuries than employees of companies in other industries. The resolution of these claims and other liabilities may require us to pay material damages or other costs to third parties, including potentially punitive, exemplary or other special damages. The resolution of claims may also involve an extensive commitment of senior management's time and attention, and may require changes in our business practices resulting in decreased revenues or profits or additional costs. Even if claims or other liabilities are resolved successfully, we may incur significant legal and other expenses in defending against such matters.

Our tax liabilities may substantially increase if the tax laws and regulations in the countries in which we operate change or become subject to adverse interpretations or inconsistent enforcement.

Taxes payable by companies in many of the countries in which we operate are substantial and include value added tax, excise duties, taxes on income (including profits and capital gains), payroll related taxes, property taxes and other taxes. Tax laws and regulations in some of these countries may be subject to frequent change, varying interpretation and inconsistent enforcement. In addition, many of the jurisdictions in which we operate have adopted transfer pricing legislation. If tax authorities impose significant additional tax liabilities as a result of transfer pricing adjustments, it could have a material adverse effect on our results of operations and financial condition. It is possible that taxing authorities in the countries in which we operate will introduce additional revenue raising measures. The introduction of any such provisions may affect our overall tax efficiency and could result in significant additional taxes becoming payable. Any such additional tax exposure could have a material adverse effect on our results of operations and financial condition. We may face a significant increase in income taxes if tax rates increase or the tax laws or regulations in the jurisdictions in which we operate or treaties between those jurisdictions are modified in an adverse manner. This may adversely affect our results of operations and financial condition.

Our insurance policies provide coverage with limitations, potentially leaving us uninsured against some business risks.

The occurrence of an event that is uninsurable or not fully insured could have a material adverse effect on our financial condition and results of operations. We maintain insurance on property and equipment in amounts believed to be consistent with industry practices but we are not fully insured against all business risks. Our insurance policies cover physical loss or damage to property and equipment arising from a number of specified risks, including business interruption arising from the occurrence of an insured event under the policies. Under these policies, damages and losses caused by certain natural disasters, such as earthquakes and floods, are also covered. We also maintain various other types of insurance, such as directors and officers liability insurance, workmen's compensation insurance and marine insurance.

In general, because we believe that the cost of the premiums outweighs the benefit of coverage, we do not carry environmental impairment liability insurance. If we were to incur significant liability for environmental damage, such as a claim for soil or groundwater remediation, our results of operations and financial condition could be materially adversely affected.

In addition, we maintain trade credit insurance on receivables but only for certain customers, subject to limits that we believe are appropriate, in order to protect us against the risk of non-payment due to customers' insolvency or other causes. Not all of our customers are or can be insured, and even when insurance is available, it may not fully cover the exposure.

Notwithstanding the insurance coverage that we carry, the occurrence of an accident that causes losses in excess of limits specified under the relevant policy, or losses arising from events not covered by insurance policies, could adversely affect our results of operations and financial condition.

Risks Related to Our Ordinary Shares and ADSs

Our largest shareholder has significant influence over transactions requiring shareholder approval.

Mitsui Raw Materials Development Pty Limited holds approximately 18% of the outstanding ordinary shares of Sims and is our largest shareholder. Under our constitution, Mitsui & Co., Ltd and any of its related corporate bodies, which are collectively referred to as Mitsui, have the right to designate a representative director to serve on our Board so long as Mitsui holds 5% or more of Sims ordinary shares and, so long as Mitsui holds 15% or more of Sims ordinary shares, then Mitsui has the right to designate both a representative director and an independent director to serve on our Board. Currently, M. Paul Sukagawa is Mitsui's designated representative director and Christopher J. Renwick is Mitsui's designated independent director. Mitsui may have interests with respect to its investment in Sims that are different from, or in addition to, the interests of other holders of Sims ordinary shares or ADSs. The extent of Mitsui's shareholding in Sims could also have the effect of discouraging offers to acquire control of Sims and may preclude holders of Sims ordinary shares or ADSs from receiving any premium above the market price for their shares that may be offered in connection with any attempt to acquire control of Sims.

If we were to lose our foreign private issuer status under US federal securities laws, we would likely incur additional expenses associated with compliance with the US securities laws applicable to US domestic issuers.

We are a foreign private issuer, as such term is defined in Rule 405 under the Securities Act, and, therefore, we are not required to comply with all of the periodic disclosure and current reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, applicable to US domestic issuers. In order to maintain this status, a majority of our ordinary shares, including ordinary shares underlying our ADSs, must be either directly or indirectly owned of record by non-residents of the US as we do not currently satisfy any of the additional requirements necessary to preserve this status. Currently, we believe that a majority of our ordinary shares are held by non-residents of the US. If we lost this status, we would be required to comply with the Exchange Act reporting and other requirements applicable to US domestic issuers, which are more detailed and extensive than the requirements for foreign private issuers. The regulatory and compliance costs to us under US securities laws if we are required to comply with the reporting requirements applicable to a US domestic issuer may be significantly higher than the cost we would incur as a foreign private issuer.

We are a foreign private issuer and, as a result, as permitted by the listing requirements of the NYSE, we may rely on certain home country governance practices rather than the corporate governance requirements of the NYSE.

We intend to comply with the corporate governance rules of the New York Stock Exchange, or NYSE. However, as a foreign private issuer, we are permitted by the listing requirements of the NYSE to rely on home country governance requirements and certain exemptions thereunder rather than relying on the corporate governance requirements of the NYSE. For an overview of our corporate governance

principles, see “Item 16.G. — Corporate Governance.” Accordingly, you may not have the same protections afforded to stockholders of companies that are not foreign private issuers.

Item 4. Information on the Company

A. History and Development of the Company

Corporate Information

Sims Metal Management Limited is an Australian domiciled corporation that is incorporated in the State of Victoria, Australia, and we operate under the Australian Corporations Act. Our principal place of business is located at 110 Fifth Avenue, Suite 700, New York, NY 10011 and the telephone number is (212) 604-0710.

History of the Company

Sims was originally established in 1917 by Albert Sims, a Sydney-based recycled metals dealer. The business was incorporated as Albert G. Sims Limited in 1928 and was renamed Simsmetal Limited in November 1968. In November 1970, the company merged with Consolidated Metal Products Limited and the merged Australian Securities Exchange, or ASX, listed company was named Sims Consolidated Limited. In May 1979, Sims Consolidated Limited was acquired by Peko-Wallsend Limited and subsequently delisted.

In February 1988, the company entered the US scrap recycling market through our acquisition of LMC Corporation located in the state of California. In August 1988, Sims Consolidated Limited was acquired by North Limited (previously known as North Broken Hill Holdings Limited, and then North Broken Hill Peko Limited). In 1989, North Limited sold the business to Elders Resources NZFP Limited, a diversified resources company. In 1990, Carter Holt Harvey Limited made a successful takeover bid for Elders Resources NZFP Limited and divested that company’s non-forestry businesses, which included Sims. Sims changed its name to Simsmetal Limited in 1990 and relisted on the ASX in November 1991.

In August 1992, we expanded our presence in New Zealand through the merger of our New Zealand business with the ferrous recycling operations owned by Pacific Steel Industries, a Fletcher Building Limited company. This joint venture, known as Sims Pacific Metals Limited, operates throughout New Zealand.

In February 1995, we acquired a 51% ownership interest in Sims Bird Limited in the UK which was our first major entry in the UK scrap metal market. We acquired the remaining 49% of Sims Bird Limited in May 1998. In April 2000, we acquired Phillip Services (Europe) Limited in the UK which significantly increased our presence in this market.

In November 2002, Simsmetal Limited changed its name to Sims Group Limited. In October 2005, we merged with entities operating certain of the recycling businesses of Hugo Neu Corporation, a privately owned US corporation. This merger provided us with a significant presence in the US market broadly and particularly in southern California, New York and New Jersey.

On March 14, 2008, we issued 53,473,817 ADSs, with a fair value of A$1.5 billion, to purchase the issued capital of Metal Management. Metal Management was one of the largest full service scrap metal recyclers in the US with locations in 17 US states. The acquisition was consummated to strengthen our position in the North American scrap recycling market and expand our presence in non-ferrous products. The acquisition was complementary as our operations in North America were primarily export-focused while Metal Management’s operations were primarily domestic-focused and included a large non-ferrous recycling business. Our acquisition of Metal Management in March 2008 created the world’s

largest publically-traded recycling company. In November 2008, our shareholders approved the change in our corporate name to Sims Metal Management Limited.

Acquisitions

Our corporate strategy is to grow and develop our core metal recycling business internationally, but particularly in North America and the UK, and our innovative recycling solutions business globally to collectively create the world's leading recycling company. Key elements include the pursuit of external growth opportunities and continued investment in existing operations.

Based on our experience gained from numerous international acquisitions, we have established strict acquisition criteria. The acquisition criteria require that any significant acquisition target (i) holds a leading market position; (ii) delivers access to domestic and international customers; (iii) offers a sound platform for future growth; (iv) has a similar culture, including a strong emphasis on integrity, environmental compliance and a commitment to worker safety; and (v) is able to enhance shareholder value. The acquisition criteria have underpinned our strong track record of international expansion.

From July 1, 2008 to June 30, 2011, we have invested a total of A$295.2 million of cash in connection with acquisition transactions. Acquisitions during this period included:

- September 2008, we acquired the operating assets of Weinert Recycling in the US;
- October 2008, we acquired Global Investment Recovery, Inc., or GIR, in the US;
- February 2009, we acquired the operating assets of All Metal Recovery Limited in the UK;
- May 2009, we acquired the operating assets of Global Environment Recycling Co. Limited in the UK;
- July 2009, we acquired the operating assets of Fairless Iron & Metal, LLC in the US;
- September 2009, we acquired the operating assets of Technorecycle Buromaschinen Vertwertung GmbH in Germany;
- November 2009, we obtained control of Port Albany Ventures by acquiring 50% of the joint venture that we previously did not own;
- April 2010, we acquired the operating assets of Border Metals Pty Ltd in Australia;
- August 2010, we acquired the operating assets and business of Wincanton PLC, or Wincanton, in the UK;
- October 2010, we acquired TIC Group India Private Limited, or TIC in India;
- December 2010, we acquired Cooper Metals Recycling Limited in the UK;
- December 2010, we acquired certain operating assets of Crash's Auto Parts and Sales, Inc. in the US;
- January 2011, we acquired certain operating assets of Commercial Metal Recycling Services, or CMRS, in Australia;
- February 2011, we acquired Metrade handels GmbH, or Metrade, in Austria;
- March 2011, we acquired Device ICT Recycling BV, Device Automation Czech, and Device Poland Sp. Zo.o, collectively Device, in the Netherlands, the Czech Republic, and Poland, respectively;
- April 2011, we acquired ergoTrade AG, or ergoTrade, in Germany and Hungary;
- April 2011, we acquired certain operating assets of East Coast Metal Recovery in the US;
- April 2011, we acquired certain operating assets of Thomas Metal Group LLC in the US; and
- May 2011, we acquired Dunn Brothers (1995) Limited, or Dunn, in the UK.

Subsequent to June 30, 2011 and up to the date of this report, we have made the following acquisitions:

- July 2011, we acquired certain operating assets of Goldman Metals, Inc. in the US.
- August 2011, we acquired certain operating assets of Laurence Scrap Metals in Australia.
- August 2011, we acquired certain operating assets of Ace Auto Parts, Inc. in the US.
- August 2011, we acquired Deane Wood Export Limited in the UK.
- September 2011, we acquired certain operating assets of F E Mottram Ltd in the UK.
- September 2011, we acquired S3 Interactive Limited in the UK.
- October 2011, we acquired certain operating assets of Promet Marine Services Corporation Limited in the US.

Capital Expenditures

The following table sets forth our capital expenditures by segment for the last three fiscal years.

	Fiscal years ended June 30,		
(in A$ millions)	**2011**	**2010**	**2009**
North America	69.2	67.6	106.4
Australasia	29.4	21.7	39.8
Europe	44.2	31.6	41.3
Total	142.8	120.9	187.5

Fiscal 2011 marked widespread investments in technology, most notably the rollout of our new non-ferrous downstream recovery systems, and the continued reinvestment in our facilities as we continued to expand our infrastructure. Our primary capital expenditure activities in fiscal 2011 are summarized below:

- In North America, our primary capital expenditures in fiscal 2011 were land purchases and build-out costs for greenfield locations. We also continued investing in new downstream technology in our Eastern Region shredders as well as making new investments in downstream recovery systems in our Western Region shredders. Other capital investment projects included the relocation of our aerospace operations to a state-of-the-art facility as well as continued investments in the construction of a material recycling facility in Brooklyn, New York which will be used in connection with our long-term contract with the Department of Sanitation of New York City. We also continued to invest in our Sims Recycling Solutions, or SRS, Canada WEEE facility in Ontario and completed the first phase of this investment in fiscal 2011.
- In Australasia, our primary capital expenditures were for downstream recovery systems at our St. Mary's shredder in New South Wales and our Rocklea shredder in Queensland.
- In Europe, our primary capital expenditure was for the installation of a new downstream plant in Long Marston, UK, which became operational in fiscal 2012. In addition, we continued to make investments in our SRS business in Continental Europe.

In fiscal 2012, we intend to continue to build upon the progress made in fiscal 2011, continue our investments in infrastructure, and deploy additional non-ferrous downstream recovery technology to our facilities across the globe. We expect capital expenditures (excluding acquisitions) in fiscal 2012 to be in the range of A$180 million to A$200 million. We expect to fund our capital expenditures from either cash generated from operations or from our lines of credit. In Australia, we will be investing in infrastructure and equipment upgrades, while continuing to make additional investments in non-ferrous recovery systems. In North America, we will continue the build out of our material recycling facility in Brooklyn, New York — which become the main processing hub for all of New York City's curbside recyclables — and we will make additional investments in non-ferrous recovery systems and greenfield expansion projects. In the UK and Europe, we will focus on shredder downstreams and a shear plant rebuild, while capital expenditures for SRS remains targeted on plant automation and expanding capacity.

Divestures

As part of our strategy to focus on our core businesses, we divested our aluminum salt slag business on January 15, 2010 as well as our tire recycling business in Australia on June 30, 2009. The consideration received for these divestures was not significant to us.

B. Business Overview

We believe we are one of the world's largest metals recycling companies on the basis of our market capitalization and the size and scope of our operations and marketing capabilities. We operate a geographically diverse metals recycling business with a network of processing facilities, many with deep-water port access, supported by an extensive network of feeder yards from which to source recyclable ferrous and non-ferrous metals. We have significant positions in the metals recycling markets of Australasia, the US, and the UK. We also have a strategic network of trading offices in Asia. Through our SRS business, we have an e-recycling business with a global reach and with established operations in the UK, Continental Europe and North America and a developing presence in the Asia Pacific region.

We are domiciled in Australia however approximately 86% of our revenue is derived from operations outside Australia, including approximately 68% derived from our North America segment. Our business consists of Metal Recycling, SRS and other smaller businesses. The Metal Recycling business collects and processes ferrous and non-ferrous metals for sale to customers in domestic and international markets. The SRS business collects and processes post-consumer products such as televisions, radios, computers and other electronic and electrical consumer goods. We also operate, or have interests in, other businesses, including manufacturing and renewable energy businesses.

We are principally organized geographically and then by line of business. While our Group Chief Executive Officer evaluates results in a number of different ways, the geographical areas of operation is the primary basis for which the allocation of resources and financial results are assessed. The major geographic areas of operations are as follows:

- North America — comprising the US and Canada.
- Australasia — comprising Australia, New Zealand, Papua New Guinea, India, Singapore, Hong Kong and South Africa.
- Europe — comprising the UK, Sweden, Belgium, the Netherlands, Germany, Poland, the Czech Republic, Hungary, Austria and Croatia.

We also report revenues by the following product groups:

- Ferrous secondary recycling — comprising the collection, processing and trading of iron and steel secondary raw material.
- Non-ferrous secondary recycling — comprising the collection, processing and trading of other metal alloys and residues, principally aluminum, lead, copper, zinc and nickel bearing materials.
- Recycling solutions — comprising the provision of environmentally responsible solutions for the disposal of post-consumer electronic products, including IT assets recycled for commercial customers. We offer fee for service business opportunities in the environmentally responsible recycling of negative value materials including refrigerators and electrical and electronic equipment.
- Secondary processing — comprising value added processes involving the melting, refining and ingoting of certain non-ferrous metals and the reclamation and reprocessing of plastics.

See “Item 5 — Operating and Financial Review and Prospects” for sales by geography and product group.

Metal Recycling

Industry Overview

Recycled ferrous (steel and iron) scrap is one of the primary metallics utilized in the steelmaking production process. Other primary metallics include pig iron and steel scrap substitutes (i.e. directly reduced iron). Recycled ferrous scrap is the predominant feedstock for Electric-Arc-Furnace, or EAF, based steel production.

In 2010, according to the World Steel Association, or WSA, 1.414 billion tons of steel was produced globally, representing a 183.0 million ton increase from the 2009 production level of 1.231 billion tons. China has increased steel production significantly in recent years (principally using the basic oxygen furnace steel production method) representing 44% of global steel production for 2010 as compared to 38% in 2008. According to the WSA, EAF-based steel production was 406.5 million tons in 2010 and represented approximately 29% of total global steel production, which is a 44% increase on volumes in 2000 of 283 million tons. Approximately 476 million tons of recycled steel was consumed in steel production in 2008.

Globally, recycled metals are predominantly sourced among developed industrial regions which include North America, the European Union, Australia and Japan where greater amounts of recyclable industrial and obsolete metals exist. The two most significant regions for global recycled metals are North America and the European Union where we have significant presence.

Both ferrous and non-ferrous metals are either consumed domestically in their country of origin or traded in the export market. Given the lower price to weight ratio of ferrous recycled metals, the market for unprocessed ferrous scrap is primarily a local or regional market. The predominant importers of recycled metals are developing regions and countries. The most significant importers are Turkey, China, South Korea, Taiwan, Malaysia, Indonesia and Mexico.

Our Metal Recycling Operations

Our Metals Recycling operations encompass buying, processing and selling of ferrous and non-ferrous recycled metals. We are a geographically diverse metals recycler with a network of processing facilities, many with deep-water port access, supported by an extensive network of feeder yards from which we source recyclable ferrous and non-ferrous metals. The Metal Recycling business has operations in six countries, including the US, Australia and the UK.

We buy ferrous metal from metal dealers, peddlers (individuals that constitute our retail trade), auto wreckers, demolition firms and others who generate obsolete metal and from manufacturers who generate industrial metal. We process ferrous metal for resale using a variety of methods, including sorting, shredding, cutting, torching, baling or breaking. After processing, ferrous recycled metal is sold to end users such as EAF mills, integrated steel mills, foundries and brokers.

We source non-ferrous metals from manufacturers, known as production offcuts, and from generators of electricity, telecommunication service providers and others who generate obsolete metal. Peddlers and metal dealers, who collect from a variety of sources, also deliver material directly to our facilities. In addition, we generate significant quantities of non-ferrous metal as a by-product, which is referred to as NFSR, Zorba or mixed metals, from our ferrous shredding operations. We report such sales as ferrous sales.

North America

Based on the size and scope of our operations, we believe we are one of the largest metal recyclers in North America. Our North American metals recycling business, including our 50% interest in SA Recycling LLC, or SA Recycling, consists of 141 physical operations located in 22 US states and British Columbia, Canada. Our geographic diversity and deep water port access on both the US east and west coasts provides operational flexibility and enables us to divert sales, when deemed appropriate, between export and domestic markets to maximize profitability. Other operational benefits include: reduced exposure to regional issues; flexibility of ports of origin to minimize freight movements; and reduced risks of berthing delays often experienced by users of unaffiliated terminal facilities.

During fiscal 2011, we closed 3 tuck-in acquisitions in North America which expanded our presence in New York and New Jersey as well as adding processing and barge loading operations in Oklahoma. We also established greenfield operations in Pennsylvania and North Carolina.

Australasia

Based on the size and scope of our operations, we believe we are one of the largest metals recyclers in the southern hemisphere. We have 45 physical operations in Australia, 9 physical operations in New Zealand and 3 physical operations in Papua New Guinea.

During fiscal 2011, we acquired CMRS, a metal recycler with a network of yards across Queensland, Australia. Despite the challenges posed by wide spread flooding and cyclones that affected the region at the time, we successfully integrated CMRS' operations with our own.

Europe

Based on the size and scope of our operations, we believe we are one of the largest metals recyclers in the UK. We recover and process recycled ferrous metal through 46 physical operations strategically located to serve domestic customers and export markets. Satellite feeder yard operations, extending throughout England and Wales, facilitate the supply of metal through to our larger processing facilities. Most of our main facilities are accredited under the ISO 9001 Quality Assurance system. Our non-ferrous operations are integrated with many of the ferrous metal sites throughout the UK, offering comprehensive service to suppliers.

During fiscal 2011, we acquired Dunn, a leading UK full-service ferrous and non-ferrous recycler that operates nine facilities including a 6,000-horsepower shredder, non-ferrous recovery systems and dock facilities. Dunn's key shredding and non-ferrous recycling assets are located in its Birmingham facilities and are supported by a collection and export infrastructure, extending to Southampton in the south, Ipswich in the east, Liverpool in the north west, Avonmouth in the south west and Barry in Wales. We expect Dunn will process approximately 400,000 tons of scrap metal per annum.

Marketing

Our export and import marketing activities are conducted through our international businesses, being Sims Metal Management Asia Limited, based in Hong Kong, which markets and brokers non-ferrous metals, and Sims Global Trade Corporation, based in New York, which markets and brokers ferrous metals. These activities consist of teams of traders and exclusive agents, marketing and brokering recycled ferrous and non-ferrous metals and alternative steel making raw materials on our behalf and third parties.

Sims Metal Management Asia Limited, through its network of offices in Hong Kong, Malaysia, Vietnam and India, and Sims Global Trade Corporation manage relationships with a large percentage of our overseas client base in over twenty countries in various regions, including Asia, Eastern Europe and

South America. The international businesses are also involved in the global trading of numerous metal-related commodities and provide a service to our customer base through their market and product knowledge, financial strength and expertise in shipping and banking.

Sims Recycling Solutions

SRS is our innovative recycling solutions business which includes electronic product de-manufacturing and processing operations, and is commonly referred to as e-recycling. SRS was launched with the construction of an end-of-life refrigerator recycling plant in the UK in 2002 and our first significant acquisition in SRS was the Mirec Group of companies. SRS now has established operations in the UK, Continental Europe and North America and a developing presence in the Asia-Pacific region.

SRS offers a comprehensive and cost-effective recycling service for "end of life" and redundant electrical and electronic equipment and materials, ranging from product assessment to recycling. We provide services for Original Equipment Manufacturers (OEMs), Contract Equipment Manufacturers (CEMs), suppliers, importers, lease and finance companies, sector organizations and end users to enable them to comply with their responsibilities under relevant environmental regulations, including the European Union's Directive 2002/96/EC on Waste Electrical and Electronic Equipment, or the WEEE Directive.

Additionally, SRS offers business-to-business IT and electronic equipment asset management and recovery service that operates across a global network. Our services include the management and control of the entire asset management process, including transport, coordination, product identification, asset registration and reporting. We offer our clients the option of redeployment, reclamation of parts and/or resale and recycling, delivering legal compliance as well as a potential financial return from the resale of refurbished equipment.

Based on the size and scope of our operations, we believe we are the world's largest publicly traded e-recycling company. We currently have 43 operating facilities located in 15 countries on five continents.

North America

In August 2003, we opened our first e-recycling facility in North America in Hayward, California. This facility processes both business-to-business products on behalf of major information technology clients and obsolete products arising as a consequence of California's e-recycling legislation.

In fiscal 2007, we expanded our presence in North America through the acquisition of United Recycling Industries, or URI, and the acquisition of the e-recycling assets of Noranda Recycling, or Noranda. URI, based in West Chicago, Illinois, is a fully integrated e-recycler offering a range of services including the collection, refurbishment and re-sale of working equipment, parts recovery for re-sale, mechanized testing and processing of monitors, mechanical recycling of e-waste and secondary smelting and refining of high grade electronics by-product materials. The Noranda acquisition consisted of the end-of-life recycling assets of Xstrata Copper Canada's e-recycling business in Roseville, California; Brampton, Canada; and LaVergne, Tennessee.

Our acquisition of GIR in fiscal 2009 increased our North American e-recycling and asset recovery market presence by approximately 40%, consolidating our market leading position. GIR is a leading US e-recycler and asset recovery specialist, with operating facilities in Florida, South Carolina, Nevada, Louisiana and Arizona. During fiscal 2010, we completed the integration of our North American SRS business.

We also recycle post-consumer materials through a 20 year recycling contract with the New York City Department of Sanitation. This contract became effective in January 2009. Under this contract, we handle plastic, glass and metal and, in the future, will handle paper as well. Packer trucks owned and operated by New York City deliver recyclables to our facilities, as a commingled product, which are then processed using a series of screens, magnets, eddy currents, optical sorters and conveyors. The recyclables are separated and sorted into ferrous and non-ferrous metals, different plastic resins, glass and residue. The recycled materials are shipped to US and non-US markets.

Europe

We operate one of the UK's largest and most sophisticated refrigerator recycling facilities using leading technology to fragment domestic and commercial fridges within an enclosed environment. The purpose of this process is to safely remove ozone depleting substances for destruction. The remaining materials are separated mechanically into product streams including steel, non-ferrous metals, plastics and foam. These products are then marketed in the recycled materials market.

Under the WEEE Directive, producers of WEEE are obliged to meet the costs of recovery and recycling of WEEE. Servicing the needs of the WEEE manufacturing industry and local authorities in processing WEEE in an effective, environmentally sound and legally compliant manner is expected to be a growth opportunity for the SRS business. Each of the 15 original members of the European Union has formally adopted the WEEE Directive.

We have made a number of European e-recycling acquisitions, including Mirec, Metall + Recycling, or M&R, RecommIT, Life Cycle Services, or LCS, Wincanton, Metrade, Device and ergoTrade. The acquisition of Mirec provided us with operations in the UK, the Netherlands, Belgium and Sweden, with alliances in Denmark, Ireland, Germany, France, Switzerland and Italy. The acquisition of M&R, located in Germany, has provided us with unique technical capabilities for the recycling of electronic and electrical equipment and non-ferrous metals processing as well as a broadened operational base in Europe. The acquisition of LCS in the UK further strengthened our information technology asset management capability and positioning as one of Europe's leading operators in the high value B2B market. The acquisition of Wincanton enhanced our geographical footprint within the UK market, allowing us to provide a more localized service to our growing client base. The retailer led capability and logistics expertise of Wincanton's recycling division, together with its infrastructure, ideally complements our business model and processing expertise. Furthermore, the addition of a collaborative arrangement in reverse logistics with Wincanton PLC will allow us to offer an unparalleled level of recycling excellence and service convenience to our UK customer base. The acquisitions of Device, with operations in the Netherlands, the Czech Republic, and Poland and ergoTrade, with operations in Germany, have also contributed to strengthening our information and communication technologies (ICT) asset recovery and lifecycle management businesses in Europe. With these acquisitions, we have become the market leader for ICT asset recovery in Germany. These acquisitions are also expected to provide us with a platform to further enhance our business as legislation continues to take effect across Europe.

Australasia

We are committed to providing an effective and efficient e-recycling program and have operations in Australasia to address the growing social and environmental problem that end-of-life computers and other information technology equipment represents. As part of this program, we established Australia's first national e-recycling network, in joint venture with a leading global environmental services company. In November 2008, we commissioned Australia's first e-recycling mechanical plant in Sydney.

We made an initial investment in the rapidly developing Indian e-recycling market, through the acquisition of Trishyiraya, based in Chennai. In fiscal 2011, we further strengthened our presence in India by acquiring TIC, which is an e-recycling and ICT asset recovery business located in Delhi, India.

We have also invested in growing our operations on the continent of Africa through the start-up of an e-recycling facility near Durban, South Africa. It is ideally situated to provide e-waste recovery, recycling and IT asset management services to businesses and organizations in South Africa and sub-Saharan Africa.

Secondary Processing

We operate small manufacturing businesses in Australia, including secondary aluminum and plastics operations which produce for resale specification aluminum alloy products and pellets, respectively. We also operate a plastics and aluminum trading business and have a 50% interest in Australian Refined Alloys, Australia's largest secondary lead smelter, in a joint venture with Nyrstar.

We have a 50% interest in LMS Generation Pty Limited, a specialist landfill gas and renewable energy company, which researches, installs and develops landfill gas extraction systems, renewable energy and power generation technologies.

Sources and Availability of Raw Materials

Metal Recycling

We purchase metals for our Metal Recycling business from two primary sources:

- obsolete metal which is sourced from metal dealers, peddlers, auto wreckers, demolition firms, railroads and others who generate steel or non-ferrous metals; and
- industrial generated materials which are sourced mainly from manufacturers who generate offcuts or by-products made from steel, iron or non-ferrous metals, known as prompt or industrial metal.

Suppliers are generally not bound by long-term contracts and have no obligation to sell metals to us. Among other things, the supply of these raw materials can be dependent on prevailing market conditions, including the buy and sell prices of ferrous and non-ferrous recycled metals. In periods of low prices, suppliers may elect to hold metal to wait for higher prices or intentionally slow their metal collection activities. In addition, a global slowdown of industrial production, similar to what has occurred during our last two fiscal years, reduces the supply of industrial grades of metal to the metal recycling industry, potentially reducing the amount of metals available for us to recycle.

Sims Recycling Solutions

We source raw materials for our SRS business from a number of sources, including:

- manufacturers of post-consumer electronic products who must comply with specific end of life disposal requirements under legislation such as the WEEE Directive;
- the business community for remarketable, reusable or recyclable electronic and electrical products; and
- councils and other municipal organizations that operate to aggregate recyclables for processing.

The availability of these raw materials may depend on the continuation of existing disposal legislation and our ability to extend existing contracts or enter into new contracts for the collection of post-consumer recyclable materials.

Government Regulation

In each of the jurisdictions in which we operate, we are subject to a variety of laws and regulations relating to trade, competition, taxes, employees and employee benefits, worker health and safety, land use, the environment, international trade and other matters. Certain of these laws and regulations, in particular those relating to worker health and safety and the environment, have a material impact on our ongoing business operations. Changes in these laws or regulations or their interpretations or enforcement may require us to make expenditures or change our business practices. For example, changes in environmental laws and regulations have in the past, and may in the future, require us to spend substantial amounts to comply with restrictions on air emissions, wastewater discharge, waste management and landfill sites, including remediation costs. There is a general trend toward increased government regulation, including environmental regulation, in many of the jurisdictions in which we operate.

Potential Changes to Environmental Law and Regulations

Our business is currently subject to comprehensive environmental regulation in each of the jurisdictions in which we and our subsidiaries operate. A majority of our operations are conducted in the US, Europe and Australia. The environmental laws and regulations in these jurisdictions governing the handling and disposal of waste, air emissions, the discharge of materials and storm water into the environment, the remediation of impacts to soil and groundwater and similar matters have in most cases been in place for many years. Accordingly, while incremental changes in these environmental laws and regulations and their enforcement occur from time to time, we do not foresee substantial future changes in the existing environmental regulatory environment that would have a material impact on our capital expenditures, earnings or competitive position.

Obligated External Reporting

We are not required to report under the European carbon trading scheme, or under the USEPA or state-specific carbon reporting schemes in the US.

We report under the Australian *Energy Efficiencies and Opportunities Act 2006* and the National Greenhouse and Energy Reporting Framework on matters relating to our Australian operations. Reports are prepared, with the assistance of government accredited external specialists, and submitted annually. The reporting covers the operations that together constitute 80% of our Australian energy profile and identifies energy opportunities and initiatives with reports on progress made. The reports are available on our website at www.simsmm.com under Recycling and Sustainability. Our aluminum operation in Victoria, Australia also reports under that state's Environment and Resource Efficiency Plan and WaterMap, an initiative to identify and act on water efficiency.

Our UK operations are captured under the CRC Energy Efficiency Scheme (previously known as the Carbon Reduction Commitment). This scheme, which came into effect in April 2010, is a mandatory energy and climate change scheme administrated by the UK Environment Agency and fiscal 2011 was the first year in which we reported under its obligations. Being the first metals and electronics recycling company in the UK to be awarded the Carbon Trust Standard, we continue to be a member of this prestigious UK government initiative, providing official recognition of our systems and the many energy initiatives undertaken to date.

Voluntary External Reporting

We participated for the sixth consecutive year in the Carbon Disclosure Project, or CDP. The CDP is an independent not-for-profit organization which provides the largest database of corporate climate change information in the world. Since being formed in 2000, the CDP has become the global standard for carbon disclosure methodology and process, providing primary climate change data to the

marketplace, institutional investors, purchasing organizations, analysts and government bodies. As in previous years, once the CDP completes its assessment, our annual submission will be available on our website at www.simsmm.com.

Resulting from our ongoing reporting with the CDP, we were honored to be selected in fiscal 2011 as "Carbon Performance Leader" as well as "Best of Sector" (materials) among the ASX200 and NZ50 companies.

We also participated in the CDP's inaugural Water Disclosure initiative, which aims to provide critical water — related data from the world's largest corporations and insight into how these companies manage risk and exposure related to water supply and water stress along with initiatives to move towards sustainable water use.

We also completed our fourth submission to the Dow Jones Sustainability Index. While we were pleased with the results and topped several sectors, we were not designated a ranking as this global index is weighted towards the dominant presence of very large turnover companies.

We continued our close working relationship with many external assessment and environmental research organizations, such as Citi, TruCost and Vigeo, who continue to rank us as a leading performer in our sector.

We were named, for the third year in a row, as one of the 100 Most Sustainable Corporations in the world, at the Davos World Economic Forum in Davos, Switzerland. We were honored to again receive this award, which recognizes companies that consistently demonstrate superior positioning and performance in environmental, social and governance issues relative to their industry peers.

Health and Safety

Our operations are subject to a broad range of laws and regulations relating to the protection of human health and safety. Safety is our number one priority. It is a non-negotiable condition of employment and no job will be undertaken if it cannot be done safely. We are committed to a "zero-harm" workplace, where every employee, contractor and visitor will return home from work in the same condition as he or she arrived. These values and objectives are clearly stated in our Safety and Health Policy, available on our website at www.simsmm.com and are further supported by our Safety, Health, Environment & Community, or SHEC, Mission Statement, Principles and "Golden Rules" — 10 key rules that every employee is required to know and observe.

During fiscal 2011, a total of 395,162 Observational Behavior Audits (OBAs), also known as Safety Conversations, were undertaken, which classified unsafe acts observed during the OBAs into the following seven main categories: ergonomics, housekeeping, people risks, reactions, tools and equipment, personal protection equipment and procedures. 95% of the observations centered on the encouragement of safe behavior, with 5% of the observations related to unsafe behavior. We reduced our Lost Time Injury frequency rate from 3.2 to 2.7 and Medically Treated Injury frequency rate from 14.2 to 12.4 year-on-year. We are continuing our unrelenting effort to support a safety culture that will stand shoulder to shoulder with the safest manufacturing companies in the world.

In addition, we have a "Zero Tolerance" policy with respect to the use of alcohol and illegal drugs in the workplace.

Seasonality and Cyclicality

While our business is not subject to seasonal fluctuations, the metals recycling industry is highly cyclical worldwide. Consequently, we are exposed to substantial swings in the demand for our products, which in turn causes volatility in the prices of most of our products.

Our operations can be affected by protracted periods of inclement weather, reduced levels of industrial production, or interruptions in transportation services from vessel carriers, railroads or barge lines, which may reduce the volume of material available to and processed and loaded at our facilities.

In addition, periodic maintenance shutdowns or labor disruptions at our larger customers may have an impact on our operations.

Patents and Trademarks

Management believes that our operations are not dependent to any significant degree upon any single patent or license, or series of related patents or licenses, or any single commercial or financial contract. Management also believes that our operations are not dependent upon any single trademark or trade name, although trademarks and trade names are identified with a number of our products and services and are of importance in the sale and marketing of such products and services.

C. Organizational Structure

We are organized under the laws of Australia. Globally, we have 101 wholly-owned subsidiaries as well as interests in several joint ventures. For a list of our wholly-owned and indirectly owned subsidiaries, see Exhibit 8.1 filed hereto.

D. Property, Plant and Equipment

Our principal executive offices are located in New York, New York. We also have regional executive offices in Chicago, Illinois; Botany, Australia, Hong Kong and Stratford upon Avon, UK. We lease each of our executive office facilities.

As of June 30, 2011, we and our joint ventures had over 250 operating facilities and are represented in 16 countries throughout the world, with a large proportion in North America, Australia and the UK. We own many of these properties and continue to improve and replace properties when considered appropriate to meet the needs of our individual operations. There are no individually significant properties that were under-utilized during fiscal 2011. These properties range in size from approximately 6,100 square feet to 3,172,500 square feet.

The following is a list of the location and use of our significant properties. This list is not intended to be a complete list of all of our operating facilities.

AUSTRALASIAN SITES

Location	Leased or Owned	Principal Activities
Canberra, Australian Capital Territory, Australia	Leased	metal recycling yard
Alexandria, New South Wales, Australia	Owned (50% interest)	ARA secondary lead smelting operation
Milperra, New South Wales, Australia	Owned	metal recycling yard
St. Marys, New South Wales, Australia	Owned	metal recycling yard/shredder
Villawood, New South Wales, Australia	Leased	e-recycling facility
Wetherill Park, New South Wales, Australia	Owned	metal recycling yard
Darwin, Northern Territory, Australia	Owned	metal recycling yard
Gladstone, Queensland, Australia	Owned	metal recycling yard
Northgate, Queensland, Australia	Owned	metal recycling yard
Rocklea, Queensland, Australia	Owned	metal recycling yard/shredder
Townsville, Queensland, Australia	Leased	metal recycling yard
Gillman, South Australia, Australia	Owned	metal recycling yard/shredder
Bell Bay, Tasmania, Australia	Leased	metal recycling yard
Broadmeadows, Victoria, Australia	Owned	metal recycling yard
Brooklyn, Victoria, Australia	Owned	metal recycling yard/shredder
Laverton North, Victoria, Australia	Owned	Secondary aluminium/melting & processing operation
Laverton North, Victoria, Australia	Owned (50% interest)	ARA secondary lead smelting operation
Noble Park, Victoria, Australia	Owned	metal recycling yard
Karratha, Western Australia, Australia	Owned	metal recycling yard/feeder yard
Spearwood, Western Australia, Australia	Owned	metal recycling yard/shredder/e-recycling
Christchurch, New Zealand	Owned (50% interest)	metal recycling yard/shredder
Wellington, New Zealand	Owned (50% interest)	metal recycling yard
Auckland, New Zealand	Owned (50% interest)	metal recycling yard/shredder

EUROPEAN SITES

Location	Leased or Owned	Principal Activities
Rathenaustrasse, Bergkamen, Germany	Owned	e-recycling facility
Dillenburgstraat, Eindhoven, Netherlands	Owned	e-recycling facility
Avonmouth, Bristol, UK	Leased	metal recycling yard/dock/shredder
Dunkirk, Nottingham, UK	Owned	metal recycling yard/shredder
Longside Industrial Estate, Dumfries, UK	Owned	e-recycling facility
Long Marston, Stratford upon Avon, UK	Leased	UK head office, metal recycling yard/dense media plant/ R & D center
South Dock, Newport, UK	Leased	metal recycling yard/dock/shredder/ fridges processing and e-recycling facility
Yateley, Hants, UK	Owned	metal recycling yard/shredder
Rabone Lane, Smethwick, UK	Leased	metal recycling yard/shredder

NORTH AMERICAN SITES

Location	Leased or Owned	Principal Activities
Richmond, British Columbia, Canada	Leased (50% owned joint venture)	metal recycling yard/shredder
Brampton, Ontario, Canada	Leased	e-recycling facility
Mississauga, Ontario, Canada	Leased	e-recycling facility
Birmingham, Alabama, USA	Owned	metal recycling yard/shredder
Phoenix, Arizona, USA	Owned	metal recycling yard/shredder
Tucson, Arizona, USA	Owned	metal recycling yard/shredder/e-recycling facility
Richmond, California, USA	Owned	metal recycling yard
Anaheim, California, USA	Owned (50% owned joint venture)	metal recycling yard/shredder
Bakersfield, California, USA	Owned (50% owned joint venture)	metal recycling yard/shredder
Fontana, California, USA	Owned (50% owned joint venture)	metal recycling yard
Long Beach, California, USA	Leased (50% owned joint venture)	metal recycling yard
Rancho Dominguez, California, USA	Leased	e-recycling facility
Redwood City, California, USA	Leased	metal recycling yard/shredder
Roseville, California, USA	Leased	e-recycling facility
Sacramento, California, USA	Leased	metal recycling yard
Sun Valley, California, USA	Leased (50% owned joint venture)	metal recycling yard
Terminal Island, California, USA	Leased (50% owned joint venture)	metal recycling yard/ shredder
Denver, Colorado, USA	Owned	metal recycling yard/shredder
Hartford, Connecticut, USA	Leased	metal recycling yard
North Haven, Connecticut, USA	Owned	metal recycling yard/shredder
Tampa, Florida, USA	Leased	e-recycling facility
Bedford Park, Illinois, USA	Owned	metal recycling yard
Chicago, Illinois, USA	Owned	metal recycling yard/shredder
Franklin Park, Illinois, USA	Owned	precious metal refining
West Chicago, Illinois, USA	Leased	e-recycling facility
East Chicago, Indiana, USA	Owned	metal recycling yard
Detroit, Michigan, USA	Owned	metal recycling yard
Greenville, Mississippi, USA	Leased	metal recycling yard/shredder
Sherman, Mississippi, USA	Owned	metal recycling yard
Port of Albany, New York, USA	Leased	metal recycling yard

Location	Leased or Owned	Principal Activities
Las Vegas, Nevada, USA	Owned (50% owned joint venture)	metal recycling yard/shredder
Sparks, Nevada, USA	Leased	e-recycling facility
Claremont Terminal, Jersey City, New Jersey, USA	Owned	metal recycling yard
Newark, New Jersey, USA	Owned	metal recycling yard/shredder
Port of Newark, New Jersey, USA	Leased	stevedoring
Defiance, Ohio, USA	Owned	metal recycling yard
Catoosa, Oklahoma, USA	Leased	metal recycling yard
Elizabeth, Pennsylvania, USA	Owned	metal recycling yard
Morrisville, Pennsylvania, USA	Owned	metal recycling yard/shredder
Lavergne, Tennessee, USA	Leased	e-recycling facility
Memphis, Tennessee, USA	Owned	metal recycling yard/shredder
Nashville, Tennessee, USA	Owned (50% owned joint venture)	metal recycling yard/shredder
Houston, Texas, USA	Owned	metal recycling yard
Salt Lake City, Utah, USA	Owned	metal recycling yard/shredder
Chesapeake, Virginia, USA	Owned	metal recycling yard/shredder
Richmond, Virginia, USA	Owned	metal recycling yard
Petersburg, Virginia, USA	Leased	metal recycling yard/shredder

We believe that our facilities are suitable for their present use and are generally in good operating condition. We carry insurance covering property and casualty and certain other risks to which our facilities and operations may be subject. We do not believe that our earnings are materially dependent upon any single operating facility.

Item 4A. Unresolved Staff Comments

Not applicable.

Item 5. Operating and Financial Review and Prospects

A. Operating Results

This section begins with an overview of the principal factors and trends affecting our results of operations. The overview is followed by a discussion of our critical accounting policies and estimates that we believe are important to understanding the assumptions and judgments reflected in our reported financial results. We then present an analysis of our results of operations for the last three fiscal years. Our primary segment reporting is based on the following geographical divisions: Australasia, North America and Europe.

The following discussion should be read in conjunction with our consolidated financial statements included in Item 18 of this annual report and “Item 3.D. — Risk Factors.” Our consolidated financial statements and the financial information discussed below have been prepared in accordance with IFRS.

Principal Factors Affecting our Results of Operations

We believe we have a competitive advantage in the scrap metal recycling industry based on the size and scope of our business, our product line diversification and other strengths including favorable port locations and marketing capabilities. Additionally, we operate a geographically diverse business with a network of processing facilities throughout the world. We have centralized the marketing of our scrap through marketing offices in New York City (ferrous scrap) and Hong Kong (non-ferrous scrap).

Our revenues are predominantly derived from the sale of processed scrap metal. Prices for scrap metals vary by product type (ferrous or non-ferrous) and fluctuate on a monthly basis. Our selling prices for scrap metal are impacted by worldwide and local demand, country-specific economic conditions and commodity spot prices for non-ferrous metals.

Like other competitors within the metal recycling business, we rely on generating a margin between the sales price to the end customer over the price paid to the suppliers of unprocessed metals. A key global driver for us is ferrous scrap prices for benchmark grades such as heavy melting steel, shredded steel and various prime grades which are highly correlated to steel prices. During an increasing price environment our margins generally increase as the difference in timing between buying unprocessed scrap and selling processed product typically results in higher margins. Conversely, decreasing scrap prices generally have the opposite effect on margins and profitability. Additionally, during times of lower scrap prices, suppliers of obsolete scrap sometimes elect to hold onto scrap to wait for higher prices, which exacerbates the cyclicality in margins.

Because a substantial portion of our assets, liabilities, sales and earnings are denominated in currencies other than the Australian dollar (our reporting currency), we are exposed to fluctuations in the values of these currencies relative to the Australian dollar. These currency fluctuations, especially the fluctuation of the value of the US dollar relative to the Australian dollar, can impact our results of operations. From time to time, we use derivative financial instruments such as foreign exchange contracts and commodity hedges to hedge certain risk exposures for specific transactions.

Critical Accounting Policies

Management's discussion and analysis of our operational results and financial condition is based on our consolidated financial statements, which have been prepared in accordance with IFRS. Our critical accounting policies affecting our results of operations and financial condition are described in Note 1 of the consolidated financial statements included in Item 18 of this annual report.

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts in the consolidated financial statements. Management continually evaluates its judgments and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgments and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which forms the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Recently issued accounting pronouncements

Recently-issued accounting pronouncements that are relevant to our operations but have not yet been adopted are more fully described in Note 1 of the consolidated financial statements included in Item 18 of this annual report.

Results of Operations

The following table sets forth selective line items and the percentage of revenue that they represent for the periods indicated.

	Fiscal years ended June 30,					
(in millions, except %)	2011 A$	% of Revenue	2010 A$	% of Revenue	2009 A$	% of Revenue
Revenue	8,852.9	100	7,458.5	100	8,641.0	100
Cost of materials and freight	(7,408.3)	(84)	(6,060.3)	(81)	(7,191.9)	(84)
Employee benefits expense	(409.7)	(5)	(433.0)	(6)	(592.4)	(7)
Depreciation and amortization	(130.6)	(1)	(143.9)	(2)	(170.8)	(2)
Repairs and maintenance expense	(123.5)	(1)	(111.7)	(1)	(147.8)	(2)
Finance costs	(27.1)	(0)	(16.4)	(0)	(21.5)	(0)
Pre-tax income from equity accounted investments	29.5	0	14.5	0	60.8	1
Goodwill impairment charge	—	—	—	—	(191.1)	(2)
Other, net	(506.0)	(6)	(513.2)	(7)	(508.5)	(6)
Profit/(loss) before tax	277.2	3	194.5	3	(122.2)	(2)
Income tax expense	(85.1)	(1)	(67.8)	(1)	(28.1)	(0)
Profit/(loss) after tax	192.1	2	126.7	2	(150.3)	(2)

Fiscal 2011 compared with fiscal 2010

Despite the uncertain global economic conditions that pervaded during fiscal 2011, our revenues and operating results improved year-over-year. Our top line growth in revenues was accomplished through stronger shipments and improved pricing. Our scrap intake also improved across all regions.

In fiscal 2011, we extended our new proprietary downstream processing technology to all of our regions and are pleased with the early results. We expanded the footprint of our SRS business further into the UK, Continental Europe and India with five acquisitions and closed six tuck-in acquisitions for our traditional metals recycling business in all three geographic operating regions. Both the investments in our existing operations as well as growth from acquisitions contributed towards our improved operating results.

In fiscal 2011, the Australian dollar, which is our reporting currency, appreciated significantly against our other major currencies. As a result, our operating results were negatively impacted by approximately 9%. The appreciation of the Australian dollar against the US dollar is evident in the table presented under “Item 3.A. — Selected Financial Data — Exchange Rate Data.”

In fiscal 2011, revenue increased by A$1,394.4 million, or 19%, to A$8,852.9 million from A$7,458.5 million in fiscal 2010. The increase was driven by higher average ferrous selling prices and higher shipments of 14.2 million tons in fiscal 2011 compared to 12.9 million tons in fiscal 2010, partially offset by the appreciation of the Australian dollar against our other major currencies. Absent the impact of foreign exchange rates, our revenue would have increased 31% in fiscal 2011 when compared to fiscal 2010. See detailed discussion below on revenue by segment and product group for further details.

In fiscal 2011, cost of materials and freight increased by A$1,348.0 million, or 22%, to A$7,408.3 million from A$6,060.3 million in fiscal 2010. The increase was primarily driven by higher sales volume and higher average purchase prices for raw materials in fiscal 2011 compared to fiscal 2010, partially offset by the appreciation of the Australian dollar against our other major currencies. Absent the impact of foreign exchange rates, our cost of materials would have increased 35% in fiscal 2011 when compared to fiscal 2010.

In fiscal 2011, employee benefits expense decreased by A$23.3 million, or 5%, to A$409.7 million from A$433.0 million in fiscal 2010. The decrease was primarily due to the appreciation of the Australian dollar against our other major currencies. Absent the impact of foreign exchange rates, our employee benefits expense was higher as a result of an increase in overall employee headcount, largely attributable to the business acquisitions in fiscal 2011.

In fiscal 2011, depreciation and amortization expense decreased by A$13.3 million, or 9%, to A$130.6 million from A$143.9 million in fiscal 2010. The majority of the decrease was due to the appreciation of the Australian dollar against our other major currencies. Absent the impact of foreign exchange rates, depreciation expense increased as a result of capital expenditures and additions from acquisitions during fiscal 2011. In addition to the impact of foreign exchange rates, amortization expense also decreased as intangible assets recognized from the Metal Management acquisition in March 2008 are being amortized using the diminishing balance method, which resulted in lower amortization expense in fiscal 2011 compared to fiscal 2010. See Note 1(u) of the consolidated financial statements included in Item 18 of this annual report.

In fiscal 2011, repairs and maintenance expense increased by A$11.8 million, or 11%, to A$123.5 million from A$111.7 million in fiscal 2010. The increase in repairs and maintenance expense was due to various factors including, costs incurred at locations that were acquired during fiscal 2011, costs related to equipment that was damaged as a result of natural disasters and costs related to refurbishing and upgrading existing equipment, partially offset by the appreciation of the Australian dollar against our other major currencies.

In fiscal 2011, finance costs increased by A$10.7 million, or 65%, to A$27.1 million from A$16.4 million in fiscal 2010. The increase was due to higher debt commitment fees incurred in connection with our loan facilities as well as an increase in interest costs on outstanding debt resulting from both an increase in our weighted average interest rate and higher average borrowings in fiscal 2011. These increases were partially offset by the appreciation of the Australian dollar against our other major currencies. See “Item 5.B. — Liquidity and Capital Resources” for further information related to our borrowings.

Pre-tax income from equity accounted investments was A$29.5 million in fiscal 2011 compared to A$14.5 million in fiscal 2010. Our most significant equity accounted investment is SA Recycling. Income from SA Recycling was A$25.0 million in fiscal 2011 compared to A$12.8 million in fiscal 2010. The improvement in income from SA Recycling was due to higher shipments and favorable market conditions that resulted in higher profitability.

Other, net represents other expenses netted with other income. In fiscal 2011, other, net decreased by A$7.2 million, or 1%, to A$506.0 million from A$513.2 million in fiscal 2010. The decrease was primarily due to higher other income in fiscal 2011, mainly due to one-time income items from commercial settlements and a gain recognized on sale of other financial assets. Absent the impact of foreign exchange rates, other expenses were higher in fiscal 2011 primarily due to higher contract labor, professional fees and insurance expense.

Income tax expense was A$85.1 million in fiscal 2011 resulting in an effective tax rate of 31% compared to A$67.8 million in fiscal 2010 and a corresponding effective tax rate of 35%. Our effective tax rate was lower in fiscal 2011 due to tax benefits resulting from the resolution of previously reserved tax positions and the utilization of tax losses that were not previously recognized. The tax losses not previously recognized were from jurisdictions where there was no previous history of profitability.

Profit after tax was A$192.1 million in fiscal 2011 compared to A$126.7 million in fiscal 2010. The improvement was due to improved market conditions in fiscal 2011 which resulted in higher sales. In addition, profit after tax increased due to higher other income and a lower effective tax rate in fiscal 2011.

Fiscal 2010 compared with fiscal 2009

In fiscal 2010, as major Western economies attempted, with varying degrees of success, to transition from recession to modest growth trajectories, our industry continued to encounter diminished flows of scrap metal and uneven demand from steel and metal producers. In spite of these difficult market conditions, we saw improvement in many of our markets in fiscal 2010.

Our non-ferrous metals business achieved healthy margins and strong year-on-year growth. However, ferrous margins and scrap flows outside Australia continued to be disappointing, particularly in North America, our largest market, where the US economy continued to struggle.

Our fiscal 2010 results of operations were also impacted by the stronger Australian dollar which increased against our major currencies, primarily the US dollar, British pound and euro.

In fiscal 2010, revenue decreased by A$1,182.5 million, or 14%, to A$7,458.5 million from A$8,641.0 million in fiscal 2009. The majority of the decrease was due to the appreciation of the Australian dollar against our other major currencies. Absent the impact of foreign exchange, our revenue would have been largely unchanged from fiscal 2009. Lower shipments of 12.9 million tons in fiscal 2010 compared to 13.2 million tons in fiscal 2009 also contributed to the decrease. See detailed discussion below on revenue by segment and product group for further details.

In fiscal 2010, cost of materials and freight decreased by A$1,131.6 million, or 16%, to A$6,060.3 million from A$7,191.9 million in fiscal 2009. A majority of the decrease was due to the appreciation of the Australian dollar against our other major currencies. Additionally, lower sales volumes also contributed to the decrease. Cost of materials in fiscal 2009 includes inventory write-downs of A$119.4 million compared to A$18.5 million in fiscal 2010.

In fiscal 2010, employee benefits expense decreased by A$159.4 million, or 27%, to A$433.0 million from A$592.4 million in fiscal 2009. The decrease was primarily due to lower bonus expense and also attributable to the appreciation of the Australian dollar against our other major currencies.

In fiscal 2010, depreciation and amortization expense decreased by A$26.9 million, or 16%, to A$143.9 million from A$170.8 million in fiscal 2009. The majority of the decrease in both depreciation and amortization was due to the appreciation of the Australian dollar against our other major currencies. The balance of the decrease was due to lower amortization expense. The majority of our intangible assets were recognized from the Metal Management acquisition in March 2008. These intangibles are being amortized using the diminishing balance method which resulted in lower amortization expense in fiscal 2010 compared to fiscal 2009.

In fiscal 2010, repairs and maintenance expense decreased by A$36.1 million, or 24% to A$111.7 million from A$147.8 million in fiscal 2009. The decrease was primarily due to lower processed volumes and the idling of equipment and yard closures in North America and also attributable to the appreciation of the Australian dollar against our other major currencies.

In fiscal 2010, finance costs decreased by A$5.1 million, or 24%, to A$16.4 million from A$21.5 million in fiscal 2009. The decrease was due to the appreciation of the Australian dollar against our other major currencies and lower average borrowings. Our average borrowings were lower due to our equity issuance in November 2009.

Pre-tax income from equity accounted investments was A$14.5 million in fiscal 2010 compared to A$60.8 million in fiscal 2009. Income from SA Recycling was A$12.8 million in fiscal 2010 compared to A$51.8 million in fiscal 2009. Similar to our US operations, SA Recycling's income was impacted by diminished scrap flows and the weak economic conditions in the US.

In fiscal 2010, no goodwill impairment charges were recorded. In fiscal 2009, we recorded a goodwill impairment charge of A$191.1 million related to four CGUs within the North America segment and one CGU in the Australasia segment. Refer to Note 13 in our consolidated financial statements included in Item 18 of this annual report for further information related to goodwill impairment testing.

Other, net increased by A$4.7 million, or 1%, to A$513.2 million from A$508.5 million in fiscal 2009. The increase was due to higher administrative costs, higher net foreign exchange losses and lower other income in fiscal 2010. These increases were partially offset by a one-time gain, which was reported in other income, in fiscal 2010 for the remeasurement at fair value of our interest in a joint venture which we fully acquired, and the impact of foreign exchange rates.

Income tax expense was A$67.8 million in fiscal 2010 resulting in an effective tax rate of 35% compared to A$28.1 million in fiscal 2009 and a corresponding effective tax rate of (23%). Our fiscal 2009 effective rate was impacted from the non-deductibility of the A$191.1 million goodwill impairment charge.

Profit after tax was A$126.7 million in fiscal 2010 compared to loss after tax of A$150.3 million in fiscal 2009. Although profit after tax increased in fiscal 2010, fiscal 2009 was impacted by goodwill impairment charges of A$191.1 million and inventory write-downs of A$119.4 million.

Results by segments

The following table sets forth our revenue and earnings before interest and income taxes, or EBIT, by segment. In discussing the results of operations for our segments, we focus on EBIT which is a non-GAAP (IFRS or US) financial measure. EBIT is the key measure that management uses internally to assess the performance of our business, make decisions on the allocation of resources and assess operational management. EBIT is not a measure that is recognized under IFRS and it may differ from similarly titled measures reported by other companies. Therefore, in the table below, we provide a reconciliation of EBIT to profit/(loss) before tax.

(in millions, except %)	Fiscal years ended June 30,					
	2011		2010		2009	
Sales by geography:	A$	%	A$	%	A$	%
Australasia	1,369.2	15	1,221.3	16	1,158.6	13
North America	5,993.0	68	5,040.0	68	6,368.5	74
Europe	1,484.6	17	1,191.3	16	1,109.1	13
Total sales	8,846.8	100	7,452.6	100	8,636.2	100
Other revenue	6.1	0	5.9	0	4.8	0
Total revenue	8,852.9	100	7,458.5	100	8,641.0	100
Sales by product:						
Ferrous metals	6,143.6	69	5,071.2	68	6,642.7	77
Non-ferrous metals	1,724.0	20	1,525.5	20	1,193.4	14
Recycling solutions	786.4	9	657.4	9	578.5	7
Secondary processing	192.8	2	198.5	3	221.6	2
Net sales	8,846.8	100	7,452.6	100	8,636.2	100
EBIT by geography:						
Australasia	79.9	27	61.2	29	18.7	(18)
North America	121.0	40	80.3	39	(88.6)	86
Europe	100.2	33	66.6	32	(33.1)	32
Total EBIT	301.1	100	208.1	100	(103.0)	100
Reconciliation:						
Total EBIT	301.1		208.1		(103.0)	
Interest income	3.2		2.8		2.3	
Finance costs	(27.1)		(16.4)		(21.5)	
Profit/(loss) before tax	277.2		194.5		(122.2)	

Fiscal 2011 compared with fiscal 2010

Australasia

Sales in fiscal 2011 increased by A$147.9 million, or 12%, to A$1,369.2 million from A$1,221.3 million in fiscal 2010. EBIT in fiscal 2011 increased by A$18.7 million, or 31%, to A$79.9 million from A$61.2 million in fiscal 2010.

Our Australasian business performed well again in fiscal 2011, experiencing a significant improvement in its ferrous business. This was accomplished by a growth in sales and earnings due to higher sales volumes, which increased 11% from fiscal 2010, and higher average ferrous selling prices. In addition, the enhancement of the downstream recovery systems at our St. Mary's shredder, contributed to higher profitability.

North America

Sales in fiscal 2011 increased by A$953.0 million, or 19%, to A$5,993.0 million from A$5,040.0 million in fiscal 2010. On a US dollar equivalent basis, sales in fiscal 2011 were up 33% to US$5,921.8 million as compared to fiscal 2010. EBIT in fiscal 2011 increased by A$40.7 million, or 51%, to A$121.0 million from A$80.3 million in fiscal 2010. EBIT in North America was negatively impacted by the appreciation of the Australian dollar against the US dollar.

Our North America metals business experienced a meaningful recovery in fiscal 2011, particularly in the second half of the fiscal year, which resulted in higher sales and EBIT. Shipments increased by 11% in fiscal 2011 compared to fiscal 2010. The improvement in North America was a result of better intake which contributed to higher sales volumes. Demand from deep sea ferrous markets was strong in the second half of fiscal 2011 also contributing to higher sales volumes.

North America EBIT was favorably impacted by one-time income items of A$7.0 million, most of which related to a gain on sale of other financial assets.

Europe

Sales in fiscal 2011 increased by A$293.3 million, or 25%, to A$1,484.6 million from A$1,191.3 million in fiscal 2010. EBIT in fiscal 2011 increased by A$33.6 million, or 50%, to A$100.2 million from A$66.6 million in fiscal 2010. EBIT in Europe was favorably impacted by A$11.0 million of one-time income items, most of which related to a commercial settlement. The increase in sales was also partially offset by the appreciation of the Australian dollar against the British pound and the euro.

We noted strong growth in profitability within our UK metals business and our SRS business in Continental Europe. We generated improved ferrous and non-ferrous earnings year-on-year in our traditional metals business and saw our shipments increase by 5% in fiscal 2011. Our SRS business generated a strong result again from organic growth, evident in both improved volumes and from new global customer relationships, as well as enhanced recoveries from investments into processing technology. Strong results for SRS in fiscal 2011 are also attributed to a successful acquisition strategy. During fiscal 2011, we closed four acquisitions for SRS in Europe.

Sales by Product Group

Ferrous sales in fiscal 2011 increased by A$1,072.4 million, or 21%, to A$6,143.6 million from A$5,071.2 million in fiscal 2010. The increase was due to higher ferrous shipments (including brokerage) of 13.6 million tons in fiscal 2011 compared to 12.3 million tons in fiscal 2010 partially offset by the appreciation of the Australian dollar against our other major currencies. Despite the adverse impact from foreign exchange rates, the average selling price of ferrous scrap increased in fiscal 2011 by A$40 per ton to A$452 per ton compared to A$412 per ton in fiscal 2010.

Non-ferrous sales in fiscal 2011 increased by A$198.5 million, or 13%, to A$1,724.0 million from A$1,525.5 million in fiscal 2010. The increase was due to higher non-ferrous sales volumes (including brokerage) and improved prices, offset by the appreciation of the Australian dollar against our other major currencies. In fiscal 2011, non-ferrous sales volumes increased to 571,000 tons from 565,000 tons in fiscal 2010.

Recycling solutions sales in fiscal 2011 increased by A$129.0 million, or 20%, to A$786.4 million from A$657.4 million in fiscal 2010. The increase was mainly a result of organic growth and the impact of recent acquisitions in Europe offset by the negative impact of the appreciation of the Australian dollar against our other major currencies.

Secondary processing sales were A$192.8 million in fiscal 2011 compared to A$198.5 million in fiscal 2010, which represented a decrease of A$5.7 million, or 3%.

Fiscal 2010 compared with fiscal 2009

Australasia

Sales in fiscal 2010 increased by A$62.7 million, or 5%, to A$1,221.3 million from A$1,158.6 million in fiscal 2009. EBIT in fiscal 2010 increased by A$42.5 million, or 227%, to A$61.2 million from A$18.7 million in fiscal 2009.

Our Australasian business performed well in fiscal 2010 due to its leadership position in that market and against the backdrop of a healthy Australian economy in close proximity to rapidly growing Asian markets. During fiscal 2010, we made significant investments in our processing capabilities.

Higher sales and EBIT were also a result of higher scrap intake in the region which increased by 14% in fiscal 2010 to 1.7 million tons, from fiscal 2009.

North America

Our North American metals business faced difficult conditions in fiscal 2010 as a result of inadequate scrap flows and tight ferrous margins associated with the weak and uneven US economic recovery. Sales in fiscal 2010 decreased by A$1,328.5 million, or 21%, to A$5,040.0 million from A$6,368.5 million in fiscal 2009. On a US dollar equivalent basis, sales in fiscal 2010 were down 7% to US$4,445.7 million as compared to fiscal 2009. Shipments in North America decreased 3% on the prior corresponding period.

EBIT in fiscal 2010 was A$80.3 million compared to a loss of A$88.6 million in fiscal 2009. EBIT in fiscal 2010 was negatively impacted by inventory adjustments of A$18 million, while EBIT in fiscal 2009 was impacted by inventory adjustments of A$71 million and goodwill impairment charges of A$190.2 million. Excluding these adjustments, EBIT in fiscal 2010 would have been A$98.3 million compared to A$172.4 million in fiscal 2009. EBIT in North America was also impacted by the appreciation of the Australian dollar against the US dollar.

Europe

Sales in fiscal 2010 increased by A$82.2 million, or 7%, to A$1,191.3 million from A$1,109.1 million in fiscal 2009. EBIT in fiscal 2010 was A$66.6 million compared to a loss of A$33.1 million in fiscal 2009.

The increase in sales and EBIT was due to higher shipments and stronger performance from our European SRS businesses. EBIT in fiscal 2009 was impacted by inventory write-downs of A$38.9 million. The appreciation of the Australian dollar in fiscal 2010 against the British pound and Euro negatively impacted EBIT by A$12.4 million.

Sales by Product Group

Ferrous sales were A$5,071.2 million in fiscal 2010 compared to A$6,642.7 million in fiscal 2009, representing a decrease of A$1,571.5 million, or 24%. The decrease in ferrous sales was due to weak demand for ferrous scrap metal as well as the appreciation of the Australian dollar against our other major currencies. In fiscal 2010, ferrous sales volumes (including brokerage) decreased by approximately 300,000 tons, to 12.3 million tons compared to 12.6 million tons in fiscal 2009.

Non-ferrous sales were A$1,525.5 million in fiscal 2010 compared to A$1,193.4 million in fiscal 2009, representing an increase of A$332.1 million, or 28%. The increase was due to higher non-ferrous sales volumes (including brokerage), offset by the negative impact of the appreciation of the Australian dollar against our other major currencies. In fiscal 2010, non-ferrous sales volumes increased by approximately 101,000 tons, or 22%, to 565,000 tons compared to 464,000 tons in fiscal 2009.

Recycling solutions sales were A$657.4 million in fiscal 2010 compared to A$578.5 million in fiscal 2009, which represented an increase of A$78.9 million, or 14%. The increase was mainly a result of improved prices and the impact of recent acquisitions in Europe and North America, offset by the negative impact of the appreciation of the Australian dollar against our other major currencies.

Secondary processing sales were A$198.5 million in fiscal 2010 compared to A$221.6 million in fiscal 2009, which represented a decrease of A$23.1 million, or 10%.

B. Liquidity and Capital Resources

Treasury responsibilities and philosophy

The primary responsibilities of our treasury function are to secure access to capital resources, maintain an efficient capital structure, and manage the financial risks including, interest rate risk, foreign exchange risk, commodity price risk, credit risk and liquidity risk. Our overall financial risk management strategy seeks to mitigate these risks to minimize potential adverse effects on our financial performance.

We use derivative financial instruments in certain circumstances in accordance with Board approved policies to hedge exposure to fluctuations in foreign exchange rates or commodity prices. Derivative financial instruments are used for hedging purposes and not as trading or other speculative instruments. We use different methods to measure different types of risk to which we are exposed. These methods include monitoring key movements in interest rates, key transactions affected by foreign exchange and commodity prices, and ageing analysis for credit risk.

Risk management is carried out by a limited number of employees as authorized by the Board. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and the investment of excess liquidity.

The Risk, Audit & Compliance Committee (RAC) of the Board oversees on a quarterly basis the monitoring of compliance by management with our risk management framework. The RAC is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are also reported to the RAC.

For further information regarding our financial and capital risk management, including our use of derivatives, refer to Note 2 of the consolidated financial statements included in Item 18 of this annual report.

Sources of liquidity

Our sources of liquidity include cash and cash equivalents, collections from customers and amounts available under our unsecured multi-currency/multi-option credit facilities, most of which are global in nature. We believe these sources are adequate to fund operating expenses and related liabilities, planned capital expenditures and acquisitions, and the payment of cash dividends to shareholders for at least the next 12 months.

As of June 30, 2011, our cash and cash equivalents amounted to A$165.5 million compared to A$132.3 million as of June 30, 2010. As of June 30, 2011, total borrowings were A$291.7 million compared to A$117.2 million as of June 30, 2010. Our borrowings, net of cash and cash equivalents amounted to 4% of total capital at June 30, 2011. The majority of our borrowings are from our credit facilities. In June 2011, we entered into new three-year credit facilities which provide for a borrowing capacity of approximately A$1.4 billion. We had available borrowing capacity under our credit facilities of A$1,088.9 million as of June 30, 2011, compared to A$1,276.0 million as of June 30, 2010.

Our credit facilities are provided by Commonwealth Bank of Australia, or CBA, Westpac Banking Corporation, or WBC, HSBC Bank Australia Limited, HSBC Bank plc and HSBC Bank USA

National Association, collectively HSBC, National Australia Bank Limited, or NAB, and Bank of America Corporation, N.A., or BOA. These credit facilities are unsecured and are guaranteed by certain of our subsidiaries. There are no restrictions as to how much can be borrowed under the credit facilities provided we are not in default and the borrowings do not exceed the commitment amount. Information about our credit facilities is included within the following table. The maturity dates may be extended by each lender on an annual basis at their absolute discretion.

Lender	Maximum Commitment	Maturity Date
CBA	A$87.2 million	June 23, 2014
CBA	US$250.0 million	June 23, 2014
CBA	£82.5 million	June 23, 2014
WBC	US$175.0 million	June 23, 2014
WBC	£89.6 million	June 23, 2014
WBC	€27.0 million	June 23, 2014
NAB	US$175.0 million	June 23, 2014
HSBC	A$4.0 million	June 23, 2014
HSBC	US$257.3 million	June 23, 2014
HSBC	£27.7 million	June 23, 2014
BOA	US$200.0 million	June 23, 2014

Borrowings under the CBA, WBC, HSBC and NAB credit facilities bear interest at either (i) LIBOR plus a margin (for currencies other than the Australian dollar) or (ii) the Reuters Bank Bill Swap Bid Rate plus a margin (for Australian dollar borrowings). Our BOA credit facility bears interest at either the US Federal Funds Rate plus a margin, the US Prime Rate or the Eurocurrency Floating Rate plus a margin. Our weighted average interest rate for fiscal 2011 was 2.5% compared to 2.1% for fiscal 2010.

These credit facilities generally contain customary representations, warranties and covenants. Customary negative covenants include certain restrictions on our ability and that of our subsidiaries to engage in certain corporate transactions without such lender's consent, including: (i) the creation of certain liens on our property; (ii) mergers, dissolution, liquidation or consolidation with or into another entity; (iii) certain dispositions of our property; engaging in any substantially different material line of business; and (iv) certain related party transactions.

These credit facilities also require us to comply with certain financial covenants which are measured on a bi-annual basis. The primary financial covenants require us to have a minimum tangible net worth of A$1.5 billion (reduced to A$1.4 billion for the measurement of the covenant at June 30, 2011), a ratio of earnings before interest, taxes, depreciation and amortization, or EBITDA, to net interest expense of not less than 3.5 to 1 and a ratio of total financial indebtedness to EBITDA that is not greater than 3.0 to 1. We were in compliance with all of our financial covenants as of June 30, 2011.

Furthermore, these credit facilities contain customary events of default, such as: failure to pay any amounts outstanding under the credit facility when due; the failure to perform or observe certain covenants, including any financial covenant; certain breaches of any representation and warranty contained in the credit facility; the inability of us or any of our subsidiaries to pay its debts as they become due and payable; and the institution of an insolvency proceeding with respect to us or any subsidiary. The occurrence of an event of default under a credit facility could result in the termination of such credit facility by the lender and the acceleration of all amounts outstanding under such credit facility. These credit facilities also provide for cross defaults, such that if we default under one credit facility, we will be deemed to have defaulted under all of our credit facilities.

All of our bank credit facility providers may either vary the terms of their facilities to their

satisfaction if we either seek to extend the maturity or modify the foreign exchange denominated credit amounts or give notice of termination of their facilities. There can be no assurance that our lenders will continue to provide us with financing on acceptable terms.

Cash Flows

Fiscal 2011 compared with fiscal 2010

Net cash generated from operating activities was A$158.6 million in fiscal 2011 compared to cash used in operating activities of A$47.5 million in fiscal 2010. The increase in net cash generated in fiscal 2011 was primarily due to lower working capital requirements as a result of improved collections on accounts receivable. Cash used for working capital was A$154.4 million in fiscal 2011 compared to A$341.3 million in fiscal 2010.

Net cash used in investing activities was A$225.1 million in fiscal 2011 compared to A$248.6 million in fiscal 2010. The decrease was driven by proceeds from the sale of other financial assets and lower payments for business acquisitions, partially offset by higher capital expenditures. In fiscal 2011, we received net proceeds from the sale of other financial assets of A$26.5 million. Payments for acquisitions were A$105.8 million in fiscal 2011 compared to A$113.4 million in fiscal 2010. Capital expenditures were A$142.8 million in fiscal 2011 compared to A$120.9 million in fiscal 2010.

Net cash generated from financing activities was A$124.2 million in fiscal 2011 compared to A$359.3 million in fiscal 2010. The decrease was primarily due to lower proceeds from the issuance of shares which were A$3.6 million in fiscal 2011 compared to A$441.9 million in fiscal 2010. Cash dividends paid in fiscal 2011 were A$52.4 million compared to A$29.4 million in fiscal 2010.

On August 26, 2011, the Directors have determined the payment of a final dividend of A$0.35 per share franked at 43% based on tax paid at 30%. The aggregate amount of the proposed dividend expected to be paid on October, 21 2011 is A$71.9 million.

Fiscal 2010 compared with fiscal 2009

Net cash used in operating activities was A$47.5 million in fiscal 2010 compared to cash generated from operating activities of A$554.4 million in fiscal 2009. The decrease was primarily due to an increase in working capital requirements. The increase in working capital was due to an increase in commodity prices which resulted in higher accounts receivable and inventory values.

Net cash used in investing activities was A$248.6 million in fiscal 2010 compared to A$214.7 million in fiscal 2009. The increase was driven by acquisitions and the purchase of other financial assets, offset by lower capital expenditures. Payments for acquisitions were A$113.4 million in fiscal 2010 compared to A$76.0 million in fiscal 2009. Capital expenditures were A$120.9 million in fiscal 2010 compared to A$187.5 million in fiscal 2009. In fiscal 2009, we received A$39.7 million of cash from the sale of our non-core manufacturing businesses.

Net cash from financing activities was A$359.3 million in fiscal 2010 compared to net cash used in financing activities of A$426.8 million in fiscal 2009. In fiscal 2010, we raised A$441.9 million from the issuance of shares. Cash dividends paid in fiscal 2010 was A$29.4 million compared to A$159.9 million in fiscal 2009.

Share buy-back program

On October 7, 2011, we announced the establishment of an on-market share buy-back program as part of our capital management strategy. In accordance with the listing rules of the ASX, our buy-back program will allow us to purchase a maximum of 10% of our issued capital (20,603,871 ordinary shares) over a 12-month period on the ASX. The timing and actual number of shares to be purchased will depend on market conditions and other considerations. There is no guarantee that the Company will repurchase the full 20,603,871 shares. The buy-back program will commence after October 24, 2011.

C. Research and Development, Patents and Licenses, etc.

Not applicable.

D. Trends Information

See "Item 5.A. — Operating Results" for information on material trends affecting our business and results of operations.

E. Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have, or are reasonably likely to have, a material current or future effect on liquidity, capital resources, market risk support or credit risk support. Information related to our off-balance sheet arrangements, principally contingent liabilities, commitments for capital expenditure and other expenditure and commitments under leases at June 30, 2011 are included in Notes 22 and 23 of the consolidated financial statements included in Item 18 of this annual report.

F. Tabular Disclosure of Contractual Obligations

Our consolidated contractual obligations and commitments are summarized in the following table which includes aggregate information about our contractual obligations as of June 30, 2011 and the periods in which payments are due, based on the earliest date on which we could be required to settle the liabilities.

		Payments due by Period			
(in millions of A$)	**Total**	**Less than 1 Year**	**1 to 3 Years**	**3 to 5 Years**	**More than 5 Years**
Contractual Obligations					
Long-term debt [1]	346.5	18.6	327.9	—	—
Capital expenditures	41.2	40.7	0.5	—	—
Derivatives — net settled	2.9	2.9	—	—	—
Derivatives — gross settled:					
Inflows	(195.3)	(195.3)	—	—	—
Outflows	198.2	198.2	—	—	—
Pension plan contributions [2]	4.2	4.2	—	—	—
Operating leases	290.1	61.1	89.3	44.7	95.0
Total contractual cash obligations	687.8	130.4	417.7	44.7	95.0

1 Long-term debt includes interest based on the June 30, 2011 floating interest rates.

2 Pension plan contributions represent expected cash contributions to our defined benefit pension plans for the year ended June 30, 2011. It is not practicable to present expected cash contributions for subsequent years because they are determined annually on an actuarial basis to provide for current and future benefits in accordance with federal law and other regulations.

Item 6. Directors, Senior Management and Employees

A. Directors and Senior Management

Directors

Set forth below is information regarding the members of our Board of Directors, or the Board, as of October 1, 2011:

Name and Age	Title	Term Expires
Executive Directors:		
Daniel W. Dienst, 46	Executive Director and Group Chief Executive Officer	#
Non-Executive Directors:		
Paul J. Varello, 68	Chairman and Independent Non-Executive Director	2012
Norman R. Bobins, 68	Independent Non-Executive Director	2011[1]
Geoffrey N. Brunsdon, 53	Deputy Chairman and Independent Non-Executive Director	2012[2]
John T. DiLacqua, 59	Independent Non-Executive Director	2011[4]
J. Michael Feeney, 65	Independent Non-Executive Director	2012
Robert Lewon, 68	Independent Non-Executive Director	2011[3]
Gerald E. Morris, 79	Independent Non-Executive Director	2011[1]
Christopher J. Renwick, 69	Independent Non-Executive Director	2013
Heather Ridout, 57	Independent Non-Executive Director	2011[4]
M. Paul Sukagawa, 60	Non-independent Non-Executive Director	2012
James T. Thompson, 61	Independent Non-Executive Director	2012

Under our constitution, the Group Chief Executive Officer does not have a term limit.

1 Messrs. Bobins and Morris will be standing for re-election at our annual general meeting on November 10, 2011.

2 Mr. Brunsdon was appointed Deputy Chairman on September 1, 2011.

3 Mr. Lewon will be retiring from the Board on November 10, 2011.

4 Mr. DiLacqua and Mrs. Ridout were appointed to the Board on September 1, 2011 and will be standing for re-election at our annual general meeting on November 10, 2011.

Daniel W. Dienst

Executive Director and Group Chief Executive Officer since March 2008. Member of the Safety, Health, Environment & Community Committee, Nomination/Governance Committee and Finance & Investment Committee. Mr. Dienst was formerly a director (since June 2001), Chairman (since April 2003), Chief Executive Officer (since January 2004) and President (since September 2004) of Metal Management, Inc. which entity merged with Sims on March 14, 2008. From January 1999 to January 2004, he served in various capacities with CIBC World Markets Corp., lastly as Managing Director of the Corporate and Leveraged Finance Group. From 2002 to 2005, he was Chairman of the Board of Metals USA, Inc., a NASDAQ — listed steel service center company until its sale to a private entity. He is a director of other Sims Metal Management Limited subsidiaries and associated companies. He is a graduate of Washington University and received a Juris Doctorate from The Brooklyn Law School.

Paul J. Varello

Appointed as a director in November 2005, Deputy Chairman in November 2008 and Chairman in August 2009. Member of the Remuneration Committee and Nomination/Governance Committee.

Mr. Varello is Chairman of Commonwealth Engineering and Construction ("CEC"), located in Houston, Texas. Prior to founding CEC in 2003, he was Chairman and CEO of American Ref-Fuel Company. He is a registered professional engineer and a member of the American Society of Civil Engineers and the American Institute of Chemical Engineers.

Norman R. Bobins

Appointed as a director in March 2008. Chairman of the Finance & Investment Committee and member of the Nomination/Governance Committee. Mr. Bobins was formerly a director of Metal Management, Inc. (since 2006). Mr. Bobins is the Chairman of Norman Bobins Consulting LLC (since 2008). From May 2007 until October 2007, Mr. Bobins was the Chairman of the Board of LaSalle Bank Corporation. From 2002 to 2007, he was President and Chief Executive Officer of LaSalle Bank Corporation. From 2006-2007, he was President and Chief Executive Officer of ABN AMRO North America. From 2002-2007, he was Senior Executive Vice President at ABN AMRO Bank N.V., the Dutch parent of LaSalle Bank Corporation. Mr. Bobins is the Non-Executive Chairman of The PrivateBank and Trust Company. He is also a director of NICOR, Inc. and AAR CORP. He earned his BS from the University of Wisconsin and his MBA from the University of Chicago.

Geoffrey N. Brunsdon

Appointed as a director in November 2009 and Deputy Chairman in September 2011. Member of the Risk, Audit & Compliance Committee, Finance & Investment Committee and the Remuneration Committee. Until June 2009, Mr. Brunsdon was Managing Director and Head of Investment Banking of Merrill Lynch International (Australia) Limited. He is Chairman of ING Private Equity Access Limited (since 2004), a director of APN Funds Management Limited (since November 2009), a director of Macquarie University Hospital, Chairman of MetLife Insurance Limited (since April 2011) and is a member of the Takeovers Panel. He was a member of the listing committee of the Australian Securities Exchange between 1993 and 1997 and was a director of Sims Group Limited between 1999 and 2007. He is a Fellow of the Institute of Chartered Accountants, a Fellow of the Financial Services Institute of Australia and a Fellow of the Institute of Company Directors. Mr. Brunsdon is also a director of several non-profit organizations, including Redkite (supporting families who have children with cancer), the Wentworth Group of Concerned Scientists and Purves Environmental Custodians.

John T. DiLacqua

Appointed as a director in September 2011. Member of the Risk, Audit & Compliance Committee and Finance & Investment Committee. He was formerly a director of Metal Management, Inc. (since June 2001), and was a director of Sims Metal Management Limited between March and November 2008. He was the Executive Chairman of Envirosource, Inc. from May 2004 to December 2004 and had served as President and Chief Executive Officer of Envirosource from January 1999 to May 2004. From October 1997 to December 1998, he served as President of the U.S. Ferrous Operations of Philip Metals, Inc., and, prior to that, from May 1994, as the President of Luria Brothers. He is a graduate of Temple University and received an MBA from Carnegie Mellon University. He is a certified public accountant.

J. Michael Feeney

Appointed as a director in September 1991. Chairman of the Remuneration Committee and member of the Risk, Audit & Compliance Committee and Nomination/Governance Committee. Mr. Feeney was formerly an Executive Director of Collins Partners Corporate Advisory and prior to that Finance and Strategy Director for Philip Morris, Executive Director, Strategy & Corporate Affairs for Elders IXL and Executive Director, Corporate Strategy of Elders Resources NZFP.

Robert Lewon

Appointed as a director in March 2008. Chairman of the Nomination/Governance Committee and member of the Safety, Health, Environment & Community Committee and Finance & Investment

Committee. Mr. Lewon was formerly a director (since March 2004) of Metal Management, Inc. Mr. Lewon has over 40 years of experience in the scrap metal industry and has served as an executive of scrap companies, including President of Simsmetal USA Corp. He has been active in the Institute of Scrap Recycling Industries, Inc. and its predecessor ISIS, serving as director and national officer, among other positions. Additionally, he has served as a consultant to scrap metal companies since his retirement from Simsmetal in 1993, and, prior to his appointment as a director of the company, he was a long-time advisor/consultant to TAMCO, the only steel mill in California.

Gerald E. Morris

Appointed as a director in March 2008. Chairman of the Risk, Audit & Compliance Committee and member of the Remuneration Committee and Nomination/Governance Committee. Mr. Morris was formerly a director (since January 2004) of Metal Management, Inc. He previously served as President and CEO of Intalite International N.V., as Chairman and director of Beacon Trust Company, and as a director of Metals USA, Inc., Rexel, Inc. and Tivoli Industries, Inc., and as trustee of the Blanchard Group of Funds. He recieved a BA from the University of Connecticut and is a certified public accountant.

Christopher J. Renwick

Appointed as a director in June 2007. Mr. Renwick is Mitsui's designated independent director. Chairman of the Safety, Health, Environment & Community Committee and member of the Nomination/Governance Committee. Mr. Renwick was employed with the Rio Tinto Group for over 35 years rising, in 1997, to Chief Executive, Rio Tinto Iron Ore, a position he held until his retirement in 2004. He is Chairman and director of Coal and Allied Industries Limited (since 2004) and Chairman of the RioTinto Aboriginal Fund (since 2004). He previously served as a director of Downer EDI Limited (from 2004 to 2010).

Heather Ridout

Appointed as a director in September 2011. Member of the Safety, Health, Environment & Community Committee. Mrs. Ridout is currently the Chief Executive Officer of the Australian Industry Group — an employer group which along with its affiliates represents some 60,000 businesses across Australia who employ more than one million staff in a range of industries, including manufacturing, construction and engineering. She has been with the Ai Group for over 30 years, rising through the ranks of its predecessor, the Metal Trades Industry Association, to eventually become Chief Executive in 2004. She is Director of the AustralianSuper Trustee Board, the largest industry fund in Australia. She also serves on the Boards of Skills Australia, a Federal Government body established to shape Australia's strategy on skills development, and Infrastructure Australia, established by the Federal Government some four years ago to advise on Australia's infrastructure spending. She has an economics degree with honors from the University of Sydney.

M. Paul Sukagawa

Appointed as a director in November 2009. Mr. Sukagawa is Mitsui's designated representative director. Member of the Finance & Investment Committee, the Safety, Health, Environment & Community Committee and the Nomination/Governance Committee.
Mr. Sukagawa joined Mitsui & Co., Ltd in 1973 and has held various positions within that company, including President & Managing Director of Mitsui Iron Ore Development (2004—2007), President & CEO of PT. Mitsui Indonesia (2007—2009) and, most recently, since April 2009, Senior Adviser of Mitsui Iron Ore Development.

James T. Thompson

Appointed as a director in November 2009. Member of the Remuneration Committee and the Finance & Investment Committee.
Mr. Thompson was, from 2004 until his retirement in 2007, Executive Vice President—Commercial for The Mosaic Company, one of the world's largest fertilizer companies with sales of US$8 billion and some 7,500 employees, which is publicly traded on the New York Stock

Exchange. Prior to that, he was engaged for 30 years in the steel industry from 1974—2004 in various roles at Cargill, Inc. of Minnesota, United States leading to the position of President of Cargill Steel Group from 1996—2004. During that period he also served for a time as Co-Chairman of the North Star BlueScope Steel joint venture, and was a member of various industry boards including AISI (American Iron and Steel Institute), SMA (Steel Manufacturers Institute) and MSCI (Metals Service Center Institute). Mr. Thompson is currently a director of Hawkins Chemical, Inc. He has a BS from the University of Wisconsin—Madison.

Executive Officers

Set forth below is information regarding our executive officers as of October 1, 2011:

Name and Age	Title
Robert Larry, 50	Group Chief Financial Officer
Graham Davy, 46	CEO — European Metals and Sims Recycling Solutions - Global Operations
Robert Kelman, 47	President — Commercial, North America
Darron McGree, 63	Managing Director — Australia and New Zealand
Alan Ratner, 59	President — Operations, North America

Robert Larry

Group Chief Financial Officer since March 2008. Executive Vice President and Chief Financial Officer of Metal Management from August 1996 to March 2008. Treasurer of Metal Management from September 2004 to March 2008.

Graham Davy

CEO — European Metals and Sims Recycling Solutions — Global Operations since October 2006. Has been employed by the Group in various capacities since September 1988, including establishing the SRS business in 2002.

Robert Kelman

President — Commercial, North America since March 2008. President and Chief Operating Officer of Sims Group USA Holdings from 2007 to March 2008. Vice President and General Manager of Northeast Metals Operations of Sims Group USA since 2005. Prior to that time, he was the Senior Vice President and General Manager of Hugo Neu Schnitzer East, a joint venture between Hugo Neu Corporation and Schnitzer Steel, since 1997.

Darron McGree

Managing Director of Sims Group Australia Holdings Limited since 2005. Prior to that time, he held various senior management positions since joining Sims in 1983.

Alan Ratner

President — Operations, North America since March 2008. President of Metal Management Northeast, Inc. from 2001 to March 2008.

B. Compensation

The following section reports the remuneration to our Board and describes our compensation policies and actual compensation for our executive officers as well as our use of equity incentives.

Director Compensation

Remuneration for non-executive directors, or NEDs, reflects our desire to attract, motivate and retain high quality directors and to ensure their active participation in the company's affairs for the purposes of corporate governance, regulatory compliance and other matters to maximize shareholder value. We aim to provide a level of remuneration for NEDs taking into account, among other things, fees paid for similar roles in comparable companies, the time commitment, risk and responsibility accepted by NEDs, and recognition of their commercial expertise and experience.

Annual NED fees are determined within an aggregate directors' fee pool limit which is periodically recommended for approval by shareholders. The current pool limit of A$3,000,000 was approved by shareholders at our 2009 annual general meeting. The Remuneration Committee feels that this limit continues to be appropriate at this time and therefore no increase to the limit will be sought at our 2011 annual general meeting

NED fees are inclusive of superannuation, where applicable, and are made up of a base fee for each NED, and a base fee for the Chairman of the Board. In addition, the Chairperson of each Board Committee receives a fee for acting in such capacity.

As was the case in fiscal 2010, there was no increase in the fees paid to the NEDs in fiscal 2011. An increase in NED fees has been approved by the Board for fiscal 2012 and these fees are outlined in the table below. The increased fees for fiscal 2012 will not require an increase in the overall pool for director's fees.

NED Fees in A$ (per annum)	From July 1, 2011	From 1 July 2009 to June 30, 2011
Base fee (Chairman)	450,528	433,200
Base fee (Non-executive Director)	203,424	195,600
Chairperson Risk, Audit & Compliance Committee	65,000	60,000
Chairperson Safety, Health, Environment & Community Committee	35,000	30,000
Chairperson Remuneration Committee	35,000	30,000
Chairperson Finance & Investment Committee	35,000	30,000
Chairperson Nomination/Governance Committee	35,000	30,000

NEDs also receive reimbursement for reasonable travel, accommodation and other expenses incurred in travelling to or from meetings of the Board or when otherwise engaged in the business of the company in accordance with Board policy.

NEDs are not currently covered by any contract of employment and therefore have no contract duration, notice period for termination or entitlement to termination payments other than as noted below under retirement benefits.

The Sims Metal Management Deferred Tax Director and Employee Share Plan was discontinued during fiscal 2011. NEDs do not participate in any incentive (cash or equity-based) arrangements. Messrs. Lewon and Morris hold stock options as a result of grants made by Metal Management prior to the merger with Sims in March 2008.

Our NED Retirement Allowance Scheme was discontinued effective June 30, 2006. The accrued amount for Mr. Feeney, the sole remaining NED who has participated in this plan, was frozen and has

been indexed at 5% per annum until payment. For Australian resident NEDs, we withhold 9% of their fees and contribute on behalf of each such NED to a complying superannuation fund, as required by legislation.

Details of the fees paid to NEDs in fiscal 2011 are set out in the table below. For NEDs who receive payments in foreign currencies, the table reflects the Australian dollar equivalent of the fees paid to each such NED based on the exchange rate at the date of payment. Accordingly, the amount of any remuneration may be influenced by changes in the respective currency exchange rates. For information with respect to the Sims shares and equity awards held by members of the Board, see "Item 6.E. — Share Ownership."

	Short-Term Benefits	Post-Employment Benefits		
(in A$) Name	Cash Fees[3]	Super-annuation	Retire-ment Benefits	Total
Paul J. Varello[1,4]	478,271	—	—	478,271
Norman R. Bobins[1,4]	249,073	—	—	249,073
Geoffrey N. Brunsdon	195,600	17,604	—	213,204
J. Michael Feeney	225,600	20,304	23,258	269,162
Robert Lewon[1,4]	249,073	—	—	249,073
Gerald E. Morris[1,4]	282,193	—	—	282,193
Christopher J. Renwick	225,600	20,304	—	245,904
M. Paul Sukagawa[2]	195,600	—	—	195,600
James T. Thompson[1,4]	216,145	—	—	216,145

1 Messrs. Bobins, Lewon, Morris, Thompson and Varello receive their payments in US dollars.

2 Mr. Sukagawa was appointed to the Board on November 20, 2009 as a representative director of Mitsui. He is currently employed by a subsidiary of Mitsui and as a result his director fees are paid to a Mitsui affiliate in Australia.

3 Figure shown is after fee sacrifice to superannuation.

4 Fees for fiscal 2011 that were paid in US dollars were converted at a rate of A$1 to US$.9626. This exchange rate was set by the Board in July 2008. In July 2011, the Remuneration Committee determined that fees to be paid in fiscal 2012 in US dollars will be converted at a rate of A$1 to US$1.

Executive Officer Compensation

Executive remuneration policy

The executive remuneration policy recognizes that we operate in a global environment and that our performance depends on the quality of our people. The policy seeks to ensure alignment between our remuneration philosophy, our business strategy and the best interest of our shareholders.

The primary aim of our remuneration policy is to attract, motivate and retain high caliber executives. To do so, we provide executive remuneration packages that are competitive (referencing market data), and commensurate with employee responsibilities and accountabilities.

Fixed Remuneration

In light of our global operations, our executive fixed remuneration levels are benchmarked against a comparator group by Mercer (the Board's external remuneration adviser). The comparator group includes industry-related companies of a relative size, footprint and complexity, as noted in the report. Adjustments with respect to fixed remuneration were made in fiscal 2011 in accordance with the above, factoring in appropriate benchmarks and executive performance.

Variable Pay

Our variable pay plans use demanding financial and individual performance criteria focused on delivering short-term and long-term value to shareholders. We endeavor to achieve simplicity and transparency in remuneration design, while also balancing competitive market practice in the US, the UK and Australia.

Our Short-term Incentive, or STI, plan has financial metrics that are in alignment with our strategic plan and our cost of capital. The STI plan for the executive director and executive officers are weighted 80% towards financial measures and 20% on individual measures to drive and reinforce desired individual behaviors and outcomes. While our financial performance improved in fiscal 2011, the STI plan performance against the overall financial goals came in below target. However, some regions did reach or outperform their target. As such, bonuses were paid to the executive director and executive officers in line with the respective performance of the Company or region as applicable, in conjunction with their performance against their individual objectives.

Under our Long-term Incentive, or LTI, plan, performance rights and options (or phantom options) are granted to select executives consistent with the framework of the awards made to the executive director, as approved by shareholders in November 2010. These awards provide meaningful remuneration opportunities aligned with our share price performance and reflect the importance of retaining our world-class management team.

The performance rights are nil exercise price options and vest subject to relative total shareholder return (TSR) performance against an industry peer group over a three-to-five-year period. This is consistent with competitive market practice in Australia and the UK. The options have an exercise price which is equal to the average share price for the five days preceding the grant date. They vest in three equal installments over a three- year period subject to continued service. The options reward executives for share price growth and only deliver value if the share price exceeds the exercise price at the end of the vesting period. This is consistent with competitive market practice in the US.

This LTI structure ensures that executives focus on shareholder value creation relative to companies within our industry, as well as the creation of absolute shareholder value. Under this structure, executives cannot receive their full LTI opportunity unless our share price has grown in absolute terms and is above the median against its industry peer group. This structure is more rigorous than other structures typically seen in the Australian market where, in difficult economic conditions, 100% of the LTI opportunity can vest if relative TSR performance is strong but no shareholder value has been created.

The following table sets forth remuneration paid to our executive director and executive officers in fiscal 2011. The table also includes remuneration information for Michael Lion who is not an executive officer of the Company. Mr. Lion is a director and consultant of Sims Metal Management Asia Limited. The Corporations Act of Australia requires disclosure of remuneration information for an individual that is a director of a subsidiary company if that individual is one of the five highest remunerated executives, which Mr. Lion was in fiscal 2011.

For executives listed below who are not residents of Australia, their respective remuneration paid in foreign currency has been converted to Australian dollars at an average exchange rate for the year. For information with respect to the Sims shares and equity awards held by our executive director and executive officers, see “Item 6.E — Share Ownership.”

Name	Salary[1]	Cash Bonus[2]	Other Benefits[3]	Pension and Super-annuation	Other Long-Term Benefits[4]	Share-based Pay-ments[5]	Total
				(in A$)			
Daniel Dienst[6]	1,305,536	1,603,851	44,043	37,166	—	3,473,987	6,464,583
Graham Davy[6]	449,905	772,880	32,780	26,256	—	603,437	1,885,258
Robert Kelman[6]	652,768	130,554	36,972	29,482	5,060	661,570	1,516,406
Robert Larry[6]	652,768	616,866	36,100	31,731	5,060	959,237	2,301,762
Darron McGree	605,611	720,391	4,401	105,603	21,703	575,638	2,033,347
Alan Ratner[6,7]	652,768	130,554	22,221	18,236	—	714,755	1,538,534
Michael Lion[6]	632,527	724,117	128,810	—	—	301,890	1,787,344

1 Cash salary includes amounts sacrificed in lieu of other benefits at the discretion of the individual.

2 Cash bonus amount reflects the amount accrued for all executives under the fiscal 2011 short-term incentive plan. Amount for Mr. Lion also includes a A$202,409 signing bonus and a A$50,602 special bonus relating to fiscal 2010.

3 Other short-term benefits include auto allowances, health and life insurance benefits, amounts accrued for annual leave during the period and personal security payments (for Mr. Dienst). Effective for fiscal 2011, we instituted a Paid Time Off policy for U.S. employees which included a carryover feature of up to two weeks.

4 Other long-term benefits include amounts accrued for cash-based long-term incentive plans, long-service leave and deferred compensation plans.

5 Share-based payments represent the accounting expense (as computed pursuant to IFRS 2 *Share-based Payments*) recognized by the Company for share-based awards.

6 Messrs. Dienst, Kelman, Larry, Lion and Ratner receive their cash payments in US dollars. Mr. Davy receives his cash payments in pounds sterling.

7 Mr. Ratner received an overpayment of his car allowance in prior years which resulted in a repayment of A$14,169 in fiscal 2011. The amounts represented in the table above represent the actual amounts paid to Mr. Ratner. No adjustment has been made to reflect the related repayment.

Share-based Plan Awards

During fiscal 2011, the following grants of options were made to the executive director, executive officers and Mr. Lion under our LTI plan. The options vest equally over three years beginning on August 26, 2011.

Name	Grant Date	Number Granted	Exercise Price	Expiration Date
Ordinary shares (A$)				
Graham Davy	November 30, 2010	42,472	$ 17.62	November 30, 2017
Darron McGree	November 30, 2010	56,562[1]	$ 17.62	November 30, 2017
ADS (US$)				
Daniel Dienst	November 22, 2010	203,908	$ 16.73	November 22, 2017
Robert Kelman	November 30, 2010	50,977	$ 16.98	November 30, 2017
Robert Larry	November 30, 2010	63,721	$ 16.98	November 30, 2017
Michael Lion	November 30, 2010	39,517	$ 16.98	November 30, 2017
Alan Ratner	November 30, 2010	50,977	$ 16.98	November 30, 2017

1 Represents a cash-settled phantom option grant.

During fiscal 2011, the following grants of performance rights were made to the executive director, executive officers and Mr. Lion under our LTI plan. The performance rights will vest on August 31, 2014 subject to the achievement of a total stockholder return over a three-year period commencing on July 1, 2011.

Name	Grant Date	Number Granted
Daniel Dienst	November 22, 2010	271,865
Graham Davy	November 30, 2010	18,410
Robert Kelman	November 30, 2010	33,983
Robert Larry	November 30, 2010	42,479
Michael Lion	November 30, 2010	26,344
Darron McGree	November 30, 2010	24,517
Alan Ratner	November 30, 2010	33,983

In acknowledgement of his leadership in growing the Global SRS business, as well as his management of the United Kingdom Metals business, Mr. Davy was awarded a special recognition/retention equity award of 28,893 restricted share units on June 16, 2011. The entire equity award vests three years from the date of grant on June 16, 2014, provided that Mr. Davy, unless subject to a prior qualifying cessation event, remains an employee of the Company at that date.

In recognition of his re-commitment to the Company, Mr. Lion was awarded a signing bonus of 14,127 restricted share units on September 9, 2010. The award vests annually in three equal installments commencing on September 9, 2011, provided that Mr. Lion, unless subject to a prior qualifying cessation event, remains a director of Sims Metal Management Asia Limited on those respective dates.

For additional information on our share-based plans, refer to Note 24 of the consolidated financial statements included in Item 18 of this annual report.

C. Board Practices

Under our constitution, the Board is required to be comprised of at least six directors. Under our Board Charter, a majority of directors, including the Chairperson of the Board, must be independent. The Chairperson must not also be the Group Chief Executive Officer or other officer or employee of Sims or of any of its consolidated subsidiaries.

In accordance with the listing rules of the ASX, directors (other than the Group Chief Executive Officer) appointed to fill a casual vacancy or as an addition to the Board must stand for re-election at the next following annual general meeting of the listed company, and directors serve three-year terms and are eligible for re-election to further three-year terms.

The Board is responsible for the corporate governance and overall performance of the Company and for providing strategic guidance for our business. The Board's responsibilities encompass the setting of key objectives, monitoring performance and ensuring our internal control, risk management and reporting procedures are adequate and effective.

Committees of the Board

The Board has established five committees to assist in the execution of Board functions, namely, a Remuneration Committee, a Risk, Audit & Compliance Committee, a Safety, Health, Environment & Community Committee, a Nomination/Governance Committee and a Finance & Investment Committee. Although the Board may delegate powers and responsibilities to these committees, the Board retains ultimate accountability for discharging its duties. Descriptions of the current roles and responsibilities of these committees are set out below.

Remuneration Committee

The Remuneration Committee of the Board is composed of at least three directors, with a majority being independent. The current members of the Remuneration Committee are J. Michael Feeney (Chair), Geoffrey N. Brunsdon, Gerald E. Morris, James T. Thompson and Paul J. Varello.

The primary role of the Remuneration Committee is to support and advise the Board on the implementation and maintenance of coherent, fair and responsible remuneration policies which are observed and which enable us to attract and retain executives and directors who will create value for our shareholders. The Remuneration Committee has responsibility for, among other things, reviewing and making recommendations to the Board on:

- remuneration and incentive performance packages of the CEO and direct reports to the CEO;
- recruitment, retention and termination policies and procedures;
- introduction and application of equity-based schemes, including allocations; and
- level of annual fees paid to the non-executive directors.

Risk, Audit & Compliance Committee

The Risk, Audit & Compliance Committee, or RAC, is composed of at least three directors, each of whom must be independent. All RAC members must be financially literate and have an understanding of the industry in which we operate. At least one member must have accounting or related financial management expertise, either as being a qualified accountant, or other financial professional with experience of financial and accounting matters. The current members of the RAC are Gerald E. Morris (Chair), Geoffrey N. Brunsdon, John T. DiLacqua and J. Michael Feeney.

The RAC assists the Board in fulfilling its responsibility to oversee the quality and integrity of accounting, auditing and reporting practices. In particular, the primary role of the RAC is to assist the Board in fulfilling its corporate governance and oversight responsibilities in relation to our accounting and financial reporting, internal control structure, risk management systems (including the review of risk mitigation, which includes commercial insurance coverage), internal and external audit functions, and compliance with legal and regulatory requirements. The specific functions of the RAC are set out in its charter and include:

- reviewing and assessing the internal and external reporting of financial information;
- assessing management processes supporting the integrity and reliability of our financial and management reporting systems and our external reporting;
- overseeing the relationship with and performance of the external auditor and assessing the independence of the external auditor; and
- overseeing the performance of the internal audit function.

The RAC is also required to pre-approve all audit and non-audit services (including valuation, internal audit, legal and corporate services) provided by the external auditors and not engage the external auditors to perform any non-audit/assurance services that may impair or appear to impair the external auditors' judgment or independence in respect of Sims or that violate the prohibitions on non-audit services provided in Sections 201 and 202 of the Sarbanes-Oxley Act of 2002 or the auditor independence rules or interpretations of the SEC or the United States Public Company Accounting Oversight Board.

Safety, Health, Environment & Community Committee

The SHEC Committee is composed of at least three directors, of whom one at least must be independent. The current members of the SHEC Committee are Christopher J. Renwick (Chair), Daniel W. Dienst, Robert Lewon, Heather Ridout and M. Paul Sukagawa.

The primary role of the SHEC Committee is to provide additional focus and advice to the Board on key SHEC issues and to assist the Board to fulfill and discharge its SHEC obligations.

Nomination/Governance Committee

The Nomination/Governance Committee is composed of at least three directors, with a majority being independent. The current members of the Nomination/Governance Committee are Robert Lewon (Chair), Norman R. Bobins, Daniel W. Dienst, J. Michael Feeney, Gerald E. Morris, Christopher J. Renwick, M. Paul Sukagawa and Paul J. Varello.

The Nomination/Governance Committee is responsible for recommending new nominees for membership of the Board and assessing necessary and desirable competencies of Board members. The Nomination/Governance Committee is also responsible for reviewing our corporate governance procedures and recommending changes to the Board as appropriate; developing a plan for Board succession, including the succession of the Chairperson of the Board and the CEO, and monitoring succession plans for our management levels and key resources; and establishing procedures for and overseeing the evaluation of the Board.

Finance & Investment Committee

The Finance & Investment Committee, or FIC, is composed of at least three directors of whom one at least shall be independent. The current members of the FIC are Norman R. Bobins (Chair), Geoffrey N. Brunsdon, Daniel W. Dienst, John T. DiLacqua, Robert Lewon, M. Paul Sukagawa and James T. Thompson.

The primary role of the FIC is to review, advise and report to the Board on the management of our financial resources and invested assets, shareholder dividend policy and shareholder dividends, our capital plan and capital position, debt levels, evaluation of acquisitions and other financial matters. The FIC also reviews broad investment policies and guidelines and makes recommendations to the Board.

D. Employees

We had 6,248 employees as of June 30, 2011. The table below sets forth the total number of employees by geography segment for the past three years.

	As of June 30,		
	2011	**2010**	**2009**
Australasia	985	895	945
North America	3,536	3,370	3,248
Europe	1,727	1,307	1,340
Total employees	6,248	5,572	5,533

The increase in the number of employees from June 30, 2010 to June 30, 2011 was primarily due to additions from acquisitions during the fiscal year.

We have a mix of collective “at will” and individually negotiated employment arrangements throughout North America, Australasia and Europe.

In locations where our employees are represented by unions, we work closely with the unions and strive to maintain positive labor relations. We had no significant strikes or other industrial actions during fiscal 2011 and successfully renegotiated the collective bargaining agreements that expired during the fiscal year. We believe that strong relations with all our employees, unionized and non-unionized, must be built on values of mutual trust and respect.

Management believes that we have good relations with our employees and with the labor unions.

E. Share Ownership

The following table sets forth certain information as of October 1, 2011 for directors and as of June 30, 2011 for executive officers, regarding the beneficial ownership of our ordinary shares:

Name	Number of ordinary shares held
Directors:	
Norman R. Bobins	54,600
Geoffrey N. Brunsdon	3,870
Daniel W. Dienst	597,293
John T. DiLacqua	—
J. Michael Feeney	27,789
Robert Lewon	—
Gerald E. Morris	35,000
Christopher J. Renwick	3,144
Heather Ridout	—
M. Paul Sukagawa	—
James T. Thompson	12,000
Paul J. Varello	82,325
Executive officers:	
Graham Davy	67,170
Robert Kelman	—
Robert Larry	54,477
Darron McGree	47,462
Alan Ratner	75,718

Details regarding potential ownership interest through holding of equity-based incentives, of the members of our Board and our executive officers, are set forth in Note 25 of the consolidated financial statements included in Item 18 of this annual report. Details regarding options and performance rights granted to executive officers during fiscal 2011 are set forth in “Item 6.B. — Compensation.” None of the members of our Board or our executive officers own more than 1% of our outstanding ordinary. shares nor do they have different voting rights with respect to their share ownership.

Item 7. Major Shareholders and Related Party Transactions

A. Major Shareholders

The table below presents certain information regarding the beneficial ownership of our ordinary shares as of September 1, 2011 by each person known by us to be the beneficial owner of more than 5% of our ordinary shares based upon filings made by such persons with the ASX.

Principal Beneficial Shareholders	Number of Ordinary Shares	Percentage
Mitsui Raw Materials Development Pty Limited	36,151,787	17.60%
IOOF Holdings Limited	14,570,156	7.09%
Legg Mason Asset Management Limited	12,374,033	6.02%

As far as is known, we are not directly or indirectly owned or controlled by another corporation or by any government or natural or legal person(s) severally or jointly. Further, we are not aware of any arrangement which may at a subsequent date result in a change in control.

Significant Changes in the Ownership of Major Shareholders

IOOF Holdings Limited. As of September 10, 2010, IOOF Holdings Limited beneficially owned 10,267,704 ordinary shares, representing approximately 5.03% of our then outstanding ordinary shares. On April 21, 2011, IOOF Holdings Limited filed with the ASX a Notice of Change of Interest of Substantial Holder, reflecting ownership of 14,570,156 ordinary shares, or 7.09% of our then outstanding ordinary shares.

M&G Investment Funds. As of October 14, 2009, M&G Investment Funds beneficially owned 21,968,173 ordinary shares, representing approximately 12.05% of our then outstanding ordinary shares. On September 2, 2010, M&G Investment funds filed with the ASX a Notice of Change of Interest of Substantial Holder reflecting ownership of 20,094,157 ordinary shares, or 9.85% of our then outstanding shares. On February 25, 2011, M&G Investment Funds filed with the ASX a Notice of Change of Interest of Substantial Holder reflecting ownership of 10,074,179 ordinary shares, or 4.91% of our then outstanding ordinary shares.

Major Shareholders' Voting Rights

Shareholders of the Company do not have different voting rights. Mitsui Raw Materials Development Pty Limited holds approximately 18% of the outstanding ordinary shares of Sims and is our largest shareholder. Under our constitution, Mitsui & Co., Ltd and any of its related corporate bodies, which are collectively referred to as Mitsui, have the right to designate a representative director to serve on our Board so long as Mitsui holds 5% or more of Sims ordinary shares and, so long as Mitsui holds 15% or more of Sims ordinary shares, then Mitsui has the right to designate both a representative director and an independent director to serve on our Board. Currently, Mr. Sukagawa is Mitsui's designated representative director and Mr. Renwick is Mitsui's designated independent director.

Record Holders

As of June 30, 2011, there were 205,393,914 ordinary shares outstanding, of which 3,684,402 ordinary shares were held by 31 registered holders with a registered address in the US and 25,352,055 ADSs were held by 270 registered holders with a registered address in the US. Since certain of the ordinary shares and ADSs were held by brokers and nominees, the number of record holders in the US may not be representative of the number of beneficial holders or of where the beneficial holders are resident.

B. Related Party Transactions

Transactions with related parties during fiscal 2011 that are material to us or to a related party are presented in Note 30 of the consolidated financial statements included in Item 18 of this annual report.

C. Interests of Experts and Counsel

Not applicable.

Item 8. Financial Information

A. Consolidated Statements and Other Financial Information

Our consolidated financial statements are set out on pages F-1 to F-76 in Item 18 of this annual report.

Export Sales

The total sales made outside of Australia in fiscal 2011 were A$8.3 billion which represented 94% of total sales of A$8.8 billion.

Legal Proceedings

Various claims and legal actions are pending against us in respect of contractual obligations and other matters arising out of the conduct of our business. Details regarding these claims and legal actions are included in Note 22 of the consolidated financial statements included in Item 18 of this annual report. In the opinion of management, any liability will not materially affect our consolidated financial position, results of operations or cash flows.

Dividend Policy

Under our constitution, our Board may, from time to time, determine that a dividend is payable to our shareholders. Subject to our constitution, the Corporations Act, the listing rules of the ASX and the rights of holders of shares with special rights as to dividends, dividends are to be apportioned and paid among our shareholders in proportion to the amounts paid up (not credited) on the shares held by the shareholders. In relation to partly paid shares, any amount paid on a share in advance of a call will be ignored when calculating the relevant proportion. We presently expect to continue to pay dividends in the future. The total amounts of future dividends will be determined by our Board and will depend on our profit after tax, cash flow, financial and economic conditions and other factors. We have expressed an intention to maintain a dividend payout ratio of between 45% and 55% of net profit.

On June 28, 2010, new dividend laws came into effect in Australia under the Corporations Act and apply to all Australian incorporated companies. The previous law, which required dividends to be only paid from profits, has been abolished. This has now been replaced with a three tiered solvency test which requires:

- assets to exceed its liabilities immediately before the dividend is declared and the excess to be sufficient for the payment of the dividend; and
- the payment of the dividend to be fair and reasonable to shareholders as a whole; and
- the payment of the dividend to not materially prejudice the ability to pay its creditors.

At our annual general meeting on November 19, 2010, our shareholders approved an amendment to our constitution to replace the profits test with the solvency test.

The Board may deduct from any dividend payable to a shareholder all sums of money presently payable by the shareholder to Sims on account of calls on shares held by it or otherwise.

In addition, we have adopted a dividend reinvestment plan, which permits eligible participants to elect to be issued Sims ordinary shares in lieu of a cash dividend for some or all of their Sims ordinary shares. ADS holders cannot participate in the dividend reinvestment plan.

B. Significant Changes

No matters or circumstances have arisen since June 30, 2011 that have significantly affected, or may significantly affect, our operations, results of operations or state of affairs in subsequent accounting periods.

Item 9. The Offer and Listing

A. Offer and Listing Details

Our capital consists of ordinary shares traded on the ASX under the symbol "SGM." ADSs, each representing one ordinary share, are traded on the NYSE under the symbol "SMS." The ADSs are evidenced by American Depositary Receipts, or ADRs, issued by Bank of New York Mellon, as depositary under the Amended and Restated Deposit Agreement dated as of March 14, 2008, among Sims, Bank of New York Mellon and registered holders from time to time of ADRs. The ADSs began trading on March 17, 2008.

The table below sets forth, for the periods indicated, the reported high and low quoted prices for our ordinary shares on the ASX and the reported high and low quoted prices for the ADSs on the NYSE.

	ASX Price Per Share A$		NYSE Price Per Share US$	
	High	Low	High	Low
Year ended June 30, 2011:				
First Quarter	19.00	15.38	17.79	13.00
Second Quarter	22.36	15.23	22.41	15.45
Third Quarter	22.02	15.90	22.27	15.79
Fourth Quarter	18.59	15.75	20.05	16.63
Year ended June 30, 2010:				
First Quarter	29.15	22.10	23.74	18.21
Second Quarter	24.00	19.38	22.11	17.11
Third Quarter	25.50	18.86	23.60	16.30
Fourth Quarter	23.43	16.34	21.47	14.10
Year ended June 30, 2009	43.20	10.68	41.49	6.97
Year ended June 30, 2008	42.41	29.62	40.99	27.25
Year ended June 30, 2007	28.65	22.62	n/a	n/a
Most recent six months:				
October 2011 (through October 6)	12.29	11.54	12.18	10.62
September 2011	15.45	12.02	16.33	11.68
August 2011	17.42	13.36	18.91	14.35
July 2011	18.57	16.60	19.79	18.18
June 2011	17.79	15.75	19.10	16.63
May 2011	18.59	16.56	20.05	17.52
April 2011	17.97	16.17	19.54	17.09

B. Plan of Distribution

Not applicable.

C. Markets

See "Item 9.A. — Offer and Listing Details."

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

Item 10. Additional Information

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

General

We are a public company limited by shares registered under the Corporations Act by the Australian Securities and Investments Commission, or ASIC. Our registered company number is 114 838 630. Our constitution does not specify the objects and purposes of the company. The rights of our shareholders are set forth in our constitution, which is similar in nature to the certificate of incorporation and bylaws of a company incorporated under state corporation laws in the US. Our constitution is subject to the terms of the listing rules of the ASX and the Corporations Act. Our constitution may be amended or repealed and replaced by special resolution of shareholders, which is a resolution passed by at least 75% of the votes cast by shareholders entitled to vote on the resolution.

Our current constitution was adopted on October 21, 2005 and was amended on November 19, 2010. Under Australian law, a company has the legal capacity and powers of an individual both inside and outside Australia. The material provisions of our constitution are summarized below. This summary is not intended to be complete, nor does it provide a definitive statement of the rights and liabilities of our shareholders and is qualified in its entirety by reference to the constitution filed as Exhibit 1.1 hereto.

Directors

Our constitution provides for a minimum of six directors. Under the listing rules of the ASX, our directors are elected for three year terms and must retire from office or seek re-election by no later than the third annual general meeting following such director's election or three years, whichever is longer. Our Group Chief Executive Officer, Daniel W. Dienst, is not subject to this obligation while he serves in such position.

The number of directors up for election at an annual general meeting depends upon the number of directors due to retire or seek re-election that year. However, our constitution provides that, unless otherwise determined by a resolution of our Board while Sims is listed on the ASX, at least one director must retire from office at each annual general meeting, unless there has been an election of directors earlier that year. If no director is required to retire at the annual general meeting due to having been in office for three years or due to being appointed that year, the director required to retire will be the one who has been longest in office since his or her last election.

Directors are elected by an ordinary resolution of the holders of our ordinary shares and ADSs. However, the Board has the power to appoint any other person as a director either to fill a casual vacancy (on retirement of a director or where the maximum allowable number of directors has not been appointed). Directors appointed in this manner must retire from office (and will be eligible for re-election) at the next annual general meeting. The constitution contains no age limit requirements for the retirement or non-retirement of directors and does not require a director to hold shares in Sims.

Subject to the Corporations Act and the listing rules of the ASX, neither a director nor his or her alternate may vote at any Board meeting about any contract or arrangement in which the director has, whether directly or indirectly, a material personal interest. However, that director may execute or otherwise act in respect of that contract or arrangement. Any director who has a material personal interest in a matter that relates to the company's affairs must give the other directors notice of that interest, unless the interest is of a type referred to in section 191(2)(a) of the Corporations Act, or all of the conditions referred to in section 191(2)(c) of the Corporations Act are satisfied. The director must declare the nature and extent of the director's interest and the relation of the interest to the company's affairs at a Board meeting as soon as possible after the director becomes aware of his or her interest in the matter. A director who has an interest in a matter may give a standing notice to the other directors of the nature and extent of that director's interest in the matter in accordance with section 192 of the Corporations Act. Any director who holds any office or possesses any property whereby the holding or possession might (whether directly or indirectly) create conflicting duties or interests with those as a company director must declare the fact of holding that office or possessing that property, and the nature and extent of any conflict, at the first Board meeting held after he or she becomes a director or (if already a director) at the first Board meeting held after he or she becomes aware of the relevant facts.

We may in general meeting, from time to time, determine the maximum aggregate cash remuneration to be paid to the non-executive directors for services rendered as directors. At our annual general meeting on November 20, 2009, our shareholders approved an increase in the maximum aggregate remuneration to A$3.0 million. The directors may divide the remuneration among themselves in any proportions and in any manner as they may from time to time determine. If the directors do not or are unable to agree as to the apportionment of the remuneration, it will be divided among them equally. If any director performs extra services or makes special exertions (at the Board's request), such as going or living abroad, serving on any Board committee, or otherwise for any company purpose, we may remunerate that director by paying for those services and exertions.

The directors may, from time to time, at their discretion, cause the company to borrow or raise any sum or sums of money or obtain other financial accommodation for company purposes and may grant security for the repayment of that sum or sums or the payment, performance or fulfillment of any debts, liabilities, contracts or obligations incurred or undertaken by the company in any manner and on any terms and conditions as they think fit and in particular by the issue or re-issue of bonds, perpetual or redeemable debentures or any mortgage, charge or other security on the undertaking or the whole or any part of the property of the company (both present and future) including its uncalled or unpaid capital for the time being.

Rights and Restrictions on Classes of Shares

The rights of holders of our ordinary shares are governed by the Corporations Act, our constitution, the listing rules of the ASX and Australian law. Our constitution provides that we may issue preference, deferred, or non-voting shares, whether in relation to dividends, voting, return of share capital, payment of calls or otherwise as the Board may determine from time to time.

Our constitution provides that, subject to the Corporations Act and the listing rules of the ASX, all or any of the rights and privileges attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class) may be varied or cancelled, including by converting or reclassifying shares from one class to another (i) with the written consent of holders of at least 75% of the shares issued in such class; or (ii) with the approval of a special resolution passed at a meeting of holders of the shares of such class.

Dividend Rights

Under our constitution, the Board may, from time to time, determine that a dividend is payable to our shareholders. Subject to our constitution, the Corporations Act, the listing rules of the ASX and the rights of holders of shares with special rights as to dividends, dividends are to be apportioned and paid among our shareholders in proportion to the amounts paid up (not credited) on the shares held by the shareholders. In relation to partly paid shares, any amount paid on a share in advance of a call will be ignored when calculating the relevant proportion.

Voting Rights

Our constitution provides that, generally, each shareholder has one vote on a show of hands and, on a poll, one vote for each ordinary share fully paid and, if not fully paid, a fraction of a vote equivalent to the proportion of the ordinary share paid up.

A shareholder may not vote at any general meeting in respect of ordinary shares it holds on which calls or other moneys are due and payable to Sims at the time of the meeting. However, a shareholder holding ordinary shares on which no calls or other moneys are due and payable to Sims is entitled to receive notices of, and to attend, any general meeting and to vote and be counted in a quorum even though that shareholder has moneys then due and payable to Sims in respect of other ordinary shares which that shareholder holds.

Joint holders of our ordinary shares may vote at any shareholders' meeting either personally or by proxy or by attorney or representative in respect of those ordinary shares as if they were solely entitled to those ordinary shares. If more than one joint holder votes, then the vote of the joint holder whose name appears first on the register will be counted.

Eligible shareholders will be able to vote at the 2011 annual general meeting (and at each annual general meeting thereafter) on the remuneration report in our home annual report. Even though the vote is advisory only and does not bind the directors, if at least 25% of the votes cast on the resolution are voted against adoption of the remuneration report at two successive annual general meetings, we are required to put a resolution to shareholders at the second of those annual general meetings proposing the calling of a general meeting to consider the appointment of directors. If more than 50% of eligible shareholders vote in favor of this resolution, we will convene a general meeting within 90 days and all of the directors who were in office, other than the managing director, will be subject to reelection by shareholders.

Preemptive Rights

Preemptive rights on transfers of shares are not applicable to listed companies in Australia. ASX listing rule 7.1 provides the extent to which listed companies can place shares without offering them to existing shareholders on a rights basis. Generally, placements are limited to 15% of the company's outstanding share capital in any rolling 12-month period.

Share Repurchases

In accordance with our constitution, we may purchase our own shares, subject to certain restrictions. Our directors may only exercise this power on our behalf, subject to the Corporations Act, our constitution, and the listing rules of the ASX.

Liability to Further Calls

The Board may make calls on the shareholders as it deems fit for all moneys unpaid on shares held by such shareholders which are not moneys made payable by the conditions of allotment at fixed times. A call is deemed to have been made when the board resolution authorizing such call was passed. A call may be made payable by installments. The Board may revoke or postpone a call.

We must give written notice of a call at least 30 business days before such call is due. The notice must specify the time and place for payment and any other information required by the listing rules of the ASX. The non-receipt of any notice by, or the accidental omission to give notice of any call to, any shareholder will not invalidate the call.

The directors may, on the issue of shares, differentiate between the shareholders as to the amount of calls to be paid and the time for payment of those calls. Any sum which, by the terms of issue of a share, becomes payable on allotment or at any fixed date, will for the purposes of Sims's constitution be deemed to be a call duly made and payable on the date on which the sum is payable. In case of non-payment, all the relevant provisions of our constitution as to payment of interest and expenses, forfeiture or otherwise will apply as if the sum had become payable by virtue of a call duly made and notified.

A sum called in respect of a share and not paid on or before the date for payment bears interest from the date for payment to the time of actual payment at any rate as the Board may determine. The Board may waive payment of interest, either in whole or in part.

Liquidation Rights

In a winding up, any assets available for distribution to shareholders will, subject to the rights of the holders of shares issued on special terms and conditions, our constitution, the Corporations Act and the listing rules of the ASX, be distributed amongst the shareholders in proportion to the capital paid up on their shares and any surplus distributed in proportion to the amount paid up (not credited) on shares held by them.

