



Advanced Braking Technology Ltd

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23rd October 2012

AUSTRALIAN STOCK EXCHANGE LIMITED

Electronic Lodgement

PRESENTATIONS TO BE DELIVERED AT THE 2012 AGM

Appended are copies of the Chairman's Address and the CEO's and CFO's presentations to be delivered to Shareholders at the Company's 2012 Annual General Meeting to be held at 10.00am today.

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 Pty Ltd

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23 October 2012

Chairman address to the 2012 Annual General Meeting

Good morning

My name is David Humann and I am the Chairman of this meeting and of your board of Directors.

I am advised that a quorum is present and therefore take pleasure in declaring this meeting open.

I should like to welcome all of you to our 2012 Annual General Meeting of Shareholders. I encourage you to participate in the meeting during the times allocated for questions.

I will now introduce my colleagues on the board.

- Mr Ken Johnsen – Our Chief Executive Officer and Managing Director
- Mr David Slack – a major investor in the company and a leading fund manager, and
- Professor Malcolm Richmond – who has a wide ranging experience in engineering and business management

I should also like to introduce to you Ms Clare Madelin, our Chief Financial Officer and Company Secretary.

Our independent auditors, Moore Stephens, are represented here today by Mr Suan Lee Tan and Mr Neil Pace partners in that firm.

Should you have any questions concerning audit, please address these to me and I will ask Suan to respond.

We are also pleased to welcome Mr Nino Odorisio, a partner at Q Legal, our solicitors, who is here at our invitation.

Our Board has been very active during this year and has the role of overseeing the good governance of your company in an efficient and effective manner.

We have amongst us a wide range of skills and experience which enables the Board to fully understand our business and to be active in advising management on the opportunities available for our success. We also oversee the development of the human and financial resources required to execute our strategy and to achieve our strategic goals.

I encourage you to stay on after the formalities of the meeting are completed. This is a once in a year opportunity to meet our key executives and staff and an opportunity to look around the workshop and warehouse.

BUSINESS: I will now present my address and then we'll move through the statutory business of the meeting following which Ken Johnsen will provide you with an update in relation to the current activities of the Company. Clare Madelin will then present the financial results.

I should like to begin by thanking all of the staff of Advanced Braking for their exceptional efforts during the year under review. We produced an excellent result this year from every point of view.

Over the last 6 years we have achieved a market capitalisation of \$20 million and have increased revenue by a spectacular 400% to \$8 million. We have reversed the loss making performance of the Company. Up until 2006 previous boards and management had accumulated losses totalling \$30 million.

In my view, despite recent warnings of growth in the mining sector, the gloomy comments in the press do not take account of the huge investment which has already taken place in the mining industry in Australia and elsewhere, particularly in iron ore. The committed funding for further mine expansion will ensure continuing strong growth over time, and the production volume increases will underpin the market for our mining products.

Another very important factor in improving the Australian and US economies is the expansion of oil and gas production. The wealth created in these industries will have at least an indirect benefit for our Company.

Over the year we have invested heavily, both in time and in cash, in the "company making" Garbage Truck product. The Garbage Truck product is a near term reality. Intensive testing is underway, as is our continuing engineering review. We continue to focus on finalising our supply chain for components in Thailand and in developing our marketing plans.

A significant cross section of potential customers have been engaged by our senior management and considerable publicity for the product has been carried out by our CEO, Ken Johnsen and operations manager, Sam Leighton. We have a marketing team, which will include senior executives, dedicated to the Garbage Truck Brake marketing and sales. Their appointment will be matched with the revenue derived from readying the final saleable product for the market.

Our plan is to achieve Garbage Truck Brake sales in the current financial year. Looking forward, if the Company achieves a 25% market share of just the Australian market by 2017, we will be generating about \$60 million revenue a year. We expect to realise a very satisfactory gross margin and net contribution to profits from these sales.

We achieved substantial improvements to our SIBS production, engineering, sales, marketing and financial systems. This has achieved a higher quality product and greater customer satisfaction.

I note that in the recent independent ISO audit of our quality control systems we received a clear report and a no faults commendation.

This is particularly important where the nature and use of our braking products requires the highest possible safety performance.

As I stated earlier, a huge effort is being expended to finalise our Garbage Truck Brake development programme and to put the Company in a position to deploy the Garbage Truck Brake to the very large market, which our research tells us does exist.

Because the brakes will be used on heavy frequently stopping and starting vehicles, which operate on city and suburban roads, often at peak traffic hours, we must be more than confident that the brakes

are safe. These high level safety standards of course apply equally to our SIBS braking systems which are mainly supplied to the mining industry.

Our thorough design and dynamometer and road testing under a wide range of conditions have proven our Garbage Truck brakes are safe under test and on road conditions, but more work on-road still needs to be done.

Mining vehicles operate in a secure and strictly controlled environment. Vehicles braked by the Garbage Truck Brake product will operate on public roads where there is a far less disciplined environment, hence our time consuming, but necessarily stringent test programmes.

