

**Union Steel Holdings Limited**  
(Company Registration Number: 200410181W)  
(Incorporated in the Republic of Singapore on 12 August 2004)

**PRESS RELEASE**

**UNION STEEL HOLDINGS LIMITED EXPANDS INTO ELECTRONICS WASTE RECYCLING WITH NIKKO SHOJI COMPANY, A UNIT OF NIPPON MINING, INC, JAPAN'S LARGEST COPPER PRODUCER**

- **Union Steel to supply electronic waste to the Nippon Mining Group for recycling**
- **Agreement to accelerate Union Steel's electronic waste recycling**

**Singapore, 17 October 2006** - Mainboard-listed Union Steel Holdings Limited ("Union Steel" or the "Group"), an integrated metal recycling company and one of the largest metal recyclers in Singapore in terms of volume of metals recycled, today announced that its expanding into the electronic waste recycling business by striking a deal with Japan's top copper producers.

The sales and purchase agreement is signed with Nikko Shoji Company Limited, a subsidiary of Nippon Mining Inc (Nippon Mining), which is listed on three of Japan's key exchanges – Tokyo, Osaka, and Nagoya Stock Exchanges. In FY2005, Nippon Mining reported revenue of more than 3 trillion yen and a net profit of 97 billion yen. In terms of capacity, the Group has Asia's largest copper production capacity of approximately 1.2 million tons per annum.

Under the agreement, Union Steel will supply electronic waste to the Nippon Mining Group for recycling.

The agreement at this juncture is timely as a growing number of Japanese companies in the metal recycling business are shifting their focus to overseas markets – especially towards other Asian regions.

The Nippon Mining Group is looking to expand its operations in Shanghai, Taiwan and Singapore in an effort to provide quick delivery to existing customers and acquire orders from new customers that are setting up operations in those areas. Its strategic agreement with Union Steel will complement Nikko's strategy in Asia.

Mr Ang Yu Seng, Union Steel's CEO, said: "We are pleased to seal this agreement with the Nippon Mining Group which is Japan's as well as Asia's top copper producer. This is a strategic transaction which will accelerate our expansion in electronic waste and we believe that Union Steel can benefit tremendously by tapping on the Nippon Mining Group's network and years of experience in its comprehensive approach to recycling metals. The Nippon Mining Group has over 20 years of metal recycling experience, which will be very valuable for us."

Union Steel in the past week had secured investment from key investors including Mr Sam Goi. Mr Goi had invested in two water treatment companies namely Asia Environment Holdings and Dayen Environmental Limited, as he recognized the excellent growth potential for water resources and environment industries.

### **About Union Steel**

Union Steel has been recycling metals since 1984. The Company, which is listed on the mainboard of the SGX, now stands at the forefront of metal recycling which it believes has limitless potential as the world increasingly recognises the need to conserve Mother Earth's diminishing natural resources

Last year, Union Steel recycled approximately 120,000 tonnes of scrap metals at its recycling plants, making the Company one of the largest metal recyclers in Singapore in terms of volume of metals recycled.

The Company offers a one-stop integrated and competitive service for its customers' recycled metals needs and it now serves a wide customer base of over 500 customers, spanning across countries such as the PRC, India, Indonesia, Japan, Malaysia and Singapore.

**For more information on Union Steel, please visit its website at:**

<http://www.unionsteel.com.sg>

### **About Nippon Mining Group**

Listed on the Tokyo, Osaka and Nagoya Stock Exchanges, the Nippon Mining Group is a resources and energy group whose mission is to provide a secure and effective supply of the basic raw materials needed by industry and society, including petroleum and petrochemicals, non-ferrous metals and electronic materials. The Group has positioned itself in two main core businesses: petroleum (Japan Energy Corporation) and metals (Nippon Mining & Metals).

The Nippon Mining Holdings Group is actively expanding in a wide variety of business areas. From the raw materials needed to support our basic infrastructure to leading-edge IT-related materials pushing the very boundaries of technology, this unique corporate group has widely varying interests that differ according to the characteristics and stage of growth of each business.

For more information on the Nippon Mining Group, please visit its website : [www.shinnikko-hd.co.jp](http://www.shinnikko-hd.co.jp)

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For and on behalf of Union Steel Holdings Limited

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