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For immediate release
By electronic transmission

FFT Merger Update and Senior Management Changes

MaxSec Group Limited (ASX: MSP), today announced that integration activity with Future Fibre Technologies Limited (ASX: FFT) has commenced. A Program Management Office (PMO) has been established under the leadership of an experienced Integration Director. The PMO will track the implementation of the integration plan and ensure timely delivery of the identified benefits of the merger.

The merged Group will operate under two divisions – a Services Division (AVA) and a Technology Division (FFT and BQT).

Attached is a presentation prepared by FFT which provides an update in terms of the merger integration plans.

MaxSec is pleased to announce that Chris Fergus has been appointed Group Chief Executive Officer of FFT Group. Chris will be employed under an inter-group Services Agreement (between FFT and MSP subsidiary AVA Global DMCC), a summary of the key employment conditions for Chris is attached.

Chris has extensive experience within the security integration and services sectors. For the past 20 months Chris has been the CEO of AVA Global, and SVP Strategy and Business Development for MaxSec Group Limited (MSP), and also serves as an Executive Director on the board of MSP. Chris is well positioned to take on the Group CEO role, having served as a Director of FFT for the past 15 months. Chris was previously employed for 20 years with G4S, a world leading security services provider. Joining G4S in 1994, Chris worked across a number of continents, most recently as Regional Managing Director, Middle East, managing a portfolio of Security & FM joint ventures, with a total revenue in excess of US\$1 billion.

Chris Fergus holds 3,000,000 shares in FFT and a further 200,000 options over FFT shares.

FFT's Chief Financial Officer Leigh Davis will assume the position of Group CFO.

FFT's Rob Broomfield has been appointed Chief Operating Officer of the Technology Division, while Mark Horton has been appointed Sales and Marketing Director of the Technology Division.

Geoff Cleaves will remain as Chief Executive Officer of MSP.

AVA Global's James Alston and Stefan Dingeldein have been appointed Chief Operating Officer and Sales and Marketing Director of the Services Division respectively.

All of the above senior roles will report directly to Chris.

FFT Group CEO Chris Fergus said: *"I am excited to lead the merged group as we leverage the combined strengths of our experienced leadership team and innovative products and services to build a Sales and Marketing focussed global Risk Management organisation."*

- ENDS -

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About MaxSec Group Limited

MaxSec Group Limited, through its divisions BQT Solutions and Ava Global, is a leading designer, developer and global provider of quality, reliable and secure smart card and reader systems, biometric scanners, locking devices and a growing global provider of secure logistics services. MaxSec Group divisions are represented globally on 6 continents.

For more information, visit our website at www.maxsec.com.

Appendix A

Key Terms FFT Group Chief Executive Officer Employment Contract

Chris is employed through a services agreement with AVA Global DMCC on a permanent, full-time basis. Chris commences his position as Group Chief Executive Officer on 12 February 2018. His current fixed remuneration is GBP 336,840 inclusive of superannuation. He has a notice period of 3 months. Approximately one half of his fixed remuneration is to be reimbursed by FFT.