Our customers will demand a high quality, reliable and long lasting brake which will deliver the customer silent operation, no fade, low wear and nil harmful emissions of any form of dust particles or gas fumes.

We believe our intensive preparations, excellent design, high quality castings and other components and strong customer training in correct installation, operating procedures and ongoing servicing of the brakes will result in the Company being able to access over time, a significant global market.

Our customers form a tight knit group and any sense of instability in the company, or faults in our manufactured products, will be instantly communicated within the market. Hence, our thorough "best of industry practice" preparation.

The whole roll out programme will be complex and will take time. We will continue to keep the market informed of our progress.

We believe the Garbage Truck Brake will prove to be a significant competitive advantage to our customers who will enjoy lower costs, safer operations and greater productivity through greater operating reliability and fewer out of service hours. The Garage Truck Brake will give us a competitive edge and should lead to contract customers being able to make winning bids at good margins.

As I said in my letter to shareholders in the Annual Report I believe that the Garbage Truck Brake is a " company making product " with unlimited potential.

Ken will refer to the Garbage Truck Brake project in detail in his presentation today.

We will of course continue to pursue a wide range of customer and application opportunities for our SIBS range of braking products. SIBS has been our life blood for many years and our customers have strong continuing and expanding businesses.

Our mining products are mainly supplied to the mining industry in Australia, Canada and the Republic of South Africa. There are also some other applications in the construction industry. For example, cement trucks.

While, as stated earlier, some commentators warn of the " end of the mining boom" the fact is that minerals and mineral products are an essential part of the manufacturing and processing industries worldwide. The installed capacity in mines and mining infrastructure is very large and in Australia at least, there is a large pipeline of committed new projects and extensions to existing capacity . Accordingly, we have great confidence in a strong future for SIBS.

Your Company continues to benefit from various substantial grants from the Commonwealth Government for which we are very grateful.

In summary, from a financial point of view, we have a strong balance sheet, minimal debt, growing sales and strong potential for rapid sales growth in an environment where our markets prospering.

A final word on our people:

In particular I acknowledge our CEO, Ken Johnsen , who must traverse and oversee a very wide spectrum of functions involving all aspects of the operations of the Company.

These duties include; investor relations, marketing and customer contact, compliance of the company with the myriad of regulations applicable to every aspect of our operations. They extend beyond this to technical development, physical procurement, manufacture and assembly, order execution and delivery of our finished products to our customers. In addition to this add inventory control, management of receivables and the overall funding of the capital requirements of the business.

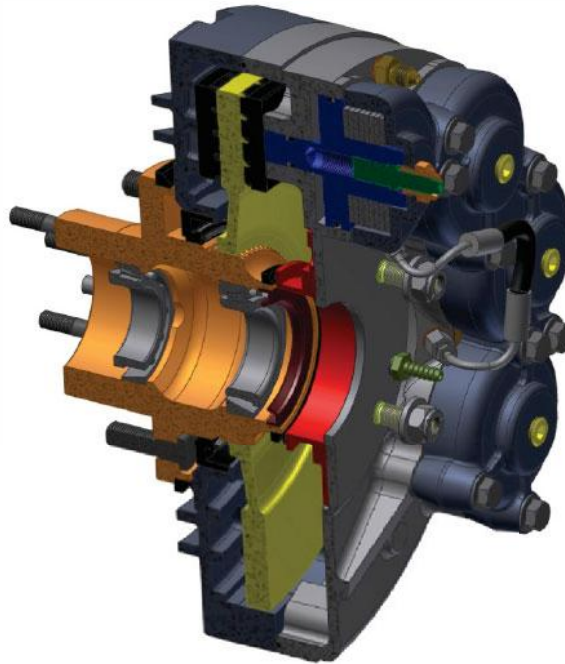
Ken is supported by all of our staff who have all contributed to the ongoing success of the Company to the very best of their ability. Our people include Sam Leighton, general manager of operations, Clare Madelin, finance and accounting, Mick Sheehan, Thailand procurement and manufacturing, Stephen Wilkinson, Australian sales, and Martin Johnson, engineering including the vital Garbage Truck Brakes, an innovative garbage truck braking system.

It is good to see so many of our staff at this meeting today. Please try and meet them after the formal part of the meeting is finished.

We have now the best team in the history of the Company and are now building a strong future with them and for the Company.

I conclude by thanking the Board, management and staff for their support and our investors for their loyalty and continuing interest.