We cannot pay any director or liquidator any fee or commission on the sale or realization of the whole or part of Sims's undertaking or assets without shareholders' approval. Such approval must be given at a general meeting convened by notice specifying the fee or commission proposed to be paid.

If Sims is wound up, whether voluntarily or otherwise, the liquidator may, subject to the Corporations Act, (i) with the shareholders' approval via a special resolution, divide among the contributories in specie or kind any part of the assets of Sims; (ii) with the shareholders' approval via a special resolution, vest any part of the assets of Sims in trustees of trusts for the benefit of the contributories or any of them as the liquidator deems appropriate; and (iii) determine the values it considers fair and reasonable on any property to be divided and determine how the division is to be carried out.

Annual General Meetings and General Meetings of Shareholders

Under the Corporations Act and our constitution, there are two types of shareholders' meetings: annual general meetings and general meetings. Annual general meetings, under the Corporations Act, are required to be held at least once every calendar year and within five months after the end of our fiscal year.

General meetings of shareholders may be called by the Board. Under the Corporations Act, notice of a general meeting must be given to our shareholders at least 28 days before the date of such general meeting. The notice must specify the date, time and place of the general meeting and state the general nature of the business to be transacted at the general meeting. Under the Corporations Act, a general

meeting of shareholders may be called by shareholders holding at least 5% of the total votes that may be cast at the meeting or at least 100 shareholders who are entitled to vote. Furthermore, the board is obligated to call a general meeting if requested by shareholders holding at least 5% of the votes that may be cast at a general meeting or at least 100 shareholders who are entitled to vote at a general meeting. A quorum for a general meeting is three shareholders.

All shareholders are entitled to attend annual general meetings and general meetings, in person or by proxy, attorney or corporate representative.

Foreign Ownership Regulation

Except for the provisions of the Foreign Acquisitions and Takeovers Act 1975 which impose certain conditions on, or approvals in respect of, the foreign ownership of Australian companies, there are no limitations imposed by law, or our constitution, on the rights of non-residents of Australia or foreign persons to hold or vote the ordinary shares or ADSs that would not apply generally to all shareholders.

Restrictions on Takeovers

The Corporations Act places restrictions on the acquisition of greater than 20% of Sims's issued voting shares (or where a shareholder's voting power, whose voting power was already above 20% but below 90%, increases in any way). Such acquisitions must comply with certain prescribed exceptions to these restrictions set forth in the Corporations Act. For instance, such an acquisition may be made under a takeover offer made to all shareholders on the same terms and which complies with certain timetable and disclosure requirements.

Generally, a company listed on the ASX may not acquire a substantial asset from, or dispose of a substantial asset to, a person who (together with associates) controls more than 10% of such company's voting shares, or issue securities to a related party, unless such transaction has been approved by such company's shareholders. The Corporations Act also imposes limitations on transactions between public companies and related parties which do not have shareholder approval (unless certain exceptions apply).

Clause 13 of our constitution, which relates to the making of proportional takeover bids, has lapsed by operation of the Corporations Act and it has no affect.

Ownership Threshold

There are no provisions in our constitution that require a shareholder to disclose ownership above a certain threshold. The Corporations Act, however, requires a substantial shareholder to notify us and the ASX once a 5% relevant interest in our voting shares is obtained. Further, once a shareholder owns a 5% relevant interest in us, such shareholder must notify us and the ASX of any increase or decrease of 1% or more in its holding of our voting shares or if it ceases to have relevant interest of at least 5%.

C. Material Contracts

The following are material contracts, other than contracts entered into the ordinary course of business, which we have entered into during the last two years immediately preceding the date of filing of this annual report.

Primary Credit Facilities Provided by CBA, WBC, HSBC, BOA and NAB

A summary of the contracts governing our primary credit facilities provided by CBA, WBC, HSBC, BOA and NAB is provided in "Item 5.B. — Liquidity and Capital Resources."

D. Exchange Controls

The Australian Banking (Foreign Exchange) Regulations 1959 and other Australian legislation and regulations control and regulate, or permit the control and regulation of, a broad range of payments and transactions involving non-residents of Australia. We are not restricted from transferring funds from Australia or placing funds to the credit of non-residents of Australia subject to:

- withholding for Australian tax due in respect of dividends (to the extent they are unfranked) and interest and royalties paid to non-residents of Australia;
- a requirement for approval from the Reserve Bank of Australia or in some cases the Minister for Foreign Affairs and the Department of Foreign Affairs and Trade, or DFAT, for certain payments or dealings in or out of Australia to or on behalf of:
  - certain supporters of the former government of the Federal Republic of Yugoslavia;
  - the Taliban or any undertaking owned or controlled directly or indirectly by the Taliban and certain other named terrorist organizations and individuals such as Al-Qaida;
  - certain ministers and senior officials of the Government of Zimbabwe;
  - certain Burmese regime figures and supporters;
  - certain entities associated with North Korea;
  - certain entities and persons associated with the Gadhafi regime;
  - certain entities and persons responsible for or involved in human rights abuses in Syria; or
  - certain entities and persons associated with Iran; and
- sanctions with respect to financial transactions also exist in relation to certain individuals and entities in the Democratic Republic of Congo, Eritrea, Liberia, Sudan, Cote d'Ivoire, Sierra Leone, Lebanon and Somalia. These sanctions are administered by DFAT, based on the Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth).

This list is subject to change from time to time. Accordingly, at the present time, remittance of dividends on our ordinary shares to the depositary is not subject to exchange controls.

Other than under the Corporations Act 2001, the Australian Foreign Acquisitions and Takeovers Act 1975, the Income Tax Assessment Act 1936 (insofar as such laws apply) or as contained in applicable Australian government policy (and except as otherwise described above), there are no limitations, either under Australian law or under our constitution on the right to hold or vote Sims ordinary shares.

E. Taxation

Commonwealth of Australia Taxation

The following discussion is a summary of the principal Australian taxation implications of the acquisition, ownership and disposition of ordinary shares or ADSs. The statements concerning Australian taxation set out below are based on the laws in force at the date of this annual report and the Convention between the Government of Australia and the Government of the United States of America for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income ("the Tax Treaty"), and are subject to any changes in Australian law and any changes in the Tax Treaty occurring after that date.

The discussion is intended only as a descriptive summary and does not purport to be a complete analysis of all the potential Australian tax implications of the acquisition, ownership and disposition of

ordinary shares or ADSs. The specific tax position and circumstances of each holder will determine the applicable Australian income tax implications for that holder. We recommend each holder consult their own tax adviser concerning the overall tax consequences of the acquisition, ownership and disposition of ADS or ordinary shares.

Taxation of dividends

The dividend imputation system of company tax relieves double taxation on dividends paid by Australian resident corporations. Under the Australian dividend imputation system, companies are required to identify dividends paid as either franked or unfranked. Franked dividends are those paid out of profits which have borne Australian corporate tax while unfranked dividends are paid out of untaxed profits. Australian corporate tax paid at the corporate level is imputed (or allocated) to shareholders by means of imputation credits which attach to dividends paid by the company to the shareholder. Such dividends are termed "franked dividends."

While a company is no longer restricted to only declaring dividends out of earnings and profits, the extent to which a dividend is franked depends in broad terms upon a company's available franking credits and the nature of that dividend. Accordingly, a dividend paid to a shareholder may be wholly or partly franked or wholly unfranked.

When an Australian resident individual shareholder receives a franked dividend, the shareholder receives a tax offset to the extent of the franking credits, which can be offset against the Australian income tax payable by the shareholder. An Australian resident shareholder may, in certain circumstances, be entitled to a refund of excess franking credits.

Fully franked dividends paid to non-resident shareholders are exempt from Australian dividend withholding tax. Dividends that are not fully franked dividends are subject to withholding tax on the unfranked portion except to the extent that the dividend is declared to be "conduit foreign income" (in essence income and gains that have a foreign source from an Australian perspective which would include dividends received from non-Australian subsidiaries).

Dividends paid to non-resident shareholders that are not fully franked are subject to dividend withholding tax at the rate of 30% (unless reduced by a double tax treaty) to the extent they are unfranked and not paid out of conduit foreign income. In the case of residents of the US, the rate is reduced to 15% under the Tax Treaty, provided the shares are not effectively connected with a permanent establishment or a fixed base of a non-resident in Australia through which the non-resident carries on business in Australia or provides independent personal services. Where a US company holds directly at least 10% of the voting interest in the company paying the dividend, the withholding tax rate is reduced to 5%. This rate is reduced to 0% in certain circumstances for certain a US company holding at least 80% of the voting shares.

In the case of residents of the US that have a permanent establishment or fixed base in Australia and the shares in respect of which the dividends are paid are attributable to that permanent establishment or fixed base, the dividends will not be subject to dividend withholding tax. Rather, such dividends will be taxed on a net assessment basis in Australia and, where the dividends are franked, entitlement to a tax offset against Australian income tax payable by the shareholder may arise to the extent of the franking credits.

There are rules where in certain circumstances a shareholder may not be entitled to the benefit of franking credits (i.e. the ability to claim a tax offset). The application of these rules will depend upon the shareholder's own circumstances, including the period which the shares are held and the extent to which

the shareholder is 'at risk' in relation to their shareholding. Shareholders will need to obtain their own advice in relation to these rules.

We will send shareholders statements indicating the extent to which dividends are franked or paid out of conduit foreign income, and the amount of tax (if any) withheld.

A US holder of ordinary shares (who is also not a tax resident of Australia and who does not hold ordinary shares as a business asset through a permanent establishment in Australia) with no other Australian source income is not required to file an Australian tax return.

Gain or loss on disposition of shares

The Australian income tax treatment in respect of the disposition of shares will depend on whether the investor holds the shares on capital or revenue account. This will be a question of fact (as opposed to a bright line holding period test) and each investor will need to consider its own circumstances.

Capital Account

Under existing law, a resident of the US disposing of shares in an Australian company will be free from capital gains tax in Australia except where:

(a) the shares are held as part of a trade or business conducted through a permanent establishment in Australia; or

(b) the shareholder and its associates hold (or have held the shares for a 12 month period during the last 24 months) an interest of 10% or more in the issued capital of the company and more than 50% of the market value of the company's assets relate to Australian real property.

If either of the above exceptions apply, capital gains tax in Australia is payable as follows:

(i) Individual Investor

Capital gains tax is payable on 50% of any capital gains (without adjustment for inflation indexation) on the disposal of shares acquired on or after 11:45 a.m. on September 21, 1999 and held for at least 12 months. For shares considered to be acquired for Australian tax purposes prior to 11:45 a.m. on September 21, 1999, individuals will be able to choose between the following alternatives:

- taxed on any capital gain after allowing for cost base indexation up to September 30, 1999 (essentially when indexation ceased) where the shares have been held for at least 12 months (i.e. the difference between the disposal price and the original cost indexed for inflation over the period to September 30, 1999); or
- taxed on 50% of the actual capital gain (without adjustment for inflation indexation) where the shares have been held for at least 12 months.

Normal rates of income tax would apply to capital gains so calculated.

Capital losses are not subject to indexation; they are available as deductions, but only in the form of offset against capital gains. Depending upon which of the above alternatives are chosen, capital losses may be offset against capital gains indexed to September 30, 1999 or the full nominal capital gain before the 50% reduction. Excess capital losses can be carried forward indefinitely for offset against future capital gains.

(ii) Corporate Investor

Capital gains tax is payable on any capital gains made (without adjustment for inflation indexation) on the disposal of shares considered to be acquired for Australian tax purposes on or after 11:45am on September 21, 1999. For shares acquired prior to 11:45am on September 21, 1999, a corporate investor will be taxed on any capital gain after allowing for indexation of the cost base (i.e. the difference between the disposal price and the original cost indexed for inflation over the period). The 50% discount is not applicable for corporate investors. The corporate income tax and capital gains tax rate is currently 30%.

Excess capital losses can only be offset against future capital gain where certain loss recoupment tests are satisfied. There may be other special rules which apply to the taxation of capital gains for other types of entities.

Revenue Account

Under Australia's domestic income tax provisions, a non-resident of Australia is taxed on profits arising on the sale of shares where that profit is on revenue account and has an Australian source. The source of profit is a question of fact and will need to be assessed by the investor. Where the gain is taxable, the Tax Treaty may apply as follows:

(a) If the US investor holds the shares as part of a trade or business conducted through a permanent establishment in Australia, any profit on disposal would be assessable and subject to ordinary income tax. (Any losses on disposal may constitute an allowable deduction.)

(b) If the US investor does not hold the shares as part of a trade or business conducted through a permanent establishment in Australia, then the Tax Treaty should operate to ensure that the taxing of any profits arising on the sale of shares should only occur in the US even if the source of that profit is Australian. The only exception is if the profits are in respect of the disposal of shares which consist wholly or principally of real property situated in Australia in which case Australia will have taxing rights under the Tax Treaty.

Any taxable gain would be fully taxable, that is, there is no concession to reduce the gain for inflation or apply a discount to reduce the gain. If a gain is taxable, any capital gain on the sale should be reduced to nil under specific anti-duplication rules.

Australian Goods and Services tax (GST) and Australian Stamp Duty

There should be no Australian stamp duty, goods and services tax or transfer taxes on the sale, disposal or exchange of ordinary shares by a US shareholder.

Australian Gift and Estate Tax

Australia does not impose any gift, estate, death, or other duty in respect of the gift, devise or bequest of ordinary shares by a US shareholder.

US Federal Taxation

The following discussion is a summary of the principal US federal income tax consequences to United States Holders ("US Holder") of the acquisition, ownership and disposition of ordinary shares or ADSs. This section is based on the US Internal Revenue Code of 1986, as amended, or the Code, its legislative history, existing and proposed regulations and published rulings and court decisions, all as currently in effect, as well as the Tax Treaty. These laws are subject to change, possibly on a retroactive basis. This discussion does not address effects of any state or local tax laws. The specific tax position

and circumstances of each holder will determine the applicable US federal, state and local income tax implications for that holder and we recommend each holder consult their own tax adviser concerning the implications of the acquisition, ownership and disposal of ordinary shares or ADSs. This section does not apply to you if you are not a US holder as defined below.

For purposes of this discussion, you are a US holder if you are a beneficial owner of ordinary shares or ADSs and you are:

- a citizen or resident of the US;
- a domestic corporation;
- an estate whose income is subject to US federal income tax regardless of its source; or
- a trust if a US court can exercise primary supervision over the trust's administration and one or more US persons are authorized to control all substantial decision of the trust.

Taxation of dividends

Under the US federal income tax laws, and subject to the discussion below under "Passive foreign investment company," if you are a US holder, you must include in your gross income the gross amount of any dividend paid by us out of our current or accumulated earnings and profits (as determined for US federal income tax purposes). If you are a non-corporate US holder, dividends paid to you in taxable years beginning before January 1, 2013 that constitute qualified dividend income will be taxable to you at a maximum long-term capital gains tax rate of 15% provided that the US holder holds the shares for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date and meet other holding period requirements otherwise ordinary income tax rates will apply.

As a general rule, dividends paid by a foreign corporation will not constitute qualified dividend income if such corporation is treated, for the tax year in which the dividend is paid, or the preceding tax year, as a passive foreign investment company, or a PFIC, for US federal income tax purposes. We do not believe that we will be classified as a PFIC for US federal income tax purposes for our current taxable year or that we were classified as a PFIC in a prior taxable year, and therefore dividends we pay with respect to our shares generally will be qualified dividend income. However, see the discussion under "Passive foreign investment company" below. Absent new legislation extending current rates, dividends paid in taxable years beginning on or after January 1, 2013 will be subject to ordinary income tax rates.

You must include any Australian tax withheld from the dividend payment in this gross amount even though you do not in fact receive it. The dividend is ordinary income that you must include in income when you receive the dividend, actually or constructively. The dividend will not be eligible for the dividends-received deduction generally allowed to US corporations in respect of dividends received from other US corporations. The amount of the dividend distribution that you must include in your income as a US holder will be the US dollar value of the Australian dollar payments made, determined at the spot Australian dollar/US dollar rate on the date the dividend distribution is included in your income, regardless of whether the payment is in fact converted into US dollars. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date you include the dividend payment in income to the date you convert the payment into US dollars will be treated as ordinary income or loss and will not be eligible for the special tax rate applicable to qualified dividend income. The gain or loss generally will be income from sources within the US for foreign tax credit limitation purposes. Distributions in excess of current and accumulated earnings and profits, as determined for US federal income tax purposes, will be treated as a non-taxable return of capital to the extent of your basis in your ordinary shares and thereafter as capital gain.

Subject to certain limitations, the Australian tax withheld in accordance with the Tax Treaty and paid over to Australia will be creditable against your US federal income tax liability. Special rules apply in determining the foreign tax credit limitation with respect to dividends that are subject to the maximum long-term capital gain 15% rate.

Dividends will be income from sources outside the US. Under the foreign tax credit rules, dividends paid in taxable years beginning before January 1, 2007, with certain exceptions, will be "passive" or "financial services" income, but dividends paid in taxable years beginning after December 31, 2006 will, depending on your circumstances, be "passive" or "general" income which, in either case, is treated separately from other types of income for purposes of computing the foreign tax credit.

Taxation of capital gains

Subject to the discussion below under "Passive foreign investment company," if you are a US holder and you sell or otherwise dispose of your ordinary shares or ADSs, you will recognize capital gain or loss for US federal income tax purposes equal to the difference between the US dollar value of the amount that you realize and your tax basis, determined in US dollars, in your ordinary shares or ADSs. Capital gain of a non-corporate US holder that is recognized before January 1, 2013 is generally taxed at preferential rates where the holder has a holding period greater than one year. There are limitations on the deductibility of capital losses.

Passive foreign investment company (PFIC)

Special US federal income tax rules apply to US holders owning shares of a Passive Foreign Investment Company ("PFIC"). We believe that its ordinary shares or ADSs will not be treated as shares of a PFIC for US federal income tax purposes in any prior taxable year or for the current taxable year, but this conclusion is a factual determination made annually and therefore may be subject to change. We will generally be considered a PFIC for any taxable year if either (i) at least 75% of our gross income is passive income (the "Income Test"), or (ii) at least 50% of the value of our assets (based on an average of the quarterly values of the assets during a taxable year) is attributable to assets that produce or are held for the production of passive income (the "Asset Test"). For this purpose, passive income generally includes dividends, interest, royalties, rents (other than royalties and rents derived in the active conduct of a trade or business and not derived from a related person), annuities and gains from assets that produce passive income. We will be treated as owning our proportionate share of the assets and earning our proportionate share of the income of any other corporation in which we own, directly or indirectly, 25% or more (by value) of the stock.

We must make a separate determination each year as to whether we are a PFIC. As a result, it is possible that our PFIC status will change. In particular, our PFIC status under the Asset Test will generally be determined by using the market price of our ordinary shares and ADSs , which is likely to fluctuate over time, to calculate the total value of our assets. Accordingly, fluctuations in the market price of the ordinary shares or ADSs may result in our being a PFIC. If we are classified as a PFIC for any year during which you hold ordinary shares or ADSs, we will generally continue to be treated as a PFIC for all succeeding years during which you hold ordinary shares or ADSs. However, if we cease to be a PFIC under the Income Test and the Asset Test, you may make certain elections, including the "mark-to-market" election as discussed below, to avoid PFIC status on a going-forward basis.

If we are a PFIC for any taxable year during which you hold ordinary shares or ADSs , you will be subject to special tax rules with respect to (i) any "excess distribution" that you receive and (ii) any gain you realize from a sale or other disposition (including a pledge) of the ordinary shares or ADSs , unless you make a "mark-to-market" election. Excess distributions are generally defined as distributions

you receive in a taxable year that are greater than 125% of the average annual distributions you received during the shorter of the three preceding taxable years or your holding period for the ordinary shares or ADSs. Under these special tax rules: (i) the excess distribution or gain will be allocated ratably over your holding period for the ordinary shares or ADSs , (ii) the amount allocated to the current taxable year, and any taxable year prior to the first taxable year in which we were a PFIC, will be treated as ordinary income, and (iii) the amount allocated to each other year will be subject to the highest tax rate in effect for that year and the interest charge generally applicable to underpayments of tax will be imposed on the resulting tax attributable to each such year. The entire amount of any gain realized upon the sale or other disposition will be treated as an excess distribution made in the year of sale or other disposition and as a consequence will be treated as ordinary income and, to the extent allocated to years prior to the year of sale or disposition with respect to which we were a PFIC, will be subject to the interest charge described above. The tax liability for amounts allocated to years prior to the year of disposition or "excess distribution" cannot be offset by any net operating losses for such years, and gains (but not losses) realized on the sale of the ordinary shares or ADSs cannot be treated as capital, even if you hold the ordinary shares or ADSs as capital assets.

Alternatively, a US holder of "marketable stock" (as defined below) in a PFIC may make a mark-to-market election for such stock of a PFIC to elect out of the tax treatment discussed above. If you make a mark-to-market election for the ordinary shares or ADSs, you will include in income each year an amount equal to the excess, if any, of the fair market value of the ordinary shares or ADSs as of the close of your taxable year over your adjusted basis in such ordinary shares or ADSs. You are allowed a deduction for the excess, if any, of the adjusted basis of the ordinary shares or ADSs over their fair market value as of the close of the taxable year. However, deductions are allowable only to the extent of any net mark-to-market gains on the ordinary shares or ADSs included in your income for prior taxable years. Amounts included in your income under a mark-to-market election, as well as gain on the actual sale or other disposition of the ordinary shares or ADSs, are treated as ordinary income. Ordinary loss treatment also applies to the deductible portion of any mark-to-market loss on the ordinary shares or ADSs, as well as to any loss realized on the actual sale or disposition of the ordinary shares or ADSs, to the extent that the amount of such loss does not exceed the net mark-to-market gains previously included for such ordinary shares or ADSs. Your basis in the ordinary shares or ADSs will be adjusted to reflect any such income or loss amounts. If you make a valid mark-to-market election, the tax rules that apply to distributions by corporations which are not PFICs would apply to distributions by us, except that the lower applicable capital gains rate for qualified dividend income discussed above under "Taxation of dividends" would not apply.

The mark-to-market election is available only for "marketable stock," which is generally stock that is traded on a qualified exchange or other market. We have listed our ordinary shares and ADSs on the New York Stock Exchange. We believe that the New York Stock Exchange will constitute a qualified exchange or other market for this purpose. However, no assurances can be provided that our ordinary shares and ADSs will continue to trade on the New York Stock Exchange or that they will be regularly traded for this purpose.

If a non-US corporation is a PFIC, a holder of shares in that corporation may elect out of the general PFIC rules discussed above by making a qualified electing fund, or QEF, election to include its pro rata share of the corporation's income on a current basis. You may make a QEF election with respect to us only if we agree to furnish you annually with certain tax information. However, if you hold ordinary shares or ADSs in any year in which we are a PFIC, you will be required to file Internal Revenue Service Form 8621 regarding distributions you receive on the ordinary shares or ADSs, and any gain realized on the disposition of the ordinary shares or ADSs.

The rules applicable to owning shares of a PFIC are complex, and each US holder should consult with its own tax advisor regarding the consequences of investing in a PFIC.

Information reporting and backup withholding

Dividend payments with respect to ordinary shares or ADSs and proceeds from the sale, exchange or redemption of ordinary shares or ADSs may be subject to information reporting to the Internal Revenue Service and possible US backup withholding at a current rate of 28%, unless the conditions of an applicable exception are satisfied. Backup withholding will not apply to a US holder who furnishes a correct taxpayer identification number and makes any other required certification or who is otherwise exempt from backup withholding. US holders who are required to establish their exempt status generally must provide such certification on Internal Revenue Service Form W-9. US holders should consult their tax advisors regarding the application of the US information reporting and backup withholding rules.

Payments to Non-US holders of distributions on, or proceeds from the disposition of, ordinary shares are generally exempt from information reporting and backup withholding. However, a Non-US holder may be required to establish that exemption by providing certification of non-US status on an appropriate Internal Revenue Service Form W-8.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against your US federal income tax liability, and you may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for refund with the Internal Revenue Service and furnishing any required information.

F. Dividends and Paying Agents

Not applicable.

G. Statements by Experts

Not applicable.

H. Documents on Display

We are subject to the periodic reporting and other informational requirements of the Exchange Act. Under the Exchange Act, we are required to file or furnish reports and other information with the SEC. Copies of reports and other information, when so filed, may be inspected without charge and may be obtained at prescribed rates at the public reference facilities maintained by the SEC at Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549. The public may obtain information regarding the Washington, D.C. Public Reference Room by calling the SEC at 1-800-SEC-0330. The public may also view our annual reports and other documents filed with the SEC on the internet at www.sec.gov. As a foreign private issuer, we are exempt from the rules under the Exchange Act prescribing the furnishing and content of quarterly reports and proxy statements, and our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions in Section 16 of the Exchange Act.

I. Subsidiary Information

Not applicable.

Item 11.Quantitative and Qualitative Disclosures About Market Risk

In the normal course of business, our activities result in exposure to a number of financial risks, including market risk (including foreign currency risk, interest rate risk and commodity price risk), credit risk and liquidity risk. Our overall financial risk management strategy seeks to mitigate these risks and reduce volatility on our financial performance. Refer to Note 2 of the consolidated financial statements included in Item 18 of this annual report for detailed information on our financial and capital risk management.

Item 12. Description of Securities Other than Equity Securities

A. Debt Securities

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

The Bank of New York Mellon, as depositary, has agreed to reimburse us for expenses we incur that are related to the administration and maintenance of the ADS program, including, but not limited to, investor relations expenses, the annual NYSE listing fees or any other program related expenses. There are limits on the amount of expenses for which the depositary will reimburse us, but the amount of reimbursement is not necessarily tied to the amount of fees the depositary collects from investors. During fiscal year 2011, the depositary reimbursed us in the amount of US$84,312.

The fees and charges payable by holders of our ADSs include the following:

- a fee not in excess of US $5 per 100 ADSs for the execution and delivery of receipts and the surrender of receipts;
- a fee not in excess of US $0.01 per ADS for each cash distribution pursuant to the deposit agreement; and
- a fee for the distribution of the deposited securities pursuant to the deposit agreement, such fee being an amount equal to the fee for the execution and delivery of ADSs which would have been charged as a result of the deposit of such securities, but which securities were instead distributed by the depositary to ADR holders.

Additionally, under the terms of our deposit agreement, the depositary is entitled to charge each registered holder the following:

- taxes and other governmental charges incurred by the depositary or the custodian on any ADS or an equity share underlying any ADS;
- transfer or registration fees for the registration or transfer of deposited securities on any applicable register in connection with the deposit or withdrawal of deposited securities, including those of a central depository for securities (where applicable);

- any cable, telex, facsimile transmission and delivery expenses incurred by the depositary; and
- customary expenses incurred by the depositary in the conversion of foreign currency, including, without limitation, expenses incurred on behalf of registered holders in connection with compliance with foreign exchange control restrictions and other applicable regulatory requirements.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies

Not applicable.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

Not applicable.

Item 15. Controls and Procedures

A. Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including the Group Chief Executive Officer and Group Chief Financial Officer, we conducted an evaluation of the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of June 30, 2011. Based on this evaluation, our Group Chief Executive Officer and Group Chief Financial Officer concluded that our disclosure controls and procedures were effective as of such date. Our disclosure controls and procedures are designed to ensure that information required to be disclosed by us in the reports that we file under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to management, including the Group Chief Executive Officer and Group Chief Financial Officer, as appropriate to allow timely discussions regarding required disclosure.

B. Management's Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS as issued by the IASB.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision of and with the participation of management, including our Group Chief Executive Officer and Group Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation, management concluded that our internal control over financial reporting was effective as of June 30, 2011.

C. Attestation Report of the Registered Public Accounting Firm

The effectiveness of our internal control over financial reporting as of June 30, 2011 has been audited by PricewaterhouseCoopers, an independent registered public accounting firm, as stated in its report which is included herein on page F-1.

D. Changes in Internal Control over Financial Reporting

There was no change in internal control over financial reporting during the year ended June 30, 2011 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 16A. Audit Committee Financial Expert

The Board has determined that each of Geoffrey N. Brunsdon, John T. DiLacqua, J. Michael Feeney and Gerald E. Morris is an "audit committee financial expert" as defined in Item 16A of Form 20-F. All members of the RAC are an "independent director" as defined in Section 303A.02 of the NYSE's Listed Company Manual.

Item 16B. Code of Ethics

Code of Conduct

Our Code of Conduct applies to all directors, officers and employees. It underpins our commitment to integrity, fair dealing and compliance with the law in its business affairs, and sets out expected standards of conduct with respect to all stakeholders, including fellow employees, customers, suppliers, shareholders and the community. The Code of Conduct is designed to encourage ethical and appropriate behavior by all of our personnel, and addresses a wide range of responsibilities to stakeholders, including conflicts of interest, security of information, use of our assets and resources, discrimination and harassment, occupational health and safety, and the prohibition of corrupt conduct and the consequences in the event thereof.

The Code of Conduct encourages employees to raise any matters of concern without fear of retribution. We have implemented the Sims Metal Management Limited Ethics & Compliance Hotline to enable employees to report serious misconduct or unethical behavior to an external third party. We also conduct employee education and compliance programs on a regular basis to help ensure compliance with various laws around the world. The Code of Conduct is available on our website at www.simsmm.com, under Investors/Corporate Governance.

Anti-corruption Code

In addition to the Code of Conduct, we have adopted an Anti-corruption Code which has been developed to aid our directors, officers, employees, agents, contractors, consultants and partners in ensuring that they comply at all times with applicable anti-corruption laws and policies. Among other matters, the Anti-corruption Code sets out our policy in relation to the prohibition of bribery and corruption, conflicts of interests, gifts and hospitality, relationships with governments and political contributions. The Anti-corruption Code is available on our website at www.simsmm.com, under Investors/Corporate Governance.

Dealing in Sims Metal Management Limited Securities

Directors, officers and employees are bound by our policy on dealing in our securities. Under the policy, directors, senior executives and other designated persons may only buy or sell our securities during the period from 24 hours to 28 calendar days after the release of our yearly or half-yearly results announcements

or during such period following the conclusion of the annual general meeting, or during the currency of any capital raising prospectus issued by us or a takeover bid for us, or otherwise in accordance with a properly qualified sale plan that is validly established under Rule 10b5-1 of the Exchange Act. Our policy titled "Dealing in Sims Metal Management Limited Securities" is available on our website at www.simsmm.com, under Investors/Corporate Governance.

Item 16C. Principal Accountant Fees and Services

It is our policy to employ PricewaterhouseCoopers on assignments additional to their statutory audit duties where PricewaterhouseCoopers' expertise and experience with us is important. These assignments are principally for tax advice and due diligence on acquisitions, or where PricewaterhouseCoopers is awarded assignments on a competitive basis. All audit and non-audit services provided by PricewaterhouseCoopers are subject to pre-approval by the RAC in accordance with our Independence Policy.

The remuneration of our independent auditors PricewaterhouseCoopers, for the last two fiscal years, is set forth below:

	Fiscal years ending June 30,	
in A$'000	**2011**	**2010**
Audit fees	5,296	5,249
Audit-related fees	55	499
Tax fees	307	553
All other fees	11	86
Total	5,669	6,387

Pre-Approval Policies and Procedures

The general authority to pre-approve the engagement of our independent auditors to render non-audit services is under the purview of our RAC. Accordingly, the RAC has established pre-approval procedures to control the provision of all audit and non-audit services by our independent auditors (the "Pre-Approval Policy"). Under the Pre-Approval Policy, the engagement of our independent auditors to provide audit and non-audit services, including tax-related services, must be pre-approved by the RAC, either in the form of a special approval or through the inclusion of the services in question in a list adopted by the RAC of pre-approved services. The Pre-Approval Policy is detailed as to the particular services to be provided. All non-audit services provided by our independent auditors in fiscal 2011 were approved in accordance with the Pre-Approval Policy.

Item 16D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Not applicable.

Item 16F. Change in Registrant's Certifying Accountant

Not applicable.

Item 16G. Corporate Governance

Under the NYSE's corporate governance standards as codified under Section 303A of the NYSE Listed Company Manual, or the NYSE listing rules, foreign private issuers, such as Sims, are permitted to follow home country practice in lieu of the NYSE listing rules, except for the rule regarding compliance with Rule 10A-3 of the Exchange Act and certain certification requirements contained in the NYSE listing rules. Section 303A.09 of the NYSE listing rules, however requires us to disclose any significant ways in which our corporate governance practices differ from those followed by US companies under the NYSE listing rules. Following a comparison of our corporate governance practices with the requirements of the NYSE listing rules, the following significant differences were identified:

- Our Nomination/Governance Committee is not composed entirely of independent directors.
- Our Nomination/Governance Committee Charter does not include a mandate to:
  - develop and recommend to the Board a set of corporate governance principles applicable to the corporation (which is largely a Board function), though it does mandate the Nomination/Governance Committee to review our corporate governance procedures and any statement on corporate governance and recommend changes to the Board as appropriate;
  - select, or to recommend that the Board select, the director nominees for the next annual meeting of shareholders (this is governed by our constitution); or
  - oversee the evaluation of management (the Board undertakes an evaluation of the Group Chief Executive Officer, and the Group Chief Executive Officer evaluates other management).
- Our Remuneration Committee charter does not:
  - include a mandate to review and approve the corporate goals and objectives relevant to Group Chief Executive Officer compensation, evaluate the Group Chief Executive Officer's performance in light of those goals and objectives and, either as a Committee or together with the other independent directors (as directed by the Board), determine and approve the Group Chief Executive Officer's compensation level based on this evaluation (these responsibilities rest with the Board, although the Committee's charter does include a mandate to review and make recommendations to the Board on remuneration policies and practices for the Group Chief Executive Officer, and the remuneration and incentive performance package of the Group Chief Executive Officer, as well as overseeing the annual performance appraisal of the Group Chief Executive Officer);
  - specify the qualifications of its members or its reporting obligations to the Board;
  - include a mandate to report on executive officer compensation (such disclosure is made in the remuneration report in our home annual report); or
  - give the Remuneration Committee sole authority to retain and terminate a search firm or to approve a consultant's fees and other retention terms (although the Remuneration Committee is authorized to obtain professional advice on any matters within its charter).
- Shareholders are not provided the opportunity to vote on certain new equity compensation plans or material revisions to existing equity compensation plans, such as our Long Term Incentive Plan (as this is not obligatory under the listing rules of the ASX).
- We have not published a set of corporate governance guidelines as set forth in Section 303A.09. However, we do provide information on corporate governance policies and practices as required

by the listing rules of the ASX, which are available in our annual report and on our website. Specifically, we do not have corporate governance guidelines with respect to the procedure for how a director may access management, or director compensation information (however, such disclosure is made in the remuneration report in our home annual report).

PART III

Item 17. Financial Statements

Not applicable.

Item 18. Financial Statements

The following consolidated financial statements are filed as part of this annual report:

Consolidated Financial Statements — Sims Metal Management Limited

Report of Independent Registered Public Accounting Firm	F-1
Consolidated Income Statements	F-2
Consolidated Statements of Comprehensive Income	F-3
Consolidated Statements of Financial Position	F-4
Consolidated Statements of Changes in Equity	F-5
Consolidated Statements of Cash Flows	F-6
Notes to the Consolidated Financial Statements	F-7

Item 19. Exhibits

Exhibit Index

Exhibit Number	Description
1.1	Constitution of the Registrant (incorporated by reference to Exhibit 1.1 on Form 20-F filed on December 6, 2010).
2.1	Form of Deposit Agreement among the Registrant, The Bank of New York, as the depositary, and all owners and holders from time to time of American Depositary Shares issued thereunder (incorporated by reference to Exhibit 4.1 on Form F-4/A filed on February 8, 2008).
2.2	Top-Up Deed, dated April 2, 2007, by and between the Registrant and Votraint No. 1652 Pty Limited (Mitsui) (incorporated by reference to Exhibit 4.2 on Form F-4 filed on November 28, 2007).
2.3	Amendment Deed, dated November 27, 2007, by and between the Registrant and Mitsui Raw Materials Development Pty Limited (incorporated by reference to Exhibit 4.3 on Form F-4 filed on November 28, 2007).
4.1	Rules of the Dividend Reinvestment Plan (incorporated by reference to Exhibit 10.1 on Form F-4 filed on November 28, 2007).
4.2	Executive Long Term Incentive Plan Rules (incorporated by reference to Exhibit 10.2 on Form F-4 filed on November 28, 2007).
4.3	Long Term Incentive Plan Rules, as amended October 23, 2008 (incorporated by reference to Exhibit 4.5 on Form S-8 filed on January 23, 2009).
4.4	Sims Group Limited Transition Incentive Stock Plan (incorporated by reference to Exhibit 10.1 on Form S-8 filed on March 14, 2008).
4.5	Employment Agreement, dated January 8, 2007, by and between the Registrant and Graham Davy (incorporated by reference to Exhibit 10.9 on Form F-4 filed on November 28, 2007).
4.6	Employment Agreement, dated January 8, 2007, by and between the Registrant and Darron McGree (incorporated by reference to Exhibit 10.11 on Form F-4 filed on November 28, 2007).
4.7	Letter Agreement, dated September 24, 2007, by and between the Registrant and Robert C. Larry (incorporated by reference to Exhibit 10.12 on Form F-4 filed on November 28, 2007).
4.8	Letter Agreement, dated September 24, 2007, by and between the Registrant and Daniel W. Dienst (incorporated by reference to Exhibit 10.13 on Form F-4 filed on November 28, 2007).
4.9	Operating Agreement of SA Recycling LLC, dated as of September 1, 2007, by and between Adams Steel, LLC and Simsmetal West LLC (f/k/a Sims Hugo Neu West LLC) (incorporated by reference to Exhibit 10.14 on Form F-4/A filed on January 17, 2008).
4.10•	Second Amended and Restated Credit Agreement, dated as of June 23, 2011, by and among Sims Group USA Holdings Corporation, certain of its affiliates as Borrowers, and Bank of America, N.A. as Lender ("BofA").
4.11	Letter from BofA to Sims Metal Management Limited, dated June 23, 2011, regarding application of clause 7.17 of the Common Terms Deed 2011.
4.12•	Amendment and Restatement Deed, dated June 23, 2011, by and among each company listed in Schedule 1 thereto as a borrower, each company listed in Schedule 2 thereto as a guarantor, and each financial institution listed in Schedule 3 as the lenders (which are HSBC Bank Australia Limited, HSBC Bank plc, HSBC Bank USA, National Association and The Hongkong and Shanghai Banking Corporation Limited (together "HSBC")). Attached thereto as Schedule 4 is the Amended and Restated Form of Facility Agreement.
4.13•	Amendment and Restatement Deed, dated June 23, 2011, by and among each company listed in schedule 1 thereto as a borrower and Commonwealth Bank of Australia ("CBA"). Attached thereto as Schedule 2 is the Amended and Restated Form of Facility Agreement.

4.14 Group Limit Facility dated November 2, 2009 between, amongst others, CBA and Sims Metal Management Limited (incorporated by reference to Exhibit 4.15 on Form 20-F/A filed on April 14, 2010).

4.15• Amendment and Restatement Deed, dated June 23, 2011, by and among National Australia Bank Limited ("NAB"), Sims Metal Management Limited and the companies listed in Schedule 1 thereto as borrowers. Attached thereto as an Annexure is the Amended and Restated Facility Agreement.

4.16• Amendment and Restatement Deed, dated June 23, 2011, by and among Westpac Banking Corporation ("WBC" and together with BofA, HSBC, CBA and NAB, the "Banks"), Sims Metal Management Limited and the companies listed in Schedule 1 thereto as borrowers. Attached thereto as an Annexure is the Amended and Restated Facility Agreement.

4.17 Common Terms Deed, dated June 23, 2011, between Sims Metal Management Limited, each party listed in Part 1 of Schedule 1 thereto as original borrowers, each party listed in Part 2 of Schedule 1 thereto as an original guarantor, and each party listed in Part 3 of Schedule 1 thereto as an original lender (which are each of the Banks).

4.18 Deed of Amendment, dated September 21, 2011, among Sims Metal Management Limited for itself and as attorney for each other Transaction Party pursuant to clause 15.2 of the Common Terms Deed and each of the Banks.

8.1 List of subsidiaries.

12.1 Certification of Group Chief Executive Officer pursuant to Rule 13 (a) — 14(a) of the Securities Exchange Act of 1934.

12.2 Certification of Group Chief Financial Officer pursuant to Rule 13 (a) — 14(a) of the Securities Exchange Act of 1934.

13.1 Certification of Group Chief Executive Officer and Group Chief Financial Officer pursuant to Rule 13(a) — 14 (b) of the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

15.1 Consent of Independent Registered Public Accounting Firm to the incorporation of the audit report relating to Sims Metal Management Limited and effectiveness of internal control over financial reporting of Sims Metal Management Limited by reference in registration statements on Form S-8.

• Portions of this exhibit have been omitted pursuant to a request for confidential treatment filed with the Commission under Rule 24b-2 under the Securities Exchange Act of 1934, as amended. The omitted confidential material has been filed separately with the Commission. The location of the confidential information is indicated in the exhibit with brackets and a bullet point ([•]).

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

Sims Metal Management Limited

By: /s/ Frank M. Moratti
Frank M. Moratti
Company Secretary and General Counsel

Date: October 14, 2011

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Sims Metal Management Limited:

In our opinion, the accompanying consolidated income statements, consolidated statements of comprehensive income, consolidated statements of financial position, consolidated statement of changes in equity, and consolidated statements of cash flows present fairly, in all material respects, the financial position of Sims Metal Management Limited and its subsidiaries ("the Company") at 30 June 2011 and 2010, and the results of their operations and their cash flows for each of the three years in the period ended 30 June 2011 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of 30 June 2011, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included under the heading "Management's Report on Internal Control over Financial Reporting" in the accompanying Annual Report. Our responsibility is to express opinions on these financial statements and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

PricewaterhouseCoopers

Sydney, Australia

August 26, 2011

PricewaterhouseCoopers, ABN 52 780 433 757
Darling Park Tower 2, 201 Sussex Street, GPO BOX 2650, SYDNEY NSW 1171
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Sims Metal Management Limited
Consolidated Income Statements
For the year ended 30 June 2011

	Note	2011 A$m	2010 A$m	2009 A$m
Revenue	5	**8,852.9**	7,458.5	8,641.0
Other income	6	**42.5**	25.2	33.7
Raw materials used and changes in inventories	10	**(6,693.2)**	(5,344.3)	(6,272.6)
Freight expense		**(715.1)**	(716.0)	(919.3)
Employee benefits expense		**(409.7)**	(433.0)	(592.4)
Depreciation and amortisation expense	7	**(130.6)**	(143.9)	(170.8)
Repairs and maintenance expense		**(123.5)**	(111.7)	(147.8)
Other expenses		**(548.5)**	(538.4)	(542.2)
Finance costs	7	**(27.1)**	(16.4)	(21.5)
Goodwill impairment charge	13	**-**	-	(191.1)
Share of pre-tax profit of investments accounted for using the equity method	29	**29.5**	14.5	60.8
Profit/(loss) before income tax		**277.2**	194.5	(122.2)
Income tax expense	8	**(85.1)**	(67.8)	(28.1)
Profit/(loss) for the year		**192.1**	126.7	(150.3)

		A¢	A¢	A¢
Earnings/(loss) per share:				
Basic	3	**93.9**	64.9	(82.5)
Diluted	3	**93.3**	64.5	(82.5)

The consolidated income statements should be read in conjunction with the accompanying notes.

Sims Metal Management Limited
Consolidated Statements of Comprehensive Income
For the year ended 30 June 2011

	Note	2011 A$m	2010 A$m	2009 A$m
Profit/(loss) for the year		**192.1**	126.7	(150.3)
Other comprehensive (loss)/income				
Changes in the fair value of other financial assets, net of tax	20	**0.8**	(0.8)	-
Changes in the fair value of derivatives held as cash flow hedges, net of tax	20	**0.5**	(1.1)	0.9
Exchange differences on translation of foreign operations, net of tax	20	**(523.9)**	(121.3)	337.1
Actuarial gain/(loss) on defined benefit plans, net of tax	18(e)	**2.8**	(2.7)	(5.4)
Other comprehensive (loss)/income for the year, net of tax		**(519.8)**	(125.9)	332.6
Total comprehensive (loss)/income for the year		**(327.7)**	0.8	182.3

The consolidated statements of comprehensive income should be read in conjunction with the accompanying notes.

Sims Metal Management Limited
Consolidated Statements of Financial Position
As at 30 June 2011

	Note	2011 A$m	2010 A$m
ASSETS			
Current assets			
Cash and cash equivalents	32	**165.5**	132.3
Trade and other receivables	9	**606.7**	576.2
Inventory	10	**978.5**	776.9
Other financial assets	11	**15.8**	8.7
Total current assets		**1,766.5**	1,494.1
Non-current assets			
Receivables	9	**9.6**	7.9
Investments accounted for using the equity method	29	**310.3**	369.5
Other financial assets	11	**2.7**	21.4
Property, plant and equipment	12	**865.5**	925.8
Retirement benefit assets	18	**0.9**	-
Deferred tax assets	8	**99.4**	74.1
Goodwill	13	**988.7**	1,151.7
Other intangible assets	14	**136.2**	195.2
Total non-current assets		**2,413.3**	2,745.6
Total assets		**4,179.8**	4,239.7
LIABILITIES			
Current liabilities			
Trade and other payables	15	**747.3**	614.2
Borrowings	16	**0.5**	0.6
Other financial liabilities	11	**5.8**	5.0
Current tax liabilities		**32.6**	23.2
Provisions	17	**37.1**	31.1
Total current liabilities		**823.3**	674.1
Non-current liabilities			
Payables		**3.7**	3.3
Borrowings	16	**291.2**	116.6
Deferred tax liabilities	8	**119.6**	133.7
Provisions	17	**18.6**	22.2
Retirement benefit obligations	18	**2.9**	11.0
Total non-current liabilities		**436.0**	286.8
Total liabilities		**1,259.3**	960.9
Net assets		**2,920.5**	3,278.8
EQUITY			
Contributed equity	19	**2,817.9**	2,795.2
Reserves	20	**(446.3)**	58.1
Retained earnings	20	**548.9**	425.5
Total equity		**2,920.5**	3,278.8

The consolidated statements of financial position should be read in conjunction with the accompanying notes.

Sims Metal Management Limited
Consolidated Statements of Changes in Equity
For the year ended 30 June 2011

	Note	Contrib-uted equity A$m	Reserves A$m	Retained earnings A$m	Total equity A$m
Balance at 1 July 2008		2,325.9	(174.3)	682.3	2,833.9
Loss for the year		-	-	(150.3)	(150.3)
Other comprehensive income		-	338.0	(5.4)	332.6
Total comprehensive income for the year		-	338.0	(155.7)	182.3
Transactions with owners in their capacity as owners:					
Dividends provided for or paid	21	-	-	(186.5)	(186.5)
Share-based payments		0.4	2.3	-	2.7
Dividend reinvestment plan	21	26.6	-	-	26.6
		27.0	2.3	(186.5)	(157.2)
Balance at 30 June 2009		2,352.9	166.0	340.1	2,859.0
Profit for the year		-	-	126.7	126.7
Other comprehensive loss		-	(123.2)	(2.7)	(125.9)
Total comprehensive income for the year		-	(123.2)	124.0	0.8
Transactions with owners in their capacity as owners:					
Dividends provided for or paid	21	-	-	(38.6)	(38.6)
Share-based payments		0.5	15.3	-	15.8
Issue of shares under institutional placement	19	391.4	-	-	391.4
Issue of shares under share purchase plan	19	41.2	-	-	41.2
Dividend reinvestment plan	21	9.2	-	-	9.2
		442.3	15.3	(38.6)	419.0
Balance at 30 June 2010		2,795.2	58.1	425.5	3,278.8
Profit for the year		**-**	**-**	**192.1**	**192.1**
Other comprehensive loss		**-**	**(522.6)**	**2.8**	**(519.8)**
Total comprehensive loss for the year		**-**	**(522.6)**	**194.9**	**(327.7)**
Transactions with owners in their capacity as owners:					
Dividends provided for or paid	21	**-**	**-**	**(71.5)**	**(71.5)**
Share-based payments		**3.6**	**18.2**		**21.8**
Dividend reinvestment plan	21	**19.1**	**-**	**-**	**19.1**
		22.7	**18.2**	**(71.5)**	**(30.6)**
Balance at 30 June 2011		**2,817.9**	**(446.3)**	**548.9**	**2,920.5**

The consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

Sims Metal Management Limited
Consolidated Statements of Cash Flows
For the year ended 30 June 2011

	Note	2011 A$m	2010 A$m	2009 A$m
Cash flows from operating activities				
Receipts from customers (inclusive of goods and services tax)		**8,776.0**	7,230.3	9,232.8
Payments to suppliers and employees (inclusive of goods and services tax)		**(8,564.2)**	(7,305.1)	(8,475.6)
Interest received		**3.2**	2.8	2.3
Interest paid		**(21.9)**	(16.2)	(20.9)
Dividends received from associates and jointly controlled entities	29	**15.8**	19.6	41.5
Insurance recoveries		**7.6**	1.0	12.3
Income taxes (paid)/refunded		**(57.9)**	20.1	(238.0)
Net cash inflow/(outflow) from operating activities	32	**158.6**	(47.5)	554.4
Cash flows from investing activities				
Payments for property, plant and equipment	12	**(142.8)**	(120.9)	(187.5)
Payments for acquisition of subsidiaries, net of cash acquired	27	**(105.8)**	(113.4)	(76.0)
Payments for other financial assets		**(28.3)**	(22.8)	-
Proceeds from sale of other financial assets		**54.8**	-	**-**
Proceeds from sale of property, plant and equipment		**3.9**	8.1	5.5
Proceeds from sale of subsidiaries		**-**	-	39.7
Loan to a third party		**(10.2)**	-	**-**
Proceeds from repayment on a third party loan		**3.3**	-	**-**
Return of capital from jointly controlled entities	29	**-**	0.4	3.6
Net cash outflow from investing activities		**(225.1)**	(248.6)	(214.7)
Cash flows from financing activities				
Proceeds from borrowings		**3,177.7**	3,009.9	1,847.3
Repayment of borrowings		**(2,997.8)**	(3,051.1)	(2,112.6)
Fees paid for loan facilities		**(6.9)**	(3.2)	(2.0)
Proceeds from issue of shares		**3.6**	441.9	0.4
Transaction costs associated with issue of shares		**-**	(8.8)	-
Dividends paid	21	**(52.4)**	(29.4)	(159.9)
Net cash inflow/(outflow) from financing activities		**124.2**	359.3	(426.8)
Net increase/(decrease) in cash and cash equivalents		**57.7**	63.2	(87.1)
Cash and cash equivalents at the beginning of the financial year		**132.3**	69.5	133.5
Effects of exchange rate changes on cash and cash equivalents		**(24.5)**	(0.4)	23.1
Cash and cash equivalents at the end of the financial year	32	**165.5**	132.3	69.5

The consolidated statements of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements
For the year ended 30 June 2011

Note 1 – Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Reporting entity

Sims Metal Management Limited (the "Company") is a company domiciled in Australia. The consolidated financial statements for the year ended 30 June 2011 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in associates, jointly controlled entities and joint venture operations. The consolidated financial statements are presented in Australian dollars (A$), which is the Group's presentational currency.

(b) Basis of preparation

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with the requirements of the *Corporations Act 2001,* Australian Accounting Standards, Urgent Issues Group Interpretations ("UIGI") and other authoritative pronouncements of the Australian Accounting Standards Board ("AASB").

Compliance with IFRS
The consolidated financial statements comply with International Financial Reporting Standards ("IFRS") and interpretations as issued by the International Accounting Standards Board ("IASB").

Historical cost convention
The consolidated financial statements have been prepared under the historical cost convention, except for certain financial assets and liabilities, and liabilities for cash-settled share-based payments which are measured at fair value.

Rounding of amounts
The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that Class Order to the nearest one hundred thousand dollars, unless otherwise indicated.

(c) Critical accounting estimates

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are as follows:

Note 1 – Summary of significant accounting policies (continued)

(c) Critical accounting estimates (continued)

Inventories
The Group's inventories primarily consist of ferrous and non-ferrous scrap metals. Quantities of inventories are determined based on various inventory systems used by the Group and are subject to periodic physical verification using estimation techniques, including observation, weighing and other industry methods. Inventories are stated at the lower of cost and net realisable value, with due allowance for excess, obsolete or slow moving items. Net realisable value is based on current assessments of future demand and market conditions. Impairment losses may be recognised on inventory within the next financial year if management needs to revise its estimates in response to changing market conditions.

Taxation
The Group is subject to income taxes in Australia and jurisdictions where it has foreign operations. Significant judgement is required in determining the worldwide provision for income taxes. Judgement is also required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised in the statement of financial position. Deferred tax assets, including those arising from unused tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profit.

Assumptions about the generation of future taxable profit depend on management's estimates of future cash flows. These depend on estimates of future sales volumes, operating costs, capital expenditure, dividends and other capital management transactions. Judgements are also required about the application of income tax legislation. These judgements are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the statement of financial position and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amounts of recognised deferred income tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to profit or loss.

Impairment of goodwill and intangibles with indefinite useful lives
Annually, the Group tests whether goodwill and intangibles with indefinite useful lives have suffered any impairment, in accordance with the accounting policy stated in Note 1(u). For goodwill impairment testing, the recoverable amounts of the cash generating units ("CGUs") have been determined based on the higher of either value-in-use or fair value less costs to sell calculations. These calculations require the use of assumptions. Refer to Note 13 for details of these assumptions and the potential impact of changes to the assumptions.

Share-based payments and defined benefit plans
Notes 18 and 24 outline the significant assumptions made when accounting for defined benefit plans and share-based payments. Changes to these assumptions may alter the resulting accounting and ultimately the amount charged to profit or loss.

Note 1 – Summary of significant accounting policies (continued)

(d) New accounting standards and interpretations

A number of new accounting standards have been issued but are not yet mandatory for the year ended 30 June 2011. The Group has elected to not early adopt any of these new standards or amendments.

Title	IFRS equivalent reference	Impact on the Group	Group Adoption Date
Revised AASB 124 Related Party Disclosures	Amendments to IAS 24	No material impact	1 July 2011
AASB 2009-14 Amendments to Australian Interpretations — Prepayments of a Minimum Funding Requirement	IFRIC 14	No material impact	1 July 2011
AASB 2010-6 Amendments to Australian Accounting Standards — Disclosures on Transfers of Financial Assets	Amendment to IFRS 7	No material impact	1 July 2011
AASB 1054 Australian Additional Disclosures	-	No material impact	1 July 2011
AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project	-	No material impact	1 July 2011
Revised AASB 101 Presentation of Financial Statements	Revised IAS 1	No material impact	1 July 2012
AASB 9 Financial Instruments[2]	IFRS 9	Not yet assessed	1 July 2013
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	IFRS 9 (December 2010)	Not yet assessed	1 July 2013
Consolidated Financial Statements[1]	IFRS 10	Not yet assessed	1 July 2013
Joint Arrangements[1]	IFRS 11	Not yet assessed	1 July 2013
Disclosure of Interests in Other Entities[1]	IFRS 12	Not yet assessed	1 July 2013
Separate Financial Statements (2011) [1]	Revised IAS 27	Not yet assessed	1 July 2013
Investments in Associates and Joint Ventures (2011) [1]	Revised IAS 28	Not yet assessed	1 July 2013
Fair Value Measurement[1]	IFRS 13	Not yet assessed	1 July 2013
AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosures	-	No material impact	1 July 2013
Employee Benefits [1, 3]	Revised IAS 19	Not yet assessed	1 July 2013

[1] These standards have not yet been adopted by the AASB.

[2] While the Group has not yet assessed the impact of this standard, when adopted, this standard could change the classification and measurement of financial assets.

[3] While the Group has not yet assessed the impact of this standard, when adopted, this standard will lead to significant changes to the recognition and measurement of defined benefit pension expense and to the disclosures for all employee benefits.

Note 1 – Summary of significant accounting policies (continued)

(e) Principles of consolidation

(i) Subsidiaries
Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Investments in associates and jointly controlled entities (equity accounted investees)
Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Jointly controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Investments in associates and jointly controlled entities are accounted for using the equity method (equity accounted investees) and are initially recognised at cost. The cost of the investment includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of the equity accounted investees profits or losses are recognised in the income statement, and its share of movements in reserves, when applicable, is recognised in the statement of comprehensive income.

Adjustments are made to align the accounting policies of the equity accounted investees with those of the Group. The Group discontinues the use of the equity method when significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Unrealised gains on transactions between the Group and its equity accounted investee are eliminated to the extent of the Group's interest in the investee. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

(iii) Joint venture operations
A joint venture operation is a joint venture in which the venturers have joint control over assets contributed to or acquired for the purpose of the joint venture. A joint venture operation does not involve the establishment of a corporation, partnership or other entity. This includes situations where the participants derive benefit from the joint activity through a share of the production, rather than by receiving a share of the results of trading. The Group's proportionate interest in the assets, liabilities, revenues, expenses and cash flows of joint venture operations is incorporated into the Group's consolidated financial statements under the appropriate headings.

Note 1 – Summary of significant accounting policies (continued)

(e) Principles of consolidation (continued)

(iv) Changes in ownership interests
When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly controlled entity or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(f) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred to the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the net identifiable assets of the subsidiary acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase. Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of the exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

(g) Foreign currency translation

(i) *Functional and presentation currency*
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

(ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Note 1 – Summary of significant accounting policies (continued)

(g) Foreign currency translation (continued)

(ii) Transactions and balances (continued)
Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are included in other comprehensive income.

(iii) Group companies
The results and financial position of all Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- statement of financial position items are translated at the closing rate at the date of that statement of financial position;
- income statement items and statement of comprehensive income items are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case they are translated at the date of the transaction); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, borrowings and other financial instruments designated as hedges of such investments, or borrowings that qualify as quasi-equity loans, are recognised in other comprehensive income. When a loss of control occurs over a foreign operation, a proportionate share of such exchange differences is reclassified to profit or loss as part of the gain or loss on disposal where applicable. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(h) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns and trade allowances. Amounts billed to customers in respect of shipping and handling are classified as sales revenue where the Group is responsible for carriage, insurance and freight. All shipping and handling costs incurred by the Group are recognised as freight expense in the income statement.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved.

Revenue is recognised for the major business activities as follows:

(i) Sale of goods
Revenue from the sale of goods is recognised when there is persuasive evidence, usually in the form of an executed sales agreement at the time of delivery of goods to the customer, indicating that there has been a transfer of risks and rewards to the customer, no further work or processing is required, the quantity and quality of the goods have been determined, the price is fixed and generally title has passed.

(ii) Service revenue
Service revenue principally represents revenue earned from the collection of end-of-life post-consumer products for the purpose of product recycling. Service revenue is recognised when the services have been provided. Service revenue received in advance of the service being rendered is deferred.

Note 1 – Summary of significant accounting policies (continued)

(h) Revenue recognition (continued)

(iii) Interest income
Interest income is recognised on an accrual basis using the effective interest method.

(iv) Dividend income
Dividends are recognised when the right to receive payment is established.

(i) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to other income in the income statement on a straight-line basis over the expected lives of the related assets.

(j) Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates provisions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Note 1 – Summary of significant accounting policies (continued)

(j) Income tax (continued)

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Entities within the Group may be entitled to claim special tax deductions for investments in qualifying assets (investment allowances). The Group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

(k) Leases

Leases are classified at their inception as either finance or operating leases based on the economic substance of the arrangement so as to reflect the risks and benefits incidental to ownership. Finance leases are those which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased property. All other leases are classified as operating leases.

Assets held under finance leases are initially recognised at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. The Group does not have any significant finance leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the statement of financial position based on their nature.

(l) Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Group Chief Executive Officer (“CEO”) who is the chief operating decision maker. Details on the Group’s segments are set out in Note 4.

(m) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate a potential for impairment. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (CGUs). Non-financial assets, other than goodwill, that suffered impairment are reviewed for possible reversal of the impairment at each reporting period.

Note 1 – Summary of significant accounting policies (continued)

(n) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(o) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. Trade receivables are generally due for settlement within 30 to 60 days following shipment, except in the case of certain ferrous shipments made to export destinations which are generally secured by letters of credit that are collected on negotiated terms but generally within 10 days of shipment.

Collectibility of trade receivables is reviewed on an ongoing basis. Individual debts which are known to be uncollectible are written-off by reducing the carrying amount directly. An allowance account (a provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivable. Indicators of impairment would include significant financial difficulties of the debtor, likelihood of the debtor's insolvency default or delinquency in payment or a significant deterioration in creditworthiness. The amount of the impairment provision is recognised in profit or loss within other expenses.

When a trade receivable for which an impairment provision had been recognised becomes uncollectible in a subsequent period, it is written-off against the provision for impairment account. Subsequent recoveries of amounts previously written-off are credited against other expenses in profit or loss.

(p) Inventory

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditures, the latter being allocated on the basis of normal operating capacity. Costs are assigned to inventory on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Stores consist of consumable and maintenance stores and are valued at the lower of cost and net realisable value. Cost is determined using weighted average costs.

(q) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets that are carried at fair value, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Note 1 – Summary of significant accounting policies (continued)

(q) Non-current assets (or disposal groups) held for sale and discontinued operations (continued)

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in profit or loss.

(r) Investments and other financial assets

Classification
The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at the end of each reporting date.

(i) Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on financial assets held for trading are recognised in profit or loss and the related assets are classified as current assets in the statement of financial position.

(ii) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets.

(iii) Available-for-sale financial assets
Available-for-sale financial assets are non–derivative financial assets that are designated as available-for-sale or are not classified in any other category. They are included in non-current assets unless the investment matures or management intends to dispose of the investment within 12 months of the end of the reporting period. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long-term.

Note 1 – Summary of significant accounting policies (continued)

(r) Investments and other financial assets (continued)

Financial assets - reclassification
The Group may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near-term. Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. In addition, the Group may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if the Group has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

Recognition and derecognition
Regular purchases and sales of financial assets are recognised on the trade date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

Subsequent measurement
Loans and receivables are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are presented in profit or loss within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in profit or loss as part of revenue from continuing operations when the right to receive payments is established.

Details on how the fair value of financial instruments is determined are disclosed in Note 11.

Impairment
The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is reclassified from equity and recognised in profit or loss as a reclassification adjustment. Impairment losses recognised in profit or loss on equity instruments classified as available-for-sale are not reversed through profit or loss.

If there is evidence of impairment for any of the Group's financial assets carried at amortised cost, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the financial asset's original effective interest rate. The loss is recognised in profit or loss.

Note 1 – Summary of significant accounting policies (continued)

(s) Property, plant and equipment

Property, plant and equipment is recorded at historical cost less accumulated depreciation and accumulated impairment. Historical cost includes expenditures that are directly attributable to the acquisition and installation of the items. Cost may also include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost net of their residual values, over their estimated useful lives, as follows:

- Buildings – 25 to 40 years
- Plant and equipment – 3 to 20 years
- Leasehold improvements – lesser of life of asset or life of the lease

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount as set out in Note 1(m). Gains and losses on disposals are determined by comparing proceeds with carrying amounts and recognised in profit or loss.

(t) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Group designates certain derivatives as either: (i) hedges of the fair value of recognised assets or liabilities or a firm commitment ("fair value hedges"); or (ii) hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions ("cash flow hedges").

Certain derivative instruments do not qualify for hedge accounting, despite being valid economic hedges of the relevant risks. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other income or other expenses and are classified in the statement of financial position as a current asset or liability.

The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 11. Movements in the hedging reserve in equity are shown in Note 20. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity is less than 12 months.

Note 1 – Summary of significant accounting policies (continued)

(t) Derivatives and hedging activities (continued)

(i) Fair value hedge
Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(ii) Cash flow hedge
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income and accumulated in the hedging reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for instance, when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of forward foreign exchange contracts hedging export sales is recognised in profit or loss within revenue.

Where the hedged item is the cost of a non-financial asset or liability, such as a forecast transaction for the purchase of property, plant and equipment, the amounts recognised within other comprehensive income are transferred to the initial carrying amount of the non-financial asset or liability.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gains or losses that were deferred in equity are immediately transferred to profit or loss.

(u) Goodwill and intangible assets

(i) Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisitions of associates is included in investments accounted for under the equity method. Goodwill is not amortised. Instead, goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to CGUs for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose.

(ii) Trade Name
Trade name relates principally to the "Metal Management" trading name. This intangible asset has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of the trade name over its estimated useful life, which is 20 years.

(iii) Supplier relationships and contracts
Supplier relationships and contracts acquired as part of a business combination are recognised separately from goodwill. The supplier relationships and contracts are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated based on the timing of projected cash flows of the supplier relationships or straight-line method (as appropriate) over their estimated useful lives, which currently vary from 1 to 19 years.

Note 1 – Summary of significant accounting policies (continued)

(u) Goodwill and intangible assets (continued)

(iv) Permits
Permits acquired as part of a business combination are recognised separately from goodwill. Permits are issued by state and local governments and are renewable at little or no cost and are thus considered to have an indefinite life. Permits are carried at their fair value at the date of acquisition and are not amortised. Instead, permits are tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired, and are carried at cost less accumulated impairment losses. Permits that relate to facilities that close or relocate are written-off to nil at the time the facility is closed or relocated.

(v) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of a financial year which are unpaid. The amounts are unsecured and are usually payable within 30 days of recognition.

(w) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised to finance costs on a straight-line basis over the term of the loan facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has the unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(x) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time required to complete and prepare the asset for its intended use. Other borrowing costs are recognised as expenses in the period in which they are incurred.

(y) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Note 1 – Summary of significant accounting policies (continued)

(z) Employee benefits

(i) Salaries and annual leave
Liabilities for salaries and annual leave expected to be settled within 12 months of the end of the period in which employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits and the liability for salaries is recognised in other payables.

(ii) Long service leave
The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period in which the employees render the related service. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Superannuation, pensions and other post-retirement benefits
The Group operates or participates in a number of pension (including superannuation) schemes throughout the world. The funding of the schemes complies with local regulations. The assets of the schemes are generally held separately from those of the Group and are administered by trustees or management boards.

For defined contribution schemes or schemes operated on an industry-wide basis where it is not possible to identify assets attributable to the participation by the Group's employees, the cost is calculated on the basis of contributions payable.

For defined benefit schemes, the cost of providing pensions is charged to profit or loss so as to recognise current and past service costs, interest cost on defined benefit obligations, and the effect of any curtailments or settlements, net of expected returns on plan assets. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. An asset or liability is consequently recognised in the statement of financial position based on the present value of the defined benefit obligation at the end of the reporting period, less any unrecognised past service costs and the fair value of plan assets at that date.

The present value of the defined benefit obligation is calculated by independent actuaries by discounting expected future payments using market yields at the reporting date on high quality corporate bonds in countries that have developed corporate bond markets. However, where developed corporate bond markets do not exist, the discount rates are selected by reference to national government bonds. In both instances, the bonds are selected with terms to maturity and currency that match, as closely as possible, the estimated future cash flows. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Details relating to retirement benefit obligations are set out in Note 18.

(iv) Termination benefits
Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits due more than twelve months after the end of the reporting period are discounted to present value.

Note 1 – Summary of significant accounting policies (continued)

(z) Employee benefits (continued)

(v) Share-based payments
Share-based compensation benefits are provided to certain employees via the schemes set out in Note 24. For share-based arrangements, the fair value is measured at grant date and recognised as an employee benefit expense with a corresponding increase in equity. For cash-settled share-based arrangements, the fair value of the amount payable is recognised as an employee benefit expense with a corresponding increase to a liability. The liability is re-measured each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as an employee benefit expense in profit or loss.

The fair value at grant date is independently determined using either a binomial model or a Monte-Carlo simulation model. The model takes into account the exercise price, the term, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, and the risk-free interest rate for the term of the grant. The fair value is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions (for example, earnings per share targets). Non-market vesting conditions are included in assumptions about the number of shares that are expected to become exercisable. At the end of each reporting period, the Group revises its estimate of the number of shares that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in profit or loss with a corresponding adjustment to equity.

(aa) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(ab) Dividends

A provision is made for the amount of any dividends declared on or before the end of the reporting period but not distributed at the end of the reporting period.

(ac) Earnings per share ("EPS")

Basic earnings per share is calculated by dividing net profit by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(ad) Goods and services or other value-added taxes ("GST")

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

Note 1 – Summary of significant accounting policies (continued)

(ae) Parent entity financial information

The financial information for the parent entity, Sims Metal Management Limited, disclosed in Note 31 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries
Investments in subsidiaries are accounted for at cost in the financial statements of the Company. Dividends received from subsidiaries are recognised in the Company's profit or loss, rather than being deducted from the carrying amount of the investments.

(ii) Tax consolidation legislation
The Company and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. The head entity, Sims Metal Management Limited, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right.

In addition to its current and deferred tax amounts, the Company also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate the Company for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to the Company under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

The amount receivable/payable under the tax funding agreement is due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax installments.

Assets or liabilities arising under the tax funding agreements with the tax consolidated entities are recognised as current amounts receivable from or payable to other entities in the Group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

Note 2 – Financial risk management

In the normal course of business, the Group's activities expose it to the following financial risks:

- market risk (including interest rate risk, foreign exchange risk and commodity price risk);
- credit risk; and
- liquidity risk.

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and their management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

Note 2 – Financial risk management (continued)

The Group's overall financial risk management strategy seeks to mitigate these risks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments in certain circumstances in accordance with Board of Directors ("Board") approved policies to hedge exposure to fluctuations in foreign exchange rates or commodity prices. Derivative financial instruments are used for hedging purposes and not as trading or other speculative instruments. The Group uses different methods to measure different types of risk to which it is exposed. These methods include monitoring key movements in interest rates, key transactions affected by foreign exchange and commodity prices, and ageing analysis for credit risk.

Risk management is carried out by a limited number of employees as authorised by the Board. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and the investment of excess liquidity.

The Risk, Audit & Compliance Committee ("RAC") of the Board oversees on a quarterly basis the monitoring of compliance by management with the Group's risk management framework. The RAC is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are also reported to the RAC.

(a) Market risks

Market risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices. The market risks to which the Group is exposed are discussed in further detail below.

(i) Interest rate risk
Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. The Group's main exposure to interest rate risk arises from borrowings at variable interest rates. The Group does not use any derivative financial instruments to manage its exposure to interest rate risk. Cash deposits and borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The Group's borrowings are sourced primarily from domestic but also offshore markets. The Group's borrowings consist primarily of foreign currency denominated borrowings and are managed in accordance with targeted currency, interest rate, liquidity and debt portfolio maturity profiles.

Specifically, interest rate risk is managed on the Group's net debt portfolio by:

- providing access to diverse sources of funding;
- reducing risks of refinancing by establishing and managing in accordance with target maturity profiles; and
- negotiating interest rates with the Group's banks based on a variable pricing matrix which generally involve a LIBOR rate plus a margin.

The Group's weighted average interest rate on interest-bearing liabilities for the year ended 30 June 2011 was 2.5% (2010: 2.1%). If interest rates had increased by 100 basis points as at the balance date with all other variables held constant, post-tax profit for the year ended 30 June 2011 would have been A$2.0 million lower (2010: A$0.8 million lower). A sensitivity of 100 basis points is deemed reasonable based on current and past market conditions. The calculations are based on interest-bearing financial instruments with variable interest rates at the end of the reporting period. A 100 basis points decrease in interest rates would have an equal and opposite effect.

Note 2 – Financial risk management (continued)

(a) Market risks (continued)

(ii) Foreign exchange risk
The Group operates internationally and is exposed to foreign exchange risk, primarily with respect to transactions settled in US dollars. Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The exposure of an entity to transaction risk is minimised by matching local currency income with local currency costs.

The Group seeks to denominate borrowings in the currencies of its principal assets and cash flows. These are primarily denominated in US dollars, British pounds, Euros and Australian dollars.

In accordance with Board approved policies, the Group enters into forward foreign exchange contracts to buy and sell specific amounts of various foreign currencies in the future at pre-determined exchange rates. The forward foreign exchange contracts are used to hedge transactions denominated in currencies which are not the functional currency of the relevant entity. These contracts are hedging highly probable forecasted transactions for the ensuing financial year. The contracts are timed to mature when monies from the forecasted sales are scheduled to be received or when payments for purchases are scheduled to be made. On a limited basis, the Group also utilises option contracts to hedge its foreign currency exposure. The Group does not hedge its exposure to recognised assets and liabilities.

Financial assets and liabilities
Financial assets and liabilities denominated in currencies other than the functional currency of an entity are periodically restated to their functional currency, and the associated gain or loss is taken to profit or loss. The table below shows the carrying amount of the Group's foreign currency denominated financial assets and liabilities at the end of the reporting period.

	Net financial assets/(liabilities)	
	2011	**2010**
Currency:	**A$m**	**A$m**
US dollar	**136.1**	69.5
Euro	**52.4**	16.4
British pound	**(1.1)**	0.8

The table below shows the impact of a 10% appreciation of the relevant currency against the Australian dollar for the balances above with all other variables held constant. A sensitivity of 10% has been selected as this is considered reasonable, given the current level of exchange rates and the volatility observed both on a historical basis and on market expectations for future movements.

	US dollar		Euro		British pound	
	2011	**2010**	**2011**	**2010**	**2011**	**2010**
	A$m	**A$m**	**A$m**	**A$m**	**A$m**	**A$m**
Impact on post-tax profit – higher/(lower)	**9.4**	4.5	**3.6**	1.1	**(0.1)**	0.1
Impact on equity	**26.6**	36.1	**-**	-	**15.2**	9.9

A 10% depreciation of the relevant currency against the Australian dollar would have an equal and opposite effect.

Note 2 – Financial risk management (continued)

(a) Market risks (continued)

(ii) Foreign exchange risk (continued)
Forward foreign exchange contracts
The table below shows the Group's sensitivity to foreign exchange rates with all other variables held constant on its forward foreign exchange contracts. A sensitivity of 10% has been selected as this is considered reasonable, given the current level of exchange rates and the volatility observed both on a historical basis and on market expectations for future movements.

	US dollar		Euro		British pound	
	2011 A$m +/-	2010 A$m +/-	2011 A$m +/-	2010 A$m +/-	2011 A$m +/-	2010 A$m +/-
Impact on post-tax profit	**(5.3)**	1.2	**(3.4)**	-	**-**	-
Impact on equity	**(12.3)**	5.4	**(0.7)**	0.3	**-**	1.4

Translation risk
The financial statements for each of the Group's foreign operations are prepared in local currency, being their functional currency. For the purposes of preparing the Group's consolidated financial information, each foreign operation's financial statements are translated into Australian dollars using the applicable foreign exchange rates as at the balance date. A translation risk therefore exists on translating the financial statements of the Group's foreign operations into Australian dollars for the purposes of reporting consolidated financial information. As a result, volatility in foreign exchange rates can impact the Group's net assets, net profit and the foreign currency translation reserve and as a result can influence compliance with credit agreements.

(iii) Price risk
Commodity price risk
The Group is exposed to risks associated with fluctuations in the market price for both ferrous and non-ferrous metals and to a lesser extent precious metals which are at times volatile. The Group seeks to mitigate commodity price risk by seeking to turn its inventories quickly instead of holding inventories in anticipation of higher commodity prices. The ability of the Group to accomplish an adequate level of inventory turnover can be a function of demand and market conditions which are not always steady. Where appropriate, the Group enters into forward commodity contracts matched to purchases or sales of metal and precious metal commitments.

The Group's normal policy is to sell its products at prevailing market prices. Exceptions to this rule are subject to limits and policies approved by the Board and to systems of internal controls and compliance monitoring. The Group's exposure to commodity prices is to an extent diversified by virtue of its broad commodity base.

At the end of the reporting period, none of the Group's forward commodity contracts qualified for hedge accounting, despite being valid economic hedges of the relevant risk. Accordingly, any movement in commodity rates that impact the fair value of these forward commodity contracts is recorded in profit or loss.

At the end of the reporting period, the Group's commodity contracts consisted primarily of copper and nickel contracts. The table below shows the carrying amount of the Group's copper and nickel commodity contracts at the end of the reporting period.

	Net financial assets/(liabilities)	
	2011 A$m	2010 A$m
Copper	**(3.0)**	0.7
Nickel	**3.7**	4.4

Note 2 – Financial risk management (continued)

(a) Market risks (continued)

(iii) Price risk (continued)
Commodity price risk (continued)
The following table shows the effect on post-tax profit from a 10% appreciation in commodity prices at the end of the reporting period based on the outstanding commodity contracts, with all other variables held constant. A 10% sensitivity has been selected as this is considered reasonable, given the current level of commodity prices and the volatility observed both on a historical basis and on market expectations for future movements.

	Copper prices		Nickel prices	
	2011 A$m	**2010 A$m**	**2011 A$m**	**2010 A$m**
Impact on post-tax profit – higher/(lower)	**(6.4)**	(2.7)	**(2.9)**	(2.4)

A 10% depreciation of the stated commodity prices would have an equal and opposite effect.

Equity securities price risk
The Group is exposed to equity securities price risk through investments in marketable securities. These marketable securities are listed securities which are publicly traded in major financial markets. The price risk for these investments is immaterial in terms of possible impact on profit or loss.

(b) Credit risk

Credit risk is the risk that a counterparty will not complete its obligations under a financial instrument and cause a financial loss to the Group. The Group has exposure to credit risk on all financial assets included in the Group's statement of financial position.

The Group establishes credit limits for its customers. Trade and other receivables consist of a large number of customers, spread across the consumer, business and international sectors. The Group does not have any significant credit risk exposure to a single customer or groups of customers. Ongoing credit evaluation is performed on the financial condition of the Group's customers and, where appropriate, an impairment provision is raised. For certain customers, the Group purchases credit insurance to protect itself against collection risks.

The Group is also exposed to credit risk arising from the Group's transactions in derivative contracts. For credit purposes, there is only a credit risk where the counterparty is liable to pay the Group in the event of a closeout. The Group has policies that limit the amount of credit exposure to any financial institution. Derivative counterparties and cash transactions are limited to financial institutions that have a minimum credit rating of A by either Standard & Poor's or Moody's. Management also monitors the current credit exposure with each counterparty. Any changes to counterparties or their credit limits must be approved by the Group Chief Financial Officer.

(c) Liquidity risks

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, the availability of funding through an adequate amount of committed credit facilities to meet obligations when they come due, and the ability to close out market positions.

Liquidity risk includes the risk that, as a result of the Group's operational liquidity requirements:

- the Group will not have sufficient funds to settle a transaction on the due date;
- the Group will be forced to sell financial assets at a value which is less than what they are worth;
- the Group may be unable to settle or recover a financial asset at all;
- the Group may be required to refinance the Group's borrowing facilities; or
- the Group may have insufficient access to capital to fund growth projects or, in extreme instances, its operations.

Note 2 – Financial risk management (continued)

(c) Liquidity risk (continued)

The Group manages liquidity risk by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Due to the dynamic and volatile nature of the underlying businesses, the Group aims at maintaining flexibility in funding by keeping committed credit lines available with a variety of counterparties.

The Group has access to unsecured global multi-currency/multi-option loan facilities all of which are the subject to common terms. The loan facilities all commenced effective 28 June 2011 and have maturities of three years. The Group also has annual rights to extend the maturity by an additional year in certain circumstances. The Group had access to the following credit standby arrangements at the balance date.

	2011 A$m	2010 A$m
Unsecured global multi-currency/multi-option loan facilities	**1,419.7**	1,422.9
Amount of credit unused	**1,088.9**	1,276.0

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	2011			2010		
	Less than 1 year A$m	Between 1 and 2 years A$m	Between 2 and 5 years A$m	Less than 1 year A$m	Between 1 and 2 years A$m	Between 2 and 5 years A$m
Non-derivatives:						
Trade and other payables	**747.3**	-	-	614.2	-	-
Payables – non-current	**-**	**0.9**	**2.8**	-	0.9	2.4
Borrowings (including interest payments)	**18.6**	**18.6**	**309.3**	15.4	111.3	16.5
	765.9	**19.5**	**312.1**	629.6	112.2	18.9
Derivatives:						
Net settled (commodity contracts)	**2.9**	**-**	**-**	(4.4)	-	-
Gross settled:						
- (inflow)	**(195.3)**	**-**	**-**	(274.4)	-	-
- outflow	**198.2**	**-**	**-**	278.7	-	-
	5.8	**-**	**-**	(0.1)	-	-

For purposes of the above table, interest payments have been projected using interest rates applicable at the balance date on borrowings outstanding at the end of the reporting period. The Group's borrowings fluctuate and are subject to variable interest rates.

Note 3 – Earnings per share

	2011	2010	2009
Earnings/(loss) per share as previously reported (in cents)			
Basic	**93.9**	64.9	(82.9)
Diluted	**93.3**	64.5	(82.9)
Effect of equity issue[1]	**-**	-	0.4
Earnings/(loss) per share as restated (in cents)			
Basic	**93.9**	64.9	(82.5)
Diluted	**93.3**	64.5	(82.5)
Weighted average number of shares used in the denominator ('000)			
Number of shares for basic earnings per share	**204,630**	194,417	181,247
Effect of equity issue[1]	**-**	929	924
Basic shares	**204,630**	195,346	182,171
Dilutive effect of share-based awards	**1,330**	1,129	-
Diluted shares	**205,960**	196,475	182,171

[1]In accordance with AASB 133 (IAS 33) *Earnings Per Share,* an adjustment to shares issued is required in the calculation of earnings per share when shares are offered to existing shareholders at a discount to the market price. This gives rise to a retrospective restatement of the weighted average number of shares.

Due to the loss after tax related to goodwill impairment charges recognised in the year ended 30 June 2009, the dilutive effect of share-based awards, which was 899,000 shares, was not included as the result would have been anti-dilutive. Share awards granted to employees are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. Details relating to share awards are set out in Note 24.

Note 4 – Segment Information

(a) Description of segments

The Group is principally organised geographically and then by line of business. While the CEO evaluates results in a number of different ways, the geographical areas of operation is the primary basis for which the allocations of resources and financial results are assessed. The major geographic areas of operations are as follows:

- **North America** - comprising the United States of America and Canada.
- **Australasia** - comprising Australia, New Zealand, Papua New Guinea, India, Singapore, Hong Kong and South Africa.
- **Europe** - comprising the United Kingdom, Sweden, Belgium, the Netherlands, Germany, Poland, the Czech Republic, Hungary, Austria and Croatia.

The Group also reports revenues by the following product groups:

- **Ferrous secondary recycling** - comprising the collection, processing and trading of iron and steel secondary raw material.
- **Non-ferrous secondary recycling** - comprising the collection, processing and trading of other metal alloys and residues, principally aluminum, lead, copper, zinc and nickel bearing materials.
- **Secondary processing** - comprising value-added processes involving the melting, refining and ingoting of certain non-ferrous metals and the reclamation and reprocessing of plastics.
- **Recycling solutions** - comprising the provision of environmentally responsible solutions for the disposal of post-consumer electronic products, including IT assets recycled for commercial customers. The Group offers fee-for-service business opportunities in the environmentally responsible recycling of negative value materials including refrigerators and electrical and electronic equipment.

Note 4 – Segment Information (continued)

(b) Information about reportable segments

There have been no changes to the basis of segmentation or the measurement basis for the segment profit before income tax since 30 June 2010.

	North America A$m	Austral-asia A$m	Europe A$m	A$m
2011				
Total sales revenue	**5,993.0**	**1,369.2**	**1,484.6**	**8,846.8**
Other revenue/income	**1.0**	**4.8**	**0.3**	**6.1**
Total segment revenue	**5,994.0**	**1,374.0**	**1,484.9**	**8,852.9**
Segment EBIT	**121.0**	**79.9**	**100.2**	**301.1**
Interest income				**3.2**
Finance costs				**(27.1)**
Profit before income tax				**277.2**
Segment total assets	**2,656.0**	**633.0**	**890.8**	**4,179.8**
Segment total liabilities	**670.4**	**220.9**	**368.0**	**1,259.3**
Net assets	**1,985.6**	**412.1**	**522.8**	**2,920.5**
Other items:				
Depreciation and amortisation expense	**82.7**	**21.7**	**26.2**	**130.6**
Share of pre-tax profit of investments accounted for using the equity method	**25.7**	**3.8**	**-**	**29.5**
Investments accounted for using the equity method	**288.8**	**21.5**	**-**	**310.3**
Acquisitions of property, plant and equipment	**69.2**	**29.4**	**44.2**	**142.8**
2010				
Total sales revenue	5,040.0	1,221.3	1,191.3	7,452.6
Other revenue/income	1.8	3.8	0.3	5.9
Total segment revenue	5,041.8	1,225.1	1,191.6	7,458.5
Segment EBIT	80.3	61.2	66.6	208.1
Interest income				2.8
Finance costs				(16.4)
Profit before income tax				194.5
Segment total assets	3,032.3	562.8	644.6	4,239.7
Segment total liabilities	532.0	222.9	206.0	960.9
Net assets	2,500.3	339.9	438.6	3,278.8
Other items:				
Depreciation and amortisation expense	97.4	21.2	25.3	143.9
Share of pre-tax profit of investments accounted for using the equity method	10.1	4.4	-	14.5
Investments accounted for using the equity method	348.9	20.6	-	369.5
Acquisitions of property, plant and equipment	67.6	21.7	31.6	120.9
Impairment charge/(reversal):				
Property, plant and equipment	15.8	(1.3)	-	14.5
Intangible assets	0.9	-	-	0.9
	16.7	(1.3)	-	15.4

Note 4 – Segment Information (continued)

(b) Information about reportable segments (continued)

	North America A$m	Austral-asia A$m	Europe A$m	A$m
2009				
Total sales revenue	6,368.5	1,158.6	1,109.1	8,636.2
Other revenue/income	2.8	1.5	0.5	4.8
Total segment revenue	6,371.3	1,160.1	1,109.6	8,641.0
Segment EBIT	(88.6)	18.7	(33.1)	(103.0)
Interest income				2.3
Finance costs				(21.5)
Loss before income tax				(122.2)
Segment total assets	2,770.0	485.5	553.1	3,808.6
Segment total liabilities	465.9	175.5	308.2	949.6
Net assets	2,304.1	310.0	244.9	2,859.0
Other items:				
Depreciation and amortisation expense	122.7	21.4	26.7	170.8
Share of pre-tax profit of investments accounted for using the equity method	55.2	5.6	-	60.8
Investments accounted for using the equity method	381.1	19.1	-	400.2
Acquisitions of property, plant and equipment	106.4	39.8	41.3	187.5
Impairment charge:				
Property, plant and equipment	7.6	2.4	-	10.0
Goodwill	190.2	0.9	-	191.1
	197.8	3.3	-	201.1

(c) Intersegment sales

Segment revenues, expenses and results include transfers between segments. Such transfers are priced on an “arm’s-length” basis and are eliminated on consolidation.

(d) Sales to external customers

	2011 A$m	2010 A$m	2009 A$m
Australia	**518.4**	505.3	475.8
China	**1,373.3**	1,189.1	1,320.6
USA	**1,739.6**	1,966.4	2,045.9
Turkey	**1,452.3**	843.3	1,352.9
South Korea	**525.7**	660.5	643.5
Other	**3,237.5**	2,288.0	2,797.5
	8,846.8	7,452.6	8,636.2

Note 4 – Segment Information (continued)

(e) Revenue by product

	2011 A$m	2010 A$m	2009 A$m
Ferrous secondary recycling	**6,143.6**	5,071.2	6,642.7
Non-ferrous secondary recycling	**1,724.0**	1,525.5	1,193.4
Secondary processing	**192.8**	198.5	221.6
Recycling solutions	**786.4**	657.4	578.5
Total sales revenue	**8,846.8**	7,452.6	8,636.2

(f) Material non-current assets

Material non-current assets (excluding financial assets and deferred tax assets) are held in the following countries:

	2011 A$m	2010 A$m
Australia	**224.3**	193.3
USA	**1,713.7**	2,153.5
United Kingdom	**222.0**	160.8
Other	**151.2**	142.5
	2,311.2	2,650.1

Note 5 – Revenue

	2011 A$m	2010 A$m	2009 A$m
Sales of goods	**8,789.0**	7,391.9	8,417.4
Service revenue	**57.8**	60.7	218.8
Total sales revenue	**8,846.8**	7,452.6	8,636.2
Interest income	**3.2**	2.8	2.3
Rental income	**2.9**	3.1	2.5
Total other revenue	**6.1**	5.9	4.8
	8,852.9	7,458.5	8,641.0

Note 6 – Other income

	2011 A$m	2010 A$m	2009 A$m
Commercial settlements	**15.4**	-	-
Gain on sale of other financial assets	**11.0**	-	-
Insurance recoveries	**7.6**	1.0	1.8
Net gain on revaluation of financial assets at fair value through profit or loss	**0.6**	0.4	-
Government grants	**0.7**	0.7	0.8
Net foreign exchange gain	**1.0**	-	-
Net gain on disposal of property, plant and equipment	**1.3**	3.0	0.9
Remeasurement at fair value of interest in Port Albany Ventures LLC (“Port Albany”) (Note 29d)	**-**	8.7	-
Net gain on held for trading currency derivatives	**-**	7.0	29.8
Negative goodwill on acquisition	**-**	-	0.4
Other	**4.9**	4.4	-
	42.5	25.2	33.7

Note 7 – Expenses

	2011 A$m	2010 A$m	2009 A$m
(a) Profit/(loss) before income tax includes the following specific expenses:			
Depreciation and amortisation:			
Depreciation expense	**102.2**	109.1	120.7
Amortisation expense	**28.4**	34.8	50.1
	130.6	143.9	170.8
Finance costs[1]	**27.1**	16.4	21.5
Net loss on held for trading commodity derivatives	**30.9**	15.4	10.3
Net loss on held for trading currency derivatives	**0.6**	-	-
Transaction costs related to business combinations	**3.1**	0.4	-
Rental expenses relating to operating leases	**56.0**	60.1	71.7
Net foreign exchange loss	**-**	15.6	-
Defined contribution superannuation expense	**10.2**	7.0	8.0
Equity-settled share-based payments expense	**15.7**	16.9	9.3
Cash-settled share-based payments expense	**0.4**	0.1	-
(b) Profit/(loss) before income tax includes the following expenses which are included due to their size or nature:			
Write-down of inventory to net realisable value	**2.0**	18.5	119.4
Sarbanes-Oxley related professional fees[2]	**-**	-	9.7
Withdrawal liability related to a multi-employer pension plan	**-**	-	3.4
Impairment provisions for trade receivables	**0.3**	1.2	23.7
Natural disaster related expenses[3]	**6.9**	-	-
Professional fees and other costs incurred in connection with Fairless Iron & Metal acquisition[4]	**-**	(0.8)	2.5
Loss on sale of subsidiaries	**-**	-	2.6
Impairment of property, plant and equipment and yard closure costs[5]	**-**	14.5	13.7
Intangible asset impairments	**-**	0.9	-
Impairment of jointly controlled entity (Note 29)	**-**	5.7	-
Merger costs[6]	**-**	-	4.0
Redundancies	**1.6**	5.7	5.5

[1]Finance costs include commitment fees paid on the Group's loan facilities of A$11.4 million (2010: A$5.8 million; 2009: A$2.0 million).
[2]In 2009, the Group was required to implement and comply with Section 404 of the Sarbanes-Oxley Act of 2002 (United States). Professional fees incurred in the first year of Sarbanes-Oxley implementation are much higher and thus listed above. No amount is provided for 2011 and 2010 as the primary professional fees are inseparable and included in the overall statutory audit fee disclosed in Note 26.
[3]Primarily represents costs associated with the floods in Queensland, Australia. These costs were reimbursed by the Group's insurance carrier and the reimbursement is included in Other Income (see Note 6).
[4]In 2009, the Group incurred transaction costs associated with the acquisition of Fairless Iron & Metal which was completed in 2010 (3 July 2009). In 2009, the Group applied the transitional principles consistent with the revised AASB 3 (IFRS 3) whereby transaction costs are expensed for all acquisitions prospectively from 1 July 2009. The amount in 2010 represents the reversal of accrued costs which were settled for a lower amount.
[5]In 2010, impairments on property, plant and equipment were recognised for the write-down of processing equipment located in idled yards (A$15.8 million) offset by the reversal of previously recognised processing equipment impairments (A$1.3 million). In 2009, the impact of the global financial crisis on the Group resulted in impairment charges for asset rationalisation, asset retirement and idling of certain yards.
[6]Merger costs include integration bonuses, retention incentives and other costs associated with the post-merger rationalisation of the Sims Metal Management Limited and Metal Management businesses.

Note 8 – Income tax and deferred tax

	2011 A$m	2010 A$m	2009 A$m
(a) Income tax expense			
Current income tax charge	**73.3**	69.7	27.5
Adjustments for prior years	**2.4**	5.6	(10.3)
Deferred income tax	**8.0**	(9.9)	8.3
	83.7	65.4	25.5
Income tax expense on equity accounted profit (Note 29)	**1.4**	2.4	2.6
Income tax expense	**85.1**	67.8	28.1
Deferred income tax expense included in income tax expense comprises:			
(Increase)/decrease in deferred tax assets	**(6.5)**	(4.9)	15.5
Increase/(decrease) in deferred tax liabilities	**14.5**	(5.0)	(7.2)
	8.0	(9.9)	8.3
(b) Reconciliation of income tax expense to prima facie tax payable			
Profit/(loss) before income tax	**277.2**	194.5	(122.2)
Tax at the standard Australian rate of 30%	**83.2**	58.4	(36.7)
Non-deductible expenses	**4.6**	6.1	3.5
Adjustments for prior years	**2.4**	5.6	(10.3)
Prior year tax loss not previously recognised	**(1.1)**	(1.7)	-
Share-based payments	**2.1**	2.8	1.5
Non-assessable income	**(2.0)**	(2.5)	(1.1)
Effect of tax rates in other jurisdictions	**(3.9)**	2.4	12.0
Non-assessable gain on acquisition of a remaining interest in a jointly controlled entity	**-**	(2.6)	**-**
Non-deductible goodwill impairment	**-**	-	57.2
Other	**(0.2)**	(0.7)	2.0
Income tax expense	**85.1**	67.8	28.1
(c) Amounts recognised directly to equity			
Share placement costs	**-**	(1.3)	-
Share-based payments	**(3.3)**	1.6	7.7
Exchange (loss)/gain on foreign denominated intercompany loans	**(36.8)**	(4.6)	20.4
Total deferred tax debited/(credited) to equity	**(40.1)**	(4.3)	28.1
(d) Tax expense/(benefit) relating to other comprehensive income			
Cash flow hedges	**0.3**	(0.4)	(0.4)
Other financial assets	**0.6**	(0.6)	-
Defined benefit plans	**1.7**	(1.1)	(2.7)
	2.6	(2.1)	(3.1)

Note 8 – Income tax and deferred tax (continued)

	2011 A$m	2010 A$m
(e) Deferred tax assets and liabilities		
Deferred tax assets		
The balance comprises temporary difference attributable to:		
(amounts recognised in profit or loss)		
Provisions and other accruals	**16.3**	19.2
Employee benefits	**6.1**	11.0
Stores and consumables	**4.2**	7.0
Property, plant and equipment	**1.6**	5.6
Tax loss carryforwards	**8.3**	3.5
Share-based payments	**4.3**	3.4
Other	**2.9**	6.5
	43.7	56.2
(amounts recognised directly in equity)		
Share-based payments	**4.3**	1.0
Defined benefit plans	**4.1**	5.8
Share placement costs	**1.0**	1.3
Exchange loss on foreign denominated intercompany loans	**46.3**	8.9
Cash flow hedges	**-**	0.3
Other financial assets	**-**	0.6
	55.7	17.9
Movements		
Balance at 1 July	**74.1**	71.6
Charged to income statement	**6.5**	4.9
Adjustments for prior years	**0.7**	(3.3)
Transfers to deferred tax liabilities	**(11.2)**	(2.8)
Acquisitions	**0.1**	0.5
Charged directly to equity and other comprehensive income	**40.2**	5.4
Other	**(0.3)**	-
Foreign exchange differences	**(10.7)**	(2.2)
Balance at 30 June	**99.4**	74.1
Deferred tax assets expected to be recovered within 12 months	**27.3**	44.0
Deferred tax assets expected to be recovered after 12 months	**72.1**	30.1
	99.4	74.1
Deferred tax liabilities		
The balance comprises temporary differences attributable to:		
(amounts recognised in profit or loss)		
Intangibles	**37.9**	52.9
Property, plant and equipment	**72.6**	66.9
Stores and consumables	**3.2**	3.1
Jointly controlled entities and associates	**4.2**	3.4
Other	**1.7**	7.4
	119.6	133.7

Note 8 – Income tax and deferred tax (continued)

(e) Deferred tax assets and liabilities (continued)

	2011 A$m	2010 A$m
Deferred tax liabilities (continued)		
Movements		
Balance at 1 July	**133.7**	148.8
Charged to income statement	**14.5**	(5.0)
Adjustments for prior years	**5.2**	1.6
Transfers from deferred tax assets	**(11.2)**	(2.8)
Charged directly to equity and other comprehensive income	**2.7**	(1.0)
Acquisitions	**0.9**	-
Foreign exchange differences	**(26.2)**	(7.9)
Balance at 30 June	**119.6**	133.7
Deferred tax liabilities expected to be settled within 12 months	**4.9**	17.8
Deferred tax liabilities expected to be settled after 12 months	**114.7**	115.9
	119.6	133.7

(f) Tax losses

Deferred tax assets are recognised for carried forward tax losses to the extent that realisation of the related tax benefit through future taxable profit is probable. As at 30 June 2011, the Group has unused tax losses of A$61.6 million (2010: A$87.7 million) available for offset against future profit. A deferred tax asset has been recognised in respect of A$8.3 million (2010: A$3.5 million) of such losses.

The benefit of tax losses will only be obtained if (i) the Group derives future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the losses to be realised; (ii) the Group continues to comply with the conditions for deductibility imposed by tax legislation; and (iii) no changes in tax legislation adversely affect the Group in realising the benefit from the deduction for the losses.

No deferred tax asset has been recognised in respect of the remaining unused tax losses of A$46.1 million (2010: A$30.9 million) due to the unpredictability of future profit streams in the relevant jurisdictions.

(g) Unrecognised temporary differences

As at 30 June 2011, there were no unrecognised temporary differences associated with the Group's investments in subsidiaries, associates, or jointly controlled entities, as the Group has no liability for additional taxation should unremitted earnings be remitted.

(h) Tax consolidation legislation

Sims Metal Management Limited and its wholly-owned Australian controlled entities have entered into a tax sharing and funding agreement in relation to their participation in the tax consolidation regime. Sims Metal Management Limited is the head entity of the tax consolidated group. Members of the tax consolidated group have entered into a tax sharing and funding agreement that provides for the allocation of income tax liabilities between entities should the head entity default on its tax payment obligations. No amounts have been recognised in the consolidated financial statements in respect of this agreement on the basis that the probability of default is remote.

Note 8 – Income tax and deferred tax (continued)

(i) Tax effect accounting by members of the Australian tax consolidated group

Sims Metal Management Limited as the head entity and the controlled entities in the Australian tax consolidated group continue to account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right.

In addition to its own current and deferred tax amounts, the head entity also recognises current tax liabilities (or assets) assumed from controlled entities in the Australian tax consolidated group.

The amounts receivable or payable under the tax sharing agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax installments.

Note 9 – Trade and other receivables

	2011 A$m	2010 A$m
Current:		
Trade receivables	**522.3**	485.4
Provision for impairment of receivables	**(5.4)**	(3.6)
	516.9	481.8
Other receivables and deferred expenses	**67.1**	76.6
Tax receivable	**1.5**	-
Prepayments	**21.2**	17.8
	89.8	94.4
	606.7	576.2
Non-current:		
Trade receivables	**3.6**	3.8
Prepayments	**6.0**	4.1
	9.6	7.9

Occasionally, the Group will sell a portion of its trade receivables to third parties. All credit risk passes to the third party at the time of the assignment, such that the Group has no further exposure to default by the specific trade debtors. The amount of trade receivables sold to third parties was not significant in the periods presented. The third party is not obliged to accept offers of receivables and the Group is not obligated to make offers or pay commitment fees to the third party.

(a) Movements in provision for impairment of receivables

	2011 A$m	2010 A$m	2009 A$m
Balance at 1 July	**3.6**	9.0	0.9
Provision for impairment recognised during the year	**0.3**	1.2	23.7
Acquisitions	**2.8**	-	-
Receivables written-off during the year as uncollectible	**(0.8)**	(5.9)	(15.0)
Foreign exchange differences	**(0.5)**	(0.7)	(0.6)
Balance at 30 June	**5.4**	3.6	9.0

The creation and release of the provision for impaired receivables has been included in other expenses in profit or loss. Amounts charged to the allowance account are generally written-off when there is no expectation of recovering additional cash.

Note 9 – Trade and other receivables (continued)

(b) Past due but not impaired

As at 30 June 2011, receivables of A$106.3 million (2010: A$96.3 million) were past due but not impaired and the Group does not hold any material collateral in relation to these receivables. These relate to a number of independent customers for whom there is no recent history of default. The ageing analyses of these receivables are as follows:

Days overdue:	2011 A$m	2010 A$m
1 – 30 days	**95.1**	68.0
31 – 60 days	**7.3**	16.1
Over 60 days	**3.9**	12.2
	106.3	96.3

(c) Other receivables and deferred expenses

Other receivable amounts generally arise from transactions outside the usual operating activities of the Group. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained.

(d) Foreign exchange and interest rate risk

Information about the Group's exposure to foreign exchange risk and interest rate risk in relation to trade and other receivables is provided in Note 2.

(e) Fair value and credit risk

Due to their short-term nature, the carrying value of current receivables approximates its fair value. The carrying value of non-current receivables approximates its fair value.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivables mentioned above. The fair value of securities held for certain trade receivables is insignificant, as is the fair value of any collateral sold or repledged. Refer to Note 2 for more information on the Group's exposure to credit risk.

Note 10 – Inventory

	2011 A$m	2010 A$m
Raw materials	**172.9**	171.7
Stores and spare parts	**33.3**	37.3
Finished goods	**772.3**	567.9
	978.5	776.9

Inventory expense

Inventories recognised as expense during the year ended 30 June 2011 amounted to A$6,835.2 million (2010: A$5,466.5 million). Write-downs of inventories to net realisable value are disclosed in Note 7.

Note 11 – Other financial assets and liabilities

	2011 A$m	2010 A$m
Other financial assets:		
Financial assets at fair value through profit or loss	**4.0**	3.6
Loan to a third party carried at amortised cost	**3.8**	-
Forward foreign exchange contracts – cash flow hedges	**3.9**	0.4
Forward commodity contracts – held for trading	**4.1**	4.7
Current	**15.8**	8.7
Available-for-sale investments	**-**	21.4
Loan to a third party carried at amortised cost	**2.7**	-
Non-current	**2.7**	21.4
Other financial liabilities:		
Forward foreign exchange contracts – cash flow hedges	**2.9**	4.0
Forward commodity contracts – held for trading	**2.9**	0.3
Forward foreign exchange contracts – held for trading	**-**	0.7
Current	**5.8**	5.0

(a) Derivatives used by the Group

The Group is a party to derivative financial instruments in the normal course of business in order to hedge its exposure to currency fluctuations in foreign exchange rates and commodity prices in accordance with the Group's financial risk management policies, which are set out in Note 2.

(i) Forward foreign exchange contracts – cash flow hedges
In order to protect against exchange rate movements in relation to material purchases and sales and underlying transactions between subsidiaries, the Group has entered into forward foreign exchange contracts to purchase foreign currencies for settlement of the related transaction. The Group's primary exposure is to US dollars, euros and British pounds, as disclosed in Note 2.

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is deferred and recognised in other comprehensive income to the extent that the hedge is effective. When the cash flows occur, the amount is released to profit or loss. Any ineffective portion is charged to profit or loss.

(ii) Forward foreign exchange contracts – held for trading
The Group has further entered into forward exchange contracts which are economic hedges but do not satisfy the requirements for hedge accounting. These contracts are subject to the same risk management policies as all other derivatives contracts, however, they are accounted for as held for trading.

(iii) Forward commodity contracts – held for trading
The Group has entered into forward commodity contracts which are economic hedges but do not satisfy the requirements for hedge accounting. These contracts protect against movements in the underlying commodity of the related material purchase or sale. The Group's primary exposure is to copper and nickel prices as disclosed in Note 2.

(b) Risk exposures

Information about the Group's exposure to credit risk, foreign exchange, price and interest rate risk is provided in Note 2. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial instrument mentioned above.

Note 11 – Other financial assets and liabilities (continued)

(c) Fair value

The loan to a third party carried at amortised cost accrues interest at a fixed rate. The fair value of this loan using current interest rates approximates its carrying value.

Financial instruments carried at fair value are classified by valuation method using the following hierarchy:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table presents the Group's financial instruments measured at fair value by valuation method.

2011	Level 1 A$m	Level 2 A$m	Total A$m
Financial assets:			
Financial assets at fair value through profit or loss	**4.0**	-	**4.0**
Derivative financial instruments	**4.1**	**3.9**	**8.0**
	8.1	**3.9**	**12.0**
Financial liabilities:			
Derivative financial instruments	**2.9**	**2.9**	**5.8**
	2.9	**2.9**	**5.8**
2010			
Financial assets:			
Financial assets designated at fair value through profit or loss	3.6	-	3.6
Derivative financial instruments	4.7	0.4	5.1
Available-for-sale investments	21.4	-	21.4
	29.7	0.4	30.1
Financial liabilities:			
Derivative financial instruments	0.3	4.7	5.0
	0.3	4.7	5.0

The fair value of commodity derivative financial instruments traded in active markets is based on the closing price at the reporting date. These derivatives are deemed to be level 1. The fair value of forward foreign exchange contracts is determined using the forward exchange market rates at the end of the reporting period. These derivative financial instruments are included in level 2.

Note 12 – Property, plant and equipment

	Land A$m	Buildings A$m	Leasehold improve-ments A$m	Plant & equip-ment A$m	Capital work in progress A$m	Total A$m
At 30 June 2011						
Cost	**211.3**	**172.1**	**70.8**	**896.3**	**74.0**	**1,424.5**
Accumulated depreciation	**-**	**(53.9)**	**(23.4)**	**(481.7)**	**-**	**(559.0)**
Net book amount	**211.3**	**118.2**	**47.4**	**414.6**	**74.0**	**865.5**
Year ended 30 June 2011						
Balance at 1 July	**254.1**	**143.7**	**32.5**	**405.5**	**90.0**	**925.8**
Additions	**1.8**	**5.4**	**15.9**	**86.3**	**33.4**	**142.8**
Disposals	**(6.0)**	**(0.3)**	**-**	**(2.0)**	**-**	**(8.3)**
Transfers	**(2.8)**	**1.4**	**7.1**	**30.3**	**(36.0)**	**-**
Depreciation expense	**-**	**(14.4)**	**(5.0)**	**(82.8)**	**-**	**(102.2)**
Acquisition of subsidiaries (Note 27)	**9.4**	**2.0**	**3.2**	**44.3**	**-**	**58.9**
Foreign exchange differences	**(45.2)**	**(19.6)**	**(6.3)**	**(67.0)**	**(13.4)**	**(151.5)**
Balance at 30 June	**211.3**	**118.2**	**47.4**	**414.6**	**74.0**	**865.5**
At 30 June 2010						
Cost	254.1	186.4	53.8	863.6	90.0	1,447.9
Accumulated depreciation	-	(42.7)	(21.3)	(458.1)	-	(522.1)
Net book amount	254.1	143.7	32.5	405.5	90.0	925.8
Year ended 30 June 2010						
Balance at 1 July	254.5	153.2	35.9	404.6	99.5	947.7
Additions	1.0	2.4	4.4	81.3	31.8	120.9
Disposals	(0.6)	(1.0)	(0.1)	(3.4)	-	(5.1)
Transfers	1.6	6.2	0.8	28.5	(37.1)	-
Impairment loss	(1.8)	(0.2)	-	(12.5)	-	(14.5)
Depreciation expense	-	(11.3)	(4.8)	(93.0)	-	(109.1)
Acquisition of subsidiaries	12.5	3.0	-	26.4	-	41.9
Foreign exchange differences	(13.1)	(8.6)	(3.7)	(26.4)	(4.2)	(56.0)
Balance at 30 June	254.1	143.7	32.5	405.5	90.0	925.8

Note 13 – Goodwill

(a) Movements in carrying amounts

	2011 A$m	2010 A$m
Cost	**1,113.3**	1,308.7
Accumulated impairment	**(124.6)**	(157.0)
Net book amount	**988.7**	1,151.7
Balance at 1 July	**1,151.7**	1,146.8
Acquisition of subsidiaries (Note 27)	**62.8**	64.3
Contingent consideration on acquisitions prior to the adoption of AASB 3R (IFRS 3R)	**(0.5)**	4.8
Foreign exchange differences	**(225.3)**	(64.2)
Balance at 30 June	**988.7**	1,151.7

Note 13 – Goodwill (continued)

(b) Allocation of Goodwill by Segment

	2011 A$m	2010 A$m
Australasia	**30.7**	21.8
North America	**815.6**	1,017.0
Europe	**142.4**	112.9
	988.7	1,151.7

Goodwill acquired through business combinations has been allocated to groups of CGUs that are expected to benefit from the acquisition. During the current financial year, the Group combined 6 CGUs within its North America segment into one CGU (North America Metals). The change was a result of the implementation of a strategy that led to the integration of management responsibility including commercial aspects of the business. There would have been no impact to impairment testing for goodwill in the prior financial year if these 6 CGUs had been combined into one CGU.

For the North America segment, goodwill has been allocated to CGUs as follows:

	2011 A$m	2010 A$m
North America Metals	**731.7**	911.9
Rest of North America	**83.9**	105.1
	815.6	1,017.0

The goodwill that is allocated to the CGUs within Rest of North America, Australasia and Europe is not significant and does not account individually for more than 10% of total Group goodwill. The change in the goodwill balances above is due to acquisitions and foreign exchange retranslations.

(c) Goodwill impairment tests and key assumptions

Goodwill is tested for impairment in accordance with the policy set out in Note 1(c). The recoverable amount of each of the Group's CGUs was determined based on the higher of fair value less costs to sell or value-in-use. The Group believes its methodology is the most meaningful method, in order to reflect the cyclicality of its business and the volatile nature of commodity markets that can impact its business.

The value-in-use calculations use a 5-year cash flow projection which is based initially on the 2012 financial year budget (as approved by the Board) and a 4-year forecast prepared by management. The 4-year forecast is developed using historical averages derived from four years of historical results and the 2012 financial year budget. These 5-year projections also incorporate management estimates related to the inherent impact of future volatility in volumes, commodity prices and margins drawn from past experience and factor in current and expected future economic conditions and consider the potential benefits to arise from significant capital investments approved by the Board. A terminal value is determined from the final year of cash flow based on application of the Gordon Growth model. The cash flows are discounted using rates that reflect management's estimate of the time value of money and the risks specific to each CGU that are not already reflected in the cash flows. In determining appropriate discount rates for each CGU, consideration has been given to a weighted average cost of capital of the entity as a whole and adjusted for country and business risk specific to the CGU. The cash flow projections are based on management's best estimates, with reference to historical results, to determine income, expenses, capital expenditures and cash flows for each CGU.

Note 13 – Goodwill (continued)

(c) Goodwill impairment tests and key assumptions (continued)

The key assumptions used for the value-in-use calculations were as follows:

	Discount rate (pre-tax)		Growth rate	
	2011	**2010**	**2011**	**2010**
	%	**%**	**%**	**%**
Australasia	**13.3 – 16.9**	13.5 – 20.9	**2.5**	2.5
North America Metals	**13.2**	14.1 – 14.8	**3.0**	3.0
Rest of North America	**12.7 – 13.1**	12.5 – 15.7	**3.0**	3.0
Europe	**12.6 – 14.6**	11.3 – 13.2	**1.5 – 2.5**	1.5 – 2.5

(d) Impairment charges recognised

Year ended 30 June 2009 Australasia
In the year ended 30 June 2009, this segment recognised a non-cash impairment charge of A$0.9 million related to a secondary processing CGU. The CGU is a non-core business and the impairment was due to the closure of a business. After the impairment charge, this CGU had no remaining goodwill.

North America
In the year ended 30 June 2009, the North America segment recognised a non-cash impairment charge of A$190.2 million. The impairment charge was due to the global economic crisis in the year ended 30 June 2009 that impacted the CGUs directly by markedly lower commodity prices and diminished flows of scrap metals.

(e) Impact of possible changes in key assumptions

With regard to the assessment of the value-in-use of each CGU, a sensitivity analysis was conducted on the effect of changes in forecasted cash flows and discount rates. If forecasted cash flows were to decrease by 10% for each CGU, an impairment charge of A$47.8 million would be required in respect of the North America Metals CGU. If discount rates were to increase by 1% for each CGU, an impairment charge of A$97.7 million would be required in respect of the North America Metals CGU and an impairment charge of A$2.9 million would be required in respect of one CGU in the Europe segment.

Note 14 – Intangible assets

	Supplier relation-ships A$m	Permits A$m	Contracts A$m	Trade-names A$m	Total A$m
At 30 June 2011					
Cost	**205.5**	**7.8**	**29.3**	**29.4**	**272.0**
Accumulated impairment	**-**	**(0.7)**	**-**	**-**	**(0.7)**
Accumulated amortisation	**(105.2)**	**-**	**(24.5)**	**(5.4)**	**(135.1)**
Net book amount	**100.3**	**7.1**	**4.8**	**24.0**	**136.2**
Year ended 30 June 2011					
Balance at 1 July	**151.2**	**8.8**	**3.3**	**31.9**	**195.2**
Acquisitions (Note 27)	**2.2**	**-**	**4.2**	**0.5**	**6.9**
Amortisation charge	**(24.6)**	**-**	**(1.9)**	**(1.9)**	**(28.4)**
Foreign exchange differences	**(28.5)**	**(1.7)**	**(0.8)**	**(6.5)**	**(37.5)**
Balance at 30 June	**100.3**	**7.1**	**4.8**	**24.0**	**136.2**
At 30 June 2010					
Cost	252.8	9.7	31.8	36.5	330.8
Accumulated impairment	-	(0.9)	-	-	(0.9)
Accumulated amortisation	(101.6)	-	(28.5)	(4.6)	(134.7)
Net book amount	151.2	8.8	3.3	31.9	195.2
Year ended 30 June 2010					
Balance at 1 July	187.6	9.8	5.6	35.8	238.8
Acquisitions	5.4	0.5	0.1	-	6.0
Impairment charge	-	(0.9)	-	-	(0.9)
Amortisation charge	(30.5)	-	(2.1)	(2.2)	(34.8)
Foreign exchange differences	(11.3)	(0.6)	(0.3)	(1.7)	(13.9)
Balance at 30 June	151.2	8.8	3.3	31.9	195.2

Intangible assets by segment are as follows:

	2011 A$m	2010 A$m
North America	**129.6**	188.7
Australasia	**2.5**	0.4
Europe	**4.1**	6.1
	136.2	195.2

Note 15 – Trade and other payables

	2011 A$m	2010 A$m
Trade payables	**547.4**	424.4
Other payables	**160.8**	160.2
Deferred income	**39.1**	29.6
	747.3	614.2

The Group's exposure to currency and liquidity risk related to trade and other payables is set out in Note 2.

Note 16 – Borrowings

	2011 A$m	2010 A$m
Current borrowings:		
Other borrowings	**0.5**	0.6
	0.5	0.6
Non-current borrowings:		
Bank loans	**291.0**	116.2
Other borrowings	**0.2**	0.4
	291.2	116.6

Bank loans are unsecured but are subject to guarantees/cross guarantees, cross defaults and indemnities (as appropriate) from the Company and certain of its subsidiaries.

(a) Risk exposures

The Group's exposure to interest rate risk, as well as information relating to the facility arrangements is set out in Note 2.

(b) Fair value

The Group's borrowings approximate the carrying amount as the Group's primary exposure is to floating rate bank loans. The Group has nominal exposure to fixed rates through other borrowings.

Note 17 – Provisions

	2011 A$m	2010 A$m
Current:		
Employee benefits	**21.1**	10.8
Legal provisions	**10.1**	13.3
Other	**5.9**	7.0
	37.1	31.1
Non-current:		
Employee benefits	**11.5**	10.2
Environmental compliance	**3.8**	4.9
Contingent consideration – business combinations	**-**	4.8
Other	**3.3**	2.3
	18.6	22.2

The Group is involved in legal and other disputes and, after taking legal advice, has established provisions taking into account the relevant facts of each dispute. The timing of cash outflows associated with legal claims cannot be reasonably determined. The environmental compliance provision is an estimate of costs for property remediation that will be required in the future.

The contingent consideration provision is an estimate of final consideration payable in respect of business combinations likely to be paid in the future. The amounts are typically based on the future profitability of the businesses acquired. Refer to Note 1(f).

Note 17 – Provisions (continued)

Movements in each class of provision during the financial year, other than employee benefits, are set out below.

	Current		Non-current		
	Legal A$m	Other A$m	Contingent consider-ation A$m	Environ-mental compliance A$m	Other A$m
Balance at 1 July	**13.3**	**7.0**	**4.8**	**4.9**	**2.3**
Transfers	**-**	**(0.3)**	**0.3**	**-**	**-**
Provisions recognised in profit or loss	**2.7**	**1.6**	**-**	**0.5**	**1.7**
Payments	**(3.2)**	**(2.1)**	**(4.6)**	**(0.6)**	**(0.4)**
Acquisitions	**-**	**(0.1)**	**-**	**-**	**-**
Foreign exchange differences	**(2.7)**	**(0.2)**	**(0.5)**	**(1.0)**	**(0.3)**
Balance at 30 June	**10.1**	**5.9**	**-**	**3.8**	**3.3**

Note 18 – Retirement benefit obligations

The Group operates a number of pension plans for the benefit of its employees throughout the world. The Group's pension plans are provided through both defined benefit and defined contribution arrangements. Defined benefit schemes provide benefits based on years of service and/or final average salary. Defined contribution schemes offer employees individual funds that are converted into benefits at the time of retirement.

The following sets out details in respect of the defined benefit sections only. The expense recognised in relation to the defined contribution plans is disclosed in Note 7.

(a) Balances recognised in the statement of financial position

	2011 A$m	2010 A$m
Present value of defined benefit obligation	**64.6**	72.9
Fair value of defined benefit plan assets	**(62.6)**	(61.9)
Net defined benefit liability	**2.0**	11.0
These amounts are disclosed as:		
Retirement benefit assets	**0.9**	-
Retirement benefit obligations	**2.9**	11.0
	2.0	11.0

The Group has no legal obligation to settle the liability with an immediate contribution or additional one-off contributions. The Group intends to continue to contribute to the defined benefit plans based on recommendations from its actuaries.

(b) Expense recognised in profit or loss

	2011 A$m	2010 A$m	2009 A$m
Current service cost	**1.3**	1.4	2.1
Interest cost	**3.3**	3.7	5.0
Expected return on plan assets	**(3.6)**	(3.6)	(5.5)
	1.0	1.5	1.6
Actual return on plan assets	**7.4**	8.2	(11.3)

Note 18 – Retirement benefit obligations (continued)

(c) Reconciliations

	2011 A$m	2010 A$m
Movements in the benefit obligation:		
Balance at 1 July	**72.9**	73.4
Current service cost	**1.3**	1.4
Interest cost	**3.3**	3.7
Actuarial loss/(gain)	**(0.7)**	8.4
Benefits paid	**(3.8)**	(5.0)
Contributions paid by members	**0.4**	0.4
Settlements	**-**	(4.0)
Foreign exchange differences	**(8.8)**	(5.4)
Balance at 30 June	**64.6**	72.9
Reconciliation of the fair value of plan assets:		
Balance at 1 July	**61.9**	62.2
Expected return on plan assets	**3.6**	3.6
Actuarial gain	**3.8**	4.6
Contributions by Group	**4.5**	5.1
Contributions paid by members	**0.4**	0.4
Benefits paid	**(3.8)**	(5.0)
Settlements	**-**	(3.9)
Foreign exchange differences	**(7.8)**	(5.1)
Balance at 30 June	**62.6**	61.9

(d) Categories of plan assets

The major categories of plan assets are as follows:

	2011 A$m	2010 A$m
Cash	**8.3**	8.4
Equity instruments	**36.5**	34.6
Debt instruments	**13.5**	12.9
Property	**4.3**	6.0
Total plan assets	**62.6**	61.9

(e) Actuarial gains and losses recognised in other comprehensive income

	2011 A$m	2010 A$m	2009 A$m
Actuarial gain/(loss) recognised during the financial year	**4.5**	(3.8)	(8.1)
Income tax (expense)/benefit	**(1.7)**	1.1	2.7
Net actuarial gain/(loss)	**2.8**	(2.7)	(5.4)
Cumulative amount at 30 June	**(13.2)**	(17.7)	(13.9)

Note 18 – Retirement benefit obligations (continued)

(f) Principal actuarial assumptions

	2011 %	2010 %	2009 %
Australia			
Discount rate	**4.3**	4.2	4.6
Expected rate of return on plan assets	**7.3**	7.3	8.0
Future salary increases	**3.5**	4.0	3.0
United Kingdom			
Discount rate	**5.5**	5.3	6.2
Expected rate of return on plan assets	**5.6**	5.4	6.1
Future salary increases	**3.9**	3.6	4.0
United States			
Discount rate	**5.5**	5.5	6.5
Expected rate of return on plan assets	**8.0**	8.0	8.0
Future salary increases	**3.5**	3.5	3.5

The expected rate of return on plan assets has been based on historical and future expectations of returns for each of the major categories of asset classes as well as the expected and actual allocation of plan assets to these major categories and considers recommendations from the Group's actuaries. This resulted in the selection of the weighted average returns of plan assets for each of the defined benefit plans as set out above.

(g) Employer contributions

Employer contributions to the defined benefit section of the plans are based on recommendations of actuarial advisers of the plans. Actuarial assessments are made at no more than one-year intervals, and the last such assessment was made as at 30 June 2011.

The objective of funding is to ensure that the benefit entitlements of members and other beneficiaries are fully funded by the time they become payable. To achieve this objective, the actuaries have adopted a method of funding benefits known as the aggregate funding method. This funding method seeks to have benefits funded by means of a total contribution which is expected to be a constant percentage of members' salaries over their working lifetimes.

Using the funding method described above and particular actuarial assumptions as to the plan's future experience, the actuaries recommended, in their review as at 30 June 2011, a contribution amount that would be sufficient to meet the Group's obligations to the defined benefit scheme. Total employer contributions expected to be paid by Group companies for the year ending 30 June 2012 are A$2.0 million for Australia, A$1.5 million for the United Kingdom, and A$0.7 million for the United States.

(h) Historic summary

	2011 A$m	2010 A$m	2009 A$m	2008 A$m	2007 A$m
Defined benefit plan obligation	**64.6**	72.9	73.4	81.6	70.0
Plan assets	**(62.6)**	(61.9)	(62.2)	(76.8)	(77.4)
Deficit/(surplus)	**2.0**	11.0	11.2	4.8	(7.4)
Experience adjustments arising on plan liabilities	**(0.7)**	8.4	(8.7)	(0.5)	(2.8)
Experience adjustments arising on plan assets	**(3.8)**	(4.6)	16.9	11.8	(3.9)

Note 19 – Contributed equity

(a) Share capital

Ordinary shares, which have no par value, trade on the Australian Securities Exchange ("ASX") and entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. Voting rights attaching to the ordinary shares are, on a show of hands, one vote for every person present as a member, proxy, attorney or representative thereof and, on a poll, one vote per share for every member present in person or by proxy, attorney or representative. The Company does not have a limited amount of authorised capital. The Company's shares also trade on the New York Stock Exchange in the form of American Depositary Shares ("ADS") with one ordinary share equaling one ADS. ADSs have the same rights as ordinary shares, including participation in dividends and voting rights. Movements in ordinary shares are as follows:

	Number of shares	A$m
Balance at 1 July 2009	182,146,718	2,352.9
Issued under long-term incentive plans	224,361	0.5
Issued under the dividend reinvestment plan	442,346	9.2
Issued under the institutional placement[1]	19,047,620	391.4
Issued under the share purchase plan[2]	1,973,398	41.2
Balance at 30 June 2010	203,834,443	2,795.2
Issued under long-term incentive plans	**363,177**	**3.3**
Issued under the employee share scheme recognised as issued following repayment of associated employee loans	**23,205**	**0.3**
Issued under the dividend reinvestment plan	**1,149,463**	**19.1**
Balance at 30 June 2011 for accounting purposes	**205,370,288**	**2,817.9**
Issue of ordinary shares under the employee share scheme deemed to be options for accounting purposes	**23,626**	**-**
Balance at 30 June 2011 per share register	**205,393,914**	**2,817.9**

[1]On 20 November 2009, the Company issued 19,047,620 ordinary shares at A$21.00 per share.

