

ASX RELEASE

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Market Update: Terra Dura[®] and Product Strategy

- **Several domestic and global Terra Dura[®] trials have now concluded confirming the products unique offering in a number of applications**
- **In certain trials under extreme mining conditions, some difficulties with the polymer housing design were experienced.**
- **As part of the Company's continuous product development, a design upgrade focusing on an alternative housing material has been initiated specifically for extreme mining applications**
- **Market Demand for Terra Dura[®] remains unchanged and substantial**
- **ABT's core business, the range of proven Failsafe brakes, continues to enjoy strong market reception and sales growth. October year-to-date Product Sales are up 8% vs PY.**
- **An additional new product line targeting high volume global on-road markets is being considered based on industry approaches. ABT will make a final investment decision to proceed with this opportunity early in 2019.**

Advanced Braking Technology Limited (ASX: ABV) ('ABT' or 'the Company') provides today an update on its Terra Dura brake market trials, as well as initiatives designed to improve performance in extreme mining conditions.

As previously reported, a broad range of domestic and global customers have been trialling Terra Dura[®] brakes over past months. Several of those were concluded successfully. However, in trials under extreme mining conditions, difficulties with the polymer housing design were experienced. The Company has now initiated a design upgrade that will allow greater performance in all extreme conditions, but particularly extremely harsh mining applications.

A product re-design focusing on an alternative housing material has been initiated. The launch date for the re-design will be confirmed upon finalisation of the project scope. The Company wishes to confirm that the market demand for Terra Dura[®] remains unchanged and substantial. This is evidenced by the interest the product had received from a broad range of domestic and global blue-chip mining customers and an OEM distributor. Further, Terra Dura's underlying product concept remains viable as the Australian Patent Office, acting at the International Preliminary Examining Authority, issued a clear International Preliminary Report on Patentability (IPRP).

ABT's core business, the fourth generation of its proven Failsafe and Failsafe Emergency brakes, continues to enjoy a strong market reception. October year-to-date Product Sales are up 8% vs PY, also driven by new customers for both variants. As both domestic and global customers are inquiring about additional applications, a new product line is in the early stages of development. This brake is targeting high-volume global on-road markets.

The Company expects to announce a number of additional initiatives in the coming months that will further add to its product applications targeting global automotive braking applications. Importantly, through the success of sales growth in Failsafe and Failsafe Emergency brakes, ABT has a strong global distribution network that it will continue to grow and look to add complimentary product offerings.

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About Advanced Braking Technology

Advanced Braking Technology Ltd (ABT) is an Australian company listed on the Australian Stock Exchange (ASX: ABV) focusing on the development, manufacturing and marketing of high performance brakes to the automotive, transport and mining industry. This incorporates the ground-breaking and internationally patented sealed integrated brake technology, as used in the ABT Failsafe product range and the new Terra Dura[®] polymer brake. The Company has manufacturing bases in Australia with its Head Office in Perth and a corporate office in Melbourne.