David Humann
Chairman



Advanced Braking Technology Ltd

Advanced Braking Technology Limited

Annual General Meeting Presentation 23rd October 2012

Agenda

1. Chairman's Address
2. Formal Business
3. CEO's Report
4. CFO's Report
5. Questions and Answers

Chairman's Address

Mr David Humann
Chairman

Formal Business

Proxies

Accounts and Reports – receive and consider the financial report and the reports of the Directors and of the Auditor for the financial year ended 30 June 2012

PROXIES RECEIVED

	Resolution	For	Discretionary	Abstain	Against	Total
1	Adoption of Remuneration Report	189,430,928	97,543,161	180,534,387	107,318,522	574,826,998
2	Re-election of Mr David Humann	362,496,990	105,355,311	0	106,974,697	574,826,998
3	Ratification of Prior Issue of Ordinary Shares	468,985,862	105,355,311	205,260	280,565	574,826,998

POLL (if required)

CEO's Report

Mr Ken Johnsen
Chief Executive Officer

FY2012 Operational Highlights

Key milestones delivered in 2012

Mining

- ✓ Expand SIBS II features to all mining products
- ✓ Expand product range
- ✓ Explore cost saving enhancements
- ✓ Expand service agent network
- ✓ Grow export sales



Mining

- Transition to the improved SIBS® II version of the light commercial vehicle brake across various Landcruiser models
- Development of SIBS® II variant for Toyota Hilux and other similar sized vehicles
- Preparations for ANCAP 5 vehicles underway
- Modular EMMA hydraulic unit developed
- Service agent network doubled (3 to 6 agents)
- 11% growth in export sales

Garbage Truck Brake

- ✓ Prepare for garbage truck launch Garbage Truck Brake
- ✓ Achieve production 'sign off' for Garbage Truck Brake



Garbage Truck Brake

- Extensive in-field and bench testing validates key features ahead of production decision
- Development of ABS (anti-skid) version of the SIBS® Garbage Truck Brake
- Confirmation of environmental benefits - significant reductions in dust particle and noise pollution
- Formal approval for production go-ahead given by Board in July 2012

Company Overview

- › ABT is a developer, manufacturer and worldwide distributor of its award-winning, patented **Sealed Integrated Braking System (SIBS®)**
- › SIBS® is a fail-safe, enclosed “wet” braking system for off-road and on-road applications
- › SIBS® technology is extensively proven and has been established in the mining industry over many years
- › ABT is now using its SIBS® technology to target full scale commercial roll out of its garbage truck brake product in CY2013

ABT is a Listed Company on the ASX

Share Price	\$0.019
Shares on Issue	1.1 billion
Market Cap	\$21 million
52 Week High	0.026
52 Week Low	0.013

**THE SAFER
BRAKING SYSTEM**

Vision and Strategy

Vision:

To be the industry leader in developing, manufacturing and distributing safe and efficient braking technology across multiple applications and sectors

Strategy:

› Pursue robust growth through:

- Leveraging **strong mining market** positioning to provide funding for product and sector expansion
- Commercial roll-out of **Garbage Truck Brake** in Australia and other countries – North America and Europe
- **Entry into other sectors** using “frequently stopping trucks”
- Expand **export sales into new markets**
- Invest in **research and development** – focusing on upgrading and expanding product range to increase market share and expand into new industries

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

Our Technology

Sealed Integrated Braking System (SIBS®)

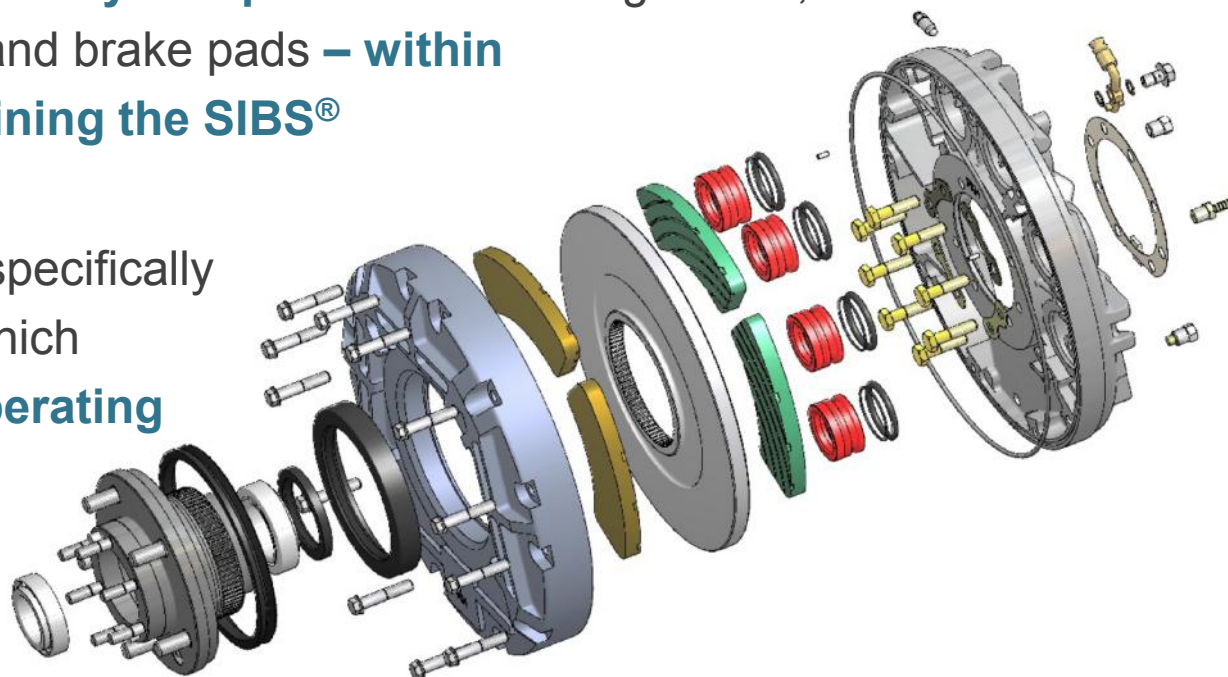
- › Fully enclosed, single rotor, high speed wet brake
- › Incorporates fail-safe features
- › Designed for retro-fit or factory fit
- › Comprehensively patented Australian invention
- › Virtually wear and maintenance-free (unlike conventional drum and disc brakes)
- › Manufactured in Thailand, through wholly-owned subsidiary

