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22 October 2013

AUSTRALIAN STOCK EXCHANGE LIMITED

Electronic Lodgement

ADVANCED BRAKING TECHNOLOGY LTD
MICRO-CAP CONFERENCE PRESENTATION

Please find attached a presentation to be made by Ken Johnsen, CEO. Slide 4 of the presentation precedes a video presentation of the company's technology.

To view the video please access this webcast at:

<http://www.youtube.com/watch?v=kVw14YOaLBU>

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Clare Madelin', with a long horizontal flourish extending to the right.

Clare Madelin
Company Secretary



Advanced Braking Technology Limited

Micro-cap Conference – 22nd October 2013

Ken Johnsen – CEO

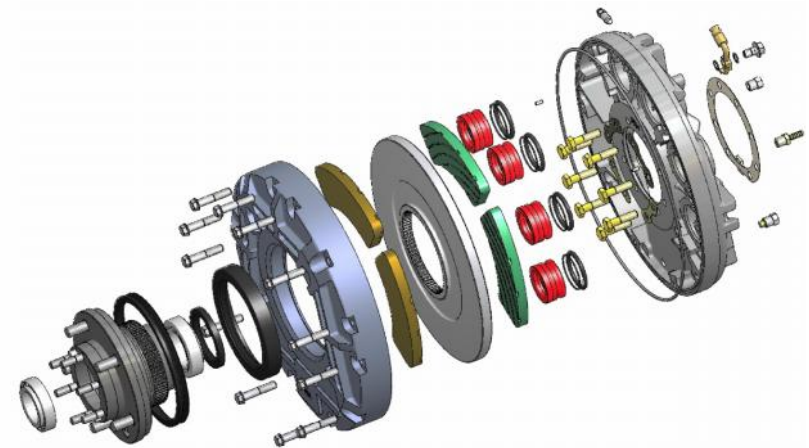
Who are we?

- › Advanced Braking Technology Ltd
- › ASX listed - Perth based
- › Manufacturing subsidiary in Thailand
- › Designer, developer and manufacturer of innovative and patented braking products world-wide

ASX Code	ABV
Top 20 Holding (%)	47.3%
Ownership Directors / Management (%)	15.8%
Shares on Issue	1.1 billion
Market Cap	\$17.6 million
Share Price	\$0.016

What do we do?

- › Provide improved braking solutions for vehicles
 - › Can be factory fitted or retro-fitted
 - › Readily adapted for most vehicle types
 - › Offer greatly reduced servicing costs
 - › Provide improved reliability and safety
 - › Totally eliminate fine particle emissions
 - › Reduce brake squeal on heavy trucks
 - › Have global applications



Our Technology



Investment Proposition

- › Unique, proven and **patent protected technology**
- › Global **market potential across multiple applications and sectors**
- › Significant **competitive advantages** over alternative products
- › Compelling customer offering – **‘triple bottom line’** benefits
- › Robust **commercial model** with attractive margins and high scalability
- › **Strong Board and management** with extensive technical and commercial expertise
- › Significant **valuation upside** potential

