

+Rule 4.7B

Appendix 4C

Quarterly report – Quarter Ended 30 September 2018

(Quarter 1)

Advanced Braking Technology Ltd

ABN 66 099 107 623

ASX Code ABV

SYNOPSIS

1 Cash Balance

Cash balance as at 30 September 2018 - \$1.865m

2 Net cash from operating activities – 1 July to 30 September 2018

Net cash from operating activities for the quarter was \$0.448m positive, which was assisted by the receipt of the R&D rebate (\$0.838m).

Net cash across all activities for the quarter was \$1.238m positive.

During the quarter a Non-renounceable Rights Issue was undertaken which raised a total of \$1.483m (before costs) from both institutional and retail investors. The repayment of the R&D loan (\$0.6m) was also made during the quarter from the proceeds of the R&D rebate.

3 Company Update

During the quarter the Company observed a strong sales performance of its established range of Failsafe brakes, with the domestic market a particular contributor. While several trials of Landcruiser Terra Dura[®] at key Australian mine sites continue, a trial at a Saskatchewan, Canada potash mine has concluded successfully. As a result, the mine placed an order for an immediate requirement of two sets and indicated that larger orders are to follow early 2019 with the deployment of new fleet vehicles.

Project activities in preparation for the upcoming launches of both Isuzu D-MAX, currently undergoing road certification testing in Europe, and Toyota HiLux are continuing. This will coincide with a product upgrade to Terra Dura[®]. The introduction of a new sealing arrangement as well as the strengthening of both inner and outer polymer covers are measures to further improve durability and reliability of the brake.

The Company looks forward to advancing the global roll-out of its ground-breaking Terra Dura[®] brake on basis of an expanding product range and its continued commitment to innovation.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

ADVANCED BRAKING TECHNOLOGY LTD

ABN

66 099 107 623

Quarter ended ("current quarter")

30 SEPTEMBER 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,611	1,611
1.2 Payments for		
(a) research and development	(185)	(185)
(b) product manufacturing and operating costs	(911)	(911)
(c) advertising and marketing	(17)	(17)
(d) leased assets	(7)	(7)
(e) staff costs	(518)	(518)
(f) administration and corporate costs	(311)	(311)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	(54)	(54)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	838	838
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	448	448

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(64)	(64)
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(64)	(64)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	1,483	1,483
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(29)	(29)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(600)	(600)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	854	854

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	627	627
4.2	Net cash from / (used in) operating activities (item 1.9 above)	448	448
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(64)	(64)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	854	854
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	1,865	1,865

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	620	250
5.2	Call deposits	1,183	315
5.3	Bank overdrafts	-	-
5.4	Other (term deposit)	62	62
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,865	627

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	(46)
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2 Directors Fees	

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	7
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2 Provision of company secretarial services from AE Administrative Services Pty Ltd, a company associated with a director of the company.	

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	500	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. The only facility under 8.2 above is a NAB Invoice Finance Facility, which presently provides finance of 80% of Australian Trade Receivables up to the value of \$500,000. This facility is secured by the company's debtors and has been in place since 2013 but has never drawn down. The interest rate for the NAB Invoice Finance Facility is currently 7.93%.		

9.	Estimated cash outflows for next quarter	\$A'000
9.11	Research and development	(200)
9.12	Product manufacturing and operating costs	(1,400)
9.13	Advertising and marketing	(20)
9.14	Leased assets	(7)
9.15	Staff costs	(600)
9.16	Administration and corporate costs	(395)
9.17	Other (provide details if material)	
	Interest and other costs of finance paid	(28)
	Payments to acquire property, plant and equipment	-
9.19	Total estimated cash outflows	(2,650)

9.2	Estimated cash inflows next quarter	\$A'000
9.21	Receipts from customers	2,078
9.22	Government grants and tax incentives	-
9.23	Interest received	3
9.24	Other	
	Proceeds from the disposal of property, plant and equipment	-
9.29	Total estimated cash inflows	2,081

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity	-	-
10.2	Place of incorporation or registration	-	-
10.3	Consideration for acquisition or disposal	-	-
10.4	Total net assets	-	-
10.5	Nature of business	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: _____
(Company secretary)

Date: 31 October 2018

Print name: Kaitlin Smith

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.