Performance conditions

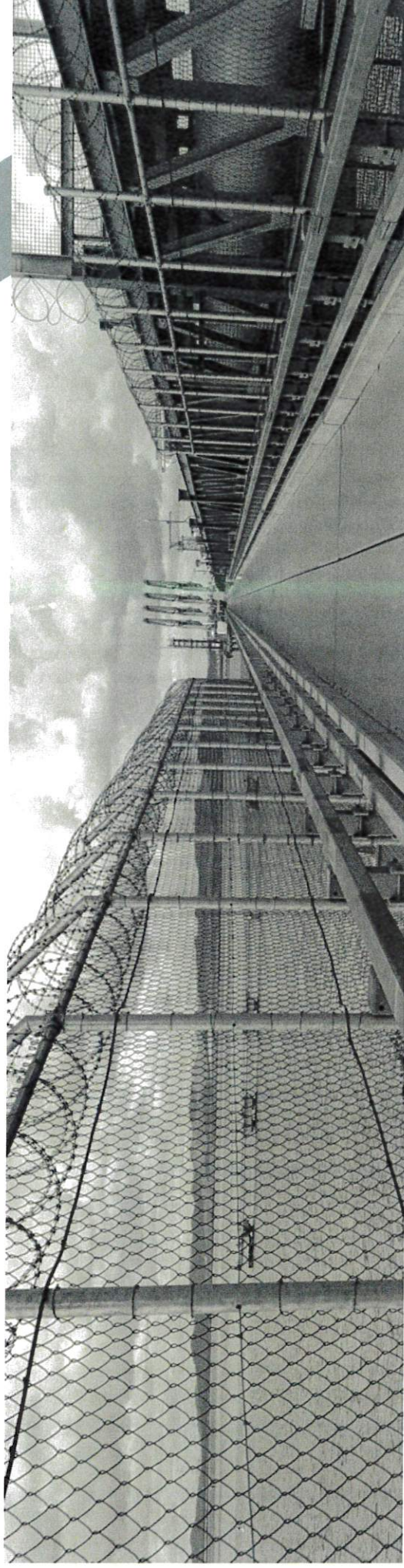
The contract provides for a bonus payable in cash and is conditional up meeting pre-defined KPI's by the executive under the AVA Global performance plan. The performance plan allows for senior employees of AVA Global to share in a pooled allocation of up to 32.7% of the exit value of AVA Global in excess of \$5 million or the debt and equity funding provided to AVA Global to run the business, whichever is greater. In addition, the plan provides for a shared annual bonus pool of 32.7% of the net profits that the AVA Global business unit generates. 16.2% of the exit value and net profits of the AVA Global business unit has been allocated to the executive.

The performance plan expires if the executive resigns or their employment is terminated by the company within the first 3 years. The performance plan terminates on 1 February 2021.

MaxSec Merger Update



FUTURE FIBRE
TECHNOLOGIES



www.fftsecurity.com



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 or 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.





MaxSec Merger

- Off-market takeover bid for MaxSec Group Limited (ASX: MSP) closed 21 December 2017 with FFT now holding 86.8% of MSP.
- FFT and MSP integration activities have now formally commenced.
- The merger seeks to take advantage of clear synergies between FFT's perimeter security solutions, global presence and MSP's access control (BQT) and international valuables logistics offering (AVA).
- The combined entities will be operated as two divisions, Technology (FFT/BQT) and Services (AVA).
- Cost savings of \$775k pa have been identified, increasing to \$975k post proposed delisting of MSP from the ASX.



