



ANNOUNCEMENT

RUSSEL METALS ANNOUNCES REAL ESTATE TRANSACTION

TORONTO, CANADA – December 5, 2016 -- Russel Metals Inc. (RUS - TSX) announced today that through its subsidiary JMS Russel Metals Corp., it has entered into an agreement of purchase and sale with Nucor Corporation to sell its property near Blytheville, Arkansas for approximately Cdn. \$40 million. The facility encompasses roughly 60 acres of land and several buildings totaling approximately 600,000 square feet adjacent to the Nucor sheet mill campus. On closing, JMS Russel Metals will enter into a 20 year lease with Nucor for two buildings totaling approximately 200,000 square feet which will continue to house its coil processing. We intend to maintain the current level of employment at this location. The transaction is expected to close in December 2016.

John Reid, President and Chief Operating Officer stated “this unique transaction with Nucor, a key business partner, allows Russel to crystallize value for an underutilized asset which was previously acquired on favourable terms. In addition, the facility will assist Nucor in economically expanding their capabilities; creating further opportunities for both Russel and Nucor. A real win-win scenario.”

Russel Metals is one of the largest metals distribution companies in North America. It carries on business in three metals distribution segments: metals service centers, energy products and steel distributors, under various names including Russel Metals, A.J. Forsyth, Acier Leroux, Acier Loubier, Alberta Industrial Metals, Apex Distribution, Apex Monarch, Apex Remington, Apex Western Fiberglass, Arrow Steel Processors, B&T Steel, Baldwin International, Comco Pipe and Supply, Fedmet Tubulars, JMS Russel Metals, Leroux Steel, McCabe Steel, Mégantic Métal, Métaux Russel, Métaux Russel Produits Spécialisés, Milspec, Norton Metals, Pioneer Pipe, Russel Metals Processing, Russel Metals Specialty Products, Russel Metals Williams Bahcall, Spartan

Energy Tubulars, Sunbelt Group, Triumph Tubular & Supply, Wirth Steel and York-Ennis.

Cautionary Statement on Forward-Looking Information

Certain statements contained in this press release constitute forward-looking statements or information within the meaning of applicable securities laws, including statements as to our outlook, future events or our future performance. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. Forward-looking statements are necessarily based on estimates and assumptions that, while considered reasonable by us, inherently involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including the factors described below.

While we believe that the expectations reflected in our forward-looking statements are reasonable, no assurance can be given that these expectations will prove to be correct, and our forward-looking statements included in this press release should not be unduly relied upon. These statements speak only as of the date of this press release and, except as required by law, we do not assume any obligation to update our forward-looking statements. Our actual results could differ materially from those anticipated in our forward-looking statements including as a result of the risk factors described under the heading "Risk" in our MD&A and under the heading "Risks Related to Our Business and the Metals Distribution Industry" in our most recent Annual Information Form and as otherwise disclosed in our filings with securities regulatory authorities which are available on SEDAR at www.sedar.com.