

7 December 2016

MARKET ANNOUNCEMENT

A.C.N. 009 161 522 Limited (Formerly known as: Subzero Group Limited) (Receivers and Managers Appointed)(Administrators Appointed) ACN 009 161 522 (“the Listed Company”)

I refer to my appointment together with Mr Adam Nikitins as Joint and Several Voluntary Administrators of the Listed Company on 11 February 2016. I also refer to our appointment as Joint and Several Voluntary Administrators of the subsidiary entities (“the Subsidiary entities”) as listed below in Table 1 and to our subsequent appointments as Joint and Several Liquidators on 14 November 2016. I also refer to previous announcements published on the Australian Stock Exchange (“ASX”) since our appointment, in particular, the announcement published on 25 November 2016 with respect to the outcome of the second meeting of creditors and recapitalisation process.

Table 1: Subsidiary entities

Company name	A.C.N.
A.C.N. 153 511 212 Pty Limited (Formerly known as: SubZero Holdings Pty Limited)	153 511 212
SubZero Labour Services Pty Ltd	163 567 066
Harness Master Wiring Systems (NSW) Pty Ltd	153 272 103
A.C.N. 104 903 139 Pty Limited (Formerly known as: DMST Pty. Limited)	104 903 139
A.C.N. 111 133 156 Pty Limited (Formerly known as: S F Auto Australia Pty Ltd (Trustee For The Bro Built Group Unit Trust	111 133 156
A.C.N. 153 511 445 Pty Limited (Formerly known as: DPS Newco Pty Ltd)	153 511 445
A.C.N. 158 542 244 Pty Limited (Formerly known as: Hydraulic Isolator & Safety Technology Pty Ltd)	158 542 244
A.C.N. 133 463 439 Pty Limited (Formerly known as: SubZero Mining Services Pty Ltd (Trustee for the SubZero Mining Services Unit Trust))	133 463 439
A.C.N. 111 135 543 Pty Limited (Formerly known as: SubZero Automotive Pty Ltd)	111 135 543
A.C.N. 097 757 036 Pty Limited (Formerly known as: Subzero Line Boring Services Pty Ltd) (Trustee for the McTaggart Farrell Unit Trust))	097 757 036

Execution of Deed of Company Arrangement

On 5 December, the Listed Company executed the Deed of Company Arrangement (“DOCA”) and Mr Nikitins and I become the Joint and Several Deed Administrators.

DOCA timeframe and termination

The DOCA will run for 3 months with the major tasks as follows:

- ▶ Work with interested parties to secure a sale of the listed shell acceptable to the Deed Administrators; and
- ▶ Work with the successful party to submit an alteration to the DOCA which sees the listed shell recapitalised, for subsequent consideration and (if thought fit) approval by creditors under the DOCA.

If the sale process results in a successful recapitalisation of the Listed Company, then the Deed Administrators will convene a meeting of creditors under s 445F of the Corporations Act 2001 (Cth) to consider varying the DOCA, so as to facilitate implementation of that successful recapitalisation proposal through a variation to the DOCA. It is envisaged that proceeds from the sale of the ASX-listed shell, if any, will be available for the benefit of creditors of the Listed Company in accordance with the priorities set out in sections 555 and 556 of the Corporations Act.

In the event that no buyer is found, or if one is found but any recapitalisation cannot be effectuated within 3 months of execution of the DOCA, then the DOCA will automatically terminate, the Listed Company will be placed into creditor's voluntary liquidation and the Deed Administrators will become the Liquidators of the Listed Company.

Should you have any queries, please contact Mr Doug Kay on +61 2 8295 6587.

Yours faithfully



Philip Campbell-Wilson
Joint and Several Deed Administrator
A.C.N. 009 161 522 Limited (Formerly known as: Subzero Group Limited)