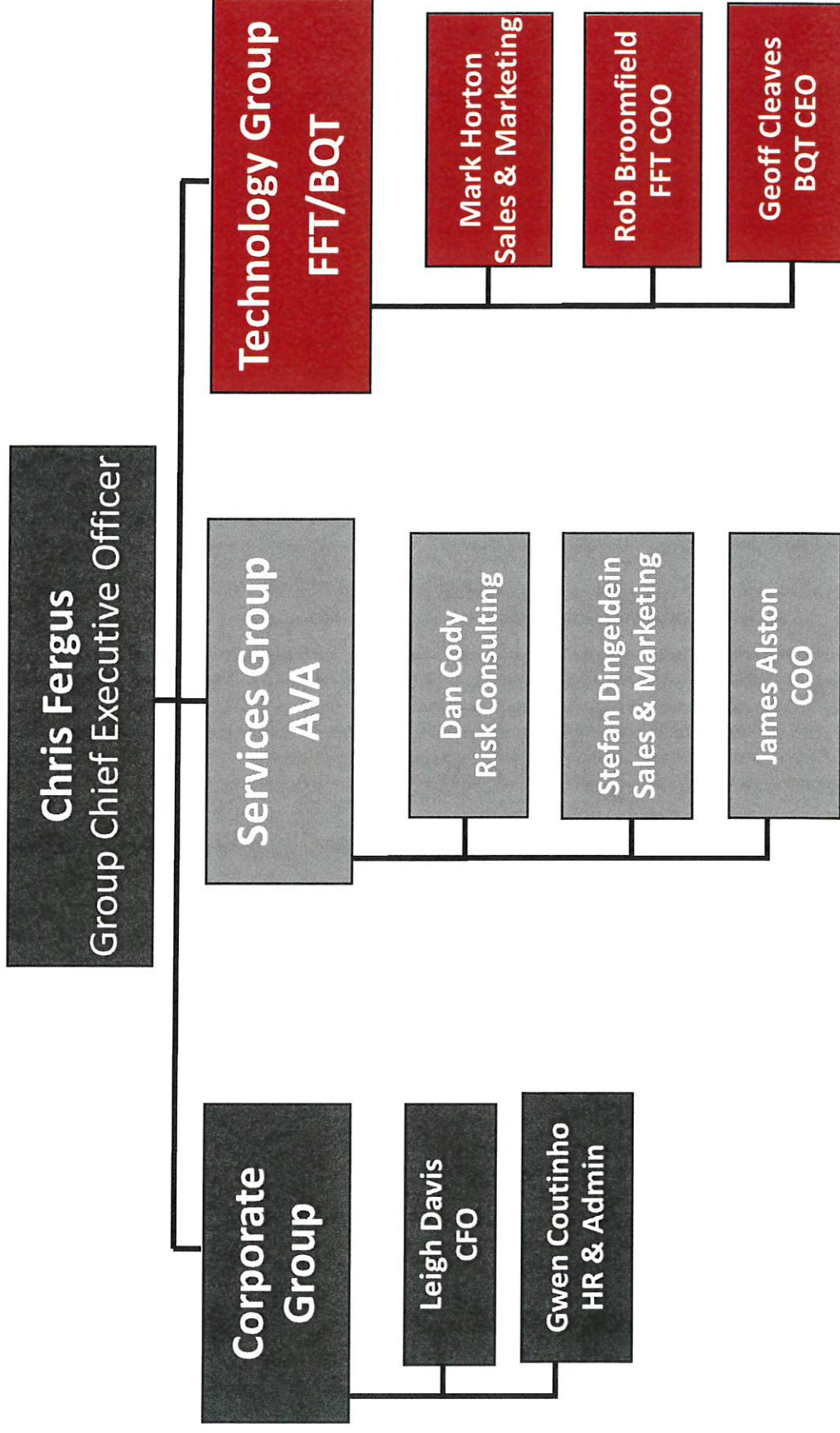


Group Leadership

- Leading industry veteran Chris Fergus will lead the new group as Chief Executive Officer, effective immediately.
- For the past 20 months Chris has been the CEO of AVA Global, and SVP Strategy and Business Development for MaxSec Group Limited (MSP), and also serves as an Executive Director on the board of MSP. Chris has served as a Director of FFT for the past 15 months. Chris was previously employed for 20 years with G4S, a world leading security services provider. Joining G4S in 1994, Chris worked across a number of continents, most recently as Regional Managing Director, Middle East, managing a portfolio of Security & FM joint ventures, with a total revenue in excess of US\$1 billion. Chris has extensive experience within the security integration and services sectors.

