

12 June 2012

**AUSTRALIAN STOCK EXCHANGE LIMITED**

**Electronic Lodgment**

**RE: Notice of Meeting**

Please find attached a Notice of Meeting and Explanatory Statement in respect of a meeting to be held on 12<sup>th</sup> July 2012 for the purpose of seeking shareholder approval for the issue of shares to Directors.

On 24<sup>th</sup> April 2012 the Company announced that it had secured commitments to raise \$2.4 million by the issue of 143 million shares at 1.7 c per share in an oversubscribed share placement to sophisticated investors. 125,700,000 were issued on 1<sup>st</sup> May 2012. The balance of 17,300,000 shares were subscribed for by Directors, on the same terms as the issue on 1<sup>st</sup> May 2012, subject to shareholder approval. The Directors have already remitted, in full, the consideration, totalling \$294,100, which is being held in trust by the Company, pending shareholder approval of the issue.

The attached Notice of Meeting includes proposed resolutions, to be put to shareholders, to approve the issue of shares to Directors.

Yours faithfully



Clare Madelin  
Company Secretary



**This document is important and requires your immediate attention.**

**Advanced Braking Technology Ltd**  
**ACN 099 107 623**

**Notice of General Meeting  
and Explanatory Statement**

For the purpose of providing information to Shareholders regarding a General Meeting of Advanced Braking Technology Ltd to be held on Thursday 12th July 2012 at 10.30 am (WST).

# Contents

- A. Notice of General Meeting
- B. Explanatory Statement
- C. Proxy Form

## Important note

This booklet sets out information to assist Shareholders to assess the resolutions to be considered at the General Meeting.

You should read this information carefully and in its entirety before making a decision as to how to vote at the General Meeting. No responsibility is taken for the contents of this booklet by ASIC, ASX or any of their officers.

If you do not fully understand the contents of this information you should consult your financial or legal adviser for assistance.

A Notice of General Meeting and Proxy Form are included in this booklet. Shareholders are urged to complete and return the enclosed Proxy form as soon as possible, irrespective of whether or not they intend to attend the General Meeting.

## Questions

If you have any queries regarding the contents of this booklet or in relation to the General Meeting, please contact the Company Secretary, Ms Clare Madelin, on (08) 9273 4804.

## Time and Place of Meeting and How to Vote

### Venue

A General Meeting of the Shareholders of Advanced Braking Technology Ltd (**Company**) will be held at the Company's Western Australian premises at:

Unit 1, 3 McDonald Street  
Osborne Park  
Perth WA 6017

Commencing at: 10.30 am (WST) on Thursday 12th July 2012.

### How to Vote

You may vote by attending the Meeting in person, by proxy or authorised representative.

### Voting in Person

To vote in person, attend the meeting on the date and at the place set out above. The meeting will commence at 10.30 am.

### Voting by Proxy

To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice of General Meeting as soon as possible and either:

send the Proxy Form by facsimile to the Company Secretary, Ms Clare Madelin on facsimile number (08) 9201 9986 (International: + 618 9201 9986); or  
deliver it to the Company Secretary, at Unit 1, 3 McDonald Street Osborne Park WA 6017; or  
email it to [clare.madelin@advancedbraking.com](mailto:clare.madelin@advancedbraking.com), with subject line marked "proxy form": or  
post it to PO Box 1177, Osborne Park, WA 6916;

so that it is received not later than 10.30 am (WST) on Tuesday 10th July 2012.

**Your Proxy Form is enclosed.**

# Advanced Braking Technology Ltd

## ACN 099 107 623

### Notice of General Meeting

Notice is given that a General Meeting of Shareholders of Advanced Braking Technology Ltd (**Company**) will be held at 10.30 am (WST) on Thursday 12th July 2012.

#### Agenda

The purpose of the Meeting is to consider, and if thought fit, pass the following resolutions.

#### Ordinary Business

That approval is given for the purposes of ASX Listing Rule 10.11, and for all other purposes, for the allotment and issue of 15,300,000 fully paid ordinary shares in the capital of the Company at an issue price of 1.7 cents per share to Mr David Slack or his nominee on the terms described in the Explanatory Statement that relate to this resolution (**Resolution 1**).

That approval is given for the purposes of ASX Listing Rule 10.11, and for all other purposes, for the allotment and issue of 2,000,000 fully paid ordinary shares in the capital of the Company at an issue price of 1.7 cents per share to Mr Kenneth Johnsen or his nominee on the terms described in the Explanatory Statement that relate to this resolution (**Resolution 2**).

Members are referred to the Explanatory Statement accompanying this Notice of Meeting for further information in relation to the resolutions.