Comprehensive Patent Protection

- › 61 international patents or patent applications
- › Average patent life of 12 years
- › New patents being lodged as developments continues
- › Trademark protection on various trademarks including “SIBS” and “ABT”

How Our Technology Works?

- › Wet brake technology enables a **cooler operating temperature**, essential to longer lasting and safer braking systems
- › System **encloses key components** – the single rotor, brake callipers and brake pads – **within a casing containing the SIBS® cooling fluid**
- › Cooling fluid is specifically formulated oil which **controls the operating temperature** of the system



Blue Chip Customers

RioTinto

bhpbilliton



xstrata



DRD GOLD
LIMITED

Downer EDi
Mining



perilya



BUCYRUS

Global Market Potential



*“Breaking
into a
Mainstream
Market by
leveraging
off the mine
tough
heritage”*

Prime Target Market – Waste Sector

Multiple customer “calls to action”:

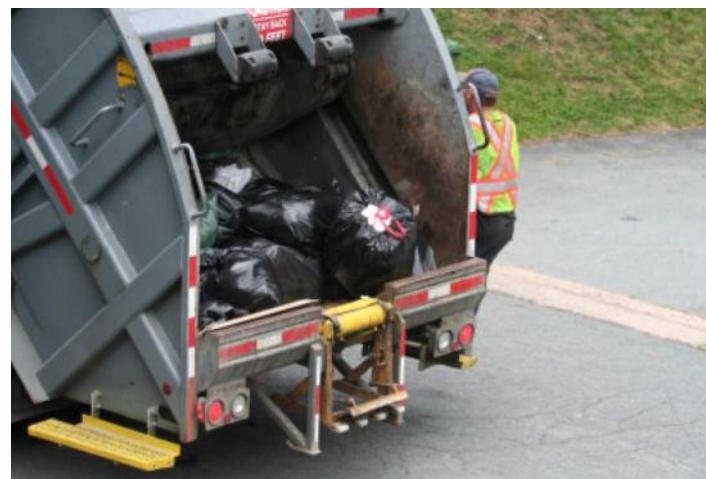
- › Brakes are the second biggest expenditure after fuel for garbage truck fleet operators
- › Public desire for noise reduction
- › Global drive to reduce pollution

Australian market:

- › Dynamic, recession-proof industry
- › Annual growth rate of 5.4% (ABS, 2011)

Global growth potential:

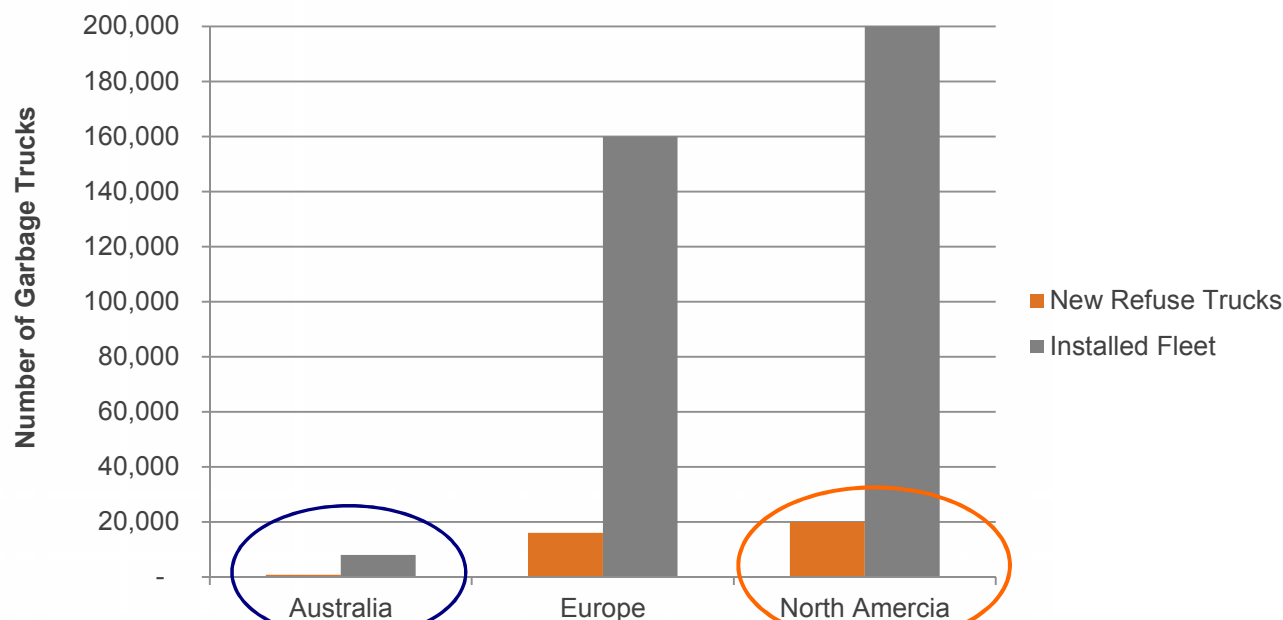
- › **Next targets:**
 - Expanding into North America and Europe
 - Highest waste generating markets in the world (per capita)