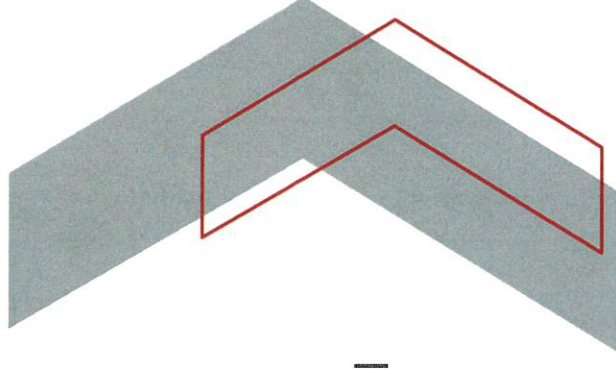


Group Organisation



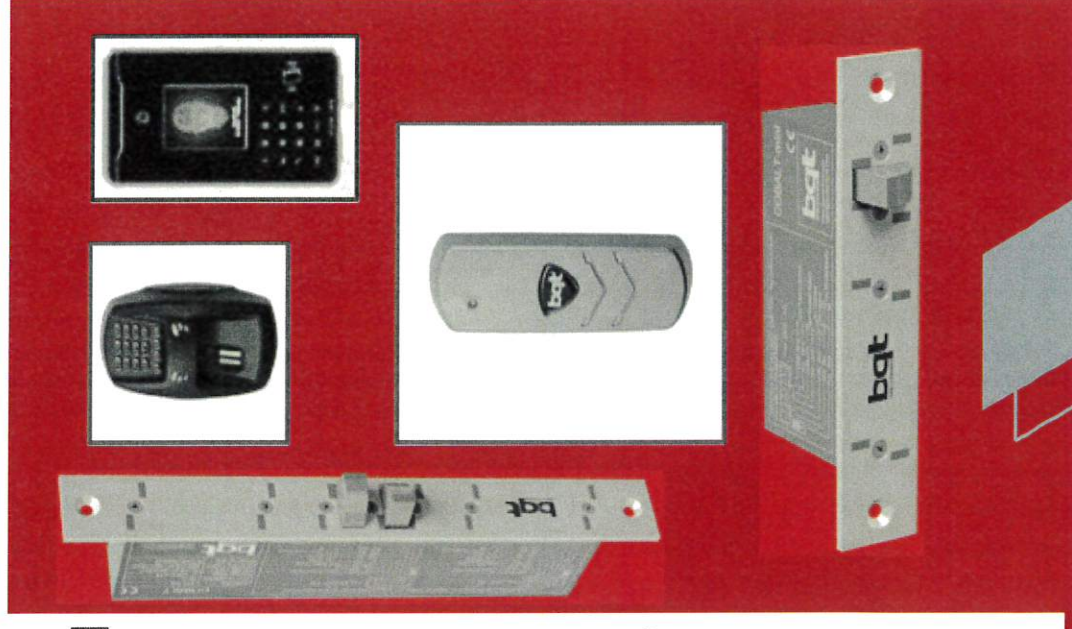
About FFT

- 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 1,600 systems deployed in more than 65 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.



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

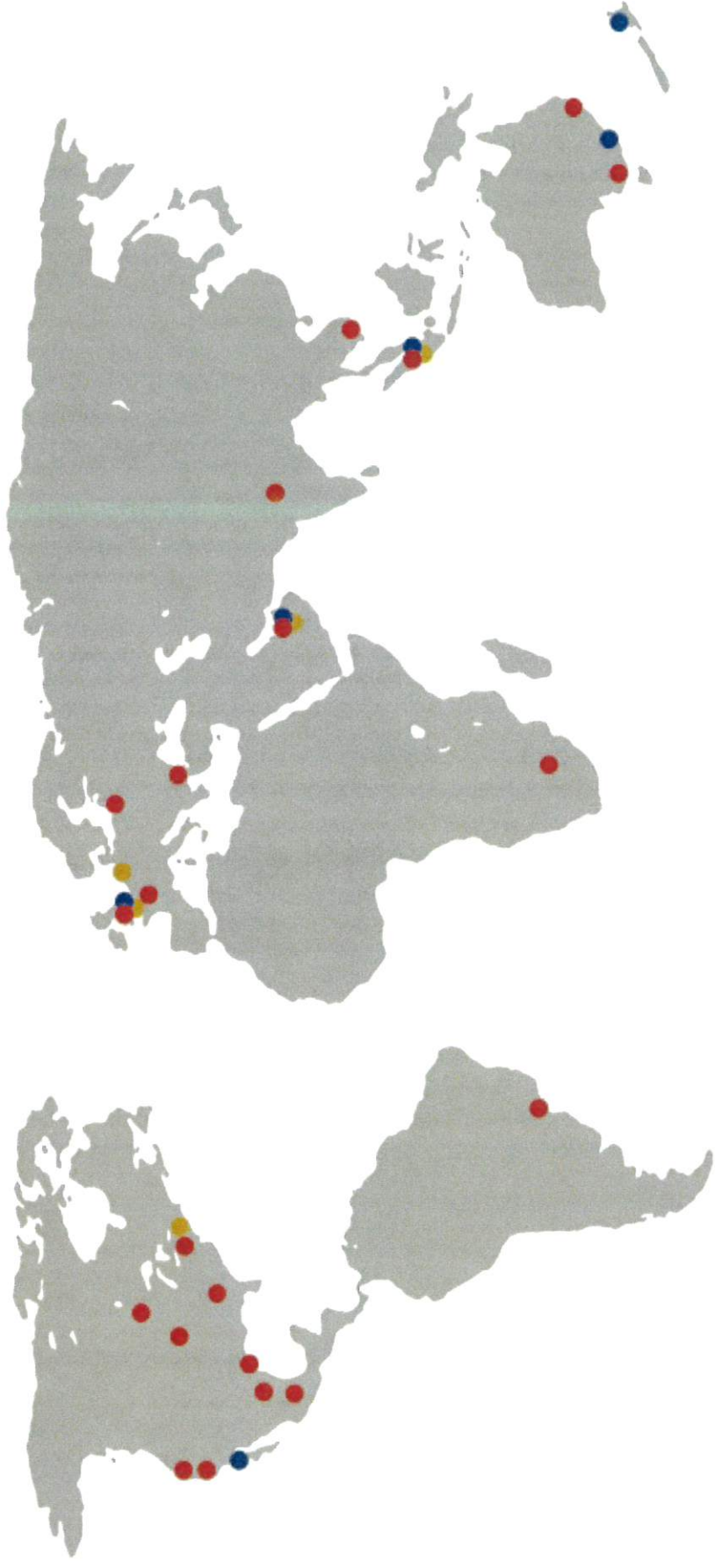
	Estimated Total Market Value	Current Estimated Addressable Market**
 FFT	Perimeter Security (sensors) US\$11bn (CAGR 13.6%)* Few key competitors Avg. Margin Range 60-65%	US\$1bn - \$2bn
 bqt SOLUTIONS	Access Control Systems US\$6.3bn (CAGR 12.2%)* Many key competitors Avg. Margin Range 45-50%	US\$0.6bn - \$1.5bn
 AVA THINK GLOBAL	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.