[2]On 17 December 2009, the Company issued 1,973,398 ordinary shares at A$21.00 per share.

(b) Dividend reinvestment plan

The Company operates a Dividend Reinvestment Plan ("DRP") under which holders of ordinary shares may elect to have all or part of their dividend entitlements satisfied by issue of new ordinary shares rather than by being paid cash. Shares issued in the year ended 30 June 2011 under the plan were at a 2.5% discount to the market price.

(c) Capital risk management

The capital structure of the Group consists of net debt and equity. The Group's objectives when managing capital are to maintain an optimal capital structure that provides adequate flexibility and also seeks to manage the cost of capital.

In order to manage the capital structure, the Group may periodically adjust dividends policy, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors its capital structure primarily using the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as total equity, as shown in the statement of financial position plus net debt. The Group seeks to maintain an optimum gearing ratio.

Note 19 – Contributed equity (continued)

(c) Capital risk management (continued)

The Group's gearing ratio is as follows:

	2011 A$m	2010 A$m
Total borrowings	**291.7**	117.2
Less: cash and cash equivalents	**(165.5)**	(132.3)
Net debt	**126.2**	(15.1)
Plus: total equity	**2,920.5**	3,278.8
Total capital	**3,046.7**	3,263.7
Gearing ratio	**4.1%**	**-**

There have been no breaches of external obligations such as regulatory obligations or bank covenants.

Note 20 – Reserves and retained earnings

(a) Reserves

	Share-based payments A$m	Available-for sale investments A$m	Cash flow hedging A$m	Foreign currency translation A$m	Total A$m
Balance at 1 July 2009	38.4	-	0.4	127.2	166.0
Equity-settled share-based payment expense	16.9	-	-	-	16.9
Revaluation – gross	-	(1.4)	(0.9)	-	(2.3)
Transfer to profit or loss - gross	-	-	(0.6)	-	(0.6)
Foreign currency translation differences	-	-	-	(127.5)	(127.5)
Deferred tax	(1.6)	0.6	0.4	6.2	5.6
Balance at 30 June 2010	53.7	(0.8)	(0.7)	5.9	58.1
Equity-settled share-based payment expense	**15.7**	**-**	**-**	**-**	**15.7**
Cash settlement	**(0.8)**	**-**	**-**	**-**	**(0.8)**
Revaluation – gross	**-**	**-**	**(0.1)**	**-**	**(0.1)**
Transfer to profit or loss - gross	**-**	**1.4**	**0.9**	**-**	**2.3**
Foreign currency translation differences	**-**	**-**	**-**	**(560.7)**	**(560.7)**
Deferred tax	**3.3**	**(0.6)**	**(0.3)**	**36.8**	**39.2**
Balance at 30 June 2011	**71.9**	**-**	**(0.2)**	**(518.0)**	**(446.3)**

(b) Retained earnings

	2011 A$m	2010 A$m
Balance at 1 July	**425.5**	340.1
Profit after tax	**192.1**	126.7
Dividends paid	**(71.5)**	(38.6)
Actuarial gain/(loss) on defined benefit plans, net of tax	**2.8**	(2.7)
Balance at 30 June	**548.9**	425.5

Note 20 – Reserves and retained earnings (continued)

(c) Nature and purpose of reserves

(i) Share-based payments reserve
The share-based payments reserve is used to recognise the fair value of share-based awards issued to employees.

(ii) Available-for-sale investments reserve
Changes in the fair value and exchange differences arising on translation of investments, such as equities classified as available-for-sale investments, are recognised in other comprehensive income as described in Note 1(r) and accumulated in a separate reserve within equity. Amounts are reclassified to profit or loss when the associated assets are sold or impaired.

(iii) Cash flow hedging reserve
The cash flow hedging reserve is used to record gains or losses on a hedging instrument in a cash flow hedge that are recognised in other comprehensive income, as described in Note 1(t). Amounts are recognised in profit or loss when the associated hedged transaction affects profit or loss.

(iv) Foreign currency translation reserve
Exchange differences arising on translation of foreign controlled entities are recognised in other comprehensive income, as described in Note 1 (g) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of or borrowings forming part of the net investment are repaid.

Note 21 – Dividends

(a) Dividends declared and paid during the year

	Cents per share	Franked %	2011 A$m	2010 A$m	2009 A$m
Interim 2011	**12.0**	**42%**	**24.6**	-	-
Final 2010	**23.0**	**74%**	**46.9**	-	-
Interim 2010	10.0	100%	-	20.4	-
Final 2009	10.0	100%	-	18.2	-
Interim 2009	28.0	100%	-	-	50.9
Final 2008	75.0	23%	-	-	135.6
Total dividends paid			**71.5**	38.6	186.5
Shares issued under the DRP			**(19.1)**	(9.2)	(26.6)
Total cash dividends paid			**52.4**	29.4	159.9

The franked components of all dividends paid or declared were franked based on a tax rate of 30%.

(b) Dividends not recognised at year end

Since the end of the year, the Directors have determined the payment of a final dividend of 35.0 cents per share franked at 43% based on tax paid at 30%. The aggregate amount of the proposed dividend expected to be paid on 21 October 2011 out of consolidated retained earnings as at 30 June 2011, but not recognised as a liability at the end of the reporting period, is A$71.9 million (2010: A$46.9 million; 2009: A$18.2 million).

The unfranked portion of the dividend is declared to be conduit foreign income. Australian dividend withholding tax is not payable by non-resident shareholders on the unfranked portion of the dividend sourced from conduit foreign income.

Note 21 – Dividends (continued)

(c) Franked dividends

The franked portions of the final dividends recommended after 30 June 2011 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax in the year ended 30 June 2012.

	2011 A$m	2010 A$m
Franking credits available for the subsequent financial years based on tax rate of 30% (2010: 30%)	**14.0**	16.2

The above amounts represent the balance of the franking account as at the end of the reporting date, adjusted for:

- franking credits that will arise from the payment of the amount of the provision for income tax and franking debits that will arise from refunds;
- franking debits that will arise from the payment of dividends recognised as a liability as at the reporting date; and
- franking credits that will arise from the receipt of dividends recognised as receivables as at the reporting date.

The impact on the franking account of the dividend determined by the Directors since the end of the reporting period, but not recognised as a liability as at the end of the reporting date, will be a reduction in the franking account of A$13.3 million (2010: A$14.9 million).

Note 22 – Contingencies

(a) Guarantees

The Group has given guarantees in respect of the performance of contracts entered into in the ordinary course of business. The amounts of these guarantees provided by the Group, for which no amounts are recognised in the consolidated financial statements, as at 30 June 2011 and 2010 were A$64.5 million and A$45.7 million, respectively.

See Note 31(b) for information related to guarantees provided by the Company.

(b) Environmental claims

The Group is subject to comprehensive environmental requirements relating to, among others, the acceptance, storage, treatment, handling and disposal of solid waste and hazardous waste; the discharge of materials and storm water into the environment; the management and treatment of wastewater and stormwater; and the remediation of soil and groundwater contamination. As a consequence, the Group has incurred and will continue to incur environmental costs and liabilities associated with site and facility operation, closure, remediation, monitoring and licensing. Provisions have been made in respect of estimated environmental liabilities where obligations are known to exist and can be reasonably measured. However, additional liabilities may emerge due to a number of factors, including changes in environmental laws and regulations in each of the jurisdictions in which the Group operates or has operated. The Group cannot predict the extent to which it may be affected in the future by any such changes in legislation or regulation.

Note 22 – Contingencies (continued)

(c) Legal claims

Various Group companies are parties to legal actions and claims that arise in the ordinary course of their business. While the outcome of such legal proceedings cannot be readily foreseen, the Group believes that they will be resolved without material effect on its financial statements. Provision has been made for known obligations where the existence of the liability is probable and can be reasonably estimated.

On 20 June 2011, the United States District Court Southern District of New York issued a summary judgement against Metal Management Inc. (a subsidiary of the Company) in a dispute involving a breach of contract. The breach of contract relates to the transaction fee that was payable to Metal Management Inc.'s financial advisers in connection with its merger with the Company. The amount of the summary judgement was US$8.1 million, of which US$7.6 million had been previously accrued, and interest of US$2.4 million. An additional provision of US$2.9 million was recognised in the financial year and the total amount of summary judgement of US$10.5 million (A$9.8 million) is included in provisions (refer to Note 17).

(d) Tax audits

The Group files income tax returns in many jurisdictions throughout the world. Various tax authorities are currently reviewing or auditing the Group's income tax returns. Tax returns contain matters that could be subject to differing interpretations of applicable tax laws and regulations. While it is difficult to predict the ultimate outcome in some cases, the Group does not anticipate that there will be any material impact on the Group's financial statements from such audits or reviews.

(e) Subsidiaries

Under the terms of a Deed of Cross Guarantee ("DCG") entered into in accordance with ASIC Class Order 98/1418 (as amended by Class Orders 98/2107, 00/0321, 01/1087, 02/0248 and 02/1017), the Company has undertaken to meet any shortfall which might arise on the winding up of controlled entities which are party to the deed, as described in Note 28. The controlled entities are not in liquidation and there is no indication that they will be wound up.

Note 23 – Commitments

(a) Capital commitments

Capital expenditures contracted for at the reporting date but not recognised as liabilities are as follows:

	2011 A$m	2010 A$m
Payable within one-year	**40.7**	26.3
Payable later than one-year but not later than five-years	**0.5**	0.7
	41.2	27.0

The capital commitments included above also include the Group's share relating to joint venture operations, jointly controlled entities and associates.

Note 23 – Commitments (continued)

(b) Lease commitments

The Group has entered into various operating leases on property, plant and equipment. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated. Lease commitments for operating leases are as follows:

	2011 A$m	2010 A$m
Not later than one-year	**61.1**	59.0
Later than one-year, but not later than three-years	**89.3**	95.6
Later than three-years, but not later than five-years	**44.7**	41.1
Later than five-years	**95.0**	121.0
Total lease commitments not recognised as liabilities	**290.1**	316.7

The lease commitments included above also include the Group's share relating to joint venture operations, jointly controlled entities and associates.

(c) Remuneration commitments

The Group has entered into service agreements with key management personnel as referred to in the Remuneration Report that are not recognised as liabilities and are not included in the key management personnel compensation. Remuneration commitments for key management personnel are as follows:

	2011 A$m	2010 A$m
Payable within one-year	**2.2**	2.6
Payable later than one-year but not later than five-years	**-**	2.3
Total remuneration commitments not recognised as liabilities	**2.2**	4.9

Note 24 – Share ownership plans

The Company's share ownership plans are designed to link the rewards of eligible employees to the long-term performance of the Company and the returns generated for shareholders. The maximum number of shares that can be outstanding at any time under the share ownership plans is limited to 5% of the Company's issued capital. Grants under the share ownership plans can be in the form of options or share rights. Certain share ownership plans also provide for cash-settlement, which are determined by the Board.

An option is a contract that gives the holder the right, but not the obligation, to acquire the Company's shares at a fixed or determinable price for a specified period of time. Options have an exercise price based on the weighted average market price of the Company's ordinary shares (or ADSs) during the five trading days up to the date of the grant. Share rights are a contractual right to acquire the Company's shares for nil consideration. Unless specified in the grants, holders of options and share rights are not entitled to dividends or voting rights.

(a) Effect of share-based payments on profit or loss

The expense recognised in the income statement in relation to share-based payments is disclosed in Note 7. The carrying amount of liabilities for cash-settled share-based arrangements as at 30 June 2011 was A$0.5 million (2010: A$0.4 million). Where share-based awards are issued to employees of subsidiaries within the Group, the subsidiaries compensate the Company for the fair value of these share-based awards.

Note 24 – Share ownership plans (continued)

(b) Long-Term Incentive Plan ("LTIP")

In July 2003, the Company established an LTIP designed as a reward and retention tool for certain employees. Options and share rights granted under the LTIP may vest either based on continuous service or based on performance conditions. Share rights which contain performance conditions are referred to as performance rights whereas share rights which only contain a continuous service condition are referred to as restricted share units. Refer to the Remuneration Report for further information on the terms of the grants made in the year ended 30 June 2011 pursuant to the LTIP.

(i) Share options
The fair value of options granted (including cash-settled options) is independently determined using a Binomial method which allows for the effects of an early exercise for vested options assuming the share price exceeds one and a half times the exercise price. The significant weighted assumptions used to determine the fair value were as follows:

	Ordinary shares		ADSs	
	2011	**2010**	**2011**	**2010**
Risk-free interest rate	**5.1%**	5.2%	**2.0%**	2.7%
Dividend yield	**3.0%**	4.0%	**3.0%**	4.0%
Volatility	**39.6%**	49.0%	**59.0%**	59.0%
Expected life (years)	**3.8**	4.2	**4.2**	4.3
Share price at grant date	**A$17.81**	A$21.26	**US$16.90**	US$19.21
Weighted average fair value	**A$5.04**	A$6.78	**US$6.15**	US$6.56

Volatility for the ordinary shares is based on historical share price. Due to the sparse trading of the ADSs and its limited listing (since March 2008), the volatility of the ADSs is based on the historical share price of the ordinary shares which have been translated to US dollars using daily exchange rates.

Options outstanding	**Number of options 2011**	**Weighted average exercise price $ 2011**	**Number of options 2010**	**Weighted average exercise price $ 2010**
Ordinary shares:				
Balance at 1 July	**781,579**	**A$21.11**	558,792	A$20.48
Granted	**384,908**	**A$17.62**	270,207	A$21.95
Forfeited	**(12,252)**	**A$22.74**	(47,420)	A$18.50
Exercised	**(90,290)**	**A$13.11**	-	-
Balance at 30 June	**1,063,945**	**A$20.51**	781,579	A$21.11
Exercisable at 30 June	**338,032**	**A$22.97**	173,149	A$20.68
ADSs:				
Balance at 1 July	**1,802,588**	**US$18.08**	1,182,472	US$16.78
Granted	**911,868**	**US$16.99**	729,933	US$20.57
Forfeited	**(47,248)**	**US$19.61**	(109,817)	US$20.68
Exercised	**(58,443)**	**US$12.19**	-	-
Balance at 30 June	**2,608,765**	**US$17.80**	1,802,588	US$18.08
Exercisable at 30 June	**900,741**	**US$17.78**	368,898	US$16.51

Options granted as ordinary shares during the year ended 30 June 2011 included 241,329 cash-settled options. For options exercised during the year ended 30 June 2011, the weighted average share price at the date of exercise was A$17.05 for ordinary shares and US$20.20 for ADSs (2010: nil).

Note 24 – Share ownership plans (continued)

(b) Long-Term Incentive Plan ("LTIP") (continued)

Information about outstanding and exercisable options as at 30 June 2011 is as follows:

	Outstanding			Exercisable		
Exercise price range	**Number of options**	**Weighted average exercise price**	**Weighted average remaining contractual life (years)**	**Number of options**	**Weighted average exercise price**	**Weighted average remaining contractual life (years)**
Ordinary shares:						
A$8 - A$20	523,930	A$17.26	5.94	64,322	A$17.79	4.76
A$20 - A$30	540,015	A$23.65	5.20	273,710	A$24.19	5.12
	1,063,945	**A$20.51**	**5.57**	**338,032**	**A$22.97**	**5.05**
ADSs:						
US$8 - US$20	1,289,828	US$14.89	5.79	252,598	US$10.37	4.54
US$20 - US$30	1,318,937	US$20.67	5.16	648,143	US$20.68	5.04
	2,608,765	**US$17.80**	**5.47**	**900,741**	**US$17.78**	**4.90**

(ii) Performance rights
Performance rights vest after a period of three to five years, but only if the performance hurdle has been met. Performance hurdles are either based on Total Shareholder Return ("TSR") or on non-market based performance criteria. In the year ended 30 June 2011, 104,677 (2010:115,848) share rights were forfeited as the performance conditions were not satisfied.

Performance-based share right grants made in the years ended 30 June 2010 and 30 June 2011 are measured using a TSR hurdle over a three year period (commencing at the beginning of the financial year) against a comparator group of companies. Full vesting of the performance share rights occurs when the Company's TSR is at (or exceeds) the 75th percentile relative to the comparator group, scaling down to 50% vesting on a straight-line basis for median performance. Below median performance, no vesting occurs. Initial TSR performance is tested at the third anniversary of the commencement of the performance period, with subsequent performance testing possible at the fourth and fifth anniversaries of the commencement of the performance period.

The fair value of performance share rights granted is independently determined using a Black-Scholes method to produce a Monte-Carlo simulation model which allows for the incorporation for a TSR performance condition that must be met before the share rights vest. The significant weighted assumptions used to determine the fair value were as follows:

	Ordinary shares		ADSs	
	2011	**2010**	**2011**	**2010**
Dividend yield	**3.0%**	4.0%	**3.0%**	4.0%
Risk-free interest rate	**5.2%**	5.2%	**1.3%**	2.7%
Volatility	**49.0%**	49.0%	**59.0%**	59.0%
Share price at grant date	**A$17.81**	A$21.26	**US$16.90**	US$19.27

Note 24 – Share ownership plans (continued)

(b) Long-Term Incentive Plan ("LTIP") (continued)

(ii) Performance rights (continued)

Performance rights outstanding	**Number of shares 2011**	**Weighted average fair value at grant date $ 2011**	**Number of shares 2010**	**Weighted average fair value at grant date $ 2010**
Ordinary shares:				
Non-vested balance at 1 July	**633,628**	**A$22.61**	854,616	A$24.51
Granted	**167,525**	**A$14.04**	119,268	A$15.81
Forfeited/cancelled	**(110,122)**	**A$26.69**	(206,422)	A$23.79
Vested[1]	**(146,185)**	**A$24.97**	(133,834)	A$26.90
Non-vested balance at 30 June	**544,846**	**A$18.51**	633,628	A$22.61
ADSs:				
Balance at 1 July	**674,990**	**US$11.04**	186,477	US$8.81
Granted	**741,883**	**US$9.22**	507,862	US$11.87
Forfeited/cancelled	**(18,809)**	**US$10.56**	(19,349)	US$11.75
Vested	**-**	**-**	-	-
Non-vested balance at 30 June	**1,398,064**	**US$10.08**	674,990	US$11.04

[1]54,780 rights were settled in cash

(iii) Restricted share units

Restricted share units granted to employees typically vest over a period up to three years. The fair value of restricted share units is determined based on the market price of the Company's shares on the date of grant and the Company's dividend yield.

Restricted share units outstanding	**Number of shares 2011**	**Weighted average fair value at grant date $ 2011**	**Number of shares 2010**	**Weighted average fair value at grant date $ 2010**
Ordinary shares:				
Non-vested balance at 1 July	**19,042**	**A$23.51**	76,159	A$14.48
Granted	**45,907**	**A$14.86**	4,885	A$19.51
Forfeited/cancelled	-	**-**	(8,648)	A$11.83
Vested	**(7,874)**	**A$24.17**	(53,354)	A$12.15
Non-vested balance at 30 June	**57,075**	**A$16.46**	19,042	A$23.51
ADSs:				
Balance at 1 July	**80,210**	**US$17.90**	11,562	US$19.27
Granted	**149,720**	**US$18.86**	75,140	US$17.81
Forfeited/cancelled	**(12,036)**	**US$19.06**	(1,319)	US$18.13
Vested	**(24,165)**	**US$18.49**	(5,173)	US$19.73
Non-vested balance at 30 June	**193,729**	**US$18.49**	80,210	US$17.90

Note 24 – Share ownership plans (continued)

(c) Former Executive Long-Term Incentive Plan ("LTI Share Plan")

The LTI Share Plan was approved by shareholders in November 2004. Offers of shares under the LTI Share Plan were made to eligible Australian-based employees in the 2006 and 2007 financial years. The Company provided financial assistance in the form of a share secured non-interest-bearing employee loan. The loans are repayable in full within five years after the financial assistance is provided or such longer period and in such a manner as the Company may determine.

The beneficial ownership of the shares vests with employees in line with achievement of continuous service and non-market based performance criteria. The continuous service criterion is met if the "Participant" is an employee of the Group at vesting. Periods of continuous service vary from one to three years, while non-market-based performance criteria are satisfied if the growth in EPS of the Group of between 5% and 10% is achieved over periods which vary between three and five years. There is no reward if less than 5% EPS growth is achieved.

Holders of these shares are entitled to dividends over the term of the relevant vesting period. No further grants are being made pursuant to the LTI Share Plan. The following table sets out details of outstanding shares granted under the LTI Share Plan:

	Number of shares 2011	**Weighted average purchase price A$ 2011**	**Number of shares 2010**	**Weighted average purchase price A$ 2010**
Balance at 1 July	**46,831**	**$16.88**	80,851	$17.66
Forfeited	-	**-**	(34,020)	$18.73
Exercised	**(23,205)**	**$14.99**	-	-
Balance at 30 June	**23,626**	**$18.73**	46,831	$16.88
Exercisable at 30 June	**23,626**	**$18.73**	46,831	$16.88

Shares forfeited during the year ended 30 June 2010 were a result of performance conditions not being satisfied.

(d) Transition Incentive Share Plan related to the Metal Management merger

In accordance with the terms and conditions of the merger agreement with Metal Management, Inc., the Sims Group Limited Transition Incentive Plan ("SGLTIP") was established. The SGLTIP assumed the rights and obligations of Metal Management under its former plan ("MMI Plan"). The Group assumed both options and restricted shares from the MMI Plan. No additional grants can be made under the SGLTIP.

(i) Share options
The options assumed were held by the former directors of Metal Management, Inc. who became directors of the Company on the merger date. Each outstanding share option under the MMI Plan was converted into 2.05 options of the Company. Each option represents the right to acquire one ADS. In addition, the exercise price of each outstanding option under the MMI Plan was converted at the same exchange ratio. All the options assumed were fully vested and therefore the fair value was recorded as a component of the purchase price for Metal Management Inc.

Note 24 – Share ownership plans (continued)

(d) Transition Incentive Share Plan related to the Metal Management merger (continued)

(i) Share options (continued)
The following table sets out details of outstanding options under the SGLTIP:

	Number of options 2011	Weighted average exercise price US$ 2011	Number of options 2010	Weighted average exercise price US$ 2010
Balance at 1 July	**706,000**	**$15.58**	738,000	$15.54
Exercised	**(91,000)**	**$15.29**	(32,000)	$15.29
Balance at 30 June	**615,000**	**$15.62**	706,000	$15.58
Exercisable at 30 June	**615,000**	**$15.62**	706,000	$15.58

For options exercised during the year ended 30 June 2011, the weighted average share price at the date of exercise was US$20.39 (2010: US$22.33). The weighted average contractual life of options outstanding as at 30 June 2011 was 2.21 years (2010: 2.90 years).

(ii) Restricted shares
The restricted shares assumed were held by former employees of Metal Management, Inc. who are now employed by the Group. The restricted shares vest evenly over three-years based on continuous service. The holder of the restricted share is entitled to dividends and voting rights during the period of restriction. Each unvested restricted share at the merger date was converted into 2.05 restricted ADSs of the Company. The fair value of restricted shares assumed was based on the value of an ordinary share of the Company on the merger date. Set out below is a summary of restricted shares under the SGLTIP:

	Number of shares 2011	Weighted average fair value at grant date US$ 2011	Number of shares 2010	Weighted average fair value at grant date US$ 2010
Non-vested balance at 1 July	**60,966**	**$25.27**	142,281	$25.27
Forfeited	**(3,418)**	**$25.27**	(12,916)	$25.27
Vested	**(57,548)**	**$25.27**	(68,399)	$25.27
Non-vested balance at 30 June	**-**	**-**	60,966	$25.27

Note 25 – Key management personnel disclosures

Key management personnel are those persons defined as having authority and responsibility for planning, directing and controlling the activities of the Group, either directly or indirectly, including any director (executive or non-executive). Please refer to the Directors' Report for information regarding each key management person.

(a) Key management personnel compensation

	2011 A$	2010 A$
Short-term benefits	**10,788,124**	11,989,245
Long-term benefits	**31,823**	2,050,041
Post-employment benefits	**329,944**	784,335
Termination benefits	**-**	1,551,200
Share-based payments	**6,988,624**	7,249,463
	18,138,515	23,624,284

The Group has taken advantage of the relief provided by Australian Securities and Investments Commission Class Order 06/50 and has transferred the detailed remuneration disclosures to the Remuneration Report, which is presented in the Directors' Report.

(b) Equity instrument disclosures relating to key management personnel

(i) Options provided as remuneration and shares issued on exercise of such options
Details of options provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, can be found in the Remuneration Report.

(ii) Share holdings
The number of shares in the Company held during the financial year by each Director and other key management personnel, including their personally related parties, is set out below.

2011 Name	Balance at 1 July 2010	Received on exercise of options or rights	Purchases/ (sales)	Other changes during the year	Balance at 30 June 2011
Non-Executive Directors:					
N Bobins (ADS)	**54,600**	**-**	**-**	**-**	**54,600**
G Brunsdon	**3,870**	**-**	**-**	**-**	**3,870**
M Feeney	**27,789**	**-**	**-**	**-**	**27,789**
R Lewon (ADS)	**-**	**29,500**	**(29,500)**	**-**	**-**
G Morris (ADS)	**25,000**	**61,500**	**(56,500)**	**-**	**30,000**
C Renwick	**3,144**	**-**	**-**	**-**	**3,144**
J Thompson (ADS)	**-**	**-**	**5,000**	**-**	**5,000**
P Varello (ADS)	**52,125**	**-**	**22,800**	**-**	**74,925**
Executive Director:					
D Dienst (ADS)[1]	**603,293**	**-**	**-**	**(6,000)**	**597,293**
Senior Executives:					
G Davy	**57,686**	**9,484**	**-**	**-**	**67,170**
R Kelman (ADS)	**14,979**	**64,705**	**(79,684)**	**-**	**-**
R Larry (ADS)	**80,972**	**5,260**	**(31,755)**	**-**	**54,477**
D McGree	**42,099**	**5,363**	**-**	**-**	**47,462**
A Ratner (ADS)	**87,959**	**-**	**(12,241)**	**-**	**75,718**

[1]Other changes for Mr Dienst represent a charitable gift.

Note 25 – Key management personnel disclosures (continued)

(b) Equity instrument disclosures relating to key management personnel (continued)

(ii) Share holdings (continued)

2010

Name	Balance at 1 July 2009	Received on exercise of options or rights	Purchases/ (sales)	Other changes during the year	Balance at 30 June 2010
Non-Executive Directors:					
N Bobins (ADS)	54,600	-	-	-	54,600
G Brunsdon[1]	-	-	-	3,870	3,870
M Feeney	26,674	-	1,115	-	27,789
R Lewon (ADS)	-	32,000	(32,000)	-	-
P Mazoudier[2]	15,201	-	-	(15,201)	-
G Morris (ADS)	20,000	-	5,000	-	25,000
C Renwick	3,144	-	-	-	3,144
P Varello (ADS)	30,825	-	21,300	-	52,125
Executive Directors:					
D Dienst (ADS)	1,156,872	-	(553,579)	-	603,293
J Sutcliffe[3]	32,577	-	-	(32,577)	-
Senior Executives:					
G Davy	3,003	54,683	-	-	57,686
R Kelman (ADS)	30,048	14,931	(30,000)	-	14,979
R Larry (ADS)	90,972	-	(10,000)	-	80,972
D McGree	11,924	30,175	-	-	42,099
A Ratner (ADS)	101,249	-	(13,290)	-	87,959

[1]Mr Brunsdon was appointed to the Board on 20 November 2009. Other changes comprise 3,851 shares held by Mr Brunsdon on the date of his appointment and 19 shares acquired through the DRP.
[2]Mr Mazoudier retired from the Board on 20 November 2009. Other changes for Mr Mazoudier represent his share holdings on the date of his retirement.
[3]Mr Sutcliffe's service agreement was terminated by way of redundancy on 26 August 2009. Other changes for Mr Sutcliffe represent his share holdings on 26 August 2009.

Note 25 – Key management personnel disclosures (continued)

(b) Equity instrument disclosures relating to key management personnel (continued)

(iii) Option holdings
The number of options over ordinary shares or ADSs in the Company held during the financial year by each Director and other key management personnel, including their personally related parties, is set out below.

2011 Name	Balance at 1 July 2010	Granted	Exercised	Forfeited	Balance at 30 June 2011	Vested	Unvested
Non-Executive Directors:							
R Lewon (ADS)	**91,000**	**-**	**(29,500)**	**-**	**61,500**	**61,500**	**-**
G Morris (ADS)	**205,000**	**-**	**(61,500)**	**-**	**143,500**	**143,500**	**-**
Executive Director:							
D Dienst (ADS)	**769,691**	**203,908**	**-**	**-**	**973,599**	**590,447**	**383,152**
Senior Executives:							
G Davy	**86,181**	**42,472**	**-**	**-**	**128,653**	**45,043**	**83,610**
R Kelman (ADS)	**132,578**	**50,977**	**(58,443)**	**-**	**125,112**	**14,971**	**110,141**
R Larry (ADS)	**165,722**	**63,721**	**-**	**-**	**229,443**	**91,767**	**137,676**
D McGree[1]	**94,442**	**56,562**	**-**	**-**	**151,004**	**47,325**	**103,679**
A Ratner (ADS)	**132,578**	**50,977**	**-**	**-**	**183,555**	**73,414**	**110,141**

[1]Options granted to Mr McGree are phantom options which are cash-settled.

2010 Name	Balance at 1 July 2009	Granted	Exercised	Forfeited	Balance at 30 June 2010	Vested	Unvested
Non-Executive Directors:							
R Lewon (ADS)	123,000	-	(32,000)	-	91,000	91,000	-
G Morris (ADS)	205,000	-	-	-	205,000	205,000	-
Executive Directors:							
D Dienst (ADS)	591,654	178,037	-	-	769,691	470,551	299,140
J Sutcliffe[1]	135,435	-	-	-	135,435	45,145	90,290
Senior Executives:							
T Bird[2]	39,347	-	-	(39,347)	-	-	-
G Davy	48,950	37,231	-	-	86,181	16,317	69,864
R Kelman (ADS)	87,664	44,914	-	-	132,578	29,221	103,357
R Larry (ADS)	109,580	56,142	-	-	165,722	36,526	129,196
D McGree	47,534	46,908	-	-	94,442	15,845	78,597
A Ratner (ADS)	87,664	44,914	-	-	132,578	29,221	103,357

[1]Mr Sutcliffe's service agreement was terminated by way of redundancy on 26 August 2009. Balance represents options that will vest in future periods based on satisfaction of performance criteria as a result of "good-leaver" provisions in his share-based awards.
[2]The Company accepted Mr Bird's resignation on 17 August 2009 and, as a result, he forfeited his outstanding options.

Note 25 – Key management personnel disclosures (continued)

(b) Equity instrument disclosures relating to key management personnel (continued)

(iv) Rights and award holdings
The number of rights to ordinary shares or ADSs in the Company held during the financial year by each Executive Director and other key management personnel, including their personally related parties, is set out below.

2011 Name	Balance at 1 July 2010	Granted	Vested	Forfeited	Balance at 30 June 2011
Executive Director:					
D Dienst (ADS)	**258,098**	**271,865**	**-**	**-**	**529,963**
Senior Executives:					
G Davy	**58,077**	**47,303**	**(9,484)**	**-**	**95,896**
R Kelman (ADS)	**88,755**	**33,983**	**(6,262)**	**-**	**116,476**
R Larry (ADS)	**95,921**	**42,479**	**(5,260)**	**-**	**133,140**
D McGree	**58,146**	**24,517**	**(5,363)**	**-**	**77,300**
A Ratner (ADS)	**72,653**	**33,983**	**(8,542)**	**-**	**98,094**

2010 Name	Balance at 1 July 2009	Granted	Vested	Forfeited	Other Changes	Balance at 30 June 2010
Executive Directors:						
D Dienst (ADS)	61,092	197,006	-	-	-	258,098
J Sutcliffe[1]	258,344	-	-	(23,982)	(86,212)	148,150
Senior Executives:						
T Bird[2]	62,773	-	-	(62,773)	-	-
G Davy	99,655	16,928	(54,683)	(3,823)	-	58,077
R Kelman (ADS)	78,155	25,531	(14,931)	-	-	88,755
R Larry (ADS)	48,225	47,696	-	-	-	95,921
D McGree	71,126	20,728	(30,175)	(3,533)	-	58,146
A Ratner (ADS)	55,664	25,531	(8,542)	-	-	72,653

[1]Mr Sutcliffe's service agreement was terminated by way of redundancy on 26 August 2009. Pursuant to the "good-leaver" provisions in his award agreement, Mr Sutcliffe retained his rights. Other changes represent rights which were cash-settled as part of Mr Sutcliffe's redundancy.
[2]The Company accepted Mr Bird's resignation on 17 August 2009 and, as a result, he forfeited his unvested rights.

(c) Other transactions with key management personnel

Transactions entered into with any Directors or other key management personnel of the Group, including their personally related parties, are at normal commercial terms.

During the year ended 30 June 2011, a company related to Mr Varello was paid US$20,148 for administrative services (2010: US$8,887).

Mr Sukagawa is the representative director for Mitsui & Co. As Mr Sukagawa is employed by Mitsui, his director remuneration is paid directly to Mitsui. During the year ended 30 June 2011, the Group paid A$195,600 to Mitsui for director remuneration for Mr Sukagawa (2010: A$119,533).

Note 26 – Remuneration of auditors

It is the Group's policy to employ PricewaterhouseCoopers on assignments additional to their statutory audit duties where PricewaterhouseCoopers' expertise and experience with the Group are important. These assignments are principally for tax advice and due diligence on acquisitions, or where PricewaterhouseCoopers is awarded assignments on a competitive basis. All audit and non-audit services provided by PricewaterhouseCoopers are subject to pre-approval by the RAC of the Board in accordance with the Group Independence Policy.

The following fees were paid and payable for services provided by the auditor of the Group, its related practices and non-related audit firms:

	2011 A$'000	2010 A$'000
PricewaterhouseCoopers – Australian Firm:		
Audit of financial statements	**2,264**	2,042
Taxation services	**13**	30
Other assurance related services	**55**	499
	2,332	2,571
Related practices of PricewaterhouseCoopers – Australian Firm:		
Audit of financial statements	**3,032**	3,207
Taxation services	**294**	523
Acquisition due diligence and other	**11**	86
	3,337	3,816
Total remuneration for PricewaterhouseCoopers	**5,669**	6,387

Note 27 – Business combinations

(a) Summary of acquisitions

During the year ended 30 June 2011, the Group acquired the following businesses:

- In August 2010, the Group purchased the recycling assets and business of Wincanton Recycling Ltd. This e-recycling business has recycling plants at various locations in the United Kingdom.
- In October 2010, the Group purchased the issued capital of TIC Group India Private Limited. This e-recycling business is located in Delhi, India.
- In December 2010, the Group purchased the issued capital of Cooper Metals Recycling Limited. This business is a ferrous and non-ferrous scrap processor located in the United Kingdom.
- In December 2010, the Group purchased certain assets and the business of Crash's Auto Parts & Sales, Inc. This business is a ferrous and non-ferrous scrap processor located in Utica, New York in the United States.
- In January 2011, the Group purchased certain assets and the business of Commercial Metal Recycling Services. This business is a ferrous and non-ferrous scrap processor that operates a network of eight yards across Queensland, Australia.
- In February 2011, the Group purchased the issued capital of Metrade handels GmbH. This e-recycling business is located in Austria.
- In March 2011, the Group purchased the issued capital of Device ICT Recycling BV, Device Automation Czech, and Device Poland Sp. Zo.o. This e-recycling business has operations in the Netherlands, the Czech Republic and Poland.
- In April 2011, the Group purchased the issued capital of ergoTrade AG. This e-recycling business has operations in Germany, Hungary and Croatia.
- In April 2011, the Group purchased certain assets and the business of East Coast Metal Recovery, LLC. This business is a ferrous and non-ferrous scrap processor located in Deptford, New Jersey in the United States.

Note 27 – Business combinations (continued)

(a) Summary of acquisitions (continued)

- In April 2011, the Group purchased certain assets and the business of Thomas Metals Group, LLC. This business is a ferrous and non-ferrous scrap processor located in Tulsa, Oklahoma in the United States.
- In May 2011, the Group purchased the issued capital of Dunn Brothers (1995) Limited. This business is a ferrous and non-ferrous scrap processor with various locations throughout the United Kingdom.

Had the above acquisitions occurred on 1 July 2010, there would not have been a significant change to the Group's revenue and net profit. Additionally, revenue and net profit contribution by the above acquisitions to the Group post-acquisition was not significant.

(b) Purchase consideration and assets and liabilities acquired

Details of the aggregate purchase consideration and cash outflow are as follows:

	A$m
Cash paid for current year acquisitions	**105.3**
Payments for contingent consideration on prior period acquisitions	**4.6**
Cash acquired	**(4.1)**
Cash outflow for acquisitions	**105.8**

Assets and liabilities arising from current year acquisitions are as follows:

	Fair value A$m
Cash	**4.1**
Trade and other receivables	**24.4**
Inventories	**12.9**
Property, plant and equipment (Note 12)	**58.9**
Deferred tax asset	**0.1**
Identified intangible assets (Note 14)	**6.9**
Trade and other payables	**(32.3)**
Borrowings	**(30.1)**
Current tax liabilities	**(0.3)**
Non-current payables	**(1.2)**
Deferred tax liability	**(0.9)**
Net assets acquired	**42.5**

Goodwill recognised from current year acquisitions is as follows:

	A$m
Total cash consideration	**105.3**
Less: net assets acquired	**(42.5)**
Goodwill on acquisition	**62.8**

The initial accounting for some of the current year acquisitions has only been provisionally determined. The goodwill is attributable to several factors including site locations, synergies existing in the operations acquired and the assembled workforce, which together, contribute to the profitability of the acquired businesses. Some of the goodwill recognised is expected to be deductible for income tax purposes.

Note 28 – Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1.

Name of entity	Country of Incorporation	Equity holding % 2011	2010
Sims Metal Management Limited	Australia		
Sims Group Australia Holdings Limited (i)	Australia	**100%**	100%
Sims Aluminium Pty Limited (i)	Australia	**100%**	100%
Sims E-Recycling Pty Limited	Australia	**90%**	90%
Sims Tyrecycle Properties Pty Ltd(iii)	Australia	**0%**	100%
Simsmetal Holdings Pty Limited	Australia	**100%**	100%
Simsmetal Properties QLD Pty Limited (formerly Sims Energy Pty Limited)	Australia	**100%**	100%
Sims Industrial Pty Limited	Australia	**100%**	100%
Simsmetal Services Pty Limited (i)	Australia	**100%**	100%
Simsmetal Properties NSW Pty Limited (formerly Sims Manufacturing Pty Limited)	Australia	**100%**	100%
Sims Group Holdings 3 Pty Limited (formerly Simsmetal Executive Staff Superannuation Pty Limited)	Australia	**100%**	100%
Sims Superannuation Management Pty Limited(iii)	Australia	**0%**	100%
Universal Inspection and Testing Company Pty Limited	Australia	**100%**	100%
Simsmetal Staff Equity Pty Limited(iii)	Australia	**0%**	100%
Sims Group Holdings 1 Pty Ltd	Australia	**100%**	100%
Sims Group Holdings 2 Pty Ltd	Australia	**100%**	100%
Sims Recycling Solutions Holding Austria GmbH(ii)	Austria	**100%**	0%
Sims Recycling Solutions Anteilsverwaltung Austria GmbH(ii)	Austria	**100%**	0%
Sims metrade GmbH(ii)	Austria	**100%**	0%
Sims Recycling Solutions NV	Belgium	**100%**	100%
Sims Group Recycling Solutions Canada Ltd	Canada	**100%**	100%
Sims Group Canada Holdings Limited	Canada	**100%**	100%
ErgoTrade d.o.o.(ii)	Croatia	**100%**	0%
Sims Lifecycle Services s.r.o.(ii)	Czech Republic	**100%**	0%
Sims Recycling Solutions SARL	France	**100%**	100%
Sims Group German Holdings GmbH	Germany	**100%**	100%
Sims M+R GmbH	Germany	**100%**	100%
Sims Lifecycle Services GmbH (formerly Sims Technorecycle GmBH)	Germany	**100%**	100%
Sims Metal Management Asia Limited	Hong Kong	**100%**	100%
Sims Metal Management China Holdings Limited(ii)	Hong Kong	**100%**	0%
Sims Lifecycle Services Kft(ii)	Hungary	**100%**	0%
Trishyiraya Recycling India Private Limited	India	**100%**	100%
TIC Group India Private Limited (ii)	India	**100%**	0%
Sims Group Mauritius Limited	Mauritius	**100%**	100%
Mirec BV	Netherlands	**100%**	100%
Sims Recycling Solutions Coöperatief B.A.	Netherlands	**100%**	100%
Sims Lifecycle Services BV(ii)	Netherlands	**100%**	0%
Sims E-Recycling (NZ) Limited	New Zealand	**90%**	90%
Simsmetal Industries Limited	New Zealand	**100%**	100%
PNG Recycling Limited	PNG	**100%**	100%
Device Polska Sp. z.o.o.(ii)	Poland	**100%**	0%
Sims Recycling Solutions Africa Pty Ltd	Republic of South Africa	**100%**	100%
Sims Recycling Solutions Pte. Ltd.	Singapore	**100%**	100%

Note 28 – Subsidiaries (continued)

Name of entity	Country of Incorporation	Equity holding % 2011	2010
Sims Recycling Solutions AB	Sweden	**100%**	100%
Sims Group UK Holdings Limited	UK	**100%**	100%
Sims Group UK Intermediate Holdings Limited	UK	**100%**	100%
Sims Group UK Limited	UK	**100%**	100%
C Herring & Son Limited	UK	**100%**	100%
Life Cycle Services Limited	UK	**100%**	100%
All Metal Recovery Limited	UK	**100%**	100%
All Metal Recovery Cradley Heath Limited	UK	**100%**	100%
ER Coley (Steel) Limited	UK	**100%**	100%
ER Coley (Cast) Limited	UK	**100%**	100%
Evans & Mondon Limited	UK	**100%**	100%
Sims Recycling Solutions UK Holdings Limited	UK	**100%**	100%
Sims Recycling Solutions UK Group Limited	UK	**100%**	100%
Sims Recycling Solutions UK Limited	UK	**100%**	100%
United Castings Limited	UK	**100%**	100%
Sims Group UK Pension Trustees Limited	UK	**100%**	100%
Recommit Limited	UK	**100%**	100%
Sims Cymru Limited	UK	**100%**	100%
Cooper Metal Recycling Limited(ii)	UK	**100%**	0%
Dunn Brothers (1995) Limited(ii)	UK	**100%**	0%
Sims Recycling Solutions Inc.	USA	**100%**	100%
Sims Recycling Solutions Holdings Inc.	USA	**100%**	100%
Global Investment Recovery, Incorporated	USA	**100%**	100%
Sims Metal Management USA GP	USA	**100%**	100%
Sims Group USA Holdings Corporation	USA	**100%**	100%
SHN Co., LLC	USA	**100%**	100%
HNW Recycling LLC	USA	**100%**	100%
HNE Recycling LLC	USA	**100%**	100%
Dover Barge Company	USA	**100%**	100%
North Carolina Resource Conservation LLC	USA	**100%**	100%
Simsmetal East LLC	USA	**100%**	100%
Sims Municipal Recycling of New York LLC	USA	**100%**	100%
Schiabo Larovo Corporation	USA	**100%**	100%
Simsmetal West LLC	USA	**100%**	100%
Sims Group Global Trade Corporation	USA	**100%**	100%
Sims Group USA Corporation	USA	**100%**	100%
Metal Management, Inc.	USA	**100%**	100%
MM Metal Dynamics Holdings, Inc.	USA	**100%**	100%
Metal Dynamics LLC	USA	**100%**	100%
Metal Dynamics Detroit LLC	USA	**100%**	100%
TH Properties LLC	USA	**100%**	100%
Metal Management Midwest, Inc.	USA	**100%**	100%
CIM Trucking, Inc.	USA	**100%**	100%
Metal Management Indiana, Inc.	USA	**100%**	100%
Metal Management Memphis, L.L.C.	USA	**100%**	100%
Metal Management Ohio, Inc.	USA	**100%**	100%
SMM – North America Trade Corporation	USA	**100%**	100%
Metal Management Pittsburgh, Inc.	USA	**100%**	100%
Metal Management Aerospace, Inc.	USA	**100%**	100%
Metal Management West Coast Holdings, Inc.	USA	**100%**	100%

Note 28 – Subsidiaries (continued)

Name of entity	Country of Incorporation	Equity holding % 2011	2010
Metal Management West, Inc.	USA	**100%**	100%
Metal Management Arizona, L.L.C.	USA	**100%**	100%
Proler Southwest GP, Inc.	USA	**100%**	100%
Metal Management Proler Southwest, Inc.	USA	**100%**	100%
Proler Southwest LP	USA	**100%**	100%
Metal Management Alabama, Inc.	USA	**100%**	100%
Metal Management Mississippi, Inc.	USA	**100%**	100%
Naporano Iron & Metal, Inc.	USA	**100%**	100%
Metal Management Northeast, Inc.	USA	**100%**	100%
SMM New England Corporation (formerly Metal Management Connecticut, Inc.)	USA	**100%**	100%
New York Recycling Ventures, Inc.	USA	**100%**	100%
Metal Management New Haven, Inc.	USA	**100%**	100%
Reserve Iron & Metal Limited Partnership	USA	**100%**	100%
Port Albany Ventures, LLC	USA	**100%**	100%

(i) These subsidiaries and the Company are parties to a DCG under which each entity guarantees the debts of the others. The above entities represent a Closed Group and an Extended Closed Group for the purposes of the relevant Australian Securities and Investments Commission Class Order.
(ii) These subsidiaries were acquired or incorporated during the year.
(iii) These subsidiaries were de-registered during the year

The voting power held in each subsidiary is proportionate to the equity holdings.

Note 28 – Subsidiaries (continued)

Deed of Cross Guarantee (DCG)
Sims Metal Management Limited, Sims Group Australia Holdings Limited, Sims Aluminium Pty Limited and Simsmetal Services Pty Limited are parties to a DCG under which each Group guarantees the debts of the others. By entering into the deed, the wholly-owned entities have been relieved from the requirements to prepare a financial report and directors report under Class Order 98/1418 (as amended) issued by the Australian Securities and Investments Commission.

The above companies represent a "Closed Group" for the purposes of the Class Order. As there are no other parties to the DCG that are controlled by Sims Metal Management Limited, they also represent the "Extended Closed Group".

Set out below is a condensed consolidated income statement, a summary of movements in consolidated retained earnings, and a consolidated statement of financial position for the Closed Group.

	2011 A$m	2010 A$m
(i) Condensed income statement		
Profit before income tax	**49.4**	40.6
Income tax expense	**(10.8)**	(12.5)
Profit after tax	**38.6**	28.1
(ii) Statement of comprehensive income		
Profit after tax	**38.6**	28.1
Other comprehensive income:		
Changes in the fair value of derivatives held as cash flow hedges, net of tax	**1.7**	(0.7)
Actuarial gain/(loss) on defined benefit plans, net of tax	**0.9**	(0.6)
Exchange differences on translation of foreign operations, net of tax	**(0.4)**	(0.9)
Other comprehensive income/(loss) for the year, net of tax	**2.2**	(2.2)
Total comprehensive income for the year	**40.8**	25.9
(iii) Summary of movements in retained earnings		
Balance at 1 July	**154.5**	166.2
Transfer to reserves	**-**	(0.6)
Profit for the year	**38.6**	28.1
Actuarial gain/(loss) on defined benefit plan, net of tax	**0.9**	(0.6)
Dividends provided for or paid	**(71.5)**	(38.6)
Balance at 30 June	**122.5**	154.5

Note 28 – Subsidiaries (continued)

Deed of Cross Guarantee (continued)	2011 A$m	2010 A$m
(iv) Statement of financial position		
ASSETS		
Current assets		
Cash and cash equivalents	**16.9**	16.5
Trade and other receivables	**455.6**	385.5
Inventory	**136.3**	137.4
Other financial assets	**3.5**	-
Total current assets	**612.3**	539.4
Non-current assets		
Receivables	**4.5**	2.0
Investments accounted for using the equity method	**21.2**	19.9
Other financial assets	**2,510.9**	2,502.7
Property, plant and equipment	**118.8**	103.0
Deferred tax assets	**36.2**	22.0
Goodwill	**24.7**	14.9
Intangible assets	**2.5**	0.4
Total non-current assets	**2,718.8**	2,664.9
Total assets	**3,331.1**	3,204.3
LIABILITIES		
Current liabilities		
Trade and other payables	**237.5**	143.1
Other financial liabilities	**-**	4.0
Current tax liabilities	**15.2**	25.3
Provisions	**16.0**	9.7
Total current liabilities	**268.7**	182.1
Non-current liabilities		
Borrowings	**28.0**	-
Deferred tax liabilities	**18.0**	9.5
Provisions	**2.4**	7.0
Retirement benefit obligations	**0.9**	4.0
Total non-current liabilities	**49.3**	20.5
Total liabilities	**318.0**	202.6
Net assets	**3,013.1**	3,001.7
EQUITY		
Contributed equity	**2,817.9**	2,795.2
Reserves	**72.7**	52.0
Retained earnings	**122.5**	154.5
Total equity	**3,013.1**	3,001.7

Note 29 – Investments in associates and jointly controlled entities

(a) Carrying amounts of associates and jointly controlled entities

Name of associate or jointly controlled entity	Country of incorporation	Ownership interest %		Carrying amount	
		2011	2010	2011 A$m	2010 A$m
SA Recycling LLC	USA	**50**	50	**259.9**	314.3
Metal Management Nashville, LLC	USA	**50**	50	**10.0**	14.0
Rondout Iron & Metal LLC	USA	**50**	50	**0.7**	0.9
Richmond Steel Recycling Limited	Canada	**50**	50	**18.2**	19.8
LMS generation Pty Ltd	Australia	**50**	50	**21.2**	19.9
Australia Refined Alloys Pty Limited	Australia	**50**	50	**-**	-
ITL Logistics GmbH	Germany	**34**	-	**-**	-
Extruded Metals (New Zealand) Limited	New Zealand	**33**	33	**0.3**	0.6
				310.3	369.5

(b) Movements in carrying amounts

	2011 A$m	2010 A$m
Balance at 1 July	**369.5**	400.2
Share of profit before tax	**27.1**	17.5
Associates' share of income tax expense	**(1.4)**	(2.4)
Accretion of deferred gain to equity accounted profit	**2.4**	2.7
Dividends received	**(15.8)**	(19.6)
Return of capital from jointly controlled entities	**-**	(0.4)
Purchase of remaining 50% interest in Port Albany	**-**	(5.6)
Impairment of investment in Metal Management Nashville LLC	**-**	(5.7)
Foreign exchange differences	**(71.5)**	(17.2)
Balance at 30 June	**310.3**	369.5

(c) Share of associates' and jointly controlled entities' profit

Profit before income tax	**29.5**	14.5
Associates' share of income tax expense	**(1.4)**	(2.4)
Profit after income tax recognised in equity accounted investment	**28.1**	12.1
Jointly controlled entities' income tax[1]	**(10.1)**	(2.4)
Associates' and jointly controlled entities' profit after tax	**18.0**	9.7

[1] The jointly controlled entities to which this relates are "pass-through" entities for taxation purposes. As such, the Group incurs the income tax expense and associated tax liability on its share of the profit and includes this amount as part of its income tax expense. Refer to Note 8.

Note 29 – Investments in associates and jointly controlled entities (continued)

(d) Port Albany

At 30 June 2009, the Group held a 50% interest in Port Albany. This jointly controlled entity was accounted for using the equity method. On 18 November 2009, the Group purchased the remaining 50% ownership interest in Port Albany that it previously did not own. In accordance with the revised AASB 3 (IFRS 3) and AASB 127 (IAS 27), the Group was required to remeasure its previously held equity interest in Port Albany at its acquisition-date fair value and recognise the resulting gain or loss in profit or loss. This transaction resulted in the recognition of a gain in the year ended 30 June 2010 calculated as follows:

	A$m
Fair value of 50% interest in Port Albany	14.3
Carrying amount of Port Albany investment	(5.6)
Gain recognised on acquisition	8.7

(e) Summarised financial information of associates and jointly controlled entities

Group's share of assets and liabilities	**2011 A$m**	**2010 A$m**
Current assets	**102.4**	104.0
Non-current assets	**236.3**	289.8
Total assets	**338.7**	393.8
Current liabilities	**32.7**	30.0
Non-current liabilities	**74.7**	100.0
Total liabilities	**107.4**	130.0
Net assets	**231.3**	263.8

Group's share of revenue, expenses and results	**2011 A$m**	**2010 A$m**	**2009 A$m**
Revenues	**774.3**	596.3	814.2
Expenses	**(747.2)**	(578.8)	(756.6)
Profit before income tax	**27.1**	17.5	57.6

(f) Contingent liabilities and capital commitments

The Group's share of the contingent liabilities of associates and jointly controlled entities is disclosed in Note 22. The Group's share of the capital commitments and other expenditure commitments of associates and jointly controlled entities is disclosed in Note 23.

Note 29 – Investments in associates and jointly controlled entities (continued)

(g) Jointly controlled operations

The Group accounts for its 50% interest in Sims Pacific Metals joint venture under the proportionate consolidation method. Sims Pacific Metals is an unincorporated joint venture based in New Zealand and its principal activity is metal recycling.

The Group's interest in the jointly controlled operation is included in the statement of financial position under the classifications shown below:

	2011 A$m	2010 A$m
Current assets	**16.6**	17.0
Non-current assets	**6.9**	6.9
Total assets	**23.5**	23.9
Current liabilities	**17.4**	18.9
Non-current liabilities	**0.2**	0.1
Total liabilities	**17.6**	19.0
Net assets	**5.9**	4.9

The Group's share of the jointly controlled operations' contingent liabilities and capital expenditure commitments is included in Notes 22 and 23, respectively.

Note 30 – Related party transactions

(a) Key management personnel

Disclosures relating to key management personnel are set out in Note 25.

(b) Outstanding loans or balances arising from transactions with related entities

There were no outstanding loans or balances at the end of the reporting period in relation to transactions with related parties.

(c) Transactions with related parties

	2011 A$m	2010 A$m
Superannuation contribution to superannuation funds on behalf of employees	**20.4**	21.0

(d) Transactions with associates and jointly controlled entities

	2011 A$m	2010 A$m	2009 A$m
Sales	**82.2**	85.0	70.7
Purchases	**980.6**	764.2	1,139.6
Management fees and commissions	**2.7**	10.7	11.5
Other costs	**0.1**	0.2	0.4

Note 30 – Related party transactions (continued)

(e) Outstanding balances arising from transactions with associates and jointly controlled entities

	2011 A$m	2010 A$m
Current receivables	**6.4**	4.0
Current payables	**39.0**	42.1

(f) Terms and conditions

The terms and conditions of the tax funding agreement are set out in Note 8. Loans from subsidiaries are at call and bear no interest. All other transactions were made on normal commercial terms and conditions and at market rate.

Note 31 – Parent entity financial information

The Company was incorporated on 20 June 2005. Under the terms of a scheme of arrangement entered into between Sims Metal Management Limited (formerly known as Sims Group Limited from 20 June 2005 to 21 November 2008) and Sims Group Australia Holdings Limited ("SGAHL") (formerly known as Sims Group Limited prior to 20 June 2005) on 31 October 2005, the shareholders in SGAHL exchanged their shares in that entity for the shares in Sims Metal Management Limited. As required by AASB 3 (IFRS 3), *Business Combinations* at the time, SGAHL was deemed to be the acquirer in this business combination. This transaction has therefore been accounted for as a reverse acquisition. Accordingly, the consolidated financial statements of Sims Metal Management Limited have been prepared as a continuation of the consolidated financial statements of SGAHL. SGAHL, as the deemed acquirer, has applied purchase accounting for its acquisition of Sims Metal Management Limited as at 31 October 2005.

(a) Summary financial information

	2011 A$m	2010 A$m
Statement of financial position:		
Current assets	**53.5**	20.4
Total assets	**4,285.2**	4,252.1
Current liabilities	**71.3**	75.6
Total liabilities	**72.0**	77.5
Shareholders' equity:		
Contributed equity	**4,138.6**	4,115.9
Reserves	**71.9**	53.7
Retained earnings	**2.7**	5.0
Total equity	**4,213.2**	4,174.6
Profit/(loss) for the year	**67.6**	(1.0)
Total comprehensive income/(loss)	**67.6**	(1.0)

The Company has current liabilities greater than current assets. The current liabilities primarily represent intercompany balances between entities which are a party to a DCG to which the Parent is also a party. Refer to Note 28.

Note 31 – Parent entity financial information (continued)

(b) Guarantees entered into by the parent entity

The Parent has not provided financial guarantees for which a liability has been recognised in the Parent's statement of financial position.

The Company and certain of its subsidiaries have given guarantees in respect of the performance of contracts entered into in the ordinary course of business. The amounts of these guarantees provided by the Company as at 30 June 2011 and 2010 were A$60.1 million and A$39.9 million, respectively

On 31 March 2011, the Company provided a guarantee for its proportional share of a lease obligation of a jointly controlled entity of the Group. The Company's proportional amount of the lease obligation remaining as at 30 June 2011 was A$16.1 million.

The Company is party to a number of financing facilities and a Deed of Cross Guarantee under which it guarantees the debts of a number of its subsidiaries. Refer to Notes 16 and 28 for details.

(c) Lease commitments

	2011 A$m	2010 A$m
Not later than one-year	**1.7**	2.1
Later than one-year, but not later than three-years	**3.4**	4.3
Later than three-years, but not later than five-years	**3.6**	4.4
Later than five-years	**38.8**	51.2
Total lease commitments not recognised as liabilities	**47.5**	62.0

On 29 May 2009, the Company entered into a lease agreement for property in the United States. The property is being sub-leased to a Group subsidiary in the United States.

Note 32 – Cash flow information

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statements of financial position as follows:

	2011 A$m	2010 A$m
Cash at bank and on hand	**165.5**	132.2
Short-term deposits	**-**	0.1
Cash and cash equivalents	**165.5**	132.3

The carrying amount of the Group's cash and cash equivalents is assumed to approximate its fair value.

Note 32 – Cash flow information (continued)

(b) Reconciliation of profit/(loss) for the year to net cash inflow/(outflow) from operating activities

	2011 A$m	2010 A$m	2009 A$m
Profit/(loss) for the year	**192.1**	126.7	(150.3)
Depreciation and amortisation	**130.6**	143.9	170.8
Unrealised (gain)/loss on held for trading derivatives	**(1.2)**	(3.7)	10.3
Impairment of goodwill	**-**	-	191.1
Impairment of property, plant and equipment	**-**	14.5	10.0
Impairment of intangible assets	**-**	0.9	-
Net gain on disposal of non-current assets	**(1.3)**	(3.0)	(0.9)
Loss on sale of subsidiaries	**-**	-	2.6
Share-based payments	**15.7**	16.9	9.3
Gain on sale of other financial assets	**(11.0)**	-	-
Non-cash pension expense	**1.0**	1.5	1.6
Non-cash compensation	**-**	-	0.8
Negative goodwill recognised on acquisition	**-**	-	(0.4)
Equity accounted profit net of dividends received	**(13.7)**	5.1	(16.7)
Gain on acquisition of Port Albany Ventures LLC	**-**	(8.7)	-
Other	**0.8**	(0.3)	0.2
Change in operating assets and liabilities, excluding the effects of acquisitions and disposals of entities:			
(Increase)/decrease in trade and other receivables	**(91.9)**	(240.7)	492.8
(Increase)/decrease in inventories	**(322.7)**	(339.6)	543.4
(Increase)/decrease in prepayments	**(3.7)**	(2.8)	1.7
Increase/(decrease) in provisions	**12.4**	(7.7)	(10.2)
Increase/(decrease) in income taxes	**13.4**	106.8	(194.8)
(Decrease)/increase in deferred taxes	**(22.4)**	(11.1)	38.8
Increase/(decrease) in trade and other payables	**260.5**	153.8	(545.7)
Net cash inflow/(outflow) from operating activities	**158.6**	(47.5)	554.4

(c) Non-cash investing and financing activities

(i) During the year ended 30 June 2011, dividends of A$19.1 million (2010: A$9.2 million; 2009: A$26.6 million) were paid via the issue of ordinary shares pursuant to the DRP. Refer to Note 21.

(ii) During the year ended 30 June 2011, proceeds from the sale of land of A$5.6 million had not been received in cash at the end of the reporting period.

Note 33 – Events occurring after the reporting period

In July 2011, the Group purchased certain assets and the business of Goldman Metals, Inc. This business is a ferrous and non-ferrous scrap processor located in New Bern, North Carolina in the United States. The purchase price was not material to the Group.

Exhibit 4.10

CONFIDENTIAL TREATMENT HAS BEEN REQUESTED WITH RESPECT TO CERTAIN PORTIONS OF THIS AGREEMENT. CONFIDENTIAL PORTIONS HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION.

SECOND AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of June 23, 2011

among

SIMS GROUP USA HOLDINGS CORPORATION,

and

CERTAIN AFFILIATES

as Borrowers,

BANK OF AMERICA, N.A.

as Lender

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[*] Confidential Treatment Requested

TABLE OF CONTENTS

Section	Page
ARTICLE I. DEFINITIONS AND ACCOUNTING TERMS	2
1.01 Defined Terms	2
1.02 Other Interpretive Provisions	12
1.03 Transaction Documents	13
1.04 Exchange Rates; Currency Equivalents	13
1.05 Additional Alternative Currencies	13
1.06 Change of Currency	14
1.07 Times of Day	14
1.08 Letter of Credit Amounts	14
ARTICLE II. THE COMMITMENT AND CREDIT EXTENSIONS	14
2.01 Loans	14
2.02 Borrowings, Conversions and Continuations of Loans	15
2.03 Letters of Credit	16
2.04 Prepayments	22
2.05 Review and renewal of Commitment	23
2.06 Termination or Reduction of Commitment	24
2.07 Repayment of Loans	25
2.08 Interest	25
2.09 Fees	26
2.10 Computation of Interest and Fees	26
2.11 Evidence of Debt	26
2.12 Payments Generally	27
2.13 Designated Borrowers	27
ARTICLE III. TAXES, YIELD PROTECTION AND ILLEGALITY	28
3.01 Inability to Determine Rates	28
3.02 Reserves on Eurocurrency Rate Loans	29
ARTICLE IV. CONDITIONS PRECEDENT TO CREDIT EXTENSIONS	30
4.01 Conditions of Initial Credit Extension	30
4.02 Conditions to all Credit Extensions	31
ARTICLE V. REPRESENTATIONS AND WARRANTIES	31
ARTICLE VI. AFFIRMATIVE and negative COVENANTS	31
ARTICLE VII. EVENTS OF DEFAULT AND REMEDIES	32
7.01 Events of Default	32
7.02 Effect of Event of Default or U.S. Bankruptcy Filing	32
7.03 Application of Funds	33
ARTICLE VIII. MISCELLANEOUS	33
8.01 Amendments, Etc	33
8.02 Damage Waiver	33
8.03 Payments Set Aside	34
8.04 Successors and Assigns	34
8.05 Interest Rate Limitation	35
8.06 Counterparts; Integration; Effectiveness	36

[*] Confidential Treatment Requested

Section Page
8.07 Severability 36
8.08 Governing Law; Jurisdiction; Etc. 36
8.09 Waiver of Jury Trial 37
8.10 USA PATRIOT Act Notice 37
8.11 Time of the Essence 38
8.12 Amendment and Restatement 38

SCHEDULES
1.01 Mandatory Cost Formulae
1.02 Key Terms Schedule
10.02 Lender's Office; Certain Addresses for Notices

EXHIBITS
Form of
A Loan Notice
B Note
C Designated Borrower Request and Assumption Agreement
D Designated Borrower Notice
E Renewal Notice

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SECOND AMENDED AND RESTATED CREDIT AGREEMENT

This SECOND AMENDED AND RESTATED CREDIT AGREEMENT ("Agreement") is entered into as of June 23, 2011, among SIMS GROUP USA HOLDINGS CORPORATION, a Delaware corporation, formerly known as Sims Hugo Neu Corporation (the "Company"), SIMS GROUP GLOBAL TRADE CORPORATION, a Delaware corporation, successor by merger to Sims Hugo Neu Global Trade LLC ("Global Trade"), HNE RECYCLING LLC, a Delaware limited liability company ("HNE Recycling"), HNW RECYCLING LLC, a Delaware limited liability company ("HNW Recycling"), SIMSMETAL EAST LLC, a Delaware limited liability company, successor to Sims Hugo Neu East (General Partnership), a New York general partnership ("SHN East"), SIMSMETAL WEST LLC, a Delaware limited liability company, successor to Sims Hugo Neu West (General Partnership), a California general partnership ("SHN West"), SIMS GROUP USA CORPORATION, a Delaware corporation ("Sims USA"), METAL MANAGEMENT, INC., a Delaware corporation ("Metal Management"), MM METAL DYNAMICS HOLDINGS, INC., a Delaware corporation ("MM Dynamics"), METAL MANAGEMENT MIDWEST, INC., an Illinois corporation ("MM Midwest"), METAL MANAGEMENT OHIO, INC., an Ohio corporation ("MM Ohio"), SMM — NORTH AMERICA TRADE CORPORATION, a Delaware corporation, formerly known as Metal Management S&A Holdings, Inc. ("SMM — North America"), METAL MANAGEMENT WEST COAST HOLDINGS, INC., a Delaware corporation ("MM West Coast"), METAL MANAGEMENT PROLER SOUTHWEST, INC., a Delaware corporation ("MM Proler Southwest"), PROLER SOUTHWEST GP, INC., a Delaware corporation ("MM Southwest GP"), NAPORANO IRON & METAL, INC., a Delaware corporation ("Naporano"), METAL MANAGEMENT NORTHEAST, INC., a New Jersey corporation ("MM Northeast"), and METAL MANAGEMENT NEW HAVEN, INC., a Delaware corporation ("MM New Haven"), CIM TRUCKING, INC., an Illinois corporation ("CIM"), METAL MANAGEMENT ALABAMA, INC., a Delaware corporation ("MM Alabama"), METAL MANAGEMENT ARIZONA, L.L.C., an Arizona limited liability company ("MM Arizona"), SMM NEW ENGLAND CORPORATION, a Delaware corporation (formerly known as METAL MANAGEMENT CONNECTICUT, INC., a Delaware corporation) ("SMM New England"), METAL MANAGEMENT INDIANA, INC., an Illinois corporation ("MM Indiana"), METAL MANAGEMENT MEMPHIS, L.L.C., a Tennessee limited liability company ("MM Memphis"), METAL MANAGEMENT MISSISSIPPI, INC., a Delaware corporation ("MM Mississippi"), METAL MANAGEMENT PITTSBURGH, INC., a Delaware corporation ("MM Pittsburgh"), METAL MANAGEMENT WEST, INC., a Colorado corporation ("MM West"), NEW YORK RECYCLING VENTURES, INC., a Delaware corporation ("NY Recycling"), PROLER SOUTHWEST LP, a Texas limited partnership ("Proler Southwest"), RESERVE IRON & METAL LIMITED PARTNERSHIP, a Delaware limited partnership ("Reserve"), METAL DYNAMICS LLC, a Delaware limited liability company ("Metal Dynamics"), METAL DYNAMICS DETROIT LLC, a Delaware limited liability company ("MD Detroit"), TH PROPERTIES LLC, a Delaware limited liability company (formerly known as METAL DYNAMICS INDIANAPOLIS LLC, a Delaware limited liability company) ("TH Properties"), SIMS RECYCLING SOLUTIONS HOLDINGS INC., an Illinois Corporation ("SRS Holdings"), and together with the Company, Global Trade, HNE Recycling, HNW Recycling, SHN East, SHN West, Sims USA, Metal Management, MM Dynamics, MM Midwest, MM Ohio, SMM — North America, MM West Coast, MM Proler Southwest, MM Southwest GP, Naporano, MM

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Northeast, MM New Haven, CIM, MM Alabama, MM Arizona, SMM New England, MM Indiana, MM Memphis, MM Mississippi, MM Pittsburgh, MM West, NY Recycling, Proler Southwest, Reserve, Metal Dynamics, MD Detroit, TH Properties, SRS Holdings and any additional Affiliates of the Company becoming a party hereto as provided in Section 2.13 hereof collectively, the "Designated Borrowers" and together with the Company, collectively, the "Borrowers" individually, a "Borrower"), and BANK OF AMERICA, N.A., a national banking association (the "Lender").

A. The Borrowers and the Lender are parties to that certain Amended and Restated Credit Agreement dated November 2, 2009 (as amended, supplemented or otherwise modified, the "Prior Credit Agreement") pursuant to which the Lender has committed, subject to the terms and conditions therein set forth, to make Credit Extensions to the Borrowers.

B. The Borrowers have requested the Lender to make certain modifications to, and amend and restate in its entirety, the Prior Credit Agreement, which the Lender has agreed to do on the terms and conditions set forth in this Agreement.

C. This Agreement is a "Facility Agreement" in respect of the Lender under and as defined in the Common Terms Deed.

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree to amend and restate the Prior Credit Agreement as follows:

ARTICLE I.
DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms As used in this Agreement, the following terms shall have the meanings set forth below:

"Affiliate" means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"Agreement" means this Credit Agreement including all schedules and exhibits attached hereto.

"Alternative Currency" means each of Euro, Sterling, Australian Dollars and each other currency (other than Dollars) that is approved in accordance with Section 1.05.

"Alternative Currency Equivalent" means, at any time, with respect to any amount denominated in Dollars, the equivalent amount thereof in the applicable Alternative Currency as determined by the Lender at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of such Alternative Currency with Dollars.

"Alternative Currency Reserve" means, at any time, the Dollar amount equal to 5% of the Outstanding Amount of Loans denominated in Alternative Currencies at such time.

"Applicable Margin" means the percentages per annum set out in the Key Terms Schedule, based upon the Gearing Ratio as set forth in the most recent Compliance Certificate received by the Lender. Any increase or decrease in the Applicable Margin resulting from a change in the Gearing Ratio shall become effective as of the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to clause 4.1(c) of the Common Terms Deed; provided, however, that if a Compliance Certificate is not delivered when due in accordance with such clause, then the next higher Pricing Level shall apply from and after the date on which such Compliance Certificate was due and until the first day of the month following the Lender's receipt of such Compliance Certificate.

"Applicable Time" means, with respect to any borrowings and payments in any Alternative Currency, the local time in the place of settlement for such Alternative Currency as may be determined by the Lender to be necessary for timely settlement on the relevant date in accordance with normal banking procedures in the place of payment.

"Applicant Borrower" has the meaning specified in Section 2.13.

"Approved Fund" means any Fund that is administered or managed by (a) the Lender, (b) an Affiliate of the Lender or (c) an entity or an Affiliate of an entity that administers or manages the Lender.

"Australian Dollar" and "AU$" mean lawful money of Australia.

"Availability Period" means the period from and including the Closing Date to the earlier of (a) the Maturity Date and (b) the date of termination of the Commitment.

"Base Rate" means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate **[*]**, (b) the Prime Rate and (c) except during a Eurocurrency Unavailability Period, the Eurocurrency Floating Rate **[*]**.

"Base Rate Loan" means a Loan that bears interest based on the Base Rate. All Base Rate Loans shall be denominated in Dollars.

"Borrower" and "Borrowers" each has the meaning specified in the introductory paragraph hereto.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Lending Office with respect to Obligations denominated in Dollars is located and:

(a) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in Dollars, any fundings, disbursements, settlements and payments in Dollars in respect of any such Eurocurrency Rate Loan, or any other dealings in Dollars to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan, means any such day on which dealings in deposits in Dollars are conducted by and between banks in the London interbank eurodollar market;

[*] Confidential Treatment Requested

(b) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in Euro, any fundings, disbursements, settlements and payments in Euro in respect of any such Eurocurrency Rate Loan, or any other dealings in Euro to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan, means a TARGET Day;

(c) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in a currency other than Dollars or Euro, means any such day on which dealings in deposits in the relevant currency are conducted by and between banks in the London or other applicable offshore interbank market for such currency; and

(d) if such day relates to any fundings, disbursements, settlements and payments in a currency other than Dollars or Euro in respect of a Eurocurrency Rate Loan denominated in a currency other than Dollars or Euro, or any other dealings in any currency other than Dollars or Euro to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan (other than any interest rate settings), means any such day on which banks are open for foreign exchange business in the principal financial center of the country of such currency.

"Cash Collateralize" has the meaning specified in Section 2.03(f).

"Closing Date" means the first date all the conditions precedent in Section 4.01 are satisfied or waived by the Lender.

"Commitment" means the obligation of the Lender to make Loans and L/C Credit Extensions hereunder in an aggregate principal amount at any one time not to exceed the amount specified in the Key Terms Schedule, as such amount may be adjusted from time to time in accordance with this Agreement.

"Commitment Fee" means the commitment fee described in Section 2.09(a) of this Agreement.

"Common Terms Deed" means the common terms deed dated on or about June 23, 2011 between, amongst others, the Borrowers and the Lender.

"Company" has the meaning specified in the introductory paragraph hereto.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Credit Extension" means each of the following: (a) a borrowing of a Loan and (b) an L/C Credit Extension.

"Debtor Relief Laws" means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the

United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Default Rate" means (a) when used with respect to Obligations other than Letter of Credit Fees, an interest rate equal to (i) the Prime Rate plus (ii) the Applicable Margin applicable to Base Rate Loans plus (iii) 2% per annum; provided, however, that with respect to a Eurocurrency Rate Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Margin and any Mandatory Cost) otherwise applicable to such Loan plus 2% per annum, and (b) when used with respect to Letter of Credit Fees, a rate equal to the Applicable Margin applicable to standby Letters of Credit plus 2% per annum.

"Designated Borrower" has the meaning specified in the introductory paragraph hereto.

"Designated Borrower Notice" has the meaning specified in Section 2.13.

"Designated Borrower Request and Assumption Agreement" has the meaning specified in Section 2.13.

"Dollar" and "$" mean lawful money of the United States.

"Dollar Equivalent" means, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in any Alternative Currency, the equivalent amount thereof in Dollars as determined by the Lender at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of Dollars with such Alternative Currency.

"Domestic Affiliate" means any wholly-owned Subsidiary of Sims that is organized under the laws of any political subdivision of the United States.

"Eligible Assignee" means (a) an Affiliate of the Lender; (b) an Approved Fund; and (c) any other Person (other than a natural person) approved by the Borrower (such approval not to be unreasonably withheld or delayed); provided that no such approval shall be required if an Event of Default has occurred and is continuing.

"EMU" means the economic and monetary union in accordance with the Treaty of Rome 1957, as amended by the Single European Act 1986, the Maastricht Treaty of 1992 and the Amsterdam Treaty of 1998.

"EMU Legislation" means the legislative measures of the European Council for the introduction of, changeover to or operation of a single or unified European currency.

"Euro" and "EUR" means the lawful currency of the Participating Member States introduced in accordance with the EMU Legislation.

"Eurocurrency Fixed Rate" means, for any Interest Period with respect to a Eurocurrency Rate Loan, the rate per annum equal to (i) the British Bankers Association LIBOR Rate ("BBA LIBOR"), as published by Reuters (or other commercially available source providing quotations of BBA LIBOR as designated by the Lender from time to time) at approximately 11:00 a.m.

(London time) two Business Days prior to the commencement of such Interest Period, for deposits in the relevant currency (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period or (ii) if such published rate is not available at such time for any reason, then the "Eurocurrency Rate" for such Interest Period shall be the rate per annum determined by the Lender to be the rate at which deposits in the relevant currency for delivery on the first day of such Interest Period in Same Day Funds in the approximate amount of the Eurocurrency Rate Loan being made, continued or converted by the Lender and with a term equivalent to such Interest Period would be offered by the Lender's London Branch (or other branch or Affiliate of the Lender) to major banks in the London or other offshore interbank market for such currency at their request at approximately 11:00 a.m. (London time) two Business Days prior to the commencement of such Interest Period.

"Eurocurrency Fixed Rate Loan" means a Loan that bears interest at a rate based on the Eurocurrency Fixed Rate.

"Eurocurrency Floating Rate" means, for any day, the rate per annum equal to (i) the British Bankers Association LIBOR Rate ("BBA LIBOR"), as published by Reuters (or other commercially available source providing quotations of BBA LIBOR as designated by the Lender from time to time) at approximately 11:00 a.m. (London time) two Business Days prior to such day for deposits in the relevant currency (for delivery on such day) with a term equivalent to one month or (ii) if such published rate is not available at such time for any reason, then the "Eurocurrency Rate" shall be the rate per annum determined by the Lender to be the rate at which deposits in the relevant currency for delivery on such day in Same Day Funds in the approximate amount of the Base Rate Loan being made, continued or converted by the Lender and with a term equivalent to one month would be offered by the Lender's London Branch (or other branch or Affiliate of the Lender) to major banks in the London or other offshore interbank market for such currency at their request at approximately 11:00 a.m. (London time) two Business Days prior to such day.

"Eurocurrency Floating Rate Loan" means a Loan that bears interest at a rate based on the Eurocurrency Floating Rate.

"Eurocurrency Rate" means (i) with respect to a Eurocurrency Floating Rate Loan or Base Rate Loan, the Eurocurrency Floating Rate and (ii) with respect to a Eurocurrency Fixed Rate Loan, the Eurocurrency Fixed Rate.

"Eurocurrency Rate Loan" means a Loan that bears interest at a rate based on the Eurocurrency Rate. Eurocurrency Rate Loans may be denominated in Dollars or in an Alternative Currency. All Loans denominated in an Alternative Currency must be Eurocurrency Rate Loans.

"Eurocurrency Unavailability Period" means any period during which the obligation of the Lenders to make or maintain Eurocurrency Rate Loans has been suspended pursuant to Section 3.01.

"Event of Default" has the meaning specified in Section 7.01.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to the Lender on such day on such transactions as determined by the Lender.

"Fund" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"Gearing Ratio" means, for a Calculation Period, the ratio of Financial Indebtedness of the Sims Group to EBITDA.

"Honor Date" has the meaning specified in Section 2.03(c)(i).

"Interest Payment Date" means, (a) as to any Loan other than a Eurocurrency Floating Rate Loan or a Base Rate Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date; provided, however, that if any Interest Period for a Eurocurrency Rate Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Eurocurrency Floating Rate Loan or Base Rate Loan, the last Business Day of each March, June, September and December and the Maturity Date.

"Interest Period" means, as to each Eurocurrency Fixed Rate Loan, the period commencing on the date such Eurocurrency Fixed Rate Loan is disbursed or converted to or continued as a Eurocurrency Fixed Rate Loan and ending on the date two weeks, or one, two, three or six months thereafter, as selected by the Company in its Loan Notice; provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(b) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period shall extend beyond the Maturity Date.

"ISP" means, with respect to any Letter of Credit, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice (or such later version thereof as may be in effect at the time of issuance).

"Issuer Documents" means with respect to any Letter of Credit, the Letter of Credit Application, and any other document, agreement and instrument entered into by the Lender and the Company (or any Subsidiary) or in favor the Lender and relating to such Letter of Credit.

"Key Terms Schedule"means the Key Terms Schedule set out in Schedule 1.02 as amended, supplemented or replaced from time to time in accordance with this Agreement.

"Laws" means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Government Agency charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Government Agency, in each case whether or not having the force of law.

"L/C Credit Extension" means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the renewal or increase of the amount thereof.

"L/C Obligations" means, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit plus the aggregate of all Unreimbursed Amounts. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.08. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"Lending Office" means the office or offices of the Lender described as such on Schedule 10.02, or such other office or offices as the Lender may from time to time notify the Borrower.

"Letter of Credit" means any letter of credit issued hereunder. A Letter of Credit may be a commercial letter of credit or a standby letter of credit. Letters of Credit may be issued in Dollars or in an Alternative Currency.

"Letter of Credit Application" means an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by the Lender.

"Letter of Credit Expiration Date" means the day that is seven days prior to the Maturity Date then in effect (or, if such day is not a Business Day, the next preceding Business Day).

"Letter of Credit Fee" has the meaning specified in Section 2.03(h).

"Letter of Credit Sublimit" means an amount equal to the amount of the Commitment. The Letter of Credit Sublimit is part of, and not in addition to, the Commitment.

"Loan" has the meaning specified in Section 2.01.

"Loan Notice" means a notice of (a) a borrowing of a Loan, (b) a conversion of a Loan from one Type to the other, or (c) a continuation of a Eurocurrency Fixed Rate Loan as the same Type, pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A.

"Mandatory Cost" means, with respect to any period, the percentage rate per annum determined in accordance with Schedule 1.01.

"Maturity Date" means the "Maturity Date" set out in the Key Terms Schedule as extended from time to time in accordance with Section 2.05 or as otherwise agreed; provided, however, that if such date is not a Business Day, the Maturity Date shall be the next proceeding Business Day.

"Note" means a promissory note made by a Borrower in favor of the Lender evidencing Loans made by the Lender to such Borrower, substantially in the form of Exhibit B.

"Obligations" means all advances to, and debts, liabilities, obligations, covenants and duties of, any Transaction Party arising under any Transaction Document or otherwise with respect to any Loan or Letter of Credit, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Transaction Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

"Outstanding Amount" means (i) with respect to Loans on any date, the Dollar Equivalent amount of the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Loans occurring on such date; and (ii) with respect to any L/C Obligations on any date, the Dollar Equivalent amount of the aggregate outstanding amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by the Company of Unreimbursed Amounts.

"Participant" has the meaning specified in Section 8.04(c).

"Participating Member State" means each state so described in any EMU Legislation.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Government Agency or other entity.

"Prime Rate" means for any day a fluctuating rate per annum equal to the rate of interest in effect for such day as publicly announced from time to time by the Lender as its "prime rate." The "prime rate" is a rate set by the Lender based upon various factors including the Lender's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate announced by the Lender shall take effect at the opening of business on the day specified in the public announcement of such change.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates.

"Renewal Notice" means a notice provided pursuant to Section 2.05(a), which shall be substantially in the form of Exhibit E.

"Request for Credit Extension" means (a) with respect to a borrowing, conversion or continuation of a Loan, a Loan Notice, and (b) with respect to an L/C Credit Extension, a Letter of Credit Application.

"Responsible Officer" means the chief executive officer, president, chief financial officer, treasurer, assistant treasurer or controller of a Loan Party and, solely for purposes of notices given pursuant to Article II, any other officer or employee of the applicable Loan Party so designated by any of the foregoing officers in a notice to the Lender. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"Revaluation Date" means (a) with respect to any Loan, each of the following: (i) each date of a borrowing of a Eurocurrency Rate Loan denominated in an Alternative Currency, (ii) each date of a continuation of a Eurocurrency Rate Loan denominated in an Alternative Currency pursuant to Section 2.02, and (iii) such additional dates as the Lender may reasonably require; and (b) with respect to any Letter of Credit, each of the following: (i) each date of issuance of a Letter of Credit denominated in an Alternative Currency, (ii) each date of an amendment of any such Letter of Credit having the effect of increasing the amount thereof (solely with respect to the increased amount), (iii) each date of any payment by the Lender under any Letter of Credit denominated in an Alternative Currency, and (iv) such additional dates as the Lender may reasonably require.

"Same Day Funds" means (a) with respect to disbursements and payments in Dollars, immediately available funds, and (b) with respect to disbursements and payments in an Alternative Currency, same day or other funds as may be determined by the Lender to be customary in the place of disbursement or payment for the settlement of international banking transactions in the relevant Alternative Currency.

"Special Notice Currency" means at any time an Alternative Currency, other than the currency of a country that is a member of the Organization for Economic Cooperation and Development at such time located in North America or Europe.

"Spot Rate" for a currency means:

(a) in the case of any Loan denominated in an Alternative Currency, the Spot Rate shall be the daily 10 am spot rate published by the New York Federal Reserve Bank at its website, http://www.ny.frb.org/markets/fxrates/tenAm.cfm for such currency on the date that is two Business Days prior to the date as of which the foreign exchange computation is made. The daily 10 am spot rates are midpoints of buying rates and selling rates, and do not necessarily

reflect rates at which actual transactions have occurred. In the event that such rate does not appear on such website or such website is no longer published, the Spot Rate for a currency in the case of any Loan denominated in an Alternative Currency shall be the rate determined by the Lender to be the rate quoted by the Lender as the spot rate for the purchase by the Lender of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date two Business Days prior to the date as of which the foreign exchange computation is made; provided that the Lender may obtain such spot rate from another financial institution designated by the Lender if the Lender does not have as of the date of determination a spot buying rate for any such currency; and

(b) in the case of any Letter of Credit denominated in an Alternative Currency and for all other purposes under this Agreement not described in clause (a) above, the Spot Rate shall be the rate determined by the Lender to be the rate quoted by the Lender as the spot rate for the purchase by the Lender of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date as of which the foreign exchange computation is made; provided that the Lender may obtain such spot rate from another financial institution designated by the Lender if the Lender does not have as of the date of determination a spot buying rate for any such currency; and provided further that the Lender may use such spot rate quoted on the date two Business Days prior to the date as of which the foreign exchange computation is made in all cases other than a Letter of Credit denominated in an Alternative Currency.

"Sterling" and "£" mean the lawful currency of the United Kingdom.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Company.

"TARGET Day" means any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) payment system (or, if such payment system ceases to be operative, such other payment system (if any) determined by the Lender to be a suitable replacement) is open for the settlement of payments in Euro.

"Transaction Documents" means this Agreement, the Common Terms Deed, each Designated Borrower Request and Assumption Agreement, each Note, each Issuer Document, each Renewal Notice and each "Transaction Document" of the Lender, as defined in the Common Terms Deed.

"Transaction Parties" means, collectively, the Company, each Designated Borrower and Sims.

"Total Outstandings" means the sum of (i) the aggregate Outstanding Amount of all Loans and (ii) the aggregate Outstanding Amount of all L/C Obligations

"Type" means, with respect to a Loan, its character as a Base Rate Loan, a Eurocurrency Floating Rate Loan or a Eurocurrency Fixed Rate Loan.

"United States" and "U.S." mean the United States of America.

"Unreimbursed Amount" has the meaning specified in Section 2.03(c)(i).

1.02 Other Interpretive Provisions With reference to this Agreement and each Designated Borrower Request and Assumption Agreement, Note and Issuer Document , unless otherwise specified herein or in such Designated Borrower Request and Assumption Agreement, Note and Issuer Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any certificates of incorporation and constituent documents for a company) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Transaction Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "herein," "hereof" and "hereunder," and words of similar import when used in any Transaction Document, shall be construed to refer to such Transaction Document in its entirety and not to any particular provision thereof, (iv) all references in a Transaction Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Transaction Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(c) Section headings herein and in the other Transaction Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Transaction Document.

(d) A term defined in the Common Terms Deed has the same meaning when used in this Agreement, unless defined to have a different meaning in this Agreement.

1.03 Transaction Documents

The Transaction Parties acknowledge that this Agreement, each Note, each Issuer Document and each Designated Borrower Request and Assumption Agreement is, in respect of the Lender, a "Transaction Document" (as defined in the Common Terms Deed) for the purposes of the Common Terms Deed.

1.04 Exchange Rates; Currency Equivalents.

(a) As of each Revaluation Date, the Spot Rates shall be used for calculating Dollar Equivalent amounts of Credit Extensions and Outstanding Amounts denominated in Alternative Currencies. Such Spot Rates shall become effective as of such Revaluation Date and shall be the Spot Rates employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur. Except for purposes of financial statements delivered by Transaction Parties under the Common Terms Deed or calculating financial covenants under the Common Terms Deed or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Transaction Documents shall be such Dollar Equivalent amount as so determined by the Lender.

(b) Wherever in this Agreement in connection with a borrowing, conversion, continuation or prepayment of a Eurocurrency Rate Loan or the issuance, amendment or extension of a Letter of Credit, an amount, such as a required minimum or multiple amount, is expressed in Dollars, but such borrowing, Eurocurrency Rate Loan or Letter of Credit is denominated in an Alternative Currency, such amount shall be the relevant Alternative Currency Equivalent of such Dollar amount (rounded to the nearest unit of such Alternative Currency, with 0.5 of a unit being rounded upward), as determined by the Lender in its sole discretion

(c) Wherever in this Agreement, in connection with the determination of any Transaction Party's performance or observance of any covenant contained in this Agreement on its part to be performed or observed, an amount, such as a required minimum amount, is expressed in Australian Dollars, but the amounts to be determined are denominated in currencies other than Australian Dollars, the equivalent amount in Australian Dollars shall be determined by the Lender.

1.05 Additional Alternative Currencies.

(a) The Company may from time to time request that Eurocurrency Rate Loans be made and/or Letters of Credit be issued in a currency other than those specifically listed in the definition of "Alternative Currency;" provided that such requested currency is a lawful currency (other than Dollars) that is readily available and freely transferable and convertible into Dollars. In the case of any such request with respect to the making of Eurocurrency Rate Loans, such request shall be subject to the approval of the Lender.

(b) Any such request shall be made to the Lender not later than 11:00 a.m., 10 Business Days prior to the date of the desired Credit Extension (or such other time or date as may be agreed by the Lender, in its sole discretion).

(c) If the Lender consents to making Eurocurrency Rate Loans in such requested currency, the Lender shall so notify the Company and such currency shall thereupon be deemed for all purposes to be an Alternative Currency hereunder for purposes of any borrowings of Eurocurrency Rate Loans as provided in Section 2.02 and for purposes of any Letter of Credit issuances as provided in Section 2.03.

1.06 Change of Currency.

(a) Each obligation of the Borrowers to make a payment denominated in the national currency unit of any member state of the European Union that adopts the Euro as its lawful currency after the date hereof shall be redenominated into Euro at the time of such adoption (in accordance with the EMU Legislation). If, in relation to the currency of any such member state, the basis of accrual of interest expressed in this Agreement in respect of that currency shall be inconsistent with any convention or practice in the London interbank market for the basis of accrual of interest in respect of the Euro, such expressed basis shall be replaced by such convention or practice with effect from the date on which such member state adopts the Euro as its lawful currency; provided that if any borrowing of Loans in the currency of such member state is outstanding immediately prior to such date, such replacement shall take effect, with respect to such borrowing, at the end of the then current Interest Period.

(b) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Lender may from time to time specify to be appropriate to reflect the adoption of the Euro by any member state of the European Union and any relevant market conventions or practices relating to the Euro.

(c) Each provision of this Agreement also shall be subject to such reasonable changes of construction as the Lender may from time to time specify to be appropriate to reflect a change in currency of any other country and any relevant market conventions or practices relating to the change in currency.

1.07 Times of Day Unless otherwise specified, all references herein to times of day shall be references to Pacific time (daylight or standard, as applicable).

1.08 Letter of Credit Amounts Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the Dollar Equivalent of the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the Dollar Equivalent of the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

ARTICLE II.
THE COMMITMENT AND CREDIT EXTENSIONS

2.01 Loans Subject to the terms and conditions set forth herein, the Lender agrees to make loans (each such loan, a "Loan") to the Borrowers in Dollars or in one or more Alternative Currencies from time to time, on any Business Day during the Availability Period, in an

aggregate amount not to exceed at any time outstanding the amount of the Commitment; provided, however, that after giving effect to any borrowing, the Total Outstandings shall not exceed the amount of the Commitment; and provided further that the availability of the Commitment at any time for the making of Loans and the issuance of Letters of Credit shall be reduced by the amount of the Alternative Currency Reserve (if any). Within the limits of the Commitment, and subject to the other terms and conditions hereof, the Borrowers may borrow under this Section 2.01, prepay under Section 2.04, and reborrow under this Section 2.01. Loans may be Base Rate Loans, Eurocurrency Floating Rate Loans or Eurocurrency Fixed Rate Loans, as further provided herein.

2.02 Borrowings, Conversions and Continuations of Loans.

(a) Each borrowing, each conversion of a Loan from one Type to the other, and each continuation of a Eurocurrency Fixed Rate Loan shall be made upon the Company's irrevocable notice to the Lender, which may be given by telephone. Each such notice must be received by the Lender not later than (i) 2:00 p.m. two Business Days prior to the requested date of any borrowing of, conversion to or continuation of Eurocurrency Fixed Rate Loans denominated in Dollars or of any conversion of Eurocurrency Fixed Rate Loans denominated in Dollars to Eurocurrency Floating Rate Loans or Base Rate Loans, (ii) 8:00 a.m two Business Days (or five Business Days in the case of a Special Notice Currency) prior to the requested date of any borrowing or continuation of Eurocurrency Fixed Rate Loans denominated in Alternative Currencies, and (iii) 3:00 p.m. on the requested date of any borrowing of Eurocurrency Floating Rate Loans or Base Rate Loans. Each telephonic notice by the Company pursuant to this Section 2.02(a) must be confirmed promptly by delivery to the Lender of a written Loan Notice, appropriately completed and signed by a Responsible Officer of the Company. Each borrowing of, conversion to or continuation of Eurocurrency Fixed Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $1,000,000 in excess thereof. Except as provided in Section 2.03(c), each borrowing of or conversion to Eurocurrency Floating Rate Loans or Base Rate Loans shall be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof. Each Loan Notice (whether telephonic or written) shall specify (i) whether the Company is requesting a borrowing, a conversion of Loans from one Type to the other, or a continuation of Eurocurrency Fixed Rate Loans, (ii) the requested date of the borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Loans to be borrowed, converted or continued, (iv) the Type of Loans to be borrowed or to which existing Loans are to be converted, (v) if applicable, the duration of the Interest Period with respect thereto, (vi) the currency of the Loans to be borrowed, and (vii) if applicable, the Designated Borrower. If the Company fails to specify a currency in a Loan Notice requesting a borrowing, then the Loans so requested shall be made in Dollars. If the Company fails to specify a Type of Loan in a Loan Notice or if the Company fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made as, or converted to, Base Rate Loans; provided, however, that in the case of a failure to request on a timely basis a continuation of Loans denominated in an Alternative Currency, such Loans shall be continued as Eurocurrency Floating Rate Loans in their original currency. Any automatic conversion to Eurocurrency Floating Rate Loans or Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurocurrency Fixed Rate Loans. If the Company requests a borrowing of, conversion to, or continuation of Eurocurrency Fixed Rate Loans in any such Loan Notice, but fails to specify an Interest Period,

it will be deemed to have specified an Interest Period of one month. No Loan may be converted into or continued as a Loan denominated in a different currency, but instead must be prepaid in the original currency of such Loan and reborrowed in the other currency.

(b) Upon satisfaction of the applicable conditions set forth in Section 4.02 (and, if such borrowing is the initial Credit Extension, Section 4.01), the Lender shall make the proceeds of each Loan available to the Company or the other applicable Borrower either by (i) crediting the account of such Borrower on the books of the Lender with the amount of such proceeds or (ii) wire transfer of such proceeds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Lender by the Company; provided, however, that if, on the date the Loan Notice with respect to such borrowing denominated in Dollars is given by the Company, there are Unreimbursed Amounts outstanding then the proceeds of such borrowing, first, shall be applied to the payment in full of any such Unreimbursed Amounts, and, second, shall be made available to the applicable Borrower as provided above.

(c) Except as otherwise provided herein, a Eurocurrency Fixed Rate Loan may be continued or converted only on the last day of an Interest Period for such Eurocurrency Fixed Rate Loan. During the existence of a Default, no Loan may be requested as, converted to or continued as Eurocurrency Fixed Rate Loans (whether in Dollars or any Alternative Currency) without the consent of the Lender, and the Lender may demand that any or all of the then outstanding Eurocurrency Fixed Rate Loans denominated in an Alternative Currency be prepaid, or redenominated into Dollars in the amount of the Dollar Equivalent thereof, on the last day of the then current Interest Period with respect thereto.

(d) The Lender shall promptly notify the Company of the interest rate applicable to any Interest Period for a Eurocurrency Fixed Rate Loan upon determination of such interest rate. On the first Business Day of each week following a week during which a Eurocurrency Floating Rate Loan is outstanding, the Lender shall notify the Company of the Eurocurrency Floating Rate applicable to such Loan(s) during the preceding week; provided, however, that the Lender shall incur no liability for failing to provide the Company with such notice. Upon request of the Company, the Lender shall notify the Borrower of the then current Eurocurrency Floating Rate. At any time that a Base Rate Loan is outstanding, the Lender shall notify the Borrower of any change in the Lender's prime rate used in determining the Prime Rate promptly following the public announcement of such change.

(e) After giving effect to all borrowings, all conversions of Loans from one Type to the other, and all continuations of Loans as the same Type, there shall not be more than ten Interest Periods in effect.

2.03 Letters of Credit.

(a) The Letter of Credit Commitment.

(i) Subject to the terms and conditions set forth herein, the Lender agrees (A) from time to time on any Business Day during the period from the Closing Date until the Letter of Credit Expiration Date, to issue Letters of Credit denominated in Dollars or in one or more

Alternative Currencies for the account of the Company or any Designated Borrower, and to amend or extend Letters of Credit previously issued by it, in accordance with subsection (b) below, and (B) to honor drawings under the Letters of Credit; provided that the Lender shall not be obligated to make any L/C Credit Extension with respect to any Letter of Credit if as of the date of such L/C Credit Extension, (x) the Total Outstandings would exceed the amount of the Commitment, and (y) the Outstanding Amount of the L/C Obligations would exceed the Letter of Credit Sublimit; and provided further that the availability of the Commitment at any time for the making of Loans and the issuance of Letters of Credit shall be reduced by the amount of the Alternative Currency Reserve (if any). Each request by the Company for the issuance or amendment of a Letter of Credit shall be deemed to be a representation by the Company that the L/C Credit Extension so requested complies with the conditions set forth in the provisos to the preceding sentence. Within the foregoing limits and subject to the terms and conditions hereof, the Company's ability to obtain Letters of Credit shall be fully revolving, and accordingly the Company may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed.

(ii) The Lender shall be under no obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Government Agency or arbitrator shall by its terms purport to enjoin or restrain the Lender from issuing such Letter of Credit, or any Law applicable to the Lender or any request or directive (whether or not having the force of law) from any Government Agency with jurisdiction over the Lender shall prohibit, or request that the Lender refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon the Lender with respect to such Letter of Credit any restriction, reserve or capital requirement (for which the Lender is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon the Lender any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which the Lender in good faith deems material to it;

(B) the issuance of such Letter of Credit would violate one or more policies of the Lender applicable to letters of credit generally;

(C) except as otherwise agreed by the Lender, such Letter of Credit is in an initial stated amount less than $100,000, in the case of a commercial Letter of Credit, or $500,000, in the case of a standby Letter of Credit;

(D) except as otherwise agreed by the Lender, such Letter of Credit is to be denominated in a currency other than Dollars or an Alternative Currency;

(E) the Lender does not as of the issuance date of such requested Letter of Credit issue Letters of Credit in the requested currency; or

(F) such Letter of Credit contains any provisions for automatic reinstatement of the stated amount after any drawing thereunder.

(iii) The Lender shall not amend any Letter of Credit if the Lender would not be permitted at such time to issue such Letter of Credit in its amended form under the terms hereof.

(iv) The Lender shall be under no obligation to amend any Letter of Credit if (A) the Lender would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(b) Procedures for Issuance and Amendment of Letters of Credit; Auto-Extension Letters of Credit.

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of the Company delivered to the Lender in the form of a Letter of Credit Application, appropriately completed and signed by a Responsible Officer of the Company. Such Letter of Credit Application must be received by the Lender not later than 1:00 p.m. at least two Business Days (or such later date and time as the Lender may agree in a particular instance in its sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the Lender: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount and currency thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; and (G) such other matters as the Lender may require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the Lender (A) the Letter of Credit to be amended; (B) the proposed date of amendment thereof (which shall be a Business Day); (C) the nature of the proposed amendment; and (D) such other matters as the Lender may require.

(ii) Upon the Lender's determination that the requested issuance or amendment is permitted in accordance with the terms hereof, then, subject to the terms and conditions hereof, the Lender shall, on the requested date, issue a Letter of Credit for the account of the Company (or the applicable Designated Borrower) or enter into the applicable amendment, as the case may be, in each case in accordance with the Lender's usual and customary business practices.

(iii) If the Company so requests in any applicable Letter of Credit Application, the Lender may, in its sole and absolute discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit"); provided that any such Auto-Extension Letter of Credit must permit the Lender to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the Lender, the Company shall not be required to make a specific request to the Lender for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lender shall, subject to the terms and conditions set forth herein, permit the extension of such Letter of Credit at any time to an expiry date not later than the Letter of Credit Expiration Date; provided, however, that the Lender shall have no obligation to permit any such extension if the Lender has determined that it would have no obligation, at such time to issue such Letter of

Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (ii) or (iii) of Section 2.03(a) or otherwise)

(iv) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the Lender will also deliver to the Company a true and complete copy of such Letter of Credit or amendment.

(c) Drawings and Reimbursements.

(i) Upon receipt from the beneficiary of any Letter of Credit of any notice of a drawing under such Letter of Credit, the Lender shall notify the Company thereof. In the case of a Letter of Credit denominated in an Alternative Currency, the Company shall reimburse the Lender in such Alternative Currency, unless (A) the Lender (at its option) shall have specified in such notice that it will require reimbursement in Dollars, or (B) in the absence of any such requirement for reimbursement in Dollars, the Company shall have notified the Lender promptly following receipt of the notice of drawing that the Company will reimburse the Lender in Dollars. In the case of any such reimbursement in Dollars of a drawing under a Letter of Credit denominated in an Alternative Currency, the Lender shall notify the Company of the Dollar Equivalent of the amount of the drawing promptly following the determination thereof. Not later than 1:00 p.m. on the date of any payment by the Lender under a Letter of Credit to be reimbursed in Dollars, or the Applicable Time on the date of any payment by the Lender under a Letter of Credit to be reimbursed in an Alternative Currency (each such date, an "Honor Date"), the Company shall reimburse the Lender in an amount equal to the amount of such drawing and in the applicable currency. If the Company fails to so reimburse the Lender by such time, the Company shall be deemed to have requested a borrowing of Base Rate Loans to be disbursed on the Honor Date in an amount equal to the amount of the unreimbursed drawing (expressed in Dollars in the amount of the Dollar Equivalent thereof in the case of a Letter of Credit denominated in an Alternative Currency) (the "Unreimbursed Amount"), without regard to the minimum and multiples specified in Section 2.02 for the principal amount of Base Rate Loans, but subject to the amount of the unutilized portion of the Commitment and the conditions set forth in Section 4.02 (other than the delivery of a Loan Notice).

(ii) If the Company fails to reimburse the Lender for any drawing under any Letter of Credit (whether by means of a borrowing or otherwise), such unreimbursed amount shall be due and payable on demand (together with interest) and shall bear interest at the Default Rate.

(d) Obligations Absolute. The obligation of the Company to reimburse the Lender for each drawing under each Letter of Credit shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement, or any other Transaction Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that the Company or any Designated Borrower may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), the Lender or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) any payment by the Lender under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by the Lender under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law;

(v) any adverse change in the relevant exchange rates or in the availability of the relevant Alternative Currency to the Company or any Designated Borrower or in the relevant currency markets generally; or

(vi) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Company or any Designated Borrower.

The Company shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the Company's instructions or other irregularity, the Company will immediately notify the Lender. The Company shall be conclusively deemed to have waived any such claim against the Lender and its correspondents unless such notice is given as aforesaid.

(e) Role of Lender. The Company agrees that, in paying any drawing under a Letter of Credit, the Lender shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. The Company hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided, however, that this assumption is not intended to, and shall not, preclude the Company's pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of the Lender, any of its Related Parties nor any correspondent, participant or assignee of the Lender shall be liable or responsible for any of the matters described in clauses (i) through (v) of Section 2.03(d); provided, however, that anything in such clauses to the contrary notwithstanding, the Company may have a claim against

the Lender, and the Lender may be liable to the Company, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Company which the Company proves were caused by the Lender's willful misconduct or gross negligence or the Lender's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit. In furtherance and not in limitation of the foregoing, the Lender may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and the Lender shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason.

(f) Cash Collateral.

(i) Upon the request of the Lender, (A) if the Lender has honored any full or partial drawing request under any Letter of Credit and such drawing has not been reimbursed on the applicable Honor Date, or (B) if, as of the Letter of Credit Expiration Date, any L/C Obligation for any reason remains outstanding, the Company shall, in each case, immediately Cash Collateralize the then Outstanding Amount of all L/C Obligations.

(ii) In addition, if the Lender notifies the Company at any time that the Outstanding Amount of all L/C Obligations at such time exceeds 105% of the Letter of Credit Sublimit then in effect, then, within two Business Days after receipt of such notice, the Company shall Cash Collateralize the L/C Obligations in an amount equal to the amount by which the Outstanding Amount of all L/C Obligations exceeds the Letter of Credit Sublimit.

(iii) The Lender may, at any time and from time to time after the initial deposit of Cash Collateral required in this Agreement, request that additional Cash Collateral be provided in order to protect against the results of exchange rate fluctuations.

(iv) Section 2.04 sets forth certain additional requirements to deliver Cash Collateral hereunder. For purposes of this Section 2.03, Section 2.04, "Cash Collateralize" means to pledge and deposit with or deliver to the Lender, as collateral for the L/C Obligations, cash or deposit account balances pursuant to documentation in form and substance satisfactory to the Lender. Derivatives of such term have corresponding meanings. The Company hereby grants to the Lender a security interest in all such cash, deposit accounts and all balances therein and all proceeds of the foregoing. Cash Collateral shall be maintained in blocked, non-interest bearing deposit accounts at the Lender.

(g) Applicability of ISP and UCP. Unless otherwise expressly agreed by the Lender and the Company when a Letter of Credit is issued, (i) the rules of the ISP shall apply to each standby Letter of Credit, and (ii) the rules of the Uniform Customs and Practice for Documentary Credits (UCP), as most recently published by the International Chamber of Commerce at the time of issuance shall apply to each commercial Letter of Credit.

(h) Letter of Credit Fees. The Company shall pay to the Lender, in Dollars, a Letter of Credit fee (the "Letter of Credit Fee") (i) for each commercial Letter of Credit equal to 1/4 of

[*] Confidential Treatment Requested

1% per annum times the Dollar Equivalent of the daily amount available to be drawn under such Letter of Credit, and (ii) for each standby Letter of Credit equal to the Applicable Margin applicable to standby Letters of Credit times the Dollar Equivalent of the daily amount available to be drawn under such Letter of Credit. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.08. Letter of Credit Fees shall be (i) due and payable on the first Business Day after the end of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand and (ii) computed on a quarterly basis in arrears. If there is any change in the Applicable Margin during any quarter, the daily amount available to be drawn under each standby Letter of Credit shall be computed and multiplied by the Applicable Margin separately for each period during such quarter that such Applicable Margin was in effect. Notwithstanding anything to the contrary contained herein, upon the request of the Lender, while any Event of Default exists, all Letter of Credit Fees shall accrue at the Default Rate.

(i) Documentary and Processing Charges Payable to Lender. The Company shall pay to the Lender, in Dollars, the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of the Lender relating to letters of credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(j) Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

(k) Letters of Credit Issued for Designated Borrowers. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Designated Borrower, the Company shall be obligated to reimburse the Lender hereunder for any and all drawings under such Letter of Credit. The Company hereby acknowledges that the issuance of Letters of Credit for the account of Subsidiaries inures to the benefit of the Company, and that the Company's business derives substantial benefits from the businesses of such Subsidiaries.

2.04 Prepayments.

(a) Each Borrower may, upon notice from the Company to the Lender, at any time or from time to time voluntarily prepay Loans in whole or in part without premium or penalty; provided that (i) such notice must be received by the Lender not later than 1:00 p.m. (A) two Business Days prior to any date of prepayment of Eurocurrency Fixed Rate Loans denominated in Dollars, (B) three Business Days (or five, in the case of prepayment of Loans denominated in Special Notice Currencies) prior to any date of prepayment of Eurocurrency Fixed Rate Loans denominated in Alternative Currencies, and (C) on the date of prepayment of Eurocurrency Floating Rate Loans or Base Rate Loans; (ii) any prepayment of Eurocurrency Fixed Rate Loans denominated in Dollars shall be in a principal amount of $5,000,000 or a whole multiple of $1,000,000 in excess thereof; (iii) any prepayment of Eurocurrency Fixed Rate Loans denominated in Alternative Currencies shall be in a minimum principal amount of $5,000,000 or a whole multiple of $1,000,000 in excess thereof; and (iv) any prepayment of Eurocurrency Floating Rate Loans or Base Rate Loans shall be in a principal amount of $500,000 or a whole

multiple of $100,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment and the Type(s) of Loans to be prepaid and, if Eurocurrency Fixed Rate Loans are to be prepaid, the Interest Period(s) of such Loans. If such notice is given by the Company, the applicable Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Eurocurrency Fixed Rate Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to clause 11.1 of the Common Terms Deed.

(b) If the Lender notifies the Company at any time that the Total Outstandings at such time exceed an amount equal to 105% of the Commitment then in effect, then, within two Business Days after receipt of such notice, the Borrowers shall prepay Loans and/or the Company shall Cash Collateralize the L/C Obligations in an aggregate amount sufficient to reduce such Outstanding Amount as of such date of payment to an amount not to exceed 100% of the Commitment then in effect; provided, however, that, subject to the provisions of Section 2.03(f)(ii), the Company shall not be required to Cash Collateralize the L/C Obligations pursuant to this Section 2.04(b) unless after the prepayment in full of the Loans the Total Outstandings exceed the amount of the Commitment. The Lender may, at any time and from time to time after the initial deposit of such Cash Collateral, request that additional Cash Collateral be provided in order to protect against the results of further exchange rate fluctuations.

2.05 Review and renewal of Commitment

(a) On or before the date falling 24 months prior to the then applicable Maturity Date (the "Existing Maturity Date"), the Lender may review its participation under this Agreement. Following this review the Lender, at its absolute discretion, may offer to extend its participation under this Agreement to a date falling 12 months after the Existing Maturity Date (the "New Maturity Date") by delivering to the Company a signed Renewal Notice attaching a proposed Key Terms Schedule.

(b) The Lender's offer contained in any Renewal Notice delivered in accordance with Section 2.05(a) may be subject to any conditions precedent or subsequent as the Lender specifies in its absolute discretion.

(c) In the course of reviewing its participation under this Agreement in accordance with Section 2.05(a), the Lender has the absolute right to propose the variation of any and all of the terms of this Agreement ("Revised Terms"), including, but not limited to, the Applicable Margin and Commitment, as part of its offer to the Borrowers to extend its participation. The Revised Terms will be set out in the Key Terms Schedule attached to a Renewal Notice delivered in accordance with Section 2.05(a).

(d) If, within 30 days of receiving a Renewal Notice delivered in accordance with Section 2.05(a):

(i) the Borrowers have signed and delivered to the Lender the Renewal Notice; and

(ii) the Lender has notified the Company that it is satisfied in its absolute discretion that all of the conditions specified in the Renewal Notice have been satisfied,

the definition of "Maturity Date" under this Agreement shall be amended to be the New Maturity Date and the Key Terms Schedule amended in accordance with the Renewal Notice with effect on and from the date of the Renewal Notice.

(e) If:

(i) the Lender does not deliver a Renewal Notice to the Company; or

(ii) the Lender does not give the notice in Section 2.05(d)(ii); or

(iii) the Company does not sign and return a Renewal Notice delivered in accordance with Section 2.05(a) within 30 days of having received it,

the Maturity Date will not be amended and any Revised Terms contained in a Renewal Notice delivered in accordance with Section 2.05(a) will not apply.

(f) Nothing in the Transaction Documents obliges the Lender:

(i) to extend any Maturity Date; or

(ii) to provide a Renewal Notice.

(g) Each Borrower acknowledges and agrees that the delivery or acceptance of any Renewal Notice or any amendment to a Transaction Document pursuant to this Section 2.05(a) or a Renewal Notice does not:

(i) affect the validity or enforceability of this Agreement or any other Transaction Document;

(ii) prejudice or adversely affect any right, power, authority, discretion or remedy arising under this Agreement or any other Transaction Document before the date of any amendment under Section 2.05(a); or

(iii) discharge, release or otherwise affect any liability or obligation arising under this Agreement or any other Transaction Document before the date of any amendment under Section 2.05(a).

2.06 Termination or Reduction of Commitment The Company may, upon notice to the Lender, terminate the Commitment, or from time to time permanently reduce the amount of the Commitment; provided that (i) any such notice shall be received by the Lender not later than 1:00 p.m. five Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of $10,000,000 or any whole multiple of $1,000,000 in

excess thereof, (iii) the Company shall not terminate or reduce the amount of the Commitment if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Outstandings plus the Alternative Currency Reserve (if any) would exceed the amount of the Commitment, and (iv) if, after giving effect to any reduction of the amount of the Commitment, the Letter of Credit Sublimit exceeds the amount of the Commitment, such Letter of Credit Sublimit shall be automatically reduced by the amount of such excess. The amount of any such Commitment reduction shall not be applied to the Letter of Credit Sublimit unless otherwise specified by the Company. All fees accrued until the effective date of any termination of the Commitment shall be paid on the effective date of such termination.

2.07 Repayment of Loans Each Borrower shall repay to the Lender on the Maturity Date the aggregate principal amount of Loans made to such Borrower outstanding on such date.

2.08 Interest.

(a) Subject to the provisions of subsection (b) below, (i) each Eurocurrency Floating Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Eurocurrency Floating Rate plus the Applicable Margin plus (in the case of a Eurocurrency Rate Loan which is lent by the Lender from a Lending Office in the United Kingdom or a Participating Member State) the Mandatory Cost, if any; (ii) each Eurocurrency Fixed Rate Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Eurocurrency Fixed Rate for such Interest Period plus the Applicable Margin plus (in the case of a Eurocurrency Rate Loan which is lent by the Lender from a Lending Office in the United Kingdom or a Participating Member State) the Mandatory Cost, if any; and (iii) each Base Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Margin applicable to Base Rate Loans.

(b) (i) If any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any amount (other than principal of any Loan) payable by any Borrower under any Transaction Document is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of the Lender, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Upon the request of the Lender, while any Event of Default of the types described in clause 5.1(a), 5.1(i) or 5.1(k) of the Common Terms Deed exists, the Borrowers shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.09 Fees In addition to certain fees described in subsections (h) and (i) of Section 2.03:

(a) Commitment Fee. The Company shall pay to the Lender, a commitment fee in Dollars equal to the Applicable Margin applicable to the Commitment Fee times the actual daily amount by which the amount of the Commitment exceeds the Total Outstandings. The Commitment Fee shall accrue at all times during the Availability Period, including at any time during which one or more of the conditions in Article IV is not met, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the Closing Date, and on the last day of the Availability Period. The Commitment Fee shall be calculated quarterly in arrears, and if there is any change in the Applicable Margin during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Margin separately for each period during such quarter that such Applicable Margin was in effect.

(b) **[*]**

(c) Other Fees. The Company shall pay to the Lender, in Dollars, such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

2.10 Computation of Interest and Fees All computations of interest for Base Rate Loans when the Prime Rate is determined by the Lender's "prime rate" shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year), or, in the case of interest in respect of Loans denominated in Alternative Currencies as to which market practice differs from the foregoing, in accordance with such market practice. Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12, bear interest for one day. Each determination by the Lender of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

2.11 Evidence of Debt The Credit Extensions made by the Lender shall be evidenced by one or more accounts or records maintained by the Lender in the ordinary course of business. The accounts or records maintained by the Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lender to the Borrowers and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrowers hereunder to pay any amount owing with respect

[*] Confidential Treatment Requested

to the Obligations. Upon the request of the Lender to a Borrower, such Borrower shall execute and deliver to the Lender a Note, which shall evidence the Loans to such Borrower in addition to such accounts or records. The Lender may attach schedules to a Note and endorse thereon the date, Type (if applicable), amount, currency and maturity of the Loans and payments with respect thereto.

2.12 Payments Generally All payments to be made by the Borrowers shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein and except with respect to principal of and interest on Loans denominated in an Alternative Currency, all payments by the Borrowers hereunder shall be made to the Lender at its Lending Office in Dollars and in Same Day Funds not later than 3:00 p.m. on the date specified herein. Except as otherwise expressly provided herein, all payments by the Borrowers hereunder with respect to principal and interest on Loans denominated in an Alternative Currency shall be made to the Lender at its Lending Office in such Alternative Currency and in Same Day Funds not later than the Applicable Time specified by the Lender on the dates specified herein. Without limiting the generality of the foregoing, the Lender may require that any payments due under this Agreement be made in the United States. If, for any reason, any Borrower is prohibited by any Law from making any required payment hereunder in an Alternative Currency, such Borrower shall make such payment in Dollars in the Dollar Equivalent of the Alternative Currency payment amount. If any payment to be made by any Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

2.13 Designated Borrowers.

(a) Effective as of the date hereof each of the Designated Borrowers specified in the introductory paragraph hereto shall be a "Designated Borrower" hereunder and may receive Loans for its account on the terms and conditions set forth in this Agreement.

(b) The Company may at any time, upon not less than 15 Business Days' notice from the Company to the Lender (or such shorter period as may be agreed by the Lender in its sole discretion), designate any Domestic Affiliate (an "Applicant Borrower") as a Designated Borrower to receive Loans hereunder by delivering to the Lender a duly executed notice and agreement in substantially the form of Exhibit C (a "Designated Borrower Request and Assumption Agreement"), provided that the Applicant Borrower has also acceded as an Additional Borrower and an Additional Guarantor under the Common Terms Deed. The parties hereto acknowledge and agree that prior to any Applicant Borrower becoming entitled to utilize the credit facilities provided for herein the Lender shall have received such supporting resolutions, incumbency certificates, opinions of counsel and other documents or information, in form, content and scope reasonably satisfactory to the Lender, as may be reasonably required by the Lender in its sole discretion, and Notes signed by such new Borrowers to the extent the Lender so requires. If the Lender agrees that an Applicant Borrower shall be entitled to receive Loans hereunder, then promptly following receipt of all such requested resolutions, incumbency certificates, opinions of counsel and other documents or information, the Lender shall send a notice in substantially the form of Exhibit D (a "Designated Borrower Notice") to the Company specifying the effective date upon which the Applicant Borrower shall constitute a Designated

Borrower for purposes hereof, whereupon each of the Lender agrees to permit such Designated Borrower to receive Loans hereunder, on the terms and conditions set forth herein, and each of the parties agrees that such Designated Borrower otherwise shall be a Borrower for all purposes of this Agreement; provided that no Loan Notice or Letter of Credit Application may be submitted by or on behalf of such Designated Borrower until the date five Business Days after such effective date.

(c) Each Domestic Affiliate that is or becomes a "Designated Borrower" pursuant to this Section 2.13 hereby irrevocably appoints the Company as its agent for all purposes relevant to this Agreement, each Note, each Issuer Document, each Renewal Notice and each Designated Borrower Request and Assumption Agreement, including (i) the giving and receipt of notices, (ii) the execution and delivery of all documents, instruments and certificates contemplated herein and all modifications hereto, and (iii) the receipt of the proceeds of any Loans made by the Lender, to any such Designated Borrower hereunder. Any acknowledgment, consent, direction, certification or other action which might otherwise be valid or effective only if given or taken by all Borrowers, or by each Borrower acting singly, shall be valid and effective if given or taken only by the Company, whether or not any such other Borrower joins therein. Any notice, demand, consent, acknowledgement, direction, certification or other communication delivered to the Company in accordance with the terms of this Agreement shall be deemed to have been delivered to each Designated Borrower.

(d) The Company may from time to time, upon not less than 15 Business Days' notice from the Company to the Lender (or such shorter period as may be agreed by the Lender in its sole discretion), terminate a Designated Borrower's status as such; provided that there are no outstanding Loans payable by such Designated Borrower, or other amounts payable by such Designated Borrower on account of any Loans made to it, as of the effective date of such termination.

ARTICLE III.
TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Inability to Determine Rates.

(a) Eurocurrency Floating Rate. If the Lender determines that for any reason in connection with any request for a Eurocurrency Floating Rate Loan or a conversion to or continuation thereof that (a) deposits (whether in Dollars or an Alternative Currency) are not being offered to banks in the applicable offshore interbank market for such currency for the applicable amount of such Eurocurrency Floating Rate Loan, (b) adequate and reasonable means do not exist for determining the Eurocurrency Floating Rate with respect to a proposed Eurocurrency Rate Loan (whether denominated in Dollars or an Alternative Currency), or (c) the Eurocurrency Floating Rate with respect to a proposed Eurocurrency Floating Rate Loan does not adequately and fairly reflect the cost to the Lender of funding such Eurocurrency Floating

Rate Loan, the Lender will promptly so notify the Company. Thereafter, the obligation of the Lender to make or maintain Eurocurrency Floating Rate Loans in the affected currency or currencies shall be suspended until the Lender revokes such notice. Upon receipt of such notice, the Company may revoke any pending request for a borrowing of, conversion to or continuation of Eurocurrency Floating Rate Loans in the affected currency or currencies or, failing that, will be deemed to have converted such request into a request for a borrowing of Base Rate Loans in the amount specified therein.

(b) Eurocurrency Fixed Rate. If the Lender determines that for any reason in connection with any request for a Eurocurrency Fixed Rate Loan or a conversion to or continuation thereof that (a) deposits (whether in Dollars or an Alternative Currency) are not being offered to banks in the applicable offshore interbank market for such currency for the applicable amount and Interest Period of such Eurocurrency Fixed Rate Loan, (b) adequate and reasonable means do not exist for determining the Eurocurrency Fixed Rate for any requested Interest Period with respect to a proposed Eurocurrency Rate Loan (whether denominated in Dollars or an Alternative Currency), or (c) the Eurocurrency Fixed Rate for any requested Interest Period with respect to a proposed Eurocurrency Fixed Rate Loan does not adequately and fairly reflect the cost to the Lender of funding such Eurocurrency Fixed Rate Loan, the Lender will promptly so notify the Company. Thereafter, the obligation of the Lender to make or maintain Eurocurrency Fixed Rate Loans in the affected currency or currencies shall be suspended until the Lender revokes such notice. Upon receipt of such notice, the Company may revoke any pending request for a borrowing of, conversion to or continuation of Eurocurrency Fixed Rate Loans in the affected currency or currencies or, failing that, will be deemed to have converted such request into a request for a borrowing of Base Rate Loans in the amount specified therein.

3.02 Reserves on Eurocurrency Rate Loans.

(a) Additional Reserve Requirements. The Company shall pay (or cause the applicable Designated Borrower to pay) to the Lender, (i) as long as the Lender shall be required to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency funds or deposits (currently known as "Eurocurrency liabilities"), additional interest on the unpaid principal amount of each Eurocurrency Rate Loan equal to the actual costs of such reserves allocated to such Loan by the Lender (as determined by the Lender in good faith, which determination shall be conclusive), and (ii) as long as the Lender shall be required to comply with any reserve ratio requirement or analogous requirement of any other central banking or financial regulatory authority imposed in respect of the maintenance of the Commitment or the funding of the Eurocurrency Rate Loans, such additional costs (expressed as a percentage per annum and rounded upwards, if necessary, to the nearest five decimal places) equal to the actual costs allocated to the Commitment or the Loans by the Lender (as determined by the Lender in good faith, which determination shall be conclusive), which in each case shall be due and payable on each date on which interest is payable on such Loan; provided the Company shall have received at least 10 days' prior notice of such additional interest or costs from the Lender. If the Lender fails to give notice 10 days prior to the relevant Interest Payment Date, such additional interest or costs shall be due and payable 10 days from receipt of such notice.

ARTICLE IV.
CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

4.01 Conditions of Initial Credit Extension The obligation of the Lender to make its initial Credit Extension hereunder is subject to satisfaction of the following conditions precedent:

(a) The Lender's receipt of the following, each of which shall be originals or telecopies (followed promptly by originals) unless otherwise specified, each properly executed by a Responsible Officer of the signing Transaction Party, each dated the Closing Date (or, in the case of certificates of governmental officials, a recent date before the Closing Date) and each in form and substance satisfactory to the Lender and its legal counsel:

(i) counterparts of this Agreement and the Common Terms Deed executed by all parties thereto, sufficient in number for distribution to the Lender and the Company;

(ii) Notes executed by the Borrowers in favor of the Lender;

(iii) each of the conditions precedent set forth in Schedule 4 of the Common Terms Deed in form and substance satisfactory to it and the Effective Date (as defined in the Common Terms Deed) has occurred with respect to each Original Lender (as defined in the Common Terms Deed);

(iv) favorable opinions of Baker & McKenzie LLP, counsel to the Borrowers and Sims, each addressed to the Lender, as to such other matters concerning the Transaction Parties and this Agreement as the Lender may reasonably request;

(v) a verification certificate substantially in the form of Schedule 2 to the Common Terms Deed signed by a Responsible Officer of each Transaction Party;

(vi) a certificate signed by a Responsible Officer of the Company certifying (A) that the conditions specified in Sections 4.02(a) and (b) have been satisfied, and (B) that there has been no event or circumstance since December 31 2010 that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect;

(vii) such other assurances, certificates, documents, consents or opinions as the Lender reasonably may require.