Garbage Truck Brake

- › Multi year **development program now complete**
- › **Commercial roll out** set for CY2013
- › **Technical risk is very low:**
 - ABT has significant experience and expertise with the associated technology
 - Long history of successful application
 - Extensive and successful testing process
- › Targeted customers expressing **significant demand interest**
- › **Launch Strategy:**
 - Initial Sales into Australian retro-fit market – **low barriers to entry**
 - **Retro-fit facilitates rapid take up**
 - Australian OE – (new truck sales) will follow
 - Export markets (retro-fit and OE) will follow after Australian launch

Garbage Truck Revenue Potential



Australia

Annual sales 800 trucks
 Installed Fleet 8,000 trucks
 25% share of retro-fit = \$60 million revenue
 50% share new sales = \$12 mill p.a.

North America

Annual sales 20,000 trucks
 Installed Fleet 200,000 trucks
 25% share of retro-fit = \$1.5 billion revenue
 50% share new sales = \$300 mill p.a.

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

Compelling Customer Offering

“Triple bottom line” benefits

› Financial Savings:

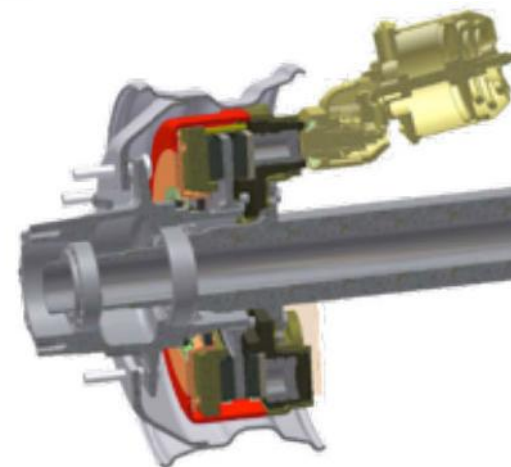
- Dramatically reduces frequency of brake overhauls from more than twice a year, to once every two years or longer
- Reduces annual operating costs by up to \$15,000 per truck
- Customer payback on initial investment < 2 years
- Tyre wear 30% less

› Superior Operating Performance:

- Brakes are virtually wear and maintenance-free, unlike conventional drum and disc brakes

› Safety and Environmental Benefits:

- Total elimination of brake noise and dust emissions
- Provides consistent safer braking at all times
- Avoids need for regular checking and adjustment



Customer's Endorsement



Media Release

October 15, 2012

Landmark brakes trial a success

A landmark trial of a new heavy vehicle braking system has proven a great success for the City of Swan.

City Mayor, Charlie Zannino, said he was very pleased with the results from the first six months of testing.

"The trial included fitting two City waste and recycling vehicles with the Sealed Integrated Braking System (SIBS) with the aim of improving the safety and lifespan, and hence operating costs, of the truck brakes," he said.

The SIBS system is a fully-enclosed, single rotor, high-speed wet brake which has been used extensively over the past 10 years in commercial applications within the Australian mining industry.

"This has been used in other industries, but has never previously been tested in waste management vehicles," Mayor Zannino said.

"The first six months of testing has received overwhelmingly positive feedback from both our fleet manager and our drivers operating the trial waste management vehicles.

"While the prime advantages are the significantly lower brake wear and improved safety, the testing has highlighted a number of other benefits with the new SIBS system, notably more control and confidence in the braking system.

"There's also the added bonus of no brake squeak, which is always a welcome relief for both drivers and residents."

The trial has been so successful, the City is investigating the possibility of extending the use of the SIBS across other vehicles in the City fleet.

"After six months of the trial, the brake pads show very low rates of wear, which should result in greatly reduced brake service down time and costs for the vehicles," Mayor Zannino said.

"The results indicated only minimal wear whereas a standard truck would be close to or past its wear limit at this point.

"This indicates brake service intervals well beyond the two year interval the City is targeting.

