

1 September 2016

MARKET ANNOUNCEMENT

SUBZERO GROUP LIMITED (Receivers and Managers Appointed) (Administrators Appointed) ACN 009 161 522 ("the Company")

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

Name	ACN
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 was made concurrently with the appointment of Ryan Eagle and Morgan Kelly of Ferrier Hodgson as Receivers and Managers ("Receivers") of the Company and each of the subsidiary entities listed above ("SubZero Group Companies").

Application to further extend convening period

The convening period for the 2nd creditors meeting for each of the SubZero Companies has previously been extended by order of the Supreme Court of New South Wales to midnight 9 September 2016. Under this timetable, the second meetings of creditors for SubZero Group Companies are required to be

held no later than 15 September 2016. At 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 5 September 2016 for orders further extending the convening periods for the SubZero Group Companies to midnight on 9 November 2016:

- ▶ The Receivers have control of the business and assets of the SubZero Group Companies.
- ▶ The Receivers have signed an Asset Sale Agreement for the sale of the business and assets of the SubZero Group (excluding the SubZero Group's Labour Hire and Harness Master Business and the 50% interest in the Moranbah Joint Venture) with Management Resource Solutions ("MRS").
- ▶ The sale is due to complete on 30 September 2016, if a further extension to the convening periods is not obtained, the Receivers' ability to complete the sale as a going concern may be impaired.
- ▶ Accordingly, the Administrators consider it to be in the interest of creditors for the Receivers' Asset Sale Agreement 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



Philip Campbell-Wilson
Joint and Several Voluntary Administrator