

ASX ANNOUNCEMENT

13 January 2021

ABT awarded Defence Global Competitiveness Grant

Highlights

- **ABT awarded a Defence Global Competitiveness Grant to the value of \$240,000**
- **Grant to be used to strengthen ABT's in-house manufacturing capability**
- **Positions ABT to capitalise on future defence contract opportunities**

Advanced Braking Technology Limited (ASX: ABV) ('ABT' or 'the Company' or 'the ABT Group'), the pre-eminent supplier of fail-safe brakes for commercial vehicles in Australia, is pleased to advise that it has been awarded a Defence Global Competitiveness Grant to the value of \$240,000 (plus any applicable GST) ('Grant') by the Centre for Defence Industry Capability ('CDIC').

The Grant was awarded to provide funding for the manufacturing of defence vehicle components for use within ABT designed braking mechanisms. The Grant will primarily be used to acquire machinery to allow ABT to manufacture specific components that form part of the braking mechanism, as well as internal training and ISO accreditation.

John Annand, ABT Chief Executive Officer, stated, "*The award of this grant by the CDIC builds on the work already undertaken by ABT within the defence industry and will allow ABT to strengthen our in-house manufacturing capability, as well as position the Company to capitalise on future defence contract opportunities as they arise.*"

Furthermore, building internal manufacturing capability will strengthen ABT's supply chain, which, in turn will result in operating efficiencies, cost reductions and product margin improvements.

This investment in manufacturing capability supports the Company's strategy of positioning itself for the future and strengthens the foundations to drive scale, revenue diversification and innovation".

Grant funding will be provided over two financial years with \$96,000 to be provided within FY21, and the balance of \$144,000 to be provided in FY22. Both payments are subject to agreed milestones being met, with the final milestone due for completion during September 2021.

Background

In May 2019, ABT was selected to provide brake related design, prototype development and testing services to Thales Australia ('Thales'), who have been contracted by the Commonwealth of Australia to supply 1,100 Hawkei Protected Mobility Vehicle – Light vehicles as part of the LAND 121 project. (Ref: ASX announcement dated 13 May 2019).

Following the successful design and testing of a prototype, ABT worked closely with Thales to determine how the Company was best placed to participate in the manufacture and supply phase and agreed that ABT would participate through a Technology Licence Agreement that protects ABT's Intellectual Property and provides the best risk and return outcome.

Supply of the ABT designed park brake mechanism to Thales under the Technology Licence Agreement with VEEM Ltd has already commenced (Ref: ASX announcement dated 3 July 2020).

This release is authorised by the Board of Directors.

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For further information, please contact:

Corporate

Mr. John Annand
Chief Executive Officer
T: +61 (0) 8 9302 1922
www.advancedbraking.com

Investors

Stephanie Ottens
Market Eye
T: +61 (0) 434 405 400
E: stephanie.ottens@marketeye.com.au

About Advanced Braking Technology

Advanced Braking Technology Ltd (ABT) designs, manufactures and distributes its innovative braking solutions worldwide. From its head office in Perth, Western Australia, ABT continues to develop its product portfolio for a diverse range of industries that have a strong requirement for safety and environmental responsibility, including the mining, defence, civil construction and waste management industries.

ABT's innovative braking solutions are well known for their unparalleled safety, improved productivity, zero emissions and durability in the world's harshest conditions. As its reputation has grown, demand for ABT's brakes has expanded internationally with its braking solutions being used in all seven continents across the globe.