"Along with fuel costs, the brake system is the major operating cost for the waste management vehicles so this type of technology is important to the City to help it minimise the overall operating costs of its fleet."

ENDS

**The City of Swan is evaluating 2 trucks fitted with SIBS
Its Mayor Mr Charlie Zannino stated in a press release last week:**

Extract –

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Competitive Advantages

- › Significant **product development investment** – time and capital
- › Comprehensively **patented technology for 10 years**
- › **No existing competition**
- › Braking technology **extensively proven** in commercial application
- › ABT known as a **reliable supplier in mining sector** that provides quality, timely and reliable support
- › **Brakes designed to be retro-fitted**, significantly increasing the immediate potential market
- › Compelling proposition for Original Equipment take-up
- › **Seamless compatibility** with modern anti-skid systems (ABS)

Further Applications

- › Penetration into the garbage truck market provides an entry point into other “**frequently stopping vehicles**”
- › **Buses** – similar drivetrain to waste vehicles and can be easily adapted
- › **Logging and similar heavy haulage trucks** – with high brake demands
- › **Military vehicles** – used in harsh conditions and need low thermal signature

Buses



Logging



Military



Established Presence in Mining Sector

Australia:

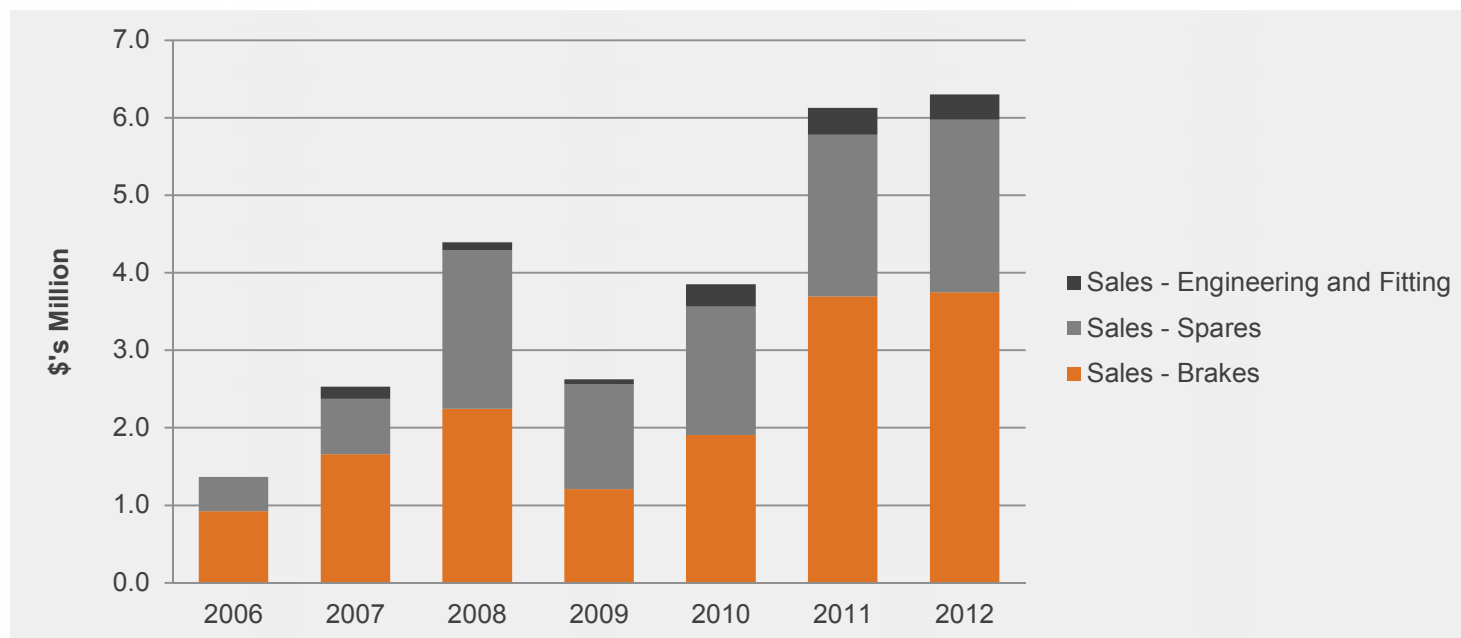
- › Growing market share – currently 25%
- › Product improvement driving growth
- › SIBS® technology now standard in many vehicles, across many mining sites
 - › Olympic Dam, Xstrata Zinc – George Fisher, BHP – Nickel West
- › SIBS® II currently ABT's standard product offering for Landcruisers in Australia
- › Developed SIBS® II for Toyota Hilux and expanding to other similar vehicles
- › Compatible with ANCAP 5 safety rated vehicles

Export:

- › Representing 25% of total sales (average over last 3 years)
- › Strong foothold in South Africa and Canada
- › Expansion into new markets (e.g. USA, Central/West Africa, South America)

