

ASX RELEASE

16 April 2018

Market Update

- **Various blue-chip mining customers, domestic and international, have received Terra Dura[®] brake sets to trial in line with ABT's new growth strategy**
- **Global roll-out supported by refreshed branding and commencement of digital marketing campaign**
- **Sales channel enhancement via the engagement of two new Australian distributors**
- **New domestic sales manager appointed to drive sales throughout the Australian mining sector**
- **Supply chain has been successfully optimised, providing premium quality, competitive pricing and levels of redundancy with the capacity now to deliver product in line with our sales budgets for FY2018 and FY 2019**
- **Extended rough-road Terra Dura[®] durability testing concluded successfully**
- **Continued strong ABT Failsafe brake system sales to existing and new customers**
- **Operating revenue for the nine months to 31 March 2018 of \$5.34m - up 25% on the same period in 2016/17**

Advanced Braking Technology Limited (ASX: ABV) ('ABT' or 'the Company') is pleased to provide an operational update to the market, detailing the strong progression the Company has made over the last two months.

Terra Dura[®] Rollout

ABT's targeted sales strategy has resulted in the delivery of Terra Dura[®] sets to various blue-chip mining customers, both domestically and abroad. Initial orders from these customers have been for the purposes of trialling ABT's innovative technology, before committing to a broader rollout across their fleets. ABT is confident in the robustness of Terra Dura[®] and its value proposition and anticipates these trials will result in further orders. Notably, these customers include South32, one of Australia's largest miners, which not only presents a significant market opportunity, but will provide invaluable market validation of the technology.

ABT has continued to strengthen its organisational structure via the recent appointment (April 3rd) of an additional domestic sales manager, Scott Verrier. Scott has more than 20 years of experience in sales and distribution of industrial products, giving him the skills to engage and service large domestic opportunities for Terra Dura[®].

Additionally, ABT continues to grow its sales channels through the engagement of two new domestic distributors. ABT is pleased to report that the Terra Dura[®] is receiving very positive feedback from those distributors as the market opportunity is well understood.

Supply Chain and Rough Road Testing

ABT is pleased to announce that the supply chain has been successfully optimised, considerably de-risking the possibility of any further production issues that were faced over the past twelve months. The Company has established multiple sources of critical components (in Australia and abroad), providing layered levels of redundancy, competitive pricing, and increased capacity to fulfil anticipated global demand.

ABT has completed its extended Terra Dura[®] vehicle durability testing for Toyota LandCruiser. The results from more than 6,000km rough road test were excellent and have met or exceeded all key trial factors, including performance at sustained periods at speeds of up to 100km/h.

Refreshed Branding and Digital Marketing

ABT has revised the branding of the Company and its product portfolio. This revision resulted in a new company logo and the rebranding of the existing product range. The SIBS[®] acronym and logo will be discontinued. The products have been rebranded as follows:

- SIBS[®] wet brake wheel-end = **ABT Failsafe**
- SIBS[®] wet brake driveline = **ABT Failsafe Emergency**
- **Terra Dura[®]** unchanged

In addition to the rebranding, ABT has deployed a digital marketing strategy designed to efficiently and effectively boost market awareness for the product offering and underlying technologies. ABT is beginning to see positive results from these efforts and anticipates continued benefits as the strategy is optimised.

ABT Failsafe and ABT Failsafe Emergency Sales

Following the last Market Update, there have been continued strong ongoing sales of all ABT Failsafe products to both existing and new customers. On that basis, total operating revenue for the quarter amounted to \$2.03m, with the corresponding YTD figure at \$5.34m, up 25% on the previous year.

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About Advanced Braking Technology

Advanced Braking Technology Ltd (ABT) is an Australian company listed on the Australian Stock Exchange (ASX: ABV) focusing on the development, manufacturing and marketing of high performance brakes to the automotive, transport and mining industry. This incorporates the ground-breaking and internationally patented sealed integrated brake technology, as used in the ABT Failsafe product range, plus the new Terra Dura® polymer brake, which additionally targets the recreational 4WD market. The Company has manufacturing bases in Australia with its Head Office in Perth and a corporate office in Melbourne.