

4 March 2016

## MARKET ANNOUNCEMENT

### **SUBZERO GROUP LIMITED (Receivers and Managers Appointed) (Administrators Appointed) ACN 009 161 522**

On 11 February 2016, Philip Campbell-Wilson and Adam Nikitins of EY were appointed as Joint and Several Voluntary Administrators ("Administrators") to SubZero Group Limited and the subsidiary entities as listed below:

<b>Name</b>	<b>ACN</b>
SubZero Holdings Pty Limited	153 511 212
SubZero Labour Services Pty Limited	163 567 066
Harness Master Wiring Systems (NSW) Pty Limited	153 272 103
DMST Pty Limited	104 903 139
SF Auto Australia Pty Limited (trustee for Bro Built Group Unit Trust)	111 133 156
DPS Newco Pty Limited	153 511 445
Hydraulic Isolator & Safety Technology Pty Limited	158 542 244
SubZero Mining Services Limited (trustee for SubZero Mining Services Unit Trust)	133 463 439
SubZero Automotive Pty Limited	111 135 543
SubZero Line Boring Services Pty Limited (trustee for McTaggart Farrell Unit Trust)	097 757 036

The appointment of the Administrators has been made concurrently with the appointment of Ryan Eagle and Morgan Kelly of Ferrier Hodgson as Receivers and Managers ("Receivers") of SubZero Group Limited and each of the subsidiary entities listed above ("SubZero Group Companies").

#### **Application to extend convening period**

The convening period for the second meeting of creditors for SubZero Group Companies will expire on 10 March 2016. Under this timetable, second meetings of creditors of each of the SubZero Group Companies are required to be held by no later than 17 March 2016. At each of the second meetings of creditors of the SubZero Group Companies, creditors may resolve to:

- wind up the SubZero Group Company.;
- approve the entry of the SubZero Group Company into a Deed of Company Arrangement ("DOCA"), if one is proposed; or
- end the voluntary administration and return the SubZero Group Company to the control of its directors (only applicable where the SubZero Group Company is solvent).

For the reasons set out below, it is the intention of the Administrators to apply to the Supreme Court of New South Wales on 7 March 2016 for orders extending the convening periods for the SubZero Group Companies to midnight on 9 June 2016:

- The Receivers have control of the business and assets of the SubZero Group Companies and have commenced a campaign for the recapitalisation or sale of the business and assets of the SubZero Group Companies. Expressions of interest are required to be submitted to the Receivers by 4pm on 7 March 2016, with non-binding indicative offers due by 23 March 2016.
- The Receivers anticipate final binding offers will be lodged by 13 April 2016 with completion of any recapitalisation or sale occurring up to 60 days from this time.
- At 3 March 2016, the Administrators understand that the Receivers have received in excess of 40 expressions of interest.
- If an extension to the convening periods is not obtained, the Receivers' ability to conduct a recapitalisation or sale campaign for the SubZero Group Companies as a going concern may be impaired as holding the second meetings of creditors prior to the completion of that recapitalisation/sale process:
  - may exclude recapitalisation or sale proposals involving a DOCA of some or all of the SubZero Group Companies; and
  - would be premature in circumstances where possible returns to creditors of the SubZero Group Companies cannot yet be ascertained.
- Accordingly, the Administrators consider it to be in the interest of creditors for the Receivers' recapitalisation / sale process to proceed without impediment, and for the Administrators to seek orders extending the convening periods for the SubZero Group Companies to permit that process to occur.

Should you have enquires in your capacity as a creditor or shareholder of any of the above entities please phone 1300 912 776 or email [subzero@linkmarketservices.com.au](mailto:subzero@linkmarketservices.com.au)

Adam Nikitins  
Joint and Several Voluntary Administrator