Significant Growth in Mining Sales

- › Proven success in the mining industry
- › \$1.33 million profit contribution in FY12
- › Over 400% growth in brake sales over the past 6 years



Mining – Growth Drivers/Opportunities

Growth set to continue

- › Ongoing industrialisation of emerging economies led by China and India
- › Strong growth in new mine development
- › Expansion into surface mines with safety and productivity focus

Increased Focus on Safety Regulations

- › WHS Act (Jan 12') and pending MHS Act (Jan 13') - greater focus on responsibility of mine holders/operators to ensure worker safety
- › “Uncontrolled vehicle movements” are a major problem for mine operators - results in fatalities and injuries on site
- › SIBS® brakes significantly improve safety for mine operators with a three-in-one service, park and fail-safe emergency brake

Growing Emphasis on Productivity

- › Sector productivity has declined 50 per cent since 2001 (PWC Report 2012) – many companies have renewed focus on improving mine productivity
- › SIBS® brakes increase productivity by reducing brake overhaul and therefore vehicle downtime on site

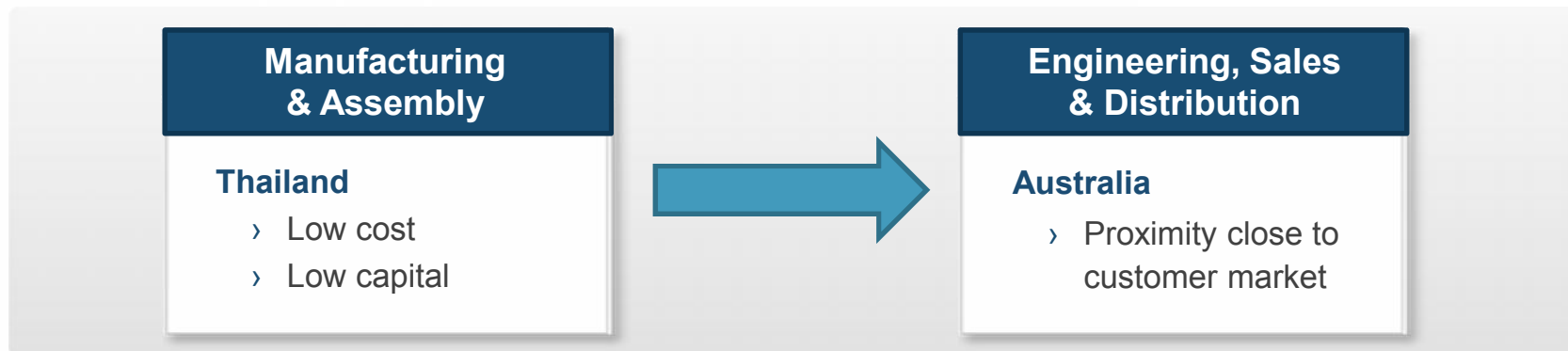
Robust Commercial Model

Attractive business:

- › High margins similar to mining products
- › Highly scalable cost base with efficient fulfilment model

Business model supports high long term RoI:

- › Benefits of offshore outsourced manufacturing
- › Low cost fulfilment model
- › Low capital intensity



Current Outlook and Priorities

- › Main focus for FY13 is the **commercial roll out of the Garbage Truck Brake**
 - All indicators suggest that there will be a strong demand
 - A progressive and controlled launch is planned
- › **Mining sales** will continue to play an important role in the Company's future, however external factors in mining make precise forecasts difficult
- › **Garbage Truck Brake** sales are expected to provide a more reliable and consistent sales pattern
- › **Export sales** in mining will continue to grow through expansion into other countries, such as USA, Central/West Africa, South America

CFO Report

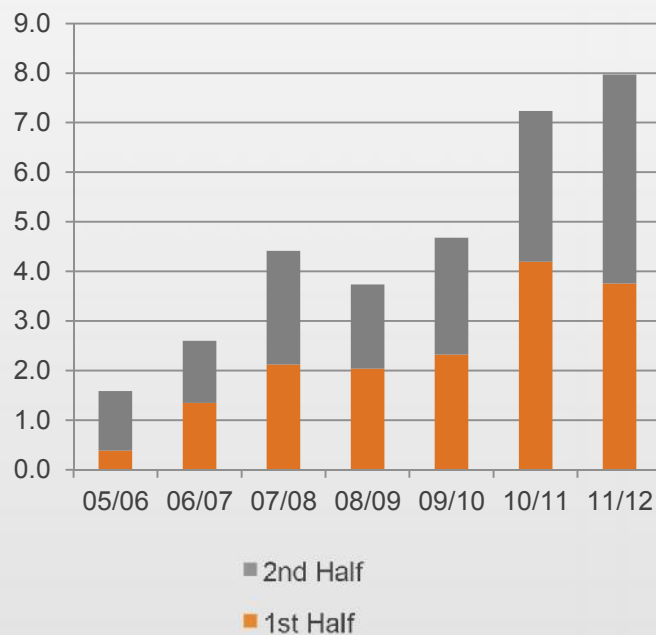
Chief Financial Officer Clare Madelin

FY2012 Financial Highlights

- Total **revenue +10%** to \$8 million
- **Mining sales** generated \$1.33 million profit – with sales up by 3% to \$6.3 million (sales for first three quarters up by 17%)
- **Export sales** +11%, represents c22% of total sales
- Overall net loss of \$123k is attributed to the substantial **investment in upgraded products**
- Successful **\$2.1 million capital raising** in April 2012
- **Commercialisation Australia grant** of \$761,000 – in support of the Garbage Truck Brake development
- **R&D Tax Incentive** of \$786,000

