

ASX RELEASE

14 October 2016

Market Update

- **1st quarter operating revenue of \$1.72m - up 103% on Q1 2015/16**
- **First Orders received from new Mongolian Distributor**
- **Terra Dura Polymer Brake Launched in Australia and North America**
- **Excellent Results to date from Terra Dura Trial Sites**
- **Terra Dura brakes for the Isuzu DMax and Toyota Hilux set for launch before end of calendar year**
- **Partnership with Miller Technology established for the development of a SIBS® brake for the Jeep J8**

Significant Revenue Improvement

Advanced Braking Technology (ASX: ABV) ('ABT' or 'the Company') is pleased to announce improved first quarter results with revenue up 103% on the first quarter of last year, as many of our customers returned to the market. International demand from South Africa and local demand were the main contributors to the quarter's results. ABT also welcomed the first orders from our distributor in Mongolia for 10 SIBS4™ brake sets for Landcruisers operating at the Oyu Tolgoi mine in the Ömnögovi Province.

Melbourne and Las Vegas Terra Dura Product Launches

ABT launched the Terra Dura brake at the Melbourne 4x4 Outdoors Show, Fishing and Boating Expo on August 19-21 and at the Minexpo in Las Vegas on September 26-28. The latter was in association with Mobile Parts International (MPI), our distributor based in Sudbury, Canada. We were very pleased with the response from a range of customers in North and Central America and Asia. MPI is now commencing to trial the brake with a local customer.

Terra Dura Trial Sites

After experiencing some unanticipated delays with customers having to undertake a full risk analysis for the introduction of new technology onto their site, ABT extended its trial sites to 4 customers with a total market opportunity of 320 vehicles during the first quarter. The feedback thus far has been excellent, both in terms of technical performance and the proposed pricing.

Isuzu DMax & Toyota Hilux Terra Dura Brakes to be released December 2016.

Design and development of the Terra Dura brake for the Isuzu and Toyota Hilux remains on track for a release in late December. With the patented, modular design, ABT is benefitting from the ability to use a large range of common parts to speed up the development path. ABT expects the Isuzu product to be targeted at European & South American markets and the Toyota Hilux product to address demand in Europe and Southern Africa.

Partnership with Miller Technology for the Jeep J8

Finally, ABT is pleased to announce a partnership with Miller Technology from Long Bay, Ontario to develop a SIBS™4 solution for the Jeep J8. The J8 is the new, heavy-duty Jeep, designed for military and underground mining use, which will be marketed by Miller Technology around the world. While the applications will remain specialised, ABT sees this as an important step toward addressing the broader North American market.

ABT's Managing Director, Graeme Sumner commented, "ABT continues to gather momentum around a new set of products that are going to be very competitive in the market. We are very pleased with the development of our new platform as well as the support we've received in the past quarter for our core products."

ENDS

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About Advanced Braking Technology Ltd

Advanced Braking Technology Ltd (ASX: ABV) develops innovative braking systems, with its main product being the Sealed Integrated Braking System (SIBS®), a comprehensively patented Australian invention, now used widely in light commercial vehicles, primarily in the mining industry.