The Business Model

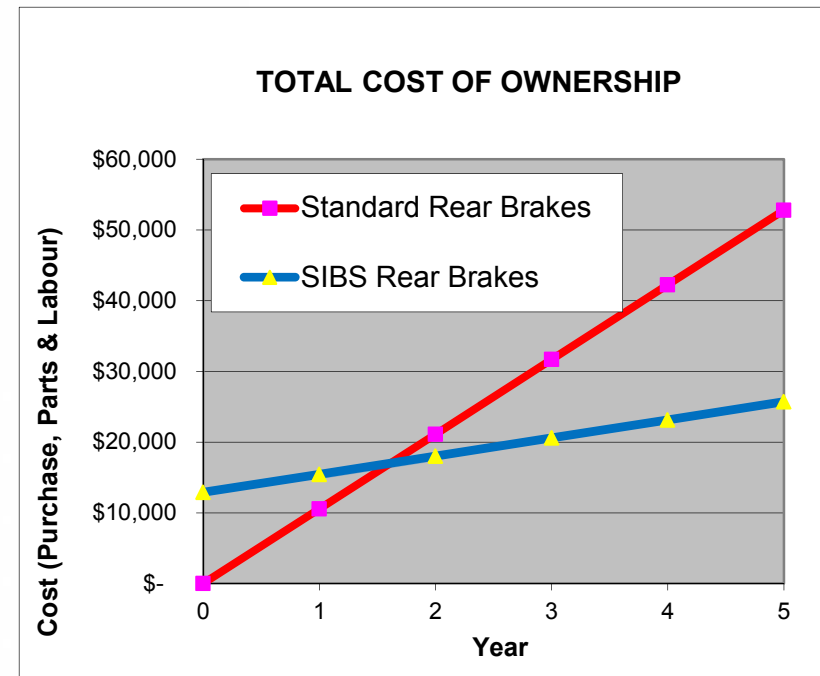
Proprietary technology = High margins



Selling & Service Agents located in growth markets

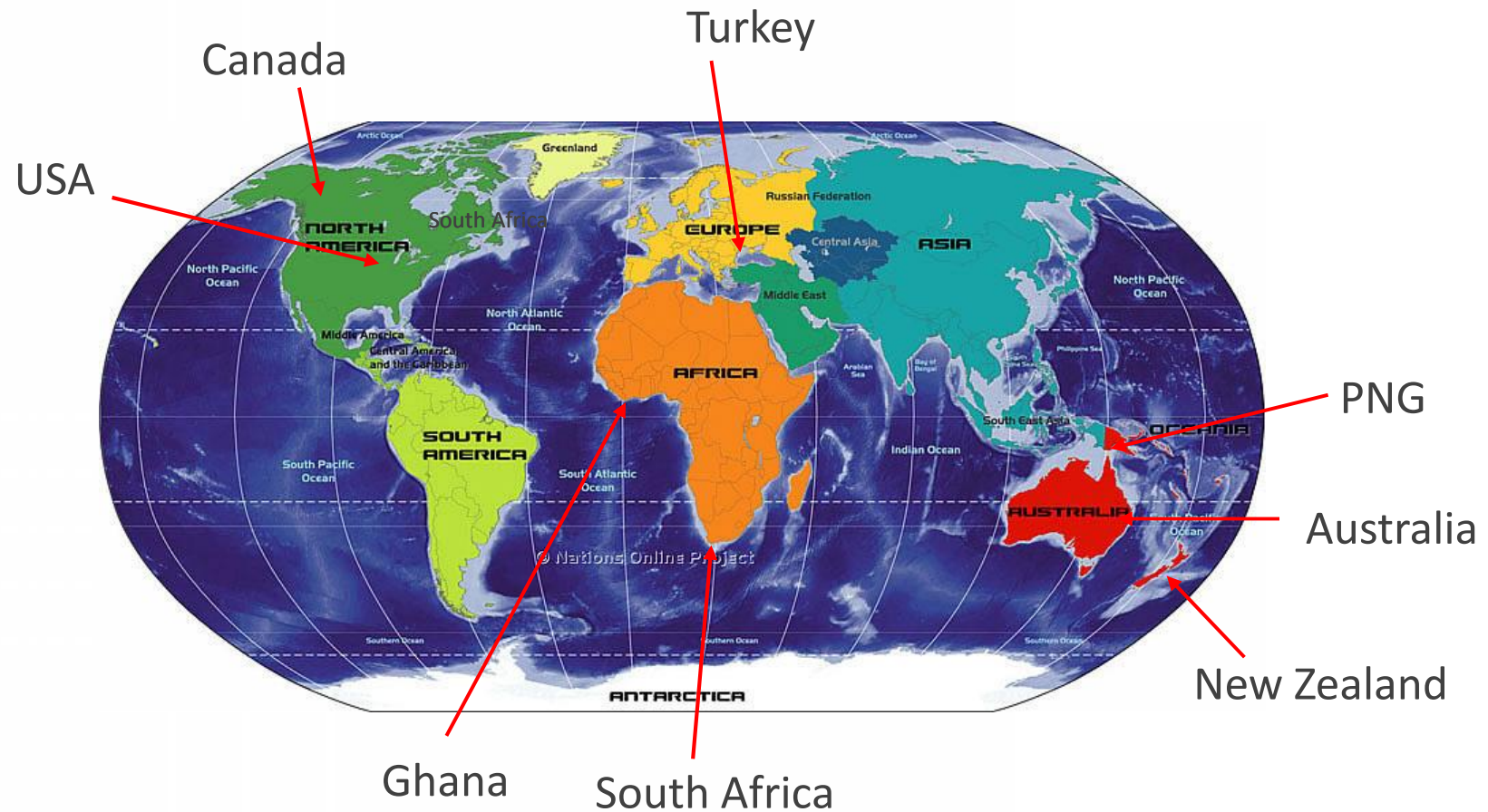
Customer Value Proposition

- › A tangible pay back period on up-front cost
 - › As short as 12 months in harsh conditions
- › Improved vehicle availability
 - › Reduced spares cost and extends service intervals
- › Improved braking reliability, hence safer
- › Intrinsic safety features in-built
- › Reduced particle and noise emissions
- › Can be fitted or adapted to most vehicles



• SIBS® is mandatory in many underground mines in Australia and overseas

SIBS® Mining Brakes: Established Globally



Blue Chip Customers

GlencoreXstrata

 bhpbilliton

RIO
TINTO

 Holcim

NEWMONT.

 ANGLO
AMERICAN

 Barrick
Underground mining professionals

 BYRNECUT
MINING

DYNO
Dyno Nobel

 NEWCREST
MINING LIMITED

 MACMAHON

 REDPATH

CAT

LEIGHTON

 **MOBILE
PARTS INC**
Mining & Equipment Parts

 DownerEDi
Mining

 Companhia
Vale do Rio Doce

sasol
reaching new frontiers 

Mining: Growth Drivers

- Slowdown in sector has renewed focus on improving mine productivity
 - › SIBS® brakes increase productivity by reducing brake overhaul and therefore vehicle downtime on site
- Increased focus on Corporate and Government Safety Regulations
 - › SIBS® brakes significantly improve safety for mine operators by preventing ‘uncontrolled vehicle movements’
- Expansion into surface mines with safety and productivity focus
- New markets opening up eg. West Africa, Turkey

Next Horizon - On Road Truck Brakes

Identified need for improved truck brakes

- › Brakes are the second biggest expenditure after fuel for garbage truck fleet operators
- › Brake reliability and safety concerns due to high wear and maintenance requirements
- › Public desire for noise reduction
- › Global drive to reduce particulate pollution



• The Australian Waste Truck sector is a dynamic and growing industry
• (5.4% p.a. - ABS, 2011) → Global growth potential

