ASX & MEDIA RELEASE **(ASX: SGM, USOTC: SMSMY)** **1 May 2020**

Provision of Secured Loan to Adams Steel of Nevada

Sims Limited (the “Company”) today announced that it has provided a US$40 million loan to Adams Steel of Nevada LLC (“ASN”), an entity held by George Adams. The loan will allow George Adams to effectively purchase a 12.4% interest in SA Recycling LLC (“SAR”) from Adams family members. Mr Adams is a member in the Company’s joint venture, SAR, and serves as its Chief Executive Officer.

The loan accrues interest at 4% for an eight year term, with the option to extend for an additional two years if the outstanding balance is US$30 million or less. The loan is secured by a 24.9% interest in SAR, and it contains standard representations, warranties, covenants and events of default.

Sims Limited maintains its 50% share in the SAR joint venture through a subsidiary of Sims Limited. The remaining 50% of SAR is owned by the Adams family through Adams Steel LLC (“Adams Steel”). Under the terms of the SAR Operating Agreement dated 1 September 2007, Adams Steel has the right to compel the Sims Limited subsidiary to purchase some or all of its interest pursuant to a formula based on a 4.5 multiple of annual EBIDTA for the prior three years (the “Put Right”).

Rather than purchase some or all of the interest from Adams Steel, the Company is extending a loan to ASN to allow George Adams to purchase an interest in SAR from the Adams family members. Adams Steel is unable to exercise the Put Right throughout the term of the loan.

Commenting on the loan, Alistair Field, CEO and Managing Director, said, “SAR has proven to be a successful joint venture over its 13 year history and we are pleased to continue this strong operating relationship. I will continue to work closely with George Adams to operate efficiently and maximise profit for the Company’s shareholders.”

Authorised for release by: The Board of Directors.

About Sims Limited
Founded in 1917, Sims Limited is a global leader in metal and electronics recycling, and an emerging leader in the municipal recycling and the renewable energy industries. Our nearly 4,500 employees operate from almost 250 facilities across 15 countries. The Company's ordinary shares are listed on the Australian Securities Exchange (ASX: SGM) and its American Depositary Shares are quoted on the Over-the-Counter market in the United States (USOTC: SMSMY). Our purpose, create a world without waste to preserve our planet, is what drives us to constantly innovate and offer new solutions in the circular economy for consumers, businesses, governments and communities around the world. For more information, visit www.simsmm.com.

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