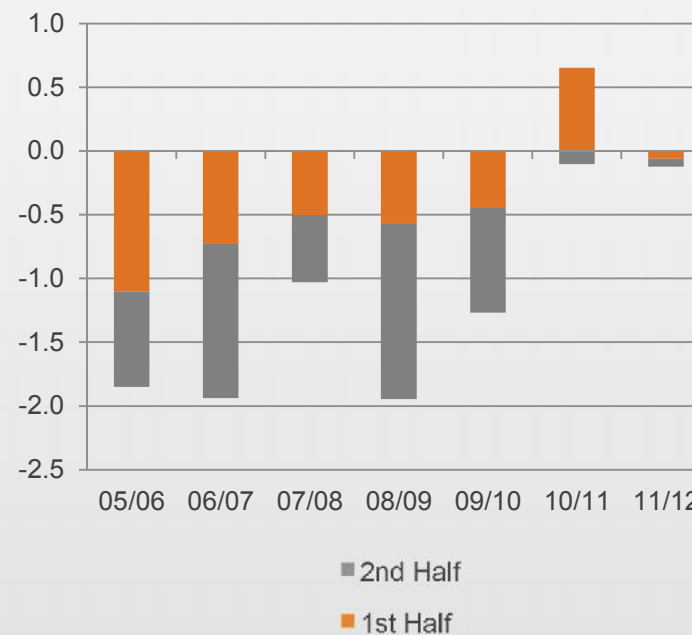
Company Financial Performance

\$ millions



Profit After Tax

\$ millions



FY12 Profit and Loss

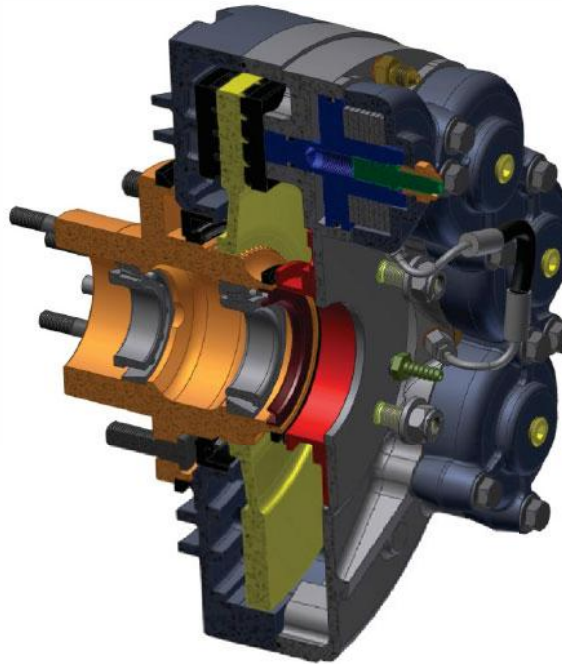
Profit and Loss	2012	2011
	\$'000	\$'000
Revenue		
Revenue from trading activities	6,299	6,631
Revenue from other activities	1,669	607
Total Revenue	7,968	7,238
Cost of sales	(2,461)	(2,179)
Adjustment to prior period cost of sales	-	141
Other expenses	(6,882)	(5,540)
Overheads capitalised as Pre-production Activities	1,252	583
Total Expenses	(8,091)	(6,995)
Profit/ (loss) before tax	(123)	243
Income tax benefit (R&D tax rebate)	-	307
Profit / (loss) from continuing activities after tax	(123)	550

Balance Sheet

Balance Sheet		
	2012	2011
Cash and Cash equivalents	2,925	2,737
Trade and other Receivables	797	1,194
Other current assets	3,064	1,829
Total current assets	6,786	5,760
Trade and other Receivables	31	30
Property, plant and equipment	1,162	734
Intangibles	3,625	2,572
Total non-current assets	4,818	3,336
TOTAL ASSETS	11,604	9,096
Trade and other Payables	848	985
Interest bearing liabilities	89	102
Other Liabilities	540	179
Total current liabilities	1,477	1,266
Total non-current liabilities	479	133
TOTAL LIABILITIES	1,956	1,399
NET ASSETS	9,648	7,697
EQUITY		
Issued Capital	45,153	43,115
Foreign Currency Reserve	(238)	(252)
Other Reserves	730	708
Accumulated losses	(35,997)	(35,874)
TOTAL EQUITY	9,648	7,697

Q&A

Questions?



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