SIBS® Truck Brakes: Customer Proposition

› Financial Savings

- SIBS® Truck Brakes are virtually wear and maintenance-free, unlike conventional drum and disc brakes
- Dramatically reduces frequency of brake overhauls from more than twice a year, to once every two years or longer
- Potential to reduce operating costs by up to \$15k per annum per truck
- Payback on initial investment < 2 years

› Superior Operating Performance

- No need for regular checking and adjustments to maintain brake performance
- Provides consistent and safer braking at all times

› Safety and Environmental Benefits

- Total elimination of brake noise and dust emissions - saves the environment up to 30kg's of fine brake dust particles per truck per year

Compelling Commercial Model

Attractive and established business

- › High margin, low cost model
- › Highly scalable cost base
- › Established supplier base
- › Established global contacts through SIBS® mining
- › Benefits from offshore outsourced manufacturing
- › Low capital intensity



SIBS® Truck Brakes: Revenue Potential

Australia

Annual sales 800 trucks

Installed Fleet 8,000 trucks

25% share of retro-fit = \$60M revenue over 3 to 5 years

50% share new sales = \$12M pa

North America

Annual sales 20,000 trucks

Installed Fleet 200,000 trucks

25% share of retro-fit = \$1.5B cumulative revenue

50% share new sales = \$300M pa

Note: The graph represents an indicative scenario based on current market estimates

SIBS® Truck Brakes: Market Strategy

- › Based on the proven mining brake, ABT has invested over \$8 million developing the technology for application on road going heavy trucks
- › Development was directed to first application in the waste industry and commercial sales have now commenced
- › Sales pipeline developing well
- › Initial sales in Australia as aftermarket product (new & retro-fit)
- › Second phase to Australian OE (new truck sales)
- › Third phase of sales strategy to export markets (retro-fit and OE)

