

ASX RELEASE

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ABT to provide brake related design services to Thales Australia

- **ABT enters into a contract with Thales Australia to provide brake related design services for the Hawkei Project**
- **Upon successful completion of the design and testing phase, ABT to be invited by Thales to participate in the tender for the manufacture and supply of specialised hill-hold brake mechanisms for the Hawkei Project**
- **Strategy implementation of customer and industry diversification continues to make good progress**
- **Provides ABT with the ability to engage with other international specialised fleet providers with our customised design solutions**

Advanced Braking Technology Limited (ASX: ABV) ('ABT' or 'the Company') is pleased to advise that it has entered into a contract with Thales Australia Limited ("Thales") to provide brake related design services for the Hawkei Project.

Thales Australia is part of the Thales Group, the world leading aerospace, defence, transport and security technology company headquartered in Paris, France.

Design services contract entered into with Thales Australia

The Company will provide brake related design and prototype development and testing services to Thales who have been contracted by the Commonwealth of Australia to supply 1,100 Hawkei PMV-L vehicles as part of the LAND 121 project.

Our contract with Thales represents the first stage of a two stage process, whereby upon the successful design and testing of a prototype (Phase 1), ABT will be invited to participate in the tender for the manufacture and supply of 1,100 specialised hill-hold brake mechanisms that will be fitted to each Hawkei vehicle (Phase 2).

The signing of this contract achieves a strategic objective of diversifying our customer base and the industries in which we provide innovative braking solutions. Importantly, ABT will now have a competitive advantage to offer our customised design solutions services to other international specialised fleet providers and should ABT be successful in being awarded Phase 2 of the project, will allow ABT to become an Original Equipment Manufacturer which will open up further growth opportunities.

Details of the contract are as follows:

Counterparty: Thales Australia Limited

Term: 12 months

Services: Brake related design services and prototype development and testing

A Purchase Order for the work has been received from Thales which allows the Company to commence the design services. Although the term of the contract is for 12 months, it is anticipated that the design stage and prototype testing will be completed during Q3 of CY 2019.

The financial value of Phase 1 of the contract is approximately \$130,000 and whilst not materially significant, the opportunities that it presents to further diversify away from the mining industry and to provide customised design solutions services to international specialised fleets will provide further growth options for the Company. International specialised fleets include vehicles used in military applications, humanitarian support and emergency services.

The design solution provided to Thales will include Intellectual Property already developed by the Company and which has been used in the proven and trusted Failsafe brake that has been used extensively within both the Australian and international mining sectors over many years.

ABT CEO, Mr John Annand stated “we are very pleased to be working with Thales to assist them in delivering the world class Hawkei Project to the Commonwealth of Australia. ABT will now be able to engage with other international specialised fleet providers with our customised design solutions services, thereby further diversifying both our customer base and the industries in which we provide our innovative braking solutions. The signing of this contract marks a key inflection point in the Company’s development and future strategy”.

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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 internationally patented sealed integrated brake technology, as used in the ABT Failsafe product range and the new Terra Dura[®] polymer brake. The Company has manufacturing bases in Australia with its Head Office in Perth.