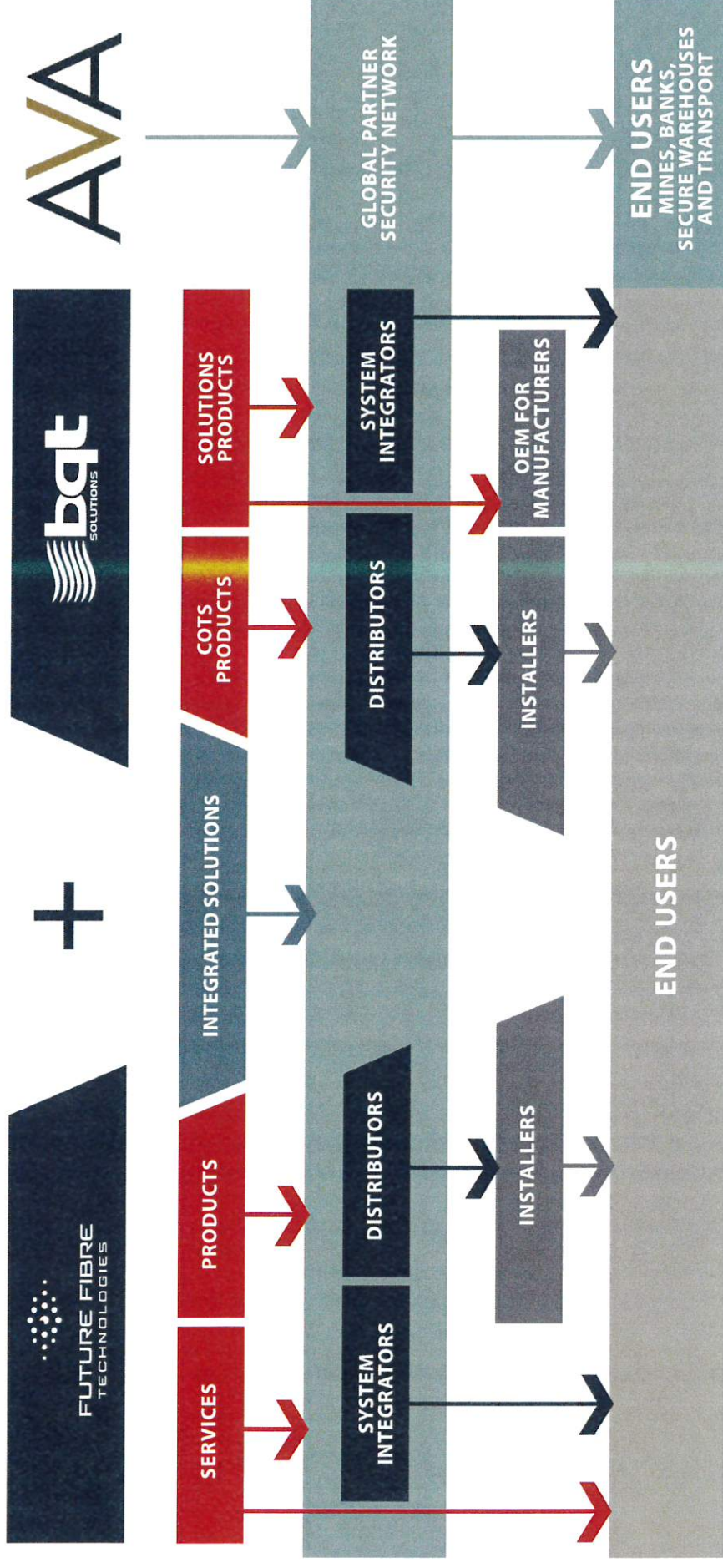


Combined Global Footprint



- FFT** – Melbourne, Brisbane, San Francisco, Los Angeles, Houston, Mexico City, Omaha, Minneapolis, Atlanta, Baltimore, Sao Paulo, London, Brussels, Warsaw, Istanbul, Johannesburg, Dubai, New Delhi, Singapore, Ho Chi Minh
- BQT** – Sydney, Auckland, San Diego, London, Dubai, Singapore
- AVA** – Dubai, Singapore, New York, London, Frankfurt

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.

Complimentary Vertical Markets

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

✓ Direct → Indirect



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	✓✓	✓✓	✓✓
Greater market capitalisation and shareholder spread increasing liquidity	✓✓	✓	✓





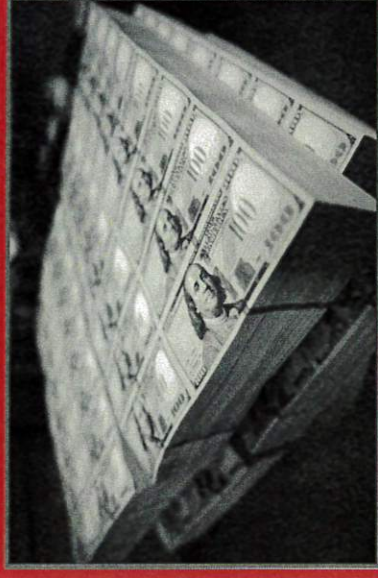
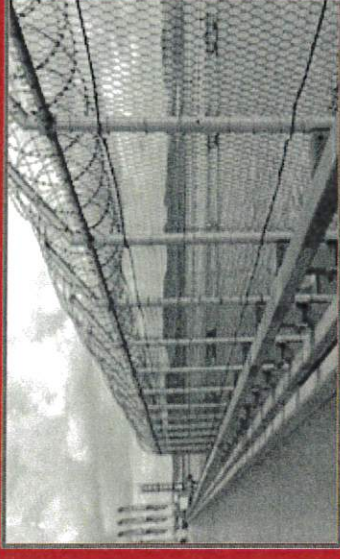
Strategic Focus

- Implementation of new structure and delivery of cost savings and operational efficiencies.
- Transitioning from a Security Technology company to a Risk Management Group.
- Sales & Marketing driven Group with a continued focus on product and services innovation.
- Leverage existing and develop further key client sector expertise
- Expansion of our risk consulting capability.
- Leverage the comprehensive network of AVA Global's security partners.
- Enhanced investor relations focus.



Group Outlook

- FFT Group FY2018 guidance for sales revenues of between \$26 million and \$33 million, which includes an estimated contribution of \$8 million to \$12 million from MSP (7 months) and \$18 million to \$21 million from FFT.
- FFT Group first half FY2018 generated positive cashflow of \$3.0 million, which includes one month MSP contribution of (\$0.15 million).
- The Group finished the half with cash at bank of \$9.5 million, which included \$1.65 million of cash from the consolidation of MSP.
- The Technology Division (FFT/BQT) is expected to be EBITDA and cashflow positive for FY2018.
- The Services Division (AVA) continues to expand its global client base and is expected to be profitable from Q1 FY2019.



FFT Capital Structure

Number of FFT Shares on issue	211,094,439
Total number of FFT Options on issue	12,385,000
Top 20 Shareholders holding	72.4%
Market Capitalisation @ 12.5c	\$26.4 million

