

22 December 2017

MaxSec takeover successfully closed

Future Fibre Technologies Limited (FFT) (ASX: FFT), a global leader in fibre optic perimeter intrusion detection systems, is pleased to announce that its takeover offer for MaxSec Group Limited (ASX:MSP) closed on 21 December 2017, with the Company acquiring a relevant interest of 85.1% of MaxSec's fully paid, ordinary shares.

With the vast majority of MaxSec shareholders electing to become shareholders in FFT, MaxSec Group Limited is now a subsidiary of Future Fibre Technologies Limited.

The Company intends to complete the issue of FFT shares to MaxSec shareholders that have accepted the takeover offer by 29 December 2017. FFT welcomes MaxSec shareholders to the Company.

- ENDS -

About FFT

FFT is a leading developer and manufacturer of fibre optic intrusion detection security systems. Deployed by some of the most security conscious industrial, military and government organisations in the world, FFT's advanced security systems:

- detect and locate **perimeter** intrusions;
- identify third-party interference on oil and gas **pipelines**; and
- protect sensitive **data network** communications cables. With hundreds of installations in more than 65 countries, FFT has established a solid reputation for delivering highly intelligent, reliable, and award winning intrusion detection solutions. www.fftsecurity.com

For further information contact: Katie Paynter +61 417 057 243

FFT MaxSec Merger



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Forward Looking Statements

This presentation is given on behalf of Future Fibre Technologies Limited (FFT).

Information in this presentation is for general information purposes only, and is not an offer or invitation for subscription, purchase, or recommendation of securities in FFT. Certain statements in this document regarding the Company's financial position, business strategy and objectives may contain forward-looking statements (rather than being based on historical of current facts).

Any forward-looking statements are based on the current beliefs of the Company's management as well as assumptions made by, and information currently available to, the Company's management. Forward-looking statements are inherently uncertain and must be read accordingly. There can be no assurance that the underlying assumptions will prove to be valid.

All data presented in this document reflects the current views of the Company with respect to future events. Forward-looking statements are subject to risks, uncertainties and assumptions relating to the operations, results of operations, growth strategy and liquidity of the Company. To the maximum extent permitted by law, the Company, its officers, employees and agents do not assume any obligation to release any updates or revisions to the information (including any forward looking statements) in this presentation to reflect any change to expectations or assumptions, and disclaim all responsibility and liability for any loss arising from reliance on this presentation or its content.

About FFT

- FFT is a global leader in fibre optic intrusion detection systems, with a track record of delivering highly intelligent, reliable, and award-winning intrusion detection solutions for the protection of critical sites and infrastructures.
- FFT's advanced security systems detect and locate perimeter intrusions, oil and gas pipeline third-party interference and data network tapping and tampering.
- With over 1,500 systems deployed in more than 60 countries, FFT has established a solid reputation for delivering advanced and cost effective intrusion detection solutions for the Transport, Government, Military, Oil & Gas and Utility sectors.
- FFT's new Aura Ai platform uses the latest advanced optical signal processing algorithms, combined with artificial intelligence, to discriminate between intrusions, nuisance alarms and other causes of fence disturbance.

Sample FFT Customers – End Users



Mercedes-Benz



MaxSec Merger

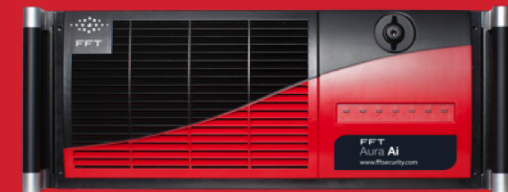
- Off-market takeover bid for all the shares FFT did not hold in MaxSec Group Limited (ASX: MSP) (MaxSec) went unconditional on 29 November 2017 and successfully closed on 21 December 2017.
- FFT now holds 85.1% of MaxSec.
- The merger seeks to take advantage of clear synergies between FFT's perimeter security solutions, global presence and MaxSec's access control (BQT) and international valuables logistics offering (AVA Global).
- Other merger benefits include achieving economies in corporate, compliance and administrative costs.
- Integration planning has now commenced, market update expected in late February 2018.