(b) Any fees required to be paid on or before the Closing Date shall have been paid.

(c) Unless waived by the Lender, the Company shall have paid all fees, charges and disbursements of counsel to the Lender (directly to such counsel if requested by the Lender) to the extent invoiced prior to or on the Closing Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Company and the Lender);

4.02 Conditions to all Credit Extensions The obligation of the Lender to honor any Request for Credit Extension (other than a Loan Notice requesting only a conversion of Loans to the other Type, or a continuation of Eurocurrency Fixed Rate Loans) is subject to the following conditions precedent:

(a) The representations and warranties of (i) the Borrowers contained in Article V of this Agreement and (ii) each Transaction Party contained in each other Transaction Document or in any document furnished at any time under or in connection herewith or therewith, shall be true and correct on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date.

(b) No Default shall exist, or would result from such proposed Credit Extension or the application of the proceeds thereof.

(c) The Lender shall have received a Request for Credit Extension in accordance with the requirements hereof.

(d) If the applicable Borrower is a Designated Borrower, then the conditions of Section 2.13 to the designation of such Borrower as a Designated Borrower shall have been met to the satisfaction of the Lender.

(e) In the case of a Credit Extension to be denominated in an Alternative Currency, there shall not have occurred any change in national or international financial, political or economic conditions or currency exchange rates or exchange controls which in the reasonable opinion of the Lender would make it impracticable for such Credit Extension to be denominated in the relevant Alternative Currency.

Each Request for Credit Extension (other than a Loan Notice requesting only a conversion of Loans to the other Type or a continuation of Eurocurrency Fixed Rate Loans) submitted by the Company shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE V.
REPRESENTATIONS AND WARRANTIES

Each Borrower makes the representations and warranties contained in clause 3 of the Common Terms Deed to and for the benefit of the Lender in respect of itself (except where the representation and warranty is expressed to apply to Sims only in which case Sims gives the relevant representation and warranty), as if those representations and warranties were set out in full in this ARTICLE V.

ARTICLE VI.
AFFIRMATIVE AND NEGATIVE COVENANTS

6.01 Covenants in Common Terms Deed. So long as the Commitment shall be in effect, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, or any Letter

of Credit shall remain outstanding, each Borrower shall, and shall cause each other Transaction Party (to the extent that the undertaking applies to a Transaction Party), to comply with clause 4 of the Common Terms Deed (except where the undertaking is expressed to apply to Sims only in which case Sims gives the relevant undertaking) and shall use the proceeds of the Credit Extensions for non-hostile acquisitions and for general corporate purposes not in contravention of any Law or of any Transaction Document.

ARTICLE VII.
EVENTS OF DEFAULT AND REMEDIES

7.01 Events of Default An Event of Default occurs if an "Event of Default" as defined in the Common Terms Deed occurs.

7.02 Effect of Event of Default or U.S. Bankruptcy Filing

(a) If an Event of Default occurs, the Lender may at any time after its occurrence by notice to Sims declare that:

(i) the Outstanding Moneys under the Lender's Transaction Documents are immediately due and payable; or

(ii) the Commitment under this Agreement is cancelled,

or make each of the declarations under Section 7.02(a)(i) and (ii).

(b) Subject to Section 7.02(c), the Borrowers must immediately repay the Outstanding Moneys under this Agreement on receipt of a notice under Section 7.02(a)(i).

(c) A notice given by the Lender under Section 7.02(a)(i) and (a)(ii) shall be of no effect if:

(i) it is given because of the occurrence of an Event of Default specified in clause 5.1(b), 5.1(c), 5.1(e), 5.1(f), 5.1(g), 5.1(l), 5.1(m) or 5.1 (w) of the Common Terms Deed; and

(ii) within 2 Business Days of the notice the Borrowers are able to show to the Lender's absolute satisfaction (in the Lender's absolute discretion) that:

(A) the Event of Default is not subsisting; or

(B) where the notice relates to an Event of Default specified in clause 5.1(l) or 5.1(w) of the Common Terms Deed, the Event of Default subsisting does not and will not have a Material Adverse Effect.

(d) Notwithstanding any other provision of this Agreement or the Common Terms Deed, if any Borrower files a petition under the United States Bankruptcy Code or following the filing of a petition under the United States Bankruptcy Code against a Borrower, there is an order for relief with respect to such Borrower under the United States Bankruptcy Code, then:

(i) the commitment of the Lender to provide financial accommodation to such Borrower or make any extensions of credit to such Borrower under this Agreement shall automatically terminate; and

(ii) the Outstanding Moneys owing by such Borrower under the Lender's Transaction Documents with such Borrower shall automatically become due and payable,

in each case without any further act of such Lender.

7.03 Application of Funds After the exercise of remedies provided for in Section 7.02 (or after the Loans have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 7.02(a)), any amounts received on account of the Obligations shall be applied by the Lender in such order as it elects in its sole discretion.

ARTICLE VIII.
MISCELLANEOUS

8.01 Amendments, Etc No amendment or waiver of any provision of this Agreement or any other Transaction Document, and no consent to any departure by the Company or any other Transaction Party therefrom, shall be effective unless in writing signed by the Lender and the Company or the applicable Transaction Party, as the case may be, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

8.02 Damage Waiver.

(a) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, no Borrower shall assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Transaction Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Transaction Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(b) Payments. All amounts due under this Section shall be payable not later than ten Business Days after demand therefor.

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(c) Survival. The agreements in this Section shall survive the termination of the Commitment and the repayment, satisfaction or discharge of all the other Obligations.

8.03 Payments Set Aside To the extent that any payment by or on behalf of any Borrower is made to the Lender, or the Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred.

8.04 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that neither any Borrower nor any other Transaction Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Lender and the Lender may not assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (c) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (c) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of the Lender) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lender. The Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of the Commitment, the Loans and L/C Obligations at the time owing to it) pursuant to documentation acceptable to the Lender and the assignee, it being understood and agreed that with respect to any Letters of Credit outstanding at the time of any such assignment, the Lender may sell to the assignee a ratable participation in such Letters of Credit. From and after the effective date specified in such documentation, such Eligible Assignee shall be a party to this Agreement and, to the extent of the interest assigned by the Lender, have the rights and obligations of the Lender under this Agreement, and the Lender shall, to the extent of the interest so assigned, be released from its obligations under this Agreement (and, in the case of an assignment of all of the Lender's rights and obligations under this Agreement, shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 3.02, 8.02 and 8.03 with respect to facts and circumstances occurring prior to the effective date of such assignment, and shall continue to have all of the rights provided hereunder to the Lender in its capacity as issuer of any Letters of Credit outstanding at the time of such assignment). Upon request, the Borrowers (at their expense) shall execute and deliver new or replacement Notes to the Lender

and the assignee, and shall execute and deliver any other documents reasonably necessary or appropriate to give effect to such assignment and to provide for the administration of this Agreement after giving effect thereto.

(c) Participations. The Lender may at any time, without the consent of, or notice to, any Borrower, sell participations to any Person (other than a natural person or the Company or any of the Company's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of the Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the outstanding Letters of Credit and/or the Loans and/or the reimbursement obligations in respect of Letters of Credit); provided that (i) the Lender's obligations under this Agreement shall remain unchanged, (ii) the Lender shall remain solely responsible to the Borrower for the performance of such obligations and (iii) the Borrower shall continue to deal solely and directly with the Lender in connection with the Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which the Lender sells such a participation shall provide that the Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that the Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification that would (i) postpone any date upon which any payment of money is scheduled to be made to such Participant, or (ii) reduce the principal, interest, fees or other amounts payable to such Participant (provided, however, that the Lender may, without the consent of the Participant, (A) amend any financial covenant hereunder (or any defined term used therein) even if the effect of such amendment would be to reduce the rate of interest on any Loan or Letter of Credit reimbursement obligation or to reduce any fee payable hereunder and (B) waive the right to be paid interest at the Default Rate). Subject to subsection (d) of this Section, the Company agrees that each Participant shall be entitled to the benefits of Section 3.02 to the same extent as if it were the Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of any set off rights of the Lender (including, without limitation, clause 16.7 of the Common Terms Deed), as though it were the Lender.

(d) Limitations Upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Section 3.02 than the Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Company's prior written consent.

(e) Certain Pledges. The Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under the Note, if any) to secure obligations of the Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release the Lender from any of its obligations hereunder or substitute any such pledgee or assignee for the Lender as a party hereto.

8.05 Interest Rate Limitation Notwithstanding anything to the contrary contained in any Transaction Document, the interest paid or agreed to be paid under the Transaction Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Lender shall receive interest in an amount that exceeds the

Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Company. In determining whether the interest contracted for, charged, or received by the Lender exceeds the Maximum Rate, the Lender may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

8.06 Counterparts; Integration; Effectiveness This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Transaction Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Lender and when the Lender shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

8.07 Severability If any provision of this Agreement or any Note, Issuer Document or Designated Borrower Request and Assumption Agreement is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and any Note, Issuer Document or Designated Borrower Request and Assumption Agreements shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

8.08 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) SUBMISSION TO JURISDICTION. EACH BORROWER IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE COMMON TERMS DEED, OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT.

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EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT, THE COMMON TERMS DEED, OR ANY OTHER LOAN DOCUMENT AGAINST ANY BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. EACH BORROWER IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE COMMON TERMS DEED, OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN CLAUSE 17.4 (NOTICES) OF THE COMMON TERMS DEED. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

8.09 Waiver of Jury Trial EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

8.10 USA PATRIOT Act Notice The Lender that is subject to the Act (as hereinafter defined) and the Lender hereby notifies the Borrowers that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies the Borrowers, which information includes the name and address of each Borrower and other information that will allow the Lender to identify such Borrower in accordance with the Act.

8.11 Time of the Essence Time is of the essence of this Agreement and each Designated Borrower Request and Assumption Agreement, Note and Issuer Document.

8.12 Amendment and Restatement

This Agreement shall become effective on the Closing Date and shall supersede all provisions of the Prior Credit Agreement as of such date. From and after the Closing Date all references made to the Prior Credit Agreement in any Transaction Document or in any other instrument or document shall, without more, be deemed to refer to this Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

SIMS GROUP USA HOLDINGS CORPORATION, formerly known as Sims Hugo Neu Corporation

By: /s/ Myles Patridge
Name: Myles Patridge
Title: Exec V.P. & CCO

SIMS GROUP GLOBAL TRADE CORPORATION

By: /s/ Myles Patridge
Name: Myles Patridge
Title: Exec V.P. & CCO

HNE RECYCLING LLC

By: /s/ Myles Patridge
Name: Myles Patridge
Title: Exec V.P. & CCO

HNW RECYCLING LLC

By: /s/ Myles Patridge
Name: Myles Patridge
Title: Exec V.P. & CCO

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SIMSMETAL EAST LLC

By: /s/ Myles Patridge
Name: Myles Patridge
Title: Exec V.P. & CCO

SIMSMETAL WEST LLC

By: /s/ Myles Patridge
Name: Myles Patridge
Title: Exec V.P. & CCO

SIMS GROUP USA CORPORATION

By: /s/ Myles Patridge
Name: Myles Patridge
Title: Exec V.P. & CCO

METAL MANAGEMENT, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

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MM METAL DYNAMICS HOLDINGS, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

METAL MANAGEMENT MIDWEST, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

METAL MANAGEMENT OHIO, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

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SMM — NORTH AMERICA TRADE CORPORATION, formerly known as Metal Management S&A Holdings, Inc.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

METAL MANAGEMENT WEST COAST HOLDINGS, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

METAL MANAGEMENT PROLER SOUTHWEST, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

PROLER SOUTHWEST GP, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

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NAPORANO IRON & METAL, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

METAL MANAGEMENT NORTHEAST, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

METAL MANAGEMENT NEW HAVEN, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

CIM TRUCKING, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

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METAL MANAGEMENT ALABAMA, INC.

By: _____
Name: _____
Title: _____

METAL MANAGEMENT ARIZONA, L.L.C.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

SMM NEW ENGLAND CORPORATION,
formerly known as Metal Management Connecticut, Inc.

By: _____
Name: _____
Title: _____

[*] Confidential Treatment Requested

METAL MANAGEMENT INDIANA, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

METAL MANAGEMENT MEMPHIS, L.L.C.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

METAL MANAGEMENT MISSISSIPPI, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

METAL MANAGEMENT PITTSBURGH, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

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METAL MANAGEMENT WEST, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

NEW YORK RECYCLING VENTURES, INC.

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

PROLER SOUTHWEST LP

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

RESERVE IRON & METAL LIMITED PARTNERSHIP

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

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METAL DYNAMICS LLC

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

METAL DYNAMICS DETROIT LLC

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

TH PROPERTIES LLC, formerly known as Metal Dynamics Indianapolis LLC

By: /s/ Robert C. Larry
Name: Robert C. Larry
Title: V.P.

SIMS RECYCLING SOLUTIONS HOLDINGS INC.

By: /s/ Darrell Stoecklin
Name: Darrell Stoecklin
Title: CFO

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BANK OF AMERICA, N.A.

By: /s/ Timothy G. Holsapple
Name: Timothy G. Holsapple
Title: Senior Vice President

[*] Confidential Treatment Requested

MANDATORY COST FORMULAE

1. The Mandatory Cost (to the extent applicable) is an addition to the interest rate to compensate the Lender for the cost of compliance with:

   (a) the requirements of the Bank of England and/or the Financial Services Authority (or, in either case, any other authority which replaces all or any of its functions); or

   (b) the requirements of the European Central Bank.

2. On the first day of each Interest Period (or as soon as possible thereafter) the Lender shall calculate, as a percentage rate, a rate (the "Additional Cost Rate") in accordance with the paragraphs set out below. The Mandatory Cost will be calculated by the Lender as a weighted average of the Lender's Additional Cost Rates and will be expressed as a percentage rate per annum. The Lender will, at the request of the Company, deliver to the Company a statement setting forth the calculation of any Mandatory Cost.

3. The Additional Cost Rate for the Lender lending from a Lending Office in a Participating Member State will be its reasonable determination of the cost (expressed as a percentage of the Lender's participation in all Loans made from such Lending Office) of complying with the minimum reserve requirements of the European Central Bank in respect of Loans made from that Lending Office.

4. The Additional Cost Rate for the Lender lending from a Lending Office in the United Kingdom will be calculated by the Lender as follows:

   (a) in relation to any Loan in Sterling:

$$\frac{AB+C(B-D)+E \times [*]}{100 - (A+C)} \text{ per cent per annum}$$

   (b) in relation to any Loan in any currency other than Sterling:

$$\frac{E \times [*]}{300} \text{ per cent per annum}$$

Where:

"A" is the percentage of Eligible Liabilities (assuming these to be in excess of any stated minimum) which that the Lender is from time to time required to maintain as an interest free cash ratio deposit with the Bank of England to comply with cash ratio requirements.

"B" is the percentage rate of interest (excluding the Applicable Margin, the Mandatory Cost and any interest charged on overdue amounts pursuant to the first sentence

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of Section 2.08(b) and, in the case of interest (other than on overdue amounts) charged at the Default Rate, without counting any increase in interest rate effected by the charging of the Default Rate) payable for the relevant Interest Period of such Loan.

"C" is the percentage (if any) of Eligible Liabilities which that the Lender is required from time to time to maintain as interest bearing Special Deposits with the Bank of England.

"D" is the percentage rate per annum payable by the Bank of England to the Lender on interest bearing Special Deposits.

"E" is designed to compensate the Lender for amounts payable under the Fees Rules and is calculated by the Lender as being the average of the most recent rates of charge supplied by the Lenders pursuant to paragraph 7 below and expressed in pounds per £1,000,000.

5. For the purposes of this Schedule:

   (a) "Eligible Liabilities" and "Special Deposits" have the meanings given to them from time to time under or pursuant to the Bank of England Act 1998 or (as may be appropriate) by the Bank of England;

   (b) "Fees Rules" means the rules on periodic fees contain in the FSA Supervision Manual or such other law or regulation as may be in force from time to time in respect of the payment of fees for the acceptance of deposits;

   (c) "Fee Tariffs" means the fee tariffs specified in the Fees Rules under the activity group A.1 Deposit acceptors (ignoring any minimum fee or zero rated fee required pursuant to the Fees Rules but taking into account any applicable discount rate); and

   (d) "Tariff Base" has the meaning given to it in, and will be calculated in accordance with, the Fees Rules.

6. In application of the above formulae, A, B, C and D will be included in the formulae as percentages (i.e. 5% will be included in the formula as 5 and not as 0.05). A negative result obtained by subtracting D from B shall be taken as zero. The resulting figures shall be rounded to four decimal places.

7. If requested by the Company, the Lender shall, as soon as practicable after publication by the Financial Services Authority, supply to the Company, the rate of charge payable by the Lender to the Financial Services Authority pursuant to the Fees Rules in respect of the relevant financial year of the Financial Services Authority (calculated for this purpose by the Lender as being the average of the Fee Tariffs applicable to the Lender for that financial year) and expressed in pounds per £1,000,000 of the Tariff Base of the Lender.

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8. The Lender shall supply any information required for the purpose of calculating its Additional Cost Rate. In particular, but without limitation, the Lender shall supply the following information in writing:

   (a) the jurisdiction of the Lending Office out of which it is making available its participation in the relevant Loan; and

   (b) any other information reasonably required for such purpose.

9. The percentages of the Lender for the purpose of A and C above and the rates of charge of the Lender for the purpose of E above shall be determined based upon the information supplied pursuant to paragraphs 7 and 8 above and on the assumption that, the Lender's obligations in relation to cash ratio deposits and Special Deposits are the same as those of a typical bank from its jurisdiction of incorporation with a Lending Office in the same jurisdiction as its Lending Office.

10. Any determination by the Lender pursuant to this Schedule in relation to a formula, the Mandatory Cost, an Additional Cost Rate or any amount payable to the Lender shall, in the absence of manifest error, be conclusive and binding on all parties hereto.

11. The Lender may from time to time, after consultation with the Company, determine and notify to all parties any amendments which are required to be made to this Schedule in order to comply with any change in law, regulation or any requirements from time to time imposed by the Bank of England, the Financial Services Authority or the European Central Bank (or, in any case, any other authority which replaces all or any of its functions) and any such determination shall, in the absence of manifest error, be conclusive and binding on all parties hereto.

KEY TERMS SCHEDULE

"Commitment" $ 200,000,000.

"Applicable Margin"	Pricing Level	Gearing Ratio	Commitment Fee	Eurocurrency Rate Loans Standby Letters of Credit	Base Rate Loans
	[*]	[*]	[*]	[*]	[*]

"Maturity Date" The date which is three years after the date of the Common Terms Deed.

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LENDER'S OFFICE;
CERTAIN ADDRESSES FOR NOTICES

COMPANY
and DESIGNATED BORROWERS:

Sims Group USA Holdings Corporation
110 5th Avenue, Suite 700
New York, New York 10011

Attention:	Myles Partridge EVP and CFO
Telephone:	(212) 500-7507
Telecopier:	(212) 604-0722
Electronic Mail:	mpartridge@us.sims-group.com
Website Address:	www.sims-group.com

U.S. Taxpayer Identification Number(s):

Sims Group USA Holdings Corporation	20-3622384
Sims Group Global Trade Corporation	20-8474694
HNE Recycling LLC	42-1682531
HNW Recycling LLC	20-2880190
SimsMetal East LLC	20-8484120
SimsMetal West LLC	20-8484184
Sims Group USA Corporation	94-3053218
Metal Management, Inc.	94-2835068
MM Metal Dynamics Holdings, Inc.	20-8828154
Metal Management Midwest, Inc.	36-2582686
Metal Management Ohio, Inc.	34-0901723
SMM — North America Trade Corporation	25-1619177
Metal Management West Coast Holdings, Inc.	36-4325792
Metal Management Proler Southwest, Inc.	35-2265134
Proler Southwest GP, Inc.	20-3916027
Naporano Iron & Metal, Inc.	36-4325790
Metal Management Northeast, Inc.	22-1449923
Metal Management New Haven, Inc.	36-4345073
CIM Trucking, Inc.	36-4035047
Metal Management Alabama, Inc.	36-4218674
Metal Management Arizona, L.L.C.	86-0819529
SMM New England Corporation	06-1516622
Metal Management Indiana, Inc.	36-3197180
Metal Management Memphis, L.L.C.	62-1600547
Metal Management Mississippi, Inc.	76-0570379
Metal Management Pittsburgh, Inc.	36-4235943
Metal Management West, Inc.	84-0888787
New York Recycling Ventures, Inc.	20-5968735
Proler Southwest LP	36-4169987
Reserve Iron & Metal Limited Partnership	34-1658201
Metal Dynamics LLC	74-3161971
Metal Dynamics Detroit LLC	20-8827974
TH Properties LLC	20-8828030
Sims Recycling Solutions Holdings Inc.	36-4002401

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LENDER:

Lender's Office
(for payments and Requests for Credit Extensions):

Bank of America, N.A.
2001 Clayton Rd
CA4-702-02-25
Concord, CA 94520

Attention:	Hussin T. Baig
Telephone:	(925) 675-7659
Telecopier:	(888) 264-0966
Electronic Mail:	rhussin.baig@baml.com

Lender's Domestic Wire Instructions

Bank Name:	Bank of America NA NY NY
ABA/Routing No.:	026009593
Account Name:	Credit Services West
Account No.:	3750836479
Attention:	Hussin T. Baig
Reference:	Sims Group USA Holdings Corporation

Lender's Foreign Wire Instructions

Currency:	Australian Dollars (AUD)
Bank Name:	Bank of America Sydney
Swift/Routing No.:	BOFAAUSX
Account Name:	Grand Cayman Unit #1207
Account No.:	96272016
Attention:	Grand Cayman Unit #1207
Reference:	Sims Group USA Holdings Corporation

Lender's Foreign Wire Instructions

Currency:	Euro Currency (EUR)
Bank Name:	Bank of America London
Swift/Routing No.:	BOFAGB22
Account Name:	Grand Cayman Unit #1207
Account No.:	96272019
Attention:	Grand Cayman Unit #1207
Reference:	Sims Group USA Holdings Corporation

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Lender's Foreign Wire Instructions

Currency:	British Pounds Sterling (GBP)
Bank Name:	Bank of America London
Swift/Routing No.:	BOFAGB22
Account Name:	Grand Cayman Unit #1207
Account No.:	96272027
FFC Account Name:	Sort Code 16-50-50
Attention:	Grand Cayman Unit #1207
Reference:	Sims Group USA Holdings Corporation

Lender's Foreign Wire Instructions

Currency:	Japanese Yen (JPY)
Bank Name:	Bank of America Tokyo
Swift/Routing No.:	BOFAJPJX
Account Name:	Grand Cayman Unit #1207
Account No.:	96272011
Attention:	Grand Cayman Unit #1207
Reference:	Sims Group USA Holdings Corporation

Other Notices as Lender:

Bank of America, N.A.
Commercial Banking
Mail Code: WA1-501-36-06
800 Fifth Avenue, Floor 36
Seattle, WA 98104

Attention:	Timothy G. Holsapple Senior Vice President
Telephone:	(206) 358-3130
Facsimile:	(206) 358-3971
Electronic Mail:	tim.holsapple@baml.com

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EXHIBIT A

FORM OF LOAN NOTICE

Date: _____, _____

To: Bank of America, N.A.

Ladies and Gentlemen:

Reference is made to that certain Second Amended and Restated Credit Agreement, dated as of June __, 2011 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement;" the terms defined therein being used herein as therein defined), among Sims Group USA Holdings Corporation, formerly known as Sims Hugo Neu Corporation, a Delaware corporation (the "Company"), the Designated Borrowers from time to time party thereto, and Bank of America, N.A..

The Company hereby requests, on behalf of itself or, if applicable, the Designated Borrower referenced in item 6 below (the "Applicable Designated Borrower") (select one):

☐ A Borrowing of Loans ☐ A conversion or continuation of Loans

1. On _____(a Business Day).

2. In the amount of $_____.

3. Comprised of_____ .
[Type of Loan requested]

4. In the following currency: _____.

5. For Eurocurrency Fixed Rate Loans: with an Interest Period of _____ months.

6. On behalf of _____ [insert name of applicable Designated Borrower].

The Borrowing, if any, requested herein complies with the provisos to the first sentence of Section 2.01 of the Agreement.

SIMS GROUP USA HOLDINGS CORPORATION,
formerly known as Sims Hugo Neu Corporation

By: _____
Name: _____
Title: _____

[*] Confidential Treatment Requested

FORM OF NOTE

$__,000,000 [_____, _____]

FOR VALUE RECEIVED, the undersigned (the "Borrower") hereby promises to pay to Bank of America, N.A., a national banking association, or assigns (the "Lender"), in accordance with the provisions of the Agreement (as hereinafter defined), the principal amount of each Loan from time to time made by the Lender to the Borrower under that certain Second Amended and Restated Credit Agreement, dated as of June __, 2011 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement;" the terms defined therein being used herein as therein defined), among Sims Group USA Holdings Corporation, a Delaware corporation, formerly known as Sims Hugo Neu Corporation, the Designated Borrowers from time to time party thereto, and the Lender.

The Borrower promises to pay interest on the unpaid principal amount of each Loan from the date of such Loan until such principal amount is paid in full, at such interest rates and at such times as provided in the Agreement. All payments of principal and interest shall be made to the Lender in the currency in which such Loan was denominated and in Same Day Funds at the Lending Office for such currency. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, to be paid upon demand, from the due date thereof until the date of actual payment (and before as well as after judgment) computed at the per annum rate set forth in the Agreement.

This Note is one of the Notes referred to in the Agreement, is entitled to the benefits thereof and may be prepaid in whole or in part subject to the terms and conditions provided therein. This Note is also entitled to the benefits of the guarantee and indemnity contained in clause 7 of the Common Terms Deed. Upon the occurrence and continuation of one or more of the Events of Default specified in the Agreement, all amounts then remaining unpaid on this Note shall become, or may be declared to be, immediately due and payable all as provided in the Agreement. Loans made by the Lender shall be evidenced by one or more loan accounts or records maintained by the Lender in the ordinary course of business. The Lender may also attach schedules to this Note and endorse thereon the date, amount, currency and maturity of its Loans and payments with respect thereto.

The Borrower, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Note.

[Remainder of page intentionally left blank]

[*] Confidential Treatment Requested

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

[BORROWER / APPLICABLE DESIGNATED BORROWER]

By: _____
Name: _____
Title: _____

[*] Confidential Treatment Requested

EXHIBIT C

FORM OF DESIGNATED BORROWER
REQUEST AND ASSUMPTION AGREEMENT

Date: _____, _____

To: Bank of America, N.A.

Ladies and Gentlemen:

This Designated Borrower Request and Assumption Agreement is made and delivered pursuant to Section 2.13 of that certain Second Amended and Restated Credit Agreement, dated as of June __, 2011 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Credit Agreement"), among Sims Group USA Holdings Corporation, a Delaware corporation, formerly known as Sims Hugo Neu Corporation (the "Company"), the Designated Borrowers from time to time party thereto, and Bank of America, N.A. (the "Lender"), and reference is made thereto for full particulars of the matters described therein. All capitalized terms used in this Designated Borrower Request and Assumption Agreement and not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

Each of _____ (the "Designated Borrower") and the Company hereby confirms, represents and warrants to the Lender that the Designated Borrower is a Domestic Affiliate.

The documents required to be delivered to the Lender under Section 2.13 of the Credit Agreement will be furnished to the Lender in accordance with the requirements of the Credit Agreement.

The true and correct U.S. taxpayer identification number of the Designated Borrower is _____.

The parties hereto hereby confirm that with effect from the date hereof, the Designated Borrower shall have obligations, duties and liabilities toward each of the other parties to the Credit Agreement identical to those which the Designated Borrower would have had if the Designated Borrower had been an original party to the Credit Agreement as a Borrower. The Designated Borrower confirms its acceptance of, and consents to, all representations and warranties, covenants, and other terms and provisions of the Credit Agreement.

The parties hereto hereby request that the Designated Borrower be entitled to receive Loans under the Credit Agreement, and understand, acknowledge and agree that neither the Designated Borrower nor the Company on its behalf shall have any right to request any Loans for its account unless and until the date five Business Days after the effective date designated by the Lender in a Designated Borrower Notice delivered to the Company pursuant to Section 2.13 of the Credit Agreement.

[*] Confidential Treatment Requested

This Designated Borrower Request and Assumption Agreement shall constitute a Transaction Document under the Credit Agreement.

THIS DESIGNATED BORROWER REQUEST AND ASSUMPTION AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have caused this Designated Borrower Request and Assumption Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

[DESIGNATED BORROWER]

By: _____
Name: _____
Title: _____

SIMS GROUP USA HOLDINGS CORPORATION,
formerly known as Sims Hugo Neu Corporation

By: _____
Name: _____
Title: _____

[*] Confidential Treatment Requested

EXHIBIT D

FORM OF DESIGNATED BORROWER NOTICE

Date: _____, _____

To: Sims Group USA Holdings Corporation

Ladies and Gentlemen:

This Designated Borrower Notice is made and delivered pursuant to Section 2.13 of that certain Second Amended and Restated Credit Agreement, dated as of June __, 2011 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Credit Agreement"), among Sims Group USA Holdings Corporation, a Delaware corporation, formerly known as Sims Hugo Neu Corporation (the "Company"), the Designated Borrowers from time to time party thereto, and Bank of America, N.A. (the "Lender"), and reference is made thereto for full particulars of the matters described therein. All capitalized terms used in this Designated Borrower Notice and not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

The Lender hereby notifies Company that effective as of the date hereof _____ shall be a Designated Borrower and may receive Loans for its account on the terms and conditions set forth in the Credit Agreement.

This Designated Borrower Notice shall constitute a Transaction Document under the Credit Agreement.

BANK OF AMERICA, N.A.

By: _____
Name: _____
Title: _____

[*] Confidential Treatment Requested

EXHIBIT E

FORM OF RENEWAL NOTICE

Date: _____, _____

To: Sims Group USA Holdings Corporation

Attention: **[*insert relevant name*]**

Ladies and Gentlemen:

We refer to that certain Second Amended and Restated Credit Agreement, dated as of June __, 2011 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Credit Agreement"), among Sims Group USA Holdings Corporation, a Delaware corporation, formerly known as Sims Hugo Neu Corporation ("Company"), the Designated Borrowers from time to time party thereto, and Bank of America, N.A. (the "Lender"), and reference is made thereto for full particulars of the matters described therein. All capitalized terms used in this Renewal Notice and not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

Under Section 2.05(a) of the Credit Agreement, the Lender hereby notifies Company that the Lender has agreed to extend the Maturity Date by 12 months, from _____ ("Existing Maturity Date") to _____ ("New Maturity Date"), subject to the following conditions:

(a) the Borrowers indicating their acknowledgement and agreement to the extension of the Maturity Date by 12 months, by signing and delivering this notice to the Lender within 30 days of receiving it;

(b) [the Borrowers indicating their acknowledgement and agreement to the Key Terms Schedule being amended and restated in the form set out in the Schedule to this notice, by initialling the attached schedule and delivering the initialled schedule (attached to this notice) to the Lender within 30 days of receiving it]; and

(c) [insert additional conditions precedent as required].

Subject to the above conditions being satisfied, we agree that on and from the Existing Maturity Date:

(a) the definition of "Maturity Date" in Section 1.01 of the Credit Agreement shall be amended to be the New Maturity Date[; and

(b) the Key Terms Schedule will be amended and restated in the form set out in the attached Schedule].

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BANK OF AMERICA, N.A.

By: _____
Name: _____
Title: _____

Agreed and acknowledged by Company on behalf of the Borrowers:

SIMS GROUP USA HOLDINGS CORPORATION,
formerly known as Sims Hugo Neu Corporation

By: _____
Name: _____
Title: _____

[*] Confidential Treatment Requested

Exhibit 4.11

June 23, 2011

To: Sims Metal Management Limited (***Sims***)

Level 12, Suite 1202
65 Berry Street
North Sydney NSW 2060

Attention: Mr Daniel Dienst
Group Chief Executive

Dear Sirs

Application of clause 7.17 of the Common Terms Deed 2011

We refer to the Common Terms Deed dated on or about the date of this letter (***Common Terms Deed***) between Sims, each party listed in Part 1 of Schedule 1 of that deed as Original Borrowers, each party listed in Part 2 of Schedule 1 of that deed as Original Guarantors and the persons listed in Part 3 of Schedule 1 of that deed as Original Lenders, including Bank of America, N.A. (the ***Lender***).

Capitalised terms in this certificate have the meaning given in the Common Terms Deed unless otherwise defined herein.

Pursuant to clause 7.17(c) of the Common Terms Deed, the Lender and Sims agree that clause 7.17 of the Common Terms Deed is to apply in respect of the Lender and all Guarantors.

This letter is a Transaction Document in respect of the Lender for the purposes of the Common Terms Deed.

BANK OF AMERICA, N.A.

By: /s/ Timothy G. Holsapple
Name: Timothy G. Holsapple
Title: Senior Vice President

Agreed and acknowledged by Sims:

Sims

Signed for
Sims Metal Management Limited
ACN 114 838 630

sign here ▶ /s/ Daniel W. Dienst
Director

print name Daniel W. Dienst

sign here ▶ /s/ Frank Moratti
Director/Company Secretary

print name Frank Moratti

Exhibit 4.12

CONFIDENTIAL TREATMENT HAS BEEN REQUESTED WITH RESPECT TO CERTAIN PORTIONS OF THIS AGREEMENT. CONFIDENTIAL PORTIONS HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION.

Amendment and Restatement Deed

Each company listed in Schedule 1

Each company listed in Schedule 2

Each financial institution listed in Schedule 3

Blake Dawson

Level 36, Grosvenor Place
225 George Street
Sydney NSW 2000
Australia
T 61 2 9258 6000
F 61 2 9258 6999

Reference
PAJ RW PRA 02 2018 0405

©Blake Dawson 2011

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Contents

1. INTERPRETATION 1

1.1 Definitions 1
1.2 Terms defined in the Facility Agreement 2
1.3 Rules for interpreting this document 2
1.4 Transaction Document 2

2. CONSIDERATION 2

3. AMENDMENTS 2

3.1 Amendment to Facility Agreement 2
3.2 Effect of amendment 2

4. EFFECTIVE DATE 2

5. GUARANTORS' ACKNOWLEDGMENT AND AGREEMENT 3

6. GENERAL 3

6.1 Governing law 3
6.2 Giving effect to this document 3
6.3 Waiver of rights 3
6.4 Operation of this document 4
6.5 Exclusion of contrary legislation 4
6.6 Amendment 4
6.7 Counterparts 4
6.8 Attorneys 4

Schedule

1 BORROWERS 5

2 GUARANTORS 9

3 LENDERS 17

4 AMENDED AND RESTATED FORM OF FACILITY AGREEMENT 18

Amendment and Restatement Deed

DATE **23 June 2011**

PARTIES

Each company listed in Schedule 1 (each a **Borrower** and together the **Borrowers**)

Each company listed in Schedule 2 (each a **Guarantor** and together the **Guarantors**)

Each financial institution listed in Schedule 3 (each the **Lender** and together the **Lenders**)

RECITALS

I. Under the Facility Agreement, the Lenders have granted certain cash advance, trade finance and hedging facilities to one or more Borrowers (as the case may be) and certain guarantors have jointly and severally guaranteed the punctual payment and satisfaction of the Amount Owing by the Borrowers to the Lenders.

II. At the request of Sims Metal Management Limited (ABN 69 114 838 630), the parties to the Facility Agreement have agreed to make various amendments to the terms of the Facilities as set out in that document, including to accommodate the entry by Sims, the Lenders and certain other parties into the Common Terms Deed.

III. Accordingly, the parties wish to amend and restate the Facility Agreement in the manner set out in this document.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this document.

Common Terms Deed means the document of that titled dated on or about 23 June 2011 between, amongst others, the Borrowers, certain guarantors and the Lenders.

Companies means the Borrowers and the Guarantors and **Company** means any of them, as the context may require.

Effective Date has the meaning set out in clause 4.

Establishment Fee means the amount specified as the “Establishment Fee” in a fee letter or fee letters substantially in the form set out in Annexure G of the Facility Agreement (as amended and restated by this document) delivered by the Lenders to Sims on or before the date of this document.

Facility Agreement means the “Multi Option Facility Agreement” of that title dated 3 December 2003 between, amongst others, the Borrowers, certain guarantors and the Lenders, as amended and restated on 6 December 2005, 26 June 2008, 2 November 2009, 12 May 2010 and 7 October 2010.

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1.2 Terms defined in the Facility Agreement

A term (other than a term defined in clause 1.1) that is defined in the Facility Agreement (as amended and restated by this document) or the Common Terms Deed has the same meaning in this document.

1.3 Rules for interpreting this document

Clauses 1.3, 1.5, 1.6 and 1.7 of the Common Terms Deed apply to this document as if they were set out in full in this document, except that any reference to "this deed" is replaced by a reference to "this document".

1.4 Transaction Document

(a) This document is a "Transaction Document" for the purposes of the definition of "Transaction Documents" in clause 1.1 of the Facility Agreement.

(b) This document is a "Transaction Document" in respect of each Lender under the Facility Agreement for the purpose of the definition of "Transaction Document" in clause 1.2 of the Common Terms Deed.

2. CONSIDERATION

Each party acknowledges that it has received valuable consideration for entering into this document.

3. AMENDMENTS

3.1 Amendment to Facility Agreement

(a) The Facility Agreement is amended and restated with effect on and from the Effective Date to read as set out in Schedule 4.

(b) Paragraph (a) does not affect any right or obligation of any party that arises before the Effective Date.

3.2 Effect of amendment

(a) Except as expressly amended by this document, the Facility Agreement is confirmed and remains in full force and effect.

(b) With effect on and from the Effective Date:

(i) the Facility Agreement and this document will be read and construed as one document; and

(ii) references in the Facility Agreement to **this Agreement** will be read and construed as references to the Facility Agreement as amended by this document.

4. EFFECTIVE DATE

The Effective Date is the date on which HSBC (Australia) has received:

(a) each of the documents set out in Schedule 4 of the Common Terms Deed in form and substance satisfactory to it;

(b) an original counterpart of a fee letter or fee letters substantially in the form set out in Annexure G of the Facility Agreement (as amended and restated by this document), duly executed by Sims; and

(c) payment of the Establishment Fee and any other fees then due and payable.

5. GUARANTORS' ACKNOWLEDGMENT AND AGREEMENT

Each Guarantor unconditionally and irrevocably:

(a) consents and agrees to the amendments to the Facility Agreement contemplated by this document, and to the other Guarantors entering into this document; and

(b) ratifies and confirms its execution of each Transaction Document to which it is a party.

6. GENERAL

6.1 Governing law

(a) This document is governed by the laws of the State of New South Wales.

(b) Each Company submits to the non—exclusive jurisdiction of the courts of the State of New South Wales, and of any court that may hear appeals from any of those courts, for any proceedings in connection with this document.

(c) Each Company irrevocably waives:

(i) any objection to the venue of any proceedings on the ground that they have been brought in an inconvenient forum; and

(ii) any immunity from set off, suits, proceedings and execution to which it or any of its property may now or in the future be entitled under any applicable law.

(d) Each Company agrees that a document required to be served in proceedings in connection with this document may be served:

(i) by being delivered to or left at its address for service of notices under the Facility Agreement; or

(ii) in any other way permitted by law.

6.2 Giving effect to this document

Each party must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that the other party may reasonably require to give full effect to this document.

6.3 Waiver of rights

A right may only be waived in writing, signed by the party giving the waiver, and:

(a) no other conduct of a party (including a failure to exercise, or delay in exercising, the right) operates as a waiver of the right or otherwise prevents the exercise of the right;

[*] Confidential Treatment Requested

(b) a waiver of a right on one or more occasions does not operate as a waiver of that right or as an estoppel precluding enforcement of that right if it arises again; and

(c) the exercise of a right does not prevent any further exercise of that right or of any other right.

6.4 Operation of this document

(a) Any right that a person may have under this document is in addition to, and does not replace or limit, any other right that the person may have.

(b) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

6.5 Exclusion of contrary legislation

Any legislation that adversely affects an obligation of a party, or the exercise by a party of a right or remedy, under or relating to this document is excluded to the full extent permitted by law.

6.6 Amendment

This document can only be amended or replaced by another document signed by the parties.

6.7 Counterparts

This document may be executed in counterparts.

6.8 Attorneys

Each person who executes this document on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney.

Schedule 1

BORROWERS

Company Name	Registered Number	Registered Office	Place of Incorporation
Australian Borrowers			
Sims Group Australia Holdings Limited	ABN 37 008 634 526	'Sir Joseph Banks Corporate Park' Suite 3 Level 2 32 Lord Street Botany NSW 2019	ACT, Australia
Sims Metal Management Limited	ABN 69 114 838 630	'Sir Joseph Banks Corporate Park' Suite 3 Level 2 32 Lord Street Botany NSW 2019	VIC, Australia
Australian Trade Borrowers			
Sims Group Australia Holdings Limited	ABN 37 008 634 526	'Sir Joseph Banks Corporate Park' Suite 3 Level 2 32 Lord Street Botany NSW 2019	ACT, Australia
Sims Metal Management Limited	ABN 69 114 838 630	'Sir Joseph Banks Corporate Park' Suite 3 Level 2 32 Lord Street Botany NSW 2019	VIC, Australia
UK Borrowers			
Sims Group UK Holdings Limited	2904307	Long Marston Stratford-Upon-Avon Warwickshire CV37 8AQ	United Kingdom
Sims Group UK Limited	3242331	Long Marston Stratford-Upon-Avon Warwickshire CV37 8AQ	United Kingdom
Mirec B.V.	N/A	Hastelweg 251, 5652CV, Eindhoven, The Netherlands	The Netherlands
Sims Metal Management Asia Limited (formerly known as Sims Asia Holdings Limited)	30512	5407-8, 54th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong	Hong Kong

Company Name	Registered Number	Registered Office	Place of Incorporation
US Trade Borrower			
Sims Group Global Trade Corporation	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
US Borrowers			
Sims Group USA Corporation	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Dynamics Detroit LLC	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Management Alabama, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Management Arizona, L.L.C.	N/A	c/o CT Corporation System 2394 East Camelback Road Phoenix, AZ 85016	Arizona, USA
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Management Memphis, L.L.C.	N/A	c/o Corporation Service Company 2908 Poston Avenue Nashville, TN 37203	Tennessee, USA
Metal Management Midwest, Inc.	N/A	c/o Illinois Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703	Illinois, USA

Company Name	Registered Number	Registered Office	Place of Incorporation
Metal Management Mississippi, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Management Northeast, Inc.	N/A	c/o Corporation Service Company 830 Bear Tavern Road West Trenton, NJ 08628	New Jersey, USA
Metal Management Ohio, Inc.	N/A	c/o CSC-Lawyers Incorporating Service (Corporation Service Company) 50 W. Broad St Suite 1800 Columbus, OH 43215	Ohio, USA
Metal Management West, Inc.	N/A	c/o Corporation Service Company 1560 Broadway, Suite 2090, Denver, CO 80202	Colorado, USA
Metal Management, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Proler Southwest LP	N/A	c/o Corporation Service Company d/b/a CSC-Lawyers Incorporating Service Company 211 E. 7th Street Suite 620 Austin, TX 78701	Texas, USA
Sims Recycling Solutions Holdings Inc. (formerly Sims Recycling Solutions, Inc.)	N/A	c/o Illinois Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703	Illinois, USA
Sims Recycling Solutions, Inc. (formerly United Refining & Smelting Co)	N/A	c/o Illinois Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703	Illinois, USA

Company Name	Registered Number	Registered Office	Place of Incorporation
HK Trade Borrower			
Sims Metal Management Asia Limited (formerly known as Sims Asia Holdings Limited)	30512	5407-8, 54th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong	Hong Kong
German Borrowers			
Sims Group German Holdings GmbH	N/A	Rathenaustrasse 10, 59191 Bergkamen, Germany	Germany
Sims M+R GmbH	N/A	Rathenaustrasse 10, 59191 Bergkamen, Germany	Germany

Schedule 2

GUARANTORS

Company Name	Registered Number	Registered Office	Place of Incorporation
Australia			
Simsmetal Properties QLD Pty Limited (formerly known as Sims Energy Pty Limited)	ABN 42 009 667 752	'Sir Joseph Banks Corporate Park' Suite 3 Level 2 32 Lord Street Botany NSW 2019	QLD, Australia
Sims Group Australia Holdings Limited	ABN 37 008 634 526	'Sir Joseph Banks Corporate Park' Suite 3 Level 2 32 Lord Street Botany NSW 2019	ACT, Australia
Sims Metal Management Limited	ABN 69 114 838 630	'Sir Joseph Banks Corporate Park' Suite 3 Level 2 32 Lord Street Botany NSW 2019	NSW, Australia
Sims Industrial Pty Limited	ABN 95 000 090 479	'Sir Joseph Banks Corporate Park' Suite 3 Level 2 32 Lord Street Botany NSW 2019	NSW, Australia
Simsmetal Properties NSW Pty Limited (formerly known as Sims Manufacturing Pty Limited)	ABN 13 004 332 870	'Sir Joseph Banks Corporate Park' Suite 3 Level 2 32 Lord Street Botany NSW 2019	NSW, Australia
Simsmetal Holdings Pty. Ltd.	ABN 97 000 021 563	'Sir Joseph Banks Corporate Park' Suite 3 Level 2 32 Lord Street Botany NSW 2019	NSW, Australia
Simsmetal Services Pty. Limited	ABN 76 000 166 987	'Sir Joseph Banks Corporate Park' Suite 3 Level 2 32 Lord Street Botany NSW 2019	NSW, Australia
Sims Aluminium Pty Limited	ABN 93 004 370 905	'Sir Joseph Banks Corporate Park' Suite 3 Level 2 32 Lord Street Botany NSW 2019	NSW, Australia

Company Name	Registered Number	Registered Office	Place of Incorporation
United Kingdom			
Sims Group UK Holdings Limited	2904307	Long Marston Stratford-on-Avon Warwickshire CV37 8AQ	United Kingdom
Sims Group UK Limited	3242331	Long Marston Stratford-on-Avon Warwickshire CV37 8AQ	United Kingdom
The Netherlands			
Mirec B.V.	N/A	Hastelweg 251, 5652CV, Eindhoven, The Netherlands	The Netherlands
New Zealand			
Simsmetal Industries Limited	3597	James Fletcher Drive Otahuhu, Auckland, New Zealand	New Zealand
Sweden			
Sims Recycling Solutions AB	N/A	Karosserigatan 6 641 51 Katrineholm Sweden	Sweden
Germany			
Sims Group German Holdings GmbH	N/A	Rathenaustrasse 10, 59191 Bergkamen, Germany	Germany
Sims M+R GmbH	N/A	Rathenaustrasse 10, 59191 Bergkamen, Germany	Germany
Hong Kong			
Sims Metal Management Asia Limited (formerly known as Sims Asia Holdings Limited)	30512	5407-8, 54th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong	Hong Kong
Canada			
Sims Group Recycling Solutions Canada Ltd.	N/A	1200-999 West Hastings Street, Vancouver, British Columbia V6C 2W2, Canada	Canada

Company Name	Registered Number	Registered Office	Place of Incorporation
Sims Group Canada Holdings Limited	N/A	Suite 2300, 550 Burrard Street, Box 30, Vancouver, British Columbia V6C 2B5, Canada	Canada
United States of America			
Sims Group USA Corporation	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
CIM Trucking, Inc.	N/A	c/o Illinois Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703	Illinois, USA
HNE Recycling LLC	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
HNW Recycling LLC	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Dynamics Detroit LLC	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
TH Properties LLC (formerly known as Metal Dynamics Indianapolis LLC)	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Dynamics LLC	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA

Company Name	Registered Number	Registered Office	Place of Incorporation
Metal Management Alabama, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Management Arizona, L.L.C.	N/A	c/o CT Corporation System 2394 East Camelback Road Phoenix, AZ 85016	Arizona, USA
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Management Indiana, Inc.	N/A	c/o Prentice Hall Corporation 33 North LaSalle Street Chicago, IL 60602	Illinois, USA
Metal Management Memphis, L.L.C.	N/A	c/o Corporation Service Company 2908 Poston Avenue Nashville, TN 37203	Tennessee, USA
Metal Management Midwest, Inc.	N/A	c/o Illinois Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703	Illinois, USA
Metal Management Mississippi, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Management New Haven, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA

Company Name	Registered Number	Registered Office	Place of Incorporation
Metal Management Northeast, Inc.	N/A	c/o Corporation Service Company 830 Bear Tavern Road West Trenton, NJ 08628	New Jersey, USA
Metal Management Ohio, Inc.	N/A	CSC-Lawyers Incorporating Service (Corporation Service Company) 50 W. Broad St Suite 1800 Columbus, OH 43215	Ohio, USA
Metal Management Pittsburgh, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Management Proler Southwest, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
SMM — North America Trade Corporation	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Management West Coast Holdings, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Management West, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Colorado, USA

Company Name	Registered Number	Registered Office	Place of Incorporation
Metal Management, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
MM Metal Dynamics Holdings, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Naporano Iron & Metal, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
New York Recycling Ventures, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
North Carolina Resource Conservation, LLC	N/A	c/o Corporation Service Company 327 Hillsborough Street Raleigh, NC 27603	North Carolina, USA
Proler Southwest GP, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Proler Southwest LP	N/A	c/o Corporation Service Company d/b/a CSC-Lawyers Incorporating Service Company 211 E. 7th Street Suite 620 Austin, TX 78701	Texas, USA
Reserve Iron & Metal Limited Partnership	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA

Company Name	Registered Number	Registered Office	Place of Incorporation
Schiabo Larovo Corporation	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
SHN Co., LLC	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Sims Group Global Trade Corporation	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Sims Group USA Holdings Corporation	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Sims Municipal Recycling of New York LLC	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Sims Recycling Solutions Holdings Inc.	N/A	c/o Illinois Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703	Illinois, USA
Simsmetal East LLC	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA

Company Name	Registered Number	Registered Office	Place of Incorporation
Simsmetal West LLC	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Sims Recycling Solutions, Inc.	N/A	c/o Illinois Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703	Illinois, USA
Port Albany Ventures LLC	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Management Aerospace, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA

[*] Confidential Treatment Requested

Schedule 3

LENDERS

Financier Name	Registered Number	Lending Office
In relation to the Australian Borrowers, UK Borrowers, US Borrowers and German Borrowers		
HSBC Bank Australia Limited	ABN 48 006 434 162	Level 31, 580 George Street Sydney NSW 2000 Australia
HSBC Bank plc	14259	8 Canada Square, London, E14 5HQ
HSBC Bank USA, National Association		452 Fifth Avenue, New York, New York 10018 USA
In relation to the Australian Trade Borrowers		
HSBC Bank Australia Limited	ABN 48 006 434 162	Level 31, 580 George Street Sydney NSW 2000 Australia
In relation to the HK Trade Borrower		
The Hongkong and Shanghai Banking Corporation Limited	ABN 65 117 925 970	Level 10, 1 Queens Road, Central Hong Kong
In relation to the US Trade Borrower		
HSBC Bank plc	14259	City Corporate Banking Centre, 60 Queen Victoria Street, London, EC4N 4TR

[*] Confidential Treatment Requested

SCHEDULE 4

AMENDED AND RESTATED FORM OF FACILITY AGREEMENT

[*] Confidential Treatment Requested

Amended and Restated Multi Option Facility Agreement

The companies specified in Annexure A

The Banks and Financial Institutions specified in Annexure B

Blake Dawson

Level 36, Grosvenor Place
225 George Street
Sydney NSW 2000
Australia
T 61 2 9258 6000
F 61 2 9258 6999
Reference
PAJ JWPM PRA 02 2018 0405
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[*] Confidential Treatment Requested

Contents

1. INTERPRETATION **1**

1.1 Definitions 1
1.2 Interpretation 10
1.3 Incorporated definitions 12
1.4 Incorporated provisions 12
1.5 Joint and several liability 12

2. THE FACILITIES **12**

2.1 Cash Advance Facilities 12
2.2 Trade Finance Facility 13
2.3 Hedging Facility 13
2.4 Purpose 14
2.5 Cancellation of Undrawn Commitment 14

3. CONDITIONS PRECEDENT **15**

3.1 Conditions precedent to initial funding 15
3.2 Benefit of conditions precedent 15

4. FUNDING **16**

4.1 Funding Notice 16
4.2 Limitations on Funding Notices 17

5. REPAYMENT **17**

5.1 Repayment 17

6. COMMITMENT EXCEEDED **18**

6.1 Excess of limit 18
6.2 Cash cover 18

7. UNLAWFULNESS **19**

7.1 Unlawfulness 19

8. MARKET DISTURBANCE AND REVIEW OF FACILITIES **19**

8.1 Disturbance Notice 19
8.2 Market Disturbance Premium 19
8.3 Alternative Arrangements 20
8.4 Alternative Basis 20
8.5 Terms of fee letters 20

9. EXTENSION OF TERMINATION DATE **21**

10. COMMITMENT FEE **22**

10.1 Commitment Fee 22

11. REPRESENTATIONS AND WARRANTIES **22**

11.1 General Representations and warranties by each Borrower 22
11.2 Continuing representations and warranties 22
11.3 Acknowledgment of reliance 22
11.4 Additional representations and warranties 22

12. UNDERTAKINGS 22

12.1 Undertakings 22

13. EVENTS OF DEFAULT 23

13.1 Events of Default 23
13.2 Consequences of default 23
13.3 Cash Cover 23
13.4 Technical Event of Default 24

14. INTEREST ON OVERDUE AMOUNTS 24

14.1 Default interest 24
14.2 Additional interest 24

15. INDEMNITIES 25

15.1 General indemnity 25
15.2 Survival of indemnities 25

16. ASSIGNMENT 25

16.1 Assignment 25
16.2 Confidential information 26

17. PRESERVATION OF RIGHTS 26

17.1 Waiver and exercise of rights 26
17.2 Rights cumulative 26
17.3 Further assurances 26
17.4 Time of the essence 26

18. GENERAL PROVISIONS 27

18.1 Invalid or unenforceable provisions 27
18.2 Certifications 27
18.3 Amendment 27
18.4 Counterparts 27
18.5 Successors and assigns 27

19. ADDITIONAL BORROWERS 27

20. NEW RELATED PARTY 28

20.1 New Related Party 28

21. GOVERNING LAW AND JURISDICTION 28

21.1 Governing law 28
21.2 Jurisdiction 28
21.3 Service of process 28
21.4 Agent for service of process 28
21.5 Execution by attorneys 29

Schedule

1 CASH ADVANCE FACILITIES **30**

2 AUSTRALIAN TRADE FACILITIES AND HK TRADE FACILITY **34**

3 US TRADE FACILITY **41**

4 BANK GUARANTEE AND STANDBY LETTER OF CREDIT FACILITY **45**

5 HEDGING FACILITY **50**

Annexure

A BORROWERS

B LENDERS

C CAF LENDERS

D FUNDING NOTICE

E NOT USED

F ADDITIONAL BORROWER ACCESSION DEED

G PRO FORMA FEE LETTER

[*] Confidential Treatment Requested

Amended and Restated Multi Option Facility Agreement

DATE 3 December 2003 (as amended and restated on 6 December 2005, 26 June 2008, on or about 30 October 2009, 12 May 2010, on 7 October 2010 and on or about 23 June 2011)

PARTIES

The companies specified in Annexure A

The Banks and Financial Institutions specified in Annexure B

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Definitions

Accession Deed means an agreement substantially in the form of Annexure F under which a wholly owned Subsidiary of Sims becomes a Borrower under this Agreement and each other agreement which a Lender and a Borrower agree in writing to be an Accession Deed for the purposes of this Agreement;

Additional Borrower means each wholly owned Subsidiary of Sims which becomes an Additional Borrower under this Agreement pursuant to clause 19;

Advance has the meaning given to it in Schedule 1;

Affiliate Lenders means, in relation to a Lender, each Related Company of the Lender, and **Affiliate Lender** means any one of them;

Approved Currency means AUD or any Approved Foreign Currency;

Approved Foreign Currency means USD, GBP, HKD, Euro and any other foreign currency which is approved by the relevant Lender for a Facility made available by it under this Agreement;

Approved Purpose means:

(a) for a Cash Advance Facility, to assist with the Borrower's debt funding;

(b) for a Trade Finance Facility, to assist with each Trade Borrower's import and export related trade finance requirements; and

(c) for a Hedging Facility, any purpose approved in writing from time to time by the Lender that provides that Hedging Facility;

AUD and **$** mean the lawful currency for the time being of Australia;

AUD CAF Lenders means the banks and financial institutions specified in Annexure C as the "AUD CAF Lenders", and **AUD CAF Lender** means any one of them;

AUD Cash Advance Facilities means the cash advance facilities granted to the Borrowers under clause 2.1(a);

AUD Commitment means the amount described as the "AUD Commitment" set out in a fee letter or fee letters substantially in the form set out in Annexure G delivered from time to time by the Lenders to Sims;

Australian Borrowers means:

(a) Sims;

(b) Sims Group Australia Holdings Limited (ABN 37 008 634 526); and

(c) any Additional Borrower designated as such in an Accession Deed,

and **Australian Borrower** means any one of them;

Australian Trade Borrowers means:

(a) Sims;

(b) Sims Group Australia Holdings Limited (ABN 37 008 634 526); and

(c) any Additional Borrower designated as such in an Accession Deed,

and **Australian Trade Borrower** means any one of them;

Australian Trade Facility means the trade facility granted to the Australian Trade Borrowers under clause 2.2(a) as part of the relevant Trade Finance Facility;

Availability Period means, for a Facility, the period starting on the date of this Agreement and ending on the earlier of:

(a) the Final Repayment Date; and

(b) the date on which that Facility is cancelled in full or terminated under this Agreement;

Bank means a deposit-taking institution authorised to carry on banking business under the *Banking Act 1959* (Cth) or under the laws of any Relevant Jurisdiction;

Bank Guarantee has the meaning given to it in Schedule 4;

Bank Guarantee and Standby Letter of Credit Facility means the bank guarantee and standby letter of credit facility granted to the Trade Borrowers under clause 2.2(a) as part of the Trade Finance Facility;

Base Lending Rate means the interest rate of the same name published by HSBC (Australia) from time to time in the daily metropolitan newspapers in Sydney and Melbourne, and in the Australian Financial Review;

Base Rate means:

(a) in relation to any relevant amount denominated in AUD for any relevant period:

  (i) the rate (expressed as a percentage per annum) determined by the relevant Lender to be:

    (A) the average bid rate quoted on the page designated as "BBSY" on the Reuters Monitor Money Rates Services or another page that replaces the "BBSY" page on that system to display average bid

rates for Bills accepted by a Bank, rounded up, if necessary, to the nearest four decimal places; or

(B) the average of the buying rates for Bills accepted by a Bank quoted by 3 Banks selected by the Lender, rounded up, if necessary, to the nearest four decimal places, if:

(I) the page designated as "BBSY" (or another page that replaces the "BBSY" page) on the Reuters Monitor Money Rates Services is not available for any reason; or

(II) the basis on which the rate quoted on that page is determined is changed and, in the opinion of that Lender, that rate no longer reflects its cost of funding to the same extent as it does at the date of this Agreement,

in either case:

(C) determined at or about 10:10 am on the first day of the relevant period; and

(D) for the amount and period closest to the relevant amount and period; or

(ii) if the Base Rate cannot be determined under paragraph (a)(i), the rate (expressed as a percentage per annum) determined by that Lender in good faith to be the appropriate rate and for this purpose that Lender may have regard to comparable indices then available in any market that Lender considers appropriate; or

(b) in relation to any relevant amount denominated in an Approved Foreign Currency for any relevant period, the rate (expressed as a percentage per annum) quoted by the Lender as its costs of obtaining funds in the currency of the relevant amount and for a period comparable to such period, in such interbank market or by such other means as the Lender may at its discretion select, at or about the normal time for seeking quotes for such funds two business days prior to the commencement of such period;

Borrowers means the companies specified in Annexure A and any **Additional Borrower**, and **Borrower** means any one of them;

Business Day means, unless otherwise specified, in relation to an obligation required to be performed, or any other action required to be taken, in a Relevant Jurisdiction, a day (not being a Saturday or Sunday) on which Banks are open for general banking business in that Relevant Jurisdiction;

CAF Borrowers means:

(a) the Australian Borrowers;

(b) the UK Borrowers;

(c) the US Borrowers;

(d) the German Borrowers; and

(e) any Additional Borrower designated as such in an Accession Deed,

and **CAF Borrower** means any one of them;

CAF Commitments means the AUD Commitment, the Euro Commitment, the GBP Commitment and the USD Commitment.

CAF Lenders means the AUD CAF Lenders, the Euro CAF Lenders, the GBP CAF Lenders and the USD CAF Lenders and **CAF Lender** means any one of them;

Cash Advance Facilities means the AUD Cash Advance Facilities, the Euro Cash Advance Facilities, the GBP Cash Advance Facilities and the USD Cash Advance Facilities and **Cash Advance Facility** means any one of them;

Claim means any claim, cost, damages, debt, expense, Tax, liability, loss, allegation, suit, action, demand, cause of action or proceeding of any kind irrespective of:

(a) how or when it arises;

(b) whether it is actual or contingent;

(c) whether or not it is in respect of legal or other costs, damages, expenses, fees or losses;

(d) whether or not it is in respect of a breach of trust or of a fiduciary or other duty or obligation; and

(e) whether or not it arises at law or in any other way;

Commitment means:

(a) in respect of:

  (i) the AUD Cash Advance Facilities, the AUD Commitment;

  (ii) the Euro Cash Advance Facilities, the Euro Commitment;

  (iii) the GBP Cash Advance Facilities, the GBP Commitment;

  (iv) the USD Cash Advance Facilities, the USD Commitment; and

(b) in respect of:

  (i) the Trade Finance Facilities (other than the US Trade Facility), the aggregate of the amount described as the Trade Credit Limit for the Trade Finance Facility granted by HSBC (Australia) and the amount described as the Trade Credit Limit for the Trade Finance Facility granted by HSBC (HK) as set out in a fee letter or fee letters substantially in the form set out in Annexure G delivered from time to time by the Lenders to Sims; and

  (ii) the US Trade Facility, the amount described as the Trade Credit Limit for the Trade Finance Facility granted by HSBC (UK)as set out in a fee letter or fee letters substantially in the form set out in Annexure G delivered from time to time by the Lenders to Sims,

in each case, as varied or cancelled in accordance with this Agreement. For the avoidance of doubt, the AUD Commitment for the AUD Cash Advance Facilities, the Euro Commitment for the Euro Cash Advance Facilities, the GBP Commitment for the GBP Cash Advance Facilities, the USD Commitment for the USD Cash Advance Facilities, the Commitment for the Trade Finance Facilities (other than the US Trade Facility) and the Commitment for the US Trade Facility respectively is an aggregate amount for the relevant Facilities and not an amount for each individual Facility;

Commitment Currency means, in relation to a Facility, the currency in which the Commitment for that Facility is denominated;

Commitment Fee means the percentage per annum set out in a fee letter or fee letters substantially in the form set out in Annexure G delivered from time to time by the Lenders to Sims;

Common Terms Deed means the common terms deed dated on or about 23 June 2011 between, amongst others, the Borrowers and the Lenders;

Current Bank Guarantee has the meaning given to it in Schedule 4;

Current Documentary Credit has the meaning given to it in Schedule 2 or Schedule 3 (as the context may require);

Documentary Credit has the meaning given to it in Schedule 2 or Schedule 3 (as the context may require);

entity means a legal, administrative or fiduciary arrangement, organisational structure or other party (including a person) having the capacity to deploy resources in order to achieve objectives;

Equivalent Amount means, in relation to any amount in an Approved Foreign Currency on any day, the equivalent amount in the Commitment Currency of that amount converted by the relevant Lender at the Spot Rate of exchange for the Approved Foreign Currency on that day;

Euro means the single lawful currency of a Participating Member State;

Euro CAF Lenders means the banks and financial institutions specified in Annexure C as the "Euro CAF Lenders", and **Euro CAF Lender** means any one of them;

Euro Commitment means the amount described as the "Euro Commitment" set out in a fee letter or fee letters substantially in the form set out in Annexure G delivered from time to time by the Lenders to Sims;

Euro Cash Advance Facilities means the cash advance facilities granted to the Borrowers under clause 2.1(b);

Event of Default means an event specified in clause 13.1;

Expiry Date for a Bank Guarantee, a Standby Letter of Credit or a Documentary Credit, has the meaning given to it in Schedule 2, Schedule 3 or Schedule 4, as the case may be;

Export Letter of Credit has the meaning given to it in Schedule 2;

[*]

Face Value Amount for a Bank Guarantee, a Standby Letter of Credit or a Documentary Credit, has the meaning given to it in Schedule 2, Schedule 3 or Schedule 4, as the case may be;

Facilities means each Cash Advance Facility, each Trade Finance Facility and the Hedging Facility and each facility which is part of any of those facilities, and **Facility** means any one of them;

Final Repayment Date means the earliest of:

(a) the Termination Date;

(b) the date of any notice by a Lender requiring repayment under clause 5.2 of the Common Terms Deed;

(c) the date of any request by a Lender for repayment under clause 13.2;

(d) the date of any request by a Lender for repayment under clause 6; or

(e) such later date as may be agreed by the Lenders;

Funding Date means, in respect of an advance under a Facility, the date on which that advance is or is to be made;

Funding Notice means a notice given under clause 4 which satisfies the requirements of that clause 4;

Funding Period in relation to a Facility, has the meaning given to it in the Schedule for that Facility;

GBP means the lawful currency for the time being of the United Kingdom;

GBP Commitment means the amount described as the "GBP Commitment" set out in a fee letter or fee letters substantially in the form set out in Annexure G delivered from time to time by the Lenders to Sims;

GBP CAF Lenders means the banks and financial institutions specified in Annexure C as the "GBP CAF Lenders", and **GBP CAF Lender** means any one of them;

GBP Cash Advance Facilities means the cash advance facilities granted to the Borrowers under clause 2.1(c);

German Borrowers means:

(a) Sims M+R GmbH;

(b) Sims Group German Holdings GmbH; and

(c) any Additional Borrower designated as such in an Accession Deed,

and **German Borrower** means any one of them;

Hedging Facilities means the respective hedging facilities made available by each Lender under clause 2.3;

HK Trade Borrowers means:

(a) Sims Metal Management Asia Limited (previously known as Sims Asia Holdings Limited); and

(b) any Additional Borrower designated as such in an Accession Deed,

and **HK Trade Borrower** means any one of them;

HK Trade Facility means the trade facility granted to the HK Trade Borrower under clause 2.2(b) as part of the relevant Trade Finance Facility;

HKD means the lawful currency for the time being of Hong Kong Special Administrative Region;

HSBC (Australia) means HSBC Bank Australia Limited (ABN 48 006 434 162);

HSBC (HK) means The Hongkong and Shanghai Banking Corporation Limited (ABN 65 117 925 970);

HSBC (UK) means HSBC Bank plc;

HSBC (US) means HSBC Bank USA, National Association;

Interest Payment Date in respect of a Facility has the meaning given to it in the Schedule for that Facility;

Issuance Date means, with respect to a Documentary Credit, Bank Guarantee, or Standby Letter of Credit, the date on which that Documentary Credit, Bank Guarantee or Standby Letter of Credit is or is to be issued;

Lenders means the banks and financial institutions specified in Annexure B, and **Lender** means any one of them;

Lending Office means, in relation to a Lender and a Borrower to which the Lender provides a Facility under this Agreement, the office of the Lender in the Borrower's Relevant Jurisdiction set out in Annexure B;

Margin means, for a Facility made available by a Lender under this Agreement, the Lender's Margin for that Facility as defined in the relevant Schedule;

Opening Date for a Bank Guarantee or a Standby Letter of Credit or a Documentary Credit, has the meaning given to it in Schedule 2, Schedule 3 or Schedule 4, as the case may be;

Overdue Rate means the aggregate of **[*]** and:

(a) in the case of an amount in respect of which there is a Base Rate and a Margin, the sum of the Base Rate and the Margin for that amount; and

(b) in all other cases, the Base Lending Rate;

Participating Member State means any member state of the European Communities that adopts or has adopted the euro as its lawful currency in accordance with legislation of the European Community relating to Economic and Monetary Union;

Principal Outstanding means, at any time:

(a) in respect of a Cash Advance Facility, the aggregate of all outstanding Advances denominated in the Commitment Currency for that Cash Advance Facility and the Equivalent Amount of all outstanding Advances under that Cash Advance Facility in another Approved Currency at that time; and

(b) in respect of the Trade Finance Facilities only, the aggregate of:

  (i) the total Face Value Amount of all Current Documentary Credits, Current Bank Guarantees and Current Standby Letters of Credit denominated in AUD and the Equivalent Amount of the total Face Value all Current Documentary Credits, Current Bank Guarantees and Current Standby Letters of Credit denominated in another Approved Currency at that time; and

  (ii) all outstanding Trade Advances denominated in AUD and the Equivalent Amount of all outstanding Trade Advances in another Approved Currency at that time;

Related Company means, in relation to a company, any other company of which the first mentioned company is the Holding Company, a Subsidiary or a Subsidiary of the Holding Company of such other company;

Related Party means, in relation to an entity, a party which is directly, or indirectly through one or more intermediaries, controlled by such entity, where "control" has the meaning given to it in Accounting Standard AASB 124: Related Party Disclosures;

Relevant Borrowers means, in respect of a Lender, the Borrowers to which the Lender provides a Facility under this Agreement;

Relevant Jurisdictions means Australia, the United States of America, the United Kingdom, Germany and any other jurisdiction in which a Transaction Party is incorporated, and **Relevant Jurisdiction** means any one of them;

Repayment Date in respect of a Facility, has the meaning given to it in the Schedule for that Facility;

Spot Rate means the best rate reasonably obtainable by the relevant Lender in accordance with its usual practice and in the interbank market selected by it for the purchase of one currency with another at or about 11:00 am on the day such exchange rate is to apply and in the case of a Funding Period the rate so obtainable on the first day of that Funding Period;

Standby Letter of Credit has the meaning given to it in Schedule 4;

Termination Date means the date described as the "Termination Date" as set out in a fee letter substantially in the form set out in Annexure G delivered from time to time by the Lenders to Sims or such later date as may be agreed by the Lenders (in their sole and absolute discretion) under clause 9;

Trade Advance for a Trade Facility, has the same meaning given to it in Schedule 2;

Trade Borrowers means the Australian Trade Borrowers, the HK Trade Borrowers and the US Trade Borrowers and **Trade Borrower** means any one of them;

Trade Credit Limit means, for a Trade Finance Facility, the amount described as such as set out in a fee letter or fee letters substantially in the form set out in Annexure G delivered from time to time by the Lenders to Sims in each case, as varied or cancelled in accordance with this Agreement or as varied from time to time with the prior written consent of HSBC (Australia), HSBC (HK) and HSBC (UK);

Trade Facilities means the trade facilities granted to the Australian Trade Borrowers, the HK Trade Borrower and the US Trade Borrower under clause 2.2(a), clause 2.2(b) and clause 2.2(c) (respectively) as part of the relevant Trade Finance Facility, and **Trade Facility** means any one of them;

Trade Finance Facilities means:

(a) in respect of HSBC (Australia), the Trade Facilities and the Bank Guarantee and Standby Letter of Credit Facility granted by HSBC (Australia) under clause 2.2(a);

(b) in respect of HSBC (HK), the Trade Facility granted by HSBC (HK) under clause 2.2(b); and

(c) in respect of HSBC (UK), the Trade Facility granted by HSBC (UK) under clause 2.2(c),

and **Trade Finance Facility** means any one of them;

Trade Lenders means HSBC (Australia), HSBC (HK) and HSBC (UK) and **Trade Lender** means any of them;

Transaction Documents means:

(a) this Agreement;

(b) the Common Terms Deed;

(c) each Hedging Agreement made with a Lender;

(d) each "Transaction Document" of a Lender, as defined in the Common Terms Deed;

(e) each document which a Lender and a Borrower agree in writing is a Transaction Document for the purposes of this Agreement; and

(f) each document entered into or provided under any of the documents described in paragraphs (a), (b), (c), (d) or (e) or for the purpose of amending or novating any of those documents, including any Bank Guarantee, Documentary Credit or Export Letter of Credit,

and **Transaction Document** means any of them and, when used in relation to a Transaction Party, means any of those documents to which that Transaction Party is a party;

UCP has the meaning given to it in Schedule 2 or Schedule 3 (as the context may require);

UK Borrowers means:

(a) Sims Group UK Holdings Limited;

(b) Sims Group UK Limited;

(c) Mirec B.V.;

(d) Sims Metal Management Asia Limited; and

(e) any Additional Borrower designated as such in an Accession Deed,

and **UK Borrower** means any one of them;

Undrawn Commitment means, at any time the Commitment less the Principal Outstanding;

USD means the lawful currency for the time being of the United States of America;

USD CAF Lenders means the banks and financial institutions specified in Annexure C as the "USD CAF Lenders", and **USD CAF Lender** means any one of them;

USD Cash Advance Facilities means the cash advance facilities granted to the Borrowers under clause 2.1(d);

USD Commitment means the aggregate of the amounts described as the USD Commitment, as set out in a fee letter or fee letters substantially in the form set out in Annexure G delivered from time to time by the Lenders to Sims;

USD Equivalent means, in relation to any amount in an Approved Currency on any day, the equivalent amount in USD of that amount converted by the relevant Lender at the Spot Rate of exchange for the Approved Currency on that day;

US Borrowers means:

(a) Sims Group USA Corporation;

(b) Metal Dynamics Detroit LLC;

(c) Metal Management Alabama, Inc.;

(d) Metal Management Arizona, L.L.C.;

(e) SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.);

(f) Metal Management Memphis, L.L.C.;

(g) Metal Management Midwest, Inc.;

(h) Metal Management Mississippi, Inc.;

(i) Metal Management Northeast, Inc.;

(j) Metal Management Ohio, Inc.;

(k) Metal Management West, Inc.;

(l) Metal Management, Inc.;

(m) Proler Southwest LP;

(n) Sims Recycling Solutions Holdings Inc. (formerly Sims Recycling Solutions, Inc.);

(o) Sims Recycling Solutions, Inc. (formerly United Refining & Smelting Co); and

(p) any Additional Borrower designated as such in an Accession Deed,

and **US Borrower** means any one of them;

US Trade Borrowers means:

(a) Sims Group Global Trade Corporation; and

(b) any Additional Borrower designated as such in an Accession Deed,

and **US Trade Borrower** means any one of them; and

US Trade Facility means the trade facilities granted to the US Trade Borrower under clause 2.2(c) as part of the relevant Trade Finance Facility.

1.2 Interpretation

(a) In this Agreement, unless the context requires another meaning, a reference:

(i) to the singular includes the plural and vice versa;

(ii) to a gender includes all genders;

(iii) to a document (including this Agreement) is a reference to that document (including any Schedules and Annexures) as amended, consolidated, supplemented, novated or replaced;

(iv) to an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;

(v) to a party means a party to this Agreement;

(vi) to an item, Recital, clause, section, Schedule or Annexure is to an item, Recital, clause, section, Schedule or Annexure of or to this Agreement;

(vii) to a notice means a notice, approval, demand, request, nomination or other communication given by one party to another under or in connection with a Transaction Document;

(viii) to a person (including a party) includes:

(A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or Government Agency;

(B) the person's successors, permitted assigns, substitutes, executors and administrators; and

(C) a reference to the representative member of the GST group to which the person belongs to the extent that the representative member has assumed rights, entitlements, benefits, obligations and liabilities which would remain with the person if the person were not a member of a GST group;

(ix) to a statute is to a statute of Australia, unless otherwise specified;

(x) to a law:

(A) includes a reference to any legislation, treaty, judgment, rule of common law or equity or rule of any applicable stock exchange in any Relevant Jurisdiction; and

(B) is a reference to that law as amended, consolidated, supplemented or replaced;

(C) includes a reference to any regulation, rule, statutory instrument, by-law or other subordinate legislation in any Relevant Jurisdiction; and

(D) of Australia in a Transaction Document, extends, in relation to a party to the Transaction Document incorporated in another jurisdiction, to any equivalent law of the jurisdiction where that party is incorporated;

(xi) to proceedings includes litigation, arbitration and investigation;

(xii) to a judgment includes an order, injunction, decree, determination or award of any court or tribunal;

(xiii) to time in relation to an obligation required to be performed, or any other action required to be taken, in a Relevant Jurisdiction is to the time in that Relevant Jurisdiction;

(xiv) to the words "including" or "includes" means "including but not limited to" or "includes without limitation"; and

(xv) to drawing, endorsement, acceptance or other dealing in respect of a Bill is a reference to drawing, endorsement, acceptance or other dealing within the meaning of the *Bills of Exchange Act 1909* (Cth) or any equivalent legislation in a Relevant Jurisdiction.

(b) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.

(c) Headings are for convenience only and do not affect interpretation of this Agreement.

(d) This Agreement may not be interpreted adversely to a party only because that party was responsible for preparing it.

1.3 Incorporated definitions

A term defined in the Common Terms Deed has the same meaning when used in this Agreement, unless defined to have a different meaning in this Agreement.

1.4 Incorporated provisions

Clauses 1.7, 9, 15.2 and 16 of the Common Terms Deed apply to this Agreement as if set out in full in this Agreement and as if references in those clauses to "this deed" were to "this Agreement".

1.5 Joint and several liability

(a) Each agreement, warranty, representation or obligation made, given or incurred by a Borrower binds all Borrowers in this Agreement jointly and each of them severally.

(b) Each Lender may enforce its rights under this Agreement and proceed against any one or more Borrowers in the manner, order and at the times the Lender determines in its absolute discretion. A Lender is not required to enforce its rights or proceed against all Borrowers.

(c) A notice given by a Lender to Sims or to any one Borrower with a copy to Sims is to be considered to have been given to all Borrowers.

2. THE FACILITIES

2.1 Cash Advance Facilities

(a) Each of the AUD CAF Lenders grants to each of the CAF Borrowers a cash advance facility under which each CAF Borrower may obtain Advances in an Approved Currency, on the terms and conditions set out in this Agreement, including those in Schedule 1.

(b) Each of the Euro CAF Lenders grants to each of the CAF Borrowers a cash advance facility under which each CAF Borrower may obtain Advances in an Approved Currency, on the terms and conditions set out in this Agreement, including those in Schedule 1.

(c) Each of the GBP CAF Lenders grants to each of the CAF Borrowers a cash advance facility under which each CAF Borrower may obtain Advances in an Approved Currency, on the terms and conditions set out in this Agreement, including those in Schedule 1.

(d) Each of the USD CAF Lenders grants to each of the CAF Borrowers a cash advance facility under which each CAF Borrower may obtain Advances in an Approved Currency, on the terms and conditions set out in this Agreement, including those in Schedule 1.

(e) A CAF Lender is not obliged to provide financial accommodation to a CAF Borrower if, as a result of providing that financial accommodation:

(i) the Principal Outstanding under the AUD Cash Advance Facilities provided by all AUD CAF Lenders would exceed the AUD Commitment;

(ii) the Principal Outstanding under the Euro Cash Advance Facilities provided by all Euro CAF Lenders would exceed the Euro Commitment;

(iii) the Principal Outstanding under the GBP Cash Advance Facilities provided by all GBP CAF Lenders would exceed the GBP Commitment; or

(iv) the Principal Outstanding under the USD Cash Advance Facilities provided by all USD CAF Lenders would exceed the USD Commitment.

2.2 Trade Finance Facility

(a) HSBC (Australia) grants to the Australian Trade Borrowers a Trade Finance Facility under which:

(i) an Australian Trade Borrower may utilise any one or more of the Trade Facilities on the terms and conditions set out in this Agreement, including those in Schedule 2; and

(ii) an Australian Trade Borrower may obtain Bank Guarantees and Standby Letters of Credit issued by HSBC (Australia) on the terms and conditions set out in this Agreement, including those in Schedule 4.

(b) HSBC (HK) grants to the HK Trade Borrowers a Trade Finance Facility under which a HK Trade Borrower may utilise any one or more of the Trade Facilities on the terms and conditions set out in this Agreement, including those in Schedule 2.

(c) HSBC (UK) grants to the US Trade Borrowers a Trade Finance Facility under which a US Trade Borrower may utilise any one or more of the Trade Facilities on the terms and conditions set out in this Agreement, including those in Schedule 3.

(d) A Trade Lender is not obliged to provide financial accommodation to a Trade Borrower if, as a result of providing that financial accommodation:

(i) the Principal Outstanding under the Trade Finance Facility provided by that Trade Lender would exceed the Trade Credit Limit corresponding to that Trade Lender; or

(ii) the Principal Outstanding under the Trade Finance Facility provided by each Trade Lender would exceed the Commitment corresponding to the Trade Finance Facilities.

2.3 Hedging Facility

(a) HSBC (Australia) agrees to provide a hedging facility to the Australian Borrowers on the terms of Schedule 5.

(b) HSBC (HK) agrees to provide a hedging facility to the HK Trade Borrowers on the terms of Schedule 5.

(c) HSBC (UK) agrees to provide a hedging facility to the UK Borrowers on the terms of Schedule 5.

(d) HSBC (US) agrees to provide a hedging facility to the US Borrowers on the terms of Schedule 5.

2.4 Purpose

(a) A Borrower must only utilise a Facility for an Approved Purpose of that Facility.

(b) Each Lender is not bound to enquire as to the application by a Borrower of any utilisation of a Facility and has no responsibility for that application.

2.5 Cancellation of Undrawn Commitment

For a Facility granted by a Lender under clause 2.1 or clause 2.2:

(a) the Undrawn Commitment is cancelled at 5:00 pm on the last day of the Availability Period;

(b) Sims may cancel all or part of the Undrawn Commitment at any time during the Availability Period if:

(i) HSBC (Australia) receives prior written notice specifying the proposed date and amount of the cancellation and the Facility to which the cancellation will apply; and

(ii) in the case of a partial cancellation of the Undrawn Commitment:

(A) for the AUD Cash Advance Facility or the Trade Finance Facility denominated in AUD, it is at least $250,000 and a whole multiple of $100,000 unless HSBC (Australia) agrees otherwise; and

(B) for any other Facility, it must comply with the minimum denominations set out in section 3 of Schedule 1;

(c) a written notice of cancellation given under clause 2.5(b) must be signed by an Authorised Officer of Sims giving the notice and is irrevocable once given;

(d) the Undrawn Commitment is cancelled, and the Commitment in respect of the applicable Facility is reduced, with effect from the proposed date of cancellation specified in a notice of cancellation under clause 2.5(b) by an amount equal to the amount specified in the notice of cancellation;

(e) the Borrowers must pay to the Lender all fees, expenses and other amounts accrued (whether or not yet payable) under the Transaction Documents up to the date of cancellation specified in a notice of cancellation under clause 2.5(b) on or before the date of cancellation; and

(f) any cancellation of all or part of the Undrawn Commitment proposed in a notice of cancellation under clause 2.5(b) and which is to take effect after the Lender has received a request for financial accommodation will be reduced to the extent necessary to ensure that, after providing the requested financial accommodation, the Principal Outstanding will not exceed the Commitment.

3. CONDITIONS PRECEDENT

3.1 Conditions precedent to initial funding

No Lender is obliged to make the first funding available under this Agreement unless HSBC (Australia) confirms in writing that each of the following conditions precedent is satisfied or waived by all Lenders:

(a) HSBC (Australia) has received the following documents in form and substance satisfactory to it:

(i) a verification certificate substantially in the form of Schedule 2 to the Common Terms Deed providing the details and attachments specified in that Schedule for each Transaction Party, which is dated not more than 5 days before the date of HSBC (Australia)'s confirmation;

(ii) each original power of attorney under which a Transaction Document has been or will be executed by a Transaction Party;

(iii) duly executed counterparts of each Transaction Document;

(iv) certified copies of all documents evidencing that:

(A) all Authorisations necessary or desirable for the entry into, or the performance of, the Transaction Documents by each Transaction Party have been obtained;

(B) all necessary filings, registrations or other formalities have been completed;

(C) all Taxes (other than Excluded Taxes) and other fees have been paid, or sufficient funds have been provided to the Lender for the payment of all Taxes (other than Excluded Taxes) and other fees, to ensure that the Transaction Documents are valid, binding and enforceable;

(v) any other documents, assurances, opinions and information that HSBC (Australia) requires.

3.2 Benefit of conditions precedent

The conditions precedent in clause 3.1 are for the benefit of each Lender only and may only be waived by all Lenders. If satisfaction of any condition precedent or condition subsequent is waived on condition that a Borrower satisfy that or any other requirement at or before a particular time, that Borrower must comply with that condition.

4. FUNDING

4.1 Funding Notice

(a) A Lender is not obliged to make a Facility available for utilisation by a Relevant Borrower unless:

(i) a Funding Notice which satisfies the requirements of clause 4.1(b) has been delivered to the Lending Office of HSBC (Australia) and the Lending Office of the Lender no later than 11:00 am:

(A) in respect of the Trade Finance Facilities, on the proposed Issuance Date or Funding Date, as the case may be; and

(B) in respect of amounts to be made available by HSBC (Australia), HSBC (UK), HSBC (US) or HSBC (HK), 2 Business Days before the proposed Funding Date,

or at a later time agreed in writing by the relevant Lender;

(ii) all conditions precedent to utilisation of that Facility, including those set out in clause 3.1, have been satisfied; and

(iii) as at the date of the Funding Notice and the proposed Funding Date or Issuance Date, as applicable:

(A) all representations and warranties made by that Relevant Borrower and each other Transaction Party in, or in connection with, a Transaction Document are true and not misleading, by omission or in any other way; and

(B) no Default has occurred which has not been remedied or waived by all Lenders or would result from the proposed utilisation of that Facility.

(b) Each Funding Notice must:

(i) be in legible writing and:

(A) in the case of a Cash Advance Facility and the Bank Guarantee and Standby Letter of Credit Facility, substantially in the form of Annexure D and must specify the matters set out in that Annexure; and

(B) in the case of any Trade Facilities to be provided by a Trade Lender, be in such form and include such application forms, authorities and documents which that Trade Lender requires;

(ii) be signed by an Authorised Officer of the Relevant Borrower; and

(iii) specify the Funding Date or Issuance Date, as applicable, which must be a Business Day during the Availability Period for that Facility.

(c) Each Funding Notice:

(i) constitutes a representation and warranty by the Borrower under this Agreement that no Default has occurred which has not been remedied or waived by all Lenders or will occur as a result of the proposed utilisation of the Facility; and

(ii) once given is irrevocable.

4.2 Limitations on Funding Notices

A Relevant Borrower must not give a Funding Notice to a Lender and the Lender is not obliged to provide any financial accommodation requested by that Relevant Borrower under a Facility granted by the Lender to the Relevant Borrowers if, as a result of the Lender providing the financial accommodation requested in the Funding Notice:

(a) in respect of the AUD Cash Advance Facilities, the Principal Outstanding under the AUD Cash Advance Facilities would exceed the AUD Commitment;

(b) in respect of the Euro Cash Advance Facilities, the Principal Outstanding under the Euro Cash Advance Facilities would exceed the Euro Commitment;

(c) in respect of the GBP Cash Advance Facilities, the Principal Outstanding under the GBP Cash Advance Facilities would exceed the GBP Commitment;

(d) in respect of the USD Cash Advance Facilities, the Principal Outstanding under the USD Cash Advance Facilities would exceed the USD Commitment; or

(e) in respect of a Trade Finance Facility, the Principal Outstanding under the Trade Finance Facility would exceed the Trade Credit Limit corresponding to the relevant provider of that Trade Finance Facility.

5. REPAYMENT

5.1 Repayment

(a) Each Borrower must pay in full the Outstanding Moneys by it to the Lenders on the Final Repayment Date.

(b) On the Final Repayment Date, each Trade Borrower must pay to:

(i) HSBC (Australia) (in respect of a Trade Finance Facility provided by HSBC (Australia)) an amount equal to the aggregate of the total Face Value Amount of all Current Bank Guarantees, Current Standby Letters of Credit and Current Documentary Credits denominated in AUD and the Equivalent Amount of the total Face Value Amount of all Current Bank Guarantees, Current Standby Letters of Credit and Current Documentary Credits denominated in another Approved Currency, which in each case have been drawn by that Trade Borrower and which correspond to HSBC (Australia) as the relevant provider of that Trade Finance Facility. Such amount will be dealt with by HSBC (Australia) in accordance with clause 13.3;

(ii) HSBC (HK) (in respect of a Trade Finance Facility provided by HSBC (HK)) an amount equal to the aggregate of the total Face Value Amount of all Current Documentary Credits denominated in AUD and the Equivalent Amount of the total Face Value Amount of all Current Documentary Credits denominated in another Approved Currency, which have been drawn by that Trade Borrower and which correspond to HSBC (HK) as the relevant provider of that Trade Finance Facility. Such amount will be dealt with by HSBC (HK) in accordance with clause 13.3; and

(iii) HSBC (UK) (in respect of a Trade Finance Facility provided by HSBC (UK)) an amount equal to the aggregate of the total Face Value Amount of all Current Documentary Credits denominated in USD and the USD

Equivalent of the total Face Value Amount of all Current Documentary Credits denominated in another Approved Currency, which have been drawn by that Trade Borrower and which correspond to HSBC (UK) as the relevant provider of that Trade Finance Facility. Such amount will be dealt with by HSBC (UK) in accordance with clause 13.3.

6. COMMITMENT EXCEEDED

6.1 Excess of limit

If a Lender determines in good faith that the Principal Outstanding under a Cash Advance Facility or a Trade Finance Facility exceeds the limit of that Facility, Sims and the Relevant Borrowers must take remedial measures to the Lender's satisfaction with respect to the excess as soon as possible, and in any event no later than 10 Business Days after being demanded to do so by the Lender.

6.2 Cash cover

(a) If at any time the Principal Outstanding under a Cash Advance Facility exceeds 105% of the Commitment for that Cash Advance Facility, Sims shall deposit into the account held by Sims with HSBC (Australia) (the "Margin Account") the amount of the currency certified by HSBC (Australia) as being required to ensure that the Principal Outstanding under that Cash Advance Facility at that time less the amount standing to the credit of the Margin Account will not exceed the Commitment for that Cash Advance Facility.

(b) If, in respect of a Trade Finance Facility, and at any time, the Principal Outstanding under that Trade Finance Facility exceeds 105% of the Trade Credit Limit corresponding to the provider of that Trade Finance Facility, Sims shall deposit into the Margin Account the amount of the currency certified by HSBC (Australia) as being required to ensure that the Principal Outstanding under that Trade Finance Facility at that time less the amount standing to the credit of the Margin Account will not exceed the Trade Credit Limit corresponding to the provider of that Trade Finance Facility.

(c) Sims may demand or require repayments or withdrawals of any amounts standing to the credit of the Margin Account and HSBC (Australia) will comply with any such demand or requirement from Sims only to the extent or amount that:

(i) in respect of a Cash Advance Facility, the Commitment under that Cash Advance Facility exceeds the Principal Outstanding under that Cash Advance Facility at that time plus the amount (including interest) standing to the credit of the Margin Account; and

(ii) in respect of a Trade Finance Facility, the Trade Credit Limit corresponding to the provider of that Trade Finance Facility exceeds the Principal Outstanding under that Trade Finance Facility at that time plus the amount (including interest) standing to the credit of the Margin Account,

at the relevant time.

(d) Other than as permitted by clause 6.2(c), Sims may not demand or require repayments or withdrawals of any amounts standing to the credit in the Margin Account and HSBC (Australia) will not be required to comply with such demand or requirement unless and until all moneys, liabilities and obligations due or owing to HSBC (Australia) under the Facilities have been paid and satisfied in full.

(e) HSBC (Australia) shall pay interest on the amounts standing to the credit of the Margin Account. Interest shall be calculated daily and be payable monthly in arrears. The applicable interest rate shall be the rate quoted in good faith by HSBC (Australia) as the rate at which it would accept 24 hour call deposits of a similar amount and in the same currency or currencies as the credit balance in the Margin Account.

7. UNLAWFULNESS

7.1 Unlawfulness

Without limitation to and in addition to clause 10.2 of the Common Terms Deed, following delivery of a notice under clause 10.2(a) of the Common Terms Deed, if a Trade Lender is not able to provide a Documentary Credit, Bank Guarantee or Standby Letter of Credit requested by a Trade Borrower, that Trade Lender and the Trade Borrower shall negotiate in good faith with a view to agreeing an alternative basis on which the requested accommodation may be provided by that Trade Lender to the Trade Borrower.

8. MARKET DISTURBANCE AND REVIEW OF FACILITIES

8.1 Disturbance Notice

A Lender may give a notice in respect of a Cash Advance Facility it provides (a ***Disturbance Notice***) to Sims at any time (***Disturbance Notice Date***) if the Lender forms the view that market conditions in the relevant financial market for the currency concerned are seriously disturbed, including without limitation as a result of the conditions described in this clause 8 (***Market Disturbance***).

8.2 Market Disturbance Premium

If a Lender gives a Disturbance Notice as a result of circumstances where, in the Lender's opinion:

(a) adequate and fair means are not available for fixing the Base Rate in respect of AUD or any Approved Foreign Currency, or

(b) the cost to the Lender of obtaining deposits in the relevant financial market or other funds to fund an Advance exceeds the Base Rate,

the Lender will, in the Disturbance Notice, notify Sims of the rate at which the Lender (acting commercially and in good faith) will charge a premium to be added to the Base Rate in respect of Funding Periods for each Advance which commences on or after the Disturbance Notice Date, which rate will be the rate that reflects the Lender's cost of funding the advances from whatever sources it may reasonably select. The rate must be expressed as a percentage rate per annum and be rounded up to the nearest fourth decimal place (***Market Disturbance Premium***).

At the beginning of each calendar quarter that commences after the Disturbance Notice Date, the Lender may amend the Market Disturbance Premium that applies to new Advances advanced on or after the beginning of that calendar quarter or, in the case of existing Advances, to new Funding Periods commencing on or after the beginning of that calendar quarter.

Portions of the Market Disturbance Premium may differ for each Funding Period for an Advance and also according to which currency that Advance may be made. Despite this, the relevant Lender need not inform any Transaction Party which portions of the Market

Disturbance Premium relate to particular Advances, particular Funding Periods for an Advance, particular currencies for an Advance or any other factor when notifying Sims of that Market Disturbance Premium for the Cash Advance Facility. The Lender is not required to give Sims calculations showing how the Market Disruption Premium has been ascertained, nor is the Lender required to provide details of its business or tax affairs.

Sims agrees to pay the Market Disturbance Premium on all Advances and in respect of each Funding Period for those Advances on the relevant Interest Payment Dates during a Funding Period for that Advance provided that the Market Disturbance Premium that is to apply is advised to Sims prior to the drawdown for that Advance or the commencement of a new Funding Period.

The relevant Lender will promptly notify Sims once it determines the circumstances requiring a Market Disturbance Premium have ceased to exist. From the time of such notice, no Market Disturbance Premium for new Advances or new Funding Periods will be payable unless a further Disturbance Notice is delivered to Sims.

8.3 Alternative Arrangements

If a Lender gives a Disturbance Notice as a result of circumstances where, in the Lender's opinion:

(a) because of national or international financial, political or economic circumstances or exchange rates or exchange controls it is impractical for it to fund or continue to fund an Advance for the Funding Period; or

(b) deposits in the currency concerned are not available in the ordinary course of business to the Lender in the relevant financial market, and the Disturbance Notice relates to an Advance which has not been made,

then the Lender's obligations to make the Advance shall be suspended while it and Sims negotiate alternative arrangements. If they reach agreement within 30 days, those alternative arrangements will apply. If they do not reach agreement within that period, the Lender will be released from its obligations to make the Advance.

8.4 Alternative Basis

If the Disturbance Notice given under clause 8.3 relates to an Advance which has been made, the Lender will maintain the Advance, and will within 30 days after giving the Disturbance Notice notify Sims of an alternative basis (***Alternative Basis***) for maintaining the Advance.

Sims will comply with the Alternative Basis. The Lender and Sims will consult monthly while the Alternative Basis is in force, and if the circumstances which justified the establishment of the Alternative Basis cease to apply, the Lender will revoke the Alternative Basis as promptly as practicable.

An Alternative Basis may include, in the Lender's absolute discretion:

(a) alternative currencies;

(b) alternative Funding Periods; or

(c) alternative methods of fixing the interest rate.

8.5 Terms of fee letters

(a) Subject to clause 8.5(b) and (d), notwithstanding any other provision of a Transaction Document, the Commitment, Margin, pricing, fees, costs and other matters set out in the fee letter or fee letters agreed between the Lenders and

Sims on or about the date of the Common Terms Deed shall apply at all times until the Termination Date unless Sims otherwise requests and the Lenders (in their sole and absolute discretion) agree to change that Commitment, Margin, pricing, fees, costs and other matters.

(b) Subject to clause 8.5(c), if, on the third anniversary of the date of the Common Terms Deed, the Termination Date has not been extended pursuant to clause 9 and market conditions and/or market pricing have materially changed when compared to the market conditions and/or market pricing that applied on the date of the Common Terms Deed, the Lenders (in their sole and absolute discretion) and Sims may enter into discussions to renegotiate the Commitment, Margin, pricing, fees, costs and other matters set out in the fee letter or fee letters agreed between the Lenders and Sims on or about the date of the Common Terms Deed and agree to amend those terms and extend the term of the Facilities.

(c) The Lenders are under no obligation whatsoever to enter into the discussions described in clause 8.5(b) with Sims.

(d) At any time, Sims may request to amend the Commitment, Margin, pricing, fees, costs or other matters set out in the most recent fee letter or fee letters agreed between the Lenders and Sims, which the Lenders (in their sole and absolute discretion) may agree. If the Lenders agree to amend the most recent fee letter or fee letters agreed between the Lenders and Sims, the Lenders may deliver to Sims a replacement fee letter or fee letters (as applicable) in substantially the form set out in Annexure G (**New Fee Letter**) amending the terms in the most recent fee letter or fee letters agreed between the Lenders and Sims as requested by Sims. Each New Fee Letter shall set out the proposed changes to the Commitment, Margin, pricing, fees, costs or other matters that will apply to the Facilities. The New Fee Letter will be effective on the date that Sims signs and returns the New Fee Letter to the Lenders.

9. EXTENSION OF TERMINATION DATE

(a) Sims may, by notice in writing to the Lenders at least 20 Business Days prior to the anniversary of the date of the Common Terms Deed (**Anniversary Date**), request an extension of the Termination Date by a further 12 months.

(b) Following receipt of a request from Sims under clause 9(a), the Lenders shall, prior to the Anniversary Date, notify Sims if they agree (in their sole and absolute discretion) to an extension of the Termination Date by a further 12 months.

(c) If the Lenders agree to an extension of the Termination Date under clause 9(b):

(i) the Termination Date in any fee letter will be deemed on and from the Anniversary Date to be extended by 12 months; and

(ii) **[*]**.

(d) There may be no more than two extensions made pursuant to this clause 9, unless the Lenders otherwise agree (in their sole and absolute discretion).

[*] Confidential Treatment Requested

10. COMMITMENT FEE

10.1 Commitment Fee

The Borrowers must pay HSBC (Australia) (for the account of the Lenders) a non refundable Commitment Fee on the Undrawn Commitment for each CAF Commitment. The Commitment Fee:

(a) accrues from day to day;

(b) is calculated from and including the date of this Agreement to and including the last day of the Availability Period on the actual number of days elapsed and a 365 day year in respect of the AUD Commitment and GBP Commitment and a 360 day year in respect of any other CAF Commitment;

(c) must be paid to HSBC (Australia) (for the account of the Lenders) quarterly in arrears on or before the date specified by HSBC (Australia) in the relevant invoice for that Commitment Fee issued by HSBC (Australia) after the end of the quarter corresponding to that Commitment Fee (being a quarter ending on 31 March, 30 June, 30 September and 31 December, as the case may be); and

(d) is payable in the Commitment Currency for each CAF Commitment.

11. REPRESENTATIONS AND WARRANTIES

11.1 General Representations and warranties by each Borrower

Each Borrower makes the representations and warranties contained in clause 3 of the Common Terms Deed to each Lender in respect of itself and on behalf of each other Transaction Party (except where the representation and warranty is expressed to apply to Sims only in which case Sims gives the relevant representation and warranty), as if those representations and warranties were set out in full in this clause 11.1.

11.2 Continuing representations and warranties

The representations and warranties given under this Agreement, including those in this clause 11, survive the execution of each Transaction Document and are repeated on each date representations and warranties are repeated under clause 3.2(b) of the Common Terms Deed with respect to the facts and circumstances then subsisting.

11.3 Acknowledgment of reliance

Each Borrower acknowledges that each Lender has entered into each Transaction Document in reliance on the representations and warranties given under this Agreement.

11.4 Additional representations and warranties

The representations and warranties given under this Agreement are in addition to any other representations and warranties in any other Transaction Document.

12. UNDERTAKINGS

12.1 Undertakings

Unless all Lenders otherwise agree in writing, each Borrower undertakes, and undertakes to ensure that each other Transaction Party will (to the extent that the undertaking applies to a Transaction Party), comply with clause 4 of the Common Terms Deed (except where

the undertaking is expressed to apply to Sims only in which case Sims gives the relevant undertaking) and with the following undertaking:

(a) (**notice to Lenders**) it will give notice to the Lenders as soon as it becomes aware of the same of:

(i) any change in its Authorised Officers, giving specimen signatures of any new Authorised Officer so appointed and any major change in management or other personnel which may have a significant impact on the conduct of the business of any Transaction Party.

13. EVENTS OF DEFAULT

13.1 Events of Default

An Event of Default occurs if an "Event of Default" as defined in the Common Terms Deed occurs.

13.2 Consequences of default

(a) Clauses 5.2 to 5.4 (inclusive) of the Common Terms Deed apply to this Agreement as if set out in full in this Agreement and as if references in those clauses to "this deed" were to "this Agreement".

(b) In addition to and without limitation to clauses 5.2 to 5.4 (inclusive) of the Common Terms Deed, if an Event of Default occurs, HSBC (Australia) (on behalf of the Lenders) may by notice to Sims (on behalf of all the Transaction Parties) require the Borrower to pay to the relevant Lender an amount equal to the aggregate of the total Face Value Amount of all Current Bank Guarantees, Current Standby Letters of Credit and Current Documentary Credits denominated in AUD and the Equivalent Amount of the total Face Value Amount of all Current Bank Guarantees, Current Standby Letters of Credit and Current Documentary Credits denominated in an Approved Currency.

This declaration may be given alone or with any or all of the declarations under clauses 5.2(a)(1) and (2) of the Common Terms Deed.

(c) A notice given under clause 13.2(b) is effective on receipt.

(d) If HSBC (Australia) (on behalf of the Lenders) gives a notice under clause 13.2(b), the Borrower must immediately pay to each relevant Lender the Outstanding Moneys by the Borrower to that Lender in full.

13.3 Cash Cover

(a) Each Lender must hold by way of cash cover any money paid to it under clause 5.1(b) and clause 13.2(d) in respect of the contingent liability under any Current Bank Guarantee, Current Standby Letter of Credit and Current Documentary Credit.

(b) After applying the money held by it by way of cash cover under clause 13.3(a) in or towards satisfaction of the contingent liabilities referred to in that clause, a Lender may set-off against any remaining balance any amount due and owing to it under or in connection with this Agreement.

(c) A Lender may give notice to Sims requiring it to pay additional money by way of cash cover to that Lender so that, in its good faith opinion, the total amount paid is equal to that Lender's total maximum liability under all Current Bank Guarantees,

Current Standby Letters of Credit and Current Documentary Credits. Any further payments must be on the same terms as the original payment.

(d) Each Lender will pay interest to Sims on the balance of any amount paid to it by Sims under clause 13.2(a) or clause 13.3(c) after applying money held by way of cash cover toward satisfaction of contingent liabilities under clause 13.3(a) at the rate payable by that Lender from time to time to its customers on similar amounts until the date determined in accordance with clause 13.3(e).

(e) The remaining balance (including interest) of the amounts paid by Sims under clause 13.2(d) and clause 13.3(c) will be repaid to Sims on:

(i) the expiry or cancellation of all Current Bank Guarantees, Current Standby Letters of Credit and Current Documentary Credits; and

(ii) the payment in full of all money which the Transaction Parties are liable or may become actually or contingently liability to pay to the Lenders under or in connection with this Agreement.

13.4 Technical Event of Default

In addition to and without limitation to clause 5.2(c) of the Common Terms Deed, any notice given by HSBC (Australia) (on behalf of the Lenders) pursuant to clause 13.2(b) shall be of no effect if the circumstances described in clauses 5.2(c)(1) and 5.2(c)(2) of the Common Terms Deed apply.

14. INTEREST ON OVERDUE AMOUNTS

14.1 Default interest

(a) In respect of any amount due and payable by a Borrower to a Lender under a Transaction Document but unpaid (including interest payable under this clause 14.1), that Borrower must pay interest on that amount to the Lender on demand.

(b) Interest under clause 14.1(a):

(i) accrues on each unpaid amount from and including the due date for payment to the date of actual payment at the Overdue Rate calculated with reference to successive periods of a length selected by the Lender or, if no selection is made, of quarterly intervals, starting on the due date for payment;

(ii) accrues from day to day;

(iii) is calculated on the basis of the actual number of days elapsed (including the first day but excluding the last) and, if the unpaid amount is in USD or Euro, a 360 day year or, if the unpaid amount is in any other Approved Currency, a 365 day year; and

(iv) may be compounded by the relevant Lender at intervals selected by that Lender or, if no selection is made, at quarterly intervals.

14.2 Additional interest

If a liability of a Borrower to a Lender under a Transaction Document becomes merged in a judgment, that Borrower must, as an independent obligation, pay interest on the amount of that liability to the Lender. Interest on the amount of that liability will accrue from the date

the amount becomes due until the date the amount is paid, both before and after judgment, at the rate which is the higher of:

(a) the rate payable under the judgment; and

(b) the rate referred to in clause 14.1(b).

15. INDEMNITIES

15.1 General indemnity

(a) Each Borrower unconditionally and irrevocably indemnifies each Lender against any Claim suffered or incurred or payable by the Lender arising directly or indirectly as a result of in the case of HSBC (Australia), any amount paid by HSBC (Australia) to HSBC (UK), HSBC (US) or HSBC (HK) in connection with any amount which is due and unpaid by a UK Borrower, a US Borrower, a German Borrower, a HK Trade Borrower or a US Trade Borrower to HSBC (UK), HSBC (US) and HSBC (HK) respectively.

(b) Without limiting clause 15.1(a), the indemnity of each Borrower includes an indemnity against loss of profit or other loss, cost, penalty, expense or Tax (other than Excluded Tax) incurred or payable by a Lender in:

(i) liquidating or redeploying funds acquired from third parties; or

(ii) terminating, reversing or varying arrangements to fund a Facility or any part of it or any interest rate or currency hedge, related trading position or other derivatives arrangement put in place by the Lender in respect of the Facility or any part of it.

The amount of loss of profit or other loss may be determined by the Lender by reference to a pool of funds and averaging techniques rather than by reference to a specific borrowing or a specific contract made in respect of the Facility or any part of it.

(c) Without limiting clause 15.1(a), the indemnity of each Borrower includes an indemnity for legal costs and other expenses (and Taxes (other than Excluded Taxes) on those amounts) on a full indemnity basis.

15.2 Survival of indemnities

(a) The indemnities in this Agreement are continuing obligations of each Borrower, separate and independent from the other obligations of that Borrower and survive the termination of this Agreement or any other Transaction Document.

(b) It is not necessary for a Lender to incur expense or make payment before enforcing a right of indemnity under this Agreement.

16. ASSIGNMENT

16.1 Assignment

Clause 13 of the Common Terms Deed applies to this Agreement as if set out in full in this Agreement and as if references in that clause to "this deed" were to "this Agreement".

16.2 Confidential information

Clause 17.1 of the Common Terms Deed applies to this Agreement as if set out in full and as if all references to "clause 13" were to "clause 16.1 of this Agreement" and to "this clause 17.1" were to "this clause 16.2".

17. PRESERVATION OF RIGHTS

17.1 Waiver and exercise of rights

(a) A waiver by a Lender of a provision of or of a right under a Transaction Document is binding on the Lender only if it is given in writing and is signed by the Lender or an Authorised Officer of the Lender.

(b) A waiver of a breach by a Borrower of a Transaction Document is binding on a Lender only if that waiver is consented to by all Lenders;

(c) A waiver is effective only in the specific instance and for the specific purpose for which it is given.

(d) A single or partial exercise of a right by a Lender does not prevent another exercise or attempted exercise of that right or the exercise of another right.

(e) Failure by a Lender to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

(f) A Lender is not liable for any loss, cost or expense of the Borrower caused or contributed to by the waiver, exercise, attempted exercise, failure to exercise or delay in the exercise of a right.

17.2 Rights cumulative

The rights, remedies and powers under the Transaction Documents of a Lender, or a Controller appointed by a Lender, are cumulative and do not exclude any other rights, remedies or powers.

17.3 Further assurances

A Borrower must, at its own expense, whenever requested by a Lender, promptly do or cause to be done, anything which the Lender considers reasonably necessary or desirable to:

(a) give full effect to a Transaction Document; or

(b) more fully give effect to the rights, remedies and powers of the Lender under a Transaction Document or to enable the Lender to exercise those rights, remedies and powers; or

(c) perfect or complete any transfer or assignment referred to in clause 16 and the benefit of any Collateral Security in relation to any transfer or assignment,

including signing and delivering documents.

17.4 Time of the essence

Time is of the essence of the performance by an Borrower of each of its obligations under each Transaction Document.

18. GENERAL PROVISIONS

18.1 Invalid or unenforceable provisions

If a provision of a Transaction Document is invalid or unenforceable in a jurisdiction:

(a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and

(b) that fact does not affect the validity or enforceability of that provision in another jurisdiction or the remaining provisions.

18.2 Certifications

Any document or thing required to be certified by a Borrower must be certified by an Authorised Officer of a Borrower, as the case requires, or in any other manner that the Lenders approve.

18.3 Amendment

This Agreement may be amended only by a document signed by all parties.

18.4 Counterparts

This Agreement may be signed in counterparts and all counterparts taken together constitute one document.

18.5 Successors and assigns

This Agreement is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns.

19. ADDITIONAL BORROWERS

(a) Sims may request that any of its wholly owned Subsidiaries becomes an Additional Borrower. That Subsidiary shall become an Additional Borrower if:

(i) the Lenders approve the addition of that Subsidiary as an Additional Borrower;

(ii) Sims delivers to the Lenders a duly completed and executed Accession Deed for the accession of that Subsidiary as an Additional Borrower;

(iii) Sims confirms that no Default is continuing or would occur as a result of that Subsidiary becoming an Additional Borrower; and

(iv) the Subsidiary has acceded as an "Additional Borrower" and an "Additional Guarantor" under the Common Terms Deed.

(b) Delivery of an Accession Deed to the Lenders constitutes confirmation by the relevant Subsidiary that the representations and warranties in the Transaction Documents are true and correct in relation to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

20. NEW RELATED PARTY

20.1 New Related Party

(a) Where, after the date of this Agreement, an entity becomes a Related Party of a Transaction Party and, at such time, financial accommodation has been provided to such entity by the Lender or any Affiliate Lenders ("existing accommodation"), the Lender may, at any time within 60 days after the notification to the Lender that an entity with existing accommodation has become a Related Party of a Transaction Party, by notice in writing to that entity or any other Transaction Party declare:

(i) that where the notice is given to the relevant entity, the existing accommodation (or any lesser amount specified in the notice) is due and payable within the period specified in the notice which shall be not less than 60 days;

(ii) that where the notice is given to a Transaction Party other than the relevant entity, financial accommodation then provided by the Lender to that Transaction Party must be reduced by payment of an amount (specified in the notice) equal to or less than the existing accommodation within the period specified in the notice.

(b) Amounts specified in a notice given pursuant to paragraph (a) are payable within the period specified in such notice.

21. GOVERNING LAW AND JURISDICTION

21.1 Governing law

This Agreement is governed by the laws of the state of New South Wales, Australia.

21.2 Jurisdiction

Each Borrower irrevocably and unconditionally:

(a) submits to the non-exclusive jurisdiction of the courts of the state of New South Wales, Australia; and

(b) waives, without limitation, any claim or objection based on absence of jurisdiction or inconvenient forum.

21.3 Service of process

Each Borrower agrees that a document required to be served in proceedings about a Transaction Document may be served:

(a) by being delivered to or left at its address for service of notices under clause 17.4 of the Common Terms Deed; or

(b) in any other way permitted by law.

21.4 Agent for service of process

(a) Each Borrower which is not incorporated in Australia (**Foreign Borrower**) irrevocably appoints Sims as its agent to receive service of process in any proceedings about a Transaction Document.

(b) Each Foreign Borrower agrees that a document required to be served in proceedings about a Transaction Document may be served:

(i) by being delivered to or left at the address of its agent for service of process, whether or not that agent in turn notifies the Foreign Borrower; or

(ii) in any other way permitted by law.

(c) If for any reason Sims ceases to act in its capacity as process agent for a Foreign Borrower, the Foreign Borrower must immediately appoint a substitute process agent approved by all Lenders in New South Wales and notify each Lender of that appointment. Until each Lender receives that notification, it will be entitled to treat Sims (or its successor) as the agent of each Foreign Borrower for the purpose of this clause.

21.5 Execution by attorneys

Each attorney executing this Agreement states that the attorney has no notice of revocation or suspension of the power of attorney under which the attorney executes this Agreement.

Schedule 1

CASH ADVANCE FACILITIES

1. Definitions

In this Schedule, a reference to a section is to a section of this Schedule and unless the context requires another meaning:

Advance means the principal amount advanced or to be advanced by a CAF Lender to a CAF Borrower in accordance with a Funding Notice or the amount of the Advance which remains outstanding;

Funding Period means, in respect of each Cash Advance Facility, a period selected in accordance with section 5;

Interest Payment Date means, in respect of each Cash Advance Facility:

(a) the last day of a Funding Period; and

(b) in the case of a Funding Period of more than 6 months, the last day of each 6 month period during that Funding Period; and

Margin means, in respect of a CAF Borrower, the percentage per annum set out in a fee letter or fee letters substantially in the form set out in Annexure G delivered from time to time by the Lenders to Sims.

2. Availability

(a) Subject to this Agreement, in respect of each AUD Cash Advance Facility, a CAF Borrower may draw Advances in any Approved Currency during the Availability Period under the AUD Cash Advance Facility.

(b) Subject to this Agreement, in respect of each Euro Cash Advance Facility, a CAF Borrower may draw Advances in any Approved Currency during the Availability Period under the Euro Cash Advance Facility.

(c) Subject to this Agreement, in respect of each GBP Cash Advance Facility, a CAF Borrower may draw Advances in any Approved Currency during the Availability Period under the GBP Cash Advance Facility.

(d) Subject to this Agreement, in respect of each USD Cash Advance Facility, a USD Borrower may draw Advances in any Approved Currency during the Availability Period under the USD Cash Advance Facility.

3. Amount of each Advance

The principal amount of an Advance under each Cash Advance Facility must be at least:

(a) for Advances denominated in AUD: AUD200,000 and thereafter in multiples of no less than AUD100,000;

(b) for Advances denominated in USD: USD500,000 and thereafter in multiples of no less than USD100,000;

(c) for Advances denominated in GBP: GBP350,000 and thereafter in multiples of no less than GPB50,000;

(d) for Advances denominated in Euro: Euro200,000 and thereafter in multiples of no less than Euro100,000; and

(e) for Advances denominated in any other Approved Foreign Currency, a minimum amount and integral multiple as advised by a CAF Lender.

4. Interest

(a) A CAF Borrower must pay interest to a CAF Lender on each Advance provided by that CAF Lender to it:

(i) at the rate determined under section 4(b) for each Funding Period for that Advance; and

(ii) in arrears on each Interest Payment Date.

(b) The rate of interest for a Funding Period is a rate of interest per annum which is the sum of the Base Rate for that Funding Period and the Margin.

(c) Interest under this section 4:

(i) accrues from day to day; and

(ii) is calculated on the basis of the actual number of days elapsed (including the first day but excluding the last) and a 360 day year for Advances in USD or Euro, or a 365 day year for Advances in other Approved Currencies.

5. Selection

For an Advance under a Cash Advance Facility:

(a) subject to this section 5 and section 6:

(i) the length of the first Funding Period is the period selected by the relevant CAF Borrower in the Funding Notice for that Advance; and

(ii) the length of each subsequent Funding Period for an Advance is the period selected by the relevant CAF Borrower by notice which must be received by the relevant CAF Lender not later than 11:00 am at least 2 Business Days before the start of the relevant Funding Period (or a later time agreed in writing by the Lender);

(b) the Funding Period selected pursuant to section 5(a) may be a period of 30, 60, 90, 120, 150 or 180 days or any other period that the Lender agrees in writing; and

(c) if a CAF Borrower does not give a notice selecting a Funding Period or selects a Funding Period which does not comply with this section 5 or section 6, the CAF Borrower is considered to have selected a Funding Period of 1 month or any other period selected by the relevant CAF Lender.

6. Funding Periods

(a) The first Funding Period for an Advance starts on the Funding Date for that Advance.

(b) Each Funding Period (except the first) starts on the last day of the preceding Funding Period.

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(c) A Funding Period which would otherwise end on a day that is not a Business Day instead ends on the following Business Day or, if that Business Day is in another calendar month, on the immediately preceding Business Day.

(d) If a Funding Period starts on a day for which there is no numerically corresponding day in the month in which the Funding Period ends, the Funding Period ends on the last Business Day of the later calendar month.

(e) No Funding Period may end after the Final Repayment Date. A Funding Period which would otherwise end after the Final Repayment Date instead ends on the Final Repayment Date.

7. Prepayment

(a) A CAF Borrower may only prepay an Advance provided to it by a CAF Lender in accordance with this Agreement.

(b) A CAF Borrower may only prepay to a CAF Lender all or any part of an Advance provided to it by that CAF Lender by giving the CAF Lender notice of its intention to do so by 11:00 am on the date of prepayment.

(c) The amount of any partial prepayment of an Advance must be:

(i) if the Advance is denominated in AUD, at least $250,000 and a whole multiple of $50,000; and

(ii) if the Advance is denominated in an Approved Foreign Currency, compliant with the minimum denominations set out in section 3 of Schedule 1.

(d) A notice of prepayment given under this section 7 is irrevocable.

(e) On the proposed prepayment date, the CAF Borrower must:

(i) prepay the amount specified in the notice of prepayment;

(ii) pay all reasonable interest, fees, expenses and other amounts accrued under the Transaction Documents on the amount prepaid to the prepayment date (whether or not yet payable); and

(iii) all reasonable costs and losses of the relevant CAF Lender arising from an Advance being prepaid other than on the last day of a Funding Period, as determined by the CAF Lender.

(f) Amounts prepaid may be re-borrowed under this Agreement.

8. Netting of Advances

(a) If an Advance (the **Maturing Advance**) is due to be repaid by the CAF Borrower on the last day of its Funding Period and a new Advance (the **New Advance**) is to be made to the CAF Borrower on the same day, then:

(i) if the amount of the New Advance is greater than the Maturing Advance, the relevant CAF Lender is only required to actually pay on that date an amount equal to the New Advance minus the amount of the Maturing Advance;

(ii) if the amount of the New Advance is less than the amount of the Maturing Advance, the CAF Borrower is only required under section 9(a) to actually

pay to the relevant CAF Lender on that date an amount equal to the Maturing Advance less the amount of the New Advance; and

(iii) if the amount of the New Advance is equal to the amount of the Maturing Advance, neither the relevant CAF Lender nor the relevant CAF Borrower need actually pay any amount to each other in respect of the New Advance or the Maturing Advance on that date.

(b) This section 8 does not otherwise affect the relevant CAF Borrower's obligations in respect of any Outstanding Moneys.

(c) A rollover fee as set out in a fee letter or fee letters substantially in the form set out in Annexure G delivered from time to time by the Lenders to Sims applies in relation to each Advance netted under this section 8.

9. Repayment

(a) Subject to section 8, the CAF Borrowers must repay each Advance to the relevant CAF Lenders on the last day of its Funding Period. Subject to this Agreement, any Advance repaid in accordance with this section 9(a) is available for further drawing under the relevant Cash Advance Facility.

(b) Each CAF Borrower must pay in full to the relevant CAF Lender the Outstanding Moneys by that CAF Borrower under the relevant Cash Advance Facility on the Final Repayment Date.

10. Review of Margin and Commitment Fee and other terms

Each CAF Borrower consents and agrees to, and acknowledges and agrees that its respective liability under this document extends to, any variation to the Margin, rollover fee, the Commitment Fee and any other matter set out in each fee letter substantially in the form set out in Annexure G delivered from time to time by the Lenders to Sims.

Schedule 2

AUSTRALIAN TRADE FACILITIES AND HK TRADE FACILITY

The following terms in this Schedule 2 apply to the Australian Trade Facilities and the HK Trade Facility and do not apply to the US Trade Facility.

1. Definitions

In this Schedule, a reference to a section is to a section of this Schedule and unless the context requires another meaning:

Approved Invoice means an invoice of a Debtor acceptable to HSBC (Australia);

Cost of Funds means, in respect of any Funding Period, the rate quoted by the relevant Lender as its cost of obtaining funds in the currency of the relevant Trade Advance and for a period comparable to such Funding Period, in such interbank market or by such other means as that Lender may at its discretion select, at or about the normal time for seeking quotes for such funds two Business Days prior to the commencement of such Funding Period;

Credit has the meaning given to it in the UCP;

Current Documentary Credit means a Documentary Credit the Expiry Date of which has not yet arrived or in respect of which a Trade Borrower has not discharged all of its obligations under the UCP or this Agreement to the relevant Trade Lender as the corresponding issuer of that Documentary Credit;

Debtor means the debtor under an Approved Invoice or Documentary Collection;

Documentary Credit means an irrevocable documentary credit issued or to be issued by a Trade Lender for the account of a Trade Borrower in accordance with section 3;

Documentary Collection means a document evidencing Financial Indebtedness of a Debtor and acceptable to the relevant Trade Lender;

Expiry Date of a Documentary Credit issued by a Trade Lender means the expiry date specified in that Documentary Credit, following which no Claim, demand or drawing may be made on that Trade Lender under that Documentary Credit;

Export Letter of Credit means a Credit issued by an Issuing Bank in favour of a Trade Borrower;

Face Value Amount means for a Documentary Credit issued by a Trade Lender, the maximum undrawn amount payable by that Trade Lender under that Documentary Credit;

Funding Period means, for a Trade Advance made by a Trade Lender, any Funding Period selected by a Trade Borrower in a Funding Notice, which is acceptable to that Trade Lender;

Interest Payment Date means, in respect of the Trade Facility, the last day of a Funding Period;

Issuing Bank has the meaning given to it in the UCP;

LIBOR means, for an amount and a period:

(a) the rate determined by HSBC (HK) to be the arithmetic mean, expressed as a percentage per annum (rounded up (if necessary) to four decimal places), of the rates quoted:

(i) at or about 11.00 am (London time) two Business Days (in London) before the first day of that period; and

(ii) for a period equal or comparable to that period and for value on the first day of that period,

on:

(iii) where the amount is in USD, the Reuters monitor system page "LIBO";

(iv) where the amount is in HKD, the Reuters monitor system page selected by HSBC (HK),

or (in each case) any page which replaces that page; or

(b) where the page referred to in paragraph (a) for the currency in which that amount is denominated is not available, or less than two rates are quoted on that page at that time, the rate determined by HSBC (HK) to be the arithmetic mean of the rates expressed as a percentage per annum (rounded up (if necessary) to four decimal places), at which deposits:

(i) denominated in the same currency;

(ii) for the same or a comparable amount;

(iii) for a period equal or comparable to that period; and

(iv) or value on the first day of that period,

are offered to HSBC (HK) by prime banks, in the interbank market selected by it, at or about 11.00 am (local time in the place of that market) two Business Days in the place of that market before the first day of that period;

Margin means, in respect of a Relevant Borrower, a percentage per annum set out in a fee letter or fee letters substantially in the form set out in Annexure G delivered from time to time by the Trade Lender that provides the Trade Facility to that Relevant Borrower and Sims;

Opening Date means, for a Documentary Credit, the date that Documentary Credit is, or is to be, issued;

Repayment Date means, in respect of a Trade Advance, the last day of the Funding Period for that Trade Advance;

Trade Advance means, for a Trade Advance Facility, the principal amount advanced or to be advanced under a Trade Advance Facility in accordance with a Funding Notice or the amount of the Trade Advance which remains outstanding;

Trade Advance Facility means the Clean Import Advance Facility set out in section 4, the Negotiation Advance Facility set out in section 5 and the Receivables Advance Facility set out in section 6;

Trade Borrowers means the Australian Trade Borrowers and the HK Trade Borrowers and **Trade Borrower** means any one of them;

Trade Lenders means HSBC (Australia) and HSBC (HK) and **Trade Lender** means either of them; and

UCP means the Uniform Customs and Practice for Documentary Credits (7th Revision), International Chamber of Commerce Publication No. 600.

