



ASX ANNOUNCEMENT

22 April 2014

COMPANY UPDATE

Saferoads Holdings Limited (**ASX: SRH**) provides the following Company update.

The Company has been focusing on three areas during the current period:

1/ Continue to grow sales and improve margin of our existing product and service portfolios

As outlined in our half-year results announcement in February, trading conditions remain highly competitive however we continue to win work from existing and new customers by demonstrating the value proposition of our solutions. Whilst Government funding for road infrastructure is still somewhat constrained, there are certain projects we are successfully targeting to ensure our offering is the chosen solution.

2/ Exploring overseas opportunities

As outlined at the AGM we have recently participated in two overseas industry sector trade conventions, one in the USA and the other in Europe. We showcased a selection of our product portfolio including the Ironman Hybrid and the Safepole. These trade conventions also allowed us to explore opportunities to bring new innovative road safety product solutions to the Australian market. These shows have led to a significant level of deep interest from a number of overseas parties to work with us and enter into commercial arrangements to export or license our products in regions such as North America, Europe and the Middle East. These are exciting prospects for Saferoads, and it emphasizes the very valuable innovative element of our product portfolio and the real prospect of mitigating the effects of our reliance on a constrained Australian market.

3/ Innovation and commercialization of new products

As outlined in our half-year results announcement in February, we are seeking appropriate regulatory approval of the Ironman Hybrid barrier solution from ANSBAP (Austroads National Safety Barrier Assessment Panel). The Hybrid barrier successfully passed a 100 kph barrier crash test in August 2013 and in October 2013 we lodged our application for approval. We understand the Panel has made an initial assessment of the product at their March meeting and we are awaiting their formal response. We continue to remain very confident of receipt of approval for this game changing innovation.

The Ironman Hybrid barrier system is the first 100 kph crash-tested, non-anchored steel temporary barrier to be available in Australia and that will create a new strategic market opportunity. The Ironman Hybrid is an attractive alternative to all existing temporary safety barrier solutions for mainstream work zones as it is the first temporary barrier system made from a combination of steel and concrete.

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We are also working on a number of other development projects (based on feedback from our customer base) to enhance existing solutions and/or create new and improved road safety solutions. We anticipate launching these new solutions in this calendar year.

The outlook for the company is progressively improving however the forecast for remainder of the current financial year is still uncertain with continued suppressed demand and order delivery delays. The investments being made in overseas markets, the finalization of commercial arrangements to launch the new Ironman Hybrid into the Australian market and the development of new innovative road safety solutions, should enable us to realize the potential of these activities to achieve better returns for shareholders in the future.

Enquiries/Additional Information:

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ABOUT SAFEROADS

Saferoads is a company listed on the Australian Stock Exchange (ASX: SRH), specializing in providing innovative road safety solutions. Headquartered in Drouin, Victoria, and with representation across Australia and New Zealand, the company provides State Government Departments, local councils and road construction and equipment hire companies with a broad range of products and services designed to direct, protect, inform and illuminate all road users.