Merger Benefits

	FFT	BQT	AVA
Business			
Wider sales network/geographic reach	✓✓	✓✓	✓
Ability to leverage existing relationships to expand into new markets	✓✓	✓✓	✓
Stronger and more strategic partnerships through broader security solutions offering	✓	✓	✓✓
Larger balance sheet – offering access to customers with asset based compliance hurdles.	✓	✓	✓✓
Cost savings through operational efficiencies and shared resources	✓✓	✓✓	✓
Shareholder			
Low integration risk due to management understanding of business operations	✓✓	✓✓	✓✓
All scrip bid allowing MSP shareholders to participate in growth of merged group		✓✓	✓✓
Greater market capitalisation and shareholder spread increasing liquidity	✓✓	✓	✓

FFT Outlook (excluding MaxSec)

- FY2018 guidance for sales revenues of between \$18 million and \$21 million.
- Q4 FY2017 and Q1 FY2018 was cash flow positive. FY2018 forecast to be both cash flow and EBITDA positive.
- Strong demand from key industry sectors for FFT's intrusion detection solution, with orders already received totaling \$7.5 million for FY2018 (as at 30 September 2017).
- Realignment of FFT's global sales team, with broader geographic coverage and improved sales management processes, delivering a growing and well-qualified pipeline of sales opportunities.



About BQT Solutions

- BQT's secure, reliable smart reader and card systems, biometric solutions, electric locking and access control products utilised at over 3,500 sites in more than 50 countries.
- A leader in high security access control technology used in some of the most high security, critical applications in the world.
- Offers custom and “off the shelf” products to deliver market-wide access control security including military, critical infrastructure, commercial, industrial and residential applications.
- Offices in the United Kingdom, United States of America, United Arab Emirates, Australia, New Zealand and Singapore.






About AVA Global

- AVA is a growing global provider of secure international logistics of high-risk valuables, precious metals and currency.
- Fully insured (underwritten by Lloyds), door to door services, utilising a network of highly experienced security companies, freight forwarders, airlines and customs brokers, all operating under AVA's strict risk management guidelines.
- Global footprint with offices in New York, London, Frankfurt, Dubai & Singapore.
- Partner model: ability to provide service in 100+ countries.
- 150+ years management experience.
- Blue chip client base.



Shared Security Market Opportunities

	Estimated Total Market Value	Current Estimated Addressable Market**
	Perimeter Security (sensors) US\$11bn (CAGR 13.6%)* Few key competitors Avg. Margin Range 60-65%	US\$1bn - \$2bn
	Access Control Systems US\$6.3bn (CAGR 12.2%)* Many key competitors Avg. Margin Range 45-50%	US\$0.6bn - \$1.5bn
	International Valuable Logistics US\$1.0bn - \$1.5bn Few key competitors Avg. Margin Range 25-30%	US\$0.6bn - \$0.75bn

* Markets and Markets: Perimeter Security Market Global Forecast to 2020.