2. Trade Facilities

Subject to this Agreement:

(a) HSBC (Australia) agrees to provide the Australian Trade Borrowers with the Trade Facilities described below in AUD; and

(b) HSBC (HK) agrees to provide the HK Trade Borrower with the Trade Facilities described below in HKD or USD,

or any other Approved Currency for the purpose and on the terms and conditions set out below and on such other terms and conditions as may be agreed from time to time between that Trade Lender and Sims.

3. Import Documentary Credit Facility

3.1 Purpose

To support the establishment and negotiation of sight and/or term irrevocable Documentary Credits up to a maximum of 120 days and bills drawn thereunder.

3.2 Conditions of utilisation

A Trade Lender is not obliged to issue any Documentary Credit under this Facility unless that Trade Lender has received a Funding Notice no later than 11:00 am on the proposed Issuance Date. A Documentary Credit requested in a Funding Notice received by that Trade Lender after 11.00 am will, subject to the terms of this Agreement, be issued on the following Business Day.

3.3 Documentary Credits

(a) A Trade Lender will only issue a Documentary Credit if the requested Documentary Credit:

(i) has an Opening Date which is a Business Day during the Availability Period;

(ii) has an Expiry Date which is not later than 120 days after the Opening Date and is before the Final Repayment Date;

(iii) is payable on a Business Day at the Lending Office of that Trade Lender where the Documentary Credit is issued or any other place approved by that Trade Lender in writing;

(iv) is denominated in AUD (in respect of HSBC (Australia)), HKD or USD (in respect of HSBC (HK)) or an Approved Foreign Currency;

(v) is irrevocable and non-transferable; and

(vi) is subject to the UCP,

unless otherwise agreed by that Trade Lender.

(b) A Trade Lender may pay immediately on demand (and without any prior notice to the relevant Trade Borrower) any amount demanded pursuant to the Documentary Credit despite:

(i) any dispute between the relevant Trade Borrower and any person entitled to the Documentary Credit;

(ii) any right of set-off or other claim the relevant Trade Borrower has against and any person entitled to the Documentary Credit;

(iii) any direction by the relevant Trade Borrower to that Trade Lender not to make the payment;

(iv) any breach by the relevant Trade Borrower or any person entitled to the Documentary Credit of any agreement between them; or

(v) any Default.

(c) Each Trade Borrower unconditionally and irrevocably indemnifies each Trade Lender on demand against any Claim suffered or incurred or payable by that Trade Lender arising directly or indirectly as a result of:

(i) that Trade Lender issuing or making payment under a Documentary Credit;

(ii) any claim made or purportedly made under a Documentary Credit; or

(iii) any act of any person who is or claims to be entitled to the benefit of a Documentary Credit,

whether or not the Documentary Credit may be void, voidable or unenforceable.

(d) The obligations of each Trade Borrower under section 3.3(c) are absolute and unconditional.

(e) Each Trade Borrower's obligations under section 3.3(c) are not subject to any reduction or termination or otherwise affected or in any way limited by:

(i) any failure or default on the part of the relevant Trade Lender or its employees (other than negligent failure or wilful default); or

(ii) any falsity, inaccuracy, insufficiency or forgery of or in any document which on its face conforms to the requirements of the Documentary Credit under which it is given;

(iii) any Transaction Document, Documentary Credit or agreement being invalid or being affected by any invalidity or impossibility or illegality of performance or any law or act of any Government Agency or arbitrator;

(iv) any time, waiver or other indulgence granted by the relevant Trade Lender; or

(v) any set-off, counterclaim, defence, deduction or other claim the relevant Trade Borrower has against the relevant Trade Lender or any person entitled to the Documentary Credit.

(f) Each Trade Borrower acknowledges that the Trade Lenders are not liable or under any duty to enquire:

(i) as to any of the matters referred to in this section 3.3; or

(ii) into the justification for or the validity of any demand made, or the correctness of any document given under or for the purpose of a Documentary Credit, or which purports to be so made or given under a Documentary Credit; or

(iii) the authority for, validity or genuineness of, any signature.

(g) The rights of each Trade Lender under this Schedule do not derogate from any rights of subrogation, indemnity or other rights that Trade Lender has under any law. If a conflict arises between any Trade Lender's rights under this Schedule and any other rights, that Trade Lender's rights under this Schedule prevail. Without limiting the generality of this section, each Trade Borrower agrees that no Trade Lender has any greater obligations under a Documentary Credit than are imposed by the UCP.

3.4 No liability

Each Trade Borrower holds each Trade Lender and its employees, correspondents and agents free of any liability or responsibility for the consequences arising from any ambiguity in instructions from the Trade Borrower, or in connection with any reliance placed by that Trade Lender in good faith on such message as a result of such message not having been properly authorised by the person by whom it purported to have been sent.

4. Clean Import Advance Facility

4.1 Purpose

To refinance bills drawn under Documentary Credits established under the Import Documentary Credit Facility for a maximum of 60 days inclusive of supplier terms (or such other period determined by the relevant Trade Lender to reflect local market practice and/or to match the needs and/or trade cycle of the relevant Trade Borrower).

4.2 Conditions of utilisation

A Trade Lender is not obliged to provide an advance under this Facility unless that Trade Lender has received a Funding Notice no later than 11:00 am on the proposed Funding Date.

5. Negotiation Of Discrepant Documents Under Documentary Credits ("Negotiation Advance Facility")

5.1 Purpose

To discount 100% of the face value of documents presented under export documentary credits by a Trade Borrower that contain discrepancies (with full recourse to the Trade Borrower).

5.2 Conditions of utilisation

A Trade Lender is not obliged to provide an advance under this Facility unless that Trade Lender has received a Funding Notice no later than 11:00 am on the proposed Funding Date.

6. Discounting of Export Collections and Open Account Receivables Facility ("Receivables Advance Facility")

6.1 Purpose

To discount 100% of the face value of Documentary Collections, Approved Invoices and/or Export Letters of Credit for a maximum of 30 days (or such other period determined by the

relevant Trade Lender to reflect local market practice and/or to match the needs and/or trade cycle of the relevant Trade Borrower).

6.2 Conditions of utilisation

A Trade Lender is not obliged to provide an advance in connection with Documentary Collections, Approved Invoices or an Export Letter of Credit unless that Trade Lender has received no later than 11:00 am on the Funding Date:

(a) a Funding Notice;

(b) a copy of each Documentary Collection, Approved Invoice and/or Export Letter of Credit (as the case may be);

(c) any other document or information reasonably required by that Trade Lender; and

(d) evidence that the purpose of the advance is to match the local business needs of a member of the Sims Group.

7. Interest

(a) Each Trade Borrower must pay interest to a Trade Lender in relation to each Trade Advance made to the Trade Borrower by that Trade Lender under a Trade Advance Facility:

(i) at the rate determined under section 7(b) for the Funding Period for that Trade Advance; and

(ii) in arrears on each Interest Payment Date.

(b) The rate of interest for a Funding Period is the rate of interest per annum determined by the relevant Trade Lender to be the sum of:

(i) in the case of Advances, the Base Rate for the Funding Period and the relevant Margin;

(ii) in the case of Trade Advances in Approved Currencies (other than a Trade Advance in an Approved Currency under the Negotiation Advance Facility provided by HSBC (HK)), Cost of Funds for that Funding Period and the relevant Margin; and

(i) in the case of a Trade Advance in an Approved Currency under the Negotiation Advance Facility provided by HSBC (HK), LIBOR and the relevant Margin.

(c) Interest under this section 7:

(i) accrues from day to day; and

(ii) is calculated on the basis of the actual number of days elapsed (including the first day but excluding the last) and a 360 day year for Trade Advances in USD, or 365 day year for Trade Advances in other Approved Currencies.

8. Fees

Subject to section 9, all import and export fees are notified by HSBC (Australia) and HSBC (HK) (as the case may be) to Sims under a fee letter or fee letters substantially in the form set out in Annexure G delivered by the Trade Lenders to Sims from time to time.

9. Review of Margin, Commitment Fee and import and export fees and other terms

Each Relevant Borrower consents and agrees to, and acknowledges and agrees that its respective liability under this document extends to, any variation to the Margin, the Commitment Fee, the import and export fees and any other matter set out in a fee letter or fee letters substantially in the form set out in Annexure G delivered from time to time by the Trade Lender that provides the Trade Facility to the Relevant Borrower to Sims.

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Schedule 3

US TRADE FACILITY

The following terms apply to the US Trade Facility and do not apply to the Australian Trade Facilities or the HK Trade Facility.

1. Definitions

In this Schedule, a reference to a section is to a section of this Schedule and unless the context requires another meaning:

Credit has the meaning given to it in the UCP;

Current Documentary Credit means a Documentary Credit the Expiry Date of which has not yet arrived or in respect of which a US Trade Borrower has not discharged all of its obligations under the UCP or this Agreement to HSBC (UK) as the corresponding issuer of that Documentary Credit;

Documentary Credit means an irrevocable documentary credit issued or to be issued by HSBC (UK) for the account of a US Trade Borrower in accordance with section 3;

Expiry Date of a Documentary Credit issued by HSBC (UK) means the expiry date specified in that Documentary Credit, following which no Claim, demand or drawing may be made on HSBC (UK) under that Documentary Credit;

Opening Date means, for a Documentary Credit, the date that Documentary Credit is, or is to be, issued; and

UCP means the Uniform Customs and Practice for Documentary Credits (7th Revision), International Chamber of Commerce Publication No. 600.

2. Trade Facility

Subject to this Agreement, HSBC (UK) agrees to provide the US Trade Borrowers with the Trade Facility described below in USD, or any other Approved Currency for the purpose and on the terms and conditions set out below and on such other terms and conditions as may be agreed from time to time between HSBC (UK) and Sims.

3. Import Documentary Credit Facility

3.1 Purpose

To support the establishment and negotiation of sight irrevocable Documentary Credits up to a maximum of 120 days and bills drawn thereunder.

3.2 Conditions of utilisation

HSBC (UK) is not obliged to issue any Documentary Credit under this Facility unless that Trade Lender has received a Funding Notice no later than 11:00 am on the proposed Issuance Date. A Documentary Credit requested in a Funding Notice received by HSBC (UK) after 11.00 am will, subject to the terms of this Agreement, be issued on the following Business Day.

[*] Confidential Treatment Requested

3.3 Documentary Credits

(a) HSBC (UK) will only issue a Documentary Credit if the requested Documentary Credit:

(i) has an Opening Date which is a Business Day during the Availability Period;

(ii) has an Expiry Date which is not later than 120 days after the Opening Date and is before the Final Repayment Date;

(iii) is payable on a Business Day at the Lending Office of that Trade Lender where the Documentary Credit is issued or any other place approved by HSBC (UK) in writing;

(iv) is denominated in USD or an Approved Currency;

(v) is irrevocable and non-transferable;

(vi) is subject to the UCP; and

(vii) calls for a transport document / freight cargo receipt evidencing goods consigned / assigned to HSBC (UK),

unless otherwise agreed by HSBC (UK).

(b) HSBC (UK) may pay immediately on demand (and without any prior notice to a US Trade Borrower) any amount demanded pursuant to the Documentary Credit despite:

(i) any dispute between the relevant US Trade Borrower and any person entitled to the Documentary Credit;

(ii) any right of set-off or other claim the relevant US Trade Borrower has against and any person entitled to the Documentary Credit;

(iii) any direction by the relevant US Trade Borrower to HSBC (UK) not to make the payment;

(iv) any breach by the relevant US Trade Borrower or any person entitled to the Documentary Credit of any agreement between them; or

(v) any Default.

(c) Each US Trade Borrower unconditionally and irrevocably indemnifies HSBC (UK) on demand against any Claim suffered or incurred or payable by HSBC (UK) arising directly or indirectly as a result of:

(i) HSBC (UK) issuing or making payment under a Documentary Credit;

(ii) any claim made or purportedly made under a Documentary Credit; or

(iii) any act of any person who is or claims to be entitled to the benefit of a Documentary Credit,

whether or not the Documentary Credit may be void, voidable or unenforceable.

(d) The obligations of each US Trade Borrower under section 3.3(c) are absolute and unconditional.

(e) Each US Trade Borrower's obligations under section 3.3(c) are not subject to any reduction or termination or otherwise affected or in any way limited by:

(i) any failure or default on the part of HSBC (UK) or its employees (other than negligent failure or wilful default); or

(ii) any falsity, inaccuracy, insufficiency or forgery of or in any document which on its face conforms to the requirements of the Documentary Credit under which it is given;

(iii) any Transaction Document, Documentary Credit or agreement being invalid or being affected by any invalidity or impossibility or illegality of performance or any law or act of any Government Agency or arbitrator;

(iv) any time, waiver or other indulgence granted by HSBC (UK); or

(v) any set-off, counterclaim, defence, deduction or other claim that US Trade Borrower has against HSBC (UK) or any person entitled to the Documentary Credit.

(f) Each US Trade Borrower acknowledges that HSBC (UK) is not liable or under any duty to enquire:

(i) as to any of the matters referred to in this section 3.3; or

(ii) into the justification for or the validity of any demand made, or the correctness of any document given under or for the purpose of a Documentary Credit, or which purports to be so made or given under a Documentary Credit; or

(iii) the authority for, validity or genuineness of, any signature.

(g) The rights of HSBC (UK) under this Schedule do not derogate from any rights of subrogation, indemnity or other rights that HSBC (UK) has under any law. If a conflict arises between HSBC (UK)'s rights under this Schedule and any other rights, HSBC (UK)'s rights under this Schedule prevail. Without limiting the generality of this section, each US Trade Borrower agrees that HSBC (UK) does not have any greater obligations under a Documentary Credit than are imposed by the UCP.

3.4 No liability

Each US Trade Borrower holds HSBC (UK) and its employees, correspondents and agents free of any liability or responsibility for the consequences arising from any ambiguity in instructions from any US Trade Borrower, or in connection with any reliance placed by HSBC (UK) in good faith on such message as a result of such message not having been properly authorised by the person by whom it purported to have been sent.

4. Fees

Subject to section 5, all import fees are notified by HSBC (UK) to Sims under a fee letter or fee letters substantially in the form set out in Annexure G delivered by HSBC (UK) (and/or one or more other Trade Lender's) to Sims from time to time.

5. Review of Commitment Fee and import fees and other terms

Each Relevant Borrower consents and agrees to, and acknowledges and agrees that its respective liability under this document extends to, any variation to the Commitment Fee, the import fees and any other matter set out in a fee letter or fee letters substantially in the form set out in Annexure G delivered from time to time by HSBC (UK) (and/or one or more other Trade Lender's) to Sims.

Schedule 4

BANK GUARANTEE AND STANDBY LETTER OF CREDIT FACILITY

1. Definitions

In this Schedule, a reference to a section is to a section of this Schedule and unless the context requires another meaning:

Beneficiary means the person in whose favour a Bank Guarantee or a Standby Letter of Credit is, or is to be, issued by HSBC (Australia);

Bank Guarantee means a guarantee issued or to be issued to a Beneficiary under section 2;

Beneficiary Contract means any agreement between a Borrower and a Beneficiary under which an Australian Trade Borrower has an obligation to pay or repay any amount to the Beneficiary or an Australian Trade Borrower has an obligation to perform any obligation for the benefit of the Beneficiary, in connection with which that Australian Trade Borrower requests the issue of a Bank Guarantee or a Standby Letter of Credit;

Current Bank Guarantee means, in respect of a Bank Guarantee issued by HSBC (Australia), a Bank Guarantee the Expiry Date of which has not yet arrived or in respect of which an Australian Trade Borrower has not discharged all of its obligations under this Agreement to HSBC (Australia);

Current Standby Letter of Credit means, in respect of Standby Letter of Credit issued by HSBC (Australia), a Standby Letter of Credit the Expiry Date of which has not yet arrived or in respect of which an Australian Trade Borrower has not discharged all its obligations under the UCP or this Agreement to HSBC (Australia);

Establishment Fee means, in respect of a Relevant Borrower, the amount set out in a fee letter or fee letters substantially in the form set out in Annexure G delivered from time to time by HSBC (Australia) to Sims that provides the Bank Guarantee and Standby Letter of Credit Facility to that Relevant Borrower and Sims;

Expiry Date of a Bank Guarantee or a Standby Letter of Credit issued by HSBC (Australia) means the expiry date specified in that Bank Guarantee or the Standby Letter of Credit, following which no Claim, demand or drawing may be made on HSBC (Australia) under that Bank Guarantee or Standby Letter of Credit;

Face Value Amount means, for a Bank Guarantee or a Standby Letter of Credit issued by HSBC (Australia), the maximum undrawn amount payable by HSBC (Australia) under that Bank Guarantee or Standby Letter of Credit;

Guarantee Fee means, in respect of a Relevant Borrower, the percentage per annum set out in a fee letter or fee letters substantially in the form set out in Annexure G delivered from time to time by HSBC (Australia) to Sims;

Opening Date means, for a Bank Guarantee or Standby Letter of Credit, the date that Bank Guarantee or Standby Letter of Credit is, or is to be, issued;

Standby Letter of Credit means a standby letter of credit issued or to be issued to a Beneficiary under section 2; and

UCP means the Uniform Customs and Practice for Documentary Credits (7th Revision), International Chamber of Commerce Publication No. 600.

2. Availability

2.1 Availability

Subject to this Agreement, an Australian Trade Borrower may, by giving it a Funding Notice in accordance with clause 4, request HSBC (Australia) to, and at that Australian Trade Borrower's request, HSBC (Australia) will, issue Bank Guarantees and Standby Letters of Credit for the account of that Australian Trade Borrower.

2.2 Conditions of utilisation

HSBC (Australia) is not obliged to issue any Bank Guarantee or Standby Letter of Credit under this Facility unless it has received a Funding Notice no later than 11:00 am on the proposed Issuance Date. A Bank Guarantee or Standby Letter of Credit requested in a Funding Notice received by HSBC (Australia) after 11.00 am will, subject to the terms of this Agreement, be issued on the following Business Day.

3. Form Of Bank Guarantees And Standby Letters Of Credit

(a) Each Bank Guarantee and Standby Letter of Credit to be issued by HSBC (Australia) must be consistent with the Funding Notice under which it is issued and in a form acceptable to HSBC (Australia) in its absolute discretion.

(b) Each Bank Guarantee and Standby Letter of Credit issued by HSBC (Australia) for the account of an Australian Trade Borrower must:

(i) have an Opening Date which is a Business Day during the Availability Period;

(ii) have an Expiry Date which is before the Final Repayment Date;

(iii) be payable on a Business Day at the Lending Office of HSBC (Australia) specified in this Agreement for that Australian Trade Borrower or any other place approved by HSBC (Australia) in writing;

(iv) be denominated in AUD or an Approved Foreign Currency;

(v) be non-transferable and not confirmed by any other person except at the cost of that Australian Trade Borrower;

(vi) be issued in respect of a Beneficiary and Beneficiary Contract acceptable to HSBC (Australia); and

(vii) in the case of a Standby Letter of Credit, be subject to UCP,

unless otherwise agreed by HSBC (Australia).

4. Beneficiary Contracts

Each Australian Trade Borrower must perform all its obligations under a Beneficiary Contract to which it is a party and do all other things necessary to ensure that a Beneficiary does not become entitled to draw on a Bank Guarantee or a Standby Letter of Credit.

5. Lender's Authority To Pay

In respect of a Bank Guarantee or Standby Letter of Credit issued by HSBC (Australia) to a Beneficiary for the account of an Australian Trade Borrower, HSBC (Australia) may pay

immediately on demand by the Beneficiary (and without any prior notice to that Australian Trade Borrower) any amount demanded by the Beneficiary pursuant to the Bank Guarantee or Standby Letter of Credit despite:

(a) any dispute between that Australian Trade Borrower and the Beneficiary;

(b) any right of set-off or other claim that Australian Trade Borrower has against the Beneficiary;

(c) any direction by that Australian Trade Borrower to HSBC (Australia) not to make the payment;

(d) any breach by that Australian Trade Borrower or the Beneficiary of a Beneficiary Contract; or

(e) any Default.

6. Payment By An Australian Trade Borrower

Each Australian Trade Borrower must pay to HSBC (Australia):

(a) all amounts which HSBC (Australia) pays or is required to pay under a Bank Guarantee or Standby Letter of Credit issued by HSBC (Australia) for the account of that Australian Trade Borrower, on the same day as HSBC (Australia) is required to make that payment; and

(b) interest on those amounts from that day calculated in accordance with clause 14.1.

7. Indemnity

Each Australian Trade Borrower unconditionally and irrevocably indemnifies HSBC (Australia) on demand against any Claim suffered or incurred or payable by HSBC (Australia) arising directly or indirectly as a result of:

(a) HSBC (Australia) issuing or making payment under a Bank Guarantee or Standby Letter of Credit; or

(b) any claim made or purportedly made under a Bank Guarantee or Standby Letter of Credit; or

(c) any act of any person who is or claims to be entitled to the benefit of a Bank Guarantee or Standby Letter of Credit,

whether or not the Bank Guarantee or Standby Letter of Credit may be void, voidable or unenforceable.

(a) The obligations of each Australian Trade Borrower under this section 7 are absolute and unconditional.

(b) Each Australian Trade Borrower's obligations under this section 7 are not subject to any reduction or termination or otherwise affected or in any way limited by:

(i) any failure or default on the part of HSBC (Australia) or its employees (other than negligent failure or wilful default); or

(ii) any falsity, inaccuracy, insufficiency or forgery of or in any document which on its face conforms to the requirements of the Bank Guarantee or Standby Letter of Credit under which it is given;

(iii) any Transaction Document, Beneficiary Contract, Bank Guarantee or Standby Letter of Credit being invalid or being affected by any invalidity or impossibility or illegality of performance or any law or act of any Government Agency or arbitrator;

(iv) any time, waiver or other indulgence granted by HSBC (Australia); or

(v) any set-off, counterclaim, defence, deduction or other claim that an Australian Trade Borrower has against HSBC (Australia) or a Beneficiary.

(c) Each Australian Trade Borrower acknowledges that HSBC (Australia) is not liable or under any duty to enquire:

(i) as to any of the matters referred to in this section 7; or

(ii) into the justification for or the validity of any demand made, or the correctness of any document given under or for the purpose of a Bank Guarantee, or which purports to be so made or given under a Bank Guarantee; or

(iii) the authority for, validity or genuineness of, any signature.

8. No Limitation On Other Rights

HSBC (Australia)'s rights under this Schedule do not derogate from any rights of subrogation, indemnity or other rights that it has under any law. If a conflict arises between HSBC (Australia)'s rights under this Schedule and any other rights, its rights under this Schedule prevail.

9. Fees

9.1 Guarantee Fee

Each Australian Trade Borrower must pay to HSBC (Australia) a non-refundable Guarantee Fee on the Face Value Amount of each Bank Guarantee and Standby Letter of Credit requested by that Australian Trade Borrower to be issued by HSBC (Australia). The Guarantee Fee:

(a) accrues from day to day;

(b) is calculated from the date of issue of the Bank Guarantee or Standby Letter of Credit; and

(c) must be paid to HSBC (Australia) quarterly in advance with the first payment made on or before the date of issue of the Bank Guarantee or the Standby Letter of Credit by HSBC (Australia).

9.2 Establishment Fee

Each Australian Trade Borrower must pay to HSBC (Australia) a non-refundable establishment fee on each Bank Guarantee or Standby Letter of Credit requested by that Australian Trade Borrower to be issued by HSBC (Australia). The Establishment Fee is payable on or before the date of issue of the Bank Guarantee or Standby Letter of Credit.

10. Review of Guarantee Fee and Establishment Fee

Each Australian Trade Borrower consents and agrees to, and acknowledges and agrees that its respective liability under this document extends to, any variation to the Guarantee Fee, the Establishment Fee and any other matter set out in each fee letter substantially in the form set out in Annexure G delivered from time to time by HSBC (Australia) to Sims.

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Schedule 5

HEDGING FACILITY

The parties acknowledge and agree that:

(a) at the request of Sims and on an unadvised and uncommitted basis:

(i) HSBC (Australia) has agreed to provide to the Australian Borrowers a "Foreign Exchange Limit" for spot and forward foreign currency transactions on the terms and conditions of a master agreement for foreign currency transaction in the form agreed between HSBC (Australia) and the Australian Borrowers;

(ii) HSBC (HK) may, subject to HSBC (HK) obtaining all necessary credit and other local approvals and all necessary documentation being entered into in form and substance satisfactory to HSBC (HK), provide appropriate limits to the HK Trade Borrower to hedge against its foreign currency and interest rate exposures;

(iii) HSBC (UK) may, subject to HSBC (UK) obtaining all necessary credit and other local approvals and all necessary documentation being entered into in form and substance satisfactory to HSBC (UK), provide appropriate limits to the UK Borrowers to hedge against its foreign currency and interest rate exposures; and

(iv) HSBC (US) may, subject to HSBC (US) obtaining all necessary credit and other local approvals and all necessary documentation being entered into in form and substance satisfactory to HSBC (US), provide appropriate limits to the US Borrowers to hedge against its foreign currency and interest rate exposures,

in each case, to assist with the Group's hedging and derivative instrument requirements;

(b) the pricing for each Hedging Facility described in paragraph (a) above will be determined by the Lender that provides that Hedging Facility; and

(c) unless otherwise agreed between HSBC (Australia) and Sims, the tenor for each Hedging Facility provided by HSBC (Australia) to the Australian Borrowers will have a maximum length of two calendar years.

[*] Confidential Treatment Requested

EXECUTED as an agreement.

SIGNED for **HSBC BANK AUSTRALIA LIMITED** under power of attorney in the presence of:

Signature of attorney

Signature of witness

Name

Name

Date of power of attorney

SIGNED for **HSBC BANK PLC** under power of attorney in the presence of:

Signature of attorney

Signature of witness

Name

Name

Date of power of attorney

SIGNED for **HSBC BANK USA, NATIONAL ASSOCIATION** under power of attorney in the presence of:

Signature of attorney

Signature of witness

Name

Name

Date of power of attorney

[*] Confidential Treatment Requested

SIGNED for **THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED** under power of attorney in the presence of:

Signature of attorney

Signature of witness

Name

Name

Date of power of attorney

EXECUTED by **SIMS GROUP AUSTRALIA HOLDINGS LIMITED**:

Signature of director

Signature of director/secretary

Name

Name

EXECUTED by **SIMS METAL MANAGEMENT LIMITED**:

Signature of director

Signature of director/secretary

Name

Name

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EXECUTED by **SIMS GROUP UK HOLDINGS LIMITED**:

Signature of director	Signature of director/secretary
Name	Name

EXECUTED by **SIMS GROUP UK LIMITED**:

Signature of director	Signature of director/secretary
Name	Name

EXECUTED by
SIMS GROUP USA CORPORATION
by its officer:

Signature of officer

Name of officer (please print)

[*] Confidential Treatment Requested

THE COMMON SEAL OF SIMS METAL MANAGEMENT ASIA LIMITED (PREVIOUSLY KNOWN AS SIMS ASIA HOLDINGS LIMITED):

_____
Signature of witness

_____
Name of witness

EXECUTED by
METAL DYNAMICS DETROIT LLC
by its officer:

_____
Signature of officer

_____
Name of officer (please print)

EXECUTED by
METAL MANAGEMENT ALABAMA, INC.
by its officer:

_____
Signature of officer

_____
Name of officer (please print)

[*] Confidential Treatment Requested

EXECUTED by
METAL MANAGEMENT ARIZONA, L.L.C.
by its officer:

Signature of officer

Name of officer (please print)

EXECUTED by
METAL MANAGEMENT CONNECTICUT, INC.
by its officer:

Signature of officer

Name of officer (please print)

EXECUTED by
METAL MANAGEMENT MEMPHIS, L.L.C.
by its officer:

Signature of officer

Name of officer (please print)

[*] Confidential Treatment Requested

EXECUTED by
METAL MANAGEMENT MIDWEST, INC.
by its officer:

Signature of officer

Name of officer (please print)

EXECUTED by
METAL MANAGEMENT MISSISSIPPI, INC.
by its officer:

Signature of officer

Name of officer (please print)

EXECUTED by
METAL MANAGEMENT NORTHEAST, INC.
by its officer:

Signature of officer

Name of officer (please print)

[*] Confidential Treatment Requested

EXECUTED by
METAL MANAGEMENT OHIO, INC.
by its officer:

Signature of officer

Name of officer (please print)

EXECUTED by
METAL MANAGEMENT WEST, INC.
by its officer:

Signature of officer

Name of officer (please print)

EXECUTED by
METAL MANAGEMENT, INC.
by its officer:

Signature of officer

Name of officer (please print)

[*] Confidential Treatment Requested

EXECUTED by
PROLER SOUTHWEST LP
by its officer:

Signature of officer

Name of officer (please print)

EXECUTED by
SIMS RECYCLING SOLUTIONS HOLDINGS INC.
by its officer:

Signature of officer

Name of officer (please print)

EXECUTED by
SIMS RECYCLING SOLUTIONS, INC.
by its officer:

Signature of officer

Name of officer (please print)

EXECUTED by **MIREC B.V.**:

Signature of director

Name

Signature of director

Name

[*] Confidential Treatment Requested

EXECUTED by
SIMS GROUP GLOBAL TRADE CORPORATION
by its officer:

_____
Signature of officer

_____
Name of officer (please print)

[*] Confidential Treatment Requested

EXECUTED by **SIMS M+R GMBH**:

Signature of director	Signature of director/secretary
Name	Name

EXECUTED by
SIMS GROUP GERMAN HOLDINGS GMBH
by its officer:

Signature of officer

Name of officer (please print)

[*] Confidential Treatment Requested

Annexure A

BORROWERS

Company Name	Registered Number	Registered Office	Place of Incorporation
Australian Borrowers			
Sims Group Australia Holdings Limited	ABN 37 008 634 526	'Sir Joseph Banks Corporate Part' Suite 3, Level 2, 32 Lord Street, Botany NSW 2019	ACT, Australia
Sims Metal Management Limited	ABN 69 114 838 630	'Sir Joseph Banks Corporate Part' Suite 3, Level 2, 32 Lord Street, Botany NSW 2019	VIC, Australia
Australian Trade Borrowers			
Sims Group Australia Holdings Limited	ABN 37 008 634 526	'Sir Joseph Banks Corporate Part' Suite 3, Level 2, 32 Lord Street, Botany NSW 2019	ACT, Australia
Sims Metal Management Limited	ABN 69 114 838 630	'Sir Joseph Banks Corporate Part' Suite 3, Level 2, 32 Lord Street, Botany NSW 2019	VIC, Australia
UK Borrowers			
Sims Group UK Holdings Limited	2904307	Long Marston Stratford-on-Avon Warwickshire CV37 8AQ	United Kingdom
Sims Group UK Limited	3242331	Long Marston Stratford-on-Avon Warwickshire CV37 8AQ	United Kingdom
Mirec B.V.	N/A	Hastelweg 251, 5652CV, Eindhoven, The Netherlands	The Netherlands
Sims Metal Management Asia Limited(previously known as Sims Asia Holdings Limited)	30512	5407-8, 54th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong	Hong Kong

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Company Name	Registered Number	Registered Office	Place of Incorporation
US Trade Borrower			
Sims Group Global Trade Corporation	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
US Borrowers			
Sims Group USA Corporation	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Dynamics Detroit LLC	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Management Alabama, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Management Arizona, L.L.C.	N/A	c/o CT Corporation System 2394 East Camelback Road Phoenix, AZ 850	Arizona, USA
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA

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Company Name	Registered Number	Registered Office	Place of Incorporation
Metal Management Memphis, L.L.C.	N/A	c/o Corporation Service Company 2908 Poston Avenue Nashville, TN 37203	Tennessee, USA
Metal Management Midwest, Inc.	N/A	c/o Illinois Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703	Illinois, USA
Metal Management Mississippi, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Metal Management Northeast, Inc.	N/A	c/o Corporation Service Company 830 Bear Tavern Road West Trenton, NJ 08628	New Jersey, USA
Metal Management Ohio, Inc.	N/A	c/o CSC-Lawyers Incorporating Service (Corporation Service Company) 50 W. Broad St Suite 1800 Columbus, OH 43215	Ohio, USA
Metal Management West, Inc.	N/A	c/o Corporation Service Company 1560 Broadway, Suite 2090, Denver, CO 80202	Colorado, USA
Metal Management, Inc.	N/A	c/o Corporation Service Company 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Delaware, USA
Proler Southwest LP	N/A	c/o Corporation Service Company d/b/a CSC-Lawyers Incorporating Service Company 211 E. 7th Street Suite 620 Austin, TX 78701	Texas, USA

[*] Confidential Treatment Requested

Company Name	Registered Number	Registered Office	Place of Incorporation
Sims Recycling Solutions Holdings Inc. (formerly Sims Recycling Solutions, Inc.)	N/A	c/o Illinois Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703	Illinois, USA
Sims Recycling Solutions, Inc. (formerly United Refining & Smelting Co)	N/A	c/o Illinois Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703	Illinois, USA
HK Trade Borrower			
Sims Metal Management Asia Limited (previously known as Sims Asia Holdings Limited)	30512	5407-8, 54th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong	Hong Kong
Germany			
Sims M+R GmbH	N/A	Rathenaustraβe 10, 59192 Bergkamen, Germany	Germany
Sims Group German Holdings GmbH	N/A	Rathenaustraβe 10, 59192 Bergkamen, Germany	Germany

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Annexure B

LENDERS

Lender Name	Registered Number	Lending Office
In relation to the Australian Borrowers, UK Borrowers, US Borrowers and German Borrowers		
HSBC Bank Australia Limited	ABN 48 006 434 162	Level 31, 580 George Street Sydney NSW 2000 Australia
HSBC Bank plc	14259	City Corporate Banking Centre, 60 Queen Victoria Street, London, EC4N 4TR
HSBC Bank USA, National Association	N/A	452 Fifth Avenue, New York, New York 10018 USA
In relation to the Australian Trade Borrowers		
HSBC Bank Australia Limited	ABN 48 006 434 162	Level 31, 580 George Street Sydney NSW 2000 Australia
In relation to the HK Trade Borrower		
The Hongkong and Shanghai Banking Corporation Limited	ABN 65 117 925 970	Level 10, 1 Queens Road, Central Hong Kong
In relation to the US Trade Borrower		
HSBC Bank plc	14259	City Corporate Banking Centre, 60 Queen Victoria Street, London, EC4N 4TR

[*] Confidential Treatment Requested

Annexure C

CAF LENDERS

AUD CAF LENDERS

Lender Name	Registered Number	Lending Office
HSBC Bank Australia Limited	ABN 48 006 434 162	Level 31, 580 George Street Sydney NSW 2000 Australia

Any other Lender or Lenders, if any, notified in a fee letter to be an AUD CAF Lender.

EURO CAF LENDERS

Lender Name	Registered Number	Lending Office
The Lender or Lenders, if any, notified in a fee letter to be a Euro CAF Lender.		

GBP CAF LENDERS

Lender Name	Registered Number	Lending Office
HSBC Bank plc	14259	City Corporate Banking Centre, 60 Queen Victoria Street, London, EC4N 4TR

Any other Lender or Lenders, if any, notified in a fee letter to be a GBP CAF Lender.

[*] Confidential Treatment Requested

USD CAF LENDERS

Lender Name	Registered Number	Lending Office
HSBC Bank Australia Limited	ABN 48 006 434 162	Level 31, 580 George Street Sydney NSW 2000 Australia
HSBC Bank plc	14259	City Corporate Banking Centre, 60 Queen Victoria Street, London, EC4N 4TR
HSBC Bank USA, National Association	N/A	452 Fifth Avenue, New York, New York 10018 USA

[*] Confidential Treatment Requested

Annexure D

FUNDING NOTICE

To: [Lender's name]

And to: HSBC Bank Australia Limited *[in the case where the Lender to the Relevant Borrower is not HSBC Bank Australia Limited]*

[date]

Dear Sirs

Multi-Option Facility Agreement dated 3 December 2003, as amended from time to time (the "Facility Agreement")

We refer to the Facility Agreement and give irrevocable notice that we request the following drawings.

Terms defined in the Facility Agreement have the same meaning in this Funding Notice.

1. The proposed Funding Date/Issuance Date is [specify date].
2. The Facilities under which the financial accommodation is requested: [[AUD /Euro/GBP/USD] Cash Advance Facility /Trade Finance Facility].
3. Particulars of the financial accommodation requested are as follows [*as applicable*]:
   (a) [AUD/Euro/GBP/USD] Cash Advance Facility

   Amount: [ ]

   Currency: [AUD/USD/GBP/Euro/[specify other]]

   Funding Period: [ ]

   (b) Bank Guarantee Facility / Standby Letter of Credit Facility

   Face Value Amount:[ ]

   Currency: [AUD/USD/GBP/HKD]

   Beneficiary:

   Details of Beneficiary Contract:

   Funding Period:

   Expiry Date:

   A copy of the Beneficiary Contract is enclosed.

Annexure E

NOT USED

Annexure F

ADDITIONAL BORROWER ACCESSION DEED

This Accession Deed is made on the [ ] day of [ ], [ ] under the Multi-Option Facility Agreement (the **Facility Agreement**) dated 3 December 2003 between (amongst others) Sims Group Australia Holdings Limited as borrower and HSBC Bank Australia Limited as lender, as amended from time to time.

Between

[Insert Additional Borrower's Name] (ACN [insert Additional Borrower's ABN number or equivalent]) of [insert Additional Borrower's Address] (the **Additional Borrower[s]**)

And

Sims Metal Management Limited (ACN 114 838 630) of Level 6, Simsmetal House, 41 McLaren Street, North Sydney, NSW, 2060 (**Sims**).

And

HSBC Bank Australia Limited (ABN 48 006 434 162) of Level 31, 580 George Street, Sydney, NSW, HSBC Bank plc of (registered number 14259) of 8 Canada Square, London E14 5HQ, HSBC Bank USA, National Association of 452 Fifth Avenue, New York, New York 10018 USA and The Hongkong and Shanghai Banking Corporation Limited of Level 10, 1 Queens Road, Central Hong Kong (the **Lenders**).

1. Definitions And Interpretation

1.1 Definitions

Accession Date means the later of:

(a) [insert a date later to the date in (b) if appropriate]; and

(b) the date on which this Accession Deed, executed by [each/the] Additional Borrower and Sims, is executed by or on behalf of the Lenders.

1.2 Interpretation

(a) A term defined in the Facility Agreement has the same meaning when used in this Accession Deed unless defined to have a different meaning in this Accession Deed.

(b) Clause 1.2 of the Facility Agreement applies to this Accession Deed.

(c) In this Accession Deed, a reference to obligations or rights being identical to other obligations or rights is a reference to obligations or rights identical to those other obligations or rights except to the extent they relate to the identity of the person required to perform them or entitled to their benefit.

2. Accession

2.1 Accession

With effect on and from the Accession Date:

(a) [each/the] Additional Borrower:

(i) is bound by the terms of the Transaction Documents to which the Borrowers are parties;

(ii) assumes towards each other party to the Transaction Documents obligations under the Transaction Documents which are identical to the obligations which a Borrower is required to perform;

(iii) must observe and comply with the obligations of a Borrower under the Transaction Documents;

(iv) is granted rights under the Transaction Documents which are identical to the rights which a Borrower has under the Transaction Documents; and

(v) is a party to the Transaction Documents as a Borrower;

(b) each other party to the Facility Agreement acquires rights against and assumes obligations towards [each/the] Additional Borrower which are identical to the rights and obligations which it has or is required to perform under the Transaction Documents to a Borrower; and

(c) a reference in the Transaction Documents to a "Borrower" includes a reference to [each/the] Additional Borrower.

3. Acknowledgments

3.1 Borrower

[Each/The] Additional Borrower acknowledges that it will be an [insert category of Borrower e.g. Australian Borrower/UK Borrower/US Borrower] for the purposes of the Facility Agreement.

3.2 Sims

Sims on its behalf and on behalf of each Guarantor acknowledges and agrees that the Outstanding Moneys of the Additional Borrower is guaranteed by the Guarantors under clause 7 of the Common Terms Deed.

3.3 Representations and warranties

[Each/The] Additional Borrower makes the same representations and warranties in respect of itself that each Borrower has made in, or in connection with, the Transaction Documents and confirms that those representations and warranties are, at the Accession Date, true and not misleading in any material respect, by omission or in any other way.

3.4 Information

[Each/The] Additional Borrower:

(a) confirms that it has received a copy of the Transaction Documents together with any other documents and information it has required in connection with the Facility Agreement; and

(b) acknowledges that the Lenders have entered into this Accession Deed in reliance on the representations and warranties made by the Additional Borrower in this Accession Deed.

3.5 No liability

(a) [Each/The] Additional Borrower confirms that it has not relied on any Lender to assess or inform it as to:

(i) the legality, validity, effect or enforceability of any Transaction Document against any party;

(ii) the accuracy or completeness of any information referred to in clause 3.4 of this Accession Deed; or

(iii) the creditworthiness, affairs, condition or status of any of the parties to the Transaction Documents.

(b) [Each/The] Additional Borrower agrees that the Lenders have not or will not have any liability or obligation to [each/the] Additional Borrower for the accuracy or completeness of the information or documents provided to it under clause 3.4 of this Accession Deed, and that any condition or warranty in relation to any of those matters, whether express or implied by law or in any other way, is excluded.

4. Miscellaneous

4.1 Transaction Document

This Accession Deed is a Transaction Document for the purposes of the Facility Agreement.

4.2 Counterparts

This Accession Deed may be signed in counterparts and all counterparts taken together constitute one document.

4.3 Governing law

This Accession Deed is governed by the laws applying in New South Wales.

Executed as a deed

[insert execution clause for Additional Borrower[s]]

Sims

SIGNED, SEALED and **DELIVERED** for **SIMS METAL MANAGEMENT LIMITED** on behalf of itself and each Guarantor pursuant to clause 15.2 of the Common Terms Deed by a director and director/secretary:

sign here ▶ _____
Director

print name _____

sign here ▶ _____
director/secretary

print name

Lender

SIGNED, SEALED and **DELIVERED** for **HSBC BANK AUSTRALIA LIMITED** under power of attorney in the presence of:

_____
Signature of attorney

_____
Signature of witness

_____
Name

_____
Name

_____
Date of power of attorney

[*] Confidential Treatment Requested

Lender

SIGNED, SEALED and **DELIVERED** for **HSBC BANK PLC** under power of attorney in the presence of:

Signature of witness

Name

Signature of attorney

Name

Date of power of attorney

Lender

SIGNED, SEALED and **DELIVERED** for **HSBC BANK USA, NATIONAL ASSOCIATION** in the presence of:

Signature of witness

Name

Signature

Name

Lender

SIGNED, SEALED and **DELIVERED** for **THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED** under power of attorney in the presence of:

Signature of witness

Name

Signature of attorney

Name

Date of power of attorney

[*] Confidential Treatment Requested

Annexure G

PRO FORMA FEE LETTER

To: Sims Metal Management Limited ACN 114 838 630
[***insert address***]

Attention: [***insert name***]

With a copy to: [***insert address of the relevant Borrowers***]

Date: [***insert date***]

Dear Sirs

AMENDED AND RESTATED MULTI OPTION FACILITY AGREEMENT — FEE LETTER

We refer to the document entitled "Multi Option Facility Agreement" dated 3 December 2003 between, amongst others, Sims Metal Management Limited ACN 114 838 630 (formerly Sims Group Limited) (**Sims**) and HSBC Bank Australia Limited ABN 48 006 434 162, as amended from time to time (**Facility Agreement**).

1. Definitions and Interpretation

1.1 A term defined in the Facility Agreement (including by incorporation) has the same meaning when used in this fee letter unless stated otherwise in this fee letter.

1.2 Clause 1.2 of the Facility Agreement is incorporated into this fee letter as if set out in this fee letter in full and as if all references in that provision to "this Agreement" were to this fee letter.

1.3 The provisions of the Facility Agreement will apply to this fee letter.

1.4 This fee letter is a Transaction Document [and is issued pursuant to clause 8.5(d) of the Facility Agreement]*.

1.5 This fee letter is entered into in connection with the [Cash Advance Facilities][Trade Facilities][Bank Guarantee and Standby Letter of Credit Facility]*.

2. [Margin under [Cash Advance Facilities][Trade Facilities]*] *

[***Include details of any changes to the Margin payable in connection with the Facility Agreement***]

3. [Fees]

[***Include details of any changes to the fees payable in connection with the Facility Agreement***]

4. Other terms

* delete as appropriate

AUD Commitment (clause 1.1)	For the AUD Cash Advance Facility granted by HSBC (Australia): ***[to be inserted]***
	[***if applicable***] For the AUD Cash Advance Facility granted by [***specify other Lender(s)***]: ***[to be inserted]***
Euro Commitment (clause 1.1)	For the Euro Cash Advance Facility granted by ***[Lender(s) to be inserted]: [to be inserted]***
GBP Commitment (clause 1.1)	For the GBP Cash Advance Facility granted by HSBC (UK): ***[to be inserted]***
	[***if applicable***] For the GBP Cash Advance Facility granted by [***specify other Lender(s)***]:
Termination Date (clause 1.1)	***[to be inserted — envisaged to be 3 years from date of execution of latest deed of amendment and restatement]***
Trade Credit Limit (clause 1.1)	For the Trade Finance Facility granted by HSBC (Australia): AUD***[to be inserted]***
	For the Trade Finance Facility granted by HSBC (HK): AUD***[to be inserted]***
	For the Trade Finance Facility granted by HSBC (UK): USD***[to be inserted]***
USD Commitment (clause 1.1)	For the USD Cash Advance Facility granted by HSBC (Australia): USD***[to be inserted]***
	For the USD Cash Advance Facility granted by HSBC (US): USD***[to be inserted]***
	For the USD Cash Advance Facility granted by HSBC (UK): USD***[to be inserted]***

5. Change in the Margin and/or Fees

Any change in the Commitments, Trade Credit Limit, Termination Date, Margin or fees set out above will apply with effect from the date Sims signs and delivers the enclosed copy of this fee letter to the Lenders.

6. Confidentiality

This fee letter must not be disclosed by Sims to any entity or person except as may be required by law or to Sims' employees and legal and financial advisers who have a need to know the information and who are made aware of and agree to be bound by the confidentiality obligation under this paragraph.

7. Counterparts

This fee letter may be signed in any number of counterparts, each of which shall be an original and which shall be taken together to constitute one agreement.

8. Governing Law

[*] Confidential Treatment Requested

This fee letter shall be governed by, and construed in accordance with, the laws of New South Wales.

Please confirm your agreement to the above by signing, dating and returning to us the enclosed copy of this fee letter.

Yours faithfully

[***insert execution clause for the Lenders (as applicable)***]

To: [***insert name of each Lender***]

We hereby confirm and agree to the terms of this fee letter as set out above.

for and on behalf of **Sims Metal Management Limited** ACN 114 838 630

Name:

Capacity:

Date:

[*] Confidential Treatment Requested

Executed as a deed.

Executed as a deed.

EXECUTED as a deed.

Lender
SIGNED, SEALED and **DELIVERED** for **HSBC BANK AUSTRALIA LIMITED** under power of attorney in the presence of:

/s/ Noel McNamara
Signature of attorney

/s/ Nadine Beinat
Signature of witness

Noel McNamara
Name

Nadine Beinat
Name

1/5/2007
Date of power of attorney

[*] Confidential Treatment Requested

Lender
SIGNED, SEALED and **DELIVERED** for
HSBC BANK PLC under power of attorney
in the presence of:

/s/ M. Hodges
Signature of attorney

/s/ S. R. Adcock
Signature of witness

M. Hodges
Name

S.R. Adcock
Name

29/7/10
Date of power of attorney

[*] Confidential Treatment Requested

Lender
SIGNED, **SEALED** and **DELIVERED** for **HSBC BANK USA, NATIONAL ASSOCIATION** in the presence of:

Signature /s/ Randolph Cates

/s/ Katherine Hansell
Signature of witness

Name Randolph Cates

Katherine Hansell
Name

Date 6/16/2011

[*] Confidential Treatment Requested

Lender
SIGNED, SEALED and **DELIVERED** for **THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED** under power of attorney in the presence of:

/s/ Albert Chan Leung Choi
Signature of attorney

/s/ Aline Ayotte
Signature of witness

Albert Chan Leung Choi
Name

Aline Ayotte
Name

24 January 2005
Date of power of attorney

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by **SIMS GROUP AUSTRALIA HOLDINGS LIMITED**:

/s/ Rodney Shields	/s/ Frank Moratti
Signature of director	Signature of director/secretary
Rodney Shields	Frank Moratti
Name	Name

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by **SIMS METAL MANAGEMENT LIMITED**:

/s/ Daniel W. Dienst	/s/ Frank Moratti
Signature of director	Signature of director/secretary
Daniel W. Dienst	Frank Moratti
Name	Name

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by **SIMS GROUP UK HOLDINGS LIMITED**:

/s/ M. Coombs	/s/ G. Davy
Signature of director	Signature of director/secretary
M. Coombs	G. Davy
Name	Name

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by **SIMS GROUP UK LIMITED**:

/s/ M. Coombs	/s/ G. Davy
Signature of director	Signature of director/secretary
M. Coombs	G. Davy
Name	Name

[*] Confidential Treatment Requested

Borrower/Guarantor
EXECUTED by **MIREC B.V.**:

/s/ M. Coombs	/s/ G. Davy
Signature of director	Signature of director
M. Coombs	G. Davy
Name	Name

[*] Confidential Treatment Requested

Borrower/Guarantor
THE COMMON SEAL of SIMS METAL MANAGEMENT ASIA LIMITED (PREVIOUSLY KNOWN AS SIMS ASIA HOLDINGS LIMITED) was affixed to this deed in the presence of:

/s/ Frank Martin Moratti
Signature of Authorised Signatory/Officer

Frank Martin Moratti
Name of Authorised Signatory

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by
SIMS GROUP GLOBAL TRADE CORPORATION
by its officer:

/s/ Myles Partridge
Signature of officer

Myles Partridge
Name of officer (please print)

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by
SIMS GROUP USA CORPORATION
by its officer:

/s/ Myles Partridge
Signature of officer

Myles Partridge
Name of officer (please print)

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by
METAL DYNAMICS DETROIT LLC
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by
METAL MANAGEMENT ALABAMA, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by
METAL MANAGEMENT ARIZONA, L.L.C.
by its officer:

/s/ L. Steven Saimm
Signature of officer

L. Steven Saimm
Name of officer (please print)

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by
SMM NEW ENGLAND CORPORATION
(formerly known as METAL
MANAGEMENT CONNECTICUT, INC.)
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Borrower/Guarantor
EXECUTED by
METAL MANAGEMENT MEMPHIS, L.L.C.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Borrower/Guarantor
EXECUTED by
METAL MANAGEMENT MIDWEST, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by
METAL MANAGEMENT MISSISSIPPI, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by
METAL MANAGEMENT NORTHEAST, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by
METAL MANAGEMENT OHIO, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by
METAL MANAGEMENT WEST, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by
METAL MANAGEMENT, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by
PROLER SOUTHWEST LP
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by
SIMS RECYCLING SOLUTIONS. INC.
by its officer:

/s/ Darrell Stoecklin
Signature of officer

Darrell Stoecklin
Name of officer (please print)

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by
SIMS RECYCLING SOLUTIONS HOLDINGS INC.
by its officer:

/s/ Darrell Stoecklin
Signature of officer

Darrell Stoecklin
Name of officer (please print)

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by **SIMS M+R GMBH**:

/s/ M. Coombs	/s/ G. Davy
Signature of director	Signature of director/secretary
M. Coombs	G. Davy
Name	Name

[*] Confidential Treatment Requested

Borrower/ Guarantor
EXECUTED by **SIMS GROUP GERMAN HOLDINGS GMBH**:

/s/ M. Coombs	/s/ G. Davy
Signature of director	Signature of director/secretary
M. Coombs	G. Davy
Name	Name

[*] Confidential Treatment Requested

Guarantor
EXECUTED by **SIMS INDUSTRIAL PTY LIMITED**:

/s/ Rodney Shields	/s/ Frank Moratti
Signature of director	Signature of director/secretary
Rodney Shields	Frank Moratti
Name	Name

[*] Confidential Treatment Requested

Guarantor
EXECUTED by **SIMSMETAL SERVICES PTY. LIMITED**:

/s/ Rodney Shields
Signature of director

Rodney Shields
Name

/s/ Frank Moratti
Signature of director/secretary

Frank Moratti
Name

[*] Confidential Treatment Requested

Guarantor
EXECUTED by **SIMS ALUMINIUM PTY LIMITED**:

/s/ Rodney Shields	/s/ Frank Moratti
Signature of director	Signature of director/secretary
Rodney Shields	Frank Moratti
Name	Name

[*] Confidential Treatment Requested

Guarantor
EXECUTED by **SIMSMETAL PROPERTIES QLD PTY LIMITED (formerly known as SIMS ENERGY PTY LIMITED)**:

/s/ Rodney Shields
Signature of director

Rodney Shields
Name

/s/ Frank Moratti
Signature of director/secretary

Frank Moratti
Name

[*] Confidential Treatment Requested

Guarantor
EXECUTED by **SIMSMETAL PROPERTIES NSW PTY LIMITED (formerly known as SIMS MANUFACTURING PTY LIMITED)**:

/s/ Rodney Shields	/s/ Frank Moratti
Signature of director	Signature of director/secretary
Rodney Sheilds	Frank Moratti
Name	Name

[*] Confidential Treatment Requested

Guarantor
EXECUTED by **SIMSMETAL HOLDINGS PTY. LTD.**:

/s/ Rodney Shields	/s/ Frank Moratti
Signature of director	Signature of director/secretary
Rodney Shields	Frank Moratti
Name	Name

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
CIM TRUCKING, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
HNE RECYCLING LLC
by its officer:

/s/ Myles Partridge
Signature of officer

Myles Partridge
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
HNW RECYCLING LLC
by its officer:

/s/ Myles Partridge
Signature of officer

Myles Partridge
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
TH PROPERTIES LLC (formerly known as
METAL DYNAMICS INDIANAPOLIS LLC)
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
METAL DYNAMICS LLC
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
METAL MANAGEMENT INDIANA, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
METAL MANAGEMENT PITTSBURGH, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by **METAL MANAGEMENT PROLER SOUTHWEST, INC.**
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
SMM — NORTH AMERICA TRADE CORPORATION
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
METAL MANAGEMENT WEST COAST HOLDINGS, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
MM METAL DYNAMICS HOLDINGS, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
NAPORANO IRON & METAL, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
NEW YORK RECYCLING VENTURES, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
NORTH CAROLINA RESOURCE CONSERVATION, LLC
by its officer:

/s/ Myles Partridge
Signature of officer

Myles Partridge
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
PROLER SOUTHWEST GP, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
RESERVE IRON & METAL LIMITED PARTNERSHIP
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
SCHIABO LAROVO CORPORATION
by its officer:

/s/ Myles Partridge
Signature of officer

Myles Partridge
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
SHN CO., LLC
by its officer:

/s/ Myles Partridge
Signature of officer

Myles Partridge
Name of officer

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
SIMS GROUP USA HOLDINGS CORPORATION
by its officer:

/s/ Myles Partridge
Signature of officer

Myles Partridge
Name of officer

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
SIMSMETAL EAST LLC
by its officer:

/s/ Myles Partridge
Signature of officer

Myles Partridge
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
SIMSMETAL WEST LLC
by its officer:

/s/ Myles Partridge
Signature of officer

Myles Partridge
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
SIMSMETAL INDUSTRIES LIMITED:

/s/ Darron McGree	/s/ Frank Moratti
Signature of director	Signature of director
Darron McGree	Frank Moratti
Name of director (please print)	Name of director (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
METAL MANAGEMENT NEW HAVEN, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by **SIMS RECYCLING SOLUTIONS AB**:

/s/ M. Coombs	/s/ G. Davy
Signature of director	Signature of director/secretary
M. Coombs	G. Davy
Name	Name

[*] Confidential Treatment Requested

Guarantor
EXECUTED by **SIMS GROUP RECYCLING SOLUTIONS CANADA LTD.**:

/s/ Sebastian Rosner	/s/ Darrell Stoelklin
Signature of director	Signature of director/secretary
Sebastian Rosner	Darrell Stoelklin
Name	Name

[*] Confidential Treatment Requested

Guarantor
EXECUTED by **SIMS GROUP CANADA HOLDINGS LIMITED**:

/s/ Myles Partridge	/s/ Alan D. Ratner
Signature of director	Signature of director/secretary
Myles Partridge	Alan D. Ratner
Name	Name

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
SIMS MUNICIPAL RECYCLING OF NEW YORK LLC
by its officer:

/s/ Myles Partridge
Signature of officer

Myles Partridge
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
PORT ALBANY VENTURES LLC
by its officer:

/s/ Michael R. Henderson
Signature of officer

Michael R. Henderson
Name of officer (please print)

[*] Confidential Treatment Requested

Guarantor
EXECUTED by
METAL MANAGEMENT AEROSPACE, INC.
by its officer:

/s/ Robert C. Larry
Signature of officer

Robert C. Larry
Name of officer (please print)

[*] Confidential Treatment Requested

Exhibit 4.13

CONFIDENTIAL TREATMENT HAS BEEN REQUESTED WITH RESPECT TO CERTAIN PORTIONS OF THIS AGREEMENT. CONFIDENTIAL PORTIONS HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION.

Amendment and Restatement Deed

Each company listed in Schedule 1

Commonwealth Bank of Australia

[*] Confidential Treatment Requested

Contents

1. INTERPRETATION **1**

1.1 Definitions 1
1.2 Terms defined in the Facility Agreement 1
1.3 Rules for interpreting this document 2
1.4 Transaction Document 2

2. CONSIDERATION **2**

3. AMENDMENTS **2**

3.1 Amendment to Facility Agreement 2
3.2 Effect of amendment 2

4. EFFECTIVE DATE **2**

5. GENERAL **3**

5.1 Governing law 3
5.2 Prohibition and enforceability 3
5.3 Variation 3
5.4 Counterparts 3
5.5 Attorneys 3

Schedule

1 BORROWERS **4**

2 AMENDED AND RESTATED FORM OF FACILITY AGREEMENT **7**

[*] Confidential Treatment Requested

Amendment and Restatement Deed

DATE 23 June 2011

PARTIES

Each company listed in Schedule 1 (each a **Borrower** and together the **Borrowers**)

Commonwealth Bank of Australia (the **Lender**)

RECITALS

A. Under the Facility Agreement, the Lender has granted certain facilities to the Borrowers.

B. At the request of Sims Metal Management Limited (ABN 69 114 838 630) (**Sims**), the parties to the Facility Agreement have agreed to make various amendments to those facilities as set out in this document.

C. Accordingly, the parties wish to amend and restate the Facility Agreement in the manner set out in this document.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this document.

[*]

Common Terms Deed means the "Common Terms Deed" of that title dated on or about the date of this deed between amongst others, Sims and the Lender.

Effective Date has the meaning set out in clause 4.

[*]

Facility Agreement means the "Multi Option Facility Agreement" of that title dated 2 November 2009 between, amongst others, Sims and the Lender, as amended from time to time.

1.2 Terms defined in the Facility Agreement

A term (other than a term defined in clause 1.1) that is defined in the Facility Agreement (as amended and restated by this document) or the Common Terms Deed has the same meaning in this document.

1.3 Rules for interpreting this document

Clauses 1.3, 1.5. 1.6 and 1.7 of the Common Terms Deed apply to this document as if they were set out in full in this document, except that any reference to "this deed" is replaced by a reference to "this document".

1.4 Transaction Document

(a) This document is a "Transaction Document" for the purposes of the definition of "Transaction Document" in clause 1.2 of the Facility Agreement.

(b) This document is a "Transaction Document" in respect of the Lender for the purpose of the definition of "Transaction Document" in clause 1.2 of the Common Terms Deed.

2. CONSIDERATION

Each party acknowledges that it has received valuable consideration for entering into this document.

3. AMENDMENTS

3.1 Amendment to Facility Agreement

(a) The Facility Agreement is amended and restated with effect on and from the Effective Date to read as set out in Schedule 2.

(b) Paragraph (a) does not affect any right or obligation of any party that arises before the Effective Date.

3.2 Effect of amendment

(a) Except as expressly amended by this document, the Facility Agreement is confirmed and remains in full force and effect.

(b) With effect on and from the Effective Date:

(i) the Facility Agreement and this document will be read and construed as one document; and

(ii) references in the Facility Agreement to "this agreement" will be read and construed as references to the Facility Agreement as amended by this document.

4. EFFECTIVE DATE

The Effective Date is the date on which the Lender has received:

(a) each of the documents set out in Schedule 4 of the Common Terms Deed in form and substance satisfactory to it; and

(b) **[*]**

[*] Confidential Treatment Requested

5. GENERAL

5.1 Governing law

(a) This document is governed by the laws of New South Wales.

(b) Each Borrower irrevocably submits to the non—exclusive jurisdiction of the courts of New South Wales.

(c) Each Borrower irrevocably waives any objection to the venue of any legal process on the basis that the process has been brought in an inconvenient forum.

(d) Each Borrower irrevocably waives any immunity in respect of its obligations under this document that it may acquire from the jurisdiction of any court or any legal process for any reason including the service of notice, attachment before judgment, attachment in aid of execution or execution.

(e) Each Borrower (other than Sims) appoints Sims in relation to proceedings in New South Wales as its agent to receive service of any legal process on its behalf without excluding any other means of service permitted by the law of New South Wales and Sims irrevocably accepts that appointment.

5.2 Prohibition and enforceability

(a) Any provision of, or the application of any provision of, this document or any Power which is prohibited in any jurisdiction is, in that jurisdiction, ineffective only to the extent of that prohibition.

(b) Any provision of, or the application of any provision of, this document which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.

5.3 Variation

A variation of any term of this document must be in writing and signed by the parties.

5.4 Counterparts

(a) This document may be executed in any number of counterparts.

(b) All counterparts, taken together, constitute one instrument.

(c) A party may execute this document by signing any counterpart.

5.5 Attorneys

Each of the attorneys executing this document states that the attorney has no notice of the revocation of the power of attorney appointing that attorney.

Schedule 1

BORROWERS

Name	Jurisdiction of incorporation / registration / organisation	Company number (if any)
Sims Metal Management Limited	Australia	69 114 838 630
Sims Group Australia Holdings Limited	Australia	37 008 634 526
Sims Aluminium Pty Limited	Australia	93 004 370 905
Sims Group UK Limited	United Kingdom	3242331
Sims Group UK Holdings Limited	United Kingdom	2904307
Mirec B.V.	The Netherlands	17073024
Sims Recycling Solutions AB	Sweden	N/A
Sims Group USA Corporation	Delaware	N/A
Sims Group Global Trade Corporation	Delaware	N/A
North Carolina Resource Conservation, LLC	North Carolina	N/A
Sims Group USA Holdings Corporation	Delaware	N/A
Schiabo Larovo Corporation	Delaware	N/A
Simsmetal East LLC	Delaware	N/A

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Name	Jurisdiction of incorporation / registration / organisation	Company number (if any)
Simsmetal West LLC	Delaware	N/A
Metal Management, Inc.	Delaware	N/A
Metal Management Alabama, Inc.	Delaware	N/A
Metal Management Arizona, L.L.C.	Arizona	N/A
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)	Delaware	N/A
Metal Management Memphis, L.L.C.	Tennessee	N/A
Metal Management Midwest, Inc.	Illinois	N/A
Metal Management Mississippi, Inc.	Delaware	N/A
Metal Management Northeast, Inc.	New Jersey	N/A
Metal Management Ohio, Inc.	Ohio	N/A
Metal Management West, Inc.	Colorado	N/A
Proler Southwest LP	Texas	N/A
Metal Dynamics Detroit LLC	Delaware	N/A

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Name	Jurisdiction of incorporation / registration / organisation	Company number (if any)
Sims Recycling Solutions Holdings Inc. (formerly Sims Recycling Solutions, Inc.)	Illinois	N/A
Sims Recycling Solutions, Inc. (formerly United Refining & Smelting Co)	Illinois	N/A

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Schedule 2

AMENDED AND RESTATED FORM OF FACILITY AGREEMENT

Agreement

Sims Metal Management Limited

Multi-option facility
agreement

Commonwealth Bank of Australia

Each Borrower specified in Schedule 1

[*] Confidential Treatment Requested

Table of contents

The agreement 1
Operative part 2

1 DEFINITIONS AND INTERPRETATION 2

1.1 AGREEMENT COMPONENTS 2

1.2 DEFINITIONS 2

1.3 INCORPORATED DEFINITIONS 13

1.4 INCORPORATED PROVISIONS 13

1.5 CLAUSE 7.17 (LIMITATION OF LIABILITY) OF COMMON TERMS DEED 13

2 CONDITIONS PRECEDENT 13

2.1 CONDITIONS PRECEDENT TO INITIAL FUNDING PORTION 13

2.2 CONDITIONS PRECEDENT TO ALL FUNDING PORTIONS 14

2.3 CERTIFIED COPIES 15

2.4 BENEFIT OF CONDITIONS PRECEDENT 15

3 COMMITMENT, PURPOSE AND AVAILABILITY OF FACILITY 15

3.1 PROVISION OF COMMITMENT 15

3.2 PURPOSE 15

3.3 CANCELLATION OF COMMITMENT DURING AVAILABILITY PERIOD 16

3.4 CANCELLATION AT END OF AVAILABILITY PERIOD 16

3.5 REVIEW AND RENEWAL OF COMMITMENT 16

3.6 ANNUAL RESET OF COMMITMENT 17

4 FUNDING AND RATE SETTING PROCEDURES 17

4.1 DELIVERY OF FUNDING NOTICE 17

4.2 REQUIREMENTS FOR A FUNDING NOTICE 18

4.3 IRREVOCABILITY OF FUNDING NOTICE 18

4.4 AMOUNT OF FUNDING PORTIONS 18

4.5 SELECTION OF FUNDING PERIODS 19

4.6 DETERMINATION OF FUNDING RATE 19

4.7 MARKET DISRUPTION 19

4.8 CONFIDENTIALITY 20

4.9 CURRENCY MOVEMENTS 20

4.10 UNAVAILABILITY OF A CURRENCY 21

5 CASH ADVANCE FACILITY 21

5.1 PROVISION OF FUNDING PORTIONS 21

5.2 NUMBER OF FUNDING PORTIONS 21

5.3 CONSOLIDATION AND DIVISION OF FUNDING PORTIONS 22

5.4 SELECTION NOTICE 22

5.5 REPAYMENT 22

5.6 PREPAYMENT UNDER CASH ADVANCE FACILITY 22

5.7 PREPAYMENT DATE 23

5.8 INTEREST 23

5.9 LIQUIDITY BILLS 23

5.10 FEES 24

6 COMMERCIAL BILLS FACILITY 24

6.1 AVAILABILITY 24

6.2 BILL ACCEPTANCE AND ENDORSEMENT PROCEDURE 24

6.3 PREPARATION OF BILLS 24

6.4 FAILURE TO PREPARE BILLS 25

6.5 FORM OF BILLS 25

6.6 RESTRICTION ON USE BY THE LENDER 25

6.7 TAX ON BILLS 26

6.8 SIGNING OF BILLS AND APPOINTMENT OF LENDER AS ATTORNEY 26

6.9 NOTIFICATION OF RATE AND DISCOUNTING PROCEDURE 26

6.10 BILLS ACCEPTED OR ENDORSED BUT NOT DISCOUNTED 27

6.11 BORROWER'S PRIMARY LIABILITY TO PAY BILLS 27

6.12 INDEMNITY IN RESPECT OF BILLS 27

6.13 VARIATION OF PROCEDURES 27

6.14 FEES 27

6.15 REPAYMENT BY CASH COVER AND NETTING 28

6.16 ACKNOWLEDGMENT REGARDING SIGNED BILLS 28

7 CREDIT SUPPORT FACILITY 28

7.1 ISSUE OF CREDIT SUPPORT DOCUMENTS 28

7.2 ADDITIONAL FUNDING NOTICE REQUIREMENTS 29

7.3 FORM OF CREDIT SUPPORT DOCUMENTS 29

7.4 PREPAYMENT UNDER CREDIT SUPPORT FACILITY 30

7.5 PREPAYMENT DATE 30

7.6 CASH COVER 30

7.7 FEES 30
7.8 TAX ON CREDIT SUPPORT DOCUMENTS 31
7.9 LIABILITY OF BORROWERS 31
7.10 EARLY EXPIRATION OR REDUCTION 31
7.11 BENEFICIARY CONTRACTS AND NOTIFICATION 32
7.12 OBLIGATIONS OF THE LENDER 32
7.13 INDEMNITY IN RESPECT OF CREDIT SUPPORT DOCUMENT 32
7.14 UNCONDITIONAL NATURE OF BORROWER'S OBLIGATIONS 32
8 TRADE FINANCE FACILITY 33
8.1 ADDITIONAL FUNDING NOTICE REQUIREMENTS 33
8.2 PROVISION OF TRADE ADVANCES 34
8.3 APPLICATION OF TRADE ADVANCES 34
8.4 REPAYMENT OF TRADE ADVANCES 35
8.5 INTEREST ON TRADE ADVANCES 35
8.6 ISSUE OF DOCUMENTARY LCS 35
8.7 FORM OF DOCUMENTARY LCS 35
8.8 CREDIT SUPPORT DOCUMENT TERMS APPLY TO DOCUMENTARY LC 35
8.9 FOREIGN BILLS NEGOTIATION 36
8.10 INTEREST ON PROCEEDS OF NEGOTIATION 36
8.11 REPAYMENT OF PROCEEDS OF NEGOTIATION 36
8.12 EXTENSION OF REPAYMENT OF PROCEEDS OF NEGOTIATION 36
8.13 FEES 37
9 OVERDRAFT FACILITY 37

9.1 OVERDRAFT FACILITY 37

9.2 FUNDING PORTIONS 37

9.3 PREPAYMENT 37

9.4 FEES 37

10 REPRESENTATIONS AND WARRANTIES 37

10.1 REPRESENTATIONS AND WARRANTIES 37

10.2 SURVIVAL AND REPETITION OF REPRESENTATIONS AND WARRANTIES 37

10.3 RELIANCE BY LENDER 38

11 UNDERTAKINGS 38

11.1 INCORPORATED UNDERTAKINGS 38

11.2 COMPLIANCE 38

11.3 TERM OF UNDERTAKINGS 38

12 EVENTS OF DEFAULT 38

12.1 EVENTS OF DEFAULT 38

12.2 EFFECT OF EVENT OF DEFAULT 38

12.3 APPLICATION OF CASH COVER UNDER COMMERCIAL BILLS FACILITY, TRADE FINANCE FACILITY AND CREDIT SUPPORT FACILITY 38

12.4 NEW RELATED BODY CORPORATE 39

13 FEES 39

14 INTEREST ON OVERDUE AMOUNTS 40

14.1 PAYMENT OF INTEREST 40

14.2 ACCRUAL OF INTEREST 40

14.3 RATE OF INTEREST 40

15 ASSIGNMENT AND SUBSTITUTION 40

16 ADDITIONAL BORROWERS 40

16.1 ADDITIONAL BORROWERS 40

16.2 REPETITION OF REPRESENTATIONS 41

17 GENERAL 41

17.1 GOVERNING LAW AND JURISDICTION 41

17.2 PROHIBITION AND ENFORCEABILITY 41

17.3 WAIVERS 41

17.4 VARIATION 42

17.5 CUMULATIVE RIGHTS 42

17.6 COUNTERPARTS 42

17.7 ATTORNEYS 42

Schedules
Borrowers 44
Key Terms Schedule 47
Fee Schedule 51
Funding Notices 54
Selection Notice 60
Renewal Notice 62
Revised Commitment Notice 65
Signing page 67
Attachments

3 ACCESSION DEED — ADDITIONAL BORROWERS

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Multi-option facility agreement

Date	2 November 2009
Between the parties	
Original Borrower	**Each of the persons listed in** Schedule 1
Lender	**Commonwealth Bank of Australia** ABN 48 123 123 124 of Level 21, Darling Park Tower 1, 201 Sussex Street, Sydney, New South Wales 2000, Australia
Background	The Lender has agreed to provide the Facilities to the Borrowers on the terms of this agreement.
The parties agree	as set out in the Operative part of this agreement, in consideration of, among other things, the mutual promises contained in this agreement.

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Definitions and interpretation

Agreement components

This agreement includes any schedule.

Definitions

The meanings of the terms used in this document are set out below.

Term	Meaning
Accession Deed	an accession deed in the form of Attachment 1.
Additional Borrower	a person which becomes an Additional Borrower in accordance with clause 16.
Applicable Screen Rate	in respect of a Funding Period and a Funding Portion denominated in: 1 A$, the average bid rate quoted on the page entitled 'BBSY' on the Reuters Monitor System or any Replacement Page at or about 10.10am (Sydney time) on the Rate Set Date for that Funding Portion; 2 US Dollars, the arithmetic mean of the rates quoted on the page entitled 'LIBOR01' on the Reuters Monitor System or any Replacement Page at or about 11.00am (London time) on the Rate Set Date for that Funding Portion for deposits in US Dollars; 3 Sterling, the rate quoted on the page entitled 'LIBOR01' on the Reuters Monitor System or any Replacement Page at or about 11.00am (London time) on the Rate Set Date for that Funding Portion for deposits in Sterling; 4 Euro, the rate quoted on the page entitled 'EURIBOR01' on the Reuters Monitor System or any Replacement Page at or about 11.00am (Brussels time) on the Rate Set Date for that Funding Portion; 5 CAD, the rate quoted on the page entitled 'LIBOR01' on the Reuters Monitor System or any Replacement Page at or about 11.00am (Ottawa time) on the Rate Set Date for that Funding Portion for deposits in CAD; 6 any other Available Currency, the rate agreed by the Lender at the time such currency is approved by the Lender, in each case for a term equal to, or if not equal to most closely approximating, that Funding Period: if the rate is not displayed on any Rate Set Date for such a term, but rates are displayed for terms longer and shorter than that period, then the rate will be determined by the Lender by linear interpolation between the nearest longer and shorter terms.
Application for Irrevocable Documentary Credit	an application for irrevocable documentary credit in the form most recently notified to Sims by the Lender.

Term	Meaning
Available Currency	A$, US Dollars, Sterling, CAD, SGD and Euro and any other currency approved by the Lender.
Availability Period	in relation to a Facility, the period commencing on the date on which the conditions precedent set out in clause 2.1 are satisfied or waived by the Lender and ending on the earlier of: 7 the Termination Date for that Facility; 8 the date falling one month prior to the Final Termination Date; and 9 the date on which the Commitment is cancelled in full under this agreement.
A$ Facility	the Facility, which may be drawn in any Available Currency up to the A$ Facility Limit, made available by the Lender to the Borrowers under this agreement and on the terms set out in Part A of the Key Terms Schedule.
A$ Facility Limit	the "Facility Limit" in respect of the A$ Facility (if any) as specified in Part A of the Key Terms Schedule, as adjusted under this agreement.
Bank Guarantee	a guarantee issued by the Lender under the Credit Support Facility.
Base Rate	on any Rate Set Date in respect of a Funding Period for a Funding Portion: 10 the Applicable Screen Rate for the Funding Period and the Funding Portion; or 11 if on the Rate Set Date for any reason the Applicable Screen Rate is not displayed or the basis on which the Applicable Screen Rate is displayed is changed and in the opinion of the Lender it ceases to reflect the Lender's cost of funding to the same extent as at the date of this agreement, then the Base Rate will be the rate determined by the Lender to be the average of rates quoted to the Lender by 3 Reference Banks on the Rate Set Date for: • in the case of a Funding Portion denominated in A$ the rate percent per annum determined by the Lender as the average of the rates quoted to the Lender by each Reference Bank for the purchase of Bills accepted by the Reference Bank which have a tenor equal to the Funding Period of the Funding Portion and a Face Value Amount equal to the amount of the Funding Portion; or • in the case of a Funding Portion denominated in a Foreign Currency, the rate determined by the Lender based on the rates otherwise quoted by the Reference Banks (or so many of them as are prepared to quote such rates), on application by the Lender, for deposits in that currency for a term equal to the Funding Period of the Funding Portion commencing on that Funding Date in an amount equal to the amount of the Funding Portion; and 12 if, on the Rate Set Date, the Base Rate for a Funding Portion cannot be determined in accordance with paragraphs (1) or (2) of this definition, the Base Rate will be the Lender's cost of funding the Funding Portion for the Funding Period. All calculations of rates for the purposes of this definition will be expressed as a percent per annum.
Beneficiary	the beneficiary of a Credit Support Document or a Documentary LC.

Term	Meaning
Beneficiary Contract	each agreement between a Borrower and a Beneficiary where the Lender has issued a Credit Support Document or a Documentary LC in favour of the Beneficiary to support the obligations of the Borrower to the Beneficiary under that agreement.
Bill Acceptance / Endorsement Fee	the fee payable to the Lender for accepting or endorsing Bills, calculated in accordance with clause 6.14(a).
Bill Acceptance /Endorsement Fee Rate	on any date, in respect of a Bill Funding, the % per annum under the heading "Bill Acceptance/Endorsement Fee Rate" corresponding to the most recent Gearing Ratio (as set out in the most recent Compliance Certificate provided by Sims), as specified in Part 2 of the Key Terms Schedule under the heading "Bill Acceptance/Endorsement Fee Rate".
Bill Discount Rate	at any date the rate of discount expressed as a per cent yield to maturity per annum at which the Lender is prepared at that date to purchase Bills accepted or endorsed by itself.
Bill Funding	any Funding Portion under the Commercial Bills Facility.
Borrower	each Original Borrower and each Additional Borrower.
Break Costs	for any repayment or prepayment the amount (if any) by which: 13 the interest on the amount repaid or prepaid which the Lender should have received under this agreement (had the repayment or prepayment not occurred), exceeds: 14 the return which the Lender would be able to obtain by placing the amount repaid or prepaid to it on deposit with a Reference Bank nominated by it, in each case for the period from the date of repayment or prepayment until the last day of the then current Funding Period applicable to the repaid or prepaid amount.
Business Day	15 in relation to any Funding Portion or any other payment obligation, a day (excluding a Saturday, Sunday or public holiday) on which banking institutions are open for business: • in Sydney and Melbourne in relation to Dollars; • in New York City and Los Angeles in relation to US Dollars; • in London in relation to Sterling; • in Ottawa in relation to CAD; • in London in relation to Euro, provided that the relevant day is also a TARGET Day in relation to Euro; and 16 for all other purposes, a day on which banks are open for business in Sydney and Melbourne excluding a Saturday, Sunday or public holiday.
CAD	the lawful currency of Canada.

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Term	Meaning
Cash Advance Facility	if specified as "Available" in Part 1 of the Key Terms Schedule, the cash advance facility made available by the Lender to the Borrowers under clause 5 and on the terms set out in Part 1 of the Key Terms Schedule.
Commercial Bills Facility	if specified as "Available" in Part 2 of the Key Terms Schedule, the acceptance, discount and endorsement facility made available by the Lender to the Borrowers under clause 6 and on the terms set out in Part 2 of the Key Terms Schedule.
Commercial Bills Facility Limit	the "Facility Limit" in respect of the Commercial Bills Facility (if any) as specified in Part 2 of the Key Terms Schedule, as adjusted under this agreement.
Commitment	in respect of a Facility, the amount (whether or not in A$) specified as the Commitment for the Facility in Part D of the Key Terms Schedule.
Commitment Currency	in relation to a Facility, the currency in which the Commitment for that Facility is denominated.
Commitment Fee Rate	the "Commitment Fee Rate" specified in Part D of the Key Terms Schedule.
Common Terms Deed	the deed entitled 'Common Terms Deed' dated on or about 23 June 2011 between, amongst others, the Lender and the Borrowers.
Credit Support Document	17 each Bank Guarantee; and 18 each Standby LC, which is issued under the Credit Support Facility.
Credit Support Document Fee Rate	for a Credit Support Document issued under the Credit Support Facility, the % per annum under the heading "Credit Support Document Fee Rate" corresponding to the most recent Gearing Ratio (as set out in the most recent Compliance Certificate provided by Sims), specified in Part 3 of the Key Terms Schedule.
Credit Support Facility	if specified as "Available" in Part 3 of the Key Terms Schedule, the credit support document facility made available by the Lender to the Borrowers under clause 7 and on the terms set out in Part 3 of the Key Terms Schedule.
Credit Support Facility Limit	the "Facility Limit" in respect of the Credit Support Facility (if any) as specified in Part 3 of the Key Terms Schedule, as adjusted under this agreement.
Current Bill	any Bill drawn under the Commercial Bills Facility which has not been discharged in full or in respect of which the obligations of the relevant Borrower or the Lender under this agreement have not been satisfied.
Current Credit Support Document	each Credit Support Document which has not been discharged in full or in respect of which a Borrower's obligations under this agreement have not been satisfied.

Term	Meaning
Current Documentary LC	each Documentary LC which has not been discharged in full or in respect of which a Borrower's obligations under this agreement have not been satisfied.
Current Amount	in respect of a Facility, at any time: 19 for a Funding Portion under the Cash Advance Facility or Overdraft Facility, or for a Trade Advance or Proceeds of Negotiation denominated in: • the Commitment Currency, the principal amount of that Funding Portion outstanding at that time; • a currency other than the Commitment Currency, the Equivalent Amount at that time of the principal amount of that Funding Portion outstanding at that time; 20 for a Credit Support Document under the Credit Support Facility denominated in: • Dollars, its Face Value Amount at that time; • a Foreign Currency, the Equivalent Amount at that time of its Face Value Amount at that time; and 21 for a Documentary LC under the Trade Finance Facility denominated in: • Dollars, its Face Value Amount at that time; • a Foreign Currency, the Equivalent Amount at that time of its Face Value Amount at that time. 22 for a Bill under the Commercial Bills Facility denominated in Dollars, its Face Value Amount at that time.
Discount Amount	in respect of a Bill discounted by the Lender, the Dollar amount derived by application of the following formula $FVA - \frac{FVA \times 36500}{36500 + (D \times R)}$ where: FVA equals the Face Value Amount of the Bill; R equals the Bill Discount Rate on the Funding Date on which the Bill is discounted (expressed as a number eg 10.74% is expressed as 10.74); and D equals the number of days in the Funding Period for the Bill.
Documentary LC	a documentary letter of credit issued by the Lender under the Trade Finance Facility.
Equivalent Amount	in relation to a Funding Portion drawn under a Facility which is expressed in a currency (**first currency**) which is not the Commitment Currency of that Facility, at any time, the amount of the Commitment Currency determined by translating that amount of the first currency into the Commitment Currency at the Exchange Rate for the first currency at that time.

Term	Meaning
Euro, euro and **€**	the single lawful currency of a Participating Member State.
Event of Default	any event specified in clause 12.1.
Exchange Rate	in relation to any currency, the spot rate of exchange determined by the Lender to be the rate of exchange to buy that currency with an applicable Commitment Currency.
Exchange Rate Calculation Date	the last Business Day of each month.
Expiry Date	in relation to a Credit Support Document or a Documentary LC, the expiry date for that Credit Support Document or Documentary LC as specified in that Credit Support Document or Documentary LC (as applicable).
Face Value Amount	at any time: 23 in relation to a Credit Support Document, the amount stated in, or determined in accordance with, the Credit Support Document as the maximum amount payable under it at that time; 24 in relation to a Documentary LC, the amount stated in, or determined in accordance with, the Documentary LC as the maximum amount payable under it at that time; and 25 in relation to a Bill, the amount stated on the Bill as the maximum amount payable under the Bill.
Facility	the A$ Facility, the US$ Facility and the GBP Facility which may be comprised of any one of the Sub-facilities, subject to clause 6.1.
Facility Limit	26 in respect of the A$ Facility, the A$ Facility Limit; 27 in respect of the US$ Facility, the US$ Facility Limit; and 28 in respect of the GBP Facility, the GBP Facility Limit.
[*]	**[*]**
Fee Schedule	the schedule of fees and charges set out in Schedule 3.
Final Termination Date	the date specified as such in Part D of the Key Terms Schedule as extended from time to time in accordance with clause 3.5.
Finance Contract	any written contract or arrangement between a Borrower under the Credit Support Facility, or a Borrower of a Documentary LC under the Trade Finance Facility, and a Beneficiary which requires the Borrower to pay or repay to any person any amount due in respect of financial accommodation.
Financial Close	the date on which all of the conditions set out in clause 2.1 are first satisfied or waived by the Lender.

Term	Meaning
Foreign Bill	a negotiable instrument (whether clean or documentary) where the party named as drawee is not a resident of Australia, which is in a form satisfactory to the Lender.
Foreign Currency	US Dollars, Sterling, CAD, SGD and Euro and any other foreign currency which is freely transferable and convertible into Dollars.
Funding Date	the date on which a Funding Portion is provided, or is to be provided, to or for the account of a Borrower under this agreement.
Funding Notice	a notice given under clause 4.1.
Funding Period	for a Funding Portion, a period selected or determined under clause 4.5.
Funding Portion	each portion of the Commitment for a Facility provided under this agreement.
Funding Rate	in respect of a Funding Period for a Funding Portion under the Cash Advance Facility or provided as a Trade Advance under the Trade Finance Facility, the aggregate of: • the Base Rate on the Rate Set Date for that Funding Period; and • the Margin.
Gearing Ratio	for a Calculation Period, the ratio of Financial Indebtedness of the Sims Group to EBITDA.
Group Limit Facility	the group limit overdraft facility dated on or about the date of this agreement between, amongst others, the Lender and Sims.
GBP Facility	the Facility denominated in Sterling , which may be drawn in Sterling or any other Available Currency agreed by the Lender from time to time up to the GBP Facility Limit, made available by the Lender to the Borrowers under this agreement and on the terms set out in Part C of the Key Terms Schedule.
GBP Facility Limit	the "Facility Limit" in respect of the GBP Facility (if any) as specified in Part C of the Key Terms Schedule, as adjusted under this agreement.
Interest Payment Date	the last day of each Funding Period.
Key Terms Schedule	the Key Terms Schedule set out in Schedule 2 as amended, supplemented or replaced from time to time in accordance with this agreement.

Term	Meaning
Lending Office	29 the Sydney Lending Office; 30 the office of the Lender at Senator House, 85 Queen Victoria Street London EC4V4HA, England; 31 the office of the Lender at Level 17, 599 Lexington Avenue New York 10022, USA; or 32 any other office notified by the Lender under this agreement.
Liquidity Bill	a Bill drawn under clause 5.9.
Margin	33 on any date in respect of a Funding Portion under the Cash Advance Facility, an amount payable under clause 14 or the Commitment Fee Rate, the % per annum specified in Part 1 of the Key Terms Schedule under the heading "Margin" which corresponds to the most recent Gearing Ratio (as set out in the most recent Compliance Certificate provided by Sims); and 34 in respect of a Funding Portion provided as a Trade Advance under the Trade Finance Facility, the % per annum specified in Part 4 of the Key Terms Schedule under the heading "Margin" which corresponds to the most recent Gearing Ratio (as set out in the most recent Compliance Certificate provided by Sims).
Net Bill Proceeds	in respect of a Bill discounted by the Lender under the Commercial Bills Facility, the amount to be provided by the Lender in respect of that Bill in accordance with clause 6.9.
Obligation	any obligation to make payment in respect of an underlying trade transaction, either pre or post-shipment.
Original Amount	in respect of a Facility: 35 for a Funding Portion under the Cash Advance Facility or Overdraft Facility or for a Trade Advance or Proceeds of Negotiation under the Trade Finance Facility denominated in: • the Commitment Currency, the amount of that Funding Portion; • a currency which is not the Commitment Currency, the Equivalent Amount of that Funding Portion calculated at the Exchange Rate for that currency on the Funding Date for that Funding Portion; and 36 for a Credit Support Document under the Credit Support Facility or a Documentary LC under the Trade Finance Facility denominated in: • Dollars, its Face Value Amount on its Funding Date; • a Foreign Currency, the Equivalent Amount of its Face Value Amount calculated on the Funding Date for that Credit Support Document; and 37 for a Bill under the Commercial Bills Facility, its Face Value Amount on its Funding Date.
Outstanding Current Bill Amount	in respect of a Bill Funding and in relation to any Funding Date, the aggregate Face Value Amount of all Current Bills under the Commercial Bills Facility which mature on or before that Funding Date and which have not been paid by a Borrower or in respect of which the obligations of a Borrower under clauses 6.11, 6.12, 6.15(a) and 6.15(b) remain unsatisfied.

Term	Meaning
Overdraft Account	each account of an Overdraft Borrower held with the Lender.
Overdraft Borrower	each "Overdraft Borrower" specified in Part 5 of the Key Terms Schedule.
Overdraft Facility	if specified as "Available" in Part 5 of the Key Terms Schedule, the overdraft facility made available by the Lender to the Overdraft Borrowers under clause 9 and on the terms set out in Part 5 of the Key Terms Schedule and the Group Limit Facility.
Overdraft Facility Limit	the "Cap Limit" as defined in the Group Limit Facility.
Overdue Margin	the "Overdue Margin" specified in Part D of the Key Terms Schedule.
Overdue Rate	in relation to an overdue amount, the aggregate of: 38 the Overdue Margin; 39 the Margin; and 40 the Base Rate for the currency in which that overdue amount is payable on the relevant date on which the Overdue Rate is calculated under clause 14, as determined by the Lender in accordance with the definition of Base Rate in this clause 1.2 except that in making the determination all references in that definition to: • 'Funding Period' are references to a period of 30 days; • 'Rate Set Date' are to the relevant date on which that Overdue Rate is calculated under clause 14; and • 'Funding Portion' are to that overdue amount.
Participating Member State	any member state of the European Communities that adopts or has adopted the Euro as its lawful currency in accordance with legislation of the European Community relating to the Economic and Monetary Union.
Payment Documents	the documents against which the Lender is required to make payment under any Documentary LC.
Principal Outstanding	at any time in relation to a Facility, the aggregate Current Amount of all outstanding Funding Portions under that Facility.
Proceeds of Negotiation	in respect of the Trade Finance Facility, a Funding Portion, being the proceeds of negotiation of a Foreign Bill, that is provided in Same Day Funds in an Available Currency as specified in the relevant Funding Notice.
Rate Set Date	in respect of a Funding Period for a Funding Portion: 41 denominated in Dollars, the first day of that Funding Period; and 42 denominated in US Dollars, 2 days (excluding Saturday, Sunday and public holidays and being days on which banks are open for business in London and New York) before the first day of that Funding Period;

Term	Meaning
	43 denominated in Euro, 2 TARGET Days before the first day of that period; 44 denominated in CAD, 2 days (excluding Saturday, Sunday and public holidays and being days on which banks are open for business in Ottawa) before the first day of that Funding Period; 45 denominated in Sterling, the first day of that Funding Period; and 46 denominated in any other Available Currency, the date agreed by the Lender at the time such currency is approved by the Lender..
Reference Bank	47 Commonwealth Bank of Australia; 48 Westpac Banking Corporation; 49 Australia and New Zealand Banking Group Limited; and 50 National Australia Bank Limited, or such other person as the Lender and the Borrower may agree.
Relevant Credit Support Documents	51 each Transaction Document; 52 each Credit Support Document; 53 each Documentary LC; and 54 each Beneficiary Contract.
Relevant Currency	the currency in which a payment is required to be made under the Transaction Documents and is: 55 for any Funding Portion or other payment obligation denominated in Dollars, Dollars; 56 for any Funding Portion or other payment obligation denominated in a Foreign Currency, that Foreign Currency; and 57 in any other case, if not expressly stated to be another currency, Dollars.
Relevant Interbank Market	58 in relation to A$, the Australian bank bill market; 59 in relation to US Dollars, CAD or Sterling, the London interbank market; and 60 in relation to Euro, the interbank market for Euro operating in Participating Member States.
Renewal Notice	a renewal notice substantially in the form set out in Schedule 6.
Revised Commitment Notice	a revised commitment notice substantially in the form set out in Schedule 7.
SGD	the lawful currency of the Republic of Singapore.
Selection Date	the last day of an Interest Period.
Selection Notice	a notice given under clause 5.4.

Term	Meaning
Standby LC	a standby letter of credit issued by the Lender under the Credit Support Facility.
Sterling, GBP and **£**	the lawful currency of the United Kingdom.
Sub-facility	61 the Cash Advance Facility; 62 the Commercial Bills Facility; 63 the Credit Support Facility; 64 the Trade Finance Facility; and 65 the Overdraft Facility.
Sydney Lending Office	the office of the Lender set out on page 1 of this agreement.
TARGET	Trans-European Automated Real-time Gross Settlement Express Transfer payment system.
TARGET Day	a day on which TARGET is open for settlement of payments in Euro.
Termination Date	in relation to: 66 the A$ Facility, the "Termination Date" in respect of the A$ Facility as specified in Part A of the Key Terms Schedule; 67 the US$ Facility, the "Termination Date" in respect of the US$ Facility as specified in Part B of the Key Terms Schedule; 68 the GBP Facility, the "Termination Date" in respect of the GBP Facility as specified in Part C of the Key Terms Schedule; or in each case any later date agreed to by the Borrowers and the Lender.
Trade Advance	in respect of the Trade Finance Facility, a Funding Portion that is provided in Same Day Funds in an Available Currency as specified in the relevant Funding Notice.
Trade Advance Request	a request for a Trade Advance in the form most recently notified to Sims by the Lender.
Trade Finance Facility	if specified as "Available" in Part 4 of the Key Terms Schedule, the trade finance facility made available by the Lender to the Borrowers under clause 8 and on the terms set out in Part 4 of the Key Terms Schedule.
Trade Finance Facility Limit	the "Facility Limit" in respect of the Trade Finance Facility (if any) as specified in Part 4 of the Key Terms Schedule, as adjusted under this agreement.
Transaction Document	69 this agreement; 70 each **[*]**; 71 the Common Terms Deed;

Term	Meaning
	72 the Group Limit Facility; 73 each Renewal Notice and Key Terms Schedule; 74 each "Transaction Document" of the Lender, as defined in the Common Terms Deed; 75 any other document designated as such by the Borrowers and the Lender, or any document or agreement entered into or given under any of the above.
Undrawn Commitment	at any time in relation to a Facility, the Commitment for that Facility less the Principal Outstanding for that Facility.
US Dollars, US$ or **USD**	the lawful currency of the United States of America.
US$ Facility	the Facility denominated in US Dollars, which may be drawn in US Dollars or any other Available Currency agreed by the Lender from time to time up to the US$ Facility Limit, made available by the Lender to the Borrowers under this agreement and on the terms set out in Part B of the Key Terms Schedule.
US$ Facility Limit	the "Facility Limit" in respect of the US$ Facility (if any) as specified in Part B of the Key Terms Schedule, as adjusted under this agreement.

Incorporated definitions

A word or phrase, other than one defined in clause 1.2, defined in the Common Terms Deed has the same meaning when used in this agreement.

Incorporated provisions

Clauses 1.3, 1.5 to 1.7 (inclusive), 9, 15.2 and 16 of the Common Terms Deed apply to this agreement as if set out in full in this agreement and as if references in those clauses to 'this deed' were to 'this agreement'.

Clause 7.17 (Limitation of Liability) of Common Terms Deed

Pursuant to clause 7.17(c) of the Common Terms Deed, the Lender and Sims agree that clause 7.17 of the Common Terms Deed is to apply in respect of the Lender and all Guarantors.

Conditions precedent

Conditions precedent to initial Funding Portion

The Lender is not obliged to provide the Commitment or the first Funding Portion until the Lender has received all of the following in a form and substance satisfactory to the Lender:

Verification certificate: a verification certificate in the form of Schedule 2 of the Common Terms Deed given in respect of each Transaction Party and dated no more than 5 days before the date of this agreement;

Transaction Documents: originals of each Transaction Document which can be executed before the first Funding Date, duly executed by all parties to them other than the Lender and, where applicable:

duly stamped or, if not duly stamped, evidence satisfactory to the Lender that they will be duly stamped; and

in registrable form together with all executed documents necessary to register them;

enquiries: results of searches, enquiries and requisitions in respect of each Transaction Party;

opinions: an opinion from:

Freehills in respect of each Transaction Party incorporated in Australia, this agreement and the Common Terms Deed;

counsel for the Borrowers in respect of each Transaction Party incorporated outside of Australia;

Overdraft account authorities: signed account authorities, signature cards and any other documents required by the Lender with respect to the Overdraft Accounts;

KYC & AML: if required, each document or other information necessary in the Lender's opinion to enable the Lender to do any know your customer checks or anti-money laundering checks;

structure diagram: a complete diagram showing the structure and ownership arrangements of the Sims Group; and

US solvency certificate: with respect to each Transaction Party incorporated or organised under the laws of a state of the United States of America only, a certificate signed by an officer of that Transaction Party stating that it is solvent and able to pay its debts as and when they fall due.

Conditions precedent to all Funding Portions

The Lender is not obliged to provide any Funding Portion under a Facility until the following conditions are fulfilled to the Lender's satisfaction:

Funding Notice: the Borrower has delivered a Funding Notice to the Lender requesting the Funding Portion;

Funding Date: the Funding Date for the Funding Portion is a Business Day within the Availability Period for the Facility;

Commitment: the Commitment for the Facility is not, and will not be, exceeded by the provision of that Funding Portion when the Original Amount of that proposed Funding Portion is added to the Current Amount of all other outstanding Funding Portions under that Facility;

Facility Limit: the Facility Limit for the Facility is not, and will not be, exceeded by the provision of that Funding Portion when the Original Amount of that proposed Funding Portion is added to the Current Amount of all other outstanding Funding Portions under that Facility;

Group Limit: in respect of a Funding Portion under the Overdraft Facility, the "Group Limit" (as defined in the Group Limit Facility) is not, and will not be, exceeded by the provision of that Funding Portion;

no Default: no Default has occurred which is continuing and no Default will result from the Funding Portion being provided;

Beneficiary Contract: in relation to a Funding Portion under the Credit Support Facility or to be provided as a Documentary LC under the Trade Finance Facility, the Borrower has provided the Lender with any information that the Lender reasonably requires in relation to each Beneficiary Contract to which the requested Funding Portion relates, and the terms and conditions of that Beneficiary Contract are reasonably satisfactory to the Lender;

GBP, US$ Funding Portions: in respect of a Funding Portion under the US$ Facility or the GBP Facility which the Borrower requests to be denominated in a currency other than the Commitment Currency for either of those Facilities, the Lender (in its absolute discretion) has given its prior consent in writing to providing the Funding Portion in the requested currency; and

Available Currency: in respect of a Funding Portion to be denominated in a Foreign Currency other than an Available Currency, the Lender (in its absolute discretion) has given its prior consent in writing to providing the Funding Portion in the requested Foreign Currency.

Certified copies

If requested by the Lender, an Authorised Officer of the relevant Transaction Party must certify a copy of a document given to the Lender under clauses 2.1 or 2.2 to be a true copy of the original document.

Benefit of conditions precedent

A condition in this clause 2 is for the benefit only of the Lender and only the Lender may waive it.

Commitment, purpose and availability of Facility

Provision of Commitment

The Lender must make the Commitment available to the Borrower on the terms of this agreement.

Purpose

A Borrower must use the net proceeds of a Funding Portion:

under:

the Cash Advance Facility, only for the "Purpose" specified in Part 1 of the Key Terms Schedule;

the Commercial Bills Facility, only for the "Purpose" specified in Part 2 of the Key Terms Schedule;

the Credit Support Facility, only for the "Purpose" specified in Part 3 of the Key Terms Schedule;

the Trade Finance Facility, only for the "Purpose" specified in Part 4 of the Key Terms Schedule;

the Overdraft Facility, only for the "Purpose" specified in Part 5 of the Key Terms Schedule; or

in each case, for any other purpose that the Lender approves.

Cancellation of Commitment during Availability Period

A Borrower may cancel any of the Undrawn Commitment by giving the Lender at least 10 Business Days' notice.

A partial cancellation of the Undrawn Commitment may only be made:

in respect of the A$ Facility, in a minimum amount of A$5,000,000 and in an integral multiple of A$500,000;

in respect of the US$ Facility, in a minimum amount of US$3,500,000 and in an integral multiple of US$500,000; or

in respect of the GBP Facility, in a minimum amount of £2,500,000 and in an integral multiple of £500,000.

A notice given under clause 3.3(a) is irrevocable.

Cancellation at end of Availability Period

On the date falling one month prior to the Final Termination Date, the Commitment is cancelled to the extent of the Undrawn Commitment.

Review and renewal of Commitment

On or before the date falling 12 months after each anniversary of the date of the Common Terms Deed, the Lender may review its participation under this agreement. Following this review the Lender, at its absolute discretion, may offer to extend its participation under the Facility Agreement to a date falling 12 months after the Final Termination Date (**New Termination Date**) by delivering to Sims a signed Renewal Notice attaching a proposed Key Terms Schedule and/or specifying a revised 'Margin' (as defined in the Group Limit Facility) for the Overdraft Facility.

The Lender's offer contained in any Renewal Notice delivered in accordance with clause 3.5(a) may be subject to any conditions precedent or subsequent as the Lender specifies in its absolute discretion.

If, within 30 days of receiving a Renewal Notice delivered in accordance with clause 3.5(a):

the Borrowers have signed and delivered to the Lender the Renewal Notice; and

the Lender has notified Sims that it is satisfied in its absolute discretion that all of the conditions specified in the Renewal Notice have been satisfied,

the definition of "Final Termination Date" contained in clause 1.2 of this agreement shall be amended to be the New Termination Date and the Key Terms Schedule and 'Margin' (as defined in the Group Limit Facility) amended in accordance with the Renewal Notice with effect on and from the date specified in the Renewal Notice.

If:

the Lender does not deliver a Renewal Notice to the Borrowers;

the Borrowers do not satisfy any condition in the relevant Renewal Notice; or

the Borrowers do not sign and return a Renewal Notice delivered in accordance with clause 3.5(a) within 30 days of having received it,

the Final Termination Date will not be amended.

Clause 12.2 of the Common Terms Deed is incorporated here by reference as if each reference therein to "this deed" were a reference to this agreement.

Nothing in the Transaction Documents obliges the Lender:

to extend any Final Termination Date; or

to provide a Renewal Notice.

Each Borrower acknowledges and agrees that the delivery or acceptance of any Renewal Notice or any amendment to a Transaction Document pursuant to this clause 3.5 or a Renewal Notice does not:

affect the validity or enforceability of this agreement or any other Transaction Document;

prejudice or adversely affect any right, power, authority, discretion or remedy arising under this agreement or any other Transaction Document before the date of any amendment under clause 3.5(c); or

discharge, release or otherwise affect any liability or obligation arising under this agreement or any other Transaction Document before the date of any amendment under clause 3.5(c).

Annual reset of Commitment

On each anniversary date of the Common Terms Deed, the Commitment for each Facility will be reset to an amount expressed in the Commitment Currency for that Facility (**Revised Commitment**) which in aggregate is equivalent to a total amount of A$450,000,000 (or such other amount as is agreed by the Lender (in its discretion) and Sims).

The Revised Commitment for each Facility will be determined, where applicable, using a rate of exchange agreed by Sims and the Lender at that time for buying Australian dollars with the relevant Commitment Currency.

Sims may also request the Lender to reallocate a portion of the Revised Commitment for a Facility to another Facility expressed in the Commitment Currency of the other Facility, using the rate of exchange agreed by Sims and the Lender at that time.

If, at the time the Commitment for each Facility is reset in accordance with this clause, the Lender also elects to extend its participation under the Facility Agreement in accordance with clause 3.5(a) by delivering to Sims a signed Renewal Notice attaching a proposed Key Terms Schedule, the Lender will notify Sims of the Revised Commitments in the proposed Key Terms Schedule attached to the Renewal Notice, and otherwise by delivering a Revised Commitment Notice to Sims.

Funding and rate setting procedures

Delivery of Funding Notice

If a Borrower requires the provision of a Funding Portion under a Facility it must deliver to the Lender a Funding Notice.

Clause 4.1(a) does not apply in respect of the provision of a Funding Portion:

under the Overdraft Facility; or

to be provided as a Trade Advance or a Documentary LC under the Trade Finance Facility, in respect of which the Lender has received a Trade Advance Request no later than 10.00am local time (in the city of the applicable Lending Office) 2 Business Days before the proposed Funding Date.

Sims may at any time on a Business Day and within normal working hours, request that the Lender confirm whether it has determined that a Market Disruption Event has occurred and is continuing at that time. Without prejudice to the rights of the Lender under clause 4.7, the Lender shall promptly on receipt of any such request notify Sims whether at the time such notice is given it has determined that a Market Disruption Event has occurred.

Requirements for a Funding Notice

To be effective, a Funding Notice must:

be in writing in the form of, and specifying the matters required in:

Part A of Schedule 4, in respect of the Cash Advance Facility or in respect of a Funding Portion to be provided as a Trade Advance under the Trade Finance Facility;

Part B of Schedule 4, in respect of the Commercial Bills Facility; and

Part C of Schedule 4 in respect of the Credit Support Facility or a Funding Portion to be provided as a Documentary LC under the Trade Finance Facility;

be received by the Lender before 11.00am on a Business Day at least 2 Business Days before the proposed Funding Date in respect of Funding Portions to be provided in Dollars or on a Business Day at least 3 Business Days before the proposed Funding Date in respect of Funding Portions to be provided in a Foreign Currency (or any shorter period that the Lender agrees in writing); and

if a Funding Portion is to be provided in a currency which is not the Commitment Currency of the relevant Facility on the relevant Funding Date, specify the Original Amount of the Funding Portion and the currency in which it is required.

Irrevocability of Funding Notice

The Borrower of a Funding Portion is irrevocably committed to draw Funding Portions from the Lender in accordance with each Funding Notice given to the Lender.

Amount of Funding Portions

Each Borrower must ensure that the amount of each Funding Portion under the Cash Advance Facility or the Commercial Bills Facility is:

if denominated in Dollars, not less than A$500,000 and is an integral multiple of A$100,000;

if denominated in US Dollars, not less than US$350,000 and is an integral multiple of US$50,000;

if denominated in Sterling, not less than £250,000 and is an integral multiple of £50,000;

if denominated in Euro, not less than €300,000 and is an integral multiple of €50,000;

if denominated in any other Foreign Currency, not less than an amount, based on the Original Amount, which is the equivalent of A$500,000 and which corresponds as closely as practicable to an integral multiple of A$100,000; or

when added to the Principal Outstanding for the applicable Facility, equal to or less than the Commitment for that Facility.

Selection of Funding Periods

A Borrower of any Funding Portion under the Cash Advance Facility, the Commercial Bills Facility or a Funding Portion to be provided as a Trade Advance or as Proceeds of Negotiation under the Trade Finance Facility must select the initial Funding Period which is to apply to the Funding Portion in the Funding Notice delivered for that Funding Portion.

A Borrower of a Funding Portion under the Cash Advance Facility may select a subsequent Funding Period which is to apply to the Funding Portion in a Selection Notice delivered for that Funding Portion.

Each Funding Period:

under the Cash Advance Facility must be of 1, 2, 3 or 6 months or any other period that the Lender agrees with the Borrower;

under the Commercial Bills Facility must be between 30 and 185 days;

for a Trade Advance must be between 7 and 185 days; and

for Proceeds of Negotiation must be no greater than 180 days.

If a Funding Period ends on a day which is not a Business Day, it is regarded as ending on the next Business Day in the same calendar month or, if none, the preceding Business Day.

A Funding Period for a Funding Portion commences either on the first Funding Date for that Funding Portion or on the last day of the immediately preceding Funding Period for that Funding Portion.

No Funding Period may end after the Termination Date for a Facility or the Final Termination Date.

If a Borrower:

fails to select a Funding Period for a Funding Portion under clause 4.5(a) or clause 4.5(b); or

selects a Funding Period in a manner which does not comply with this clause 4.5,

then that Funding Period will be 1 month or such other period as the Lender selects.

Determination of Funding Rate

The Lender must notify Sims of the Funding Rate for a Funding Period for a Funding Portion as soon as reasonably practicable, and in any event within 2 Business Days, after it has made its determination of the applicable Base Rate.

Each determination of the Base Rate by the Lender is sufficient evidence of that rate against the Borrowers unless the contrary is proved.

Market disruption

If the Lender determines that a Market Disruption Event occurs in relation to a Funding Portion for any Funding Period, then it shall promptly notify Sims, and the Base Rate for the Funding Period shall be the rate notified to Sims by the Lender as soon as practicable and in any event before interest is due to be paid in respect of that Funding Period, to be that which expresses as a percentage rate per annum the cost to the Lender of funding that Funding Portion from whatever source or sources it may reasonably select.

The Lender shall determine the rate notified by it under clause 4.7(a) in good faith. The rate so notified and any notification under clause 4.7(c) will be conclusive and binding on the parties in the absence of manifest error.

In this agreement "Market Disruption Event" means:

at or about noon on the Rate Set Date for the relevant Funding Period the Applicable Screen Rate is not available and none or only one of the Reference Banks supplies a rate to the Lender to determine the Base Rate for the relevant currency and period; or

in relation to a Funding Portion for which the Base Rate was to have been LIBOR or EURIBOR, before 5pm (London time) on the Business Day after the Rate Set Date for the relevant Funding Period, the Lender is satisfied that as a result of circumstances affecting the market generally:

the cost to it on the Rate Set Date of obtaining matching deposits in the Relevant Interbank Market expressed as a rate percent per annum is or would be in excess of LIBOR or, if applicable, EURIBOR; or

it is unable to obtain matching deposits in the Relevant Interbank Market, or

in relation to a Funding Portion for which the Base Rate was to have been BBSY, before 5pm (Sydney time) on the Business Day after the Rate Set Date for the relevant Funding Period, the Lender is satisfied that as a result of circumstances affecting the market generally the cost to it of funding its participation in the Funding Portion exceeds BBSY.

Confidentiality

Each of the Lender and the Borrowers shall keep confidential and not disclose to any other person, any information relating to the Lender provided under clause 4.7.

However, the Lender, the Borrowers, or their officers or employees may disclose such information:

to the extent required by any applicable law or regulation; or

to the extent it reasonably deems necessary in connection with any actual or contemplated proceedings or a claim with respect to clauses 4.7 or 4.8.

Currency movements

On or following each Exchange Rate Calculation Date the Lender may calculate the Current Amount as at the Exchange Rate Calculation Date of each outstanding Funding Portion under a Facility and notify Sims of any amount required to be paid by it to the Lender under clause 4.9(b).

If, at an Exchange Rate Calculation Date, the aggregate Current Amount of each outstanding Funding Portion under a Facility is greater than 105% of the Commitment for that Facility, the Borrowers must, upon Sims receiving notice from the Lender under clause 4.9(a), pay to the Lender within 2 Business Days the amount of the difference.

All payments made under clause 4.9(b) must be deposited in an account:

with the Lender;

on which interest will accrue (and form part of the deposit on payment) at the usual 30 day deposit rate of the Lender for that type of account; and

are only available to the Borrower in accordance with clause 4.9(d) or upon termination and discharge of each Transaction Document and each Credit Support Document.

If, at an Exchange Rate Calculation Date, the aggregate Current Amount of each outstanding Funding Portion under a Facility is less than the sum of:

the Commitment for that Facility; and

the balance of deposits held by the Lender under clause 4.9(c),

then Sims may direct the Lender to apply (and if so directed the Lender must apply) the lesser of the amount of the difference and the balance of the deposits towards repayment or prepayment of the Principal Outstanding under the Facility.

Unavailability of a currency

If, before the specified time for determining the Applicable Screen Rate for a Funding Portion on the Rate Set Date under a Facility (other than Funding Portions in respect of that Facility drawn under the Credit Support Facility) to be denominated in a Foreign Currency (other than USD) on any Rate Set Date:

Sims has received notice from the Lender that the Foreign Currency requested for that Funding Portion is not readily available to the Lender in the amount required or is not freely convertible into Dollars or USD in the Relevant Interbank Market; or

the Lender notifies the Borrowers that compliance with its obligation to provide the Funding Portion in the proposed Foreign Currency would require the Lender to obtain an Authorisation which has not already been obtained, would contravene a law or regulation applicable to it or is otherwise impossible or impracticable,

then the Lender will not be required to provide that Funding Portion in the Foreign Currency, but must if requested by Sims, provide that Funding Portion in USD.

Cash Advance Facility

Provision of Funding Portions

If a Borrower gives a Funding Notice for a Funding Portion denominated in Dollars under the Cash Advance Facility, the Lender must provide, subject to this agreement, the Funding Portion in Same Day Funds.

If a Borrower gives a Funding Notice for a Funding Portion denominated in a Foreign Currency under the Cash Advance Facility, and, in the case of a Foreign Currency other than an Available Currency which the Lender in its absolute discretion consents to provide the Funding Portion in that Foreign Currency, the Lender must provide, subject to this agreement, the Funding Portion in Same Day Funds in the Foreign Currency specified not later than 12 noon (being the time in the place of payment) on the specified Funding Date to the account specified by the Borrower in the Funding Notice and otherwise in accordance with the relevant Funding Notice.

Number of Funding Portions

The Borrowers must ensure that no more than 12 Funding Portions under the Cash Advance Facility are outstanding at any time.

Consolidation and division of Funding Portions

If 2 or more Funding Portions, which are denominated in the same currency and drawn under the same Facility, under the Cash Advance Facility have Funding Periods which are of the same duration, then those Funding Portions will be consolidated into, and treated as, a single Funding Portion.

If a Borrower requests in a Selection Notice that a Funding Portion for the Cash Advance Facility be divided into 2 or more Funding Portions with different Funding Periods selected by the Borrower in a manner which complies with clause 4.5, then that Funding Portion will be divided into the amounts and with the Funding Periods specified in the Selection Notice.

Selection Notice

A Selection Notice to be effective must be:

in writing in the form of Schedule 5; and

received by the Lender before 11.00am on a Business Day at least 2 Business Days before the Selection Date for a relevant Funding Portion funded in Dollars and at least 3 Business Days before the Selection Date for a relevant Funding Portion funded in a Foreign Currency under the Cash Advance Facility (or any shorter period that the Lender agrees in writing).

Repayment

Each Borrower must repay each Funding Portion drawn under the Cash Advance Facility in respect of a Facility and all other Outstanding Moneys:

in full on the earlier of:

the Termination Date for that Facility; and

the Final Termination Date; and

otherwise as required under this agreement.

Prepayment under Cash Advance Facility

A Borrower may prepay all or part of the Principal Outstanding under the Cash Advance Facility by giving the Lender at least 5 Business Days' prior notice specifying:

the prepayment date; and

the relevant Funding Portions which are to be prepaid in whole or in part.

Prepayment of part of the Principal Outstanding under the Cash Advance Facility that is denominated in an Available Currency may only be made:

in the case of any prepayment denominated in and permitted to be made in Dollars, in a minimum amount of A$500,000 and in an integral multiple of A$100,000;

in the case of any prepayment denominated in and permitted to be made in US Dollars, in a minimum amount of US$350,000 and in an integral multiple of US$50,000;

in the case of any prepayment denominated in and permitted to be made in Sterling, in a minimum amount of £250,000 and in an integral multiple of £50,000;

in the case of any prepayment denominated in and permitted to be made in Euro, in a minimum amount of €300,000 and in an integral multiple of €50,000; and

in the case of any prepayment denominated in and permitted to be made in any other Foreign Currency, in a minimum amount which corresponds as closely as practicable to A$500,000 and in an integral multiple of which corresponds as closely as practicable to A$100,000.

The Borrowers must prepay the amount specified in the prepayment notice on the prepayment date specified in the notice together with all unpaid interest accrued to the prepayment date in respect of the prepaid amount.

The Commitment of a Facility is not reduced by an amount prepaid in respect of that Facility under this clause 5.6 and accordingly, subject to this agreement, a prepaid amount may be redrawn.

A notice given under clause 5.6(a) is irrevocable.

Prepayment date

The Borrower may make a prepayment under clause 5.6 on any Business Day.

Interest

The Borrower of a Funding Portion under the Cash Advance Facility must pay interest on the principal amount of the Funding Portion for each Funding Period at the Funding Rate for the Funding Period.

Interest is calculated on daily balances on the basis of a 365 day year (in the case of a Funding Portion denominated in Dollars or Sterling) and on the basis of a 360 day year (in the case of a Funding Portion other than one denominated in Dollars or Sterling) and for the actual number of days elapsed from and including the first day of each Funding Period to, but excluding, the last day of the Funding Period or, if earlier, the date of prepayment or repayment of the Funding Portion under this agreement.

The Borrowers must pay accrued interest in arrears to the Lender on each Interest Payment Date.

Liquidity Bills

The Borrowers irrevocably and for value authorise the Lender, at its option, to prepare Liquidity Bills in respect of a Funding Portion under the Cash Advance Facility in Dollars so that:

their total face value amount does not exceed the outstanding principal amount of the Funding Portion and total interest payable to the Lender in respect of the Funding Portion;

their maturity date is not later than the last day of the Funding Period for that Funding Portion,

and to sign them as drawer or endorser in the name of and on behalf of the relevant Borrower.

The Lender may negotiate or deal with any Liquidity Bill prepared by it as it sees fit and for its own benefit.

The Lender must pay any Tax on or in respect of the Liquidity Bills and any dealing with the Liquidity Bills.

The Lender indemnifies a Borrower of a Funding Portion under the Cash Advance Facility against any Loss which the Borrower suffers, incurs or is liable for in respect of the Borrower being a party to a Liquidity Bill.

Nothing in clause 5.9(d) affects a Borrower's obligations under this agreement (including any Borrower's obligations in relation to the payment of the Outstanding Moneys) which are absolute and unconditional obligations and not affected by any actual or contingent liability of the Lender to a Borrower under clause 5.9(d).

If a Borrower discharges any Liquidity Bill by payment, the amount of that payment is regarded as applied on the date of payment against the money owing by the Borrower to the Lender.

Fees

The Borrowers will pay to the Lender such fees referable to the Cash Advance Facility initially as specified in the Fee Schedule and thereafter as advised by the Lender from time to time.

Commercial Bills Facility

Availability

The Borrowers acknowledge that the Commercial Bills Facility is only available under the A$ Facility.

Bill acceptance and endorsement procedure

Where a Funding Notice has been delivered in accordance with clause 4.2, Bills have been delivered to the Lender under clause 6.3 or prepared by it under clause 6.4 and where this clause 6 has been complied with in respect of those Bills the Lender must, subject to this agreement:

in respect of Bills it is required to accept, accept those Bills;

in respect of Bills it is required to endorse, endorse those Bills;

in respect of Bills it is required to discount, insert as payee itself (if not already done) or such other person it has arranged to purchase those Bills.

Preparation of Bills

If a Borrower gives a Funding Notice for a Bill Funding the Borrower must:

prepare Bills comprised in a Bill Funding in accordance with clause 6.5;

sign each Bill in the Borrower's relevant capacity;

if a third party is named as drawer, cause the third party to sign the Bills as drawer; and

deliver those Bills to the Lender:

not later than 12 noon (Sydney time) on the Business Day before the proposed Funding Date if the Lender is required to accept and discount or endorse and discount those Bills; and

not later than 10.00am (Sydney time) on the proposed Funding Date if the Lender is required to accept only or endorse only those Bills.

Failure to prepare Bills

If:

the Borrower of a Bill Funding fails to prepare or sign or deliver Bills in accordance with clause 6.3; or

the Lender elects to do so,

each Borrower irrevocably authorises the Lender to prepare and sign (by one of its Authorised Officers) as drawer, acceptor or endorser those Bills on behalf of the Borrower and in accordance with clause 6.5.

Form of Bills

Each Bill comprised in a Bill Funding must:

be in the form approved by the Lender from time to time;

be payable on a specified date and so as to exclude days of grace for payment;

have a maturity date which is a Business Day before the end of the Availability Period;

have a tenor equal to its Funding Period selected in the relevant Funding Notice (or any other period agreed to by the Lender) or required by this agreement (but not greater than 185 nor less than 30 days);

for Bills the Lender is required to accept, be drawn with the Borrower of the Bill Funding as drawer and the Lender as acceptor and the Lender as payee, or at the Lender's option, or if the Lender is not discounting the Bill, with the name of the payee left blank;

for Bills the Lender is required to endorse, be drawn with a third party named as drawer and the Borrower of the Bill Funding as acceptor and the Lender as payee;

for Bills the Lender is required to accept, be expressed to be payable at the Lending Office or such other place as the Lender may notify from time to time; and

be denominated in Dollars.

The aggregate Face Value Amount of all Bills comprised in a Bill Funding must equal the aggregate amount of the Bill Funding requested under the relevant Funding Notice.

The Lender may vary the term and maturity date of any Bill comprised in a Bill Funding, despite any different term or maturity date requested in the relevant Funding Notice, if in the Lender's opinion the variation is necessary so as to ensure that each Bill complies with this agreement, in particular clauses 6.5(a) and 6.5(b).

Each Borrower and the Lender must observe the requirements of the Bills of Exchange Act 1909 (Cth) to ensure the validity of each Bill.

Restriction on use by the Lender

The Lender must not use or deal with any Bill delivered to or prepared by it under this clause 6 except in accordance with this clause 6.

Tax on Bills

The Borrower of a Bill Funding must pay any Tax (other than an Excluded Tax) on or in respect of Bills and any dealing with Bills and the proceeds of Bills.

To the extent possible, any such Tax must be paid before any Bills are delivered to the Lender under clause 6.3.

Signing of Bills and appointment of Lender as attorney

All Bills under the Commercial Bills Facility to be signed by a Borrower (whether as drawer, acceptor or endorser) must be signed by an Authorised Officer on its behalf.

The Borrower must, immediately upon any change occurring in the identity of its Authorised Officers authorised to sign, draw, accept and endorse Bills on its behalf, provide to the Lender a new certificate satisfactory to the Lender to replace any certificate provided under clause 2.1.

Each Borrower irrevocably authorises and appoints the Lender and each Authorised Officer of the Lender as its attorney to prepare and execute for and on behalf of, and in the name of, any Borrower and to complete all Bills required by a Borrower for a Bill Funding.

Each Borrower must ratify and confirm anything done or caused to be done by its attorney pursuant to the power and authority granted by it under clause 6.8(c) or by the Lender in respect of any Bill which conforms with the relevant Funding Notice (as varied pursuant to clause 6.5(c)) and this agreement.

Notification of rate and discounting procedure

Where a Bill Funding has been requested, the Lender must not later than 10.45am (Sydney time) on the Funding Date notify the Bill Discount Rate for that Funding Date to Sims.

If:

before 11.15am (Sydney time) on the Funding Date the Borrower of the Bill Funding accepts the Lender's Bill Discount Rate and requests the Lender to discount Bills; or

the Borrower of the Bill Funding has requested the Lender to discount Bills in the relevant Funding Notice,

the Lender must discount, or procure the discount of, those Bills at the Bill Discount Rate notified by it under clause 6.9(a) and, subject to clause 6.15(b), it must pay to the Borrower by 2.00 pm (Sydney time) on the Funding Date the aggregate Face Value Amount of the Bills less the aggregate of:

the aggregate Discount Amount in respect of each Bill;

the Bill Acceptance / Endorsement Fee in respect of those Bills;

any amount payable by the Borrower under clauses 6.7, 6.11 or 6.12 which remains unpaid; and

any Outstanding Current Bill Amount in respect of Bills under the Commercial Bills Facility on the Funding Date.

Any amount deducted by the Lender under clause 6.9(b)(5) or 6.9(b)(6) must be applied in discharge of the Borrower's obligations to the Lender under clauses 6.11 or 6.12, or in payment of the relevant amount of Tax, as the case may be.

[*] Confidential Treatment Requested

Bills accepted or endorsed but not discounted

If the Lender is not required to discount Bills under clause 6.9:

before 1.00pm (Sydney time) on the Funding Date the Lender must, following acceptance or endorsement of the Bills in accordance with clause 6.1, release the Bills to the Borrower of the Bill Funding at the Lending Office but only against receipt of Same Day Funds for:

the Bill Acceptance / Endorsement Fee in respect of those Bills;

any amount payable by a Borrower under clauses 6.7, 6.11 or 6.12 which remains unpaid;

any Outstanding Current Bill Amount in respect of Bills under the Commercial Bills Facility on the Funding Date; and

each Borrower agrees that the Lender is entitled to participate in any tender or other process under which the Bills are discounted.