FY13 Financial Highlights

Financial

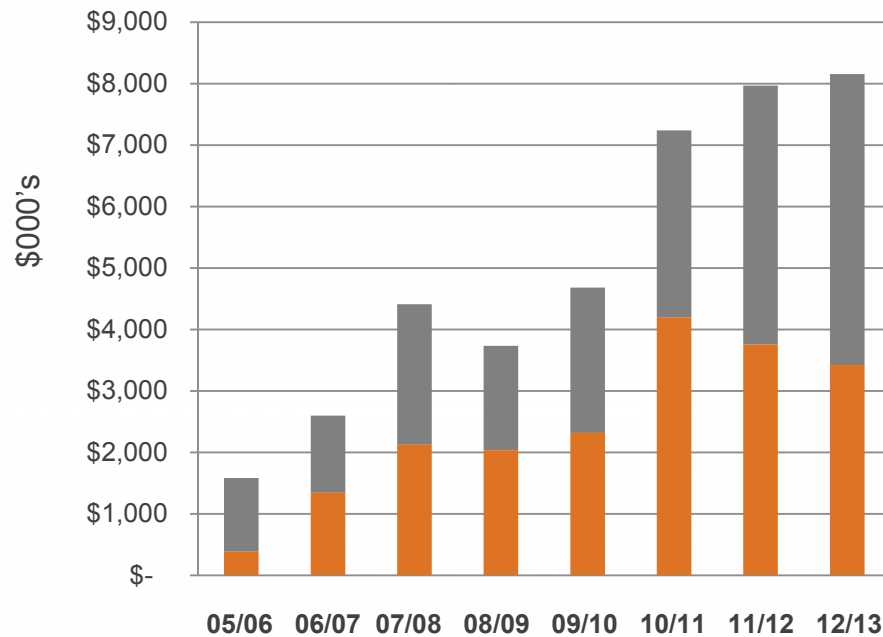
- › Total revenues of approximately \$8 million
 - Solid contribution from mining sales (\$5.9m)
 - R&D Tax Incentive and grant income (\$1.85 million)
- › Significant investment in SIBS[®] Truck Brake ahead of commercialisation
- › Capitalisation of Truck Pre-Production ceased
- › Mining sales only down modestly (6%) despite very depressed mining sector
- › Second half mining sales exceed all previous 2nd half results

Post period

- › \$2.3 million convertible note raising
 - 12% coupon – 2.2c conversion – 3 year term

