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TSX Venture Exchange symbol: LED

CRS Electronics and CJL Holding Inc. Announce Proposed \$8.9 million Private Placement

May 1, 2012, Toronto, ON and Hong Kong – CRS Electronics Inc. (“**CRS**” or the “**Company**”), (TSX-V:LED), a developer and manufacturer of LED lighting, is pleased to announce the entering into of a binding agreement for a private placement (the “**Purchase Agreement**”) by the Company to CJL Holding Inc. (the “**Investor**”), a corporation related to Mr. Chang Jiang Wu, of 30,400,548 common shares of the Company at a price of \$0.2921 per common share for total aggregate proceeds to the Company of \$8,880,000 (the “**Private Placement**”) in reliance on the minimum amount investment exemption. Mr. Wu is the Chairman and Chief Executive Officer of NVC Lighting Technology Corporation, the leading lighting manufacturer in Asia, whose stock trades on the Hong Kong Stock Exchange. As part of the transaction, Mr. Wu will also become the Executive Chairman of the Company.

Under the terms of the Private Placement, on closing, the Investor will have the right to nominate two directors to the board of the Company and has agreed to vote in favour of three independent directors to the board of the Company. In addition, one nominee of the Investor will become Chief Administration Officer of the Company and another nominee shall become an employee of the Company. The Investor shall have the right to participate in future financings to maintain at least a 33.5% equity interest in the Company, calculated on a fully diluted basis, for a period of five years.

Donald B. Hathaway, Chair of the Board of Directors of the Company said “We are thrilled to have a pioneer of the lighting industry as our largest shareholder and Executive Chairman of the company”. Mr. Wu stated, “I am excited about the opportunity to become a significant shareholder in a company with so much potential at this stage of its evolution”.

Pursuant to the rules of the TSX Venture Exchange, the Company is required to obtain the approval of a majority of its shareholders to the terms of the Private Placement which CRS proposes to obtain by way of signed written consent.

Closing of the Private Placement is subject to the receipt of all necessary regulatory approvals. The Private Placement is expected to close on or about May 10, 2012, subject to extension in certain circumstances. If the Investor fails to close the Private Placement by that date, CRS will be entitled to a break fee of \$800,000 in certain circumstances.

The parties also intend to enter into a commercial agreement in the near term which will involve the supply of contract manufactured goods by companies related to the Investor including a trade credit facility to the Company in the amount of \$10 million. There is no certainty the commercial agreement will close.

Concurrently with the closing of the Private Placement, the Company will be issuing 2,389,167 common share purchase warrants (the “**Warrants**”) to Parklea Capital Inc. (“**Parklea**”) as compensation for Parklea acting as special

advisor to the Chief Executive Officer and the Board of Directors of the Company. The Warrants will be convertible into common shares of the Company at a price of \$0.2921 per common share for a period of 5 years from the date of issue. The issuance of the Warrants is also subject to regulatory approval.

As a result of the entering into of the Purchase Agreement, the Company will not be proceeding with the previously announced financing which was to be led by Canaccord Genuity Corp. and accordingly, Mr. Eric Demirian will not be assuming the CEO role as announced on April 25, 2012 and Scott Riesebosch will remain in such role.

Assuming the closing of the Private Placement, CJL Holding Inc. will own approximately 42.7% of the issued and outstanding common shares of the Company. The common shares are being acquired by CJL Holding Inc. for investment purposes and CJL Holding Inc. and/or one or more of its affiliates may, depending on market and other conditions, increase or decrease its beneficial ownership of common shares of the Company or other securities of CRS whether in the open market, by privately negotiated agreement or otherwise.

About CRS

CRS Electronics Inc., a Lighting Facts partner, is a leader in the emerging, rapidly-growing market of high efficiency light-emitting-diode ("LED"), or, solid state lighting ("SSL"). The principal activities of CRS include the development, manufacture and sale, primarily in North America, of indoor lighting such as LED replacement lamps, exterior LED warning lights on school buses, child safety systems for school buses and contract manufacturing of LED circuit boards. CRS plans to be a major supplier of LED lighting solutions for a variety of applications to be developed by CRS on its own and in conjunction with its customers.

For more information please contact:

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About CJL Holding Inc.

The registered office of CJL Holding Inc. is Brookfield Place, 181 Bay Street, Suite 1800, Box 754, Toronto ON M5J 2T9. A copy of the report relating to this acquisition can be obtained from Jennifer Yan Li 647-729-6193 or on CRS's profile at www.SEDAR.com.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Certain statements contained in this news release constitute forward-looking information within the meaning of Canadian securities laws which can be identified by terminology such as "may", "will", "could", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "projects", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited in any manner, those disclosed in any other CRS filings, and include the receipt of all required approvals including the approval of the TSX Venture Exchange and the satisfaction of the other conditions of closing. While we consider these assumptions to be reasonable based on information currently available to us, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in other CRS filings at www.sedar.com and other unforeseen events or circumstances. Other than as required by law, CRS does not intend, and undertakes no obligation to update any forward-looking information to reflect, among other things, new information or future events.

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