



ASX Announcement

12 May 2014

Joint Venture Agreement – Harness Master International

SubZero Group Limited (ASX: SZG) ("**SZG**") is pleased to announce that it has entered into a Joint Venture Agreement with Harness Master Wiring Systems Pty Ltd a Western Australian company, and Harness Master Wiring Systems Inc. (a company incorporated in the Philippines) to form a new company called Harness Master International Pty Ltd (HMI).

HMI will become the exclusive sales, marketing and distribution agent for harness wiring systems manufactured and developed by the parties in Australia and their offshore manufacturing facility in the Philippines.

HMI is in the process of developing new offshore markets for their products with a specific focus on the United States of America. These products will target the automotive, trucking, marine and defence industries that require small to medium production runs of customised electrical wiring systems.

In addition to the offshore expansion a new distributor model will be rolled out for the Australian market, which will concentrate on providing outstanding business solutions for medium to large sized auto-electrical business.

The joint venture will be effective from 3rd May 2014.

Scott Farrell, Managing Director SZG, stated:

"This is a very exciting opportunity for SubZero. It will enable SZG to utilise its marketing and distribution skills in promoting a suite of specialised products for use wherever electrical cabling systems are installed. Harness Master manufactures wiring harnesses to a stringent quality assured standard and can also reverse engineer and modify genuine wiring harnesses for replacement identical to or exceeding the original equipment manufacturers specifications."

SZG has had a working relationship with Harness Master Wiring Systems Pty Ltd for several years as a supplier and this now takes it to the next level. This joint venture had been forecast at the half year update."

For further information:

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About SubZero Group Limited

The SubZero Group carries on an established mining service business based in the Hunter Valley, New South Wales. Its clients are almost exclusively involved in the Hunter Valley thermal coal mining industry. SubZero Group's services include Mechanical Support (on and off-site mining machinery support), Structural Support (on and off-site engineering support) and Production Support (mining production support). SubZero has a presence in over 25 coal mines and over 90 clients including Rio Tinto, BHP Billiton and Xstrata. Further information can be found at the SubZero website: <http://subzeroservices.com.au/>

About Harness Master Wiring Systems Pty Ltd

Harness Master Wiring Systems established in 2006, primarily to cater for Western Australian operations which required a reliable manufacturer and provider of quality, professional, cost-effective wiring solutions. Our manufacturing facility is now ISO 9001:2008 certified. HMWS became recognised as the top manufacturer of wiring harnesses and related products in the industry. As a result we become Rio Tinto's specified supplier for auto-electrical lighting and harness requirements. Having grown from our success, we now have a world class plant in the Philippines in addition to our greatly expanded local plant and head office in Perth, West Australia, as well as branch offices in Queensland and New South Wales. The products and services HMWS provide are as follows; Custom made wiring harnesses, engineered self installation wiring kits, illuminated E-Stop product, jump start connectors, light bars and replacement wiring harnesses. Further information can be found at the Harness Master website: <http://www.harnessmaster.com.au/>

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