Sustained Revenue Growth

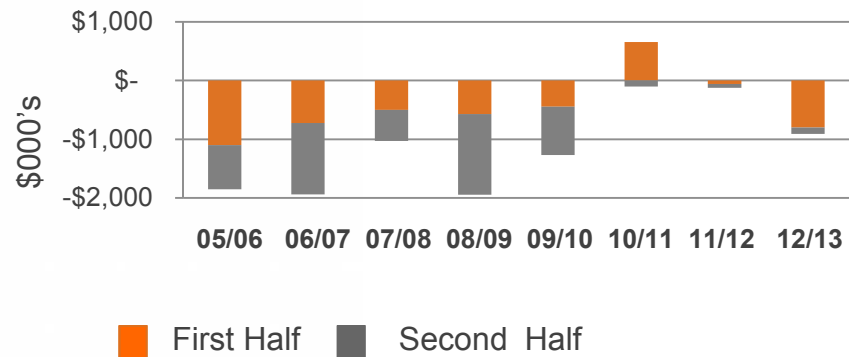
Total Revenue



26% per annum revenue growth

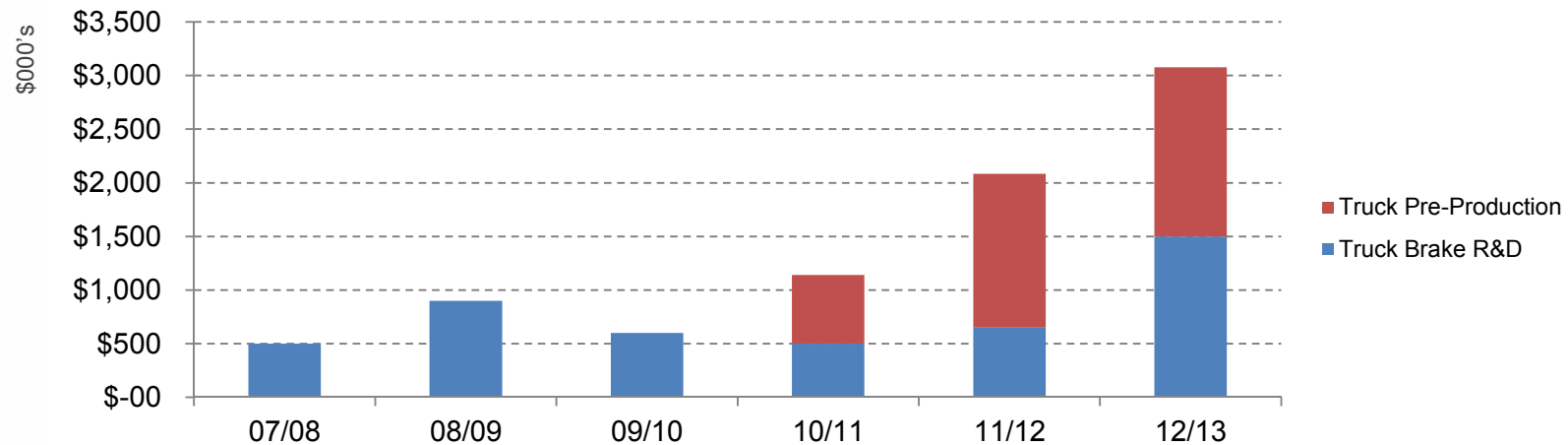
Profit & Loss

(After Tax)



❖ Large investment in new product development in past 3 years

Investment in Truck Brake Development



- › Development cost supported by:
 - Third Party Funding (\$2.5 million)
 - Commonwealth CA Grant (\$2 million)
 - R&D Tax Offsets (\$1.1 million)

Total Cost \$8.3 million ➡

Net Cost \$2.7 million

FY13 Operational Highlights

Operations

- › Successful first production and delivery of SIBS[®] Truck Brakes
- › Brake sets in-service on eastern and western seaboard
- › Reliability and low wear of SIBS[®] Truck Brake reinforced through ongoing in-service operation
- › Suppliers ready for volume production of SIBS[®] Truck Brake
- › Discrete Truck Brake and Mining Business Units created (July 2013)

Revised Board Composition



Mr Bruce Grey
Chairman

- › Managing Director of Advanced Manufacturing CRC Ltd, Non-Executive Director of CAP XX listed on AIM in London formerly Executive Director of 2 Australian public companies and Chairman of a German JV between Bishop Technology Ltd and Mercedes Benz.
- › Joined Board June 2013
- › Replaced David Humann as Chairman Sept 2013



Mr David Slack
Non-Executive Director

- › Managing Partner and Chief Investment Officer, Investment Manager for Karara Capital Limited
- › Co-founder and Joint Managing Director of Portfolio Partners, which had \$5.3 billion in funds under management when it was sold to Norwich Union in 1998
- › Largest Shareholder (14.12%)
- › Joined Board 2009



Mr Ken Johnsen
Executive Director and CEO

- › Over 40 years experience in the development and licensing of advanced technology for the automotive industry
- › Senior management roles in both Australia and the USA with Orbital Corporation Ltd and served on the Orbital board for 13 years
- › Joined Board 2007



Mr Adam Levine
Non-Executive Director

- › Managing Partner of Rockwell Bates, a law firm with offices in Australia and India. Current directorships include FMD Financial Pty Ltd, Autohorizons Ltd, Rockwell Investments Pty Ltd and Autohorizon Education Ltd
- › Joined Board April 2013
- › Replaced Prof Malcolm Richmond

FY14 Outlook and Priorities

- › Commercial roll out of the SIBS® Truck Brake in Australia
 - A progressive and controlled launch is underway
 - Long term sales expected to provide a consistent income stream
- › Strong focus on maintaining mining sales to meet or exceed current levels in tough market conditions
- › Further efforts in export sales in mining to continue growth in existing and new markets
- › Development activity underway for future applications of SIBS® Truck Brakes, specifically heavy haulage trailers



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