

HMF ANNOUNCES THE ACQUISITION OF
FORMRITE COMPANIES, INC.

Manitowoc, WI — March 29, 2010 — HMF Innovations, Inc. today announced the acquisition of Formrite Companies, a leading provider of formed steel tubing for hydraulic and structural applications. Formrite's markets include the construction, mining, agricultural, furniture, and lawn-care equipment markets. With the acquisition of Formrite, HMF Innovations along with its sister company, Heavy Metal Fabricators, will be able to provide their shared markets with an expanded range of steel fabrication, assembly and automation services.

"Our shared customer base is always looking for suppliers that can provide an increasing range of products and services including complete parts and assemblies direct to an assembly line," said David Wage, President and Owner of HMF Innovations and Heavy Metal Fabricators. "Together Formrite, Heavy Metal Fabricators, and HMF Innovations can now provide our customers with complete machined fabrications from six pounds to 60-tons along with steel tube assemblies and complex sub-assemblies, all manufactured using the latest automation technologies."

In addition to his ownership of HMF Innovations and Heavy Metal Fabricators, Wage is currently Formrite's President and Chairman of the Board. Under the purchase agreement, Wage will acquire a significant controlling interest of Formrite's outstanding stock. Together, Formrite, Heavy Metal Fabricators and HMF Innovations plan to work with their key customer base to find new and creative ways to fabricate steel components including fabricated tube assemblies

As part of the acquisition, HMF Innovations will move its engineering and manufacturing operations to Two Rivers. Financing for this relocation will be assisted by a \$350,000 working capital loan to HMF from the City of Two Rivers Economic Development Revolving Loan Fund. The loan was approved by the City's Business and Industrial Development Committee on February 2. Wage expressed optimism that Formrite will continue to see a recovery in its business as the national economy rebounds, allowing the company to recall some or all of the 50-plus employees currently on layoff. HMF also anticipates growth in its HMF workforce as manufacturers begin to invest in automation and robotics.

The Economic Development Corporation of Manitowoc County worked actively to seek new investment in Formrite. "The EDC Private Investment Committee did an excellent job in recruiting potential new investors for this project," said EDC Director Ken Stubbe. "But without the help of Dave Wage, Formrite employees, the City of Two Rivers and Bank First National, this company could have been gone." Businessman Mark Ring, who serves on both the EDC Board and Two Rivers' loan committee, credited Wage for stepping forward as the new, local owner of Formrite. "This project is an excellent example of a collaborated effort between many people that stepped up to help ensure that we keep Formrite a locally owned business with 50 plus jobs in our community. I am convinced that if this cooperative effort had not transpired we could have seen a much less favorable outcome", said Ring.

Two Rivers City Manager - Greg Buckley described the HMF/Formrite deal as “economic development done right.” Buckley noted that there were many parties involved in the transaction, including Wage, the Formrite Board, EDC and the City’s Economic Development Office, and Business and Industrial Development Committee. “The City of Manitowoc also deserves credit, as they indicated no objections to HMF Innovations relocating to Two Rivers, recognizing that the continued growth of HMF Innovations, combined with a resurgent Formrite, is good for the entire community. We all have to take that broad, area-wide view of economic development...a rising tide lifts all ships,” Buckley commented.

Formrite received a \$250,000 working capital loan from the Two Rivers Revolving Loan fund in July of 2009. That loan will be repaid prior to disbursement of the \$350,000 loan to HMF Innovations, according to City Economic Development Supervisor Dan Pawlitzke. HMF Innovations expects to complete its move to Two Rivers by early summer. .

“The old days of pitting supplier against supplier in hopes of driving down prices are coming to an end. Leading manufacturers recognize that in today’s world customers and suppliers need to work together cooperatively to drive down cost and improve quality. Combining a wide range of steel fabrication capabilities with 40-years of automation expertise puts us in a much better position to work cooperatively in this new business environment,” said David Wage.

About Formrite

Founded in 1950, Formrite has maintained its corporate offices and a majority of its manufacturing in Two Rivers, Wisconsin. Formrite currently employs 60 people at its Madison Street facility, down from 125 prior to the economic downturn. The company produces steel hydraulic and structural tube assemblies. Major customers include Caterpillar, John Deere and Harley Davidson.

<http://www.formrite.com>

About HMF Innovations

Founded in 1970, HMF Innovations provides some of the nations largest manufacturers with state of the art automation solutions. HMF market segments include foundry, press tending, material handling, welding and hydraulic hose manufacturing.

<http://www.hmf.com>

About Heavy Metal Fabricators

Founded in 2006, Heavy Metal Fabricators manufactures large machines and machined weldments for the defense department, marine, paper, crane, foundry, petroleum and construction equipment industries. Heavy Metal Fabricators currently employs 65 full and part-time employees. Heavy Metal Fabricators operates a state of the art 55,000 square-foot manufacturing facility on the shores of Lake Michigan in Manitowoc, Wisconsin.

<http://www.hmf.com>