Borrower's primary liability to pay Bills

As between the Lender and the Borrowers, the Borrowers are primarily liable in respect of Bills accepted by the Lender or endorsed by the Lender and accordingly the liability of a Borrower with respect to any Bill is not discharged if the Lender pays the Bill as acceptor or endorser or becomes the holder of the Bill at any time whether before, on or after maturity.

Indemnity in respect of Bills

The Borrowers indemnify the Lender against any claim, action, damage, loss, liability, cost, charge, expense, outgoing or payment (including, but not limited to, any Tax referred to in clause 6.7) which the Lender suffers, incurs or is liable for by reason of or arising out of or in consequence of the Lender signing, drawing, accepting or endorsing any Bill or otherwise dealing with any Bill in the manner contemplated by this agreement.

Variation of procedures

The Lender may, acting reasonably, vary any of the times at or by which any thing is to be done under this clause 6 to ensure the effective operation of the procedures contemplated by this clause 6. Any such variation will be binding on the Borrowers immediately upon Sims being notified of it.

Fees

On each Funding Date on which a Bill Funding is made, including in respect of a Bill Funding drawn in accordance with clause 6.15(e), the Borrowers must pay to the Lender as a Bill Acceptance / Endorsement Fee, an amount equal to the Bill Acceptance / Endorsement Fee Rate per annum of the Face Value Amount of each Bill accepted by the Lender on that Funding Date, calculated for the number of days in the tenor of each Bill on the basis of a 365 day year.

The Borrowers will pay to the Lender such other fees referable to the Commercial Bills Facility initially as specified in the Fee Schedule and thereafter as advised from time to time by the Lender to the Borrowers with at least 30 days notice.

Repayment by cash cover and netting

Subject to clause 6.15(b), the Borrower must not later than 1.00pm (Sydney time) on the maturity date for a Bill comprised in a Bill Funding which is accepted by the Lender, or endorsed and

held at maturity by the Lender, pay to the Lender an amount equal to the Face Value Amount of the Bill.

If all or part of a Bill Funding is to be redrawn on the last day of its Funding Period, then on that day the only amount that must be paid or made available by the Lender or the Borrowers, as the case may be depending on the amount of the Bill Funding, is the difference between:

the amount which the Borrowers are required to pay to the Lender in respect of Bills maturing on that day under clause 6.15(a) and 6.15(d) plus any amount the Borrowers are required to pay on that date under clauses 6.9(b)(4) and 6.9(b)(5); and

any Net Bill Proceeds (excluding the amount payable under clause 6.9(b)(6)) which the Lender is required to pay or make available to the Borrower in respect of replacement Bills on that day under clause 6.9.

Clause 6.9(b) applies to clause 6.15(b) only to the extent specified in clause 6.15(b).

In respect of a Bill endorsed by the Lender and held by a third party at maturity the Borrower of the relevant Bill Funding must:

on the maturity date immediately notify the Lender when the Borrower discharges that Bill; and

if demand is made on the Lender as endorser of the Bill immediately on demand pay to the Lender an amount equal to the Face Value Amount of the Bill.

If, on the maturity date for a Bill comprised in a Bill Funding, a Borrower has not paid any amount payable to the Lender in accordance with clauses 6.15(a), 6.15(b) or 6.15(d), each Borrower irrevocably authorises and appoints the Lender and each Authorised Officer of the Lender as its attorney to prepare and execute for and on behalf of, and in the name of, any Borrower and to complete all Bills required by a Borrower for a Bill Funding, as in the opinion of the Lender are necessary and in such amounts as are sufficient to result in Net Bill Proceeds of an amount equal to the amount of any such payment otherwise payable to the Lender under clauses 6.15(a), 6.15(b) or 6.15 (d).

Each Borrower must ratify and confirm anything done or caused to be done by its attorney pursuant to the power and authority granted by it under clause 6.15(e).

Acknowledgment regarding signed Bills

The Borrowers acknowledge that if the Lender, without actual notice to the contrary, relies on Bills which appear to have genuine signatures of Authorised Officers of a Borrower, the Lender has no further duty to enquire as to the signatory's authority or any other matters in connection with execution of the Bill and the indemnity in clause 6.12 will not be affected by any lack of authority, fraud or forgery by any person (other than the Lender or its employees).

Credit Support Facility

Issue of Credit Support Documents

If a Borrower gives a Funding Notice under the Credit Support Facility, the Lender must, subject to this agreement, issue each Credit Support Document requested in the Funding Notice on the specified Funding Date in the specified Available Currency and otherwise in accordance with that Funding Notice.

Additional Funding Notice requirements

Each Funding Notice requesting the issue of any Credit Support Document must, in addition to satisfying clause 4.2, specify in relation to each requested Credit Support Document:

details of each Beneficiary Contract to which it relates (including, without limitation, details of the Beneficiary and the terms and conditions of any Beneficiary Contract (by annexing a copy to the Funding Notice or by any other means acceptable to the Lender in its absolute discretion);

whether it is required to be in the form of a Standby LC or Bank Guarantee;

its proposed Funding Date;

its proposed Expiry Date;

the currency in which it is to be denominated;

its Face Value Amount in Dollars or, if it is to be denominated in a Foreign Currency, its Face Value Amount in the Foreign Currency;

the effective interest rate, and the period for which that interest is to accrue, if applicable, under any Finance Contract to which it relates; and

any other information the Lender may reasonably require from time to time.

Form of Credit Support Documents

A Credit Support Document must:

be substantially in a form acceptable to the Lender, in its sole discretion;

unless otherwise agreed by the Lender, have a minimum Face Value Amount:

if denominated in Dollars, of A$50,000; or

if denominated in a Foreign Currency, not less than an amount, based on the Original Amount which is the equivalent of A$50,000;

be payable at a Lending Office;

only be payable on a Business Day;

unless otherwise agreed by the Lender, have an Expiry Date which is before the Termination Date for the Facility in respect of which the Credit Support Document is issued and the Final Termination Date;

have an Expiry Date which is a date not more than 14 days after the termination date of any Beneficiary Contract to which it relates unless otherwise agreed;

be irrevocable and non transferable; and

be denominated in an Available Currency.

Prepayment under Credit Support Facility

A Borrower may prepay the Principal Outstanding in relation to any Current Credit Support Document issued under the Credit Support Facility by giving the Lender at least 10 Business Days' prior notice specifying:

the prepayment date; and

the relevant Current Credit Support Documents.

The Borrowers must prepay each Current Credit Support Document specified in the prepayment notice on the prepayment date specified in the notice by either:

returning to the Lender the originals of each Current Credit Support Document specified in the prepayment notice for cancellation by the Lender or an acknowledgement from each Beneficiary of each such Credit Support Document in favour of the Lender that each such Beneficiary has no right to make a claim under the relevant Credit Support Document; or

paying cash cover to the Lender in Same Day Funds and in the Relevant Currency in which the Credit Support Document is denominated in an amount equal to the Current Amount of each Current Credit Support Document specified in the prepayment notice.

The Lender must apply any cash cover received by it under clause 7.4(b)(2) in accordance with clause 12.3.

A notice given under clause 7.4(a) is irrevocable.

Prepayment date

The Borrower may make a prepayment under clause 7.4 on any Business Day.

Cash cover

The Borrowers must not later than 1.00pm (Sydney time) on the earlier of:

the Termination Date for the Facility in respect of which a Credit Support Document has been issued; and

the Final Termination Date,

repay each Current Credit Support Document issued in respect of that Facility by either:

returning to the Lender the originals of each Current Credit Support Document for cancellation by the Lender or an acknowledgement from each Beneficiary of each such Credit Support Document in favour of the Lender that each such Beneficiary has no right to make a claim under the relevant Credit Support Document; or

paying cash cover to the Lender in Same Day Funds and in the Relevant Currency in which the Credit Support Document is denominated in an amount equal to the Current Amount of each Current Credit Support Document.

Fees

On each Funding Date on which a Credit Support Document is issued to the Borrowers, and thereafter on each date falling 6 months after the date on which a Credit Support Document is issued to the Borrowers, the Borrowers must pay to the Lender a fee equal to the greater of:

the Credit Support Document Fee Rate per annum of the Face Value Amount of each Credit Support Document issued, calculated for the 6 month period following the date on which the fee is payable, up to and including the Expiry Date of the relevant Credit Support Document and on the basis of a 365 day year; and

A$80.00 for each Credit Support Document issued.

The Borrowers will pay to the Lender such other fees referable to the Credit Support Facility initially as specified in the Fee Schedule and thereafter as advised by the Lender from time to time.

Tax on Credit Support Documents

The Borrowers must pay any Tax (other than an Excluded Tax) on or in respect of any issued Credit Support Document.

Liability of Borrowers

If the Lender makes any payment to a Beneficiary under a Credit Support Document, the Borrowers must pay to the Lender immediately on demand Same Day Funds in the same amount and in the same currency as the payment made by the Lender to the Beneficiary.

The liability of the Borrowers under clause 7.9(a) in respect of any Credit Support Document is a continuing obligation and only ceases upon the Borrower paying to the Lender all amounts required to be paid under this agreement in respect of the Credit Support Document.

Early expiration or reduction

The Borrowers may agree with a Beneficiary to vary a Credit Support Document so that:

the Credit Support Document will expire on a date before the Expiry Date; or

the Face Value Amount of the Credit Support Document is reduced,

or both, but the agreement is not binding upon the Lender in any case unless the Lender has given its prior written consent, such consent not to be unreasonably withheld or delayed.

The consent of the Lender under clause 7.10(a) will only be given if:

the proposed variation has been notified in writing to the Lender by Sims;

except in the case of Bank Guarantees, the Beneficiary's bank has notified the Lender that it agrees to the proposed variation; and

Sims has requested the Lender to re-issue a replacement Credit Support Document incorporating the proposed variation,

and any consent only becomes effective when the original Credit Support Document is returned to the Lender or, if the Credit Support Document has been lost or destroyed, when the Lender receives, in a form and substance satisfactory to it, a written confirmation (on the Beneficiary's letterhead) given by a director or other officer acceptable to the Lender of the Beneficiary, as to the circumstances of the loss or destruction of the original Credit Support Document and acknowledging that no claim will be made under it.

Beneficiary Contracts and notification

Each Borrower must:

use all reasonable endeavours to comply with all its obligations under or in respect of each Beneficiary Contract; and

give notice to the Lender promptly upon becoming aware of any:

material breach of any term by a Transaction Party; or

termination, rescission or discharge,

of any Beneficiary Contract.

Obligations of the Lender

If a Beneficiary satisfies all requirements of a Credit Support Document regarding payment under the Credit Support Document, the Lender must pay the Beneficiary despite:

any breach by a Borrower or any other Transaction Party of any of its obligations under any Transaction Document or of any provision of a Beneficiary Contract;

any direction by a Borrower to the Lender not to pay;

any right of set off or other claim which a Borrower or any other Transaction Party may have against the Beneficiary;

any dispute between a Borrower or any other Transaction Party and the Beneficiary;

any dispute by a Borrower as to the obligation of the Lender to make payment; or

any other thing notified or known to the Lender relating to a Borrower, any other Transaction Party and any Beneficiary.

Indemnity in respect of Credit Support Document

The Borrowers jointly and severally indemnify the Lender against any Loss which the Lender pays, suffers, incurs or is liable for by reason of, arising out of, or in consequence of:

the Lender issuing, making payment under or consenting to any amendment to or variation of any Credit Support Document;

any claim or purported claim for payment under a Credit Support Document; or

anything done by any person who is or claims to be entitled to the benefit of a Credit Support Document,

provided that the Lender has acted with due care in connection with the Credit Support Document and other than any Loss due to the negligent failure of the Lender to enquire as to whether any notice or demand has been inaccurately transmitted or received from any cause whatsoever or has been given or sent by an unauthorised person.

Unconditional nature of Borrower's obligations

The obligations of a Borrower under this agreement, including clause 7.13, are absolute and unconditional and are not released or discharged or otherwise affected by anything which but for this provision might have that effect, including:

any set off, deduction, counterclaim, agreement, defence, suspension, deferment or other claim which the Borrower or any other Transaction Party may have against the Lender or any Beneficiary;

any falsity, inaccuracy, insufficiency or forgery of or in any communication which on its face purports to be a communication signed or authorised under any Relevant Credit Support Document;

any communication inaccurately transmitted or received or sent by an unauthorised person;

any impossibility or illegality of performance of any Relevant Credit Support Document;

any act of any Government Agency, court or arbitrator or application of any law (present or future) in any jurisdiction affecting any of the terms of any Relevant Credit Support Document;

any failure by any person to obtain any Authorisation or other approval or consent necessary or appropriate in connection with any Relevant Credit Support Document; any falsity, inaccuracy, insufficiency or forgery of or in any document presented to the Lender as a Beneficiary Contract or otherwise in respect of a Credit Support Document and which appears to the Lender in its opinion to correspond to the documents specified in the Funding Notice requesting the relevant Credit Support Document or otherwise required under the relevant Credit Support Document;

any Relevant Credit Support Document which is wholly or partly void, voidable, unenforceable or invalid; or

any other act, omission, matter or thing whatsoever whether negligent or not, provided that the Lender has acted with due care in connection with the Credit Support Document and other than a negligent failure of the Lender to enquire as to whether any notice or demand has been inaccurately transmitted or received from any cause whatsoever or has been given or sent by an unauthorised person.

The Lender is not liable for any failure, and is not required to make any enquiries, in respect of any matter listed in clause 7.14(a) with respect to any claim which on its face complies with the relevant Credit Support Document.

Clauses 7.14(a) and 7.14(b) apply irrespective of:

the consent or knowledge, or lack of consent or knowledge, of the Lender, any Transaction Party or any other person of any event described in clause 7.14(a); or

any rule of law or equity to the contrary.

Trade Finance Facility

Additional Funding Notice requirements

Each Funding Notice requesting the issue of a Funding Portion under the Trade Finance Facility must, in addition to satisfying clause 4.2, specify in relation to each requested Funding Portion:

whether the requested Funding Portion is to be provided as a Documentary LC, Proceeds of Negotiation or a Trade Advance; and

the relevant Obligation to which the Funding Portion applies.

Each Funding Notice requesting that a Funding Portion be provided as a Documentary LC must, in addition to satisfying clause 4.2, specify in relation to each requested Documentary LC:

details of each Beneficiary Contract to which it relates including, without limitation, details of the Beneficiary and the terms and conditions of any Beneficiary Contract (by annexing a copy to the Funding Notice or by any other means acceptable to the Lender in its absolute discretion);

the form of the Payment Documents (by annexing a copy of the form of each Payment Document or a detailed description of it to the Funding Notice);

all other required terms and conditions of the Documentary LC (by annexing an Application for Irrevocable Documentary Credit);

its proposed Funding Date;

its proposed Expiry Date;

the currency in which it is to be denominated;

its Face Value Amount in Dollars or, if it is to be denominated in a Foreign Currency, its Face Value Amount in the Foreign Currency; the effective interest rate, and the period for which that interest is to accrue, if applicable, under any Finance Contract to which it relates; and

any other information the Lender may reasonably require from time to time.

Each Funding Notice requesting that a Funding Portion be provided as Proceeds of Negotiation must be accompanied by:

such application forms and authorities as are required by the Lender in its discretion; and

the relevant Foreign Bill.

Provision of Trade Advances

If Part 4 of the Key Terms Schedule specifies that Trade Advances are "Available" and a Borrower gives a Funding Notice for a Trade Advance:

denominated in Dollars, the Lender must provide, subject to this agreement, the Funding Portion in Same Day Funds, to be applied in accordance with clause 8.3;

denominated in a Foreign Currency, and, in the case of a Foreign Currency other than an Available Currency which the Lender in its absolute discretion consents to provide the Funding Portion in that Foreign Currency, the Lender must provide, subject to this agreement, the Funding Portion in Same Day Funds in the Foreign Currency specified not later than 12 noon (being the time in the place of payment) on the specified Funding Date, to be applied in accordance with clause 8.3.

Application of Trade Advances

The Lender will apply each Trade Advance under the Trade Finance Facility towards satisfaction of the Obligation specified in the Funding Notice, on the Funding Date specified in that Funding Notice.

Repayment of Trade Advances

Each Borrower must repay each Trade Advance on the Interest Payment Date for that Funding Portion.

Interest on Trade Advances

The Borrower of a Trade Advance must pay interest on the principal amount of the Trade Advance at the Funding Rate for the Funding Period.

Interest is calculated on daily balances on the basis of a 365 day year (in the case of a Trade Advance denominated in Dollars or Sterling) and on the basis of a 360 day year (in the case of a Trade Advance other than one denominated in Dollars or Sterling) and for the actual number of days elapsed from and including the first day of each Funding Period to, but excluding, the last day of the Funding Period or, if earlier, the date of prepayment or repayment of the Trade Advance under this agreement.

The Borrowers must pay accrued interest in arrears to the Lender at the end of each month during the Funding Period and on the Interest Payment Date for the Trade Advance.

Issue of Documentary LCs

If Part 4 of the Key Terms Schedule specifies that Documentary LCs are "Available" and a Borrower gives a Funding Notice requesting a Documentary LC under the Trade Finance Facility, the Lender must, subject to this agreement, issue each Documentary LC requested in the Funding Notice on the specified Funding Date in the specified Available Currency and otherwise in accordance with that Funding Notice.

Form of Documentary LCs

A Documentary LC must:

be substantially in a form acceptable to the Lender, in its sole discretion;

be payable at a Lending Office;

only be payable on a Business Day;

unless otherwise agreed by the Lender, have an Expiry Date which is before the Termination Date for the applicable Facility in respect of which the Trade Finance Facility has been drawn down and the Final Termination Date;

have an Expiry Date which is a date not more than 14 days after the termination date of any Beneficiary Contract to which it relates unless otherwise agreed;

be irrevocable and non transferable; and

be denominated in an Available Currency.

Credit Support Document terms apply to Documentary LC

Clauses 7.4 to 7.6 (inclusive) and clauses 7.8 to 7.14 (inclusive) apply to each Documentary LC provided under the Trade Finance Facility as though each reference to the 'Credit Support Facility' were to the Trade Finance Facility, each reference to a 'Credit Support Document' were to a Documentary LC and each reference to a 'Current Credit Support Document' were to a Current Documentary LC.

Foreign Bills Negotiation

If Part 4 of the Key Terms Schedule specifies that Proceeds of Negotiation are "Available" and a Borrower gives a Funding Notice for Proceeds of Negotiation the Lender must, subject to this agreement, negotiate Foreign Bills duly presented to the Lender for negotiation and shall pay the Proceeds of Negotiation to the Borrower of the Funding Portion.

Interest on Proceeds of Negotiation

The Borrower of a Funding Portion provided as Proceeds of Negotiation must pay interest on the principal amount of the Proceeds of Negotiation at the Funding Rate for the Funding Period.

Interest is calculated on daily balances on the basis of a 365 day year (in the case of Proceeds of Negotiation denominated in Dollars or Sterling) and on the basis of a 360 day year (in the case of Proceeds of Negotiation other than one denominated in Dollars or Sterling) and for the actual number of days elapsed from and including the first day of each Funding Period to, but excluding, the last day of the Funding Period or, if earlier, the date of prepayment or repayment of the Proceeds of Negotiation under this agreement.

The Borrowers must pay accrued interest in arrears to the Lender on each Interest Payment Date for the relevant Funding Portion and on the date on which the Proceeds of Negotiation are repaid to the Lender in full in accordance with clause 8.11.

Repayment of Proceeds of Negotiation

The Borrowers must procure that any Funding Portion provided as Proceeds of Negotiation is repaid in full on or before the expiry date of the relevant Foreign Bill negotiated by the Lender in accordance with clause 8.9.

The parties acknowledge and agree that payment or reimbursement in full by a counterparty bank under a Foreign Bill negotiated by the Lender in accordance with clause 8.9 will be deemed to be a repayment of the relevant Funding Portion provided as Proceeds of Negotiation.

Extension of repayment of Proceeds of Negotiation

A Borrower of a Funding Portion provided as Proceeds of Negotiation may request an extension for the repayment of the Funding Portion by:

on any date prior to the date on which the Foreign Bill negotiated by the Lender in accordance with clause 8.9 in connection with the Proceeds of Negotiation expires (**Expiring Bill**), giving notice to the Lender in writing that it requests an extension for the repayment of the Proceeds of Negotiation; and

providing the Lender with a replacement Foreign Bill on substantially the same terms (other than as to its expiry date) and for the same principal amount as the Expiring Bill (**Replacement Bill**).

If a Borrower has requested an extension for the repayment of a Funding Portion provided as Proceeds of Negotiation in accordance with clause 8.12(a) the Lender may, in its absolute discretion, agree to extend the date for repayment of the Proceeds of Negotiation in accordance with the terms of the Replacement Bill.

If the Lender agrees to extend the date for repayment of the Proceeds of Negotiation in accordance with this clause 8.12, the Borrowers must procure that the Funding Portion provided as Proceeds of Negotiation will be repaid in full on or before the expiry date of the Replacement Bill.

Fees

The Borrowers will pay to the Lender such other fees referable to the Trade Finance Facility initially, as specified in the Fee Schedule and thereafter as advised by the Lender from time to time.

[*] Confidential Treatment Requested

Overdraft Facility

Overdraft Facility

The Lender agrees to make the Overdraft Facility available on the terms and conditions set out in this agreement and the Group Limit Facility.

If there is any inconsistency between the terms of this agreement and the terms of the Group Limit Facility, the terms of the Group Limit Facility will prevail to the extent of the inconsistency.

Funding Portions

A Funding Portion under the Overdraft Facility may be in any minimum amount and the requirements of clause 4.4 do not apply to the Overdraft Facility.

Any number of Funding Portions under the Overdraft Facility may be outstanding at any time.

Prepayment

A Borrower may prepay a Funding Portion drawn under the Overdraft Facility at any time in whole or in part.

Fees

The Borrowers will pay to the Lender the Lender's account services fees, notified to Sims from time to time and such other fees referable to the Overdraft Facility in accordance with the Group Limit Facility.

Representations and warranties

Representations and warranties

Each Borrower makes the representations and warranties contained in clause 3 of the Common Terms Deed for themselves and on behalf of each other Transaction Party for the benefit of the Lender, as if those representations and warranties were set out in full in this clause 10.1.

Survival and repetition of representations and warranties

The representations and warranties given under this agreement:

survive the execution of each Transaction Document; and

are deemed to be repeated on each date representations and warranties are repeated under clause 3.2(b) of the Common Terms Deed with respect to the facts and circumstances then subsisting.

Reliance by Lender

Each Borrower acknowledges that the Lender has entered into each Transaction Document to which it is a party in reliance on the representations and warranties given under this agreement.

Undertakings

Incorporated undertakings

The Borrowers must, and must ensure that each other Transaction Party will, comply with clause 4 of the Common Terms Deed.

Compliance

Each Borrower must, and must ensure that each other Transaction Party will, comply with all its obligations under each Transaction Document to which it is a party.

Term of undertakings

Unless the Lender otherwise agrees in writing, until:

the Commitment is cancelled; and

the Outstanding Moneys are unconditionally repaid in full;

each Borrower must, at its own cost, comply with its undertakings in this clause 11.

Events of Default

Events of Default

An Event of Default occurs if an 'Event of Default' as defined in the Common Terms Deed occurs, whether or not it is within the control of a Transaction Party.

Effect of Event of Default

Clauses 5.2 to 5.4 (inclusive) of the Common Terms Deed apply to this agreement as if set out in full in this agreement and as if references in those clauses to 'this deed' were to 'this agreement'.

Application of cash cover under Commercial Bills Facility, Trade Finance Facility and Credit

Support Facility

The Lender must apply any cash cover paid to it under clause 6.15, 7.4(b)(2), 7.6 or 12.2 or pursuant to clause 8.8:

firstly, against the obligations of the Borrowers under this agreement in respect of any Current Credit Support Document or Current Bill in relation to which the cash cover was lodged; and

secondly, in payment of the balance, if any, of the Outstanding Moneys.

The Lender is not required to pay any interest on any amount of cash cover paid to it under clause 6.15, 7.4(b)(2), 7.6 or 12.2 or pursuant to clause 8.8.

If the Lender is satisfied that:

every Current Credit Support Document, Current Bill and Current Documentary LC has been paid in full or discharged; and

no Outstanding Moneys are or may become due,

then the Lender must, if it receives a written notice from Sims to do so, repay to the Borrowers any amount paid to the Lender under clause 6.15, 7.4(b)(2), 7.6 or 12.2 or pursuant to clause 8.8 which has not been, or is not required to be, applied in accordance with clause 12.3(a).

New Related Body Corporate

Where, after the date of this agreement, an entity becomes a Related Body Corporate of a Transaction Party and, at such time, financial accommodation has been provided to such entity by the Lender or any other member of the Commonwealth Bank Group (**Existing Accommodation**), the Lender may, at any time within 60 days after the notification to the Lender that an entity that has been provided with Existing Accommodation has become a Related Body Corporate of a Transaction Party, by notice in writing to that entity or any other Transaction Party declare:

that where the notice is given to the relevant entity, the Existing Accommodation (or any lesser amount specified in the notice) is due and payable within the period specified in the notice which shall be not less than 60 days; or

that where the notice is given to a Transaction Party other than the relevant entity, financial accommodation then provided by the Lender to that Transaction Party must be reduced by payment of an amount (specified in the notice) equal to or less than the existing accommodation within the period specified in the notice.

Amounts specified in a notice given pursuant to 12.4(a) are payable within the period specified in such notice.

Fees

The Borrowers must pay to the Lender the following fees:

commitment fee: a non-refundable commitment fee equal to the Commitment Fee Rate per annum calculated on a daily basis on the daily balance of the Undrawn Commitment on the basis of a 365 day year (in the case of a Commitment denominated in Dollars or Sterling) and on the basis of a 360 day year (in the case of a Commitment other than one denominated in Dollars or Sterling) and for the actual number of days elapsed, to be paid in arrears on the last day of each calendar quarter; and

[*]

Interest on overdue amounts

Payment of interest

Each Borrower must pay interest on:

any of the Outstanding Moneys due and payable by it, but unpaid; and

any interest payable but unpaid under this clause 14.

Accrual of interest

The interest payable under this clause 14:

accrues from day to day from and including the due date for payment up to the actual date of payment, before and, as an additional and independent obligation, after any judgment or other thing into which the liability to pay the Outstanding Moneys becomes merged; and

may be capitalised at monthly intervals.

Rate of interest

The rate of interest payable under this clause 14 on any part of the Outstanding Moneys is the higher of:

the Overdue Rate determined by the Lender:

on the date that part of the Outstanding Moneys becomes due and payable but is unpaid; and

on each date which is 1 month after the immediately preceding date on which the Overdue Rate was determined under this clause 14.3 (a); and

the rate fixed or payable under a judgment or other thing referred to in clause 14.2(a).

Assignment and substitution

Clause 13 of the Common Terms Deed applies to this agreement as if set out in full in this agreement and as if references in that clause to 'this deed' were to 'this agreement' other than the reference to 'this deed' in clause 13.2(c) which should be read as a reference to the Common Terms Deed.

Additional Borrowers

Additional Borrowers

Sims may request that any of its wholly owned Subsidiaries becomes an Additional Borrower. That Subsidiary shall become an Additional Borrower if:

the Lender approves the addition of that Subsidiary as an Additional Borrower;

Sims delivers to the Lender a duly completed and executed Accession Deed for the accession of that Subsidiary as an Additional Borrower;

Sims confirms that no Default is continuing or would occur as a result of that Subsidiary becoming an Additional Borrower; and

the Subsidiary has acceded as an "Additional Borrower" and an "Additional Guarantor" under the Common Terms Deed.

[*] Confidential Treatment Requested

Repetition of Representations

Delivery of an Accession Deed to the Lender constitutes confirmation by the relevant Subsidiary that the representations and warranties in the Transaction Documents are true and correct in relation to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

General

Governing law and jurisdiction

This agreement is governed by the laws of New South Wales.

Each Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of New South Wales.

Each Borrower irrevocably waives any objection to the venue of any legal process on the basis that the process has been brought in an inconvenient forum.

Each Borrower irrevocably waives any immunity in respect of its obligations under this agreement that it may acquire from the jurisdiction of any court or any legal process for any reason including the service of notice, attachment before judgment, attachment in aid of execution or execution.

Each Borrower (other than Sims) appoints Sims in relation to proceedings in New South Wales as its agent to receive service of any legal process on its behalf without excluding any other means of service permitted by the law of New South Wales.

Sims irrevocably accepts its appointment as process agent under clause 17.1(e).

Prohibition and enforceability

Any provision of, or the application of any provision of, any Transaction Document or any Power which is prohibited in any jurisdiction is, in that jurisdiction, ineffective only to the extent of that prohibition.

Any provision of, or the application of any provision of, any Transaction Document which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.

Waivers

Waiver of any right arising from a breach of this agreement or of any Power arising on default under this agreement or on the occurrence of an Event of Default must be in writing and signed by the party granting the waiver.

A failure or delay in exercise, or partial exercise, of:

a right arising from a breach of this agreement or the occurrence of an Event of Default; or

a Power created or arising on default under this agreement or on the occurrence of an Event of Default,

does not result in a waiver of that right or Power.

A party is not entitled to rely on a delay in the exercise or non-exercise of a right or Power arising from a breach of this agreement or on a default under this agreement or on the occurrence of an Event of Default as constituting a waiver of that right or Power.

A party may not rely on any conduct of another party as a defence to exercise of a right or Power by that other party.

This clause may not itself be waived except in writing.

Variation

A variation of any term of this agreement must be in writing and signed by the parties.

Cumulative rights

The Powers are cumulative and do not exclude any other right, power, authority, discretion or remedy of the Lender, any Receiver or Attorney.

Counterparts

This agreement may be executed in any number of counterparts.

All counterparts, taken together, constitute one instrument.

A party may execute this agreement by signing any counterpart.

Attorneys

Each of the attorneys executing this agreement states that the attorney has no notice of the revocation of the power of attorney appointing that attorney.

Table of contents

Borrowers 44
Key Terms Schedule 47
Fee Schedule 51
Funding Notices 54
Selection Notice 60
Renewal Notice 62

[*] Confidential Treatment Requested

Schedule 1

Borrowers

Clause 1.2 (Definitions)

Name	Jurisdiction of incorporation / registration / organisation	Company number (if any)
Sims Metal Management Limited	Australia	69 114 838 630
Sims Group Australia Holdings Limited	Australia	37 008 634 526
Sims Aluminium Pty Limited	Australia	93 004 370 905
Sims Group UK Limited	United Kingdom	3242331
Sims Group UK Holdings Limited	United Kingdom	2904307
Mirec B.V.	The Netherlands	17073024
Sims Recycling Solutions AB	Sweden	N/A
Sims Group USA Corporation	Delaware	N/A
Sims Group Global Trade Corporation	Delaware	N/A
North Carolina Resource Conservation, LLC	North Carolina	N/A
Sims Group USA Holdings Corporation	Delaware	N/A
Schiabo Larovo Corporation	Delaware	N/A

[*] Confidential Treatment Requested

Name	Jurisdiction of incorporation / registration / organisation	Company number (if any)
Simsmetal East LLC	Delaware	N/A
Simsmetal West LLC	Delaware	N/A
Metal Management, Inc.	Delaware	N/A
Metal Management Alabama, Inc.	Delaware	N/A
Metal Management Arizona, L.L.C.	Arizona	N/A
SMM New England Corporation	Delaware	N/A
(formerly known as Metal Management Connecticut, Inc.)		
Metal Management Memphis, L.L.C.	Tennessee	N/A
Metal Management Midwest, Inc.	Illinois	N/A
Metal Management Mississippi, Inc.	Delaware	N/A
Metal Management Northeast, Inc.	New Jersey	N/A
Metal Management Ohio, Inc.	Ohio	N/A
Metal Management West, Inc.	Colorado	N/A
Proler Southwest LP	Texas	N/A
Metal Dynamics Detroit LLC	Delaware	N/A

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Name	Jurisdiction of incorporation / registration / organisation	Company number (if any)
Sims Recycling Solutions Holdings Inc. (formerly Sims Recycling Solutions, Inc.)	N/A	Illinois
Sims Recycling Solutions, Inc. (formerly United Refining & Smelting Co)	N/A	Illinois

[*] Confidential Treatment Requested

Schedule 2

Key Terms Schedule

Sub-facilities

Part 1 — Cash Advance Facility

Facility	Available.
Facility Limit	Not applicable.
Purpose	Acquisition financing and for general corporate purposes.
Margin	The Margin determined in accordance with the following table:

Gearing Ratio	**Margin (3 years)**
[*]	**[*]**

Part 2 — Commercial **Bills Facility**

Facility	Available.
Facility Limit	Not applicable.
Purpose	Financing or supporting the working capital needs of the Sims Group and for general corporate purposes.
Bill Acceptance / Endorsement Fee Rate	The Bill Acceptance / Endorsement Fee Rate determined in accordance with the following table:

Gearing Ratio	**Bill Acceptance /Endorsement Fee Rate**
[*]	**[*]**

[*] Confidential Treatment Requested

Part 3 — Credit Support Facility

Facility	Available.
Facility Limit	Not applicable.
Purpose	Financing or supporting the working capital needs of the Sims Group and for general corporate purposes.
Credit Support Document Fee Rate	The Credit Support Document Fee Rate determined in accordance with the following table:

Gearing Ratio	**Credit Support Document Fee Rate**
[*]	**[*]**

Part 4 — Trade Finance Facility

Facility	Available.
Documentary LCs	Available.
Trade Advances	Available.
Proceeds of Negotiation	Available.
Facility Limit	Not applicable.
Purpose	The financing or refinancing of Obligations.
Margin	The Margin determined in accordance with the following table:

Gearing Ratio	**Margin**
[*]	**[*]**

Part 5 — Overdraft Facility

Facility	Available.
Purpose	Financing or supporting the working capital needs of the Sims Group.
Overdraft Borrower	76 Sims Group Australia Holdings Limited; 77 Sims Aluminium Pty Limited; 78 Sims Metal Management Ltd; and 79 any other entity agreed by the Lender to be an "Applicant" for the purposes of the Group Limit Facility in accordance with paragraph (2)(g) of the Group Limit Facility.

[*] Confidential Treatment Requested

Facilities

Part A — A$ Facility

Facility	Available.
Facility Limit	A$87,200,000
Termination Date	The date which is three years after the date of the Common Terms Deed.

Part B — US$ Facility

Facility	Available.
Facility Limit	US$250,000,000
Termination Date	The date which is three years after the date of the Common Terms Deed.

Part C — GBP Facility

Facility	Available.
Facility Limit	£82,500,000
Termination Date	The date which is three years after the date of the Common Terms Deed.

Part D — General

Commitment	**A$ Facility**	**US$ Facility**	**GBP Facility**
		millions	
	A$87.2	US$250	£82.5
Commitment Fee Rate	On any date, **[*]** of the applicable Margin on that date.		
Final Termination Date	The date which is three years after the date of the Common Terms Deed.		
Overdue Margin	**[*]** per annum.		

[*] Confidential Treatment Requested

Schedule 3

Fee Schedule

Cash Advance Facility fees

Such fees referable to the Cash Advance Facility as advised by the Lender to Sims from time to time.

Commercial Bills Facility fees

Charge type	Pricing	Min/Max
Bill Handling Fee	A$150	n/a

Credit Support Facility fees

Such fees referable to the Credit Support Facility as advised by the Lender to Sims from time to time.

Trade Finance Facility fees

Product Imports	Charge Type	Pricing	Min/Max
Import Documentary Collections	Document handling	0.25% of collection amount	A$100 / A$1000
	Accepted Bills received for payment	A$80	n/a
	Documents free of payment	A$80	n/a
	Consignment	A$100	n/a
	AWB release issuance	A$100	n/a
	Avalisation Bills of Exchange	On application	MinA$100
	Additional handling charges	A$80	n/a
	Import collection cancellation	A$75	A$75
Import Documentary Letters of Credits (IDLC)	Issuance	0.125% of amount for each 6 month period or part thereof	A$100

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Product Imports	Charge Type	Pricing	Min/Max
	Issuance — via bank's e-channel	0.125% of amount for each 6 month period or part thereof	A$75
	Amendment	A$80	n/ a
	Amendment — via bank's e-channel	A$65	n/a
	Increase in value	0.125% of amount for each 6 month period or part thereof	n/a
	Extension of expiry	0.125% of amount for each 6 month period or part thereof	n/a
	Back-to-back issuance	Price on Application	MinA$300
	Cash-covered issuance structuring	Price on application	Min A$100
Bank's e-channel	System set-up	n/a	n/a
	Monthly channel cost	n/a	n/a
Drawings under IDLC	Document handling	0.3%	A$100 / A$1000
	Acceptance/deferred payment	0.125% per 30 day period or part thereof	MinA$80
	Drawing under expired DC	A$80	n/a
	Discrepancy fee	US$100 or A$ Equivalent	n/a
	Reimbursement Commission	US$100 or A$ Equivalent	n/a
	Telex fee	US$20 or A$ Equivalent	n/a
Exports			
Export Documentary Collections	Document handling	0.25%(includes GST)	A$100 / A$1000
	Documents free of payment	A$80 (includes GST)	n/a
	Tracers for payment	A$20	n/a
	Additional handling charges	A$80 (includes GST)	n/a
Foreign Bills Negotiated	Document handling	0.25% (GST exempt)	A$100 / A$1000
	Additional handling charges	A$80 (includes GST)	n/a

[*] Confidential Treatment Requested

Product Imports	Charge Type	Pricing	Min/Max
Export Documentary Letters Credits (EDLC)	Advising	A$90	n/a
	Advising of amendments	A$50	n/a
	Assignment of proceeds	A$100	n/a
	Transfer of EDLC	0.25%on value of transfer	Min A$300
	Transfer of amendment	A$80	n/a
	Confirmation of EDLC (charge for Bank and Country Risk)	Point of application	Min US$50
	Without Recourse Export Finance	Point of application	
Drawings under EDLC	Document handling	0.25%	A$80 / A$1000
	Acceptance	Price on application	MinA$80
	Discrepancy fee	A$50	n/a
	Telex fee	US$20 or A$ equivalent	n/a
Trade Advances	Draw down	A$50	n/a
	Roll over	A$50	n/a
	Prepayment	A$50 plus Break Costs	n/a
	Late payment fee	A$50	n/a
Out of pocket expenses	SWIFT per message	MinA$15	n/a
	Telex per message	MinA$20	n/a
	Fax per message (international)	MinA$20	n/a
	Fax per message (domestic)	MinA$5 plus A$1 per page	n/a
	Courier (International)	At cost	MinA$30
	Courier (domestic)	At cost	MinA$20
	Express post	At cost	Min A$10

[*] Confidential Treatment Requested

Schedule 4

Funding Notices

Clause 4.2 (Requirements for a Funding Notice)

Part A — Funding Notice (Cash Advance Facility and Trade Advances or Proceeds of Negotiation under Trade Finance Facility)

To: Commonwealth Bank of Australia (**Lender**)

Attention: **[*insert relevant name*]**

We refer to the multi-option facility agreement dated 2 November 2009, as amended from time to time, between each party listed in Schedule 1 of that agreement (as **Borrowers**) and Commonwealth Bank of Australia (as **Lender**) (**Facility Agreement**).

Under clause 4 of the Facility Agreement:

We give you notice that we wish to draw on **[*insert date*]** (**Funding Date**).

The aggregate Original Amount to be drawn is [***insert amount***].

Particulars of each Funding Portion are:

Borrower	Facility	Sub-facility	Dollars or specify Foreign Currency	Principal Amount (in Dollars or applicable Foreign Currency)	Original Amount	Funding Period	Obligation (Trade Finance Facility only)

The proceeds of each Funding Portion are to be used in accordance with clause 3.2 of the Facility Agreement.

We request that the proceeds [be remitted to account number **[*insert account number*]** at **[*insert details*]**/be applied towards satisfaction of the above Obligation.]

[***Note: for Proceeds of Negotiation only***] [The Foreign Bill to be negotiated in connection with the Funding Portion is attached.]

We represent and warrant that no Default has occurred which is continuing or will result from the provision of any Funding Portion**[, except as follows: [*insert details*], and we propose the following remedial action [*insert details*]]**.

[*] Confidential Treatment Requested

A term defined in the Facility Agreement has the same meaning when used in this Funding Notice.

date _____

Signed for and on behalf of
[*insert Borrower*]
by

sign here ▶ _____

Officer

print name _____

[*] Confidential Treatment Requested

Part B — Commercial Bills Facility

Clause 4.2 (Requirements for a Funding Notice)

To: Commonwealth Bank of Australia (**Lender**)

Attention: **[*insert relevant name*]**

We refer to the multi-option facility agreement dated 2 November 2009, as amended from time to time, between each party listed in Schedule 1 of that agreement (as **Borrowers**) and Commonwealth Bank of Australia (as **Lender**) (**Facility Agreement**).

Under clause 4 of the Facility Agreement:

we give you notice that we wish to draw on **[*insert date*]** (**Funding Date**);

the aggregate Original Amount to be drawn is A$**[*insert amount*]**;

particulars of the Funding Portion are:

Borrower	Facility	Face Value Amount	Funding Period

and in respect of each Bill Funding we request that you accept only/accept and discount/ endorse only/endorse and discount each Bill comprised therein.

Please prepare, complete and sign the Bills comprised in each Bill Funding on our behalf.

We represent and warrant that no Default has occurred which is continuing or will result from the provision of any Funding Portion**[, except as follows: [*insert details*], and we propose the following remedial action [*insert details*]]**.

A term defined in the Facility Agreement has the same meaning when used in this Funding Notice.

[*] Confidential Treatment Requested

date _____

Signed for and on behalf of
[*insert Borrower*]
by

sign here ▶ _____

Officer

print name _____

[*] Confidential Treatment Requested

Part C — Funding Notice (Credit Support Facility and Documentary LCs under Trade Finance Facility)

Clause 4.2 (Requirements for a Funding Notice)

To: Commonwealth Bank of Australia (**Lender**)

Attention: **[*insert relevant name*]**

We refer to the multi-option facility agreement dated 2 November 2009, as amended from time to time, between each party listed in Schedule 1 of that agreement (as **Borrowers**) and Commonwealth Bank of Australia (as **Lender**) (**Facility Agreement**).

Under clause 4 of the Facility Agreement:

we give you notice that we wish to draw on **[*insert date*]** (**Funding Date**);

the aggregate Original Amount to be drawn is **[*insert amount*]**;

particulars of the Funding Portion are:

Borrower	Facility	Sub-facility	Type of contingent liability (Documentary LC, Standby LC or Bank Guarantee)	Expiry Date	Face Value Amount (in Dollars or applicable Foreign Currency)	Original Amount	Beneficiary

[**A copy of the Beneficiary Contract for each Credit Support Document requested above is attached.**]

[A copy of the Payment Documents for each Documentary LC requested above is attached.]

[A copy of the Application for Irrevocable Documentary Credit for each Documentary LC requested above is attached.]

[The effective rate interest rate and period for which that interest is to accrue under each of the Finance Contracts for each Credit Support Document requested above is as follows: [*insert details*]]

We request that you deliver each requested Credit Support Document to the relevant Beneficiary specified above;

We represent and warrant that no Default has occurred which is continuing or will result from the provision of any Funding Portion**[, except as follows: [*insert details*], and we propose the following remedial action [*insert details*]]**.

A term defined in the Facility Agreement has the same meaning when used in this Funding Notice.

[*] Confidential Treatment Requested

date _____

Signed for and on behalf of
[*insert Borrower*]
by

sign here ▶ _____

Officer

print name _____

[*] Confidential Treatment Requested

Schedule 5

Selection Notice

Clause 5.4 (Selection Notice)

To: Commonwealth Bank of Australia (**Lender**)

Attention: **[*insert relevant name*]**

We refer to the multi-option facility agreement dated 2 November 2009, as amended from time to time, between each party listed in Schedule 1 of that agreement (as **Borrowers**) and Commonwealth Bank of Australia (as **Lender**) (**Facility Agreement**).

Under clause 4 of the Facility Agreement:

We give you notice that, in respect of the [A$ Facility / US$ Facility / GBP Facility], we wish to select the following Funding Period for the following Funding Portion under the Cash Advance Facility with effect on the date that the current Funding Period applicable to the relevant Funding Portion ends: ***[insert details of Funding Portion including the Principal Amount, existing Funding Period, new Funding Period and Selection Date]***.

We give you notice that, in respect of the [A$ Facility / US$ Facility / GBP Facility], we wish to divide the following Funding Portion under the Cash Advance Facility into the following amounts and with the following Funding Periods with effect on the date that the current Funding Period applicable to the relevant Funding Portion ends: ***[insert details of Funding Portion including the Principal Amount, existing Funding Period, new divided Funding Portions and new Funding Periods for the divided Funding Portions***].

We represent and warrant that no Default has occurred which is continuing**[, except as follows: [*insert details*], and we propose the following remedial action [*insert details*]]**.

A term defined in the Facility Agreement has the same meaning when used in this Selection Notice.

[*] Confidential Treatment Requested

date _____

Signed for and on behalf of
[insert Borrower]
by

sign here ▶ _____

Officer

print name _____

[*] Confidential Treatment Requested

Schedule 6

Renewal Notice

To: Sims Metal Management Limited (**Sims**)

Attention: **[*insert relevant name*]**

Date:

We refer to the multi-option facility agreement dated 2 November 2009, as amended from time to time, between each party listed in Schedule 1 of that agreement (as **Borrowers**) and the Commonwealth Bank of Australia (as **Lender**) (**Facility Agreement**).

Under clause 3.5 of the Facility Agreement we give you notice that the Lender has agreed to extend the Final Termination Date by 12 months, from [*insert date*] (**Existing Final Termination Date**) to [*insert date*] (**New Final Termination Date**), subject to the following conditions:

the Borrowers indicating their acknowledgement and agreement to the extension of the Final Termination Date by 12 months, by signing and delivering this notice to the Lender within 30 days of receiving it;

[the Borrowers indicating their acknowledgement and agreement to the Key Terms Schedule being amended and restated in the form set out in the Schedule to this notice, by initialling the attached schedule and delivering the initialled schedule (attached to this notice) to the Lender within 30 days of receiving it]; and

[*insert additional conditions precedent as required*].

Subject to the above conditions being satisfied, we agree that on and from [***insert date which is to be the upcoming anniversary date of the Common Terms Deed***]:

the definition of "Final Termination Date" in clause 1.2 of the Facility Agreement shall be amended to be the New Final Termination Date; [and

the Key Terms Schedule will be amended and restated in the form set out in the attached Schedule; and

the "Margin" for the purposes of the Group Limit Facility will be amended to be as follows:]

Group Limit Amount (A$)	Margin
[*]	[*]
[*]	[*]

A term defined in the Facility Agreement has the same meaning when used in this Renewal Notice.

[*] Confidential Treatment Requested

Schedule — Amended and restated Key Terms Schedule

[***to be inserted***]

Lender

Signed for
Commonwealth Bank of Australia
by its attorney

sign here ▶ _____
Attorney

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Agreed and acknowledged by Sims for itself and on behalf of the other Borrowers:

Sims

Signed for
Sims Metal Management Limited

sign here ▶ _____
Director

print name _____

sign here ▶ _____
Director/Company Secretary

print name _____

[*] Confidential Treatment Requested

Schedule 7

Revised Commitment Notice

To: Sims Metal Management Limited (**Sims**)

Attention: **[*insert relevant name*]**

Date:

We refer to the multi-option facility agreement dated 2 November 2009, as amended from time to time, between each party listed in Schedule 1 of that agreement (as **Borrowers**) and the Commonwealth Bank of Australia (as **Lender**) (**Facility Agreement**).

Under clause 3.6 of the Facility Agreement we give you notice that, as of the date you sign this Revised Commitment Notice, the Commitment under the:

(a) A$ Facility, will be A$[***insert***], determined by reference to the following agreed rate of exchange: [***insert***].

(b) US$ Facility, will be US$[***insert***], determined by reference to the following agreed rate of exchange: [***insert***].

(c) GBP$ Facility, will be £[***insert***], determined by reference to the following agreed rate of exchange: [***insert***],

which in aggregate is equivalent to a total amount of A$450,000,000.

A term defined in the Facility Agreement has the same meaning when used in this Revised Commitment Notice.

This is a Transaction Document for the purposes of the Facility Agreement.

Lender

Signed for
Commonwealth Bank of Australia
by its attorney

sign here ▶ _____
Attorney

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Agreed and acknowledged by Sims for itself and on behalf of the other Borrowers:

Sims

Signed for
Sims Metal Management Limited

sign here ▶ _____
Director

print name _____

sign here ▶ _____
Director/Company Secretary

print name _____

Date signed by Sims:

[*] Confidential Treatment Requested

Executed as an agreement

Sims

Signed sealed and delivered by
Sims Metal Management Limited
by

sign here ▶ _____
Company Secretary/Director

print name _____

sign here ▶ _____
Director

print name _____

Borrower

Signed sealed and delivered by
Sims Group Australia Holdings Limited
by

sign here ▶ _____
Company Secretary/Director

print name _____

sign here ▶ _____
Director

print name _____

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered by
Sims Aluminium Pty Limited
by

sign here ▶ _____
Company Secretary/Director

print name _____

sign here ▶ _____
Director

print name _____

Borrower

Signed sealed and delivered by
Sims Group UK Limited
by

sign here ▶ _____
Company Secretary/Director

print name _____

sign here ▶ _____
Director

print name _____

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered by
Sims Group UK Holdings Limited
by

sign here ▶ _____
Company Secretary/Director

print name _____

sign here ▶ _____
Director

print name _____

Borrower

Signed sealed and delivered by
Mirec B.V.
by

sign here ▶ _____
Company Secretary/Director

print name _____

sign here ▶ _____
Director

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered by
Sims Recycling Solutions AB
by

sign here ▶ _____
Company Secretary/Director

print name _____

sign here ▶ _____
Director

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Borrower

Signed sealed and delivered for
Sims Group USA Corporation
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____
in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Sims Group Global Trade Corporation
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Borrower

Signed sealed and delivered for
North Carolina Resource Conservation, LLC
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Sims Group USA Holdings Corporation
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Borrower

Signed sealed and delivered for
Schiabo Larovo Corporation
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Simsmetal East LLC
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Borrower

Signed sealed and delivered for
Simsmetal West LLC
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Metal Management, Inc.
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Borrower

Signed sealed and delivered for
Metal Management Alabama, Inc.
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Metal Management Arizona, L.L.C.
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Borrower

Signed sealed and delivered for
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Metal Management Memphis, L.L.C.
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Borrower

Signed sealed and delivered for
Metal Management Midwest, Inc.
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Metal Management Mississippi, Inc.
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Borrower

Signed sealed and delivered for
Metal Management Northeast, Inc.
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Metal Management Ohio, Inc.
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Borrower

Signed sealed and delivered for
Metal Management West, Inc.
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Proler Southwest LP
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Borrower

Signed sealed and delivered for
Metal Dynamics Detroit LLC
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Sims Recycling Solutions Holdings Inc. (formerly Sims Recycling Solutions, Inc.)
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Borrower

Signed sealed and delivered for
Sims Recycling Solutions, Inc. (formerly United Refining & Smelting Co)
by its officer

sign here ▶ _____
Officer

By executing this agreement the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this agreement

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Lender

Signed sealed and delivered for
Commonwealth Bank of Australia
by its attorney

sign here ▶ _____
Attorney

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Table of contents

Accession Deed — Additional Borrowers

[*] Confidential Treatment Requested

Attachment 1

Accession Deed — Additional Borrowers

Clauses 1.2 (Definitions) and 16 (Additional Borrowers)

Date ►

This deed is made by

Sims	**Sims Metal Management Limited** ACN 114 838 630 of Sir Joseph Banks Corporate Park, Suite 3, Level 2 32-34 Lord Street Botany NSW 2019
Additional Borrower[s]	**[ ]** **[*insert ACN/ABN/ARBN*]** of **[ ]**
Background	80 Under the Facility Agreement dated 2 November 2009, as amended from time to time (**Facility Agreement**) between each party listed in Schedule 1 of that agreement (as **Borrowers**) and Commonwealth Bank of Australia (as **Lender**) a person may become a Borrower by execution of this deed. 81 The Additional Borrower[s] wish[es] to become a Borrower on the terms and conditions set out in this deed.

This deed witnesses as follows:

Interpretation

Words and phrases defined in the Facility Agreement (including by incorporation) have the same meaning when used in this deed.

In this deed, **Existing Borrower** has the meaning set out below.

Term	Meaning
Existing Borrower	each person which is a Borrower under the Facility Agreement at the time of execution of this deed.

Representations and warranties

The Additional Borrower[s] represent[s] and warrant[s] to, and for the benefit of the Lender, as set out in clause 10.1 of the Facility Agreement, on the basis that:

each reference to a Borrower in clause 10.1 of the Facility Agreement includes a reference to the Additional Borrower[s];

each reference to a Transaction Document includes this deed and each other Transaction Document to which the Additional Borrower[s] is a party; and

clauses 10.2 and 10.3 of the Facility Agreement apply to this clause 2 as if set out in full.

Status of Additional Borrower[s]

[Each/The] Additional Borrower agrees that it irrevocably becomes an 'Additional Borrower' as defined in, and for all purposes under, the Facility Agreement as if named in and as a party to the Facility Agreement, and accordingly is bound by the Facility Agreement as an Additional Borrower.

Receipt of documents

[Each/The] Additional Borrower acknowledges having received and reviewed to its satisfaction a copy of each Transaction Document and each other document requested by it before signing this deed.

Confirmation by existing Transaction Parties

Sims (for itself and as attorney for each other Transaction Party) confirms that nothing in this deed:

affects the validity or enforceability of the Transaction Documents;

prejudices or adversely affects any right, power, authority, discretion or remedy arising under the Transaction Documents; or

discharges, releases or otherwise affects any liability or obligation arising under the Transaction Documents.

Governing law

This deed is governed by the laws of New South Wales.

Benefit of deed

This deed is given in favour of and for the benefit of:

the Lender; and

each Borrower,

under the Facility Agreement and their respective successors and permitted assigns

Address for notices

The details for [each/the] Additional Borrower for service of notices are:

Address: [ ].

Attention: [ ].

Facsimile: [ ].

Attorneys

Each of the attorneys executing this deed states that the attorney has no notice of the revocation of the power of attorney appointing that attorney.

EXECUTED as a deed.

Sims

Signed sealed and delivered by
Sims Metal Management Limited
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Daniel W. Dienst
Director

print name Daniel W. Dienst

Borrower

Signed sealed and delivered by
Sims Group Australia Holdings Limited
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Rodney Shields
Director

print name Rodney Shields

Borrower

Signed sealed and delivered by
Sims Aluminium Pty Limited
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Rodney Shields
Director

print name Rodney Shields

Borrower

Signed sealed and delivered by
Sims Group UK Limited
by

sign here ▶ /s/ M. Coombs
Company Secretary/Director

print name M. Coombs

sign here ▶ /s/ G. Davy
Director

print name G. Davy

---

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered by
Sims Group UK Holdings Limited
by

sign here ▶ /s/ M. Coombs
Company Secretary/Director

print name M. Coombs

sign here ▶ /s/ G. Davy
Director

print name G. Davy

Borrower

Signed sealed and delivered by
Mirec B.V.
by

sign here ▶ /s/ M. Coombs
Company Secretary/Director

print name M. Coombs

sign here ▶ /s/ G. Davy
Director

print name G. Davy

in the presence of

sign here ▶ /s/ Jon Godfrey
Witness

print name Jon Godfrey

---

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered by
Sims Recycling Solutions AB
by

sign here ▶ /s/ M. Coombs
Company Secretary/Director

print name M. Coombs

sign here ▶ /s/ G. Davy
Director

print name G. Davy

in the presence of

sign here ▶ /s/ Jon Godfrey
Witness

print name Jon Godfrey

Borrower

Signed sealed and delivered for
Sims Group USA Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Borrower

Signed sealed and delivered for
Sims Group Global Trade Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Borrower

Signed sealed and delivered for
North Carolina Resource Conservation, LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

---

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Sims Group USA Holdings Corporation
by its officer

sign here ► /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ► /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Borrower

Signed sealed and delivered for
Schiabo Larovo Corporation
by its officer

sign here ► /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ► /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

---

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Simsmetal East LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Borrower

Signed sealed and delivered for
Simsmetal West LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

---

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Metal Management, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

Borrower

Signed sealed and delivered for
Metal Management Alabama, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

---

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Metal Management Arizona, L.L.C.
by its officer

sign here ▶ /s/ L. Steven Shinn
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name L. Steven Shinn

in the presence of

sign here ▶ /s/ Evelyn Panlaqui
Witness

print name Evelyn Panlaqui

Borrower

Signed sealed and delivered for
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

---

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Metal Management Memphis, L.L.C.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

Borrower

Signed sealed and delivered for
Metal Management Midwest, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

---

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Metal Management Mississippi, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

Borrower

Signed sealed and delivered for
Metal Management Northeast, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

---

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Metal Management Ohio, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

Borrower

Signed sealed and delivered for
Metal Management West, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

---

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Proler Southwest LP
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

Borrower

Signed sealed and delivered for
Metal Dynamics Detroit LLC
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

---

[*] Confidential Treatment Requested

Borrower

Signed sealed and delivered for
Sims Recycling Solutions Holdings Inc. (formerly Sims Recycling Solutions, Inc.)
by its officer

sign here ▶ /s/ Darrell Stoecklin
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Darrell Stoecklin

in the presence of

sign here ▶ /s/ Jeanne Grimmer
Witness

print name Jeanne Grimmer

Borrower

Signed sealed and delivered for
Sims Recycling Solutions, Inc. (formerly United Refining & Smelting Co)
by its officer

sign here ▶ /s/ Darrell Stoecklin
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Darrell Stoecklin

in the presence of

sign here ▶ /s/ Jeanne Grimmer
Witness

print name Jeanne Grimmer

---

[*] Confidential Treatment Requested

Lender

Signed sealed and delivered for
Commonwealth Bank of Australia
by its attorney

sign here ▶ /s/ Penelope Bishop
Attorney

print name Penelope Bishop

in the presence of

sign here ▶ /s/ Katherine Morrison
Witness

print name Katherine Morrison

---

[*] Confidential Treatment Requested

Exhibit 4.15

CONFIDENTIAL TREATMENT HAS BEEN REQUESTED WITH RESPECT TO CERTAIN PORTIONS OF THIS AGREEMENT. CONFIDENTIAL PORTIONS HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION.

Amendment and Restatement Deed

Dated as of 23 June 2011

Parties **National Australia Bank Limited** (ABN 12 004 044 937) (the ***Lender***)

Sims Metal Management Limited (ACN 114 838 630) (***Sims***)

The companies listed in Schedule 1

Recitals

The Lender and Sims and its subsidiaries listed in Schedule 1 (together the ***Borrowers***) agree to amend and restate the Facility Agreement in the manner set out in this deed.

Operative Provisions

DEFINITIONS AND INTERPRETATION

Definitions

In this Deed:

1.1 *Common Terms Deed* means the deed entitled "Common Terms Deed" dated on or about 23 June 2011, between, among others, Sims and the Lender.

1.2 *Facility Agreement* means the multicurrency revolving floating rate cash advance facility agreement dated 13 March 2009, as amended from time to time.

Interpretation

Capitalised terms defined in the Facility Agreement and the Common Terms Deed have the same meanings when used in this deed.

Clauses 1.3, 1.5, 1.7, 15.2 and 16 of the Common Terms Deed apply to this deed as if set out in full.

This deed is a *Transaction Document* in respect of the Lender for the purpose of the definition of *Transaction Document* in clause 1.2 of the Common Terms Deed.

This deed is a *Transaction Document* for the purpose of the definition of *Transaction Documents* in clause 16.1 of the Facility Agreement.

AMENDMENTS

The Facility Agreement is amended and restated to read as set out in the Annexure.

CONDITIONS PRECEDENT

Before the amendments referred to in clause 2 above become effective the Lender must have received each of the conditions precedent set out in Schedule 4 of the Common Terms Deed in form and substance satisfactory to it.

GENERAL

1 REFERENCES TO FACILITY AGREEMENT

Any reference in the Facility Agreement or the Common Terms Deed to the Facility Agreement includes a reference to the Facility Agreement as amended and restated as set out in the Annexure to this deed or as further varied from time to time.

2 GOVERNING LAW AND JURISDICTION

This deed is governed by New South Wales law. The Borrowers accept the non-exclusive jurisdiction of the courts having jurisdiction there.

3 COUNTERPARTS

This deed may be executed and delivered in counterparts (including by facsimile transmission), each of which will be deemed an original.

Schedule 1

Name of Borrower	*ACN/ARBN/Registered Number/Place of Incorporation*
Sims Group Australia Holdings Limited	008 634 526
Sims Group UK Limited	UK 3242331
Sims Group UK Holdings Limited	UK 2904307
Mirec B.V.	The Netherlands 17073024
Sims Recycling Solutions AB	Sweden
Sims Group USA Corporation	Delaware
Sims Group Global Trade Corporation	Delaware
North Carolina Resource Conservation, LLC	North Carolina
Sims Group USA Holdings Corporation	Delaware
Schiabo Larovo Corporation	Delaware
Simsmetal East LLC	Delaware
Simsmetal West LLC	Delaware
Metal Management, Inc.	Delaware
Metal Management Alabama, Inc.	Delaware
Metal Management Arizona, L.L.C.	Arizona
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)	Delaware
Metal Management Memphis, L.L.C.	Tennessee
Metal Management Midwest, Inc.	Illinois
Metal Management Mississippi, Inc.	Delaware
Metal Management Northeast, Inc.	New Jersey
Metal Management Ohio, Inc.	Ohio
Metal Management West, Inc.	Colorado
Proler Southwest LP	Texas
Metal Dynamics Detroit LLC	Delaware
Sims Recycling Solutions Holdings Inc. (formerly known as Sims Recycling Solutions, Inc)	Illinois
Sims Recycling Solutions, Inc. (formerly known as United Refining & Smelting Co)	Illinois

Annexure

Amended and Restated Facility Agreement

Facility Agreement

Sims Metal Management Limited
(Sims)

National Australia Bank Limited
(Lender)

[*] Confidential Treatment Requested

Originally dated 13 March 2009, as amended and restated most recently on or about 23 June 2011 (***Amendment and Restatement Date***)

The Directors
Sims Metal Management Limited
Level 12, Suite 1202
65 Berry Street
North Sydney NSW 2060
Australia

Attention: Mr. Peter Ricketts

and to each other Original Borrower as listed in Schedule 1

Dear Sirs,

MULTICURRENCY REVOLVING FLOATING RATE CASH ADVANCE FACILITY — FACILITY AGREEMENT

1 PRELIMINARY

1.1 Offer

National Australia Bank Limited ABN 12 004 044 937 (***Lender***) is pleased to offer Sims Metal Management Limited ABN 69 114 838 630 (***Sims***) and each other Original Borrower listed in Schedule 1 below (together with Sims, each an ***Original Borrower***) a Facility, on and subject to:

(a) the terms set out in this letter (***Agreement***); and

(b) the terms set out in the deed entitled "Common Terms Deed" dated on or about 23 June 2011, between, among others, Sims and the Lender (***Common Terms Deed***).

Each Borrower and the Lender acknowledge that this Agreement is a Facility Agreement and Transaction Document for the Lender for the purposes of the Common Terms Deed.

The Facility is also available to any Additional Borrower.

Capitalised terms used in this Agreement are defined in the text or in clause 16.1 below.

2 FACILITY DETAILS

2.1 Maximum amount of financial accommodation available to all Borrowers at any time during the Availability Period:

The amount specified in the Key Terms Schedule (as reduced, the ***Commitment***).

That maximum applies to the Borrowers as a whole and is not a limit applying to each Borrower individually.

2.2 Cancellation:

Sims may cancel all or part of the undrawn Commitment on twenty (20) Business Days' notice to the Lender.

A partial cancellation of the undrawn Commitment may only be made in a minimum amount of US$5,000,000 and a whole multiple of US$1,000,000.Once given, the notice is irrevocable. The Commitment reduces by the amount of any cancellation.

The Commitment will be automatically cancelled on the last day of the Term or as otherwise agreed in writing.

2.3 Margin:

The Margin is payable on Advances drawn under the Facility and will vary as set out in the Key Terms Schedule calculated as at the relevant time based on Financial Indebtedness of the Sims Group and EBITDA (as disclosed in the most recent Financial Report provided to the Lender).

2.4 Nature of Facility:

The Facility is revolving.

2.5 Interest Rate:

For each Advance having an Interest Period of 7 days, 14 days or 1, 2, 3, 4, 5 or 6 months, the Base Rate (as defined in clause16.1) plus the Margin (determined at the same time as the Base Rate is determined for an Interest Period) and (in the case of Advances denominated in an Available Currency other than Australian dollars) the Mandatory Cost, as applicable if the Lender is required to comply with any requirements of any of the Bank of England, or the Financial Services Authority (or, in either case, any other authority which replaces all or any of its functions) or the European Central Bank, as calculated under the formulae set out in Schedule 3 attached to this Agreement.

2.6 Term:

The period:

- from the Amendment and Restatement Date;
- to the date set out in the Key Terms Schedule as the Repayment Date as extended from time to time in accordance with clause 3.6 or as otherwise agreed (***Repayment Date***).

2.7 Repayment:

In one sum the total of the Advances on the Repayment Date.

2.8 Fees: [*]

Unused Commitment Fee: A rate percent per annum of the daily amount of the undrawn portion of the Commitment, as set out in the Key Terms Schedule. The Unused Commitment Fee is payable quarterly in arrears on the last Business Day of each calendar quarter, and on the Repayment Date (or at other intervals designated by the Lender from time to time). The Unused Commitment Fee is calculated on actual days elapsed using a 360 day year, and is payable in US dollars (unless otherwise agreed between the Lender and Sims).

[*]

2.9 Purpose: A Borrower must use the Facility only for acquisition financing and for general corporate purposes.

2.10 Security: The Common Terms Deed, including the guarantee and indemnity created under clause 7 of the Common Terms Deed.

3 DRAWINGS

3.1 Facility

(a) Sims and any Borrower can draw an Advance under the Facility on any Business Day.

(b) If a Borrower wants a drawdown, it agrees to give a Drawdown Notice to the Lender by fax (with original to follow promptly):

(i) for a drawing in Australian dollars, by 10.00 am (Sydney time) on the second Business Day before the Business Day it wants the drawdown at the Sydney Branch; or

(ii) for a drawing in an Available Currency other than Australian dollars, by 10.00 am (Sydney time) on the third Business Day before the Business Day it wants the drawdown at the Lender's Offshore Banking Unit.

(c) A Drawdown Notice is effective when the Lender actually receives it in legible form. An effective Drawdown Notice is irrevocable.

(d) The Commitment may be drawn down by Advances in the following currencies:

(i) Australian dollars;

(ii) US dollars;

(iii) Pounds Sterling;

(iv) Euros;

(v) SGD;

(vi) CAD; or

(vii) subject to availability, another Available Currency.

(e) The Original Amount of all outstanding Advances together with the Original Amount of any requested Advance must not exceed the Commitment.

(f) Advances in Australian dollars will be made by the Sydney Branch.

(g) Advances in Available Currencies other than Australian dollars will be made by:

(i) the Lender's Offshore Banking Unit at the Lender's absolute discretion, but only if the Borrower of the relevant Advance is not a resident of Australia for Tax purposes and also not acting through a permanent establishment in Australia; or

(ii) in the case where the Offshore Banking Unit does not wish to provide the relevant Advance:

(A) the Sydney Branch, in the case of drawings in GBP;

(B) the Sydney Branch in the case of drawings in euro;

(C) the Sydney Branch in the case of drawings in USD; or

(D) in respect of any other Available Currency, the branch of the Lender, notified by the Lender from time to time,

unless the Lender agrees otherwise.

3.2 Minimum denominations

Each Advance must have a minimum amount as follows:

(a) if in Australian dollars, A$5,000,000; with an integral multiple of A$1,000,000;

(b) if in US dollars, US$5,000,000; with an integral multiple of US$1,000,000;

(c) if in Pounds Sterling, GBP5,000,000; with an integral multiple of GBP1,000,000;

(d) if in euros, EURO5,000,000, with an integral multiple of EURO1,000,000;

(e) if in another Available Currency, a minimum amount and integral multiple as advised by the Lender,

or which is equal to the amount remaining for the undrawn Commitment.

Advances in no more than six (6) currencies may be outstanding at any one time.

3.3 Conditions Precedent to first drawdown

The obligations of the Lender pursuant to this Agreement are subject to, and each Borrower agrees not to request the first drawdown until, the Lender has received every item listed in this clause 3.3, each in form and substance satisfactory to the Lender:

(a) (**Transaction Documents**) original signed counterparts of:

(i) this Agreement; and

(ii) the Common Terms Deed,

signed and delivered by each party and, if required by the Lender, in each case evidence of its stamping and registration;

(b) (**Verification Certificates**) in relation to each Transaction Party, a Verification Certificate;

(c) **[*]**

(d) (**disbursements**) reimbursement for the cost of any company searches the Lender may conduct in respect of this Agreement;

(e) (**company searches**) the results of all searches required by the Lender with respect to each Transaction Party;

(f) (**Drawdown Notice**) a Drawdown Notice for the Advance in the place, and by the time, required under this Agreement;

(g) (**other documents**) any other conditions precedent specified in a Transaction Document;

(h) (**know your customer**) any document or other information that the Lender requests to enable the Lender to comply with its relevant know your customer and anti-money laundering requirements in connection with the transactions contemplated by the Transaction Documents; and

(i) (**other information**) ensure the Lender has received all other documents and other information the Lender reasonably requests.

3.4 Conditions to all drawdowns

The Lender is not obliged to provide an Advance unless:

(a) (**Availability Period**) it is to be provided during the Availability Period; and

(b) (**Commitment**) the Lender is satisfied that after providing the accommodation the Commitment would not be exceeded; and

(c) (**Drawdown Notice**) the Lender has received a Drawdown Notice in respect of it in the place, and by the time, required under this Agreement; and

(d) (**Representations and warranties**) the Lender is satisfied that the representations and warranties in clause 7 of this Agreement and clause 3 (Representations and warranties) of the Common Terms Deed and the statements in the Drawdown Notice are correct and not misleading at the date of the Drawdown Notice and at the date the accommodation is provided; and

(e) (**no Default, Review Event**) the Lender is satisfied that no Default or Review Event is continuing, or would result from the accommodation being provided; and

(f) (**know your customer**) the Lender has received any document or other information that the Lender requests to enable the Lender to comply with its relevant know your customer and anti-money laundering requirements in connection with the transactions contemplated by the Transaction Documents that it has not already received as a condition precedent to the first drawdown.

Each condition to drawdown is for the sole benefit of the Lender and may be waived by it.

3.5 The Lender's right to draw Bills

(a) At any time, the Lender may prepare at its cost reliquification Bills in respect of an Australian dollar Advance and deal with them as it sees fit. These Bills must mature on or before the end of the Interest Period for the Advance, and their total face amount must not be more than the total amount of principal and interest of that Advance.

(b) For value, Sims and each other Borrower irrevocably authorises the Lender (or those authorised by it) to prepare and sign those Bills on the Borrower's behalf, as drawer, endorser or both. Each Borrower irrevocably appoints the Lender and each Authorised Officer of the Lender individually as its attorney to draw the Bills and agrees to ratify all action taken by an attorney under this clause.

(c) The Lender will indemnify Sims and each other Borrower against any liability, loss, cost and expense in relation to the Bills. If a reliquification Bill is presented to Sims or a Borrower and it pays it, the amount of that payment will be taken to have been applied against the amounts it owes under this Agreement. Otherwise, the indemnity obligation will not affect a Borrower's obligations under this Agreement in any way.

(d) Sims and each Borrower must make payments in relation to an Advance even though reliquification Bills are outstanding in relation to that Advance.

3.6 Review and renewal of Repayment Date and Commitment

(a) On or before the date falling 24 months prior to the then Repayment Date (***Existing Repayment Date***), the Lender may review its participation under this Agreement. Following this review the Lender, at its absolute discretion, may offer to extend its participation under the Facility Agreement to a date falling 12 months after the Existing Repayment Date (***New Repayment Date***) by delivering to Sims a signed Renewal Notice attaching a proposed Key Terms Schedule.

(b) The Lender's offer contained in any Renewal Notice delivered in accordance with clause 3.6(a) may be subject to any conditions precedent or subsequent as the Lender specifies in its absolute discretion.

(c) In the course of reviewing its participation under this Agreement in accordance with clause 3.6(a), the Lender has the absolute right to propose the variation of any and all of the terms of the Facility (***Revised Terms***), including, but not limited to, the Margin and the Unused Commitment Fee, as part of its offer to the Borrowers to extend its participation. The Revised Terms will be set out in the Key Terms Schedule attached to a Renewal Notice delivered in accordance with clause 3.6(a).

(d) If, within 30 days of receiving a Renewal Notice delivered in accordance with clause 3.6(a):

(i) the Borrowers have signed and delivered to the Lender the Renewal Notice; and

(ii) the Lender has notified Sims that it is satisfied in its absolute discretion that all of the conditions specified in the Renewal Notice have been satisfied,

the definition of "Repayment Date" under this Agreement shall be amended to be the New Repayment Date and the Key Terms Schedule amended in accordance with the Renewal Notice with effect on and from the date of the Renewal Notice. If the Borrowers sign and deliver to the Lender the Renewal Notice in accordance with clause 3.6(d)(i), Sims and each Borrower undertake to enter into any other documentation on reasonable terms required by the Lender to give effect to the extension of the Repayment Date and the variation of the terms of the Facility.

(e) If:

(i) the Lender does not deliver a Renewal Notice to the Borrowers; or

(ii) the Borrowers do not satisfy any condition in the relevant Renewal Notice; or

(iii) the Borrowers do not sign and return a Renewal Notice delivered in accordance with clause 3.6(a) within 30 days of having received it,

the Repayment Date will not be amended and any Revised Terms contained in a Renewal Notice delivered in accordance with clause 3.6(a) will not apply.

(f) Nothing in the Transaction Documents obliges the Lender:

(i) to extend any Repayment Date; or

(ii) to provide a Renewal Notice.

(g) Each Borrower acknowledges and agrees that the delivery or acceptance of any Renewal Notice or any amendment to a Transaction Document pursuant to this clause 3.6 or a Renewal Notice does not:

(i) affect the validity or enforceability of this Agreement or any other Transaction Document;

(ii) prejudice or adversely affect any right, power, authority, discretion or remedy arising under this Agreement or any other Transaction Document before the date of any amendment under clause 3.6(d); or

(iii) discharge, release or otherwise affect any liability or obligation arising under this Agreement or any other Transaction Document before the date of any amendment under clause 3.6(d).

(h) On each anniversary date of the Amendment and Restatement Date, the Commitment will be reset to an amount expressed in US dollars which is equivalent to A$175,000,000 (***Revised Commitment***), determined by reference to the Lender's spot rate of exchange prevailing at that time for buying Australian dollars with US dollars. If, at that time, the Lender also elects to extend its participation under the Facility Agreement in accordance with clause 3.6(a) by delivering to Sims a signed Renewal Notice attaching a proposed Key Terms Schedule, the Lender will notify Sims of the Revised Commitment in the proposed Key Terms Schedule attached to the Renewal Notice, and otherwise by delivering a Revised Commitment Notice to Sims.

4 CALCULATION OF INTEREST

4.1 Interest charges

(a) Each Borrower agrees to pay interest on each Advance made to it for each of its Interest Periods at the applicable Interest Rate.

(b) Interest accrues daily on each Advance from and including the first day of an Interest Period to but excluding the last day of the Interest Period at the Interest Rate.

(c) Interest is calculated on actual days elapsed and a year of 365 days for Australian dollars and Pounds Sterling and a year of 360 days for US dollars and Euros. For other Available Currencies, the basis will be advised by the Lender.

4.2 Payment of interest

Interest in respect of an Advance will be payable by the Borrower of that Advance in arrears on each relevant Interest Payment Date and on repayment or prepayment of the relevant Advance.

4.3 Notification of Interest Periods

(a) Unless the Lender agrees otherwise, an Interest Period must be a period of 7 days or 14 days or a period of 1, 2, 3, 4, 5 or 6 months.

(b) The relevant Borrower will select, and notify the Lender of, the Interest Period for an Advance to be made to that Borrower in the Drawdown Notice.

(c) The relevant Borrower will select, and notify the Lender of, each subsequent Interest Period by written notice to the Branch that made the Advance by 10 am (local time) at least 2 Business Days before the end of the previous Interest Period. If the relevant Borrower fails to select a period or does not give correct notice, it will be taken to have selected one of 3 months.

4.4 When Interest Periods begin and end

(a) An Interest Period for an Advance begins:

(i) in the case of the first Interest Period, on the Drawdown Date; and

(ii) in the case of each subsequent Interest Period, on the last day of the previous Interest Period.

(b) If an Interest Period would end on a day that is not a Business Day, then it will end on the previous Business Day.

(c) If an Interest Period begins on a date for which there is no corresponding date in the month in which it is to end, it will end on the last Business Day of that month.

(d) The relevant Borrower must select Interest Periods for Advances so that they do not expire after the Repayment Date.

5 PAYMENT OBLIGATIONS

5.1 Interest and fees

(a) The relevant Borrower of an Advance will, and Sims will procure that such Borrower will, pay interest (in respect of that Advance) and fees as set out in this Agreement.

(b) Interest on an Advance will be paid in the currency of the Advance, to the Branch that made the Advance and fees will be paid in the currency specified in clause 2.8 as the currency for payment of the relevant fee.

(c) Fees payable in Australian dollars will be paid to the Sydney Branch and fees payable in other Available Currencies will be paid to the account of the Lender, as the Lender directs.

5.2 Rollovers

(a) The Borrower of an Advance must repay it on the last day of its Interest Period. However, if all or part of the Advance is to be redrawn in the same currency for a further Interest Period, the amount of the Advance which is to be redrawn need not be repaid at the end of that Interest Period except as follows.

(b) The Borrower of an Advance may switch an Advance from one currency to another at the end of an Interest Period, but only by repaying the Advance in the first currency and redrawing it in the second currency. The ability of a Borrower to redraw the Advance in the second currency will be subject to the other provisions of this Agreement.

5.3 Repayments and prepayments

(a) (**repayments**) The Borrower of each Advance will repay the amount lent in accordance with clause 2.7 (***Repayment***) of this Agreement, and in any event also repay each Advance at the end of its Interest Period except to the extent it is being redrawn.

(b) (**prepayments**) At any time the relevant Borrower may prepay all or part of the amount lent if it gives at least 5 Business Days' prior written notice. Once given, the prepayment notice is irrevocable and the Borrower is obliged to prepay in accordance with the notice. Partial prepayments must be in multiples of A$5,000,000 (or, if in any other Available Currency, multiples that comply with the Minimum Denominations). The Commitment is not reduced by amounts prepaid.

(c) (**cleandown**) If at any time the aggregate of the Equivalent Amount of all Alternative Currency Advances and the amount of all US dollar Advances (the ***Current Aggregate***) exceeds 110% of the Commitment, then, if required by written notice from the Lender, Sims must within the period stated in the notice (to the extent that it has borrowed an Advance) repay, or ensure that a Borrower repays, an amount sufficient to ensure that the Current Aggregate does not exceed the Commitment.

(d) (**method of payment**) Repayments and prepayments will be made in the currency of the relevant Advance, to the relevant Branch that made the Advance or as otherwise specified by the Lender.

(e) (**redraws**) Amounts repaid or prepaid may be redrawn.

5.4 Method of payment

Sims and the other Borrowers will make all payments as specified by the Lender. In the absence of a specific direction payments will be made to the Lender's accounts as follows:

USD

(a) if in US$ (in respect of Advances made by the Sydney Branch) to the following account (under reference Sims or as specified by the Lender):

Bank:	Citibank, New York
Account Name:	National Australia Bank
Account Number:	10920636
SWIFT:	CITIUS33

or such other account from time to time notified in writing by the Lender.

(b) if in US$ (in respect of Advances made by the Offshore Banking Unit) to the following account (under reference Sims or as specified by the Lender):

Bank:	Citibank NA, New York
Account Name:	National Australia Bank Ltd. (Offshore Banking Unit)
Account Number:	36244285
SWIFT:	CITIUS33

or such other account from time to time notified in writing by the Lender.

GBP

(a) if in GBP (in respect of Advances made by the Sydney Branch) to the following account (under reference Sims or as specified by the Lender):

Bank:	Royal Bank of Scotland, London
Account Name:	National Australia Bank

[*] Confidential Treatment Requested

Account Number:	12231081
SWIFT:	RBOSGB2L

or such other account from time to time notified in writing by the Lender.

(b) if in GBP (in respect of Advances made by the Offshore Banking Unit) to the following account (under reference Sims or as specified by the Lender):

Bank:	Royal Bank of Scotland, London
Account Name:	National Australia Bank Ltd. (Offshore Banking Unit)
Account Number:	1600 3410 0065 79
SWIFT:	RBOSGB2L

or such other account from time to time notified in writing by the Lender.

Euro

(a) if in euro (in respect of Advances made by the Sydney Branch) to the following account (under reference Sims or as specified by the Lender):

Bank:	Deutsche Bank, Frankfurt
Account Name:	National Australia Bank Limited
Account Number:	950 3954 10
SWIFT:	DEUTDEFF

or such other account from time to time notified in writing by the Lender.

(b) if in euro (in respect of Advances made by the Offshore Banking Unit) to the following account (under reference Sims or as specified by the Lender):

Bank:	Deutsche Bank AG, Frankfurt
Account Name:	National Australia Bank Ltd. (Offshore Banking Unit)
Account Number:	1009 5044 3200 00
SWIFT:	DEUTDEFF

or such other account from time to time notified in writing by the Lender.

SGD

(a) if in SGD (in respect of Advances made by the Sydney Branch) to the following account (under reference Sims or as specified by the Lender):

Bank:	Overseas-Chinese Banking Corporation, Singapore
Account Name:	National Australia Bank Limited
Account Number:	5010 1016 9001
SWIFT:	OCBCSGSG

or such other account from time to time notified in writing by the Lender.

[*] Confidential Treatment Requested

(b) if in SGD (in respect of Advances made by the Offshore Banking Unit) to the following account (under reference Sims or as specified by the Lender):

Bank:	Overseas-Chinese Banking Corporation
Account Name:	National Australia Bank Ltd. (Offshore Banking Unit)
Account Number:	5014 7447 2001
SWIFT:	OCBCSGSG

or such other account from time to time notified in writing by the Lender.

CAD

(a) if in CAD (in respect of Advances made by the Sydney Branch) to the following account (under reference Sims or as specified by the Lender):

Bank:	Canadian Imperial Bank of Commerce, Toronto
Account Name:	National Australia Bank Limited
Account Number:	1708511
SWIFT:	CIBCCATT

or such other account from time to time notified in writing by the Lender.

(b) if in CAD (in respect of Advances made by the Offshore Banking Unit) to the following account (under reference Sims or as specified by the Lender):

Bank:	CIBC, Toronto
Account Name:	National Australia Bank Ltd. (Offshore Banking Unit)
Account Number:	177 3313
SWIFT:	CIBCCATT

or such other account from time to time notified in writing by the Lender.

Australian dollars

(a) if in Australian dollars, to the following account (or as specified by the Lender):

Bank:	National Australia Bank
Account Name:	OSA — Lending Administration — NSW
BSB:	082-036
Account Number:	79-172-6392

or such other account from time to time notified in writing by the Lender.

6 EXTERNAL CIRCUMSTANCES

6.1 Available Currency impracticability

If in the Lender's opinion:

(a) there is any change in applicable law or any change in national or international financial, political or economic conditions, currency availability, exchange rates or exchange contracts which make it impractical for a particular Advance to be denominated in the selected Available Currency (other than Australian dollars) during an Interest Period; or

(b) any necessary government approval is not obtained,

then the Lender must notify Sims promptly,

and:

(c) if the relevant Drawdown Notice requested that the Advance be made in Australian dollars if the relevant Available Currency was unavailable, or

(d) Sims and the Lender agree,

the Advance will be made in Australian dollars. Otherwise, the Drawdown Notice will be cancelled.

6.2 Market Disturbance

(a) (**Disturbance Notice**) The Lender may give a notice (a ***Disturbance Notice***) to Sims at any time (***Disturbance Notice Date***) if the Lender forms the view that market conditions in the relevant financial market for the currency concerned are seriously disturbed, including without limitation as a result of the conditions described in this clause 6.2 (***Market Disturbance***).

(b) (**Market Disturbance Premium**) If the Lender gives a Disturbance Notice as a result of circumstances where, in the Lender's opinion:

(i) adequate and fair means are not available for fixing the Base Rate in respect of USD or any Alternative Currency, or

(ii) the cost to the Lender of obtaining deposits in the relevant financial market or other funds to fund an Advance exceeds the Base Rate,

the Lender will, in the Disturbance Notice, notify Sims of the rate at which the Lender (acting commercially and in good faith) will charge a premium to be added to the Interest Rate in respect of Interest Periods for each Advance which commence on or after the Disturbance Notice Date, which rate will be the rate that reflects the Lender's cost of funding the Advances from whatever sources it may reasonably select. The rate must be expressed as a percentage rate per annum and be rounded up to the nearest fourth decimal place (***Market Disturbance Premium***).

At the beginning of each calendar quarter that commences after the Disturbance Notice Date, the Lender may amend the Market Disturbance Premium that applies to new Advances advanced on or after the beginning of that calendar quarter or, in the case of existing Advances, to new Interest Periods commencing on or after the beginning of that calendar quarter.

Portions of the Market Disturbance Premium may differ for each Interest Period for an Advance and also according to which currency that Advance may be made. Despite this, the Lender need not inform any Obligor which portions of the Market Disturbance Premium relate to particular Advances, particular Interest Periods for an Advance, particular currencies for an Advance or any other factor when notifying Sims of that Market Disturbance Premium for the Facility. The Lender is not required to give Sims calculations showing how the Market Disruption Premium has been ascertained, nor is required to provide details of its business or Tax affairs.

Sims agrees to pay the Market Disturbance Premium on all Advances and in respect of each Interest Period for those Advances on the relevant Interest Payment Dates during an Interest Period for that Advance provided that the Market Disturbance Premium that is to apply is advised to Sims prior to the drawdown for that Advance or the commencement of a new Interest Period.

The Lender will promptly notify Sims once it determines the circumstances requiring a Market Disturbance Premium have ceased to exist. From the time of such notice, no Market Disturbance Premium for new Advances or new Interest Periods will be payable unless a further Disturbance Notice is delivered to Sims.

Sims acknowledges and agrees the Lender has given a Disturbance Notice to it on or about the date of this Agreement and that the Market Disturbance Premium will apply to the Facility and all Advances made under it in respect of the first calendar quarter during which this letter is signed.

(c) (**Alternative Arrangements**) If the Lender gives a Disturbance Notice as a result of circumstances where, in the Lender's opinion:

(i) because of national or international financial, political or economic circumstances or exchange rates or exchange controls it is impractical for it to fund or continue to fund the Advance for the Interest Period; or

(ii) deposits in the currency concerned are not available in the ordinary course of business to the Lender in the relevant financial market, and the Disturbance Notice relates to an Advance which has not been made,

then the Lender's obligations to make the Advance shall be suspended while it and Sims negotiate alternative arrangements. If they reach agreement within 30 days, those alternative arrangements will apply. If they do not reach agreement within that period, the Lender will be released from its obligations to make the Advance.

(d) (**Alternative Basis**) If the Disturbance Notice given under paragraph (c) relates to an Advance which has been made, the Lender will maintain the Advance, and will within 30 days after giving the Disturbance Notice notify Sims of an alternative basis (***Alternative Basis***) for maintaining the Advance.

Sims will comply with the Alternative Basis. The Lender and Sims will consult monthly while the Alternative Basis is in force, and if the circumstances which justified the establishment of the Alternative Basis cease to apply, the Lender will revoke the Alternative Basis as promptly as practicable.

An Alternative Basis may include, in the Lender's absolute discretion:

(i) alternative currencies;

(ii) alternative Interest Periods; or

(iii) alternative methods of fixing the interest rate.

7 REPRESENTATIONS AND WARRANTIES

7.1 Representations and warranties

Each Borrower makes the representations and warranties contained in clause 3 of the Common Terms Deed to the Lender in respect of itself and on behalf of each other Transaction Party (except where the representation and warranty is expressed to apply to Sims only in which

case Sims gives the relevant representation and warranty), as if those representations and warranties were set out in full in this clause 7.1.

7.2 Repetition of representations and warranties

The representations and warranties given under this Agreement, including those in this clause 7, survive the execution of each Transaction Document and are repeated on each date representations and warranties are repeated under clause 3.2(b) of the Common Terms Deed with respect to the facts and circumstances then subsisting.

7.3 Acknowledgment of reliance

Each Borrower acknowledges that the Lender has entered into each Transaction Document in reliance on the representations and warranties given under this Agreement.

8 UNDERTAKINGS

Unless the Lender otherwise agrees in writing, each Borrower undertakes, and undertakes to ensure that each other Transaction Party will (to the extent that the undertaking applies to a Transaction Party), comply with clause 4 of the Common Terms Deed as follows (except where the undertaking is expressed to apply to Sims only in which case Sims gives the relevant undertaking).

9 EVENTS OF DEFAULT

9.1 Events of Default

An Event of Default occurs if an "Event of Default" as defined in the Common Terms Deed occurs.

9.2 Incorporation of provisions

Clauses 5.2 to 5.4 (inclusive) of the Common Terms Deed apply to this Agreement as if set out in full in this Agreement and as if references in those clauses to "this deed" were to "this Agreement".

9.3 Termination of facilities

Where a Transaction Document specifies that a facility can be terminated by the Lender at any time, the Lender may at any time do either of the things specified in clause 5.2(a)(1) or 5.2(a)(2) of the Common Terms Deed whether or not an Event of Default has occurred.

10 LENDER'S REMEDIES AND POWERS AND INDEMNITY

10.1 No waiver

No failure to exercise a power, and no delay in exercising a power, operates as a waiver.

10.2 Variation and waiver

A provision of a Transaction Document, or right created under it, may not be waived or varied except in writing signed by the party or parties to be bound.

10.3 Discretion in exercising rights

The Lender may exercise a right or remedy or give or refuse its consent under a Transaction Document in any way it considers appropriate (including by imposing conditions).

10.4 Partial exercising of rights

If the Lender does not exercise a right or remedy under a Transaction Document fully or at a given time, the Lender may still exercise it later.

10.5 No liability for loss

The Lender is not liable for loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising, a right or remedy under a Transaction Document.

10.6 Conflict of interest

The Lender's rights and remedies under any Transaction Document may be exercised even if this involves a conflict of duty or the Lender has a personal interest in their exercise.

10.7 Remedies cumulative

The rights and remedies of the Lender under any Transaction Document are in addition to other rights and remedies given by law independently of the Transaction Document.

10.8 Indemnity

(a) Each Borrower will indemnify the Lender against any liability, loss, cost, charge or expense (including legal costs on a full indemnity basis, including any GST and including those costs, charges and expenses paid, or that the Lender reasonably believes are payable, to persons engaged by the Lender in connection with the Transaction Documents such as consultants) it incurs in or as a result of the Lender acting in connection with a Transaction Document in good faith on fax, telephone, email or written instructions purporting to originate from the offices of a Transaction Party or to be given by an Authorised Officer of the Transaction Party.

(b) Any indemnity in this Agreement is a continuing obligation, independent of the Borrower's other obligations under this Agreement and continues after this Agreement ends. It is not necessary for the Lender to incur expense or make payment before enforcing a right of indemnity under this Agreement.

11 DEFAULT INTEREST

11.1 Default interest

(a) (**obligation to pay**) Interest will accrue each day on each amount due under a Transaction Document but unpaid, from (and including) the due date to (but excluding) the date of actual payment and is calculated on actual days elapsed and a year of:

(i) 365 days, for amounts due and payable in Australian dollars and Pounds Sterling; and

(ii) 360 days, for US dollars and Euros; and

(iii) the number of days to be advised by the Lender, for other Available Currencies.

The relevant Borrower agrees to pay interest under this clause on demand from the Lender at the rate set out in this clause.

(b) (**default rate**) Unless otherwise specified in the Transaction Document, the rate will be the interest rate for the relevant facility as set out in the relevant Transaction Document (or any equivalent rate which is substituted for this rate from time to time) plus 2%. That interest accrues before and after any judgment. For the purpose of this clause, the Interest Rate is calculated as if the overdue amount is a drawing with interest periods of 30 days (or another period chosen from time to time by the Lender) with the first interest period starting on and including the due date.

(c) (**compounding**) Interest payable under this clause which is not paid when due for payment may be added to the overdue amount by the Lender at intervals which the Lender determines from time to time or, if no determination is made, every 30 days. Unless it does so more often, the Lender will be taken to have debited monthly the Borrower's account with accrued interest under this paragraph. Interest is payable on the increased overdue amount in the manner set out in this clause.

12 ADDITIONAL BORROWERS

12.1 Additional Borrowers

Sims may request that any of its wholly owned Subsidiaries becomes an Additional Borrower. That Subsidiary shall become an Additional Borrower if:

(a) the Lender approves the addition of that Subsidiary as an Additional Borrower;

(b) Sims delivers to the Lender a duly completed and executed Accession Deed for the accession of that Subsidiary as an Additional Borrower;

(c) Sims confirms that no Default is continuing or would occur as a result of that Subsidiary becoming an Additional Borrower; and

(d) the Subsidiary has acceded as an "Additional Borrower" and an "Additional Guarantor" under the Common Terms Deed.

12.2 Repetition of Representations

Delivery of an Accession Deed to the Lender constitutes confirmation by the relevant Subsidiary that the representations and warranties in the Transaction Documents are true and correct in relation to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

13 ASSIGNMENT

13.1 Assignment

(a) Clause 13 of the Common Terms Deed applies to this Agreement as if set out in full in this Agreement and as if references in that clause to "this deed" were to "this Agreement".

(b) Where the Lender wants to transfer any part of its obligations, Sims on behalf of each Borrower will sign when reasonably requested by the Lender a document which will effect that transfer. The Lender will bear its own costs and stamp duty on that document.

14 GENERAL PROVISIONS

14.1 Prompt performance

Subject to clause 14.2 (***Time of the essence***):

(a) if a Transaction Document specifies when the Borrower agrees to perform an obligation, the Borrower agrees to perform it by the time specified; and

(b) the Borrower agrees to perform all other obligations promptly.

14.2 Time of the essence

Time is of the essence in any Transaction Document in respect of an obligation to pay money.

14.3 Further steps

Each Borrower agrees to do anything the Lender asks (such as obtaining consents, signing and producing documents and getting documents completed and signed):

(a) to bind the Borrower and any other person intended to be bound under the Transaction Documents;

(b) to enable the Lender to register any power of attorney or any Transaction Document; or

(c) to show whether a Borrower is complying with this deed.

14.4 Code of Banking Practice

The parties agree that the Code of Banking Practice does not apply to the Transaction Documents and the transactions in connection with them.

14.5 Counterparts

This Agreement may consist of a number of copies, each signed by one or more parties to this Agreement. If so, the signed copies are treated as making up the one document.

15 GOVERNING LAW & JURISDICTION

15.1 Governing law and jurisdiction

(a) This Agreement is governed by the law in force in New South Wales. Each Borrower accepts the non-exclusive jurisdiction of the courts having jurisdiction there in relation to this Agreement (including a dispute regarding the existence, validity or termination of this Agreement) (a ***Dispute***).

(b) Each Borrower agrees that those courts are an appropriate and convenient courts to settle Disputes and accordingly no Borrower will argue to the contrary.

(c) Each Borrower irrevocably waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, where that venue falls within clause 15.1(a).

15.2 Service of process

(a) Without preventing any other method of service, any document in a court action may be served on a party by being delivered to or left at that party's address for service of notices under clause 17.4 of the Common Terms Deed.

(b) Without prejudice to any other mode of service allowed under any relevant law, each Borrower (other than a Borrower incorporated in Australia):

(i) irrevocably appoints Sims as its agent for service of process in relation to any proceedings under or in connection with this Agreement; and

(ii) agrees that failure by the process agent to notify the relevant Borrower of the process will not invalidate the proceedings concerned.

(c) Sims accepts its appointment as process agent under this clause 15.2.

(d) If for any reason Sims ceases to be able to act as process agent for a Borrower, the Borrower must promptly appoint another person in New South Wales acceptable to the Lender to act as its process agent.

(e) Each party expressly agrees and consents to the provisions of this clause 15.2.

16 INTERPRETATION

16.1 Definitions

Accession Deed means an accession deed in the form of Schedule 4.

Additional Borrower means any wholly owned Subsidiary of Sims which becomes, or has become, as the context may require, party to this Agreement as an Additional Borrower in accordance with clause 12.

Advance means the outstanding principal amount of a drawdown made under the Facility.

Agreement has the meaning given in clause 1.1 of this Agreement.

Alternative Currency means:

(a) Australian dollars, Pounds Sterling, euro, SGD or CAD; or

(b) any other currency (excluding US dollars) agreed by the Lender in its absolute discretion which is freely transferable and convertible into US dollars.

Amendment and Restatement Date means the date of the Common Terms Deed.

A$, ***AUD*** or ***Australian dollars*** means the lawful currency of Australia.

Availability Period means the period from the Amendment and Restatement Date until the Repayment Date.

Available Currency means:

(a) Australian dollars, US dollars, Pounds Sterling, euro, SGD or CAD; or

(b) any other currency agreed by the Lender in its absolute discretion which is freely transferable and convertible into US dollars.

Base Rate means:

(a) in relation to Australian dollars, BBR;

(b) in relation to US dollars and Pounds Sterling, LIBOR;

(c) in relation to euro, EURIBOR; and

(d) in relation to other Available Currencies, the rate notified by the Lender to Sims or the Borrower as the Lender's funding rate for making loans in the currency concerned for the relevant Interest Period.

BBR means, for an Interest Period, the average bid rate for Bills having a tenor closest to the Interest Period as displayed on the Reuters BBSY page of the Reuters Monitor System on the first day of that Interest Period, except in respect of Advances which have a tenor of 7 days or 14 days, BBR will be the average bid rate for Bills having a tenor of 30 days. However, if:

(a) the average bid rate for the relevant tenor described above is not displayed by 10.30 am on that day or if it is displayed but there is an obvious error in that rate, BBR means the rate set by the Lender in good faith at approximately 10.30 am on that day, having regard, to the extent possible, to the rates otherwise bid for Bills of that tenor at or around that time (including any displayed on the "BBSW" page of the Reuters Monitor System). The rate set by the Lender must be expressed as a percentage rate per annum and be rounded up to the nearest fourth decimal place; or

(b) the basis on which those rates are displayed is changed to one which, in the Lender's opinion, does not reflect its cost of funding the Advance, then BBR will be the rate calculated by the Lender as its cost of raising deposits in Australian Dollars for a term comparable to the Interest Period from leading banks in the Australian Interbank Market.

Borrowers means each Original Borrower and each Additional Borrower and ***Borrower*** means any one of them.

Branch means the Sydney Branch and the Offshore Banking Unit, as the case may be.

Business Day means despite the terms of the Common Terms Deed, in relation to the drawing of Advances and the making of payments of principal and interest in respect of those Advances:

(a) for Advances made by the Offshore Banking Unit a weekday:

(i) on which the relevant financial markets are open in Sydney;

(ii) on which the Offshore Banking Unit is open at its address in Sydney;

(iii) (in relation to any date for payment or purchase of a currency other than euro) on which banks are open for business in the principal financial centre for the relevant currency; and

(iv) (in relation to any date for payment or purchase of euro) which is also a TARGET Day;

but in any case not a day which is a public holiday or bank holiday in:

(A) Sydney; or

(B) the country of the currency of the Advance; and

(b) for Advances made by Sydney Branch a weekday:

(i) on which the relevant financial markets are open in Sydney;

(ii) on which the Sydney Branch is open at its address in Sydney;

(iii) (in relation to any date for payment or purchase of a currency other than euro) on which banks are open for business in the principal financial centre for the relevant currency; and

(iv) (in relation to any date for payment or purchase of euro) which is also a TARGET Day;

but not a day which is a public holiday the country of the currency of the Advance,

(c) for Australian dollar Advances made by the Lender's Sydney Branch and for purposes not connected with the Sydney Branch means a weekday on which the Lender is open at its address in Sydney.

CAD means the lawful currency of Canada.

Commitment has the meaning given to it in clause 2.1 of this Agreement.

Common Terms Deed has the meaning given to that phrase in clause 1.1 of this Agreement.

Disturbance Notice has the meaning given to it in clause 6.2 of this Agreement.

Drawdown Date means the date on which an Advance is, or is to be, made.

Drawdown Notice means a notice in the form set out in Schedule 3 to this Agreement (properly completed and executed and containing the information and representations and warranties set out therein).

Equivalent Amount means, on any date, in relation to an amount in an Alternative Currency, the equivalent of that amount in US dollars, determined by reference to the Lender's spot rate of exchange for buying US dollars with the Alternative Currency two (2) Business Days before that date. For the purposes of determining the unused portion of the Commitment, the Equivalent Amount shall be determined at the Drawdown Date and the first day of each subsequent Interest Period.

EURIBOR in relation to any Advance denominated in Euro and for a period means (unless otherwise agreed):

(a) the percentage rate per annum determined by the Banking Federation of the European Union for Euro and the relevant period displayed on the EURIBOR page of the Reuters screen; or

(b) subject to the final paragraph below, if the screen rate specified in paragraph (a) above is not available for the period of the Advance, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Lender at its request quoted by at least three Reference Banks to leading banks in the European inter-bank market,

as of 11.00am (Brussels time) two TARGET Days before the first day of the period for the offering of deposits in Euro for a period comparable to the Interest Period of the relevant Advance.

The relevant inter-bank market for Euro and EURIBOR is the inter-bank market for Euro operating in the United Kingdom and those member states of the European Union that have adopted the single currency in accordance with legislation of the European Union relating to European Monetary Union.

For the purposes of paragraph (b), other than in respect of a period of less than one month, if the rate is not available only as a consequence of the relevant period not having a tenor quoted

on the relevant screen page, then the rate will be determined by the Lender through the use of straight line interpolation by reference to two rates, one of which shall be determined as if the period were the period of time for which rates are available next shorter than the length of the period and the other of which shall be determined as if the period were the period of time for which rates are available next longer than the length of the period.

Euro, euro and **€** means the single lawful currency of a Participating Member State.

[*]

Event of Default has the meaning given in clause 9 (***Events of Default***).

[*]

Facility means the facility made available under this Agreement.

Interest Payment Date means each 90th day during, and the last day of, an Interest Period.

Interest Period means each period selected in accordance with clause 4.3 (Notification of Interest Periods) of this Agreement.

Interest Rate means the interest rate set out in clause 2.5 (Interest Rate) Agreement.

Key Terms Schedule means the Key Terms Schedule set out in Schedule 5 as amended, supplemented or replaced from time to time in accordance with this Agreement.

Lender has the meaning given in clause 1.1 of this Agreement.

LIBOR in relation to an Interest Period means the offered rate for deposits in USD or GPB for a period comparable to the relevant Interest Period which appears on Reuters Screen LIBOR01 at or about 11.00am (London) time 2 Business Days before the first day of the Interest Period (or, for Pounds Sterling on the first day of the Interest Period). If, however, there are no rates displayed for a term comparable to that Interest Period, or the basis on which those rates are displayed is changed to one which, in the Lender's opinion, does not reflect its cost of funding the Advance, then LIBOR will be the rate calculated by the Lender as its cost of raising deposits in that currency for a term comparable to the Interest Period from leading banks in the London Interbank Market.

Margin has the meaning given in clause 2.3 of this Agreement.

Mandatory Cost has the meaning given in Schedule 3 of this Agreement.

Offshore Banking Unit means the Lender's offshore banking unit located at the date of this agreement in Sydney.

Original Borrower has the meaning given in clause 1.1 of this Agreement.

Original Amount means:

(a) in relation to a US dollar Advance, the US dollar amount specified for that Advance; and

(b) in relation to an Alternative Currency Advance, the Equivalent Amount on its Drawdown Date and the first day of each subsequent Interest Period (whether an Interest Period for that or any other Advance),

as reduced from time to time by the amount of repayments or prepayments.

Participating Member State means any member state of the European Union that adopts or has adopted the euro as its lawful currency in accordance with legislation of the European Community relating to the Economic and Monetary Union.

[*] Confidential Treatment Requested

Pounds Sterling, ***Sterling***, ***British pound***, ***GBP*** and ***£*** refer to the lawful currency of the United Kingdom.

Reference Banks means:

(a) BNP Paribas;

(b) Calyon;

(c) HSBC Bank plc; and

(d) The Royal Bank of Scotland plc.

Renewal Notice means a renewal notice substantially in the form set out in Schedule 6 of this Agreement.

Repayment Date has the meaning given in clause 2.6 of this Agreement.

Revised Commitment has the meaning given in clause 3.6(h) of this Agreement.

Revised Commitment Notice means a revised commitment notice substantially in the form set out in Schedule 7 of this Agreement.

Security has the meaning given in clause 2.10 of this Agreement.

SGD means the lawful currency of the Republic of Singapore.

Sims has the meaning given in clause 1.1 of this Agreement.

Sydney Branch means the Sydney Branch of the Lender.

TARGET means Trans-European Automated Real-Time Gross Settlement Express Transfer payment system.

TARGET Day means any day on which TARGET is open for the settlement of payments in euro.

Term has the meaning given in clause 2.6 of this Agreement.

Transaction Documents means:

(a) this Agreement;

(b) the Common Terms Deed;

(c) any Hedging Agreement entered into by any Transaction Party and the Lender; and

(d) each Renewal Notice and Key Terms Schedule;

(e) each "Transaction Document" of the Lender, as defined in the Common Terms Deed;

(f) any document which Sims acknowledges in writing to be a Transaction Document;

(g) any document which is entered into, or given under, or for the purposes of, amending any Transaction Document; and

(h) any other present or future document, agreement or arrangement (whether or not in writing):

(i) to which any Borrower is or becomes a party with the Lender; or

(ii) under which obligations are owed by any Transaction Party to the Lender,

in each case, whether or not other parties are involved and whether or not it arises as a result of an assignment or transfer.

Unused Commitment Fee has the meaning given to it in clause 2.8 of this Agreement.

US dollars, ***USD*** or ***US$*** refer to the lawful currency of the United States of America.

Verification Certificate means the certificate substantially in the form of Schedule 2 to the Common Terms Deed properly completed and executed and containing the information set out therein, and attaching the documents referred to therein.

16.2 Interaction with the Common Terms Deed

(a) A term which has a defined meaning (including by reference to another document) in the Common Terms Deed has the same meaning when used in this Agreement unless it is expressly defined in this Agreement, in which case the meaning in this Agreement prevails.

(b) Clauses 1.3, 1.5, 1.6, 1.7, 9, 15.2 and 16 of the Common Terms Deed apply to this Agreement as if set out in full in this Agreement and as if references in those clauses to "this deed" were to "this Agreement".

(c) Pursuant to clause 7.17(c) of the Common Terms Deed, the Lender and Sims agree that clause 7.17 of the Common Terms Deed is to apply in respect of the Lender and all Guarantors.

(d) Unless the contrary intention appears, in a Transaction Document:

(i) a reference to a group of persons is a reference to any two or more of them jointly and to each of them individually;

(ii) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually; and

(iii) an agreement, representation or warranty by two or more persons binds them jointly and each of them individually but an agreement, representation or warranty by the Lender binds the Lender individually only.

SCHEDULE 1 — ORIGINAL BORROWERS

NAME OF COMPANY	corporation number	jurisdiction of incorporation / registration / organisation
Sims Metal Management Limited	ACN 114 838 630 ABN 69 114 838 630	Australia
Sims Group Australia Holdings Limited	ACN 008 634 526 ABN 37 008 634 526	Australia
Sims Group UK Limited	3242331	United Kingdom
Sims Group UK Holdings Limited	2904307	United Kingdom
Mirec B.V.	17073024	The Netherlands
Sims Recycling Solutions AB	N/A	Sweden
Sims Group USA Corporation	N/A	Delaware
Sims Group Global Trade Corporation	N/A	Delaware
North Carolina Resource Conservation, LLC	N/A	North Carolina
Sims Group USA Holdings Corporation	N/A	Delaware
Schiabo Larovo Corporation	N/A	Delaware
Simsmetal East LLC	N/A	Delaware
Simsmetal West LLC	N/A	Delaware
Metal Management, Inc.	N/A	Delaware
Metal Management Alabama, Inc.	N/A	Delaware
Metal Management Arizona, L.L.C.	N/A	Arizona
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)	N/A	Delaware
Metal Management Memphis, L.L.C.	N/A	Tennessee
Metal Management Midwest, Inc.	N/A	Illinois
Metal Management Mississippi, Inc.	N/A	Delaware
Metal Management Northeast, Inc.	N/A	New Jersey
Metal Management Ohio, Inc.	N/A	Ohio
Metal Management West, Inc.	N/A	Colorado
Proler Southwest LP	N/A	Texas
Metal Dynamics Detroit LLC	N/A	Delaware
Sims Recycling Solutions Holdings Inc. (formerly Sims Recycling Solutions, Inc.)	N/A	Illinois
Sims Recycling Solutions, Inc. (formerly United Refining & Smelting Co)	N/A	Illinois

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SCHEDULE 2 — FORM OF DRAWDOWN NOTICE

TO: National Australia Bank Limited
Level 24
255 George Street
Sydney NSW 2000
Fax: +61 2 9237 1888

Attention: Director, Industrials

[Date]

Drawdown Notice — Multicurrency Revolving Floating Rate Cash Advance Facility — Facility Agreement Dated 13 March 2009, as amended from time to time, including as amended and restated on [•] June 2011, between National Australia Bank Limited, Sims Metal Management Limited and Others ("Facility Agreement")

I refer to the Facility Agreement.

I am authorised to give this notice[1], which is irrevocable, on behalf of the [Sims as agent for the Borrower] / [Borrower] referred to below.

Under clause 3.1 ("Facility") of the Facility Agreement, we wish to draw under the Facility:

(a) the requested Drawdown Date is [ ];

(b) the amount of the proposed drawdown is[2] A$[*] / GBP [*] / USD [*] / EURO [*] / [other Available Currency] [*] on [a Business Day][3];

(c) with an initial Interest Period of [ ][4]

[If [Available Currency] is not available please provide the Advance in Australian dollars].

The Loan [is intended / is not intended] to be utilised for the purposes of any Australian business covered by the Borrower and the Borrower [is / is not] resident in Australia for Tax purposes or acting through a permanent establishment in Australia.

No Event of Default has occurred. No breach or other Potential Event of Default has occurred.

The Borrower has [has not] complied with its undertakings in the Facility Agreement and the Common Terms Deed.

Please pay the drawing as follows:

Account number: [ ]

Account name: [ ]

Bank: [ ]

Branch: [ ]

BSB: [ ]

---

1 All items must be completed.

2 The amount of the proposed drawdown must be a minimum amount as specified in clause 3.2 (Minimum Denominations) of the Facility Agreement, with an integral multiple of the amount specified in that same clause.

3 Must be a Business Day within the Availability Period.

4 Must be an Interest Period as set out in clause 4.3 (Notification of Interest Periods) of the Facility Agreement.

[*] Confidential Treatment Requested

The Borrower represents and warrants that the representations and warranties in the Facility Agreement and the Common Terms Deed by the Borrower are correct and not misleading on the date of this notice and that each will be correct and not misleading on the Drawdown Date.

Clause 16 of the Facility Agreement applies to this notice as if it was fully set out in this notice (including those defined terms in that clause incorporated into that clause by reference to another Transaction Document).

Dated [*]

_____

SIGNED for [name of Borrower]

[To be signed by an Authorised Officer whose signatures and status have been verified to the Lender].

[*] Confidential Treatment Requested

SCHEDULE 3 — MANDATORY COST FORMULAE

1. The mandatory cost is an addition to the interest rate to compensate lenders for the cost of compliance with (a) the requirements of the Bank of England and/or the Financial Services Authority (or, in either case, any other authority which replaces all or any of its functions) or (b) the requirements of the European Central Bank (***Mandatory Cost***).

2. On the first day of each Interest Period (or as soon as possible thereafter) the Lender shall calculate, as a percentage rate, a rate (the ***Additional Cost Rate***) in accordance with the paragraphs set out below.

3. The Additional Cost Rate will be calculated as follows:

   (a) in relation to a sterling Advance:

$$\frac{AB + C(B - D) + E \times [*]}{100 - (A + C)}$$ per cent.per annum

   (b) in relation to an Advance in any currency other than sterling:

$$\frac{E \times [*]}{300}$$ per cent.per annum

   Where:

   A is the percentage of Eligible Liabilities (assuming these to be in excess of any stated minimum) which the Lender is from time to time required to maintain as an interest free cash ratio deposit with the Bank of England to comply with cash ratio requirements.

   B is the percentage rate of interest (excluding the Margin and the Mandatory Cost) payable for the relevant Interest Period on the Advance.

   C is the percentage (if any) of Eligible Liabilities which the Lender is required from time to time to maintain as interest bearing Special Deposits with the Bank of England.

   D is the percentage rate per annum payable by the Bank of England to the Lender on interest bearing Special Deposits.

   E is the rate of charge payable by the Lender to the Financial Services Authority pursuant to the Fees Regulations (but, for this purpose, ignoring any minimum fee required pursuant to the Fees Regulations) and expressed in pounds per £1,000,000 of the Fee Base of that Lender.

   For the purposes of this Schedule:

   (a) ***Eligible Liabilities*** and ***Special Deposits*** have the meanings given to them from time to time under or pursuant to the Bank of England Act 1998 or (as may be appropriate) by the Bank of England;

   (b) ***Fees Regulations*** means the Banking Supervision (Fees) Regulations 1999 or such other law or regulation as may be in force from time to time in respect of the payment of fees for banking supervision; and

   (c) ***Fee Base*** has the meaning given to it, and will be calculated in accordance with, the Fees Regulations.

[*] Confidential Treatment Requested

4. In application of the above formulae, A, B, C and D will be included in the formulae as percentages (i.e. 5 per cent. will be included in the formula as 5 and not as 0.05). A negative result obtained by subtracting D from B shall be taken as zero. The resulting figures shall be rounded to four decimal places.

5. If, in the reasonable opinion of the Lender, the above formulae or definitions are incorrect or erroneous or inapplicable, the Lender is entitled by notice to Sims to change the relevant formulae or definitions so as to ensure that the Additional Cost Rate is sufficient to compensate the Lender for the cost of compliance with (a) the requirements of the Bank of England, the Financial Services Authority (or, in either case, any other authority which replaces all or any of its functions) or (b) the requirements of the European Central Bank (or any other authority which replaces all or any of its function).

6. The Lender may from time to time, after consultation with Sims determine and notify to Sims any amendments which are required to be made to this attachment in order to comply with any change in law, regulation or any requirements from time to time imposed by the Bank of England, the Financial Services Authority or the European Central Bank (or, in any case, any other authority which replaces all or any of its functions) and any such determination shall, in the absence of manifest error, be conclusive and binding on Sims and the other Borrowers.

[*] Confidential Treatment Requested

SCHEDULE 4 — ACCESSION DEED

ACCESSION DEED

Date:

This deed is made by:

Sims Metal Management Limited (ACN 114 838 630) of [***insert address***] (***Sims***)

[***insert name***] [***insert ACN/ABN/ARBN***] of [***insert address***] (***Additional Borrower[s]***)

National Australia Bank Limited [***insert ACN/ABN/ARBN***] of [***insert address***] (***Lender***)

BACKGROUND

1. Under the Multicurrency Revolving Floating Rate Cash Advance Facility — Facility Agreement dated 13 March 2009, as amended from time to time, including as amended and restated on [•] June 2011 (***Facility Agreement***), between each party listed in Schedule 1 of that agreement (as ***Borrowers***) and the Lender, a person may become a Borrower by execution of this deed.

2 The Additional Borrower[s] wish[es] to become a Borrower on the terms and conditions set out in this deed.

This deed witnesses as follows:

1 INTERPRETATION

(a) Words and phrases defined in the Facility Agreement (including by incorporation) have the same meaning when used in this deed.

(b) In this deed:

Existing Borrower means each person which is a Borrower under the Facility Agreement at the time of execution of this deed.

2 REPRESENTATIONS AND WARRANTIES

The Additional Borrower[s] represent[s] and warrant[s] to, and for the benefit of the Lender, as set out in clause 7.1 of the Facility Agreement, on the basis that:

(a) each reference to a Borrower in clause 7.1 of the Facility Agreement includes a reference to the Additional Borrower[s];

(b) each reference to a Transaction Document includes this deed and each other Transaction Document to which the Additional Borrower [s] is a party; and

(c) clauses 7.2 and 7.3 of the Facility Agreement apply to this clause 2 as if set out in full.

3 STATUS OF ADDITIONAL BORROWER[S]

[Each/The] Additional Borrower agrees that it irrevocably becomes an 'Additional Borrower' as defined in, and for all purposes under, the Facility Agreement as if named in and as a party to the Facility Agreement, and accordingly is bound by the Facility Agreement as an Additional Borrower.

4 RECEIPT OF DOCUMENTS

[Each/The] Additional Borrower acknowledges having received and reviewed to its satisfaction a copy of each Transaction Document and each other document requested by it before signing this deed.

5 CONFIRMATION BY EXISTING TRANSACTION PARTIES

Sims (for itself and as attorney for each other Transaction Party) confirms that nothing in this deed:

(a) affects the validity or enforceability of the Transaction Documents;

(b) prejudices or adversely affects any right, power, authority, discretion or remedy arising under the Transaction Documents; or

(c) discharges, releases or otherwise affects any liability or obligation arising under the Transaction Documents.

6 GOVERNING LAW

This deed is governed by the laws of New South Wales.

7 BENEFIT OF DEED

This deed is given in favour of and for the benefit of:

(a) the Lender; and

(b) each Borrower,

under the Facility Agreement and their respective successors and permitted assigns

8 ADDRESS FOR NOTICES

The details for [each/the] Additional Borrower for service of notices are:

Address: [ ].

Attention: [ ].

Facsimile: [ ].

9 ATTORNEYS

Each of the attorneys executing this deed states that the attorney has no notice of the revocation of the power of attorney appointing that attorney.

Executed as a deed

[insert execution clause for Additional Borrower[s]]

Signed sealed and delivered by
Sims Metal Management Limited for itself and as attorney for each other Transaction Party pursuant to clause 15.2 of the Common Terms Deed
in accordance with section 127(1) of the Corporations Act 2001 (Cth) by a director and secretary/director:

Signature of director	Signature of director/secretary
Name of director (please print)	Name of director/secretary (please print)

Signed sealed and delivered
for and on behalf of
National Australia Bank Limited
by a duly appointed attorney
in the presence of:

Signature of witness	Signature of attorney (I have no notice of revocation of the power of attorney under which I sign this document)
Name of witness (please print)	Name of attorney (please print)

[*] Confidential Treatment Requested

SCHEDULE 5 — KEY TERMS SCHEDULE

FACILITY DETAILS

Maximum amount of financial accommodation available to all Borrowers at any time during the Availability Period	***Commitment:*** US$175,000,000.
Margin	**Financial Indebtedness of the Sims Group/EBITDA =** **Margin** **[*]** **[*]**
Repayment Date	The date which is three years after the date of the Common Terms Deed.
Fees	**[*]** ***Unused Commitment Fee***: **[*]** of the applicable Margin. **[*]**

[*] Confidential Treatment Requested

SCHEDULE 6 — FORM OF RENEWAL NOTICE

Renewal Notice

To: Sims Metal Management Limited (***Sims***)

Attention: **[*insert relevant name*]**

Date:

We refer to the Multicurrency Revolving Floating Rate Cash Advance Facility — Facility Agreement dated 13 March 2009, as amended from time to time, including as amended and restated on [•] June 2011, between each party listed in Schedule 1 of that agreement (as ***Borrowers***) and the Lender (***Facility Agreement***).

Under clause 3.6(a) of the Facility Agreement we give you notice that the Lender has agreed to extend the Repayment Date by 12 months, from [***insert date***] (***Existing Repayment Date***) to [***insert date***] (***New Repayment Date***), subject to the following conditions:

(a) the Borrowers indicating their acknowledgement and agreement to the extension of the Repayment Date by 12 months, by signing and delivering this notice to the Lender within 30 days of receiving it;

(b) [the Borrowers indicating their acknowledgement and agreement to the Key Terms Schedule being amended and restated in the form set out in the Schedule to this notice, by initialling the attached schedule and delivering the initialled schedule (attached to this notice) to the Lender within 30 days of receiving it]; and

(c) [insert additional conditions precedent as required].

Subject to the above conditions being satisfied, we agree that on and from the Existing Repayment Date:

(a) the definition of "Repayment Date" in clause 2.6 of the Facility Agreement shall be amended to be the New Repayment Date[; and

(b) the Key Terms Schedule will be amended and restated in the form set out in the attached Schedule].

A term defined in the Facility Agreement has the same meaning when used in this Renewal Notice.

[*] Confidential Treatment Requested

Schedule — Amended and restated Key Terms Schedule

[***to be inserted***]

Lender

Signed for
National Australia Bank Limited
by its attorney

sign here ▶ _____
Attorney

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Agreed and acknowledged by Sims on behalf of the Borrowers:

Sims

Signed for
Sims Metal Management Limited

sign here ▶ _____
Director

print name _____

sign here ▶ _____
Director/Company Secretary

print name _____

[*] Confidential Treatment Requested

SCHEDULE 7 — FORM OF REVISED COMMITMENT NOTICE

Revised Commitment Notice

To: Sims Metal Management Limited (***Sims***)

Attention: **[*insert relevant name*]**

Date:

We refer to the Multicurrency Revolving Floating Rate Cash Advance Facility — Facility Agreement dated 13 March 2009, as amended from time to time, including as amended and restated on [•] June 2011, between each party listed in Schedule 1 of that agreement (as ***Borrowers***) and the Lender (***Facility Agreement***).

Under clause 3.6(h) of the Facility Agreement we give you notice that, as of the date of this Revised Commitment Notice, the Commitment under the Facility Agreement is US$[***insert***], being the equivalent to A$175,000,000, determined by reference to the Lender's spot rate of exchange of [***insert***].

A term defined in the Facility Agreement has the same meaning when used in this Revised Commitment Notice.

Signed for
National Australia Bank Limited
by its Authorised Officer

sign here ▶ _____
Authorised Officer

print name _____

[*] Confidential Treatment Requested

Signing pages

Executed as a deed.