#### By Order of the Board

**Clare Madelin**  
**Company Secretary**  
**1st June 2012**

#### Notes:

1. A Shareholder of the Company who is entitled to attend and vote at a general meeting of Shareholders is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
3. In accordance with Regulation 7.11.37 of the *Corporations Regulations* 2001, the Directors have set a snapshot date to determine the identity of those entitled to attend and vote at the Meeting. The snapshot date is 5.00pm (WST) on 10th July 2012.

# Explanatory Statement

## 1. General Information

This Explanatory Statement and all attachments are important documents. They should be read carefully.

This Explanatory Statement has been prepared for the Shareholders of Advanced Braking Technology Ltd (**Company**) in connection with the General Meeting of the Company to be held at 10.30 am on 12th July 2012 at Unit 1, 3 McDonald Street, Osborne Park, Perth WA 6017.

There are 2 ordinary resolutions to be put to the Meeting. A short explanation of the resolutions is set out below.

## 2. Resolution 1 – Issue of Ordinary Shares to Mr David Slack

On 1<sup>st</sup> May 2012 the Company made a placement of fully paid ordinary shares that did not require shareholder approval under the Listing Rules of ASX Limited (**Listing Rules**) as the number of shares issued and allotted, when combined with all other issues made in the previous 12 months, did not exceed 15% of the Company's issued share capital (**Placement**). The Placement was made at 1.7 cents per share to various sophisticated and professional investors with the allottees determined via a book build undertaken by Blue Ocean Equities between 20<sup>th</sup> April 2012 and 23<sup>rd</sup> April 2012.

The funds raised under the Placement will be used as follows:

- \$1.0 million - to match funding to support the balance of a \$2 million Commonwealth Grant;
- \$1.0 million - to support additional research and development in relation to the Company's mining and garbage truck brake products; and
- \$0.4million - working capital to support garbage truck brake product launch.

Mr David Slack, a Director of the Company, has agreed to participate in the Placement on the same terms as the shares issued on 1<sup>st</sup> May 2012, subject to receipt of Shareholder approval under Listing Rule 10.11. Mr Slack has irrevocably accepted the terms of the Placement and accordingly has remitted, in full, the consideration of \$260,100 for his allocation of Placement shares, which money is being held in trust by the Company pending receipt of Shareholder approval at the General Meeting. Should Resolution 1 not be passed this sum will be repaid to Mr Slack. Since the issue price has been fixed at 1.7 cents per share, the number of shares to be issued to Mr Slack remains unaffected by either positive or negative share price movements subsequent to the Placement.

Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under Listing Rule 10.11. For the purposes of Listing Rule 10.13, the following information is provided in relation to Resolution 1:

- (a) The proposed allottee of the securities to be issued pursuant to Resolution 1 is Mr David Slack or his nominee;
- (b) It is proposed to issue 15,300,000 fully paid ordinary shares in the capital of the Company to Mr Slack or his nominee.
- (c) The issue of the shares will occur no later than one month after the date of the General Meeting and the Company will apply to ASX for official quotation of the shares issued.
- (d) As noted above, Mr Slack is a director of the Company and as such is a related party of the Company.
- (e) The shares will be issued at 1.7 cents per share to raise a total of \$260,100.
- (f) These funds will be used in the same way as the balance of the funds raised from the Placement (as set out above).
- (g) The shares will rank equally with existing ordinary fully paid shares on issue.
- (h) In accordance with Listing Rule 10.13.6, the Company will disregard any votes cast by Mr David Slack and his associates. However the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the

meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Approval pursuant to Listing Rule 7.1 is not required in order to issue the shares the subject of Resolution 1 as approval is being obtained under Listing Rule 10.11. In addition, approval pursuant to Part 2E of the Corporations Act is not required as the shares are being issued to Mr Slack on arms' length terms.

The Board (excluding Mr Slack) recommends that Shareholders vote in favour of Resolution 1.

### **3. Resolution 2 – Issue of Ordinary Shares to Mr Kenneth Johnsen**

Mr Kenneth Johnsen, a Director of the Company, has also agreed to participate in the Placement subject to receipt of shareholder approval under Listing Rule 10.11. Mr Johnsen has irrevocably accepted the terms of the Placement, and accordingly has remitted, in full, the consideration of \$34,000 for his allocation of the Placement shares, which money is being held in trust by the Company pending receipt of Shareholder approval at the General Meeting. Should Resolution 1 not be passed this sum will be repaid to Mr Johnsen. Since the issue price has been fixed at 1.7 cents per share, the number of shares to be issued to Mr Johnsen remains unaffected by either positive or negative share price movements subsequent to the Placement.

Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under Listing Rule 10.11. For the purposes of Listing Rule 10.13, the following information is provided in relation to Resolution 2:

- (a) The proposed allottee of the securities to be issued pursuant to Resolution 2 is Mr Kenneth Johnsen or his nominee;
- (b) It is proposed to issue 2,000,000 fully paid ordinary shares in the capital of the Company to Mr Johnsen or his nominee.
- (c) The issue of the shares will occur no later than one month after the date of the General Meeting and the Company will apply to ASX for official quotation of the shares issued.
- (d) As noted above, Mr Johnsen is a director of the Company and as such is a related party of the Company.
- (e) The shares will be issued at 1.7 cents per share to raise a total of \$34,000.
- (f) These funds will be used in the same way as the balance of the funds raised from the Placement (as set out in Section 2 above).
- (g) The shares will rank equally with existing ordinary fully paid shares on issue.
- (h) In accordance with Listing Rule 10.13.6, the Company will disregard any votes cast by Mr Johnsen and his associates. However the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Approval pursuant to Listing Rule 7.1 is not required in order to issue the shares the subject of Resolution 2 as approval is being obtained under Listing Rule 10.11. In addition, approval pursuant to Part 2E of the Corporations Act is not required as the shares are being issued to Mr Johnsen on arms' length terms.

The Board (excluding Mr Johnsen) recommends that Shareholders vote in favour of Resolution 2.

### **4. Glossary**

**ASIC** means Australian Securities and Investments Commission.

**ASX** means ASX Limited.

**Board** means the board of Directors of the Company.

**Company** means Advanced Braking Technology Ltd ACN 099 107 623.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Directors** mean the current Directors of the Company.

**General Meeting** or **Meeting** means the general meeting of Shareholders convened by the Notice.

**Listing Rules** means the Listing Rules of ASX Limited.

**Notice** or **Notice of Meeting** means the notice of meeting accompanying this Explanatory Statement.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**WST** means Western Standard Time.

## Proxy Form

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The Company Secretary  
Advanced Braking Technology Ltd

I/We, \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_ (address) being a member/s of Advanced Braking Technology Ltd (**Company**)

hereby appoint \_\_\_\_\_ (name) of \_\_\_\_\_

\_\_\_\_\_ (address) or failing him or her the Chairman of the Meeting as my/our proxy to vote on my/our behalf at the General Meeting of the Company to be held at Unit 1, 3 McDonald Street, Osborne Park, WA 6017 on Thursday 12th July 2012 at 10.30 am (WST) and at any adjournment of that meeting.

If two proxies are appointed, the proportion of my/our total voting rights that this proxy is authorised to exercise are as follows:

\_\_\_\_\_  
(number of votes or percentage of voting rights proxy is authorised to exercise).

Should you desire to direct your proxy how to vote please place a mark in the appropriate boxes below. If you do not instruct your proxy how to vote on a resolution leave the boxes below blank and your proxy may vote as he or she thinks fit or abstain from voting.

I/We instruct my/our proxy to vote as follows (the resolutions are numbered as in the Notice of General Meeting):

ORDINARY BUSINESS	For	Against	Abstain
1. Issue of Ordinary Shares to Mr David Slack			
2. Issue of Ordinary Shares to Mr Kenneth Johnsen			

**IMPORTANT:** If the Chairman of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in the box. By marking this box, you acknowledge that the Chairman of the meeting may exercise your proxy even if he has an interest in the outcome of the resolutions and that votes cast by the Chairman of the meeting for those resolutions other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution. The Chairman intends to vote undirected proxies **IN FAVOUR** of each resolution.

☐

This proxy form must be signed by each appointing member (or member's attorney). Proxy forms submitted by a company must be executed in accordance with section 127 of the Corporations Act or signed by a duly authorised officer or attorney.

### Authorised signature/s

Signed by Individual Member or Attorney:

Signed by Sole Director Company:

\_\_\_\_\_  
Individual Member/Attorney  
(delete as appropriate)

\_\_\_\_\_  
Sole Director and Secretary

Signed by Company:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director/Company Secretary  
(delete as appropriate)

### Proxies must be:

- (a) lodged at the registered office of the Company; or
- (b) received at the postal address specified below; or
- (c) received at the fax number specified below; or
- (d) received by email at the email address specified below with subject line marked "proxy form"

not later than 48 hours before the meeting; that is, 10.30 am (WST) on 10th July 2012

**The Company's registered office:**

Unit 1, 3 McDonald Street  
Osborne Park WA 6017.

**Postal address:**

PO Box 1177,  
Osborne Park, WA 6916

**Fax number:**

(08) 9201 9986

**Email address:**

[clare.madelin@advancedbraking.com](mailto:clare.madelin@advancedbraking.com)

### Notes:

A proxy has the authority to vote on the member's behalf, as he or she thinks fit, on any motion to adjourn the meeting, or any other procedural motion, unless the member gives a direction to the contrary.

A proxy need not be a member of the Company.

A member which is itself a company may either fill out this proxy form, in which case it must be submitted within the time limit described above, or it may appoint a representative pursuant to section 250D of the Corporations Act in which case the appointment may be presented at the door for admission to the meeting.