** FFT Management assessment.

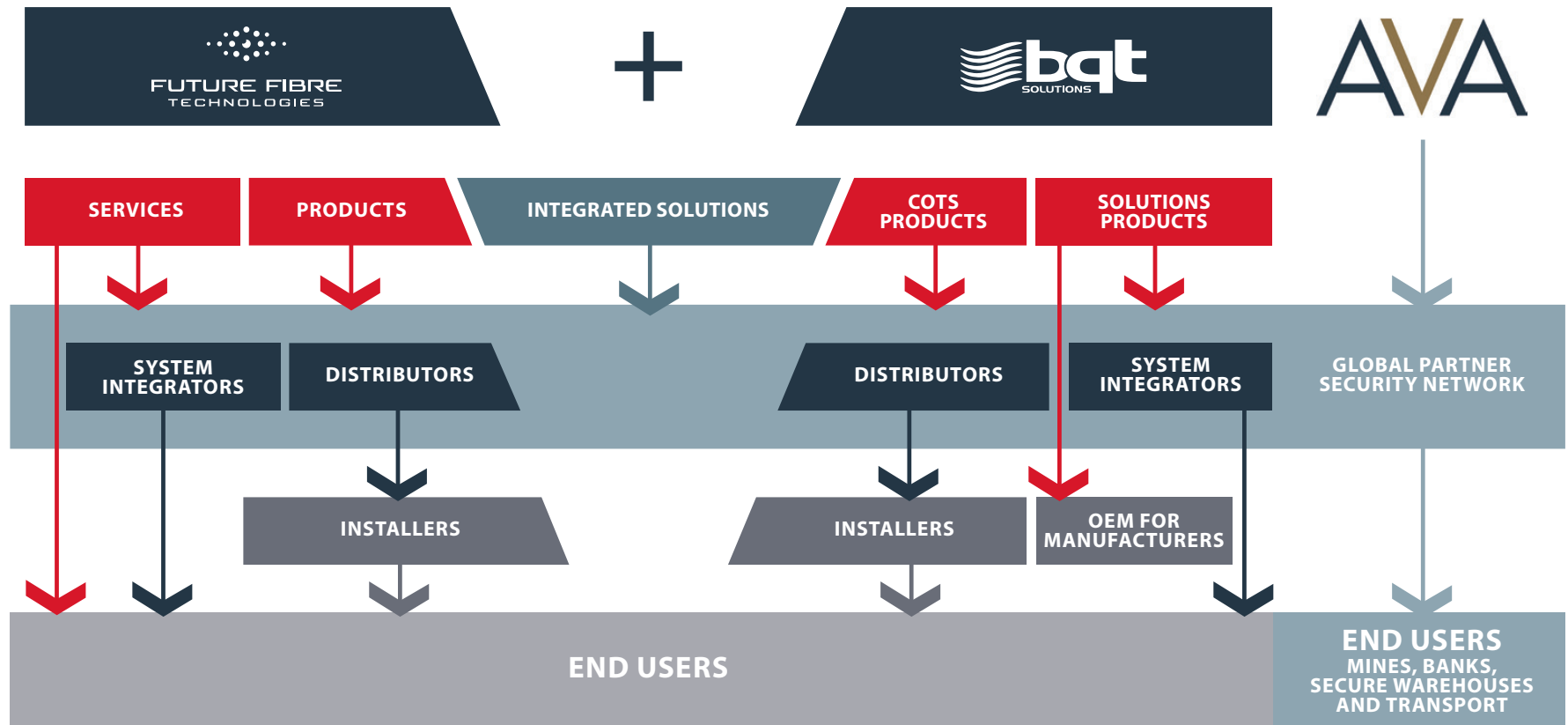
Complimentary Vertical Markets

END USERS	FFT	BQT	AVA
Utilities	✓	✓	
Chemical, Oil & Gas	✓	✓	✓
Mining	✓	✓	✓
Military	✓	✓	
Government	✓	✓	✓
Transport	✓	✓	→
Commercial & Residential	✓	✓	✓
Banking	✓	✓	✓
Correctional & Borders	✓	✓	

✓ Direct

→ Indirect

Go To Market Synergies



- Common and complimentary System Integrator and Distributor Partnerships.
- Sales growth opportunities via AVA's global partner security network in 100+ countries.
- Creation of new integrated solutions for common vertical markets.

Combined Global Footprint



Pro-forma FFT Shareholders

- Approximately 85,050,370 fully paid ordinary shares will be issued to those MaxSec shareholders that accepted the Offer.
- Post merger, total pro-forma 209,078,810 fully paid ordinary shares.
- Implied market capitalisation of \$25.1M @\$0.12 cents per share
- 14,060,000 options on issue at an average exercise price of \$0.36.

Future Fibre Technologies Limited

ASX:FFT



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