The Lender

Signed sealed and delivered for
National Australia Bank Limited
by its attorney

sign here ▶ /s/ Steven Russell
Attorney

print name Steven Russell

in the presence of

sign here ▶ /s/ Ji Hee Moon
Witness

print name Ji Hee Moon

Borrowers

Signed sealed and delivered by
Sims Metal Management Limited
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Daniel W. Dienst
Director

print name Daniel W. Dienst

Signed sealed and delivered by
Sims Group Australia Holdings Limited
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Rodney Shields
Director

print name Rodney Shields

Signed sealed and delivered by
Sims Group UK Limited
by

sign here ▶ /s/ M. Coombs
Company Secretary/Director

print name M. Coombs

sign here ▶ /s/ G. Davy
Director

print name G. Davy

Signed sealed and delivered by
Sims Group UK Holdings Limited
by

sign here ▶ /s/ M. Coombs
Company Secretary/Director

print name M. Coombs

sign here ▶ /s/ G. Davy
Director

print name G. Davy

Signed sealed and delivered by
Mirec B.V.
by

sign here ▶ /s/ M. Coombs
Company Secretary/Director

print name M. Coombs

sign here ▶ /s/ G. Davy
Director

print name G. Davy

in the presence of

sign here ▶ /s/ Jon Godfrey
Witness

print name Jon Godfrey

Signed sealed and delivered by
Sims Recycling Solutions AB
by

sign here ▶ /s/ M. Coombs
Company Secretary/Director

print name M. Coombs

sign here ▶ /s/ G. Davy
Director

print name G. Davy

in the presence of

sign here ▶ /s/ Jon Godfrey
Witness

print name Jon Godfrey

Signed sealed and delivered for
Sims Group USA Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Signed sealed and delivered for
Sims Group Global Trade Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Signed sealed and delivered for
North Carolina Resource Conservation, LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Signed sealed and delivered for
Sims Group USA Holdings Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Signed sealed and delivered for
Schiabo Larovo Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Signed sealed and delivered for
Simsmetal East LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Signed sealed and delivered for
Simsmetal West LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Signed sealed and delivered for
Metal Management, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

[*] Confidential Treatment Requested

Signed sealed and delivered for
Metal Management Alabama, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

Signed sealed and delivered for
Metal Management Arizona, L.L.C.
by its officer

sign here ▶ /s/ L. Steven Shinn
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name L. Steven Shinn

in the presence of

sign here ▶ /s/ Evelyn Panlaqui
Witness

print name Evelyn Panlaqui

---

[*] Confidential Treatment Requested

Signed sealed and delivered for
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

Signed sealed and delivered for
Metal Management Memphis, L.L.C.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

---

[*] Confidential Treatment Requested

Signed sealed and delivered for
Metal Management Midwest, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

---

[*] Confidential Treatment Requested

Signed sealed and delivered for
Metal Management Mississippi, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

[*] Confidential Treatment Requested

Signed sealed and delivered for
Metal Management Northeast, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

---

[*] Confidential Treatment Requested

Signed sealed and delivered for
Metal Management Ohio, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

Signed sealed and delivered for
Metal Management West, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

---

[*] Confidential Treatment Requested

Signed sealed and delivered for
Proler Southwest LP
by its officer Larry

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

---

[*] Confidential Treatment Requested

Signed sealed and delivered for
Metal Dynamics Detroit LLC
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

---

[*] Confidential Treatment Requested

Signed sealed and delivered for
Sims Recycling Solutions Holdings Inc. (formerly Sims Recycling Solutions, Inc.)
by its officer

sign here ▶ /s/ Darrell Stoecklin
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Darrell Stoecklin

in the presence of

sign here ▶ /s/ Jeanne Grimmer
Witness

print name Jeanne Grimmer

[*] Confidential Treatment Requested

Signed sealed and delivered for
Sims Recycling Solutions, Inc. (formerly United Refining & Smelting Co)
by its officer

sign here ▶ /s/ Darrell Stoecklin
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Darrell Stoecklin

in the presence of

sign here ▶ /s/ Jeanne Grimmer
Witness

print name Jeanne Grimmer

---

[*] Confidential Treatment Requested

CONFIDENTIAL TREATMENT HAS BEEN REQUESTED WITH RESPECT TO CERTAIN PORTIONS OF THIS AGREEMENT. CONFIDENTIAL PORTIONS HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION.

Amendment and Restatement Deed

Dated as of 23 June 2011

Parties **Westpac Banking Corporation** (ABN 33 007 457 141) (the ***Lender***)

Sims Metal Management Limited (ACN 114 838 630) (***Sims***)

The companies listed in Schedule 1

Recitals

The Lender and Sims and its subsidiaries listed in Schedule 1 (together the ***Borrowers***) agree to amend and restate the Facility Agreement in the manner set out in this deed.

Operative Provisions

DEFINITIONS AND INTERPRETATION

Definitions

In this Deed:

1.1 *Common Terms Deed* means the deed entitled "Common Terms Deed" dated on or about 23 June 2011, between, among others, Sims and the Lender.

1.2 *Effective Date* means the date on which the Lender gives Sims a notice under clause 3 of this deed.

1.3 *Facility Agreement* means the amended and restated multicurrency revolving floating rate cash advance facility agreement dated 1 November 2000, as amended from time to time.

Interpretation

Capitalised terms defined in the Facility Agreement and the Common Terms Deed have the same meanings when used in this deed.

Clauses 1.3, 1.5, 1.7, 15.2 and 16 of the Common Terms Deed apply to this deed as if set out in full.

This deed is a *Transaction Document* in respect of the Lender for the purpose of the definition of *Transaction Document* in clause 1.2 of the Co

This deed is a *Transaction Document* for the purpose of the definition of *Transaction Documents* in clause 14 of the Facility Agreement.

AMENDMENTS

On the Effective Date, the Facility Agreement is amended and restated to read as set out in the Annexure.

CONDITIONS PRECEDENT

The amendments referred to in clause 2 above will become effective on the date that the Lender notifies the Borrower that it has received in form and substance satisfactory to it:

each of the conditions precedent set out in Schedule 4 of the Common Terms Deed; and

each of the conditions precedent set out in clause 3.3(a) to (d) of the Annexure.

GENERAL

1 REFERENCES TO FACILITY AGREEMENT

Any reference in the Facility Agreement or the Common Terms Deed to the Facility Agreement includes a reference to the Facility Agreement as amended and restated as set out in the Annexure to this deed or as further varied from time to time.

2 GOVERNING LAW AND JURISDICTION

This deed is governed by New South Wales law. The Borrowers accept the non-exclusive jurisdiction of the courts having jurisdiction there.

3 COUNTERPARTS

This deed may be executed and delivered in counterparts (including by facsimile transmission), each of which will be deemed an original.

Schedule 1

Name of Borrower	*ACN/ARBN/Registered Number/Place of Incorporation*
Sims Group Australia Holdings Limited	008 634 526
Sims Group UK Limited	UK 3242331
Sims Group UK Holdings Limited	UK 2904307
Mirec B.V.	The Netherlands 17073024
Sims Recycling Solutions AB	Sweden
Sims Group USA Corporation	Delaware
Sims Group Global Trade Corporation	Delaware
North Carolina Resource Conservation, LLC	North Carolina
Sims Group USA Holdings Corporation	Delaware
Schiabo Larovo Corporation	Delaware
Simsmetal East LLC	Delaware
Simsmetal West LLC	Delaware
Metal Management, Inc.	Delaware
Metal Management Alabama, Inc.	Delaware
Metal Management Arizona, L.L.C.	Arizona
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)	Delaware
Metal Management Memphis, L.L.C.	Tennessee
Metal Management Midwest, Inc.	Illinois
Metal Management Mississippi, Inc.	Delaware
Metal Management Northeast, Inc.	New Jersey
Metal Management Ohio, Inc.	Ohio
Metal Management West, Inc.	Colorado
Proler Southwest LP	Texas
Metal Dynamics Detroit LLC	Delaware
Sims Recycling Solutions Holdings Inc. (formerly known as Sims Recycling Solutions, Inc)	Illinois
Sims Recycling Solutions, Inc. (formerly known as United Refining & Smelting Co)	Illinois

[*] Confidential Treatment Requested

Annexure

Amended and Restated Facility Agreement

Originally dated 1 November 2000, as amended and restated most recently on or about 23 June 2011

Mr Daniel Dienst
Group Chief Executive
Sims Metal Management Limited
Level 12, Suite 1202
65 Berry Street
North Sydney NSW 2060

Dear Daniel,

MULTICURRENCY REVOLVING FLOATING RATE CASH ADVANCE FACILITY — FACILITY AGREEMENT

1 PRELIMINARY

1.1 Offer

Westpac Banking Corporation ABN 33 007 457 141(the ***Lender***) is pleased to offer Sims Metal Management Limited ACN 114 838 630 (***Sims***) and each other Original Borrower listed in Schedule 1 below (together with Sims, each an ***Original Borrower***) a Facility, on and subject to:

(a) the terms set out in this letter (***Agreement***); and

(b) the terms set out in the deed entitled "Common Terms Deed" dated on or about 23 June 2011, between, among others, Sims and the Lender (***Common Terms Deed***).

Each Borrower and the Lender acknowledge that this Agreement is a "Facility Agreement" for the Lender for the purposes of the Common Terms Deed.

The Facility is also available to any Additional Borrower.

Capitalised terms used in this Agreement are defined in the text or in clause 14.1 below.

[*] Confidential Treatment Requested

This is a Transaction Document for the purposes of the Common Terms Deed.

2 FACILITY DETAILS

2.1 Maximum outstanding moneys at any time	For each Tranche, as set out in the Key Terms Schedule in Schedule 2 to this Agreement (as reduced in accordance with this Agreement). That maximum applies to the Borrowers as a whole and is not a limit applying to each Borrower individually.
2.2 Cancellation	Sims may cancel all or part of the undrawn Commitment for a Tranche on 20 Business Days' Notice to the Lender. A partial cancellation of the undrawn Commitment for a Tranche in respect of any Available Currency, must comply with the minimum denominations set out in clause 3.2 (***Minimum Denominations***). For the avoidance of doubt, any cancellation (including a partial cancellation) made pursuant to this clause 2.2 cannot be redrawn. The Commitment for each Tranche will be automatically cancelled on the Final Termination Date or as otherwise agreed in writing by the Lender and Sims.
2.3 Margin	The Margin is payable on outstandings drawn under the Facility and will vary as set out in the Key Terms Schedule. The calculation and definition of Financial Indebtedness and EBITDA is set out in the Common Terms Deed. Any adjustment to the Margin according to the grid set out in the Key Terms Schedule following a change in the ratio of Financial Indebtedness of the Sims Group to EBITDA will be effective from the beginning of the first interest period which commences on a date following the delivery of a Compliance Certificate under clause 4.1(c) of the Common Terms Deed. The adjusted Margin will apply until a subsequent Compliance Certificate or Renewal Notice (as applicable) discloses a change in the ratio of Financial Indebtedness of the Sims Group to EBITDA.
2.4 Nature of Facility	The Facility is a revolving cash advance facility.
2.5 Interest rate	For each interest period of 1, 2, 3, 4, 5 or 6 months for each Advance, the Base Rate plus the Margin and (in the case of Advances by the Lender's London office) the Mandatory Cost, as calculated under the formulae set out in Schedule 4 to this Agreement. It is payable in arrears on the last of each interest period and on repayment or prepayment of the relevant principal. For each interest period of 7 or 14 days for each Advance, the Base Rate applicable will be the rate quoted for those Advances on the LIBOR01 page of Reuters.
2.6 Final Termination Date	As set out in the Key Terms Schedule as extended from time to time in accordance with clause 3.6 or as otherwise agreed (the ***Final Termination Date***).
2.7 Repayment	In one sum on the Final Termination Date.
2.8 Fees	**[*]** ***Unused Commitment Fee***: A rate percent per annum of the daily amount of the undrawn portion of the Commitment for each Tranche, as set out in the Key Terms Schedule. The Unused Commitment Fee is payable quarterly in arrears on the last Business Day of each calendar quarter, and on the day the Commitment is cancelled or on the Final Termination Date (or at any other intervals designated by the Lender from time to time). The Unused Commitment Fee for each Tranche will be calculated on the basis of, and payable in, the Commitment

[*] Confidential Treatment Requested

Currency of the relevant Tranche. If the Commitment for a Tranche is cancelled or reduced in the calendar quarter the relevant amount of fee is not refundable.

2.9 Purpose General corporate purposes, including acquisition funding.

2.10 Security The Common Terms Deed, including the guarantee and indemnity created under clause 7 of the Common Terms Deed.

3 DRAWINGS

3.1 Facility

(a) A Borrower can draw an Advance under the Facility on any Business Day in respect of any of the Tranches.

(b) Any Tranche may be drawn down by Advances in the following currencies:

(i) Australian dollars;

(ii) US dollars;

(iii) Pounds Sterling;

(iv) Euro;

(v) SGD;

(vi) CAD; or

(vii) subject to availability, another Available Currency.

(c) In respect of each Tranche, the Original Amount of all Advances drawn under that Tranche together with the Original Amount of any requested Advance to be drawn under that Tranche must not exceed the Commitment for that Tranche.

(d) Advances in Australian dollars will be made by the Lender's Sydney office.

(e) Advances in Available Currencies other than Australian dollars will be made by:

(i) the Lender's Offshore Banking Unit, but only if the Borrower of the relevant Advance is not a resident of Australia for Tax purposes and also not acting through a permanent establishment in Australia; or

(ii) another office of the Lender if the Lender agrees.

3.2 Minimum denominations

Each Advance must have a minimum amount as follows:

(a) if in Australian dollars, A$1,000,000, with an integral multiple of A$1,000,000;

(b) if in US dollars, US$1,000,000, with an integral multiple of US$1,000,000;

(c) if in Pounds Sterling, GBP1,000,000, with an integral multiple of GBP1,000,000;

(d) if in euros, EURO1,000,000, with an integral multiple of EURO1,000,000;

(e) if in CAD, CAD1,000,000, with an integral multiple of CAD1,000,000;

(f) in SGD, SGD1,000,000, with an integral multiple of SGD1,000,000;

(g) if in another Available Currency, a minimum amount and integral multiple as advised by the Lender;

or which is equal to the amount remaining for the undrawn Commitment.

Advances in no more than six (6) currencies may be outstanding at any one time.

3.3 Conditions Precedent

Before a Borrower can draw an Advance it needs to:

(a) (**Facility Agreement**) sign and return a copy of this Agreement or become a party to this Agreement pursuant to clause 11.1;

(b) deliver the following in form and substance satisfactory to the Lender:

(i) (**Common Terms Deed**) the Common Terms Deed duly executed or a duly executed Additional Guarantors and Additional Borrowers Accession Deed;

(ii) **(Verification Certificate)** in relation to the Borrower a Verification Certificate; and

(iii) (**legal opinion**) in relation to each Borrower incorporated outside of Australia, a legal opinion in a form acceptable to the Lender (acting reasonably) and otherwise consistent with previous forms accepted by the Lender;

(c) **[*]**

(d) **(company searches)** reimburse the Lender for the cost of any company searches it may conduct in respect of this Agreement; and

(e) **(Drawdown Notice)** give a Drawdown Notice for the Advance, in the form attached by 10am (local time of the Lender's office making the Advance) at least two (2) Business Days before the Drawdown Date. For a drawing in:

(i) an Available Currency other than Australian dollars, this must be received at:

(A) the Lender's Offshore Banking Unit address; or

(B) if the Advance is to be made by the Lender's London or New York office, the Lender's address in London or New York (as applicable) and copied to its Sydney address referred to above;

(ii) Australian dollars, this must be received at the Lender's address in Sydney referred to above.

3.4 No default

The Lender is not obliged to provide an Advance which would increase the amount lent if on the Drawdown Date there is a continuing Event of Default or a Potential Event of Default (as defined in the Common Terms Deed).

3.5 The Lender's right to draw Bills

(a) At any time, the Lender may prepare at its cost reliquification Bills in respect of an Australian Dollar Advance and deal with them as it sees fit. These Bills must mature on or before the end of the interest period for the Advance, and their total face amount must not be more than the total amount of principal and interest of that Advance.

(b) For value, each Borrower irrevocably authorises the Lender (or those authorised by it) to prepare and sign those Bills on the Borrower's behalf, as drawer, endorser or both.

(c) The Lender will indemnify the Borrowers against any liability, loss, cost and expense in relation to the Bills. If a reliquification Bill is presented to a Borrower and it pays it, the amount of that payment will be taken to have been applied against the amounts it owes under this Agreement. Otherwise, the indemnity obligation will not affect a Borrower's obligations under this Agreement in any way.

(d) The Borrowers must make payments in relation to an Advance even though reliquification Bills are outstanding in relation to that Advance.

3.6 Review and renewal of Commitment

(a) On or before the Renewal Review Date for each Tranche (***Existing Termination Date***), the Lender may review its participation under this Agreement. Following this review the Lender, at its absolute discretion, may offer to extend its participation under this Agreement to a date falling 12 months after the Existing Termination Date (***New Termination Date***) by delivering to Sims a signed Renewal Notice attaching a proposed Key Terms Schedule.

(b) The Lender's offer contained in any Renewal Notice delivered in accordance with clause 3.6(a) may be subject to any conditions precedent or subsequent as the Lender specifies.

(c) In the course of reviewing its participation under this Agreement in accordance with clause 3.6(a), the Lender has the absolute right to propose the variation of any and all of the terms of the Facility set out in the Key Terms Schedule (***Revised Terms***), including, but not limited to, the Commitment for each Tranche, the Margin and the Unused Commitment Fee, as part of its offer to the Borrowers to extend its participation. The Revised Terms will be set out in the Key Terms Schedule attached to a Renewal Notice delivered in accordance with clause 3.6(a).

(d) If, within 30 days of receiving a Renewal Notice delivered in accordance with clause 3.6(a):

(i) the Borrowers have signed and delivered to the Lender the Renewal Notice; and

(ii) the Lender has notified Sims that it is satisfied that all of the conditions specified in the Renewal Notice have been satisfied,

the current definition of "Final Termination Date" shall be amended to be the New Termination Date and the Key Terms Schedule shall be amended in accordance with the Renewal Notice with effect on and from the date of the Renewal Notice.

(e) If:

(i) the Lender does not deliver a Renewal Notice to the Borrowers; or

(ii) the Borrowers do not satisfy any condition in the relevant Renewal Notice; or

(iii) the Borrowers do not sign and return a Renewal Notice delivered in accordance with clause 3.6(a) within 30 days of having received it,

the Final Termination Date will not be amended and any Revised Terms contained in a Renewal Notice delivered in accordance with clause 3.6(a) will not apply.

(f) Nothing in the Transaction Documents obliges the Lender:

(i) to extend any Final Termination Date; or

(ii) to provide a Renewal Notice.

(g) Each Borrower acknowledges and agrees that the delivery or acceptance of any Renewal Notice or any amendment to a Transaction Document pursuant to this clause 3.6 or a Renewal Notice does not:

(i) affect the validity or enforceability of this Agreement or any other Transaction Document;

(ii) prejudice or adversely affect any right, power, authority, discretion or remedy arising under this Agreement or any other Transaction Document before the date of any amendment under clause 3.6(c); or

(iii) discharge, release or otherwise affect any liability or obligation arising under this Agreement or any other Transaction Document before the date of any amendment under clause 3.6(c).

4 CALCULATION OF INTEREST

(a) Interest for each Advance accrues daily on the outstanding principal.

(b) Interest is calculated on actual days elapsed and a year of 365 days for Australian dollars and Pounds Sterling and a year of 360 days for US dollars and euros. For other Available Currencies, the basis will be advised by the Lender.

(c) It will be determined by reference to interest periods selected by the Borrower of the Advance. Each period begins on the Drawdown Date or on the last day of the previous interest period.

(d) Unless the Lender agrees otherwise, interest periods must be of 7 or 14 days or of 1, 2, 3, 4, 5 or 6 months. If an interest period would end on a day that is not a Business Day, then it will end on the previous Business Day.

(e) If an interest period begins on a date for which there is no corresponding date in the month in which it is to end, it will end on the last Business Day of that month.

(f) The relevant Borrower must select interest periods for Advances so that they do not expire after the Final Termination Date.

(g) The Borrower will select the interest period for an Advance in the Drawdown Notice. It will select each subsequent interest period by written notice to the Lender's office that made the Advance by 10 am (local time) at least 2 Business Days before the end of the previous interest period. If the Borrower fails to select a period, it will be taken to have selected one of 3 months.

5 PAYMENT OBLIGATIONS

5.1 Interest and fees

(a) Sims will, or will ensure that the other Borrowers pay interest and fees as set out in this Agreement.

(b) Interest on an Advance will be paid in the currency of the Advance, to the Lender's office that made the Advance and fees will be paid in Australian dollars to the Lender's Sydney office.

5.2 Rollovers

(a) The Borrower of an Advance will repay it on the last day of its interest period. However, if all or part of the Advance is to continue in the same currency for a further interest period, the amount of the Advance which is to continue need not be repaid at the end of that interest period except as follows.

(b) The Borrower of an Advance may switch an Advance from one currency to another at the end of an interest period, but only by repaying the Advance in the first currency and redrawing it in the second currency. The ability of a Borrower to redraw the Advance in the second currency will be subject to the other provisions of this Agreement.

5.3 Repayments and prepayments

(a) **(repayments)** The Borrower of each Advance will repay the amount lent in accordance with clause 2.7 (***Repayment***) of this Agreement, and in any event also repay each Advance at the end of its interest period except to the extent it is being redrawn.

(b) **(prepayments)** At any time the relevant Borrower may prepay all or part of the amount lent if it gives at least 5 Business Days' prior written notice. Partial prepayments must be in multiples of A$5,000,000 (or, if in any other Available Currency, multiples that comply with the Minimum Denominations in clause 3.2).

(c) **(cleandown)** In respect of a Tranche, if at any time the aggregate of the amount of all Advances denominated in the Commitment Currency for that Tranche and the Equivalent Amount of all Advances denominated in a currency other than the Commitment Currency for that Tranche (the ***Current Aggregate***) exceeds 110% of the Commitment for that Tranche, then, if required by written notice from the Lender, Sims must within the period stated in the notice (to the extent that it has borrowed an Advance) repay, or ensure that a Borrower repays, an amount sufficient to ensure that the Current Aggregate does not exceed the Commitment for the Tranche.

5.4 Method of payment

(a) The Borrowers will make all payments as specified by the Lender. In the absence of a specific direction, payments will be made to the Lender's accounts as follows:

(i) if in US$ (in respect of Advances by the Lender's Offshore Banking Unit) to JPMorgan Chase New York, CHASUS33, Account Number 780254744 (under reference Sims or as specified by the Lender); or

(ii) if in US$ (in respect of Advances by the Lender's London office) to "Westpac London USD Account" with Chase Manhattan Bank, New York, Account No. 001-1-910-312. Chips U.I.D. CH004742 Swift Code CHASUS33 (under reference Sims or as specified by the Lender); or

(iii) if in US$ (in respect of Advances by the Lender's New York office) to "Westpac Banking Corporation, Grand Cayman Branch" with Chase Manhattan Bank, New York, ABA 021 000 021, Account No. 001-1-910-460" Chips U.I.D. CH Swift Code CHASUS33 (under reference Sims or as specified by the Lender); or

(iv) if in GBP (in respect of Advances by the Lender's Offshore Banking Unit) to National Westminster Bank, Plc London, NWBKGB2L, Sort Code 60-00-04, Account Number 10007504 (under reference Sims or as specified by the Lender); or

(v) if in GBP to "Westpac London Account" with Lloyds Bank, London, Account No LLY01140869. Swift Code LOYDGB2L (under reference Sims or as specified by the Lender); or

(vi) if in euros (in respect of Advances by the Lender's Offshore Banking Unit) to HSBC Bank Plc, London, MIDLGB22, Sort Code 40-05-15, Account Number 59414915 (under reference Sims or as specified by the Lender); or

(vii) if in euros to "Westpac London Account" with HSBC Bank Plc Swift Code MIDLGB22 Account No 59282959 (under reference Sims or as specified by the Lender); or

(viii) if in SGD (in respect of Advances by the Lender's Offshore Banking Unit) to Standard Chartered Bank Singapore, SCBLSGSGXXX, Account Number 0109304268 (under reference Sims or as specified by the Lender); or

(ix) if in CAD (in respect of Advances by the Lender's Offshore Banking Unit) to Toronto Dominion Bank Toronto, Account Number 0360-01-2000510 (under reference Sims or as specified by the Lender); or

(x) if in Australian dollars (in respect of Advances by the Lender's Sydney office) to BSB 032916 No. 100059 (or as specified by the Lender).

(b) Payments must be in immediately available funds and free of any set-off or deduction, except for Taxes where required by law. All payments will be made by 11 am (local time) in the place of payment.

6 EXTERNAL CIRCUMSTANCES

6.1 Available Currency impracticability

If in the Lender's opinion:

(a) there is any change in applicable law or any change in national or international financial, political or economic conditions, currency availability, exchange rates or exchange contracts which make it impractical for a particular Advance to be denominated in the selected Available Currency during an interest period; or

(b) any necessary government approval is not obtained,

then the Lender must notify Sims promptly,

and:

(c) if the relevant Drawdown Notice requested that the Advance be made in Australian dollars if the relevant Available Currency was unavailable, or

(d) Sims and the Lender agree,

the Advance will be made in Australian dollars. Otherwise, the Drawdown Notice will be cancelled.

6.2 Market Disturbance

(a) The Lender may give a notice (a ***Disturbance Notice***) to Sims at any time before the beginning of an interest period if the Lender forms the view that market conditions in the relevant financial market for the currency concerned are seriously disturbed.

(b) This includes circumstances where, in the Lender's opinion, adequate and fair means are not available for fixing the Base Rate, or deposits in the currency concerned are not available in the ordinary course of business to the Lender in the relevant financial market, or the cost to the Lender of obtaining deposits in the relevant financial market exceeds the Base Rate, or because of national or international financial, political or economic circumstances or exchange rates or exchange controls it is impractical for it to fund the Advance for the interest period.

(c) If a Disturbance Notice relates to an Advance which has not been made, the Lender's obligations to make the Advance shall be suspended while it and Sims negotiate alternative arrangements. If they reach agreement within 30 days, those alternative arrangements will apply. If they do not reach agreement within that period, the Lender will be released from its obligations to make the Advance.

(d) If the Disturbance Notice relates to an Advance which has been made, the Lender will maintain the Advance, and will within 30 days after giving the Disturbance Notice notify Sims of an alternative basis for maintaining the Advance. Sims will comply with the alternative basis. The Lender and Sims will consult monthly while the alternative basis is in force, and if the circumstances which justified the establishment of the alternative basis cease to apply, the Lender will revoke the alternative basis as promptly as practicable.

(e) An alternative basis may be retrospective to the beginning of the relevant interest period, and may include alternative currencies, interest periods or methods of fixing the interest rate.

7 PAYMENTS AND DEFAULT INTEREST

7.1 Time of payment

Unless otherwise stated, amounts payable under this clause are payable within 2 Business Days of demand.

7.2 Default interest

Interest will accrue each day on each amount due but unpaid. The Borrowers will pay it on demand. The rate will be 2% per annum plus, for Available Currencies other than Australian dollars, the Lender's funding rate for making loans in that currency (as determined by the Lender for periods determined by the Lender) from time to time plus the Margin; and for Australian dollars, the Lender's advertised "reference lending rate" (or any equivalent rate which is substituted for this rate from time to time). That interest accrues before and after any judgment. Unless it does not do so more often the Lender will be taken to have debited monthly the relevant Borrower's account with accrued interest under this clause 7.2. That interest will then itself bear interest.

8 REPRESENTATIONS AND WARRANTIES

8.1 Representations and warranties

Each Borrower makes the representations and warranties contained in clause 3 of the Common Terms Deed to the Lender in respect of itself and on behalf of each other Transaction Party (except where the representation and warranty is expressed to apply to Sims only in which case Sims gives the relevant representation and warranty), as if those representations and warranties were set out in full in this clause 8.1.

8.2 Continuing representations and warranties

The representations and warranties given under this Agreement, including those in this clause 8, survive the execution of each Transaction Document and are repeated on each date representations and warranties are repeated under clause 3.2(b) of the Common Terms Deed with respect to the facts and circumstances then subsisting.

8.3 Acknowledgment of reliance

Each Borrower acknowledges that the Lender has entered into each Transaction Document in reliance on the representations and warranties given under this Agreement.

8.4 Additional representations and warranties

The representations and warranties given under this Agreement are in addition to any other representations and warranties in any other Transaction Document.

8.5 Lender's representation and warranty

The Lender represents and warrants to the Borrowers that the making of Advances under this Agreement by its Offshore Banking Unit will not have any adverse Tax consequences for the Borrowers.

9 UNDERTAKINGS

Unless the Lender otherwise agrees in writing, each Borrower undertakes, and undertakes to ensure that each other Transaction Party will (to the extent that the undertaking applies to a Transaction Party), comply with clause 4 of the Common Terms Deed as follows (except where the undertaking is expressed to apply to Sims only in which case Sims gives the relevant undertaking).

10 EVENTS OF DEFAULT

10.1 Events of Default

(a) An Event of Default occurs if an "Event of Default" as defined in the Common Terms Deed occurs.

(b) If an amount is paid to the Lender to cover an amount contingently owing, the Lender will hold that amount in an interest bearing account until the amount becomes actually owing or ceases to be contingently owing. The Lender will then apply the amount in the account (including interest) in payment of the amount actually owing and return the balance to the relevant Borrower.

10.2 Incorporation of provisions

Clauses 5.2 to 5.4 (inclusive) of the Common Terms Deed apply to this Agreement as if set out in full in this Agreement and as if references in those clauses to "this deed" were to "this Agreement".

10.3 Termination of facilities

Where a Transaction Document specifies that a facility can be terminated by the Lender at any time, the Lender may at any time do either of the things specified in (1) or (2) of clause 5.2(a) of the Common Terms Deed whether or not an Event of Default has occurred.

11 ADDITIONAL BORROWERS

11.1 Additional Borrowers

Sims may request that any of its wholly owned Subsidiaries becomes an Additional Borrower. That Subsidiary shall become an Additional Borrower if:

(a) the Lender approves the addition of that Subsidiary as an Additional Borrower;

(b) Sims delivers to the Lender a duly completed and executed Additional Borrower Accession Deed for the accession of that Subsidiary as an Additional Borrower;

(c) Sims confirms that no Default is continuing or would occur as a result of that Subsidiary becoming an Additional Borrower; and

(d) the Subsidiary has acceded as an "Additional Borrower" and an "Additional Guarantor" under the Common Terms Deed.

11.2 Repetition of Representations

Delivery of an Additional Borrower Accession Deed to the Lender constitutes confirmation by the relevant Subsidiary that the representations and warranties in the Transaction Documents are true and correct in relation to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

12 ASSIGNMENT

(a) Clause 13 of the Common Terms Deed applies to this Agreement as if set out in full in this Agreement and as if references in that clause to "this deed" were to "this Agreement".

(b) Where the Lender wants to transfer any part of its obligations, Sims on behalf of each Borrower will sign when reasonably requested by the Lender a document which will effect that transfer. The Lender will bear its own costs and stamp duty on that document.

13 GOVERNING LAW & JURISDICTION

This Agreement is governed by New South Wales law. The Borrowers accept the non-exclusive jurisdiction of the courts having jurisdiction there.

14 INTERPRETATION

14.1 Definitions

Additional Borrower means any wholly owned Subsidiary of Sims which becomes, or has become, as the context may require, party to this Agreement as a Borrower in accordance with clause 11 of this Agreement.

Additional Borrower Accession Deed means an accession deed in the form set out in Schedule 6 of this Agreement.

Additional Guarantors and Additional Borrowers Accession Deed means an accession deed in the form set out in Attachment 1 of the Common Terms Deed.

Advance means the outstanding principal amount of a drawdown made under the Facility.

A$, ***AUD*** or ***Australian dollars*** means the lawful currency of Australia.

Available Currency means Australian dollars, US dollars, Pounds Sterling, euro, SGD and CAD, and any other currency agreed by the Lender which is freely transferable and convertible into US dollars.

Base Rate means:

(a) in relation to Australian dollars, BBR;

(b) in relation to US dollars, Pounds Sterling, and euro, LIBOR; and

(c) in relation to other Available Currencies, the rate notified by the Lender to the Borrower as the Lender's funding rate for making loans in the currency concerned for the relevant interest period.

BBR for an interest period means the Reuters BBSY bid rate for that period on the first day of the period, or if there is none, the rate selected by the Lender as equivalent.

Borrowers means each Original Borrower and each Additional Borrower and ***Borrower*** means any one of them.

Business Day:

(a) for Advances made by the Lender's Offshore Banking Unit, means a weekday:

  (i) on which the relevant financial markets are open in Sydney;

  (ii) on which the Offshore Banking Unit is open at its address in Sydney;

  (iii) (in relation to any date for payment or purchase of a currency other than euro) on which banks are open for business in the principal financial centre for the relevant currency; and

  (iv) (in relation to any date for payment or purchase of euro) which is also a TARGET Day;

  but in any case not a day which is a public holiday or bank holiday in:

  (A) Sydney; or

  (B) the country of the currency of the Advance;

(b) for Advances made by the Lender's London office, means a weekday:

  (i) on which the relevant financial markets are open in London;

  (ii) the Lender is open at its address in London as referred to above;

  (iii) (in relation to any date for payment or purchase of a currency other than euro) banks are open for business in the principal financial centre for the relevant currency; and

  (iv) (in relation to any date for payment or purchase of euro) which is also a TARGET Day;

(c) for Advances made by the Lender's New York office, means a weekday:

  (i) on which the relevant financial markets are open in New York and London;

  (ii) the Lender is open at its address in New York as referred to above;

(iii) (in relation to any date for payment or purchase of a currency other than euro) banks are open for business in the principal financial centre for the relevant currency; and

(iv) (in relation to any date for payment or purchase of euro) which is also a TARGET Day;

for Australian dollar Advances made by the Lender's Sydney office and for purposes not connected with the Lender's London office, means a weekday on which the Lender is open at its address in Sydney referred to above.

CAD means the lawful currency of Canada.

Commitment means in respect of the:

(a) Euro Tranche, the Euro Commitment;

(b) USD Tranche, the USD Commitment;

(c) GBP Tranche, the GBP Commitment.

Commitment Currency means in relation to a Tranche, the currency in which the Commitment for that Tranche is denominated.

Common Terms Deed has the meaning given to that phrase in clause 1.1 of this Agreement.

Drawdown Date means the date on which an Advance is, or is to be, made.

Drawdown Notice means a notice in the form set out in Schedule 3 to this Agreement (properly completed and executed and containing the information and representations and warranties set out therein).

Effective Date has the meaning given in the document entitled 'Amendment and Restatement Deed' between the Lender, Sims and each Original Borrower dated on or about 23 June 2011.

Equivalent Amount means, in respect of an Advance drawn under a Tranche which is expressed in a currency (***first currency***) which is not the Commitment Currency for that Tranche, on any date, the amount of the Commitment Currency, determined by translating that amount of the first currency into the Commitment Currency at the Lender's spot rate of exchange for buying the Commitment Currency with the first currency. For the purposes of determining the unused portion of the Commitment, the Equivalent Amount shall be determined at the Drawdown Date and the first day of each subsequent interest period.

Euro, euro or **€** means the single lawful currency of a Participating Member State.

Euro Commitment has the meaning given to it in the Key Terms Schedule.

Euro Tranche means the tranche in respect of Advances denominated in Euros (or any other Available Currency agreed by the Lender from time to time), described in the Key Terms Schedule.

Event of Default has the meaning given in clause 10 (***Events of Default***).

[*]

Facility means the facility made available under this Agreement.

GBP Commitment has the meaning given to it in the Key Terms Schedule.

GBP Tranche means the tranche in respect of Advances denominated in GBP (or any other Available Currency agreed by the Lender from time to time), described in the Key Terms Schedule.

Key Terms Schedule means the Key Terms Schedule set out in Schedule 2 as amended, supplemented or replaced from time to time in accordance with this Agreement.

Lender has the meaning given in clause 1.1 of this Agreement.

LIBOR in relation to an interest period means the offered rate for deposits in that Available Currency for a period comparable to the relevant interest period which appears on Reuters Screen LIBOR1 at or about 11.00am (London) time 2 Business Days before the first day of the interest period (or, for Pounds Sterling on the first day of the interest period) (or, for euro, two TARGET Days before the first day of the interest period). If, however, there are no rates displayed for a term comparable to that interest period, or the basis on which those rates are displayed is changed to one which, in the Lender's opinion, does not reflect its cost of funding the Advance, then LIBOR will be the rate calculated by the Lender as its cost of raising deposits in that currency for a term comparable to the interest period from leading banks in the London Interbank Market.

Mandatory Cost has the meaning given in Schedule 4 of this Agreement.

Offshore Banking Unit means the Lender's 'Offshore Banking Unit' located at Level 3, Westpac Place 275 Kent Street, Sydney, New South Wales 2000.

Original Amount means, in respect of a Tranche:

(a) in relation to an Advance denominated in the Commitment Currency, the amount specified for that Advance; and

(b) in relation to an Advance denominated in a currency other than the Commitment Currency, the Equivalent Amount on its Drawdown Date and the first day of each subsequent interest period (whether an interest period for that or any other Advance) as reduced from time to time by the Equivalent Amount of repayments or prepayments.

Pounds Sterling, ***Sterling***, ***British pound***, ***GBP*** and ***£*** refer to the lawful currency of the United Kingdom.

Participating Member State means any member state of the European Communities that adopts or has adopted the euro as its lawful currency in accordance with legislation of the European Community relating to the Economic and Monetary Union.

Renewal Notice means a renewal notice substantially in the form set out in Schedule 5 of this Agreement.

Renewal Review Date means the date falling 24 months prior to the then Final Termination Date.

Sims has the meaning given in clause 1.1 of this Agreement.

SGD means the lawful currency of the Republic of Singapore.

TARGET means Trans-European Automated Real-Time Gross Settlement Express Transfer payment system.

TARGET Day means any day on which TARGET is open for the settlement of payments in euro.

Tranches means the USD Tranche, GBP Tranche and Euro Tranche.

Transaction Documents means:

(a) this Agreement;

(b) the Common Terms Deed;

(c) any Hedging Agreement entered into by any Transaction Party and the Lender; and

(d) each Renewal Notice and Key Terms Schedule;

(e) each "Transaction Document" of the Lender, as defined in the Common Terms Deed;

(f) any document which Sims acknowledges in writing to be a Transaction Document;

(g) any document which is entered into, or given under, or for the purposes of, amending any Transaction Document; and

(h) any other present or future document, agreement or arrangement (whether or not in writing):

(i) to which any Borrower is or becomes a party with the Lender; or

(ii) under which obligations are owed by any Transaction Party to the Lender,

in each case, whether or not other parties are involved and whether or not it arises as a result of an assignment or transfer.

Unused Commitment Fee has the meaning given to it in clause 2.8 of this Agreement.

US dollars, ***USD*** or ***US$*** refer to the lawful currency of the United States of America.

USD Commitment has the meaning given to it in the Key Terms Schedule.

USD Tranche means the tranche in respect of Advances denominated in USD (or any other Available Currency agreed by the Lender from time to time), described in the Key Terms Schedule.

Verification Certificate means the certificate substantially in the form of Schedule 2 to the Common Terms Deed (***Form of Verification Certificate***) properly completed and executed and containing the information set out therein, and attaching the documents referred to therein.

14.2 Interaction with Common Terms Deed

(a) A term which has a defined meaning (including by reference to another document) in the Common Terms Deed has the same meaning when used in this Agreement unless it is expressly defined in this Agreement, in which case the meaning in this Agreement prevails.

(b) Clauses 1.3, 1.5, 1.7, 9, 15.2 and 16 of the Common Terms Deed apply to this Agreement as if set out in full in this Agreement and as if references in those clauses to "this deed" were to "this Agreement".

(c) Pursuant to clause 7.17(c) of the Common Terms Deed, the Lender and Sims agree that clause 7.17 of the Common Terms Deed is to apply in respect of the Lender and all Guarantors.

SCHEDULE 1 — ORIGINAL BORROWERS

NAME OF COMPANY	corporation number	jurisdiction of incorporation / registration / organisation
Sims Metal Management Limited	ACN 114 838 630 ABN 69 114 838 630	Australia
Sims Group Australia Holdings Limited	ACN 008 634 526 ABN 37 008 634 526	Australia
Sims Group UK Limited	3242331	United Kingdom
Sims Group UK Holdings Limited	2904307	United Kingdom
Mirec B.V.	17073024	The Netherlands
Sims Recycling Solutions AB	N/A	Sweden
Sims Group USA Corporation	N/A	Delaware
Sims Group Global Trade Corporation	N/A	Delaware
North Carolina Resource Conservation, LLC	N/A	North Carolina
Sims Group USA Holdings Corporation	N/A	Delaware
Schiabo Larovo Corporation	N/A	Delaware
Simsmetal East LLC	N/A	Delaware
Simsmetal West LLC	N/A	Delaware
Metal Management, Inc.	N/A	Delaware
Metal Management Alabama, Inc.	N/A	Delaware
Metal Management Arizona, L.L.C.	N/A	Arizona
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)	N/A	Delaware
Metal Management Memphis, L.L.C.	N/A	Tennessee
Metal Management Midwest, Inc.	N/A	Illinois
Metal Management Mississippi, Inc.	N/A	Delaware
Metal Management Northeast, Inc.	N/A	New Jersey
Metal Management Ohio, Inc.	N/A	Ohio
Metal Management West, Inc.	N/A	Colorado
Proler Southwest LP	N/A	Texas
Metal Dynamics Detroit LLC	N/A	Delaware
Sims Recycling Solutions Holdings Inc. (formerly Sims Recycling Solutions, Inc.)	N/A	Illinois
Sims Recycling Solutions, Inc. (formerly United Refining & Smelting Co)	N/A	Illinois

[*] Confidential Treatment Requested

SCHEDULE 2 — KEY TERMS SCHEDULE

FACILITY DETAILS

Maximum outstanding moneys at any time	***Euro Tranche***	***USD Tranche***	***GBP Tranche***
		millions	
	€27	US$175	£89.6
	[*]	**[*]**	**[*]**
	(***Euro Commitment***)	(***USD Commitment***)	(***GBP Commitment***)
Margin	**Financial Indebtedness of the Sims Group/EBITDA =**		**Margin**
	[*]		**[*]**
Final Termination Date	The date which is three years after the date of the Common Terms Deed.		
Fees	**[*]**		

Unused Commitment Fee: **[*]** of the applicable Margin.

[*] Confidential Treatment Requested

SCHEDULE 3 — FORM OF DRAWDOWN NOTICE

TO: [Name]
Westpac Banking Corporation (***Westpac***)
[address]

MULTICURRENCY REVOLVING FLOATING RATE CASH ADVANCE FACILITY — FACILITY AGREEMENT

I refer to the amended and restated Multicurrency Revolving Floating Rate Cash Advance Facility — Facility Agreement dated1 November 2000, as amended and restated from time to time and most recently on [ ] June 2011, between Westpac, Sims Metal Management Limited and certain of its subsidiaries ("the Agreement").

I am authorised to give this notice, which is irrevocable, on behalf of the Company referred to below. We wish to draw [A$[*] / [other Available Currency] [*]] on [a Business Day], with an initial interest period of [ ] from Westpac's [Offshore Banking Unit / London / New York / Sydney] office.

The Tranche to be drawn down is the [Euro Tranche / GBP Tranche / USD Tranche].[If [relevant Available Currency other than Australian dollars] is not available please provide the Advance in Australian dollars].

The representations by the Company in the Agreement are true as of today. [No Event of Default (as defined in the Common Terms Deed) or Potential Event of Default has occurred and is subsisting. [The Company has complied with its undertakings in the Agreement.]

Please pay the drawing as follows [insert bank account description] _____

Dated [*]

_____
SIGNED for [name of Borrower]

[To be signed by authorised signatory whose signatures and status have been verified to the Lender].

[*] Confidential Treatment Requested

SCHEDULE 4 — MANDATORY COST FORMULAE

1. The mandatory cost is an addition to the interest rate to compensate lenders for the cost of compliance with (a) the requirements of the Bank of England and/or the Financial Services Authority (or, in either case, any other authority which replaces all or any of its functions) or (b) the requirements of the European Central Bank (***Mandatory Cost***).

2. On the first day of each interest period (or as soon as possible thereafter) the Lender shall calculate, as a percentage rate, a rate (the ***Additional Cost Rate***) in accordance with the paragraphs set out below.

3. The Additional Cost Rate will be calculated as follows:

   (a) in relation to a Pound Sterling Advance:

   $$\frac{AB + C(B\ D) + E \times [*]}{100 - (A + C)} \text{ per cent. per annum}$$

   (b) in relation to an Advance in any currency other than Pound Sterling:

   $$\frac{E \times [*]}{300} \text{ per cent. per annum.}$$

   Where:

   A is the percentage of Eligible Liabilities (assuming these to be in excess of any stated minimum) which the Lender is from time to time required to maintain as an interest free cash ratio deposit with the Bank of England to comply with cash ratio requirements.

   B is the percentage rate of interest (excluding the Margin and the Mandatory Cost) payable for the relevant interest period on the Advance.

   C is the percentage (if any) of Eligible Liabilities which the Lender is required from time to time to maintain as interest bearing Special Deposits with the Bank of England.

   D is the percentage rate per annum payable by the Bank of England to the Lender on interest bearing Special Deposits.

   E is the rate of charge payable by the Lender to the Financial Services Authority pursuant to the Fees Regulations (but, for this purpose, ignoring any minimum fee required pursuant to the Fees Regulations) and expressed in pounds per ,1,000,000 of the Fee Base of that Lender.

4. For the purposes of this Schedule:

   (a) ***Eligible Liabilities*** and ***Special Deposits*** have the meanings given to them from time to time under or pursuant to the Bank of England Act 1998 or (as may be appropriate) by the Bank of England;

   (b) ***Fees Regulations*** means the Banking Supervision (Fees) Regulations 1999 or such other law or regulation as may be in force from time to time in respect of the payment of fees for banking supervision; and

   (c) ***Fee Base*** has the meaning given to it, and will be calculated in accordance with, the Fees Regulations.

[*] Confidential Treatment Requested

5. In application of the above formulae, A, B, C and D will be included in the formulae as percentages (i.e. .5 per cent. will be included in the formula as 5 and not as 0.05). A negative result obtained by subtracting D from B shall be taken as zero. The resulting figures shall be rounded to four decimal places.

6. The Lender may from time to time, after consultation with Sims determine and notify to Sims any amendments which are required to be made to this attachment in order to comply with any change in law, regulation or any requirements from time to time imposed by the Bank of England, the Financial Services Authority or the European Central Bank (or, in any case, any other authority which replaces all or any of its functions) and any such determination shall, in the absence of manifest error, be conclusive and binding on the Borrowers.

[*] Confidential Treatment Requested

SCHEDULE 5 — FORM OF RENEWAL NOTICE

Renewal Notice

To: Sims Metal Management Limited (***Sims***)

Attention: **[*insert relevant name*]**

Date:

We refer to the amended and restated Multicurrency Revolving Floating Rate Cash Advance Facility — Facility Agreement dated 1 November 2000, as amended and restated from time to time and most recently on [ ] June 2011, between each party listed in Schedule 1 of that agreement (as ***Borrowers***) and Westpac Banking Corporation (the ***Lender***) (***Facility Agreement***).

Under clause 3.6 of the Facility Agreement we give you notice that the Lender has agreed to extend the Final Termination Date by 12 months, from [***insert date***] (***Existing Final Termination Date***) to [***insert date***] (***New Final Termination Date***), subject to the following conditions:

(a) the Borrowers:

(i) indicating their acknowledgement and agreement to the extension of the Final Termination Date by 12 months; and

(ii) undertaking that the representations and warranties in clause 8 of the Facility Agreement are true as at the date of this notice and that no Default subsists,

by Sims, on behalf of itself and each other Borrower, signing and delivering this notice to the Lender within 30 days of receiving it;

(b) [the Borrowers indicating their acknowledgement and agreement to the Key Terms Schedule being amended and restated in the form set out in the Schedule to this notice, by Sims, on behalf of itself and each other Borrower, initialling the attached schedule and delivering the initialled schedule (attached to this notice) to the Lender within 30 days of receiving it]; and

(c) [***insert additional conditions precedent as required***].

Subject to the above conditions being satisfied, we agree that on and from the Existing Final Termination Date:

(a) the definition of "Final Termination Date" under the Facility Agreement shall be amended to be the New Final Termination Date specified in the Key Terms Schedule set out in the Schedule to this notice[; and

(b) the Key Terms Schedule will be amended and restated in the form set out in the attached Schedule].

A term defined in the Facility Agreement has the same meaning when used in this Renewal Notice.

[*] Confidential Treatment Requested

Schedule — Amended and restated Key Terms Schedule

[***to be inserted***]

Lender

Signed for
Westpac Banking Corporation
by its attorney

sign here ▶ _____
Attorney

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

[*] Confidential Treatment Requested

Agreed and acknowledged by Sims for itself and on behalf of the other Borrowers:

Sims

Signed for
Sims Metal Management Limited

sign here ▶ _____
Director

print name _____

sign here ▶ _____
Director/Company Secretary

print name _____

[*] Confidential Treatment Requested

SCHEDULE 6 — ADDITIONAL BORROWER ACCESSION DEED

ADDITIONAL BORROWER ACCESSION DEED

Date:

This deed is made by:

Sims Metal Management Limited (ACN 114 838 630) of [***insert address***] (***Sims***)

[***insert name***] [***insert ACN/ABN/ARBN***] of [***insert address***] (***Additional Borrower[s]***)

Westpac Banking Corporation (ABN 33 007 457 141) of Level 3, 275 Kent Street Sydney NSW 2000 Australia (the ***Lender***)

BACKGROUND

1. Under the amended and restated Multicurrency Revolving Floating Rate Cash Advance Facility — Facility Agreement dated 1 November 2000, as amended and restated from time to time and most recently on [ ] [June 2011] (***Facility Agreement***) between each party listed in Schedule 1 of that agreement (as ***Borrowers***) and the Lender, a person may become a Borrower by execution of this deed.

2 The Additional Borrower[s] wish[es] to become a Borrower on the terms and conditions set out in this deed.

This deed witnesses as follows:

1 INTERPRETATION

(a) Words and phrases defined in the Facility Agreement (including by incorporation) have the same meaning when used in this deed.

(b) In this deed:

Existing Borrower means each person which is a Borrower under the Facility Agreement at the time of execution of this deed.

2 REPRESENTATIONS AND WARRANTIES

The Additional Borrower[s] represent[s] and warrant[s] to, and for the benefit of the Lender, as set out in clause 8.1 of the Facility Agreement, on the basis that:

(a) each reference to a Borrower in clause 8.1 of the Facility Agreement includes a reference to the Additional Borrower[s];

(b) each reference to a Transaction Document includes this deed and each other Transaction Document to which the Additional Borrower[s] is a party; and

(c) clauses 8.2, 8.3 and 8.4 of the Facility Agreement apply to this clause 2 as if set out in full.

3 STATUS OF ADDITIONAL BORROWER[S]

[Each/The] Additional Borrower agrees that it irrevocably becomes an 'Additional Borrower' as defined in, and for all purposes under, the Facility Agreement as if named in and as a party to the Facility Agreement, and accordingly is bound by the Facility Agreement as an Additional Borrower.

4 RECEIPT OF DOCUMENTS

[Each/The] Additional Borrower acknowledges having received and reviewed to its satisfaction a copy of each Transaction Document and each other document requested by it before signing this deed.

5 CONFIRMATION BY EXISTING TRANSACTION PARTIES

Sims (for itself and as attorney for each other Transaction Party) confirms that nothing in this deed:

(a) affects the validity or enforceability of the Transaction Documents;

(b) prejudices or adversely affects any right, power, authority, discretion or remedy arising under the Transaction Documents; or

(c) discharges, releases or otherwise affects any liability or obligation arising under the Transaction Documents.

6 GOVERNING LAW

This deed is governed by the laws of New South Wales.

7 BENEFIT OF DEED

This deed is given in favour of and for the benefit of:

(a) the Lender; and

(b) each Borrower,

under the Facility Agreement and their respective successors and permitted assigns

8 ADDRESS FOR NOTICES

The details for [each/the] Additional Borrower for service of notices are:

Address: [ ].

Attention: [ ].

Facsimile: [ ].

9 ATTORNEYS

Each of the attorneys executing this deed states that the attorney has no notice of the revocation of the power of attorney appointing that attorney.

Executed as a deed

[insert execution clause for Additional Borrower(s)]

Signed sealed and delivered by
Sims Metal Management Limited for itself and as attorney for each other Transaction Party pursuant to clause 15.2 of the Common Terms Deed
in accordance with section 127(1) of
the Corporations Act 2001 (Cth)
by a director and secretary/director:

Signature of director	Signature of director/secretary
Name of director (please print)	Name of director/secretary (please print)

Signed sealed and delivered
for and on behalf of
Westpac Banking Corporation
by a duly appointed attorney
in the presence of:

Signature of witness	Signature of attorney (I have no notice of revocation of the power of attorney under which I sign this document)
Name of witness (please print)	Name of attorney (please print)

Signing pages

Executed as a deed.

The Lender

Signed sealed and delivered for
Westpac Banking Corporation
by its attorney

sign here ▶ /s/ Jeroen Nanninga
Attorney

print name Jeroen Nanninga

in the presence of

sign here ▶ /s/ Tim Sheather
Witness

print name Tim Sheather

Borrowers

Signed sealed and delivered by
Sims Metal Management Limited
by

sign here ▶ /s/ Frank Moratii
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Daniel W. Dienst
Director

print name Daniel W. Dienst

Signed sealed and delivered by
Sims Group Australia Holdings Limited
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratii

sign here ▶ /s/ Rodney Shields
Director

print name Rodney Shields

[*] Confidential Treatment Requested

Signed sealed and delivered by
Sims Group UK Limited
by

sign here ▶ /s/ M. Coombs
Company Secretary/Director

print name Martin Coombs

sign here ▶ /s/ G. Davy
Director

print name Graham Davy

[*] Confidential Treatment Requested

Signed sealed and delivered by
Sims Group UK Holdings Limited
by

sign here ▶ /s/ M. Coombs
Company Secretary/Director

print name Martin Coombs

sign here ▶ /s/ G. Davy
Director

print name Graham Davy

---

[*] Confidential Treatment Requested

Signed sealed and delivered by
Mirec B.V.
by

sign here ▶ /s/ M. Coombs
Company Secretary/Director

print name Martin Coombs

sign here ▶ /s/ G. Davy
Director

print name Graham Davy

in the presence of

sign here ▶ /s/ J. Godfrey
Witness

print name Jon Godfrey

---

[*] Confidential Treatment Requested

Signed sealed and delivered by
Sims Recycling Solutions AB
by

sign here ▶ /s/ M. Coombs
Company Secretary/Director

print name Martin Coombs

sign here ▶ /s/ G. Davy
Director

print name Graham Davy

in the presence of

sign here ▶ /s/ J. Godfrey
Witness

print name Jon Godfrey

---

[*] Confidential Treatment Requested

Signed sealed and delivered for
Sims Group USA Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Signed sealed and delivered for
Sims Group Global Trade Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

---

[*] Confidential Treatment Requested

Signed sealed and delivered for
North Carolina Resource Conservation, LLC
by its officer

sign here ► /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ► /sr Brian S. Brandt
Witness

print name Brian S. Brandt

---

[*] Confidential Treatment Requested

Signed sealed and delivered for
Sims Group USA Holdings Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Signed sealed and delivered for
Schiabo Larovo Corporation
by its officer

sign here ► /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ► /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Signed sealed and delivered for
Simsmetal East LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Signed sealed and delivered for
Simsmetal West LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Signed sealed and delivered for
Metal Management, Inc.
by its officer

sign here ► /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ► /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

---

[*] Confidential Treatment Requested

Signed sealed and delivered for
Metal Management Alabama, Inc.
by its officer

sign here ► /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ► /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

[*] Confidential Treatment Requested

Signed sealed and delivered for
Metal Management Arizona, L.L.C.
by its officer

sign here ► /s/ L. Steven Shinn
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name L. Steven Shinn

in the presence of

sign here ► /s/ Evelyn Panlaqui
Witness

print name Evelyn Panlaqui

Signed sealed and delivered for
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

---

[*] Confidential Treatment Requested

Signed sealed and delivered for
Metal Management Memphis, L.L.C.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

---

[*] Confidential Treatment Requested

Signed sealed and delivered for
Metal Management Midwest, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

Signed sealed and delivered for
Metal Management Mississippi, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

Signed sealed and delivered for
Metal Management Northeast, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

Signed sealed and delivered for
Metal Management Ohio, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

Signed sealed and delivered for
Metal Management West, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

[*] Confidential Treatment Requested

Signed sealed and delivered for
Proler Southwest LP
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

[*] Confidential Treatment Requested

Signed sealed and delivered for
Metal Dynamics Detroit LLC
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Jocelyn Francis
Witness

print name Jocelyn Francis

[*] Confidential Treatment Requested

Signed sealed and delivered for
Sims Recycling Solutions Holdings Inc.
(formerly Sims Recycling Solutions, Inc.)
by its officer

sign here ▶ /s/ Darrell Stoecklin
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Darrell Stoecklin

in the presence of

sign here ▶ /s/ Jeanne Grimmer
Witness

print name Jeanne Grimmer

Signed sealed and delivered for
Sims Recycling Solutions, Inc. (formerly United Refining & Smelting Co)
by its officer

sign here ▶ /s/ Darrell Stoecklin
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Darrell Stoecklin

in the presence of

sign here ▶ /s/ Jeanne Grimmer
Witness

print name Jeanne Grimmer

---

[*] Confidential Treatment Requested

Exhibit 4.17

Deed

Sims Metal Management Limited

Common Terms Deed

Sims Metal Management Limited

Each person listed in Part 1 of Schedule 1

Each person listed in Part 2 of Schedule 1

Each person listed in Part 3 of Schedule 1

Table of contents

The agreement **1**

Operative part **2**

1 Definitions and interpretation **2**
1.1 Agreement components 2
1.2 Definitions 2
1.3 Interpretation 19
1.4 Borrowers and Guarantors 20
1.5 Replacement of Existing Standard Terms and Existing Guarantees 20
1.6 Inclusive expressions 21
1.7 Business Day 21
1.8 Accounting Standards 21
1.9 Financial threshold calculations 22

2 Operation of Common Terms **22**
2.1 Several obligations and rights of Lenders 22
2.2 Terms of Transaction Documents 22

3 Representations and warranties **23**
3.1 Representations and warranties 23
3.2 Survival and repetition of representations and warranties 27
3.3 Reliance by Lender 27

4 Undertakings **27**
4.1 Provision of information and reports 27
4.2 Proper accounts 28
4.3 Notices to the Lender 28
4.4 Compliance 28
4.5 Maintenance of capital 28
4.6 Compliance with laws and Authorisations 29
4.7 Payment of Taxes and outgoings 29
4.8 Conduct of business 29
4.9 Maintenance of existence 30
4.10 Negative pledge 30
4.11 No change to business 31
4.12 Financial accommodation 31
4.13 Restrictions on dealings 31
4.14 Maintenance of assets 31
4.15 Insurance 31
4.16 Hedging 32
4.17 Financial undertakings 32
4.18 Guarantors 32

4.19 Deed of Cross Guarantee 33
4.20 PPSA Undertaking 33
4.21 Term of undertakings 33

5 Events of Default 34
5.1 Events of Default 34
5.2 Effect of Event of Default or U.S. Bankruptcy Filing 37
5.3 Transaction Parties to continue to perform 38
5.4 Enforcement 38

6 Review Event 38

7 Guarantee and indemnity 39
7.1 Guarantee 39
7.2 Payment 39
7.3 Securities for other money 39
7.4 Amount of Outstanding Moneys 39
7.5 Proof by Lender 40
7.6 Avoidance of payments 40
7.7 Indemnity for avoidance of Outstanding Moneys 40
7.8 No obligation to marshal 41
7.9 Non-exercise of Guarantors' rights and waiver of defences 41
7.10 Principal and independent obligation 41
7.11 Suspense account 42
7.12 Unconditional nature of obligations 42
7.13 No competition 44
7.14 Continuing guarantee 45
7.15 Variation 45
7.16 Judgments 46
7.17 Limitation of Liability 46

8 German Guarantors 46

9 Payments 47
9.1 Manner of payment 47
9.2 Payments on a Business Day 48
9.3 Payments in gross 48
9.4 Additional payments 48
9.5 Taxation deduction procedures 48
9.6 Tax Credit 49
9.7 Tax affairs 49
9.8 Amounts payable on demand 49
9.9 Appropriation of payments 49
9.10 Currency exchanges 50
9.11 Currency of account 50
9.12 Change of currency 50

10 Increased costs and illegality 51
10.1 Increased costs 51
10.2 Illegality 51

11 Indemnities 52
11.1 General indemnity 52
11.2 Foreign currency indemnity 53
11.3 Conversion of currencies 53
11.4 Continuing indemnities and evidence of loss 53

12 Fees, Tax, costs and expenses **54**
12.1 Tax 54
12.2 Costs and expenses 54
12.3 GST 54

13 Assignment and substitution **55**
13.1 Assignment by Transaction Party 55
13.2 Assignment by Lender 55
13.3 Assist 55
13.4 Securitisation permitted 55
13.5 Participation permitted 56
13.6 Lending Office 56
13.7 No increase in costs 56

14 New Lenders and Additional Transaction Parties **56**
14.1 New Lenders 56
14.2 Retired Lenders 56
14.3 Additional Borrowers 56
14.4 Additional Guarantors 57
14.5 Repetition of Representations 57

15 Representatives **57**
15.1 Lender as agent or trustee 57
15.2 Transaction Parties' agent 58

16 Saving provisions **58**
16.1 No merger of security 58
16.2 Exclusion of moratorium 59
16.3 Conflict 59
16.4 Consents 59
16.5 Principal obligations 59
16.6 Non-avoidance 59
16.7 Set-off authorised 60
16.8 Lender's certificates and approvals 60
16.9 No reliance or other obligations and risk assumption 60
16.10 Power of attorney 61

17 General **61**
17.1 Confidential information 61
17.2 Transaction Party to bear cost 62
17.3 Dispute Resolution 62
17.4 Notices 64
17.5 Governing law and jurisdiction 65
17.6 Prohibition and enforceability 65
17.7 Waivers 65
17.8 Variation 66
17.9 Cumulative rights 66
17.10 Counterparts 66
17.11 Attorneys 66

Schedules
Parties **68**
Part 1 — Original Borrowers **68**
Part 2 — Original Guarantors **75**
Part 3 — Original Lenders **81**
Verification certificate **83**
Compliance Certificate **86**
Conditions Precedent **88**
Additional Guarantor or Additional Borrower Accessions Conditions Precedent **89**

Signing page **90**

Attachments
Accession Deed — Additional Guarantors and Additional Borrowers
Accession Deed — New Lenders

Common Terms Deed

Date ► 23 June 2011

Between the parties

Sims	**Sims Metal Management Limited** ACN 114 838 630 of Sir Joseph Banks Corporate Park, Suite 3, Level 2 32-34 Lord Street Botany NSW 2019 (**Sims**)
Original Borrowers	**Each party listed in Part 1 of Schedule 1** (each an **Original Borrower**)
Original Guarantors	**Each party listed in Part 2 of Schedule 1** (each an **Original Guarantor**)
Original Lender	**Each party listed in Part 3 of Schedule 1** (**Original Lender**)
Background	1 One or more of the Lenders may agree from time to time to provide Facilities to one or more of the Borrowers. 2 The Transaction Parties and each Lender wish to set out in this deed standard terms and conditions to apply to each Facility.
This deed witnesses	that in consideration of, among other things, the mutual promises contained in this deed, the parties agree as set out in the Operative part of this deed.

1 Definitions and interpretation

1.1 Agreement components

This deed includes any schedule.

1.2 Definitions

The meanings of the terms used in this deed are set out below.

Term	Meaning
Accession Deed	an accession deed in the form of Attachment 1.
Accounting Standards	generally accepted accounting principles in Australia.
ACDC	Australian Commercial Disputes Centre Limited.
ACDC Guidelines for Expert Determination	the ACDC Guidelines for Expert Determination (or, if the ACDC ceases to exist, the guidelines for expert determination of any similar organisation nominated by the Law Society of NSW) in force from time to time.
Additional Borrower	subject to clause 1.4, a person which becomes an Additional Borrower in accordance with clause 14.3.
Additional Guarantor	subject to clause 1.4, a person which becomes an Additional Guarantor in accordance with clause 14.4.
Attorney	an attorney appointed under a Transaction Document.
Authorisation	1 any consent, registration, filing, agreement, notice of non-objection, notarisation, certificate, licence, approval, permit, authority or exemption from, by or with a Government Agency; or 2 in relation to anything which a Government Agency may prohibit or restrict within a specific period, the expiry of that period without intervention or action or notice of intended intervention or action.

Term	Meaning
Authorised Officer	1 in relation to a Transaction Party, a director or a secretary, or a person notified to be an authorised officer, of the Transaction Party; 2 in relation to a Lender, any person whose title includes the word 'Director', 'Managing Director', 'Manager' or 'Vice President', and any other person appointed by such Lender to act as its authorised officer for the purposes of this deed.
Bill	a bill of exchange as defined in the *Bills of Exchange Act 1909* (Cth).
Borrower	subject to clause 1.4: 1 each Original Borrower; and 2 each Additional Borrower.
Business Day	1 for the purposes of clause 17.4, a day on which banks are open for business in the city where the notice or other communication is received excluding a Saturday, Sunday or public holiday; 2 for the purposes of a Transaction Document, any other day specified as a Business Day for the purposes of that Transaction Document; and 3 for all other purposes, a day on which banks are open for business in Sydney and Melbourne excluding a Saturday, Sunday or public holiday.
Calculation Date	30 June and 31 December in each year.
Calculation Period	each period of 12 months ending on a Calculation Date.
Change in Law	any present or future law, regulation, treaty, order or official directive or request (which, if not having the force of law, would be complied with by a responsible financial institution) which: 1 commences, is introduced, or changes, after the date of this deed; and 2 does not relate to a change in the effective rate at which Tax is imposed on the overall net income of the Lender.
Collateral Security	any present or future Encumbrance, Guarantee or other document or agreement created or entered into by a Transaction Party or any other person as security for, or to credit enhance, the payment of any of the Outstanding Moneys.
Compliance Certificate	a certificate in the form of Schedule 3.

Term	Meaning
Contamination	in respect of a property, the presence of Pollutants: 1 in, on or under the property; or 2 in the ambient air and emanating from the property.
Contested Tax	a Tax payable by a Transaction Party where the Transaction Party is contesting its liability to pay that Tax, and has reasonable grounds to do so, having set aside adequate reserves of liquid assets to satisfy the liability if that contest is unsuccessful.
Contingent Liability	uncalled capital held by any member of the Sims Group in any corporation other than another member of the Sims Group and any other contingent liability under a Guarantee given by any member of the Sims Group to any person other than another member of the Sims Group.
Control	control as defined in section 50AA of the Corporations Act.
Controller	a controller as defined in section 9 of the Corporations Act.
Corporations Act	the *Corporations Act 2001* (Cth).
Deed of Cross Guarantee	any deed entered into in connection with the granting by the Australian Securities & Investments Commission of an order pursuant to Part 2M.6 of the Corporations Act.
Default	1 an Event of Default; or 2 a Potential Event of Default.
Dispute	has the meaning given in clause 17.3(d).
Dollars, **A$**	the lawful currency of the Commonwealth of Australia.
EBITDA	for a relevant period and in respect of the Sims Group, the profit on ordinary activities before: 1 taxation; 2 Net Interest Expense; 3 amortisation of Intangible Assets and depreciation of Tangible Assets of the Sims Group; and 4 LTI Expense,

Term	Meaning

as shown on a consolidated basis and as disclosed in the Sims Group's most recent audited consolidated annual Financial Reports or semi-annual audited or unaudited consolidated Financial Reports, as applicable.

For the purposes of calculating EBITDA, the calculation will be adjusted to exclude:

1 any significant non-cash items or items disclosed as required by AASB 101.97 and AASB 101.98 due to their size or nature or by the corresponding provisions of future revisions of this accounting standard, that are of a non-recurring nature including but not limited to:

- losses or gains on the sale or revaluation of assets,
- costs relating to restructuring and redundancy,
- discontinued operations,
- discounts on acquisition and gains on formation of joint ventures,
- post acquisition adjustments to contingent liabilities recorded on the date of a business acquisition pursuant to purchase accounting rule changes to be introduced on 1 July 2009, and
- costs associated with becoming Sarbanes-Oxley Act compliant (as required following the Sims Group's registration as an issuer in the United States of America);

2 significant unrealized gains or losses;

3 any other significant non-cash items or items including but not limited to:

- write downs of inventory to net realisable value and
- forgone profit arising from sales contract negotiations; and

4 any impairment charge or loss (or gain or reversal) relating to the recoverable amount of assets (including any impairment charge relating to goodwill or identified Intangible Assets),

that are of a non-recurring nature.

The foregoing adjustments to EBITDA in paragraphs (1) to (4) for each Calculation Period will be agreed by the Lender and Sims in writing prior to the end of that Calculation Period, subject to the operation of clause 17.3.

Except for the purpose of calculating the ratio of Net Interest Expense to EBITDA under clause 4.17(a)(2), EBITDA as calculated on any Calculation Date will be adjusted to take into account the effects of any acquisitions or disposals of any company or business made during the Calculation Period ending on that Calculation Date. The adjustments will be made on the basis of the historical EBITDA of the company or business acquired or disposed of in the Calculation Period and ending on that Calculation Date by reference to historical EBITDA for the twelve months immediately preceding the Calculation Date and by reference to:

1 in the case of a disposal, the period of time during which the applicable company or business was part of the Sims Group; or

2 in the case of an acquisition, for that period being the twelve months immediately preceding the Calculation Date.

Term	Meaning
Effective Date	in respect of each Original Lender, the date upon which it has received each of the conditions precedent set out in Schedule 4 in form and substance satisfactory to it.
Encumbrance	an interest or power: 1 reserved in or over an interest in any asset, including any retention of title; or 2 created or otherwise arising in or over any interest in any asset under a bill of sale, mortgage, charge, lien, pledge, trust or power, by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, and includes any agreement to grant or create any of the above.
Environmental Law	any legislation regulating Pollutants in connection with the protection of the environment or health and safety.
Environmental Liability	any actual or potential Loss incurred or which may be incurred in connection with: 1 the investigation or remediation; 2 a claim by any third party; 3 any action, order, declaration or notice by a Government Agency under an Environmental Law; or 4 any agreement between a Transaction Party and any: • owner or occupier of land; or • Government Agency; of or in respect of Contamination of any Premises.
ERISA	the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations thereunder.
ERISA Affiliate	all members of a controlled group of corporations and all trades and businesses (whether or not incorporated) under common control and all other entities which, together with a Relevant Company are treated as a single employer under any or all of Sections 414(b), (c), (m) or (o) of the United States Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations thereunder.
Event of Default	in respect of a Lender, any event specified in clause 5.1.

Term	Meaning
Excluded Tax	a Tax imposed by any jurisdiction on the net income of the Lender but not a Tax: 1 calculated on or by reference to the gross amount of any payment (without allowance for any deduction) derived by the Lender under a Transaction Document or any other document referred to in a Transaction Document; or 2 imposed as a result of the Lender being considered a resident of or organised or doing business in that jurisdiction solely as a result of it being a party to a Transaction Document or any transaction contemplated by a Transaction Document.
Existing Guarantees	in respect of: 1 Bank of America, N.A., the Amended and Restated Deed Poll of Continuing Guaranty dated 2 November 2009, as amended from time to time, between Bank of America, N.A. and Sims; 2 National Australia Bank Limited, the deed entitled "Group Guarantee" dated on or about 13 March 2009, as amended from time to time, between National Australia Bank Limited, Sims and certain of its subsidiaries; 3 Westpac Banking Corporation, the interlocking Guarantee dated 15 November 2000, as amended from time to time, between Westpac Banking Corporation, Sims and certain of its subsidiaries, (each an **Existing Guarantee**).
Existing Standard Terms	in respect of: 1 Commonwealth Bank of Australia, the Common Terms Deed dated 2 November 2009, as amended from time to time, between Commonwealth Bank of Australia, Sims and certain of its subsidiaries; 2 National Australia Bank Limited, the Standard Terms dated 13 March 2009, as amended from time to time, between National Australia Bank Limited, Sims and certain of its subsidiaries; 3 Westpac Banking Corporation, the Standard Terms dated 1 November 2000, as amended from time to time, between Westpac Banking Corporation, Sims and certain of its subsidiaries.
Facility	in respect of a Lender, any facility made available by that Lender pursuant to a Facility Agreement.
Facility Agreement	1 in respect of each Original Lender, any facility agreement between the Original Lender and any of the Borrowers; and 2 in respect of each New Lender, the agreement or instrument evidencing or containing the terms of Financial Indebtedness of a Borrower to the New Lender as described in the Lender Accession Deed for that New Lender, but does not include any Facility Agreement of a Retired Lender.

Term	Meaning
Financial Indebtedness	any debt or other monetary liability in respect of moneys borrowed or raised or any financial accommodation including under or in respect of any: 1 Bill, bond, debenture, note or similar instrument; 2 acceptance, endorsement or discounting arrangement; 3 Guarantee; 4 finance or capital Lease; 5 agreement for the deferral for more than 90 days of a purchase price or other payment in relation to the acquisition of any asset or service; 6 obligation to deliver goods or provide services paid for in advance by any financier; 7 agreement for the payment of capital or premium on the redemption of any preference shares; or 8 interest or currency swap or hedge arrangement, financial option, futures contract or analogous transaction (the amount of such Financial Indebtedness being the marked to market value of the relevant transaction); 9 counter indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution, and irrespective of whether the debt or liability: 10 is present or future; 11 is actual, prospective, contingent or otherwise; 12 is or becomes ascertained, regardless of the time of ascertainment; 13 is owed or incurred alone or severally or jointly or both with any other person; or 14 comprises any combination of the above. And where used in clause 4.17 or in another definition in this deed which is used in clause 4.17, means the Financial Indebtedness of the Sims Group as shown on a consolidated basis and as disclosed in the Sims Group's most recent audited consolidated annual Financial Reports or semi-annual audited or unaudited consolidated Financial Reports, as applicable.
Financial Report	in relation to an entity, the following financial statements and information in relation to the entity, prepared for its financial half year or financial year: 1 an income statement; 2 a balance sheet; 3 a statement of changes in equity; and 4 a cash flow statement.

Term	Meaning
	4 a cash flow statement.
German Guarantor	1 for the purposes of clause 8 only, a Guarantor incorporated as a limited liability company (GmbH) under the laws of Germany; or 2 for all other purposes, a Guarantor which is incorporated in, resident in or whose principal area of business is in Germany.
Government Agency	any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity.
GST	the goods and services tax levied under the GST Act and any other similar value added tax applying outside of Australia.
GST Act	the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).
Guarantee	any guarantee, suretyship, letter of credit, letter of comfort or any other obligation: 1 to provide funds (whether by the advance or payment of money, the purchase of or subscription for shares or other securities, the purchase of assets or services, or otherwise) for the payment or discharge of; 2 to indemnify any person against the consequences of default in the payment of; or 3 to be responsible for, any debt or monetary liability of another person or the assumption of any responsibility or obligation in respect of the insolvency or the financial condition of any other person.
Guaranteed Share	any share or stock issued by a member of the Sims Group where redemption of such share or stock or the payment of capital or dividends on such share or stock is the subject of a Guarantee of a member of the Sims Group or a Guarantee of another person who will have recourse in respect of its liability under that Guarantee directly or indirectly to a member of the Sims Group or its assets (other than as a shareholder).
Guarantor	subject to clause 1.4: 1 each Original Guarantor; and 2 each Additional Guarantor.
Hedging Agreement	each interest rate, foreign exchange transaction, equity or equity index option, bond option, commodity swap, commodity option, cap transaction, currency swap transaction, cross-currency swap rate

Term	Meaning
	transaction or any other hedge or derivative agreement entered into by a Transaction Party, including any master agreement and any transaction or confirmation under it.
Insolvent	an entity is Insolvent if: 1 it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); or 2 it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to its property; or 3 it makes a general assignment for the benefit of its creditors or it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent which does not have, or is not likely to have, a Material Adverse Effect); or 4 an application or order has been made (and, in the case of an application, it is not stayed, withdrawn or dismissed within 14 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (1), (2) or (3) above; or 5 it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand; or 6 it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which the Bank reasonably deduces it is so subject); or 7 it is otherwise unable to pay its debts when they fall due; or 8 it files a petition under the United States Bankruptcy Code, or such a petition is filed against it and is not dismissed within a period of 14 days after the filing; or 9 something having a substantially similar effect to (1) to (8) happens in connection with that entity under the law of any jurisdiction.
Intangible Assets	includes, at any time, all goodwill, copyright, patents, trade marks and licences, research and development, future income tax benefit, underwriting and formation expenses and other items of a like nature which according to current accounting practices at that time are regarded as unidentifiable and intangible assets and which are disclosed in the Latest Audited Consolidated Balance Sheet.
Issue	any dispute (other than a dispute that is frivolous or vexatious) between Sims and the Lender as to the calculation of the adjustments to be made in accordance with paragraphs (1) to (4) of the definition of EBITDA in clause 1.2.
Latest Audited	at any time, the most recently prepared audited consolidated balance

Term	Meaning
Consolidated Balance Sheet	sheet of the Sims Group, or if a half yearly unaudited balance sheet has been prepared more recently, that half yearly balance sheet.
Lease	a lease, charter, hire purchase, hiring agreement or any other agreement under which any property is or may be used or operated by a person other than the owner.
Lender	severally: 1 each Original Lender; and 2 any New Lender, other than a Retired Lender.
Lender Accession Deed	an accession deed in the form of Attachment 2.
Lending Office	1 in respect of each Original Lender, the office of the Original Lender set out in Schedule 1; and 2 in respect of each other Lender, the office of that Lender set out in its Accession Deed, or any other office notified by the Lender under this deed.
Loss	any claim, action, damage, loss, liability, cost, charge, expense, outgoing or payment.
LTI Expense	the long term non-cash incentive share based compensation expense Sims is required to charge as an expense within its profit and loss statement pursuant to the Accounting Standards in relation to its employee share schemes.
Marketable Securities	marketable securities as defined in section 9 of the Corporations Act.
Material Adverse Effect	in respect of a Lender, a material adverse effect on: 1 the financial condition of the Transaction Parties (taken as a whole); 2 any Transaction Party's ability to perform any of its obligations under any Transaction Document of that Lender; 3 the validity or enforceability of the whole or any material part of a Transaction Document or any material rights or remedies of a Lender under the Transaction Documents of that Lender; or 4 any Encumbrance provided to that Lender by a Transaction Party.

Term	Meaning
Multiemployer Plan	any employee benefit plan of the type defined in Section 3(37) of ERISA and described in Section 4001(a)(3) of ERISA, to which any Transaction Party organized under the laws of any State of the United States of America or the District of Columbia or any ERISA Affiliate makes or is obliged to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.
Net Interest Expense	for any period, the aggregate (without double counting) of all interest paid or accrued during that period in respect of any Financial Indebtedness of the Sims Group (including any fees and charges with respect to any guarantee, indemnity or letter of credit or under any bill of exchange, promissory note or any other acceptance or discounting arrangement and any finance charges paid or payable under any hire purchase agreement or lease agreement for which a member of the Sims Group is actually or contingently liable) less any interest income of the Sims Group during that period.
New Lender	a person who has executed a Lender Accession Deed in accordance with clause 14.
Non-obligor	in respect of a Lender, a Relevant Company which is not a Transaction Party.
Other Bank Document	in respect of a Lender, any agreement that any Relevant Company has entered into or will enter into with any other person or persons in connection with: 1 the provision to a member of the Sims Group of financial accommodation or under which a member of the Sims Group incurs or may incur Financial Indebtedness; or 2 any arrangement to manage that Relevant Company's exposure to movements in exchange rates and interest rates, other than a Transaction Document of that Lender.
Outstanding Moneys	in respect of a Lender, all debts and monetary liabilities of each Transaction Party to the Lender under or in relation to any Transaction Document and in any capacity, irrespective of whether the debts or liabilities: 1 are present or future; 2 are actual, prospective, contingent or otherwise (including any reimbursement obligation under any letter of credit or bank guarantee issued under a Transaction Document of such Lender); 3 are or become ascertained, regardless of the time of ascertainment; 4 are owed or incurred by or on account of any Transaction Party alone, or severally or jointly with any other person; 5 are owed to or incurred for the account of the Lender alone, or severally or jointly with any other person;

Term	Meaning
	6 are owed to any other person as agent (whether disclosed or not) for or on behalf of the Lender; 7 are owed or incurred as principal, interest, fees, charges, taxes, duties or other imposts, damages (whether for breach of contract or tort or incurred on any other ground), losses, costs or expenses, or on any other account; 8 are owed to or incurred for the account of the Lender directly or as a result of: • the assignment or transfer to the Lender of any debt or liability of any Transaction Party (whether by way of assignment, transfer or otherwise); or • any other dealing with any such debt or liability; 9 are owed to or incurred for the account of the Lender before the date of this deed, or before the date of any assignment of this deed to the Lender by any other person or otherwise; or 10 comprise any combination of the above.
Payment Currency	the currency in which any payment is actually made.
Permitted Encumbrance	1 A lien or statutory charge which arises by operation of law in the ordinary course of day to day business and does not secure Financial Indebtedness, but only so long as the amount secured is paid on the due date, except where that amount is being contested in good faith; 2 any purchase of an asset on retention of title terms in the ordinary course of day to day trading and on the suppliers standard or usual terms and not arising as a result of any default or omission by any Relevant Company; and 3 Encumbrances that at any time secure an amount of secured liabilities of entities within the Sims Group not exceeding in aggregate an amount equal to 5% of Total Tangible Assets at that time, which affects or relates to any of the assets of any Relevant Company.
Permitted Financial Accommodation	any financial accommodation provided by a Transaction Party: 1 under the Transaction Documents; 2 to another Transaction Party; 3 in the form of deposits held with financial institutions in the ordinary course of business and supplier advances for which security adequate to cover the amount of the supplier advance is taken; or 4 to parties other than other Transaction Parties which when added to all such other outstanding financial accommodation provided by Transaction Parties to parties other than Transaction Parties does not at any time exceed US$50,000,000.

Term	Meaning
Pollutant	a pollutant, contaminant, dangerous, toxic or hazardous substance, petroleum or petroleum product, chemical, solid, special liquid, industrial or other waste.
Potential Event of Default	in respect of a Lender, any thing which would become an Event of Default on the giving of notice (whether or not notice is actually given), the expiry of time or any combination of the above.
Power	any right, power, authority, discretion or remedy conferred on the Lender or an Attorney by any Transaction Document or any applicable law.
PPSA	*Personal Property Securities Act 2009* (Cth).
Premises	any property owned or occupied by a Transaction Party or which is used by a Transaction Party to carry on any activities.
Principal Outstanding	at any time in respect of a Lender, the aggregate principal amount of all Financial Indebtedness outstanding under the Transaction Documents of that Lender at that time.
Related Body Corporate	a related body corporate as defined in section 50 of the Corporations Act.
Relevant Currency	the currency in which a payment is required to be made under the relevant Transaction Document and, if not expressly stated to be another currency, is Dollars.
Relevant Company	any Transaction Party or any Subsidiary of any of them.
Retired Lender	a Lender which has been released under clause 14.2.
Review Event	in respect of a Lender, any event specified in clause 6(a) in respect of that Lender.
Same Day Funds	immediately available and freely transferable funds.
Sims Group	Sims and its Subsidiaries.
Sims US Company	has the meaning given in clause 3.1(cc).

Term	Meaning
Subsidiary	a subsidiary as defined in section 46 of the Corporations Act.
Tangible Assets	all assets other than Intangible Assets.
Tangible Net Worth	at any time, Total Tangible Assets less: • Total Indebtedness; and • aggregate book value, as disclosed by the Latest Audited Consolidated Balance Sheet, of all Intangible Assets of the Sims Group.
Tax	1 any tax including GST, levy, charge, impost, duty, fee, deduction, compulsory loan or withholding; or 2 any income, registration, stamp or transaction duty, tax or charge, which is assessed, levied, imposed or collected by any Government Agency and includes any interest, fine, penalty, charge, fee or other amount imposed on or in respect of any of the above.
Tax Invoice	includes any document or record treated by the Commissioner of Taxation, or by any other Government Agency in jurisdiction other than Australia, as a tax invoice or as a document entitling a recipient to an input tax credit.
Total Indebtedness	at any time the aggregate amount (as disclosed by the Latest Audited Consolidated Balance Sheet) of all secured and unsecured liabilities of the Sims Group together with, unless already included in the Latest Audited Consolidated Balance Sheet: 1 the aggregate amount (as disclosed by its latest audited balance sheet) of all secured and unsecured liabilities of any entity which has become a member of the Sims Group since the date of the Latest Audited Consolidated Balance Sheet and all other amounts which would be included in this definition if references to the Latest Audited Consolidated Balance Sheet were to be to the latest audited balance sheet of that entity; 2 the unrepaid principal (or its equivalent) of any Financial Indebtedness where the proceeds or benefits of that Financial Indebtedness: • have been received by any member of the Sims Group, since the date of the Latest Audited Consolidated Balance Sheet, excluding the amount of any such proceeds which have been applied in reduction of any secured or unsecured liabilities included in this definition; or • are to be received by any member of the Sims Group and the receipt of such proceeds or benefits has been underwritten or otherwise assured to the satisfaction of the auditor of the Sims Group; 3 the paid up capital amount and accrued but unpaid dividends of

Term	Meaning
	Guaranteed Shares; and after: 4 deducting: • the aggregate amount of all secured and unsecured liabilities of any entity which has ceased to be a member of the Sims Group since the date of the Latest Audited Consolidated Balance Sheet and in respect of which no other member of the Sims Group has any liability; and • the aggregate amount of all liabilities which in the opinion of the auditor of the Sims Group have been defeased in such a way as to enable any such liability to be considered as having been extinguished within the meaning of paragraph 30 of Australian Accounting Standard AAS23; and • debt reductions of the type referred to in the third bullet point of paragraph 2 of the definition of "Total Tangible Assets"; 5 eliminating all inter-entity balances among the members of the Sims Group or any of them (including any member of the Sims Group which has become one since the date of the Latest Audited Consolidated Balance Sheet); and 6 making such further adjustments (including elimination of any double counting arising in relation to any Guarantee and the obligation or indebtedness that is the subject of the Guarantee) which in the opinion of the auditor of the Sims Group are appropriate to make a proper determination of the total amount of the aggregate indebtedness of the members of the Sims Group. In this definition references to "secured and unsecured liabilities" shall include (without limiting the generality of the expression) all Financial Indebtedness and provisions for estimated liabilities for income taxes, long service leave and dividends recommended, declared or accrued but unpaid and provisions for any Contingent Liability but shall not include paid up share capital (other than Guaranteed Shares), reserves of any nature or undistributed profits.
Total Tangible Assets	at any time the aggregate of the book values, as disclosed by the Latest Audited Consolidated Balance Sheet, of all Tangible Assets of the Sims Group and of such Intangible Assets of the Sims Group as the Lender in its sole and absolute discretion may from time to time agree, together with, (unless already included in the Latest Audited Consolidated Balance Sheet): 1 the aggregate (as disclosed by its latest audited balance sheet) of the book value of the Tangible Assets as determined by the auditor of the Sims Group (after making provisions for depreciation and bad and doubtful debts and any income yet to mature) of any entity which has become a member of the Sims Group since the date of the Latest Audited Consolidated Balance Sheet; 2 the aggregate proceeds of: • any issue of shares or stock (including premium) of any member of the Sims Group received since the balance date of the latest Audited Consolidated Balance Sheet; and

Term	Meaning

- the aggregate proceeds of any calls on partly paid shares made by any member of the Sims Group which have been received since the balance date of the Latest Audited Consolidated Balance Sheet,

excluding the amount of any such proceeds which:

- have been applied in reduction of any secured or unsecured liabilities included in the definition of "Total Indebtedness"; or
- have been applied in acquiring any assets included in Total Tangible Assets under this definition;

3 the book value of any Tangible Assets (not excluded as provided below) acquired since the date of the Latest Audited Consolidated Balance Sheet by any member of the Sims Group with the proceeds of the sale of shares or units in any entity which has ceased to be a member of the Sims Group since that date;

4 the book value of all assets which are or may be leased, chartered, hired, managed, used or operated under a finance lease (where the capitalised rent has been included in Total Indebtedness) as determined by the auditor of the Sims Group at least annually or (at the option of Sims) the value as at the date of calculation as assessed by a qualified independent valuer chosen by Sims and approved by the Lender);

5 the proceeds of any Financial Indebtedness referred to in paragraph 2 of the definition of "Total Indebtedness" excluding the amount of any proceeds which:

- have been applied in reduction of any other secured or unsecured liabilities included in that definition; or
- have been applied in acquiring any assets included in Total Tangible Assets under this definition;

6 (if a revaluation of a Tangible Asset of any member of the Sims Group has been carried out by an independent valuer approved by the Lender), the excess (if any) of the fair value of that Tangible Asset as established by the valuer over its book value (as disclosed in the Latest Audited Consolidated Balance Sheet or, in the case of any entity which has become a member of the Sims Group since the Latest Audited Consolidated Balance Sheet, as disclosed in the latest audited balance sheet of that entity) and as accepted by the auditor of the Sims Group without qualification;

and after deducting:

7 the amount of any income yet to mature and the amount of provisions for depreciation and for bad and doubtful debts as disclosed by the Latest Audited Consolidated Balance Sheet;

8 the aggregate (as disclosed by the latest audited balance sheet of the relevant entity) of the book values of the Tangible Assets of any entity which has ceased to be a member of the Sims Group since the date of the Latest Audited Consolidated Balance Sheet, other than Tangible Assets of that entity which have become assets of another member of the Sims Group since that date (except that, where a revaluation of any asset had previously been made under paragraph 6, the fair value of that asset as determined in accordance with that paragraph shall be used instead of the book value);

Term	Meaning
	9 the book value of any Tangible Assets of any member of the Sims Group which have been applied since the date of the Latest Audited Consolidated Balance Sheet in the acquisition of any entity which has become a member of the Sims Group since that date (except that, where a revaluation of any asset had previously been made under paragraph 6, the fair value of that asset as determined in accordance with that paragraph shall be used instead of the book value); and 10 if a revaluation of a Tangible Asset of any member of the Sims Group has been carried out by an independent valuer (whether at the request of the Lender or otherwise), the excess (if any) of the book value of that Tangible Asset (as disclosed in the Latest Audited Consolidated Balance Sheet or, in the case of any entity which has become a member of the Sims Group since the Latest Audited Consolidated Balance Sheet, as disclosed in the latest audited balance sheet of that entity) over its fair value as established by the valuer and as accepted by the auditor of the Sims Group without qualification; and after: 11 eliminating all inter-entity balances among any of the members of the Sims Group (including any member of the Sims Group which has become such since the Latest Audited Consolidated Balance Sheet); and 12 making such further adjustments as may properly be necessary to avoid any double counting of assets or as may be required by the auditor of the Sims Group to enable a proper determination to be made of the total amount of the Total Tangible Assets.
Transaction Document	in respect of a Lender: 1 this deed; 2 each Accession Deed; 3 each Lender Accession Deed; 4 each Hedging Agreement for that Lender; 5 the Facility Agreement for that Lender; 6 any other document which Sims acknowledges in writing to be a Transaction Document for that Lender; 7 any other document or agreement to which a Transaction Party is or becomes a party with that Lender or under which obligations are owed by a Transaction Party to that Lender, or any document or agreement entered into or given under or for the purpose of amending any of the above and in each case whether or not other parties are involved and whether or not it arises as a result of an assignment or transfer.
Transaction Party	1 each Borrower; and 2 each Guarantor.
US$	the lawful currency of the United States of America.

1.3 **Interpretation**

In this deed headings and bold type are for convenience only and do not affect the interpretation of this deed and, unless the context requires otherwise:

(a) words importing the singular include the plural and vice versa;

(b) words importing a gender include any gender;

(c) other parts of speech and grammatical forms of a word or phrase defined in this deed have a corresponding meaning;

(d) an expression suggesting or referring to a natural person or an entity includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency;

(e) a reference to any thing (including any right) includes a part of that thing but nothing in this clause 1.3(e) implies that performance of part of an obligation constitutes performance of the obligation;

(f) a reference to a clause, party, attachment, exhibit or schedule is a reference to a clause of, and a party, attachment, exhibit and schedule to, this deed and a reference to this deed includes any attachment, exhibit and schedule;

(g) a reference to a statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances or by-laws amending, consolidating or replacing it, whether passed by the same or another Government Agency with legal power to do so, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute;

(h) a reference to a document includes all amendments or supplements to, or replacements or novations of, that document;

(i) a reference to liquidation includes official management, appointment of an administrator, compromise, arrangement, merger, amalgamation, reconstruction, winding up, dissolution, deregistration, assignment for the benefit of creditors, scheme, composition or arrangement with creditors, insolvency, bankruptcy, or a similar procedure or, where applicable, changes in the constitution of any partnership or person, or death;

(j) a reference to a party to any document includes that party's successors and permitted assigns;

(k) a reference to an agreement other than this deed includes an undertaking, deed, agreement or legally enforceable arrangement or understanding whether or not in writing;

(l) a reference to an asset includes all property of any nature, including a business, and all rights, revenues and benefits;

(m) a reference to a document includes any agreement in writing, or any certificate, notice, deed, instrument or other document of any kind;

(n) no provision of this deed may be construed adversely to a party solely on the ground that the party was responsible for the preparation of this deed or that provision;

(o) a reference to drawing, accepting, endorsing or other dealing with a Bill refers to drawing, accepting, endorsing or dealing within the meaning of the *Bills of Exchange Act 1909* (Cth);

(p) a reference to a body, other than a party to this deed (including an institute, association or authority), whether statutory or not:

(1) which ceases to exist; or

(2) whose powers or functions are transferred to another body,

is a reference to the body which replaces it or which substantially succeeds to its powers or functions;

(q) a Default "subsists" or "continues" if it has not been waived by, or remedied to the satisfaction of, the Lender; and

(r) references to time are to Sydney time.

1.4 Borrowers and Guarantors

(a) If Part 1 of Schedule 1 or an Accession Deed indicates that a particular entity is not a Borrower for the purposes of a Lender's Transaction Documents then that entity will not be a Borrower under this deed in connection with that Lender.

(b) If Part 2 of Schedule 1 or an Accession Deed indicates that a particular entity is not a Guarantor for the purposes of a Lender's Transaction Documents (provided the consent of that particular Lender has been obtained in writing) then that entity will not be a Guarantor under this deed in connection with that Lender.

1.5 Replacement of Existing Standard Terms and Existing Guarantees

(a) Subject to clause 1.5(b), each Original Lender (other than Bank of America, N.A., HSBC Bank Australia Limited, HSBC Bank plc, HSBC Bank USA, National Association and The Hongkong and Shanghai Banking Corporation Limited) and the Transaction Parties acknowledge and agree that, on and from the Effective Date, such Original Lender's respective Existing Standard Terms are replaced by this deed and discharged in full.

(b) Nothing in clause 1.5(a):

(1) prejudices any right, power, authority, discretion or remedy of any Original Lender, that is a party to any Existing Standard Terms, under its Existing Standard Terms which have accrued up to the Effective Date; or

(2) discharges, releases or otherwise affects any liability or obligation of a Transaction Party arising under any Existing Standard Terms before the Effective Date.

(c) Subject to clause 1.5(d), each Original Lender (other than Commonwealth Bank of Australia, HSBC Bank Australia Limited, HSBC Bank plc, HSBC Bank USA, National Association and The Hongkong and Shanghai Banking Corporation Limited) and the Transaction Parties acknowledge and agree that, on and from the Effective Date, such Original Lender's respective Existing Guarantee is replaced by this deed and discharged in full.

(d) Nothing in clause 1.5(c):

(1) prejudices any right, power, authority, discretion or remedy of any Original Lender, that is a party to an Existing Guarantee, under its Existing Guarantee which have accrued up to the Effective Date; or

(2) discharges, releases or otherwise affects any liability or obligation of a Transaction Party arising under any Existing Guarantee before the Effective Date.

1.6 Inclusive expressions

Specifying anything in this deed after the words 'include' or 'for example' or similar expressions does not limit what else is included unless there is express wording to the contrary.

1.7 Business Day

Except where clause 9.2 applies, where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the preceding Business Day.

1.8 Accounting Standards

(a) Any accounting practice or concept relevant to this deed is to be construed or determined in accordance with the Accounting Standards.

(b) Each Lender and Transaction Party acknowledges that changes in the Accounting Standards after the date of this deed may make the operation of the undertakings set out in clause 4.17 or 4.18, a defined term or another clause in a Transaction Document that refers to the Accounting Standards or any accounting practice or concept, inappropriate.

(c) If Sims or a Lender considers that such a change has occurred and notifies the Lenders or Sims (as applicable) to that effect (the date such notice is given, the **Notification Date**), Sims and the Lenders agree to negotiate in good faith to agree to appropriate amendments to the affected clause or definition.

(d) If Sims and the Lenders fail to agree on amendments to the affected clause or definition within 20 Business Days (or such other period as may be agreed between Sims and the Lenders) of the Notification Date, then any references to the Accounting Standards in this deed or any other Transaction Document will be deemed to be a reference to the Accounting Standards as at the date of this deed.

(e) Unless and until an agreement is reached as contemplated in this clause 1.8, the Borrowers will provide each Financial Report and Compliance Certificate together with, in each case, any reconciliation statements (audited, where applicable) necessary to enable calculation of the financial undertakings and associated definitions based on the Accounting Standards prior to the relevant change occurring and those changes will be ignored for the purposes of the financial undertakings and the relevant definitions.

1.9 Financial threshold calculations

(a) Where a term of this deed contains a financial threshold denominated in A$ and it is necessary to convert an amount which is expressed in another currency into A$ in order to determine compliance with such term on any day, the relevant amount will be converted into A$ at the closing rate of exchange for the purchase of A$ with the other currency which is displayed on the appropriate page of the Reuters screen on the last Business Day preceding the relevant day.

(b) Where a term of this deed contains a financial threshold denominated in US$ and it is necessary to convert an amount which is expressed in another currency into US$ in order to determine compliance with such term on any day, the relevant amount will be converted into US$ at the closing rate of exchange for the purchase of US$ with the other currency which is displayed on the appropriate page of the Reuters screen on the last Business Day preceding the relevant day.

2 Operation of Common Terms

2.1 Several obligations and rights of Lenders

The parties acknowledge that each Lender contracts with the Transaction Parties on an independent and individual basis and accordingly:

(a) no relationship arises between the Lenders;

(b) the obligations and rights of the Lenders under each Transaction Document are several;

(c) failure of a Lender to perform its obligations under a Transaction Document does not relieve any other Lender from any of its obligations under a Transaction Document;

(d) no Lender is responsible for the obligations of any other Lender under a Transaction Document; and

(e) each Lender may separately enforce its rights under any Transaction Document.

2.2 Terms of Transaction Documents

(a) Each Transaction Party and Lender agree that the terms of this deed are incorporated in the Facility Agreement for that Lender.

(b) If there is any inconsistency between the terms of this deed and the terms of the Transaction Documents of a Lender, as between the Transaction Parties and that Lender

the terms of the Transaction Documents for that Lender will prevail to the extent of the inconsistency.

(c) Sims will promptly notify a Lender (**First Lender**) if, in the reasonable opinion of Sims, the terms of a Facility Agreement or Hedging Agreement provided by the First Lender (other than those terms related to pricing (including fees and margins), facility limits and repayment dates and, in the case of hedging, pricing and individual transaction amounts) are or become less favourable to the First Lender in any material respect than the terms of an Other Bank Document (including, without limitation, the granting of an Encumbrance to any party other than pursuant to an Encumbrance permitted by the terms of the First Lender's Facility or a change to any Guarantor related threshold under clause 4.18). Upon request from the First Lender, the Transaction Parties will amend the Facility Agreement or Transaction Documents of the First Lender to provide for the same or substantially similar terms and conditions to apply to the First Lender.

3 Representations and warranties

3.1 Representations and warranties

Each Transaction Party represents and warrants to and for the benefit of each Lender that:

(a) **registration**: it and each Relevant Company is a corporation, or in the case of a Relevant Company incorporated or organised under the laws of a state in the United States of America, a corporation, limited liability company or limited partnership (or other form of entity as may be notified by Sims to the Lenders) or in the case of a Relevant Company incorporated or organised under the laws of Germany a limited liability company, duly incorporated or organised in accordance with the laws of its place of incorporation or organisation, is validly existing under those laws and is capable of suing and being sued;

(b) **corporate power**: it has the corporate power to own its assets and to carry on its business as it is now being conducted;

(c) **authority**: it has power and authority to enter into and perform its obligations under the Transaction Documents of that Lender to which it is expressed to be a party;

(d) **authorisations**: it has taken all necessary action to authorise the execution, delivery and performance of the Transaction Documents of that Lender to which it is expressed to be a party;

(e) **binding obligations**: the Transaction Documents of that Lender to which it is expressed to be a party constitute its legal, valid and binding obligations and are enforceable in accordance with their terms, subject to general principles of law or equity specifically referred to in any legal opinion received by the Lender in connection with the Transaction Documents;

(f) **transaction permitted**: the execution, delivery and performance by it of the Transaction Documents of that Lender to which it is expressed to be a party will not breach, or result in a contravention of:

(1) any law, regulation or Authorisation;

(2) its constitution or other constituent documents;

(3) any limitation on its powers or the powers of its directors; or

(4) any Encumbrance or agreement which is binding on it or any of its Subsidiaries,

and will not result in:

(5) the creation or imposition of any Encumbrance on any assets of it or any of its Subsidiaries other than as permitted under a Transaction Document of that Lender; or

(6) the acceleration of the date for payment of any obligation under any agreement which is binding on it;

(g) **No filing or stamp taxes**: as at the date of this deed, under the law of any relevant jurisdiction it is not necessary that the Transaction Documents of that Lender be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp duty, registration or other similar Tax be paid on or in relation to the Transaction Documents of that Lender or the transactions contemplated by those Transaction Documents;

(h) **Authorisations**: all Authorisations required:

(1) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents of that Lender to which it is a party;

(2) to make the Transaction Documents of that Lender to which it is a party admissible in evidence in its jurisdiction of incorporation or organisation; and

(3) for each Transaction Party to carry on its business, which are material and where failure to do so would have a Material Adverse Effect,

have been obtained or effected and are in full force and effect;

(i) **default under law**: neither it nor any of its Subsidiaries is in breach of a law or obligation affecting any of them or their assets in a way which has had, or is likely to have, a Material Adverse Effect;

(j) **Environment Law**:

(1) there is and has been nothing relating to it or its business or assets which under any Environmental Law or law relating to health and safety which would have, or is reasonably likely to have, a Material Adverse Effect; and

(2) other than those Authorisations which a failure to obtain or maintain is not likely to have a Material Adverse Effect, it has obtained all Authorisations it is required to obtain under any Environmental Laws and such Authorisations are in full force and effect;

(k) **taxation**: to the best of its knowledge, information and belief, having made due enquiries, it has complied with all material laws relating to Tax in all jurisdictions in which it is subject to Tax and has paid all Taxes due and payable by it (other than those Taxes which it is contesting in good faith and in respect of which it has made adequate reserves as long as failure to pay those Taxes would not have, and is not reasonably likely to have, a Material Adverse Effect);

(l) **pari passu**: its payment obligations under the Transaction Documents of that Lender rank at least pari passu with the claims of all its other unsecured and unsubordinated

creditors, except for obligations mandatorily preferred by law applying to companies generally;

(m) **no immunity**: neither it nor any of its Subsidiaries has immunity from the jurisdiction of a court or from legal process;

(n) **Governing law and enforcement**: subject to any qualification in any legal opinion provided to that Lender pursuant to the Transaction Documents of that Lender relating to it or the laws of its jurisdiction:

(1) the choice of law referred to in clause 17.5 as the governing law of the Transaction Documents of that Lender will be recognised and enforced in its jurisdiction of incorporation or organisation and in the jurisdiction referred to in that clause (if different); and

(2) any judgment obtained against it in any jurisdiction referred to in clause 17.5 in relation to a Transaction Document of that Lender will be recognised and enforced in its jurisdiction of incorporation or organisation;

(o) **not a trustee**: it does not enter into any Transaction Document of that Lender as trustee of any trust or settlement;

(p) **legal and beneficial owner**: it is the legal and beneficial owner of its assets and undertaking;

(q) **no Encumbrances or other interests**: there is no Encumbrance over any of its assets or undertaking other than a Permitted Encumbrance;

(r) **commercial benefit**: the entering into and performance by it of its obligations under the Transaction Documents of that Lender to which it is expressed to be a party is for its commercial benefit and is in its commercial interests;

(s) **solvency**: there are no reasonable grounds to suspect that it is unable to pay its debts as and when they become due and payable;

(t) **no benefit to related party or financial assistance**: no person has contravened nor will contravene section 208, section 209 or Part 2J.3 of the Corporations Act (or similar laws under the laws of any other jurisdiction which may be applicable to it) by entering into any Transaction Document of that Lender or participating in any transaction in connection with a Transaction Document of that Lender;

(u) **financial information**: its most recent Financial Reports or accounts which it has provided to the Lender under clause 4.1:

(1) give a true and fair view of the financial condition and state of affairs of it and its Subsidiaries as at the date they were prepared and disclose all material Financial Indebtedness and material contingent liabilities; and

(2) were prepared in accordance with the Accounting Standards (except to the extent expressly disclosed in them) and all applicable laws;

(v) **no change in affairs**: there has been no change in its or any of its Subsidiaries' state of affairs since the end of the accounting period for its most recent Financial Reports or accounts, referred to in clause 3.1(u) which has had or is likely to have a Material Adverse Effect;

(w) **disclosure**: all information provided to the Lender by or on its behalf in relation to it, its assets, business or affairs or the Transaction Documents was correct and not misleading (by omission or otherwise) as at the time it was provided;

(x) **full disclosure**: it has disclosed in writing to the Lender all facts relating to it and its Subsidiaries, the Transactions Documents of that Lender and all things in connection with them, which are material to the assessment of the nature and amount of the risk undertaken by the Lender in entering into the Transaction Documents of that Lender and doing anything in connection with them;

(y) **Litigation**: no litigation, tax claim, dispute arbitration, administrative proceeding or other similar proceeding is presently current or pending or, to a Relevant Company's knowledge, threatened, which might have a Material Adverse Effect;

(z) **representations true**: each of its representations and warranties contained in the Transaction Documents is correct and not misleading when made or repeated;

(aa) **no Default**:

(1) there is no subsisting Event of Default; and

(2) there is no subsisting Potential Event of Default that has not been disclosed in writing to the Lender;

(bb) **"most favoured nation"**: in the reasonable opinion of Sims, the terms of each Facility Agreement and Hedging Agreement (other than those terms related to pricing (including fees and margins), facility limits, repayment dates, and in the case of hedging, pricing and individual transaction amounts) are no less favourable in any material respect than the terms in any Other Bank Document;

(cc) **ERISA**: each Transaction Party incorporated or organised in the United States of America and each of its Subsidiaries (each a **Sims US Company**) has operated and administered each employee benefit plan (as defined in Section 3(3) of ERISA) and each Multiemployer Plan in compliance with all applicable laws except for such instances of noncompliance as have not resulted in and could not reasonably be expected to result in a Material Adverse Effect. No Sims US Company has incurred any liability pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the U.S. Internal Revenue Code relating to employee benefit plans (as defined in Section 3(3) of ERISA or Section 412 of the U.S. Internal Revenue Code) or any Multiemployer Plan, and no event, transaction or condition has occurred or exists that would reasonably be expected to result in the incurrence of any such liability by a Sims US Company, or in the imposition of any lien on any of the rights, properties or assets of a Sims US Company, in either case pursuant to Title I or IV of ERISA or to such penalty or excise tax provisions or to Section 401(a)(29) or 412 of the U.S. Internal Revenue Code or any liability for withdrawal from or termination of any Multiemployer Plan, other than in each case such liabilities or liens as would not individually or in the aggregate reasonably be expected to result in respect of each Sims US Company in a Material Adverse Effect;

(dd) **Federal Reserve Regulations**: No Transaction Party is engaged principally, nor as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any margin stock (as defined in Regulation U of the Board of Governors of the Federal Reserve System). No part of the proceeds of the loan will be used, whether immediately, incidentally or ultimately, for purchasing or carrying any "margin security" or "margin stock" as such terms are used in Regulations U and X of the Board of Governors of the Federal Reserve System; and

(ee) **Not an Investment Company**: No Transaction Party is, nor during the term of the loan will it be, an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

3.2 Survival and repetition of representations and warranties

The representations and warranties given under this deed:

(a) survive the execution of each Transaction Document; and

(b) are repeated on each date on which financial accommodation is made available under a Transaction Document, each Interest Payment Date (as defined in the relevant Transaction Document) and each day on which a person becomes an Additional Borrower or Additional Guarantor, in each case with respect to the facts and circumstances then subsisting.

3.3 Reliance by Lender

Each Transaction Party acknowledges that each Lender has entered into each Transaction Document to which it is a party in reliance on the representations and warranties given under this deed.

4 Undertakings

4.1 Provision of information and reports

Each Transaction Party must provide to each Lender the following:

(a) **Annual Financial Reports**: as soon as practicable and in any event no later than 90 days after the end of each financial year, copies of the annual audited Financial Report of the Sims Group for that financial year (delivery of Financial Reports under this clause by Sims will be deemed to satisfy each other Transaction Party's obligation under this paragraph);

(b) **Half-year Financial Reports**: as soon as practicable and in any event no later than 90 days after the end of the first half of each financial year, copies of the unaudited semi-annual Financial Report of the Sims Group for that half financial year (delivery of Financial Reports under this clause by Sims will be deemed to satisfy each other Transaction Party's obligation under this paragraph);

(c) **Compliance Certificate**: together with the documents provided under clauses 4.1(a) and (b), a Compliance Certificate;

(d) **directors' certificate**: at the Lender's request, a certificate signed by at least 2 directors of Sims stating:

(1) if a Default has occurred; and

(2) if so, full details of the relevant Default and the remedial action being taken or proposed;

(e) **documents issued**: copies of all documents issued by it to holders of its Marketable Securities at the same time as their issue;

(f) **KYC & AML**: promptly upon request, any document or information necessary in the Lender's opinion to enable the Lender to undertake any know your customer checks or anti-money laundering checks; and

(g) **other information**: any other information which the Lender reasonably requests.

4.2 Proper accounts

Each Transaction Party must:

(a) keep accounting records which give a true and fair view of its financial condition and state of affairs; and

(b) ensure that the accounts it provides under clause 4.1 are prepared in accordance with the Accounting Standards.

4.3 Notices to the Lender

Each Transaction Party must notify the Lender as soon as it becomes aware of:

(a) any Default occurring, together with full details of the Default and any step taken or proposed to remedy it;

(b) any breach of any Environmental Law or the issuing of any proceedings or notice or requirements against or upon it or its assets which has given rise or may give rise to substantial expenditure by it, a substantial claim against it or a requirement that it cease or substantially alter a material activity;

(c) any litigation, arbitration, administrative or other proceeding in respect of it or any of its assets being commenced or threatened which is in excess of A$25,000,000 or its equivalent.

(d) any proposal of any Government Agency to compulsorily acquire the whole or a substantial part of its assets; and

(e) the acquisition by it of a Subsidiary.

4.4 Compliance

Each Transaction Party must, and Sims must ensure that each other member of the Sims Group will:

(a) comply with all its obligations under each Transaction Document to which it is a party; and

(b) ensure that no Event of Default occurs.

4.5 Maintenance of capital

Each Transaction Party will ensure that no Relevant Company takes any action to reduce its capital, cancel its uncalled capital or buy back its shares (**Capital Reduction**) if the

Capital Reduction would, in aggregate with any other Capital Reductions by all Relevant Companies in the preceding year, result in a reduction of the total aggregate issued ordinary capital of the Sims Group of greater than or equal to 10% for that year (however any Capital Reduction may not in any event be made if it causes a breach of the undertakings contained in clauses 4.17 or 4.18).

4.6 Compliance with laws and Authorisations

Each Transaction Party must and must ensure that each Relevant Company will:

(a) comply with all laws and legal requirements, including each judgement, award, decision, finding or any other determination of a Government Agency, which applies to it or any of its assets, where failure to do so will have or be likely to have a Material Adverse Effect;

(b) obtain, maintain and comply with:

(1) all Authorisations required in relation to the entry into, performance of obligations under, and enforceability of, each Transaction Document to which it is a party; and

(2) all Authorisations that are material to the carrying on of the business of the Sims Group (taken as a whole) where failure to do so has or is likely to have a Material Adverse Effect,

and ensure those Authorisations are not cancelled, suspended, not renewed, varied or found to be invalid;

(c) not do anything which would prevent the renewal of any Authorisation referred to in clause 4.6(b) or cause it to be renewed on less favourable terms; and

(d) ensure that under the law of any relevant jurisdiction the Transaction Documents of each Lender are filed, recorded or enrolled when due with any court or other authority in that jurisdiction.

4.7 Payment of Taxes and outgoings

(a) Each Transaction Party must pay all Taxes (whether in relation to the Transaction Documents or otherwise) when due, other than:

(1) Contested Taxes; and

(2) where failure to do so will not have or be likely to have a Material Adverse Effect.

(b) Each Transaction Party must pay all Contested Taxes when the terms of any final determination or settlement require those Contested Taxes to be paid.

4.8 Conduct of business

Each Transaction Party must conduct its business (including collecting debts owed to it) in a proper, orderly and efficient manner.

4.9 Maintenance of existence

A Transaction Party must, and must ensure that each Relevant Company will:

(a) maintain its corporate existence, good standing and registration in the jurisdiction of its organisation or incorporation;

(b) not transfer its jurisdiction of organisation or incorporation;

(c) not enter into any amalgamation, demerger or corporate reconstruction where such event has or would be likely to have a Material Adverse Effect except a solvent amalgamation or reconstruction on terms agreed by the Lender; and

(d) not amend its constitution or any other constituent document of it where such amendment has or would be likely to have a Material Adverse Effect, without the Lender's prior written consent.

4.10 Negative pledge

(a) A Transaction Party must not, and Sims must procure that no other member of the Sims Group will, create or allow to exist or agree to any Encumbrance over any of its assets other than a Permitted Encumbrance.

(b) No Transaction Party will deposit money with a person in circumstances where the deposit is not repayable unless the Transaction Party performs obligations (including to pay money) to that person, except in respect of deposits which in aggregate do not exceed A$35,000,000 at any time.

(c) Each Transaction Party must, and each Transaction Party must ensure that each Relevant Company will, ensure that the Sims Group does not in any financial year dispose of 10% or more of its Total Tangible Assets or an interest in them or agree or attempt to do so (whether in one or more related or unrelated transactions) except:

(1) where the disposal is in the ordinary course of day to day trading of any Transaction Party or Relevant Company (as the case may be);

(2) where the disposal is of obsolete assets no longer required for the business of any Transaction Party or Relevant Company (as the case may be); or

(3) where the disposal takes place under or in connection with an internal solvent reorganisation which does not involve the transfer of assets to persons other than Transaction Parties.

(d) A Transaction Party must not enter into any arrangement which, if complied with, would prevent any Transaction Party from complying with its obligations under the Transaction Documents.

(e) This clause 4.10 does not apply to the creation of an Encumbrance or disposal of an asset if such creation or disposal cannot be prohibited by reason of Section 1136 German Civil Code (*Bürgerliches Gesetzbuch*).

(f) The disposals set out in clause 4.10(c) paragraphs (1), (2) and (3) do not require the prior consent of the Lender.

4.11 No change to business

The Relevant Companies will not substantially change the nature of the business or businesses carried on by them as a whole. No Relevant Company will take any action which would have that effect, whether by disposal, acquisition or otherwise.

4.12 Financial accommodation

(a) A Transaction Party must not provide any financial accommodation, or give any Guarantee in respect of any financial accommodation to or for the benefit of any person other than:

(1) Permitted Financial Accommodation; or

(2) with the prior written consent of the Lender.

(b) A Transaction Party must not repay or otherwise satisfy any financial accommodation owed by it to a Non-obligor if the amount of the repayment or other satisfaction would exceed US$10,000,000 when added to the amounts of all other repayments or satisfactions by Transaction Parties of financial accommodation owed to Non-obligors in the preceding 12 month period.

4.13 Restrictions on dealings

A Transaction Party must not deal with another party (other than a Relevant Company) unless it does so at arm's length for full commercial consideration and in the ordinary course of its ordinary trading.

4.14 Maintenance of assets

Each Transaction Party, other than a Transaction Party whose assets comprise less than 2% of the Total Tangible Assets or a Transaction Party whose profits from ordinary activities account for less than 2% of EBITDA, must maintain and keep its assets in a good state of repair and in good working order allowing for fair wear and tear except where failure to do so would not have a material adverse effect on:

(a) the financial condition of the Transaction Party;

(b) its ability to perform any of its obligations under a Transaction Document; or

(c) any Encumbrance provided to a Lender by that Transaction Party.

4.15 Insurance

Each Transaction Party must, and must ensure that each Relevant Company will:

(a) maintain industrial special risks insurance, public liability insurance, professional indemnity liability insurance and directors and officers liability insurance with an independent and reputable insurer and consistent with the insurances maintained by it as at the date of this deed;

(b) otherwise insure, and keep insured, its property which is of an insurable nature in the manner and to the extent which is in accordance with good business practice for property of such nature; and

(c) promptly following a request by the Lender, provide the Lender with any certificates of currency or other evidence of currency in respect of all insurances required to be maintained by it under this deed.

4.16 Hedging

A Transaction Party must not (and in the case of Sims, must ensure that no Relevant Company will) enter into a Hedging Agreement except:

(a) for the purposes of hedging that Transaction Party's actual or projected interest rate, foreign exchange or other exposures arising in the ordinary course of its ordinary business and not for speculative purposes; or

(b) with the Lender's prior written consent.

4.17 Financial undertakings

(a) Each Transaction Party must ensure that on each Calculation Date:

(1) the ratio of Financial Indebtedness of the Sims Group to EBITDA for the Calculation Period ending on that Calculation Date is not greater than 3.0:1;

(2) the ratio of EBITDA to Net Interest Expense for the Calculation Period ending on that Calculation Date is not less than 3.5:1; and

(3) Tangible Net Worth must not be less than A$1,500,000,000.

(b) Each Transaction Party must ensure that at all times the aggregate outstanding Financial Indebtedness incurred by all Non-obligors must not exceed US$100,000,000.

4.18 Guarantors

(a) Unless a Lender otherwise agrees in writing with Sims that this clause does not apply to such Lender, each Transaction Party must ensure that:

(1) the Guarantors (excluding any German Guarantors) will:

(A) at all times own, in aggregate, at least 80% of the Total Tangible Assets of the Sims Group; and

(B) generate at least 80% of the EBITDA for each Calculation Period ending on a Calculation Date; and

(2) where a Subsidiary owns at least 5% of Total Tangible Assets at any time or generates at least 5% of EBITDA for a Calculation Period ending on a Calculation Date, the Subsidiary becomes an Additional Guarantor in accordance with clause 14.4 within 3 months (or such minimum longer period of time as is required by law) of the earlier of the Subsidiary becoming the owner of at least 5% of Total Tangible Assets and the relevant Calculation Date, unless the Lender is provided with a written legal advice (in a form satisfactory

to the Lender, acting reasonably) from a law firm in the jurisdiction in which the Subsidiary was incorporated to the effect that the accession of the Subsidiary to this deed as a Guarantor on the terms of this deed would be contrary to the law under which the Subsidiary was incorporated or carries on a substantial portion of its business.

(b) A failure to comply with clause 4.18(a)(1) at any time, as a result of the acquisition of a Subsidiary or the acquisition of any new assets or a business, will not constitute a Default if Sims procures that additional members of the Sims Group become Guarantors in accordance with clause 14.4 to the extent required to ensure compliance with clause 4.18(a)(1) within 3 months of the relevant failure to comply.

4.19 Deed of Cross Guarantee

A Transaction Party:

(a) must not consent to the amendment, termination, revocation, suspension or repudiation of, or waive its rights arising under, any Deed of Cross Guarantee to which it is a party without the Lender's consent (which consent may be withheld in the Lender's absolute discretion or, where granted, may be subject to such terms as the Lender, in its absolute discretion, requires); and

(b) must notify the Lender immediately upon it becoming aware of any proposal or request or requirement that it provide a consent or waiver in respect of any Deed of Cross Guarantee to which it is a party.

4.20 PPSA Undertaking

If a Transaction Party holds any security interests for the purposes of the PPSA and if failure by the Transaction Party to perfect such security interests would:

(a) materially adversely affect the Sims Group as a whole; or

(b) in the reasonable opinion of a Lender, adversely affect the rights or obligations of the Lender under or in connection with any Transaction Document to which that Lender is a party,

Sims agrees to implement and maintain policies and procedures for the perfection and, where necessary, continuous perfection of those security interests (**PPSA Policies**). The PPSA Policies will include policies and procedures relating to the following:

(c) Transaction Parties obtaining the highest ranking priority available under the PPSA (such as perfecting a purchase money security interest or perfecting a security interest by control) where Sims considers to do so is commercially feasible, bearing in mind the cost and benefit to the Sims Group in doing so; and

(d) to reduce as far as practicable the risk of a third party acquiring an interest free of the security interest (such as including the serial number in a financing statement for personal property that may or must be described by a serial number), bearing in mind the cost and benefit to the Sims Group in doing so.

4.21 Term of undertakings

Unless the Lender otherwise agrees in writing, until:

(a) the commitment of that Lender is cancelled; and

(b) the Outstanding Moneys of that Lender are unconditionally repaid in full;

each Transaction Party must, at its own cost, comply with its undertakings in this clause 4.

5 Events of Default

5.1 Events of Default

It is an Event of Default in respect of a Lender, whether or not it is within the control of a Transaction Party, if:

(a) **failure to pay**: a Transaction Party fails to pay principal under a Transaction Document of that Lender or any interest or any other amount payable under a Transaction Document of that Lender on time on the due date in the manner required under that Transaction Document unless, in the case of interest or any other amount, it is paid within 2 days of the due date and it demonstrates to the satisfaction of that Lender that the delay was due to a failure in transmission of funds outside of its control where the funds were available to it with a bank and it gave the requisite instructions;

(b) **failure to comply**: a Transaction Party fails to comply with clause 4.17 or clause 4.18;

(c) **non-remediable failure**: a Transaction Party fails to perform any other undertaking or obligation of it under any Transaction Document of that Lender and that failure is not in the opinion of that Lender remediable;

(d) **remediable failure**: the failure described in clause 5.1(c) is in the opinion of that Lender remediable, and the Transaction Party does not remedy the failure within 15 Business Days after receipt by the Transaction Party of a notice from that Lender specifying the failure;

(e) **misrepresentation**: any representation or warranty or statement of a Transaction Party under a Transaction Document of that Lender is incorrect or misleading in a material respect when made or repeated;

(f) **cross default**: any Financial Indebtedness of a Relevant Company in an amount of at least A$5,000,000 or its equivalent or of the Relevant Companies totalling (in aggregate for all such Relevant Companies) at least A$25,000,000 or its equivalent:

(1) becomes due and payable before the scheduled date for payment (except as a result of an exercise of a prepayment right in the absence of default); or

(2) is not paid when due (after taking into account any applicable grace period);

(g) **Cancellation of commitment:** An obligation upon any person to provide finance to:

(1) a Relevant Company totalling at least A$5,000,000 (or its equivalent); or

(2) the Relevant Companies totalling (in aggregate) at least A$25,000,000 (or its equivalent),

is terminated except as a result of voluntary termination in the absence of default;

(h) **Encumbrance**: any Encumbrance is enforced against an asset or assets of a Relevant Company with a value or in an amount exceeding A$10,000,000 or its equivalent;

(i) **execution**: a distress, attachment, execution or other process of a Government Agency is issued against, levied or entered upon:

(1) an asset of a Relevant Company with a value or in an amount of at least A$10,000,000 or its equivalent; or

(2) an asset or assets of Relevant Companies totalling (in aggregate for all such Relevant Companies) at least A$25,000,000 or its equivalent,

and is not set aside or satisfied within 10 Business Days;

(j) **suspends payment**: a Relevant Company suspends payment of its debts generally;

(k) **insolvency**: a Relevant Company is Insolvent;

(l) **maintenance of capital and existence**: a Transaction Party fails to comply with clause 4.5 or 4.9;

(m) **unenforceability**:

(1) all or a material part of a Transaction Document of that Lender is illegal, void, voidable or unenforceable;

(2) a Relevant Company becomes entitled to terminate any material provision of any Transaction Document of that Lender (other than following the occurrence of a termination event or an event of default under a Hedging Agreement with the Lender in respect of which the Lender is an "Affected Party" or the "Defaulting Party" (as applicable) (as defined in that Hedging Agreement)) or voluntary rights of prepayment or termination in the absence of default; or

(3) the execution, delivery or performance of a Transaction Document of that Lender by a Transaction Party or the exercise by the Lender of all or any of its rights under a Transaction Document breaches or results in a contravention of any law;

(n) **Environmental**: there is any claim or requirement of expenditure or alteration of activity or cessation of activity under any Environmental Law or law relating to health or there is any breach of any Authorisation, in each case which in the opinion of the Lender is likely to have a Material Adverse Effect or any circumstance arises which may give rise to such an action, claim, requirement or breach;

(o) **Governmental interference**: a law or anything done by a Governmental Agency is likely to in the opinion of the Lender have a Material Adverse Effect;

(p) **seizure**: all or any material part of the assets of the Sims Group are seized or otherwise appropriated by, or custody thereof is assumed by any Governmental Agency, or the Sims Group is otherwise prevented from exercising normal day-to-day control over all or a material part of its assets or loses any of the rights or privileges necessary to maintain its existence or to carry on its business and Sims does not demonstrate to the reasonable satisfaction of the Lender within 15 Business Days of such seizure, appropriation,

assumption of custody or execution that no Material Adverse Effect has resulted, or is reasonably likely to result, therefrom;

(q) **event of default**: an event of default, termination event (other than a termination event under a Hedging Agreement with the Lender in respect of which the Lender is an "Affected Party" (as defined in that Hedging Agreement)) or other similar event occurs with respect to a Relevant Company under any agreement relating to Financial Indebtedness between a Relevant Company and the Lender including the occurrence of an event which is an "event of default" with respect to a Relevant Company under any Transaction Document of that Lender other than this agreement, or any other event occurs which renders enforceable a Transaction Document of that Lender which comprises or includes a Guarantee;

(r) **Disposal without consent**: a disposal occurs which cannot be prohibited pursuant to Section 1136 German Civil Code (Bürgerliches Gesetzbuch), if the disposal has not been approved by the Lender in writing, provided such disposal corresponds to a disposal set out in clause 4.10(a) and 4.10(c);

(s) **investigation**: a person is appointed under the Corporations Act or any other applicable legislation to investigate any part of the affairs of a Transaction Party and the relevant Transaction Party does not demonstrate to the reasonable satisfaction of the Lender within 15 Business Days of such appointment that no Material Adverse Effect has resulted from, or is reasonably likely to result from, the investigation or as a consequence thereof;

(t) **deregistration**: a step is taken under section 601AA, 601AB or 601AC of the Corporations Act or analogous provisions in a relevant jurisdiction to cancel the registration of a Transaction Party;

(u) **ASX delisting/suspension**: except with the written consent of the Lender, any securities of Sims are:

(1) not listed on at least one of:

(A) the official list of the Australian Securities Exchange operated by ASX Limited; or

(B) the official list of the New York Stock Exchange; or

(2) suspended from quotation or trading on any official list referred to in clause 5.1(u)(1) for 5 consecutive trading days (except where such suspension is requested by Sims for the purpose of an acquisition or a fundraising and such securities remain suspended on that basis only and not on any other basis); or

(3) removed from the official list of any of:

(A) the Australian Securities Exchange operated by ASX Limited;

(B) the New York Stock Exchange; or

(C) another stock exchange,

because the operator of the relevant stock exchange decides that Sims or its securities no longer meet the requirements for continued listing (except where Sims has requested such removal and that is the sole basis for the removal);

(v) **material adverse effect**: any event occurs which, in the reasonable opinion of the Lender, may have a Material Adverse Effect;

(w) **ceasing business**: a Transaction Party stops payment, significantly changes the general character of its business or threatens to do any of those things, or a Relevant Company ceases to carry on business, except to reconstruct or amalgamate while solvent, and which event may have a Material Adverse Effect; and

(x) **ERISA liability**: any Sims US Company incurs any liability pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the U.S. Internal Revenue Code relating to employee benefit plans (as defined in Section 3(3) of ERISA or Section 412 of the U.S. Internal Revenue Code) or any Multiemployer Plan, or any event, transaction or condition occurs or exists that would reasonably be expected to result in the incurrence of any such liability by a Sims US Company, or any lien is imposed on any of the rights, properties or assets of a Sims US Company, in either case pursuant to Title I or IV of ERISA or to such penalty or excise tax provisions or to Section 401(a)(29) or 412 of the U.S. Internal Revenue Code or any liability for withdrawal from or termination of any Multiemployer Plan, other than in each case such liabilities or liens as would not individually or in the aggregate reasonably be expected to result in a Material Adverse Effect.

