



Advanced Braking Technology Ltd

MEDIA/ASX RELEASE

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**ABT AWARDED \$2 MILLION COMMONWEALTH GRANT TO
SUPPORT MARKET ENTRY OF GARBAGE TRUCK BRAKE**

COMMERCIALISATION AUSTRALIA - EARLY STAGE COMMERCIALISATION GRANT

Advanced Braking Technology “ABT” (ASX: ABV) announced today that it has been advised that its recent application for funding assistance from Commercialisation Australia by its operating subsidiary Advanced Braking Pty Ltd has been successful and an offer of funding of \$2 million has been received from the Department of Innovation, Industry, Science and Research.

The funding will be directed to accelerating the market entry of the Sealed Integrated Braking System (SIBS™) on garbage trucks. There are number of aspects to the project proposed to the Commonwealth which leverages the Company’s current program to prepare SIBS™ for commercial launch. The expanded project that is enabled by the \$2 million of additional funding will include;

- the preparation and monitoring of a 50 garbage truck fleet that will be retro-fitted with ABT’s current pre-production design of SIBS™ that achieved proof of concept sign off in March 2010
- the development of an ABS (anti-skid) version of the SIBS™ for garbage trucks
- the production validation through a 5 truck fleet of the ABS version of SIBS™ for garbage truck.
- The preparation and monitoring of a 50 garbage truck fleet of new trucks that will be fitted with the ABS version of SIBS™

The funding assistance will support the activities outlined above and sales income will be generated from these initial commercial sales. In parallel with the activity the Company will be preparing for the higher volume production, sales and marketing of the products.

ABT’s Managing Director, Mr Ken Johnsen stated “To improve the long term prospect of any new technology it is important to gain a rapid and firm initial foothold in the market. The Commonwealth assistance under the Early Stage Commercialisation program will enable the Company to develop the ABS variant in parallel with the non ABS variant and enable the Company to achieve a market launch of two variants of its innovative product in rapid succession.

Funding under the program will be forthcoming on finalisation of a formal funding agreement between Advanced Braking Pty Ltd and the Commonwealth and eligible expenditure on the project will commence on the date the Company’s grant application was accepted (24th December 2010).

Sealed Integrated Braking System (SIBS™) – Commercial Application

The Sealed Integrated Braking System (SIBS™) is a patented single disc enclosed wet brake used by the world’s major mining companies in the harshest environments, ranging from diamond mines in the arctic, gold mines in tropical jungles to uranium mines in the deserts.

ABT has recognised that there is a massive market for the braking system in the mainstream market and in particular garbage trucks, which operate in similar high wear, stop/start environment and where public safety is paramount.

For personal use only

The SIBS™ garbage truck brake has been designed to offer:

- a much reduced operating cost;
- eliminate both noise and particle emission pollution; and
- provide operators a tangible economic benefit for adopting the product.

Mr Johnsen added. "With over 200,000 garbage trucks in service in North America and Europe alone, which are replaced at 20,000 units per annum this is a market with exciting potential."

ENDS

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Background Information – Advanced Braking Technology Ltd (ASX: ABV)

Perth-based Advanced Braking Technology Ltd (ASX: ABV) is dedicated to innovative braking systems. The Company's key asset is the Sealed Integrated Braking System (SIBS™), a comprehensively patented Australian invention.

SIBS™ is a fully enclosed, single rotor, high speed wet brake. The brake rotor runs in a bath of oil that serves to cool the brake and minimize wear at the braking interface. An innovative fail safe feature is incorporated into the rear axle brake. As a result, the brakes are virtually wear and maintenance-free and may outlast the vehicles they are fitted to, unlike conventional drum and disc brakes. SIBS™ brakes deliver unparalleled safety, improved productivity and lower operating costs, and are engineered to survive the world's harshest conditions.

The proven technology is also environmentally friendly, eliminating brake dust emissions and noise and squealing, and provides a wide-range of benefits for on-road, off-road and industrial applications in terms of safety, reliability, performance and adaptability.