5.2 Effect of Event of Default or U.S. Bankruptcy Filing

(a) If an Event of Default in respect of a Lender occurs that Lender may at any time after its occurrence by notice to Sims declare that:

(1) the Outstanding Moneys under that Lender's Transaction Documents are immediately due and payable; or

(2) the commitment under that Lender's Facility Agreement is cancelled,

or make each of the declarations under clauses 5.2(a)(1) and (2).

(b) Subject to clause 5.2(c), the Borrowers must immediately repay the Outstanding Moneys under the relevant Lender's Transaction Documents on receipt of a notice under clause 5.2(a)(1).

(c) A notice given by a Lender under clause 5.2(a)(1) and (a)(2) shall be of no effect if:

(1) it is given because of the occurrence of an Event of Default specified in clause 5.1(b), 5.1(c), 5.1(e), 5.1(f), 5.1(g), 5.1(l), 5.1(m) or 5.1(w); and

(2) within 2 Business Days of the notice the Transaction Parties are able to show to the Lender's absolute satisfaction (in the Lender's absolute discretion) that:

(A) the Event of Default is not subsisting; or

(B) where the notice relates to an Event of Default specified in clause 5.1(l) or 5.1(w), the Event of Default subsisting does not and will not have a Material Adverse Effect.

(d) Notwithstanding any other provision of a Facility Agreement or this deed, if any Borrower files a petition under the United States Bankruptcy Code or, following the filing of a petition under the United States Bankruptcy Code against a Borrower, there is an order for relief with respect to such Borrower under the United States Bankruptcy Code, then:

(1) unless a Lender otherwise agrees in writing with Sims that this paragraph (1) does not apply to such Lender, the commitment of each Lender to provide financial accommodation to such Borrower or make any extensions of credit to such Borrower under the Facility Agreement to which such Borrower and such Lender are parties shall automatically terminate; and

(2) the Outstanding Moneys owing by such Borrower under each Lender's Transaction Documents with such Borrower shall automatically become due and payable.

in each case without any further act of such Lender.

5.3 Transaction Parties to continue to perform

(a) If the Lender makes a declaration under clause 5.2:

(1) the declaration does not affect the obligations of a Transaction Party under the Transaction Documents; and

(2) each Transaction Party must continue to perform its obligations under the Transaction Documents as if the declaration had not been made, subject to any directions given by the Lender under any Transaction Document.

(b) Clause 5.3(a) does not affect the Borrower's obligations under clause 5.2.

5.4 Enforcement

(a) The Transaction Documents may be enforced without notice to a Transaction Party or any other person even if:

(1) the Lender accepts any part of the Outstanding Moneys after an Event of Default; or

(2) there has been any other Event of Default.

(b) The Lender is not liable to any Transaction Party for any Loss a Transaction Party may suffer, incur or be liable for arising out of or in connection with the Lender exercising any Power, except to the extent specifically set out in a Transaction Document.

6 Review Event

(a) It is a Review Event with respect to a Facility and a Lender if:

(1) **Control**: if any person obtains Control of Sims or if any person ceases to have Control of Sims; or

(2) **listing**: any securities of Sims are added to the official list of any stock exchange (other than the official list of the Australian Securities Exchange operated by ASX Limited and the official list of the New York Stock Exchange).

(b) If a Review Event occurs under:

(1) clause 6(a)(1), then the relevant Lender may, within 90 days after the date on which the Lender is notified of that change of Control, review the terms of any financial accommodation provided under any Transaction Document of that Lender. Following that review and at any time within the 90 day period, the Lender may require repayment on demand of all or part of the financial accommodation provided to any Transaction Party and terminate all its Facilities;

(2) clause 6(a)(2), then the relevant Lender may, for a period of not less than 60 days after the date the Lender is notified of that event (**Listing Review Period**), review the terms of any financial accommodation provided under any Transaction Document. Following the Listing Review Period the Lender may require repayment on demand of all or part of the financial accommodation provided to any Transaction Party and terminate all its Facilities, if the Lender, acting reasonably, believes that Sims' presence on the official list of such a stock exchange, will have, or is reasonably likely to have, a Material Adverse Effect.

7 Guarantee and indemnity

7.1 Guarantee

The Guarantors jointly and severally and unconditionally and irrevocably guarantee to each Lender severally the payment of the Outstanding Moneys of that Lender.

7.2 Payment

(a) If the Outstanding Moneys are not paid when due, each Guarantor must immediately on demand from a Lender pay to that Lender the Outstanding Moneys of that Lender in the same manner and currency as the Outstanding Moneys are required to be paid.

(b) A demand under clause 7.2(a) may be made at any time and from time to time.

7.3 Securities for other money

A Lender may apply any amounts received by it or recovered under any:

(a) Collateral Security; or

(b) other document or agreement,

which is a security for any of the Outstanding Moneys and any other money in the manner it determines in its absolute discretion.

7.4 Amount of Outstanding Moneys

(a) This clause 7 applies to any amount which forms part of the Outstanding Moneys from time to time.

(b) The obligations of each Guarantor under this clause 7 extend to any increase in the Outstanding Moneys as a result of:

(1) any amendment, supplement, renewal or replacement of any Transaction Document to which a Transaction Party and the Lender is a party; or

(2) the occurrence of any other thing.

(c) Clause 7.4(b):

(1) applies regardless of whether any Guarantor is aware of or consented to or is given notice of any amendment, supplement, renewal or replacement of any agreement to which a Transaction Party and the Lender is a party or the occurrence of any other thing; and

(2) does not limit the obligations of any Guarantor under this clause 7.

7.5 Proof by Lender

In the event of the liquidation of a Transaction Party, each Guarantor authorises the Lender to prove for all money which any Guarantor has paid or is or may be obliged to pay under any Transaction Document of that Lender, any other document or agreement or otherwise in respect of the Outstanding Moneys of that Lender.

7.6 Avoidance of payments

(a) If any payment, conveyance, transfer or other transaction relating to or affecting the Outstanding Moneys is:

(1) void, voidable or unenforceable in whole or in part; or

(2) claimed to be void, voidable or unenforceable and that claim is upheld, conceded or compromised in whole or in part,

the liability of each Guarantor under this clause 7 and any Power is the same as if:

(3) that payment, conveyance, transfer or transaction (or the void, voidable or unenforceable part of it); and

(4) any release, settlement or discharge made in reliance on any thing referred to in clause 7.6(a)(3),

had not been made and each Guarantor must immediately take all action and sign all documents necessary or required by the Lender to restore to the Lender the benefit of this clause 7 and any Encumbrance held by the Lender immediately before the payment, conveyance, transfer or transaction.

(b) Clause 7.6(a) applies whether or not the Lender knew, or ought to have known, of anything referred to in clause 7.6(a).

7.7 Indemnity for avoidance of Outstanding Moneys

(a) If any of the Outstanding Moneys (or money which would have been Outstanding Moneys if it had not been irrecoverable) are irrecoverable by the Lender from:

(1) any Transaction Party; or

(2) a Guarantor on the footing of a guarantee,

the Guarantors jointly and severally, unconditionally and irrevocably, and as a separate and principal obligation:

(3) indemnify the Lender against any Loss suffered, paid or incurred by the Lender in relation to the non payment of that money; and

(4) must pay the Lender an amount equal to that money.

(b) Clause 7.7(a) applies to the Outstanding Moneys (or money which would have been Outstanding Moneys if it had not been irrecoverable) which are or may be irrecoverable irrespective of whether:

(1) they are or may be irrecoverable because of any event described in clause 7.6;

(2) they are or may be irrecoverable because of any other fact or circumstance;

(3) the transactions or any of them relating to that money are void or illegal or avoided or otherwise unenforceable; and

(4) any matters relating to the Outstanding Moneys are or should have been within the knowledge of the Lender.

7.8 No obligation to marshal

The Lender is not required to marshal or to enforce or apply under or appropriate, recover or exercise:

(a) any Encumbrance, Guarantee or Collateral Security or other document or agreement held, at any time, by or on behalf of that or the Lender; or

(b) any money or asset which the Lender, at any time, holds or is entitled to receive.

7.9 Non-exercise of Guarantors' rights and waiver of defences

(a) A Guarantor must not exercise any rights it may have inconsistent with this clause 7.

(b) To the extent that the obligations of any Guarantor under this clause 7 are deemed to be the obligations of a surety, then each Guarantor waives each and every defence or right that it may now or hereafter have with respect to such obligations as a result of or related to its status as a surety. Such waiver shall be effective regardless of whether such defences or rights arise under legal or equitable principles and regardless of the jurisdiction whose laws or equitable principles are deemed to be applicable.

7.10 Principal and independent obligation

(a) This clause 7 is:

(1) a principal obligation and is not to be treated as ancillary or collateral to any other right or obligation; and

(2) independent of and not in substitution for or affected by any other Collateral Security which the Lender may hold in respect of the Outstanding Moneys or any obligations of any Transaction Party or any other person.

(b) This clause 7 is enforceable against a Guarantor:

(1) without first having recourse to any Collateral Security;

(2) whether or not the Lender has made demand on any Transaction Party (other than any demand specifically required to be given, or notice required to be issued, to a Guarantor under clause 7.2 or any other provision of a Transaction Document);

(3) whether or not the Lender has given notice to any Transaction Party or any other person in respect of any thing;

(4) whether or not the Lender has taken any other steps against any Transaction Party or any other person;

(5) whether or not any Outstanding Moneys is then due and payable; and

(6) despite the occurrence of any event described in clause 7.12.

7.11 Suspense account

(a) The Lender may apply to the credit of an interest bearing suspense account any:

(1) amounts received under this clause 7;

(2) dividends, distributions or other amounts received in respect of the Outstanding Moneys in any liquidation; and

(3) other amounts received from a Guarantor, a Transaction Party or any other person in respect of the Outstanding Moneys.

(b) The Lender may retain the amounts in the suspense account for as long as it determines and is not obliged to apply them in or towards satisfaction of the Outstanding Moneys. Following payment in full of the Outstanding Moneys, it shall return the balance to the relevant Transaction Party or to another person entitled to it.

7.12 Unconditional nature of obligations

(a) This clause 7 and the obligations of each Guarantor under the Transaction Documents are absolute, binding and unconditional in all circumstances, and are not released or discharged or otherwise affected by anything which but for this provision might have that effect, including:

(1) the grant to any Transaction Party or any other person at any time, of a waiver, covenant not to sue or other indulgence;

(2) the release (including a release as part of any novation) or discharge of any Transaction Party or any other person other than an express release given to a Transaction Party in writing;

(3) the cessation of the obligations, in whole or in part, of any Transaction Party or any other person under any Transaction Document or any other document or agreement;

(4) the liquidation of any Transaction Party or any other person;

(5) any arrangement, composition or compromise entered into by the Lender, any Transaction Party or any other person;

(6) any Transaction Document or any other document or agreement being in whole or in part illegal, void, voidable, avoided, unenforceable or otherwise of limited force or effect;

(7) any extinguishment, failure, loss, release, discharge, abandonment, impairment, compounding, composition or compromise, in whole or in part of any Transaction Document or any other document or agreement;

(8) any Collateral Security being given to the Lender by any Transaction Party or any other person;

(9) any alteration, amendment, variation, supplement, renewal or replacement of any Transaction Document or any other document or agreement;

(10) any moratorium or other suspension of any Power;

(11) the Lender or Attorney exercising or enforcing, delaying or refraining from exercising or enforcing, or being not entitled or unable to exercise or enforce any Power;

(12) the Lender obtaining a judgment against any Transaction Party or any other person for the payment of any of the Outstanding Moneys;

(13) any transaction, agreement or arrangement that may take place with the Lender, any Transaction Party or any other person;

(14) any payment to the Lender or Attorney, including any payment which at the payment date or at any time after the payment date is in whole or in part illegal, void, voidable, avoided or unenforceable;

(15) any failure to give effective notice to any Transaction Party or any other person of any default under any Transaction Document or any other document or agreement;

(16) any legal limitation, disability or incapacity of any Transaction Party or of any other person;

(17) any breach of any Transaction Document or any other document or agreement;

(18) the acceptance of the repudiation of, or termination of, any Transaction Document or any other document or agreement;

(19) any Outstanding Moneys being irrecoverable for any reason;

(20) any disclaimer by any Transaction Party or any other person of any Transaction Document or any other document or agreement;

(21) any assignment, novation, assumption or transfer of, or other dealing with, any Powers or any other rights or obligations under any Transaction Document or any other document or agreement;

(22) the opening of a new account of any Transaction Party with the Lender or any transaction on or relating to the new account;

(23) any prejudice (including material prejudice) to any person as a result of any thing done or omitted by the Lender, any Transaction Party or any other person;

(24) any prejudice (including material prejudice) to any person as a result of the Lender, Attorney or any other person selling or realising any property the subject of a Collateral Security at less than the best price;

(25) any prejudice (including material prejudice) to any person as a result of any failure or neglect by the Lender, Attorney or any other person to recover the Outstanding Moneys from any Transaction Party or by the realisation of any property the subject of a Collateral Security;

(26) any prejudice (including material prejudice) to any person as a result of any other thing;

(27) the receipt by the Lender of any dividend, distribution or other payment in respect of any liquidation;

(28) the failure of any other Guarantor or any other person who is intended to become a co-surety or co-indemnifier of that Guarantor to execute this deed or any other document;

(29) the automatic termination of a Lender's commitment to provide financial accommodation under clause 5.2(d)(1); or

(30) any other act, omission, matter or thing whether negligent or not.

(b) Clause 7.12(a) applies irrespective of:

(1) the consent or knowledge or lack of consent or knowledge, of the Lender, any Transaction Party or any other person of any event described in clause 7.12(a); or

(2) any rule of law or equity to the contrary.

7.13 No competition

(a) Until the Outstanding Moneys have been fully paid and this clause 7 has been finally discharged, a Guarantor is not entitled to:

(1) be subrogated to the Lender;

(2) claim or receive the benefit of any Encumbrance, Guarantee or other document or agreement of which the Lender has the benefit;

(3) claim or receive the benefit of any moneys held by the Lender; or

(4) claim or receive the benefit of any Power;

(5) either directly or indirectly prove in, claim or receive the benefit of any distribution, dividend or payment arising out of or relating to the liquidation of any Transaction Party liable to pay the Outstanding Moneys, except in accordance with clause 7.13(b);

(6) make a claim or exercise or enforce any right, power or remedy (including under an Encumbrance or Guarantee or by way of contribution) against any Transaction Party liable to pay the Outstanding Moneys other than payments made in the ordinary course of business that are not otherwise restricted by this clause 7.13;

(7) accept, procure the grant of or allow to exist any Encumbrance in favour of a Guarantor from any Transaction Party liable to pay the Outstanding Moneys;

(8) exercise or attempt to exercise any right of set-off against, or realise any Encumbrance taken from, any Transaction Party liable to pay the Outstanding Moneys; or

(9) raise any defence or counterclaim in reduction or discharge of its obligations under this clause 7.

(b) If required by the Lender, a Guarantor must prove in any liquidation of any Transaction Party liable to pay the Outstanding Moneys for all money owed to the Guarantor.

(c) All money recovered by a Guarantor from any liquidation or under any Encumbrance or Guarantee from any Transaction Party liable to pay the Outstanding Moneys must be received and held in trust by the Guarantor for the Lender to the extent of the unsatisfied liability of the Guarantor under this clause 7.

(d) A Guarantor must not do or seek, attempt or purport to do anything referred to in clause 7.13(a).

7.14 Continuing guarantee

This clause 7 is a continuing obligation of each Guarantor, despite:

(a) any settlement of account; or

(b) the occurrence of any other thing,

and remains in full force and effect until:

(c) all the Outstanding Moneys have been paid in full; and

(d) this clause 7 has been finally discharged by the Lender.

7.15 Variation

This clause 7 extends to cover the Transaction Documents as amended, varied or replaced, whether with or without the consent of any one or more of the Guarantors, including any increase in the limit or maximum principal amount available under a Transaction Document.

7.16 Judgments

A final judgment obtained against a relevant Transaction Party is conclusive as against each Guarantor.

7.17 Limitation of Liability

(a) If any court of competent jurisdiction determines that all or any portion of a Guarantor's guarantee obligations under this clause 7 are subject to avoidance under any applicable Fraudulent Transfer Law, then such guarantee obligations, notwithstanding any other provision of this clause 7, shall be limited to the maximum amount that would not be subject to such avoidance. For the purposes of determining the maximum non-avoidable amount, each Guarantor's assets will include, without limitation, its rights of indemnification and contribution against all other Guarantors under clause 7.17(b) or applicable law. **Fraudulent Transfer Laws** means Section 548 of the United States Bankruptcy Code and any laws of any other jurisdiction (including any state of the United States) allowing the avoidance of constructive fraudulent conveyances.

(b) Each Guarantor (for the purposes of this clause 7.17(b), a **Contributing Party**) agrees that, in the event any other Guarantor makes a payment in respect of its guarantee obligations under this clause 7, the Contributing Party shall indemnify such other Guarantor in an amount equal to the amount of such payment multiplied by a fraction whose numerator is the Contributing Party's net worth and whose denominator is the aggregate net worth of all the Guarantors. In each case, the net worth of a Contributing Party and each other Guarantor will be determined as of the date it became a Guarantor. This clause 7.17(b) is subject to, and shall not affect, any Guarantor's rights or obligations under clause 7.13.

(c) This clause 7.17 applies only to Guarantors which are subject to any order, filing or proceeding under the Bankruptcy Code of the United States of America and then only to the extent that a Lender and Sims agree that it is to apply in respect of a Guarantor under a Lender's Transaction Documents.

8 German Guarantors

(a) To the extent that any obligation under this deed, in particular (but not exclusively) the guarantee and/or the indemnity created under clause 7 is undertaken and/or granted by a German Guarantor (a **German Guarantee**) and the German Guarantee guarantees to a Lender amounts, or creates obligations to a Lender (the **Relevant Lender**) for amounts which are owed by direct or indirect shareholders of the German Guarantor or affiliated companies of such shareholders (with the exception of affiliated companies which are also direct subsidiaries of the German Guarantor), the German Guarantee to the Relevant Lender shall be subject to certain limitations as set out in clause 8(b). In relation to any other amounts guaranteed, the German Guarantee remains unlimited.

(b) To the extent that a demand under this deed is made by a Relevant Lender upon a German Guarantor in respect of amounts in relation to which the conditions pursuant to clause 8(a) are fulfilled, the relevant German Guarantor's liability shall be limited, in respect of that demand only:

(1) if the value of that German Guarantor's Net Assets is greater than its stated share capital at the time of the demand, to that amount such that after payment

of that amount the value of the German Guarantor's Net Assets is not less than its stated share capital (*Stammkapital*); or

(2) if the value of its Net Assets is lower than its stated share capital at the time of the demand, to nil,

for the purpose of not affecting its assets which are required for the obligatory preservation of its stated share capital according to §§ 30, 31 German GmbH-Act (*GmbH-Gesetz*).

(c) In this clause 8, **Net Assets** (*Nettovermögen*) means the sum of the German Guarantor's assets pursuant to Section 266 para. 2 A, B and C of the German Commercial Code (*Handelsgesetzbuc*h), less the sum of the German Guarantor's liabilities pursuant to Section 266, paragraphs 3 B, C (but disregarding, for the avoidance of doubt, the obligations under clause 7 of this deed) D and E of the German Commercial Code (*Handelsgesetzbuch*) each as shown in a balance sheet as of the date on which the enforcement of the German Guarantee is sought (*Stichtagsbilanz*) whereby the balance sheet shall be adjusted as set out under clause 8(d).

(d) For the purposes of calculating the Net Assets, the following balance sheet items shall be adjusted as follows:

(1) loans provided to the German Guarantor shall be disregarded, if and to the extent such loans have been made available, directly or indirectly to the German Guarantor from funds made available by the Relevant Lender;

(2) the amount of any increase of the stated share capital (*Stammkapital*) of the German Guarantor registered after the date of such German Guarantor becoming a party to this deed without the prior written consent of the Relevant Lender shall be deducted from the relevant stated share capital;

(3) loans provided to the German Guarantor by any of its affiliated entities shall be disregarded if and to the extent such loans are subordinated, or are considered subordinated pursuant to Section 39, paragraph 1, number 5 German Insolvency Act (*InsO*); and

(4) loans and other liabilities incurred in violation of the provisions of the Transaction Documents shall be disregarded.

(e) This clause 8 shall apply mutatis mutandis if the German Guarantee is granted by a Guarantor incorporated in Germany as a limited liability partnership (GmbH & Co. KG) in relation to the limited liability company as general partner (*Komplementär*) of such Guarantor and also if the German Guarantee is granted by a Guarantor incorporated in Germany as an open trading company (*Offene Handelsgesellschaft*) in relation to a limited liability company as shareholder (*Komplementär*) of such Guarantor.

9 Payments

9.1 Manner of payment

All payments by a Transaction Party under the Transaction Documents must be made:

(a) in Same Day Funds;

(b) in the Relevant Currency;

(c) no later than 10.00am in the place for payment on the due date,

to the Lender's account as specified by the Lender to the Borrower or in any other manner the Lender directs from time to time.

9.2 Payments on a Business Day

If a payment is due on a day which is not a Business Day, the due date for that payment is the next Business Day in the same calendar month or, if none, the preceding Business Day, and interest must be adjusted accordingly.

9.3 Payments in gross

All payments which a Transaction Party is required to make under any Transaction Document must be without:

(a) any set-off, counterclaim or condition; or

(b) any deduction or withholding for any Tax or any other reason unless the Transaction Party is required to make a deduction or withholding by applicable law.

9.4 Additional payments

If:

(a) any Transaction Party is required to make a deduction or withholding in respect of Tax (other than Excluded Tax) from any payment to be made to the Lender under any Transaction Document; or

(b) the Lender is required to pay any Tax (other than Excluded Tax) in respect of any payment it receives from a Transaction Party under any Transaction Document,

the Transaction Party:

(c) indemnifies the Lender against that Tax; and

(d) must pay to the Lender an additional amount which the Lender determines to be necessary to ensure that the Lender receives when due a net amount (after payment of any Tax in respect of each additional amount) that is equal to the full amount it would have received if a deduction or withholding or payment of Tax had not been made.

9.5 Taxation deduction procedures

If clause 9.4(a) applies:

(a) the Transaction Party must pay the amount deducted or withheld to the appropriate Government Agency as required by law; and

(b) the Transaction Party must:

(1) use reasonable endeavours to obtain a payment receipt from the Government Agency (and any other documentation ordinarily provided by the Government Agency in connection with the payment); and

(2) within 2 Business Days after receipt of the documents referred to in clause 9.5(b)(1), deliver copies of them to the Lender.

9.6 Tax Credit

If a Transaction Party makes an additional payment under clause 9.4 for the benefit of the Lender, and the Lender determines that:

(a) a credit against, relief or remission for, or repayment of any Tax (**Tax Credit**) is attributable to that additional payment; and

(b) the Lender has obtained, utilised and retained that Tax Credit,

then the Lender must pay an amount to the Transaction Party which the Lender determines will leave it (after that payment) in the same after Tax position as it would have been in had the additional payment not been made by the Transaction Party.

9.7 Tax affairs

Nothing in clause 9.6:

(a) interferes with the right of the Lender to arrange its tax affairs in any manner it thinks fit;

(b) obliges the Lender to investigate the availability of, or claim, any Tax Credit; or

(c) obliges the Lender to disclose any information relating to its tax affairs or any tax computations.

9.8 Amounts payable on demand

If any amount payable by a Transaction Party under any Transaction Document is not expressed to be payable on a specified date, that amount is payable by the Transaction Party on demand by the Lender.

9.9 Appropriation of payments

(a) All payments made by a Transaction Party under a Transaction Document may be appropriated as between principal, interest and other amounts as the Lender determines or, failing any determination, in the following order:

(1) first, towards reimbursement of all fees, costs, expenses, charges, damages and indemnity payments due and payable by the Transaction Parties under the Transaction Documents;

(2) second, towards payment of interest due and payable under the Transaction Documents; and

(3) third, towards repayment or prepayment of the Principal Outstanding.

(b) Any appropriation under clauses 9.9(a) overrides any appropriation made by a Transaction Party.

9.10 Currency exchanges

If the Lender receives an amount under a Transaction Document in a currency which is not in the Relevant Currency, the Lender:

(a) may convert the amount received into the Relevant Currency in accordance with its normal procedures; and

(b) is only regarded as having received the amount that it has converted into the Relevant Currency.

9.11 Currency of account

(a) Subject to paragraphs 9.11(b) to 9.11(e) below, Dollars are the currency of account and payment for any sum due from a Borrower or any other Transaction Party under any Transaction Document.

(b) A repayment of financial accommodation shall be made on its due date in the currency in which it is denominated.

(c) Each payment of interest shall be made in the currency in which the sum in respect of which the interest is payable was denominated when that interest accrued.

(d) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.

(e) Any amount expressed to be payable in a currency other than Dollars shall be paid in that other currency.

9.12 Change of currency

(a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:

(1) any reference in a Transaction Document to, and any obligations arising under a Transaction Document in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Lender (after consultation with the Borrowers); and

(2) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Lender (acting reasonably).

(b) If a change in any currency of a country occurs, this agreement will, to the extent the Lender (acting reasonably and after consultation with the Borrowers) specifies to be necessary, be amended to comply with any generally accepted conventions and market practice in the Relevant Interbank Market and otherwise to reflect the change in currency.

10 Increased costs and illegality

10.1 Increased costs

(a) If a Lender determines that any Change in Law affecting it or any of its holding companies (each a **Holding Company**) directly or indirectly:

(1) increases the effective cost to the Lender of performing its obligations under the Transaction Documents of that Lender or funding or maintaining that Lender's participation in that Lender's Facility;

(2) reduces any amount received or receivable by the Lender under the Transaction Documents of that Lender; or

(3) in any other way reduces the effective return to the Lender or any Holding Company under the Transaction Documents of that Lender or the overall return on capital of the Lender or any Holding Company,

(each an **Increased Cost**), the Borrowers must pay to the Lender on demand compensation for the Increased Cost to the extent attributed by the Lender or Holding Company (using the methods it considers appropriate) to the Lender's obligations under the Transaction Documents of that Lender or the funding or maintenance of that Lender's Facility.

(b) A Transaction Party is not obliged to pay compensation under this clause if the relevant increased cost, reduction in the amount receivable or reduction in return on capital is:

(1) fully compensated for by clause 9.4; or

(2) attributable to the wilful breach of any law by the Lender claiming the benefit of the clause or a breach by the Lender of the terms of a Transaction Document.

(c) A claim under clause 10.1(a) in the absence of manifest error, is sufficient evidence of the amount to which the Lender is entitled under clause 10.1(a) unless the contrary is proved.

(d) If Sims receives a demand from a Lender under clause 10.1(a), the Borrowers may, by written notice to the Lender on or before the date which is 20 Business Days after the date of that demand, cancel the commitment of that Lender and prepay its Outstanding Moneys in full.

(e) A notice under clause 10.1(d) is irrevocable and the relevant Borrowers must, on the date which is 40 Business Days after the date that the notice is given, pay to that Lender the Outstanding Moneys of that Lender in full.

10.2 Illegality

(a) If any Change in Law or other event makes it illegal for a Lender to perform its obligations under the Transaction Documents of that Lender or fund or maintain that Lender's Facility, that Lender may by notice to Sims:

(1) suspend all or part of its obligations under the Transaction Documents for the duration of the illegality; or

(2) by notice to Sims, cancel all or part of its commitment and require the Borrowers to repay the Outstanding Moneys in part or in full on the date which is 40 Business Days after the date on which the Lender gives the notice or any earlier date required by, or to comply with, the applicable law, provided that if the Lender determines in its absolute discretion that the illegality can be avoided by a partial suspension or cancellation, then the Lender may only suspend its obligations or cancel its commitment under this clause 10.2 to the extent it considers necessary to avoid the illegality.

(b) A notice under clause 10.2(a)(2) is irrevocable and the Borrowers must, on the repayment date determined under clause 10.2(a)(2), pay to the relevant Lender the Outstanding Moneys of that Lender in full.

(c) If this clause 10.2 applies, the relevant Lender agrees to use reasonable endeavours for a period of 90 days to make the relevant financial accommodation available by some alternative means including changing its Lending Office or making the financial accommodation available through a Related Body Corporate provided that nothing in this clause 10.2 will oblige the Lender to incur any costs or expenses or take any action or refrain from taking any action where, in the opinion of the Lender, the taking of that action or the refraining from taking that action is impractical, may be prejudicial to the Lender or is contrary to the Lender's policies.

11 Indemnities

11.1 General indemnity

(a) Each Borrower indemnifies each Lender against any Loss which that Lender (whether acting as agent of the Borrower or otherwise) or an Attorney pays, suffers, incurs or is liable for, in respect of any of the following:

(1) financial accommodation requested under a Transaction Document not being made for any reason including any failure by a Transaction Party to fulfil any condition precedent contained in the Transaction Documents of that Lender, but excluding any default by that Lender;

(2) financial accommodation provided by that Lender being repaid or discharged other than on the scheduled date for repayment or discharge;

(3) the occurrence of any Default;

(4) that Lender exercising its Powers consequent upon or arising out of the occurrence of any Default;

(5) the non-exercise, attempted exercise, exercise or delay in the exercise of any Power; and

(6) any act or omission of a Transaction Party or any of its employees or agents.

(b) The indemnity in clause 11.1(a), includes the amount determined by the Lender as being incurred by reason of the liquidation or re-employment of deposits or other funds acquired or contracted for by the Lender to fund or maintain its Facility.

11.2 Foreign currency indemnity

If, at any time:

(a) a Lender or an Attorney receives or recovers any amount payable by a Transaction Party including:

(1) under any judgment or order of any Government Agency;

(2) for any breach of any Transaction Document;

(3) on the liquidation or bankruptcy of the Transaction Party or any proof or claim in that liquidation or bankruptcy; or

(4) any other thing into which the obligations of the Transaction Party may have become merged; and

(b) the Payment Currency is not the Relevant Currency,

the Borrower indemnifies the Lender or Attorney against any shortfall between the amount payable in the Relevant Currency and the amount actually or notionally received or recovered by the Lender or Attorney after the Payment Currency is converted or translated into the Relevant Currency under clause 11.3.

11.3 Conversion of currencies

In making any currency conversion under clause 11.2, the Lender or Attorney may itself or through its bankers purchase one currency with another, whether or not through an intermediate currency, whether spot or forward, in accordance with its normal practice.

11.4 Continuing indemnities and evidence of loss

(a) Each indemnity of a Transaction Party in a Transaction Document is a continuing obligation of the Transaction Party, despite:

(1) any settlement of account; or

(2) the occurrence of any other thing,

and remains in full force and effect until the Outstanding Moneys are fully and finally repaid.

(b) Each indemnity of a Transaction Party in a Transaction Document is an additional, separate and independent obligation of a Transaction Party and no one indemnity limits the general nature of any other indemnity.

(c) Each indemnity of a Transaction Party in a Transaction Document survives the termination of any Transaction Document.

(d) A certificate given by an Authorised Officer of the Lender detailing the amount of any Loss covered by any indemnity in a Transaction Document is sufficient evidence unless the contrary is proved. Any such certificate must provide reasonable details of the amount claimed and where appropriate how it has been calculated.

12 Fees, Tax, costs and expenses

12.1 Tax

(a) The Borrowers must pay any Tax, other than an Excluded Tax in respect of the Lender, which is payable in respect of a Transaction Document (including in respect of the execution, delivery, performance, release, discharge, amendment or enforcement of a Transaction Document).

(b) The Borrowers must pay any fine, penalty or other cost in respect of a failure to pay any Tax described in clause 12.1(a) except to the extent that the fine, penalty or other cost is caused by the Lender's failure to lodge money received from the Borrower within 5 Business Days before the due date for lodgement.

(c) Each Borrower indemnifies the Lender against any amount payable under clause 12.1(a) or (b).

12.2 Costs and expenses

The Borrowers must pay all costs and expenses of the Lender in relation to:

(a) the negotiation, preparation, execution, delivery, stamping, registration, completion, variation and discharge of any Transaction Document, provided that those costs and expenses are reasonable;

(b) the enforcement, protection or waiver of any rights under any Transaction Document;

(c) the consent or approval of the Lender given under any Transaction Document, provided that those costs and expenses are reasonable; and

(d) any enquiry by a Government Agency involving a Transaction Party,

including any legal costs and expenses and any professional consultant's fees on a full indemnity basis, subject, in the case of costs and expenses arising under clause 12.2(a) or 12.2(c) only, to any maximum amount for such costs, expenses and fees agreed between the Lender and Sims.

12.3 GST

(a) If GST is or will be imposed on a supply made under or in connection with a Transaction Document by a Lender, the Lender may, to the extent that the consideration otherwise provided for that supply is not stated to include an amount in respect of GST on the supply:

(1) increase the consideration otherwise provided for that supply under the Transaction Document by the amount of that GST; or

(2) otherwise recover from the recipient of the supply the amount of that GST.

(b) The Lender must issue a Tax Invoice to the recipient of the supply no later than 5 Business Days after payment to the Lender of the GST inclusive consideration for that supply.

(c) Where under a Transaction Document a Transaction Party is required to reimburse or indemnify for an amount, that Transaction Party will pay the relevant amount (including any sum in respect of GST) less any GST input tax credit the relevant Lender is entitled to claim in respect of that amount.

13 Assignment and substitution

13.1 Assignment by Transaction Party

A Transaction Party must not assign or novate any of its rights or obligations under a Transaction Document of a Lender without the Lender's prior written consent.

13.2 Assignment by Lender

The Lender may assign or novate any of its rights and obligations under a Transaction Document of that Lender to any person if:

(a) any necessary prior Authorisation is obtained;

(b) where the Lender is novating any of its rights and obligations under a Transaction Document:

(1) the Borrower gives its prior consent to the novation which consent must not be unreasonably withheld and is deemed given if no response is received within 15 days of a request for consent;

(2) an Event of Default subsists; or

(3) the novation is to a Related Body Corporate of the Lender; and

(c) the proposed assignee or novatee becomes a party to this deed as a New Lender by executing a Lender Accession Deed in accordance with clause 14.

13.3 Assist

Each party must do any thing which a Lender reasonably requests including, executing any documents or amending any Transaction Document of that Lender (other than this deed), to effect any transfer, assignment, novation or substitution under this clause 13.

13.4 Securitisation permitted

(a) A Lender may, without having to obtain the consent of or notify a Transaction Party, assign, transfer, sub-participate or otherwise deal with any of its rights under a Transaction Document to a trustee of a trust, a company or any other entity which in each case is established for the purposes of securitisation (**Securitisation Dealing**) provided that the Lender remains the Lender on record.

(b) Despite any Securitisation Dealing by a Lender:

(1) the Lender must continue to perform all its obligations under this deed; and

(2) any amount paid by the Transaction Party to the Lender will satisfy the Transaction Party's obligation to make that payment until the Transaction Party is given notice by the Lender of the Securitisation Dealing and directed by the Lender to pay any amount payable by the Transaction Party under this deed to the relevant assignee, transferee or sub-participant.

13.5 Participation permitted

The Lender may grant a participation interest (being a right to share in the financial benefits of this deed, without any rights against a Transaction Party) in any of the Lender's rights and benefits under the Transaction Documents of that Lender to any other person without having to obtain the consent of or to notify a Transaction Party.

13.6 Lending Office

(a) The Lender may change its Lending Office at any time.

(b) The Lender must promptly notify Sims of the change.

13.7 No increase in costs

If a Lender assigns or novates any of its rights or obligations under any Transaction Document or changes its Lending Office, no Transaction Party is required to pay any net increase in the aggregate amount of costs, Taxes, fees or charges which is a direct consequence of the transfer or assignment or change of Lending Office.

14 New Lenders and Additional Transaction Parties

14.1 New Lenders

A bank or other financial institution which is not an Original Lender may become a Lender for the purposes of this deed by entering into a duly completed and executed Lender Accession Deed with Sims (on behalf of itself and each other Transaction Party).

14.2 Retired Lenders

A Lender will no longer be bound by the Transaction Documents of that Lender immediately upon notification by the Lender to Sims that all obligations of the Transaction Parties to the Lender have been discharged and released.

14.3 Additional Borrowers

Sims may request that any of its wholly owned Subsidiaries becomes an Additional Borrower in respect of a Lender. That Subsidiary shall become an Additional Borrower in respect of that Lender if:

(a) the Lender approves the addition of that Subsidiary as an Additional Borrower;

(b) Sims delivers to the Lender a duly completed and executed Accession Deed for the accession of that Subsidiary as an Additional Guarantor and Additional Borrower;

(c) Sims confirms that no Default is continuing or would occur as a result of that Subsidiary becoming an Additional Guarantor and Additional Borrower; and

(d) the Lender has received all of the documents and other evidence listed in Schedule 5 in relation to that Additional Borrower, each in form and substance satisfactory to it.

14.4 Additional Guarantors

Sims may request that any of its wholly owned Subsidiaries become an Additional Guarantor in respect of a Lender. That Subsidiary shall become an Additional Guarantor in respect of that Lender if:

(a) Sims delivers to the Lender an original counterpart of a duly completed and executed Accession Deed; and

(b) Sims confirms that no Default is continuing or would occur as a result of that Subsidiary becoming an Additional Guarantor; and

(c) the Lender has received all of the documents and other evidence listed in Schedule 5 in relation to that Additional Guarantor, each in form and substance satisfactory to it.

14.5 Repetition of Representations

Delivery of an Accession Deed to a Lender constitutes confirmation by the relevant Subsidiary that the representations and warranties in the Transaction Documents of that Lender are true and correct in relation to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

15 Representatives

15.1 Lender as agent or trustee

If a Lender or any other person acts as an agent or trustee (**Facility Agent**) on behalf of any other Lenders in respect of any Transaction Document then as between the Facility Agent and those Lenders and the Transaction Parties in relation to, but subject to the terms of, those Transaction Documents:

(a) any information, consent, approval, waiver, variation or notice under this deed that is able or required to be given:

(1) by one or more of those Lenders shall be given only by the Facility Agent on behalf of those Lenders; and

(2) to one or more of those Lenders may be given to the Facility Agent on behalf of those Lenders (and if given to the Facility Agent is regarded as given to each such Lender);

(b) without limiting clause 15.1(a), any notice provided for in this deed relating to or given consequent upon a breach or default or Event of Default under a Transaction Document to which those Lenders are party shall only be given by the Facility Agent on behalf of those Lenders; and

(c) each Transaction Party may assume, without the necessity for enquiry, that the Facility Agent is duly appointed and that anything done or purported to be done by the Facility Agent under a Transaction Document to which those Lenders are party has been authorised by the requisite Lender or Lenders under those Transaction Documents.

15.2 Transaction Parties' agent

(a) All communications under the Transaction Documents to and from the Transaction Parties may be sent to or by Sims.

(b) Each Transaction Party (other than Sims) by its execution of this deed or an Accession Deed irrevocably appoints Sims to act on its behalf as its agent and attorney in relation to the Transaction Documents and irrevocably authorises:

(1) Sims on its behalf to supply all information concerning itself contemplated by this deed to any Lender;

(2) Sims on its behalf to give and receive all notices and instructions under the Transaction Documents;

(3) Sims on its behalf to agree and sign all documents under or in connection with the Transaction Documents (including any Accession Deed, Lender Accession Deed or amendment, supplement or variation to any Transaction Document) without further reference to or the consent of that Transaction Party; and

(4) each Lender to give any notice, demand or other communication to that Transaction Party pursuant to the Transaction Documents to Sims,

and in each case the Transaction Party will be bound by any act of Sims under this clause 15.2.

16 Saving provisions

16.1 No merger of security

(a) Nothing in this deed merges, extinguishes, postpones, lessens or otherwise prejudicially affects:

(1) any Encumbrance or indemnity in favour of the Lender; or

(2) any Power.

(b) No other Encumbrance or Transaction Document which the Lender has the benefit of in any way prejudicially affects any Power.

16.2 Exclusion of moratorium

To the extent not excluded by law, a provision of any legislation which directly or indirectly:

(a) lessens, varies or affects in favour of a Transaction Party any obligations under a Transaction Document; or

(b) stays, postpones or otherwise prevents or prejudicially affects the exercise by the Lender of any Power,

is negatived and excluded from each Transaction Document and all relief and protection conferred on a Transaction Party by or under that legislation is also negatived and excluded.

16.3 Conflict

Where any right, power, authority, discretion or remedy conferred on the Lender or an Attorney by any Transaction Document is inconsistent with the powers conferred by applicable law then, to the extent not prohibited by that law, those conferred by applicable law are regarded as negatived or varied to the extent of the inconsistency.

16.4 Consents

(a) Whenever the doing of any thing by a Transaction Party is dependent on the consent of the Lender, the Lender may withhold its consent or give it conditionally or unconditionally in its absolute discretion, unless expressly stated otherwise in a Transaction Document.

(b) Any conditions imposed on a Transaction Party by the Lender under clause 16.4(a) must be complied with by the Transaction Party.

16.5 Principal obligations

This deed and each Collateral Security is:

(a) a principal obligation and is not ancillary or collateral to any other Encumbrance (other than another Collateral Security) or other obligation; and

(b) independent of, and unaffected by, any other Encumbrance or other obligation which the Lender may hold at any time in respect of the Outstanding Moneys.

16.6 Non-avoidance

If any payment by a Transaction Party to the Lender is avoided for any reason including any legal limitation, disability or incapacity of or affecting the Transaction Party or any other thing, and whether or not:

(a) any transaction relating to the Outstanding Moneys was illegal, void or substantially avoided; or

(b) any thing was or ought to have been within the knowledge of the Lender,

the Transaction Party:

(c) as an additional, separate and independent obligation, indemnifies the Lender against that avoided payment; and

(d) acknowledges that any liability of the Transaction Party under the Transaction Documents and any right or remedy of the Lender under the Transaction Documents is the same as if that payment had not been made.

16.7 Set-off authorised

If a Transaction Party does not pay any amount when due and payable by it to the Lender under a Transaction Document, the Lender may:

(a) apply any credit balance in any currency in any account of the Transaction Party with the Lender in or towards satisfaction of that amount; and

(b) effect any currency conversion which may be required to make an application under clause 16.7(a).

16.8 Lender's certificates and approvals

(a) A certificate signed by any Authorised Officer of the Lender in relation to any amount, calculation or payment under any Transaction Document is sufficient evidence of that amount, calculation or payment unless the contrary is proved.

(b) Where any provision of a Transaction Document requires the Lender's approval, that approval will not be effective unless and until it is provided in writing.

16.9 No reliance or other obligations and risk assumption

Each Transaction Party acknowledges and confirms that:

(a) it has not entered into any Transaction Document in reliance on any representation, warranty, promise or statement made by or on behalf of the Lender;

(b) in respect of the transactions evidenced by the Transaction Documents, the Lender has no obligations other than those expressly set out in the Transaction Documents; and

(c) in respect of interest rates or exchange rates, the Lender is not liable for:

(1) any movement in interest rates or exchange rates;

(2) any information, advice or opinion provided by the Lender or any person on behalf of the Lender, even if provided at the request of a Transaction Party (it being acknowledged by each Transaction Party that such matters are inherently speculative);

(3) any information, advice or opinion provided by the Lender or any person on behalf of the Lender, even if relied on by a Transaction Party; or

(4) any information, advice or opinion provided by the Lender or any person on behalf of the Lender, even if provided incorrectly or negligently.

16.10 Power of attorney

(a) For consideration received, each Transaction Party irrevocably appoints the Lender and each Authorised Officer of the Lender as the attorney of the Transaction Party to:

(1) execute and deliver all documents; and

(2) do all things,

which are necessary or desirable to give effect to each Transaction Document.

(b) An attorney appointed under clause 16.10(a) may appoint a substitute attorney to perform any of its powers.

(c) An Attorney appointed under clause 16.10(a) may only exercise any of its powers under this clause 16.10 whilst an Event of Default is subsisting.

17 General

17.1 Confidential information

The Lender must not disclose to any person:

(a) any Transaction Document; or

(b) any information about any Transaction Party,

except:

(c) in connection with a permitted assignment, novation, participation or securitisation under clause 13, or a proposed permitted assignment, novation, participation or securitisation under clause 13, where the disclosure is made on the basis that the recipient of the information will comply with this clause 17.1 in the same way that the Lender is required to do;

(d) to any professional or other adviser consulted by it in relation to any of its rights or obligations under the Transaction Documents;

(e) to the Reserve Bank of Australia, the Australian Tax Office or any Government Agency requiring disclosure of the information;

(f) in connection with the enforcement of its rights under the Transaction Documents;

(g) where the information is already in the public domain, or where the disclosure would not otherwise breach any duty of confidentiality;

(h) if required by law; or

(i) otherwise with the prior written consent of the relevant Transaction Party (such consent not to be unreasonably withheld).

17.2 Transaction Party to bear cost

Any thing which must be done by a Transaction Party under any Transaction Document, whether or not at the request of the Lender, must be done at the cost of the Transaction Party.

17.3 Dispute Resolution

(a) If an Issue or a circumstance that is reasonably likely to result in a Issue, arises Sims and the Lender must not commence any court proceedings relating to the Issue unless it has complied with the provisions of this clause 17.3, except to seek urgent interlocutory relief.

(b) If Sims or the Lender become aware of an Issue or a circumstance that is reasonably likely to result in an Issue, it must promptly notify the other (**Initial Notice**), and if the Issue is not resolved within ten (10) Business Days from the date that of that Initial Notice, (excluding the date of that Initial Notice) (or such other period as agreed to in writing between Sims and the Lender), then either Sims or the Lender may give a written notice to the other specifying the nature and details of the Issue (**Notification**).

(c) If an Issue is resolved within ten (10) Business Days from the date on which Initial Notice is provided (excluding the date on which Initial Notice is given) (or such other period as agreed to in writing between Sims and the Lender), Sims and the Lender must exchange written acknowledgement of such resolution prior to the end of the ten (10) Business Day period.

(d) Once a Notification of an Issue is given in accordance with clause 17.3(b), a Dispute is taken to have arisen. If no Notification is given in accordance with clause 17.3(b) or the Issue is resolved and written acknowledgement has been exchanged between Sims and the Lender in accordance with clause 17.3(c), a Dispute will not be taken to have arisen in relation to any Issue and the provisions of this clause 17.3 will no longer apply. If the provisions of this clause 17.3 no longer apply as a result of the failure of either Sims or the Lender to give a Notification, the matter or thing asserted by either Sims or the Lender which gave rise to the Issue will be disregarded.

(e) If Sims and the Lender do not resolve a Dispute within ten (10) Business Days after the Notification is given (excluding the date on which the Notification is given) (or such other period as agreed to in writing between Sims and the Lender) either Sims or the Lender may submit the Dispute to expert determination.

(f) If the Dispute is to be referred to expert determination under clause 17.3(e):

(1) both Sims and the Lender may nominate an independent expert with relevant expertise in accounting, legal and commercial matters to act as expert and submit this nomination to the other within the earlier of twelve (12) Business Days after the Notification is given (excluding the date on which the Notification is given), or two (2) Business Days following a decision by Sims and the Lender to submit the Dispute to expert determination (excluding the date on which that decision is reached) (or such other period as agreed to in writing between Sims and the Lender);

(2) if only the Lender or only Sims nominates an expert by the time specified in, and otherwise in accordance with, clause 17.3(f)(1), the nominated expert will be taken to have been agreed to by both Sims and the Lender and that expert will be validly appointed;

(3) if Sims and the Lender do not agree on the appointment of an expert within three (3) Business Days after both expert nominations have been submitted (excluding the date on which both nominations have been submitted), the matter will be referred to the President of the Institute of Chartered Accountants of Australia who will nominate an expert to determine the Dispute and both Sims and the Lender will accept this nomination;

(4) where Sims is engaged in a dispute with any of its other lenders (which have adopted a dispute resolution clause in substantially the same form as this clause 17.3) in relation to the same subject matter as a Dispute or Issue between Sims and the Lender, the Lender agrees to the common appointment of an expert to resolve the disputes simultaneously and an expert appointed in these circumstances can only be appointed if the expert accepts a common appointment;

(5) the terms of the expert's retainer must provide that in resolving the Dispute the expert will, to the extent relevant, be subject to the then current ACDC Guidelines for Expert Determination, and will use all reasonable endeavours to ensure that if a Dispute relates to a current Calculation Period a decision is reached prior to the Calculation Date for that Calculation Period;

(6) the terms of the expert's retainer must provide that the expert must provide a decision as soon as reasonably practicable and in any event no later than the five (5) Business Days from the date of referral (excluding the date of referral) (or such other period as agreed to in writing between Sims and the Lender);

(7) the decision of the expert is final and binding on the Lender and the Transaction Parties except in the case of manifest error; and

(8) if, for any reason:

(A) an expert is not appointed within five (5) Business Days of the expert appointment decision being referred to the President of the Institute of Chartered Accountants of Australia (excluding the date on which the matter is referred); or

(B) the appointed expert provides Sims and the Lender with written confirmation that the expert is unable to reach a decision in relation to the Dispute,

the provisions of this clause 17.3 will no longer apply to the Dispute and each of Sims and the Lender may:

(C) commence court proceedings; and/or

(D) pursue any other remedies that are available to the relevant party,

in relation to the matter or thing forming the subject matter of the Dispute.

(g) If a Dispute or Issue first arises prior to the end of a Calculation Period and is not resolved in accordance with this clause 17.3 by the end of that Calculation Period, Sims and the Lender agree to use reasonable endeavours to resolve the Dispute or Issue as soon as possible following the relevant Calculation Date and in any event no later than 30 Business Days following Sims and the Lender first becoming aware of the Issue or

Dispute (excluding the date on which both Sims and the Lender first become aware of the Issue or Dispute) (or such other period as agreed to in writing between Sims and the Lender).

(h) The Lender agrees that, prior to the resolution of the Dispute or Issue in accordance with the provisions of this clause 17.3, or the termination of the dispute resolution process as contemplated by clause 17.3(f)(8), the subject matter of any Dispute or Issue may not be taken into account in determining whether Sims is in breach of any of the financial undertakings contained in clause 4.17 of this deed that require EBITDA to be calculated.

(i) Sims must bear the costs of complying with this clause 17.3 and comply with the obligations under the Transaction Documents during the dispute resolution process contained in this clause 17.3.

(j) In acting under the provisions of this clause 17.3 Sims and the Lender must at all times use reasonable endeavours to resolve any Dispute or Issue.

(k) Each Transaction Party represents and warrants for the benefit of each Lender that each Other Bank Document that requires or contemplates adjustments to EBITDA, contains a dispute resolution clause in substantially the same form as this clause 17.3.

17.4 Notices

(a) Any notice or other communication including, any request, demand, consent or approval, to or by a party to any Transaction Document must be in legible writing and in English addressed to the party in accordance with its details set out below in respect of any Transaction Party and in Schedule 1 with respect to a Lender or as specified to the sender by the party by notice.

Notices to a Transaction Party:

Address:	Level 12, Suite 1202 65 Berry Street North Sydney NSW 2060
Fax no:	+61 2 9956 9101
Email address:	frank.moratti@simsmm.com
Department/officer:	Frank Moratti Company Secretary

(b) If the sender is a company, any such notice or other communication must be signed by an Authorised Officer of the sender.

(c) Any such notice or other communication is regarded as being given by the sender and received by the addressee:

(1) if by delivery in person, when delivered to the addressee;

(2) if by post, on delivery to the addressee; or

(3) if by facsimile, when received by the addressee in legible form,

but if the delivery or receipt is on a day which is not a Business Day or is after 4.00pm (addressee's time) it is regarded as received at 9.00am on the following Business Day.

(d) Any such notice or other communication can be relied on by the addressee and the addressee is not liable to any other person for any consequences of that reliance if the addressee believes it to be genuine, correct and authorised by the sender.

(e) A facsimile transmission is regarded as legible unless the addressee telephones the sender within 2 hours after the transmission is received or regarded as received under clause 17.4(c) and informs the sender that it is not legible.

17.5 Governing law and jurisdiction

(a) This deed is governed by the laws of New South Wales.

(b) Each Transaction Party irrevocably submits to the non-exclusive jurisdiction of the courts of New South Wales.

(c) Each Transaction Party irrevocably waives any objection to the venue of any legal process on the basis that the process has been brought in an inconvenient forum.

(d) Each Transaction Party irrevocably waives any immunity in respect of its obligations under this deed that it may acquire from the jurisdiction of any court or any legal process for any reason including the service of notice, attachment before judgment, attachment in aid of execution or execution.

(e) Each Transaction Party (other than Sims) irrevocably appoints Sims in relation to proceedings in New South Wales as its agent to receive service of any legal process on its behalf without excluding any other means of service permitted by the law of New South Wales and Sims irrevocably accepts that appointment.

17.6 Prohibition and enforceability

(a) Any provision of, or the application of any provision of, any Transaction Document or any Power which is prohibited in any jurisdiction is, in that jurisdiction, ineffective only to the extent of that prohibition.

(b) Any provision of, or the application of any provision of, any Transaction Document which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.

17.7 Waivers

(a) Waiver of any right arising from a breach of this deed or of any Power arising on default under this deed or on the occurrence of an Event of Default must be in writing and signed by the party granting the waiver.

(b) A failure or delay in exercise, or partial exercise, of:

(1) a right arising from a breach of this deed or the occurrence of an Event of Default; or

(2) a Power created or arising on default under this deed or on the occurrence of an Event of Default,

does not result in a waiver of that right or Power.

(c) A party is not entitled to rely on a delay in the exercise or non-exercise of a right or Power arising from a breach of this deed or on a default under this deed or on the occurrence of an Event of Default as constituting a waiver of that right or Power.

(d) A party may not rely on any conduct of another party as a defence to exercise of a right or Power by that other party.

(e) This clause may not itself be waived except in writing.

17.8 Variation

A variation of any term of this deed must be in writing and signed by each Transaction Party and each Lender.

17.9 Cumulative rights

The Powers are cumulative and do not exclude any other right, power, authority, discretion or remedy of the Lender or Attorney.

17.10 Counterparts

(a) This deed may be executed in any number of counterparts.

(b) All counterparts, taken together, constitute one instrument.

(c) A party may execute this deed by signing any counterpart.

17.11 Attorneys

Each of the attorneys executing this deed states that the attorney has no notice of the revocation of the power of attorney appointing that attorney.

Table of contents

Parties **68**
Part 1 — Original Borrowers **68**
Part 2 — Original Guarantors **75**
Part 3 — Original Lenders **81**
Verification certificate **83**
Compliance Certificate **86**
Conditions Precedent **88**
Additional Guarantor or Additional Borrower Accessions Conditions Precedent **89**

Parties

Clause 1.2 (Definitions)

Part 1 — Original Borrowers

Name	ABN/ACN/ARBN	Jurisdiction of incorporation / registration / organisation	Unless otherwise indicated below, all Original Borrowers are Borrowers under the Transaction Documents of each Original Lender
Sims Metal Management Limited	69 114 838 630	Australia	Not a Borrower under the Transaction Documents with: 1 Bank of America, N.A.; and 2 The Hongkong and Shanghai Banking Corporation Limited.
Sims Group Australia Holdings Limited	37 008 634 526	Australia	Not a Borrower under the Transaction Documents with: 1 Bank of America, N.A.; and 2 The Hongkong and Shanghai Banking Corporation Limited.
Sims Aluminium Pty Limited	93 004 370 905	Australia	Not a Borrower under the Transaction Documents with: 1 Bank of America, N.A.; 2 HSBC Bank Australia Limited; 3 HSBC Bank plc; 4 HSBC Bank USA,

Name	ABN/ACN/ARBN	Jurisdiction of incorporation / registration / organisation	Unless otherwise indicated below, all Original Borrowers are Borrowers under the Transaction Documents of each Original Lender
			National Association; 5 The Hongkong and Shanghai Banking Corporation Limited; 6 National Australia Bank Limited; and 7 Westpac Banking Corporation.
Sims Group UK Limited	3242331	United Kingdom	Not a Borrower under the Transaction Documents with: 1 Bank of America, N.A.; and 2 The Hongkong and Shanghai Banking Corporation Limited.
Sims Group UK Holdings Limited	2904307	United Kingdom	Not a Borrower under the Transaction Documents with: 1 Bank of America, N.A.; 2 The Hongkong and Shanghai Banking Corporation Limited.
Mirec B.V.	17073024	The Netherlands	Not a Borrower under the Transaction Documents with: 1 Bank of America, N.A.; and 2 The Hongkong and Shanghai Banking Corporation Limited.
Sims Metal Management Asia Limited (previously known as Sims Asia Holdings Limited)	N/A	Hong Kong	Not a Borrower under the Transaction Documents with: 1 Bank of America, N.A.; 2 Commonwealth Bank of Australia; 3 National Australia Bank Limited; and 4 Westpac Banking Corporation.

Name	ABN/ACN/ARBN	Jurisdiction of incorporation / registration / organisation	Unless otherwise indicated below, all Original Borrowers are Borrowers under the Transaction Documents of each Original Lender
Sims Recycling Solutions AB	N/A	Sweden	Not a Borrower under the Transaction Documents with: 1 Bank of America, N.A.; 2 HSBC Bank Australia Limited; 3 HSBC Bank plc; 4 HSBC Bank USA, National Association; and 5 The Hongkong and Shanghai Banking Corporation Limited
Sims Group USA Corporation	N/A	Delaware	A Not a Borrower under the Transaction Documents with The Hongkong and Shanghai Banking Corporation Limited.
Sims Group Global Trade Corporation	N/A	Delaware	Not a Borrower under the Transaction Documents with: 1 HSBC Bank Australia Limited; 2 HSBC Bank USA, National Association; and 3 The Hongkong and Shanghai Banking Corporation Limited.
North Carolina Resource Conservation, LLC	N/A	North Carolina	Not a Borrower under the Transaction Documents with: 1 Bank of America, N.A.' 2 HSBC Bank Australia Limited; 3 HSBC Bank plc; 4 HSBC Bank USA, National Association; and 5 The Hongkong and Shanghai Banking Corporation Limited.

Name	ABN/ACN/ARBN	Jurisdiction of incorporation / registration / organisation	Unless otherwise indicated below, all Original Borrowers are Borrowers under the Transaction Documents of each Original Lender
Sims Group USA Holdings Corporation	N/A	Delaware	Not a Borrower under the Transaction Documents with: 1 HSBC Bank Australia Limited; 2 HSBC Bank plc; 3 HSBC Bank USA, National Association; and 4 The Hongkong and Shanghai Banking Corporation Limited.
Schiabo Larovo Corporation	N/A	Delaware	Not a Borrower under the Transaction Documents with: 1 Bank of America, N.A.; 2 HSBC Bank Australia Limited; 3 HSBC Bank plc; 4 HSBC Bank USA, National Association; and 5 The Hongkong and Shanghai Banking Corporation Limited.
Simsmetal East LLC	N/A	Delaware	Not a Borrower under the Transaction Documents with: 1 HSBC Bank Australia Limited; 2 HSBC Bank plc; 3 HSBC Bank USA, National Association; and 4 The Hongkong and Shanghai Banking Corporation Limited.N/A
Simsmetal West LLC	N/A	Delaware	Not a Borrower under the Transaction Documents with: 1 HSBC Bank Australia Limited; 2 HSBC Bank plc; 3 HSBC Bank USA, National Association; and 4 The Hongkong and Shanghai Banking Corporation Limited.N/A

Name	ABN/ACN/ARBN	Jurisdiction of incorporation / registration / organisation	Unless otherwise indicated below, all Original Borrowers are Borrowers under the Transaction Documents of each Original Lender
Metal Management, Inc.	N/A	Delaware	Not a Borrower under the Transaction Documents with The Hongkong and Shanghai Banking Corporation Limited.
Metal Management Alabama, Inc.	N/A	Delaware	Not a Borrower under the Transaction Documents with The Hongkong and Shanghai Banking Corporation Limited.
Metal Management Arizona, L.L.C.	N/A	Arizona	Not a Borrower under the Transaction Documents with The Hongkong and Shanghai Banking Corporation Limited.
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)	N/A	Delaware	Not a Borrower under the Transaction Documents with The Hongkong and Shanghai Banking Corporation Limited.
Metal Management Memphis, L.L.C.	N/A	Tennessee	Not a Borrower under the Transaction Documents with The Hongkong and Shanghai Banking Corporation Limited.
Metal Management Midwest, Inc.	N/A	Illinois	Not a Borrower under the Transaction Documents with The Hongkong and Shanghai Banking Corporation Limited.
Metal Management Mississippi, Inc.	N/A	Delaware	Not a Borrower under the Transaction Documents with The Hongkong and Shanghai Banking Corporation Limited.

Name	ABN/ACN/ARBN	Jurisdiction of incorporation / registration / organisation	Unless otherwise indicated below, all Original Borrowers are Borrowers under the Transaction Documents of each Original Lender
Metal Management Northeast, Inc.	N/A	New Jersey	Not a Borrower under the Transaction Documents with The Hongkong and Shanghai Banking Corporation Limited.
Metal Management Ohio, Inc.	N/A	Ohio	Not a Borrower under the Transaction Documents with The Hongkong and Shanghai Banking Corporation Limited.
Metal Management West, Inc.	N/A	Colorado	Not a Borrower under the Transaction Documents with The Hongkong and Shanghai Banking Corporation Limited.
Proler Southwest LP	N/A	Texas	Not a Borrower under the Transaction Documents with The Hongkong and Shanghai Banking Corporation Limited.
Metal Dynamics Detroit LLC	N/A	Delaware	Not a Borrower under the Transaction Documents with The Hongkong and Shanghai Banking Corporation Limited.
Sims Recycling Solutions Holdings Inc. (formerly known as Sims Recycling Solutions, Inc.)	N/A	Illinois	Not a Borrower under the Transaction Documents with The Hongkong and Shanghai Banking Corporation Limited.
Sims Recycling Solutions, Inc. (formerly known as United Refining & Smelting Co)	N/A	Illinois	Not a Borrower under the Transaction Documents with: 1 Bank of America, N.A.; and 2 The Hongkong and Shanghai Banking Corporation Limited.
HNE Recycling LLC	N/A	Delaware	Only a Borrower under the Transaction Documents with Bank of America, N.A.
HNW Recycling LLC	N/A	Delaware	Only a Borrower under the Transaction Documents with Bank of America, N.A.

Name	ABN/ACN/ARBN	Jurisdiction of incorporation / registration / organisation	Unless otherwise indicated below, all Original Borrowers are Borrowers under the Transaction Documents of each Original Lender
MM Metal Dynamics Holdings, Inc.	N/A	Delaware	Only a Borrower under the Transaction Documents with Bank of America, N.A.
SMM — North America Trade Corporation (formerly known as Metal Management S&A Holdings, Inc.)	N/A	Delaware	Only a Borrower under the Transaction Documents with Bank of America, N.A.
Metal Management West Coast Holdings, Inc.	N/A	Delaware	Only a Borrower under the Transaction Documents with Bank of America, N.A.
Metal Management Proler Southwest, Inc.	N/A	Delaware	Only a Borrower under the Transaction Documents with Bank of America, N.A.
Proler Southwest GP, Inc.	N/A	Delaware	Only a Borrower under the Transaction Documents with Bank of America, N.A.
Naporano Iron & Metal, Inc.	N/A	Delaware	Only a Borrower under the Transaction Documents with Bank of America, N.A.
Metal Management New Haven, Inc.	N/A	Delaware	Only a Borrower under the Transaction Documents with Bank of America, N.A.
CIM Trucking, Inc.	N/A	Illinois	Only a Borrower under the Transaction Documents with Bank of America, N.A.
Metal Management Indiana, Inc.	N/A	Illinois	Only a Borrower under the Transaction Documents with Bank of America, N.A.
Metal Management Pittsburgh, Inc.	N/A	Delaware	Only a Borrower under the Transaction Documents with Bank of America, N.A.
New York Recycling Ventures, Inc.	N/A	Delaware	Only a Borrower under the Transaction Documents with Bank of America, N.A.

Name	ABN/ACN/ARBN	Jurisdiction of incorporation / registration / organisation	Unless otherwise indicated below, all Original Borrowers are Borrowers under the Transaction Documents of each Original Lender
Reserve Iron & Metal Limited Partnership	N/A	Delaware	Only a Borrower under the Transaction Documents with Bank of America, N.A.
Metal Dynamics LLC	N/A	Delaware	Only a Borrower under the Transaction Documents with Bank of America, N.A.
TH Properties LLC (formerly known as Metal Dynamics Indianapolis LLC)	N/A	Delaware	Only a Borrower under the Transaction Documents with Bank of America, N.A.
Sims M+R GmbH	N/A	Germany	Only a Borrower under the Transaction Documents with: 1 HSBC Bank Australia Limited; 2 HSBC Bank plc; and 3 HSBC Bank USA, National Association.
Sims Group German Holdings GmbH	N/A	Germany	Only a Borrower under the Transaction Documents with: 1 HSBC Bank Australia Limited; 2 HSBC Bank plc; and 3 HSBC Bank USA, National Association.

Part 2 — Original Guarantors

Name	ABN/ACN/ARBN	Jurisdiction of incorporation/registration	Unless otherwise indicated below, all Original Guarantors are Guarantors in respect of each Original Lender's Transaction Documents
Sims Group Australia Holdings Limited	37 008 634 526	Australia	Guarantor in respect of each Original Lender.

Name	ABN/ACN/ARBN	Jurisdiction of incorporation/registration	Unless otherwise indicated below, all Original Guarantors are Guarantors in respect of each Original Lender's Transaction Documents
Sims Metal Management Limited	69 114 838 630	Australia	Guarantor in respect of each Original Lender.
Simsmetal Holdings Pty Limited	97 000 021 563	Australia	Guarantor in respect of each Original Lender.
Simsmetal Services Pty Limited	76 000 166 987	Australia	Guarantor in respect of each Original Lender.
Simsmetal Properties NSW Pty Limited (formerly known as Sims Manufacturing Pty Limited)	13 004 332 870	Australia	Guarantor in respect of each Original Lender.
Sims Industrial Pty Limited	95 000 090 479	Australia	Guarantor in respect of each Original Lender.
Simsmetal Properties QLD Pty Limited (formerly known as Sims Energy Pty Limited)	42 009 667 752	Australia	Guarantor in respect of each Original Lender.
Sims Aluminium Pty Limited	93 004 370 905	Australia	Guarantor in respect of each Original Lender.
Sims Group UK Limited	3242331	United Kingdom	Guarantor in respect of each Original Lender.
Sims Group UK Holdings Limited	2904307	United Kingdom	Guarantor in respect of each Original Lender.
Mirec B.V.	17073024	The Netherlands	Guarantor in respect of each Original Lender.
Sims Recycling Solutions AB	N/A	Sweden	Guarantor in respect of each Original Lender.
Simsmetal Industries Limited	N/A	New Zealand	Guarantor in respect of each Original Lender.
Sims M+R GmbH	N/A	Germany	Guarantor in respect of each Original Lender.

Name	ABN/ACN/ARBN	Jurisdiction of incorporation/registration	Unless otherwise indicated below, all Original Guarantors are Guarantors in respect of each Original Lender's Transaction Documents
Sims Group German Holdings GmbH	N/A	Germany	Guarantor in respect of each Original Lender.
Sims Metal Management Asia Limited (previously known as Sims Asia Holdings Limited)	N/A	Hong Kong	Guarantor in respect of each Original Lender.
Sims Group Recycling Solutions Canada Ltd.	N/A	Canada	Guarantor in respect of each Original Lender.
Sims Group Canada Holdings Limited	N/A	Canada	Guarantor in respect of each Original Lender.
Sims Group USA Corporation	N/A	Delaware	Guarantor in respect of each Original Lender.
Sims Group Global Trade Corporation	N/A	Delaware	Guarantor in respect of each Original Lender.
North Carolina Resource Conservation, LLC	N/A	North Carolina	Guarantor in respect of each Original Lender.
Sims Group USA Holdings Corporation	N/A	Delaware	Guarantor in respect of each Original Lender.
SHN Co., LLC	N/A	Delaware	Guarantor in respect of each Original Lender.
HNE Recycling LLC	N/A	Delaware	Guarantor in respect of each Original Lender.
HNW Recycling LLC	N/A	Delaware	Guarantor in respect of each Original Lender.
Schiabo Larovo Corporation	N/A	Delaware	Guarantor in respect of each Original Lender.
Simsmetal East LLC	N/A	Delaware	Guarantor in respect of each Original Lender.
Simsmetal East LLC	N/A	Delaware	Guarantor in respect of each Original Lender.
Simsmetal West LLC	N/A	Delaware	Guarantor in respect of each Original Lender.

Name	ABN/ACN/ARBN	Jurisdiction of incorporation/registration	Unless otherwise indicated below, all Original Guarantors are Guarantors in respect of each Original Lender's Transaction Documents
Sims Recycling Solutions Holdings Inc. (formerly Sims Recycling Solutions, Inc.)	N/A	Illinois	Guarantor in respect of each Original Lender.
Sims Recycling Solutions, Inc. (formerly United Refining & Smelting Co)	N/A	Illinois	Guarantor in respect of each Original Lender.
Metal Management, Inc.	N/A	Delaware	Guarantor in respect of each Original Lender.
CIM Trucking, Inc.	N/A	Illinois	Guarantor in respect of each Original Lender.
Metal Management Alabama, Inc.	N/A	Delaware	Guarantor in respect of each Original Lender.
Metal Management Arizona, L.L.C.	N/A	Arizona	Guarantor in respect of each Original Lender.
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)	N/A	Delaware	Guarantor in respect of each Original Lender.
Metal Management Indiana, Inc.	N/A	Illinois	Guarantor in respect of each Original Lender.
Metal Management Memphis, L.L.C.	N/A	Tennessee	Guarantor in respect of each Original Lender.
Metal Management Midwest, Inc.	N/A	Illinois	Guarantor in respect of each Original Lender.

Name	ABN/ACN/ARBN	Jurisdiction of incorporation/registration	Unless otherwise indicated below, all Original Guarantors are Guarantors in respect of each Original Lender's Transaction Documents
Metal Management Mississippi, Inc.	N/A	Delaware	Guarantor in respect of each Original Lender.
Metal Management New Haven, Inc.	N/A	Delaware	Guarantor in respect of each Original Lender.
Metal Management Northeast, Inc.	N/A	New Jersey	Guarantor in respect of each Original Lender.
Metal Management Ohio, Inc.	N/A	Ohio	Guarantor in respect of each Original Lender.
Metal Management Pittsburgh, Inc.	N/A	Delaware	Guarantor in respect of each Original Lender.
Metal Management Proler Southwest, Inc.	N/A	Delaware	Guarantor in respect of each Original Lender.
SMM – North America Trade Corporation (formerly known as Metal Management S&A Holdings, Inc.)	N/A	Delaware	Guarantor in respect of each Original Lender.
Metal Management West Coast Holdings, Inc.	N/A	Delaware	Guarantor in respect of each Original Lender.
Metal Management West, Inc.	N/A	Colorado	Guarantor in respect of each Original Lender.
MM Metal Dynamics Holdings, Inc.	N/A	Delaware	Guarantor in respect of each Original Lender.
Naporano Iron & Metal, Inc.	N/A	Delaware	Guarantor in respect of each Original Lender.
New York Recycling Ventures, Inc.	N/A	Delaware	Guarantor in respect of each Original Lender.

Name	ABN/ACN/ARBN	Jurisdiction of incorporation/registration	Unless otherwise indicated below, all Original Guarantors are Guarantors in respect of each Original Lender's Transaction Documents
Proler Southwest GP, Inc.	N/A	Delaware	Guarantor in respect of each Original Lender.
Proler Southwest LP	N/A	Texas	Guarantor in respect of each Original Lender.
Reserve Iron & Metal Limited Partnership	N/A	Delaware	Guarantor in respect of each Original Lender.
Metal Dynamics LLC	N/A	Delaware	Guarantor in respect of each Original Lender.
Metal Dynamics Detroit LLC	N/A	Delaware	Guarantor in respect of each Original Lender.
TH Properties LLC (formerly known as Metal Dynamics Indianapolis LLC)	N/A	Delaware	Guarantor in respect of each Original Lender.
Sims Municipal Recycling of New York LLC	N/A	Delaware	Guarantor in respect of each Original Lender.
Port Albany Ventures LLC	N/A	Delaware	Guarantor in respect of each Original Lender.
Metal Management Aerospace, Inc.	N/A	Delaware	Guarantor in respect of each Original Lender.

Part 3 – Original Lenders

Name	Registered number	Address and service details
Bank of America, N.A.	N/A	**Address:** 800 5th Avenue – FL 36, Seattle, WA 98104, United States of America **Attention:** Tim Holsapple **Facsimile:** +1 206 358 3971
Commonwealth Bank of Australia	ABN 48 123 123 124	**Address:** 201 Sussex Street, Darling Park Tower 1, Sydney, New South Wales 2000, Australia **Attention:** Senior Vice President, Institutional Banking & Markets. **Facsimile:** 61 2 9118 4003
HSBC Bank Australia Limited	ABN 48 006 434 162	**Address:** Level 31, 580 George Street Sydney New South Wales 2000, Australia **Attention:** Greg Davey **Facsimile:** +61 2 9006 5777
HSBC Bank plc	14259	**Address**: City Corporate Banking Centre, 60 Queen Victoria Street, London, EC4N 4TR **Attention**: Simon Adcock **Facsimile**: +44 8455 878676
HSBC Bank USA, National Association	N/A	**Address**: 452 Fifth Avenue, New York, New York 10018 USA **Attention**: Randolph Cates **Facsimile**: +1 212 525 5257
The Hongkong and Shanghai Banking Corporation Limited	ABN 65 117 925 970	**Address**: Level 10, 1 Queens Road, Central Hong Kong **Attention**: Jaron Campbell **Facsimile**: +852 2840 0457

Name	Registered number	Address and service details
National Australia Bank Limited	ABN 12 004 044 937	**Address**: Level 24 255 George Street Sydney NSW 2000 Australia **Attention**: +61 2 9237 1888 **Facsimile**: Director, Industrials
Westpac Banking Corporation	ABN 33 007 457 141	**Address**: Level 3, 275 Kent Street Sydney NSW 2000 Australia **Attention**: Jeroen Nanninga **Facsimile**: +61 2 8254 8999

Verification certificate

[To be signed by a director of the relevant company, or in the case of a corporation or entity incorporated or organised under the laws of a state of the United States of America, by an officer of that entity.]

To: [ ] (**Lender**)

Verification Certificate

I refer to the Common Terms Deed dated **[ ]** (**Common Terms Deed**) between Sims Metal Management Limited (as **Sims**), each party listed in Part 1 of Schedule 1 of that deed as Original Borrowers, each party listed in Part 2 of Schedule 1 of that deed as Original Guarantors and the persons listed in Part 3 of Schedule 1 of that deed as Original Lenders.

Capitalised terms in this certificate have the meaning given in the Common Terms Deed unless otherwise defined herein.

I am a director of [***insert company name***] (the **Company**).

I hereby certify that:

1 Attachments

Attached are true, complete and up-to-date copies (or, where specified below, originals) of the following and there have been no amendments or variations since the date of the copy or original:

(a) **power of attorney**: A power of attorney under which the Company executed the Transaction Documents of the Lender to which it is or will be a party, and, if required by the Lender, evidence of its stamping and registration.

(b) **extract of board minutes**: Extracts of minutes of meeting of directors of the Company which evidences the resolutions:

(1) authorising the execution and delivery of and observance of obligations under the Transaction Documents of the Lender to which it is or will be a party;

(2) authorising the appointment of Authorised Officers of the Company; and

(3) explaining why the directors believe it is in the best interests of the Company

together with any other document which evidences any other necessary corporate or other action of the Company in connection with the Transaction Documents of the Lender to which it is or will be a party;

(c) **extract of Shareholder Minutes**: [Extracts of minutes of a meeting of all members of the Company which evidences the unanimous resolutions of those shareholders authorising

execution and delivery of and observance of obligations under the Transaction Documents of the Lender to which it is a party;] [*to be inserted where shareholder resolutions are required to authorise the Company's execution and performance of the Transaction Documents*]

(d) **certificate of incorporation and constituent documents**: This Verification Certificate attaches a copy of the certificate of incorporation and constituent documents for the Company [or an original certificate signed by a director of the Company confirming that there are no constituent documents], including, in the case of each Guarantor other than Sims which is incorporated in Australia evidence that the constitution incorporates a provision which expressly authorises the directors of each such corporation to act in the best interests of its holding company;

(e) **Authorisations**: All Authorisations (if any) necessary for the Company to execute and observe obligations under and enforce the Transaction Documents of the Lender;

(f) **specimen signatures**: Specimen signatures of each Authorised Officer of the Company; and

(g) **[certificate of good standing**: A certificate from the Secretary of State of the State of incorporation or organisation of any United States of America incorporated or organised Company, certifying the Company's good standing in that State.][*In the case of each Transaction Party incorporated or organised in a State of the United States*]

2 Confirmations, representations and warranties

I confirm:

(a) that borrowing or guaranteeing or securing, as appropriate, the commitments under all Transaction Documents of the Lender, would not cause any borrowing, guarantee, security or similar limit binding on the Company to be exceeded;

(b) that the Company is solvent and able to pay its debts as and when they fall due [*delete in the case of a Company incorporated or organised under the laws of a state of the United States of America*];

(c) that the representations and warranties set out in clause 3 (Representations and Warranties) of the Common Terms Deed are true and correct;

(d) the Company is not prevented by Chapter 2E or any other provision of the Corporations Act (or similar laws under the laws of any other jurisdiction which may be applicable to it) from entering into and performing any of the Transaction Documents of the Lender to which it is a party or the giving of effect to the transactions contemplated by them;

(e) that Chapter 2J.3 of the Corporations Act (or similar laws under the laws of any other jurisdiction which may be applicable to it) has not been and will not be breached by the Company entering into the Transaction Documents of the Lender to which it is a party or the giving of effect to the transactions contemplated by them; and

(f) that the entry by the Company into the Transaction Documents of the Lender to which it is a party and the giving of effect to the transactions contemplated by them is in its best interests and for the purposes of its business.

date _____

sign here ▶ _____
Authorised Officer

print name _____

Compliance Certificate

Clause 4.1(c)

To: [ ] (**Lender**)

Compliance Certificate

We refer to the Common Terms Deed dated **[ ]** (**Common Terms Deed**) between Sims Metal Management Limited (as **Sims**), each party listed in Part 1 of Schedule 1 of that deed as Original Borrowers, each party listed in Part 2 of Schedule 1 of that deed as Original Guarantors and the persons listed in Part 3 of Schedule 1 of that deed as Original Lenders.

Capitalised terms in this certificate have the meaning given in the Common Terms Deed unless otherwise defined herein.

For the Calculation Period ended on ***[Insert Calculation Date]*** (**Calculation Date**):

(a) the ratio of Financial Indebtedness of the Sims Group to EBITDA for the Calculation Period ending on that Calculation Date is not greater than 3.0:1;

(b) the ratio of EBITDA to Net Interest Expense for the Calculation Period ending on that Calculation Date is not less than 3.5:1,

(c) Tangible Net Worth on that Calculation Date is not less than A$1,500,000,000

as is evidenced by the attached supporting calculations.

The Guarantors (excluding any German Guarantors):

(a) at all times owned, in aggregate, at least 80% of the Total Tangible Assets of the Sims Group; and

(b) generate at least 80% of the EBITDA for the Calculation Period ending on the Calculation Date,

as is evidenced by the attached supporting calculations except [***insert details of any circumstances relevant to clause 4.18(b) including the dates by which subsidiaries will become additional guarantors as required***].

Each Subsidiary that owned at least 5% of Total Tangible Assets at any time in the Calculation Period or generated at least 5% of EBITDA for the Calculation Period ending on the Calculation Date, is a Guarantor (except [***insert details of any circumstances relevant to clause 4.18(b) including the dates by which subsidiaries will become additional guarantors as required***]), as is evidenced by the attached supporting calculations.

Since the date of the last Compliance Certificate no condition or event that constitutes a Default or Review Event has occurred or is subsisting, except ***[insert details]***.

The representations and warranties in the Common Terms Deed are true and correct as though they have been made at the date of this certificate in respect of the facts and circumstances then subsisting, except ***[insert details]***.

For and on behalf of

Sims Metal Management Limited

ABN 69 114 838 630

date _____

sign here ▶ _____
Director

print name _____

sign here ▶ _____
Director / Secretary

print name _____

Conditions Precedent

(a) **Verification certificate**: a verification certificate in the form of Schedule 2 of this deed given in respect of each Transaction Party and dated no more than 5 days before the date of this agreement;

(b) **Transaction Documents**: originals of each Transaction Document which relates to the execution of this deed and the amendment of the Facility Agreement, duly executed by all parties to them other than the Original Lender and, where applicable:

(1) duly stamped or, if not duly stamped, evidence satisfactory to the Original Lender that they will be duly stamped; and

(2) in registrable form together with all executed documents necessary to register them;

(c) **enquiries**: results of searches, enquiries and requisitions in respect of each Transaction Party;

(d) **opinions**: an opinion in favour of the Original Lenders:

(1) from Freehills in respect of each Transaction Party incorporated in Australia and due execution of, and enforceability against, each Transaction Party incorporated in Australia of this deed;

(2) in respect of each Transaction Party incorporated or organised outside Australia, from counsel for the Borrowers (who are acceptable to the Original Lenders) in the jurisdiction of incorporation or organisation of that Transaction Party, in respect of that Transaction Party and due execution of, and enforceability against, that Transaction Party of this deed and the Facility Agreement, and otherwise substantially in the form previously provided to the Original Lender;

(e) **KYC & AML**: if required, each document or other information necessary in the opinion of the Original Lender to enable that Original Lender to do any know your customer checks or anti-money laundering checks;

(f) **structure diagram**: a complete diagram showing the structure and ownership arrangements of the Sims Group; and

(g) **US solvency certificate**: with respect to each Transaction Party incorporated or organised under the laws of a state of the United States of America only, a certificate signed by an officer of that Transaction Party stating that it is solvent and able to pay its debts as and when they fall due.

Additional Guarantor or Additional Borrower Accessions Conditions Precedent

Clause 14

(a) An Accession Deed duly executed by the Additional Guarantor or Additional Borrower (as the case may be);

(b) A Verification certificate in the form of Schedule 2 (or in the case of an Additional Guarantor or Additional Guarantor incorporated outside Australia, such other form as the Lender may require) in respect of the Additional Guarantor or Additional Borrower (as the case may be) together with each attachment referred to in it;

(c) Duly executed forms, notices and other documents which are required in order to register or file with the appropriate Government Agency any document referred to in this Schedule 5; and

(d) Such evidence and information, including legal opinions, in relation to the execution of the documents referred to in this Schedule 5 as the Lender reasonably requires.

Executed as a deed

Borrower

Signed sealed and delivered by
Sims Metal Management Limited
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Daniel W. Dienst
Director

print name Daniel W. Dienst

Borrower

Signed sealed and delivered by
Sims Group Australia Holdings Limited
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Rodney Shields
Director

print name Rodney Shields

Borrower

Signed sealed and delivered by
Sims Aluminium Pty Limited
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Rodney Shields
Director

print name Rodney Shields

Borrower

Signed sealed and delivered by
Sims Group UK Limited
by

sign here ▶ /s/ Martin Coombs
Company Secretary/Director

print name Martin Coombs

sign here ▶ /s/ Graham Davy
Director

print name Graham Davy

Borrower

Signed sealed and delivered by
Sims Group UK Holdings Limited
by

sign here ▶ /s/ Martin Coombs
Company Secretary/Director

print name Martin Coombs

sign here ▶ /s/ Graham Davy
Director

print name Graham Davy

Borrower

Signed sealed and delivered by
Mirec B.V.
by

sign here ▶ /s/ Martin Coombs
Company Secretary/Director

print name Martin Coombs

sign here ▶ /s/ Graham Davy
Director

print name Graham Davy

in the presence of

sign here ▶ /s/ Jon Godfrey
Witness

print name Jon Godfrey

Borrower

The common seal of
Sims Metal Management Asia Limited
(previously known as Sims Asia Holdings Limited)
Was affixed to this Deed in the presence of

sign here ▶ /s/ Frank Martin Moratti
Officer

print name Frank Martin Moratti

in the presence of

sign here ▶ /s/ Peter Ricketts
Witness

print name Peter Ricketts

Borrower

Signed sealed and delivered by
Sims Recycling Solutions AB
by

sign here ▶ /s/ Martin Coombs
Company Secretary/Director

print name Martin Coombs

sign here ▶ /s/ Graham Davy
Director

print name Graham Davy

in the presence of

sign here ▶ /s/ Jon Godfrey
Witness

print name Jon Godfrey

Borrower

Signed sealed and delivered for
Sims Group USA Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Borrower

Signed sealed and delivered for
Sims Group Global Trade Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Borrower

Signed sealed and delivered for
North Carolina Resource Conservation, LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Borrower

Signed sealed and delivered for
Sims Group USA Holdings Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Borrower

Signed sealed and delivered for
Schiabo Larovo Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Borrower

Signed sealed and delivered for
Simsmetal East LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Borrower

Signed sealed and delivered for
Simsmetal West LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Borrower

Signed sealed and delivered for
Metal Management, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Metal Management Alabama, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Metal Management Arizona, L.L.C.
by its officer

sign here ▶ /s/ L. Steven Shinn
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name L. Steven Shinn

in the presence of

sign here ▶ /s/ Evelyn Paneaqui
Witness

print name Evelyn Paneaqui

Borrower

Signed sealed and delivered for
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Metal Management Memphis, L.L.C.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Metal Management Midwest, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Metal Management Mississippi, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Metal Management Northeast, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Metal Management Ohio, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Metal Management West, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Proler Southwest LP
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Metal Dynamics Detroit LLC
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Sims Recycling Solutions Holdings Inc.
(formerly Sims Recycling Solutions, Inc.)
by its officer

sign here ▶ /s/ Darrell Stoecklin
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Darrell Stoecklin

in the presence of

sign here ▶ /s/ Jeanne Grimmer
Witness

print name Jeanne Grimmer

Borrower

Signed sealed and delivered for
Sims Recycling Solutions, Inc.
(formerly United Refining & Smelting Co)
by its officer

sign here ▶ /s/ Darrell Stoecklin
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Darrell Stoecklin

in the presence of

sign here ▶ /s/ Jeanne Grimmer
Witness

print name Jeanne Grimmer

Borrower

Signed sealed and delivered for
HNE Recycling LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Borrower

Signed sealed and delivered for
HNW Recycling LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian s. Brandt
Witness

print name Brian S. Brandt

Borrower

Signed sealed and delivered for
MM Metal Dynamics Holdings, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
SMM — North America Trade Corporation (formerly known as Metal Management S&A Holdings, Inc.)
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Metal Management West Coast Holdings, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Metal Management Proler Southwest, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Proler Southwest GP, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Naporano Iron & Metal, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Metal Management New Haven, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
CIM Trucking, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Metal Management Indiana, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Metal Management Pittsburgh, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
New York Recycling Ventures, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Reserve Iron & Metal Limited Partnership
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Metal Dynamics LLC
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
TH Properties LLC (formerly known as Metal Dynamics Indianapolis LLC)
by its member: **Metal Dynamics LLC**

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Borrower

Signed sealed and delivered for
Sims M+R GmbH
by its officers

sign here ▶ /s/ Martin Coombs
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Martin Coombs

sign here ▶ /s/ Graham Davy
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Graham Davy

in the presence of

sign here ▶ /s/ Marc Faller
Witness

print name Marc Faller

Borrower

Signed sealed and delivered for
Sims Group German Holdings GmbH
by its officers

sign here ▶ /s/ Martin Coombs
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Martin Coombs

sign here ▶ /s/ Graham Davy
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Graham Davy

in the presence of

sign here ▶ /s/ Marc Faller
Witness

print name Marc Faller

Guarantor

Signed sealed and delivered by
Sims Group Australia Holdings Limited
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Rodney Shields
Director

print name Rodney Shields

Guarantor

Signed sealed and delivered by
Sims Metal Management Limited
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Daniel W. Dienst
Director

print name Daniel W. Dienst

Guarantor

Signed sealed and delivered by
Simsmetal Holdings Pty Limited
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Rodney Shields
Director

print name Rodney Shields

Guarantor

Signed sealed and delivered by
Simsmetal Services Pty Limited
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Rodney Shields
Director

print name Rodney Shields

Guarantor

Signed sealed and delivered by
Simsmetal Properties NSW Pty Limited (formerly known as Sims Manufacturing Pty Limited)
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Rodney Shields
Director

print name Rodney Shields

Guarantor

Signed sealed and delivered by
Sims Industrial Pty Limited
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Rodney Shields
Director

print name Rodney Shields

Guarantor

Signed sealed and delivered by
Simsmetal Properties QLD Pty Limited (formerly known as Sims Energy Pty Limited)
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Rodney Shields
Director

print name Rodney Shields

Guarantor

Signed sealed and delivered by
Sims Aluminium Pty Limited
by

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Rodney Shields
Director

print name Rodney Shields

Guarantor

Signed sealed and delivered by
Sims Group UK Limited
by

sign here ▶ /s/ Graham Davy
Company Secretary/Director

print name Graham Davy

sign here ▶ /s/ Martin Coombs
Director

print name Martin Coombs

Guarantor

Signed sealed and delivered by
Sims Group UK Holdings Limited
by

sign here ▶ /s/ Graham Davy
Company Secretary/Director

print name Graham Davy

sign here ▶ /s/ Martin Coombs
Director

print name Martin Coombs

Guarantor

Signed sealed and delivered by
Mirec B.V.
by

sign here ▶ /s/ Martin Coombs
Company Secretary/Director

print name Martin Coombs

sign here ▶ /s/ Graham Davy
Director

print name Graham Davy

in the presence of

sign here ▶ /s/ Jon Godfrey
Witness

print name Jon Godfrey

Guarantor

Signed sealed and delivered by
Sims Recycling Solutions AB
by

sign here ▶ /s/ Martin Coombs
Company Secretary/Director

print name Martin Coombs

sign here ▶ /s/ Graham Davy
Director

print name Graham Davy

in the presence of

sign here ▶ /s/ Jon Godfrey
Witness

print name Jon Godfrey

Guarantor

Signed sealed and delivered for
Simsmetal Industries Limited
by its directors

sign here ▶ /s/ Frank Moratti
Director

/s/ Darron McGree
Director

print name Frank Moratti

Darron McGree

in the presence of

sign here ▶ /s/ Peter Ricketts
Witness

/s/ Sally Clarke

print name Peter Ricketts

Sally Clarke

Guarantor

Signed sealed and delivered for
Sims M+R GmbH
by its officer

sign here ▶ /s/ Marc Affiepper
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Marc Affiepper

in the presence of

sign here ▶ /s/ Andrea Zarse
Witness

print name Andrea Zarse

Guarantor

Signed sealed and delivered for
Sims Group German Holdings GmbH
by its officer

sign here ▶ /s/ Roose Falles
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Roose Falles

in the presence of

sign here ▶ /s/ Tomas Krejci
Witness

print name Tomas Krejci

Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

Guarantor

The common seal of
Sims Metal Management Asia Limited
(previously known as Sims Asia Holdings Limited)
was affixed to this Deed in the presence of

sign here ▶ /s/ Frank Martin Moratti

print name Frank Martin Moratti

sign here ▶ /s/ Peter Ricketts

print name Peter Ricketts

Guarantor

Signed sealed and delivered for
Sims Group Recycling Solutions Canada Ltd.
by its officer

sign here ▶ /s/ Darrell Stoecklin

Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Darrell Stoecklin

print title

in the presence of

sign here ▶ /s/ Jeanne Grimmer

Witness

print name Jeanne Grimmer

Guarantor

Signed sealed and delivered for
Sims Group Canada Holdings Limited
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

print title Director, CFO

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Guarantor

Signed sealed and delivered for
Sims Group USA Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Guarantor

Signed sealed and delivered for
Sims Group Global Trade Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Guarantor

Signed sealed and delivered for
North Carolina Resource Conservation, LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Guarantor

Signed sealed and delivered for
Sims Group USA Holdings Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Guarantor

Signed sealed and delivered for
SHN Co., LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Guarantor

Signed sealed and delivered for
HNE Recycling LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Guarantor

Signed sealed and delivered for
HNW Recycling LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Guarantor

Signed sealed and delivered for
Schiabo Larovo Corporation
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Guarantor

Signed sealed and delivered for
Simsmetal East LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Guarantor

Signed sealed and delivered for
Simsmetal West LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Guarantor

Signed sealed and delivered for
Sims Recycling Solutions Holdings Inc.
(formerly Sims Recycling Solutions, Inc.)
by its officer

sign here ▶ /s/ Darrell Stoecklin
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Darrell Stoecklin

sign here ▶ in the presence of

/s/ Jeanne Grimmer
Witness

print name _____

Guarantor

Signed sealed and delivered for
Sims Recycling Solutions, Inc. (formerly United Refining & Smelting Co)
by its officer

sign here ▶ /s/ Darrell Stoecklin
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Darrell Stoecklin

sign here ▶ in the presence of

/s/ Jeanne Grimmer
Witness

print name _____

Guarantor

Signed sealed and delivered for
Metal Management, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
CIM Trucking, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Metal Management Alabama, Inc.
by its officer

sign here ▶ /s/ L. Steven Shinn
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name L. Steven Shinn

in the presence of

sign here ▶ /s/ Evelyn Panlaqui
Witness

print name Evelyn Panlaqui

Guarantor

Signed sealed and delivered for
Metal Management Arizona, L.L.C.
by its officer

sign here ▶ /s/ L. Steven Shinn

Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name L. Steven Shinn

in the presence of

sign here ▶ /s/ Evelyn Panlaqui

Witness

print name Evelyn Panlaqui

Guarantor

Signed sealed and delivered for
SMM New England Corporation (formerly known as Metal Management Connecticut, Inc.)
by its officer

sign here ▶ /s/ Robert C. Larry

Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs

Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Metal Management Indiana, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Metal Management Memphis, L.L.C.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Metal Management Midwest, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Metal Management Mississippi, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Metal Management New Haven, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Metal Management Northeast, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Metal Management Ohio, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Metal Management Pittsburgh, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarntor

Signed sealed and delivered for
Metal Management Proler Southwest, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
SMM — North America Trade Corporation (formerly known as Metal Management S&A Holdings, Inc.)
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Metal Management West Coast Holdings, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Metal Management West, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
MM Metal Dynamics Holdings, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Naporano Iron & Metal, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
New York Recycling Ventures, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Proler Southwest GP, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Proler Southwest LP
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Reserve Iron & Metal Limited Partnership
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Metal Dynamics LLC
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Metal Dynamics Detroit LLC
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
TH Properties LLC (formerly known as Metal Dynamics Indianapolis LLC)
by its member: **Metal Dynamics LLC**

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Guarantor

Signed sealed and delivered for
Sims Municipal Recycling of New York LLC
by its officer

sign here ▶ /s/ Myles Partridge
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Myles Partridge

in the presence of

sign here ▶ /s/ Brian S. Brandt
Witness

print name Brian S. Brandt

Guarantor

Signed sealed and delivered for
Port Albany Ventures LLC
by its officer

sign here ▶ /s/ Michael R. Henderson
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Michael R. Henderson

in the presence of

sign here ▶ /s/ Iveth C. Sinti
Witness

print name Iveth C. Sinti

Guarantor

Signed sealed and delivered for
Metal Management Aerospace, Inc.
by its officer

sign here ▶ /s/ Robert C. Larry
Officer

By executing this deed the signatory states that the signatory has received no notice of revocation of the authority under which the signatory signs this deed

print name Robert C. Larry

in the presence of

sign here ▶ /s/ Martin Coombs
Witness

print name Martin Coombs

Original Lender

Executed by
Bank of America, N.A.
by its duly Authorised Officer in the presence of:

sign here ▶ /s/ Timothy G. Holsapple
Authorised Officer

print name Timothy G. Holsapple

print title Senior Vice President

in the presence of

sign here ▶ /s/ Heidi E. Green
Witness

print name Heidi E. Green

Original Lender

Signed sealed and delivered for
Commonwealth Bank of Australia
by its attorney

sign here ▶ /s/ Penelope Bishop
Attorney

print name Penelope Bishop

in the presence of

sign here ▶ /s/ Katherine Morrison
Witness

print name Katherine Morrison

Original Lender

Signed sealed and delivered for
HSBC Bank Australia Limited
by its attorney

sign here ▶ /s/ Noel McNamara
Attorney

print name Noel McNamara

in the presence of

sign here ▶ /s/ Nadine Beinat
Witness

print name Nadine Beinat

Original Lender

Signed sealed and delivered for
HSBC Bank plc
by its attorney

sign here ▶ /s/ M. Hodges
Attorney

print name M. Hodges

in the presence of

sign here ▶ /s/ S.R. Adcock
Witness

print name S.R. Adcock

Original Lender

Signed sealed and delivered for
HSBC Bank USA, National Association
by its authorised signatory

sign here ▶ /s/ Randolph Cates
Authorised signatory

print name Randolph Cates

in the presence of

sign here ▶ /s/ Katherine Hansell
Witness

print name Katherine Hansell

Original Lender

Signed sealed and delivered for
The Hongkong and Shanghai Banking Corporation Limited
by its attorney

sign here ▶ /s/ Albert Chan Leung Choi
Attorney

print name Albert Chan Leung Choi

in the presence of

sign here ▶ /s/ Aline Ayotte
Witness

print name Aline Ayotte

Original Lender

Signed sealed and delivered for
National Australia Bank Limited
by its attorney

sign here ▶ /s/ Steven Russell
Attorney

print name Steven Russell

in the presence of

sign here ▶ /s/ Cosimino Attillo Piredda
Witness

print name Cosimino Attillo Piredda

Original Lender

Signed sealed and delivered for
Westpac Banking Corporation
by its attorney

sign here ▶ /s/ Jeroen Nanninga
Attorney

print name Jeroen Nanninga

in the presence of

sign here ▶ /s/ Tim Sheather
Witness

print name Tim Sheather

Table of contents

Accession Deed — Additional Guarantors and Additional Borrowers

Accession Deed — New Lenders

Accession Deed — Additional Guarantors and Additional Borrowers

Clauses 1.2 (Definitions) and 14 (New Lenders and Additional Transaction Parties)

Date ▶

This deed is made by

Sims	**Sims Metal Management Limited** ACN 114 838 630 of Sir Joseph Banks Corporate Park, Suite 3, Level 2 32-34 Lord Street Botany NSW 2019
Additional Guarantor[s]	***[specify Additional Guarantor or Additional Guarantors]***
[Additional Borrower[s]]	**[*specify Additional Borrower or Additional Borrowers*]**
Lender[s]	**[*specify Lender or Lenders*]**
Background	1 Under the Common Terms Deed dated **[ ]** (**Common Terms Deed**) between Sims Metal Management Limited, each party listed in Part 1 of Schedule 1 of that deed (as **Original Borrowers**), each party listed in Part 2 of Schedule 1 of that deed (as **Original Guarantors**) and the persons listed in Part 3 of Schedule 1 of that deed (as **Original Lenders**) a person may become a Guarantor and/or a Borrower by execution of this deed. 2 [Each Additional Guarantor/The Additional Guarantor] wishes to become a Guarantor on the terms and conditions set out in this deed. 3 [[Each Additional Borrower/The Additional Borrower] wishes to become a Borrower on the terms and conditions set out in this deed.]

This deed witnesses as follows:

1 Interpretation

(a) Words and phrases defined in the Common Terms Deed have the same meaning when used in this deed.

(b) In this deed, **Existing Guarantor** has the meaning set out below.

Term	Meaning
Existing Guarantor	each person which is a Guarantor under the Common Terms Deed at the time of execution of this deed.

2 Guarantee

In consideration of, among other things:

(a) forbearance by [each/the] Lender to require repayment of the Outstanding Moneys in full; and

(b) the payment to [each/the] Additional Guarantor of $10 (receipt of which is acknowledged),

[each/the] Additional Guarantor jointly and severally with each Existing Guarantor irrevocably and unconditionally guarantees to [each/the] Lender the payment of the Outstanding Moneys on the terms contained in the Common Terms Deed (including clause 7 of the Common Terms Deed).

3 Representations and warranties

[Each/The] Additional Guarantor[and Additional Borrower] represents and warrants to, and for the benefit of each Lender, as set out in clause 3.1 of the Common Terms Deed, on the basis that:

(a) each reference to a Transaction Party in clause 3.1 of the Common Terms Deed includes a reference to [each/the] Additional Guarantor [and Additional Borrower];

(b) each reference to a Transaction Document includes this deed and each other Transaction Document to which [each/the] Additional Guarantor[and Additional Borrower] is a party; and

(c) clauses 3.2 and 3.3 of the Common Terms Deed apply to this clause 3 as if set out in full.

4 Status of Additional Guarantor[and Additional Borrower]

(a) [Each/The] Additional Guarantor agrees that it irrevocably becomes an 'Additional Guarantor' as defined in, and for all purposes under, the Common Terms Deed as if named in and as a party to the Common Terms Deed, and accordingly is bound by the Common Terms Deed as an Additional Guarantor.

(b) [Each/The] Additional Borrower agrees that it irrevocably becomes an 'Additional Borrower' as defined in, and for all purposes under, the Common Terms Deed as if named in and as a party to the Common Terms Deed, and accordingly is bound by the Common Terms Deed as an Additional Borrower.

5 Receipt of documents

[Each/The] Additional Guarantor[and Additional Borrower] acknowledges having received and reviewed to its satisfaction a copy of each Transaction Document and each other document requested by it before signing this deed.

6 Confirmation by existing Transaction Parties

Sims (for itself and as attorney for each other Transaction Party) confirms that nothing in this deed:

(a) affects the validity or enforceability of the Transaction Documents;

(b) prejudices or adversely affects any right, power, authority, discretion or remedy arising under the Transaction Documents; or

(c) discharges, releases or otherwise affects any liability or obligation arising under the Transaction Documents.

7 Governing law

This deed is governed by the laws of New South Wales.

8 Benefit of deed

(a) This deed is given in favour of and for the benefit of:

(1) each Lender; and

(2) each Transaction Party,

under the Common Terms Deed and their respective successors and permitted assigns

(b) Each Lender has the benefit of this deed and can enforce it even if not in existence at the time this deed is executed.

(c) Each Lender may enforce its rights under this deed independently from each other Lender.

9 Address for notices

The details for [each/the] Additional Guarantor[and Additional Borrower] for service of notices are:

Address: [ ].

Attention: [ ].

Facsimile: [ ].

10 Attorneys

Each of the attorneys executing this deed states that the attorney has no notice of the revocation of the power of attorney appointing that attorney.

Executed as a deed

Additional Guarantor[and/or Additional Borrower]

Signed sealed and delivered for
[ ]
by its attorney

sign here ▶ _____
Attorney

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Sims

Signed sealed and delivered for
**Sims Metal Management Limited
for itself and as attorney for each
other Transaction Party**

sign here ▶ _____
Director

print name _____

sign here ▶ _____
Director/Secretary

print name _____

Lender

Signed sealed and delivered for
[ ]
by its attorney

sign here ▶ _____
Attorney

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Accession Deed — New Lenders

Clauses 1.2 (Definitions) and 14 (New Lenders and Additional Transaction Parties)

Date ▶

This deed is made by

Sims	**Sims Metal Management Limited** ACN 114 838 630 of Sir Joseph Banks Corporate Park, Suite 3, Level 2 32-34 Lord Street Botany NSW 2019
New Lender	**[ ]** **[*insert ACN/ABN/ARBN*]** of **[ ]**

Background

1 Under the Common Terms Deed dated **[ ]** (**Common Terms Deed**) between Sims Metal Management Limited (**Sims**), each party listed in Part 1 of Schedule 1 of that deed (as **Original Borrowers**), each party listed in Part 2 of Schedule 1 of that deed (as **Original Guarantors**) and the person listed in Part 3 of Schedule 1 of that deed (as **Original Lenders**) a person may become a Lender by execution of this deed.

2 The New Lender wishes to become a Lender on the terms and conditions set out in this deed.

This deed witnesses as follows:

1 Interpretation

Words and phrases defined in the Common Terms Deed have the same meaning when used in this deed.

2 New Lender

The New Lender agrees that it irrevocably becomes a 'New Lender' as defined in, and for all purposes under, the Common Terms Deed as if named in and as a party to the Common Terms Deed, and accordingly is bound by the Common Terms Deed as a New Lender.

[The Facility Agent (as defined in clause 15.1 of the Common Terms Deed) for the New Lender is ***[Insert details]***.]

3 Facility Agreement and Transaction Documents

For the purposes of the Common Terms Deed:

(a) the "Facility Agreement" of the New Lender is:

[Insert details]

(b) The "Transaction Documents" of the New Lender are:

(1) each Transaction Document as defined in the Common Terms Deed to which the New Lender is a party; and

(2) ***[Insert details]***.

4 Borrowers and Guarantors

For the purposes of the Common Terms Deed:

(a) the "Borrowers" of the New Lender are:

[*insert details*]

(b) the "Guarantors" of the New Lender are:

[*insert details*]

5 Confirmation by existing Transaction Parties

Sims (for itself and as attorney for each other Transaction Party) confirms that nothing in this deed:

(a) affects the validity or enforceability of the Transaction Documents;

(b) prejudices or adversely affects any right, power, authority, discretion or remedy arising under the Transaction Documents; or

(c) discharges, releases or otherwise affects any liability or obligation arising under the Transaction Documents.

6 Governing law

This deed is governed by the laws of New South Wales.

7 Benefit of deed

(a) This deed is given in favour of and for the benefit of:

(1) each Lender; and

(2) each Transaction Party,

under the Common Terms Deed and their respective successors and permitted assigns

(b) Each Lender has the benefit of this deed and can enforce it even if not in existence at the time this deed is executed.

(c) Each Lender may enforce its rights under this deed independently from each other Lender.

8 Address for notices

The details for the New Lender for service of notices are:

Address: **[ ]**.

Attention: **[ ]**.

Facsimile: **[ ]**.

9 Attorneys

Each of the attorneys executing this deed states that the attorney has no notice of the revocation of the power of attorney appointing that attorney.

Executed as a deed

New Lender

Signed sealed and delivered for
[ ]
by its attorney

sign here ▶ _____
Attorney

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Sims
Signed sealed and delivered for
Sims Metal Management Limited
for itself and as attorney for each
other Transaction Party

sign here ▶ _____
Director

print name _____

sign here ▶ _____
Director/Company Secretary

print name _____

Deed of Amendment

Date 21 September 2011

Parties **Sims Metal Management Limited**
ACN 114 838 630 of Sir Joseph Banks Corporate Park, Suite 3, Level 2 32-34 Lord Street Botany NSW 2019 (***Sims***)
and each other Transaction Party under the Common Terms Deed (defined below)

Bank of America, N.A.
of 800 5th Avenue — FL 36, Seattle, WA 98104, United States of America

Commonwealth Bank of Australia
ABN 48 123 123 124 of Level 21, Darling Park Tower 1, 201 Sussex Street, Sydney, New South Wales 2000, Australia

HSBC Bank Australia Limited
ABN 48 006 434 162 of Level 31, 580 George Street Sydney New South Wales 2000, Australia

HSBC Bank plc
of City Corporate Banking Centre, 60 Queen Victoria Street, London,
EC4N 4TR

HSBC Bank USA, National Association
of 452 Fifth Avenue, New York, New York 10018 USA

The Hongkong and Shanghai Banking Corporation Limited
ABN 65 117 925 970 of Level 10, 1 Queens Road, Central Hong Kong

National Australia Bank Limited
ABN 12 004 044 937 of Level 18, 255 George Street Sydney NSW 2000 Australia

Westpac Banking Corporation
ABN 33 007 457 141 of Level 3, 275 Kent Street Sydney NSW 2000 Australia

(each of the foregoing banks and financial institutions is a ***Lender*** and together the ***Lenders***)

Recitals

A The parties have entered into the Common Terms Deed dated 23 June 2011 (***Common Terms Deed***) between Sims, each party listed in Part 1 of Schedule 1 of that deed as Original Borrowers, each party listed in Part 2 of Schedule 1 of that deed as Original Guarantors and the persons listed in Part 3 of Schedule 1 of that deed as Original Lenders.

B The parties have agreed to amend the Common Terms Deed as set out in this Deed.

Operative provisions

1. Definitions and Interpretation

1.1 Capitalised terms used in this Deed have the same meaning as in the Common Terms Deed, unless otherwise defined in this Deed.

1.2 Clause 1.3 of the Common Terms Deed applies to this Deed as if set out in full in this Deed and all references to ***this deed*** were references to this Deed.

2. Amendment

2.1 The parties to this Deed agree that the Common Terms Deed is amended, with effect from the date of this Deed, as follows:

The definition of EBITDA in clause 1.2 of the Common Terms Deed is deleted and replaced with the following:

EBITDA for a relevant period and in respect of the Sims Group, the profit on ordinary activities before:

1 taxation;

2 Net Interest Expense;

3 amortisation of Intangible Assets and depreciation of Tangible Assets of the Sims Group;

4 LTI Expense; and

5 any impairment charge or loss (or gain or reversal) relating to the recoverable amount of assets (including any impairment charge relating to goodwill or identified Intangible Assets),

as shown on a consolidated basis and as disclosed in the Sims Group's most recent audited consolidated annual Financial Reports or semi-annual audited or unaudited consolidated Financial Reports, as applicable.

For the purposes of calculating EBITDA, the calculation will be adjusted to exclude:

1 any significant non-cash items or items disclosed as required by AASB 101.97 and AASB 101.98 due to their size or nature or by the corresponding provisions of future revisions of this accounting standard, that are of a non-recurring nature including but not limited to:

- losses or gains on the sale or revaluation of assets,
- costs relating to restructuring and redundancy,
- discontinued operations,
- discounts on acquisition and gains on formation of joint ventures,
- post acquisition adjustments to contingent liabilities recorded on the date of a business acquisition pursuant to purchase accounting rule changes to be introduced on 1 July 2009, and
- costs associated with becoming Sarbanes-Oxley Act compliant (as required following the Sims Group's registration as an issuer in the United States of America);

2 significant unrealized gains or losses;

3 any other significant non-cash items or items including but not limited to:

- write downs of inventory to net realisable value; and

- forgone profit arising from sales contract negotiations,

that are of a non-recurring nature.

The foregoing adjustments to EBITDA in paragraphs (1) to (3) for each Calculation Period will be agreed by the Lender and Sims in writing prior to the end of that Calculation Period, subject to the operation of clause 17.3.

Except for the purpose of calculating the ratio of Net Interest Expense to EBITDA under clause 4.17(a)(2), EBITDA as calculated on any Calculation Date will be adjusted to take into account the effects of any acquisitions or disposals of any company or business made during the Calculation Period ending on that Calculation Date. The adjustments will be made on the basis of the historical EBITDA of the company or business acquired or disposed of in the Calculation Period and ending on that Calculation Date by reference to historical EBITDA for the twelve months immediately preceding the Calculation Date and by reference to:

1 in the case of a disposal, the period of time during which the applicable company or business was part of the Sims Group; or

2 in the case of an acquisition, for that period being the twelve months immediately preceding the Calculation Date.

3. References to Common Terms Deed

3.1 Every reference in the Transaction Documents to the Common Terms Deed is to be construed as a reference to the Common Terms Deed as amended by this Deed. Any reference to ***this deed***, ***in this deed***, ***of this deed***, ***this agreement*** or words to the same effect in the Common Terms Deed will be construed as a reference to the Common Terms Deed as amended by this Deed.

4. Confirmation

4.1 Subject to the provisions of this Deed, the Common Terms Deed is confirmed and remains in full force and effect. This Deed and the Common Terms Deed will be read and construed as one document.

5. General Provisions

5.1 This Deed is a Transaction Document in respect of each Lender for the purposes of the Common Terms Deed.

5.2 This Deed is governed by the laws of New South Wales. Each Transaction Party irrevocably submits to the non-exclusive jurisdiction of the courts of New South Wales.

5.3 This Deed may be executed and delivered in counterparts (including by facsimile transmission), each of which will be deemed an original.

5.4 Each of the attorneys executing this Deed states that the attorney has no notice of the revocation of the power of attorney appointing that attorney.

Executed as a deed.

Sims

Executed by
Sims Metal Management Limited for itself and as attorney for each other Transaction Party pursuant to clause 15.2 of the Common Terms Deed
in accordance with section 127(1) of the Corporations Act 2001 (Cth) by a director and secretary/director:

sign here ▶ /s/ Frank Moratti
Company Secretary/Director

print name Frank Moratti

sign here ▶ /s/ Daniel W. Dienst
Director

print name Daniel W. Dienst

Lender

Executed by
Bank of America, N.A.
by its duly Authorised Officer in the
presence of:

sign here ▶ /s/ Timothy G. Holsapple
Authorised Officer

print name Timothy G. Holsapple

print title Senior Vice President

in the presence of

sign here ▶ /s/ Heidi E. Green
Witness

print name Heidi E. Green

Lender

Signed sealed and delivered for
Commonwealth Bank of Australia
by its attorney

sign here ▶ /s/ Katherine Morrison
Attorney

print name Katherine Morrison

in the presence of

sign here ▶ /s/ Annette Tomosci
Witness

print name Annette Tomosci

Lender

Signed sealed and delivered for
HSBC Bank Australia Limited
by its attorney

sign here ▶ /s/ Bridget Ann Powell
Attorney

print name Bridget Ann Powell

in the presence of

sign here ▶ /s/ Elin Schwarzenecker
Witness

print name Elin Schwarzenecker

Lender

Signed sealed and delivered for
HSBC Bank plc
by its attorney

sign here ▶ /s/ Michael Hodges
Attorney

print name Michael Hodges

in the presence of

sign here ▶ /s/ S.R. Adcock
Witness

print name S.R. Adcock

Lender

Signed sealed and delivered for
HSBC Bank USA, National Association
by its authorised signatory

sign here ▶ /s/ Randolph Cates, VP Senior Relationship Mgr
Authorised signatory

print name Randolph Cates

in the presence of

sign here ▶ /s/ Khalid Alkadi
Witness

print name Khalid Alkadi, AVP Relationship Mgr

Lender

Signed sealed and delivered for
The Hongkong and Shanghai Banking Corporation Limited
by its attorney

sign here ▶ /s/ Albert Chan Leung Choi
Attorney

print name Albert Chan Leung Choi

in the presence of

sign here ▶ /s/ Jaron Campbell
Witness

print name Jaron Campbell

Lender

Signed sealed and delivered for
National Australia Bank Limited
by its attorney

sign here ▶ /s/ Steven Russell
Attorney

print name Steven Russell

in the presence of

sign here ▶ /s/ Cosimino Attillo
Witness

print name Cosimino Attillo

Lender

Signed sealed and delivered for
Westpac Banking Corporation
by its attorney

sign here ▶ /s/ Jeroen Nanninga
Attorney

print name Jeroen Nanninga

in the presence of

sign here ▶ /s/ Andrew O'Connor
Witness

print name Andrew O'Connor

Exhibit 8.1

Australia
Sims Aluminium Pty Limited
Simsmetal Properties QLD Pty Limited (formerly Sims Energy Pty Limited)
Sims E-Recycling Pty Limited (90% direct interest)
Sims Group Australia Holdings Limited
Sims Group Holdings 1 Pty Ltd
Sims Group Holdings 2 Pty Ltd
Sims Industrial Pty Limited
Simsmetal Properties NSW Pty Limited (formerly Sims Manufacturing Pty Limited)
Sims Group Holdings 3 Pty Limited (formerly Simsmetal Executive Staff Superannuation Pty Limited)
Simsmetal Holdings Pty Limited
Simsmetal Services Pty Limited
Universal Inspection and Testing Company Pty Limited
Australian Refined Alloys Pty Limited (50% joint venture interest)
Australia Refined Alloys (Sales) Pty Limited (50% joint venture interest)
LMS generation Pty Ltd (50% joint venture interest)
Consolidated Extrusions Pty Limited (33.3% joint venture interest)
Consolidated Extrusions (Management) Pty Limited (33.3% joint venture interest)

Austria
Sims Recycling Solutions Holding Austria GmbH
Sims Recycling Solutions Anteilsverwaltung Austria GmbH
Sims metrade GmbH

Belgium
Sims Recycling Solutions NV

Canada
Sims Group Canada Holdings Limited
Sims Group Recycling Solutions Canada Ltd
Richmond Steel Recycling Limited (50% joint venture interest)

Croatia
ErgoTrade d.o.o.

Czech Republic
Sims Lifecycle Services s.r.o.

France
Sims Recycling Solutions SARL

Germany
Sims Group German Holdings GmbH
Sims M+R GmbH
Sims Lifecycle Services GmbH (formerly Sims Technorecyle GmbH)
ITL Logistics GmbH (34% joint venture interest)
CSI Lifecycle Services GmbH (49% joint venture interest)

Hong Kong
Sims Metal Management Asia Limited
Sims Metal Management China Holdings Limited

Hungary
Sims Lifecycle Services Kft

India
Trishyiraya Recycling India Private Limited
TIC Group India Private Limited

Mauritius
Sims Group Mauritius Limited

The Netherlands
Mirec BV
Sims Recycling Solutions CoÖperatief B.A.
Sims Lifecycle Services BV

New Zealand
Simsmetal Industries Limited
Sims E-Recycling (NZ) Limited
Sims Pacific Metals Limited (50% joint venture interest)
Extruded Metals (New Zealand) Limited (33.3% joint venture interest)

Papua New Guinea
PNG Recycling Limited

Poland
Device Polska Sp. z.o.o.

Republic of South Africa
Sims Recycling Solutions Africa Pty Ltd

Singapore
Sims Recycling Solutions Pte. Ltd.
Spain
Life Cycle Service Iberia S.L. (35% joint venture interest)
Sweden

Sims Recycling Solutions AB

United Kingdom
All Metal Recovery Limited
All Metal Recovery Cradley Heath Limited
ER Coley (Steel) Limited
ER Coley (Cast) Limited
Evans & Mondon Limited
Life Cycle Services Limited
Recommit Limited
Sims Cymru Limited
Sims Group UK Holdings Limited
Sims Group UK Intermediate Holdings Limited
Sims Group UK Limited
Sims Group UK Pension Trustees Limited
Sims Recycling Solutions UK Holdings Limited
United Castings Limited
C Herring & Son Limited
Sims Recycling Solutions UK Limited
Sims Recycling Solutions UK Group Limited
Cooper Metal Recycling Limited
Dunn Brothers (1995) Limited

United States
Arizona
Metal Management Arizona, L.L.C.

Colorado
Metal Management West, Inc.

Delaware
Sims Metal Management USA GP
Sims Group USA Holdings Corporation
Sims Group USA Corporation
SHN Co., LLC
HNE Recycling LLC
HNW Recycling LLC
Simsmetal East LLC
Simsmetal West LLC
Sims Group Global Trade Corporation
Dover Barge Company
Schiabo Larovo Corporation
Sims Municipal Recycling of New York LLC
Metal Management, Inc.
Metal Dynamics Detroit LLC
TH Properties LLC Metal Dynamics LLC

Metal Management Aerospace, Inc.
Metal Management Alabama, Inc.
SMM New England Corporation (formerly Metal Management Connecticut, Inc.)
Metal Management Mississippi, Inc.
Metal Management New Haven, Inc.
Metal Management Pittsburgh, Inc.
Metal Management Proler Southwest, Inc.
SMM-North America Trade Corporation
Metal Management West Coast Holdings, Inc.
MM Metal Dynamics Holdings, Inc.
Naporano Iron & Metal, Inc.
New York Recycling Ventures, Inc.
Proler Southwest GP, Inc.
Reserve Iron & Metal Limited Partnership
Port Albany Ventures LLC
Metal Management Nashville, LLC (50% joint venture interest)
SA Recycling LLC (50% joint venture interest)
Rondout Iron & Metal Company, LLC (50% joint venture interest)

Florida
Global Investment Recovery, Incorporated

Illinois
Sims Recycling Solutions Holdings Inc.

Sims Recycling Solutions Inc.
CIM Trucking, Inc.
Metal Management Indiana, Inc.
Metal Management Midwest, Inc.

New Jersey
Metal Management Northeast, Inc.

North Carolina
North Carolina Resource Conservation LLC

Ohio
Metal Management Ohio, Inc.

Tennessee
Metal Management Memphis, L.L.C.

Texas
Proler Southwest LP

Exhibit 12.1

CERTIFICATIONS

I, Daniel W. Dienst, certify that:

1. I have reviewed this annual report on Form 20-F of Sims Metal Management Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: October 14, 2011

/s/ Daniel W. Dienst
Daniel W. Dienst
Group Chief Executive Officer

Exhibit 12.2

CERTIFICATIONS

I, Robert C. Larry, certify that:

1. I have reviewed this annual report on Form 20-F of Sims Metal Management Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: October 14, 2011

/s/ Robert C. Larry
Robert C. Larry
Group Chief Financial Officer

Exhibit 13.1

Certification Pursuant to Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 18 U.S.C. Section 1350

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Sims Metal Management Limited (the "Company"), does hereby certify, to such officer's knowledge, that:

The Annual Report on Form 20-F for the year ended June 30, 2011 (the "Form 20-F") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 20-F fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Daniel W. Dienst
Daniel W. Dienst
Group Chief Executive Officer

October 14, 2011

/s/ Robert C. Larry
Robert C. Larry
Group Chief Financial Officer

October 14, 2011

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of the Form 20-F or otherwise subject to the liability of that section.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 15.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-156922 and No. 333-149717) of Sims Metal Management Limited of our report dated 26 August 2011 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 20-F.

/s/ PricewaterhouseCoopers

PricewaterhouseCoopers

Sydney, Australia

14 October 2011

PricewaterhouseCoopers, ABN 52 780 433 757
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