

ASX RELEASE

7 April 2020

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Operational Update

Highlights:

- **Despite COVID-19 business operations continue to function effectively**
- **Contingency planning has been undertaken should circumstances change**
- **Q3 FY20 operating sales 23% greater than corresponding Q3 FY19 period**
- **YTD FY20 operating sales 29% greater than corresponding FY19 period**
- **Business operations will be adjusted as required should demand slow**

Advanced Braking Technology Ltd (“ABT” or the “Company”) provides this update in relation to the COVID-19 situation. ABT has taken a range of proactive steps to minimise the risks to our people and the Company’s operations.

COVID-19

At present, business operations continue to function effectively and service levels are being maintained, with staff working either from the business premises or remotely from home. Contingency planning has been undertaken and ABT will continue to review and adjust our business continuity measures as the situation evolves.

We are responsive to the latest advice from medical and government authorities with ABT being well-placed from an operational perspective to perform some activities remotely when required to do so.

At present, our supply chain continues to function as per our business requirements. Current travel restrictions are not adversely impacting supply and delivery of products which has ensured the continuity of business operations without compromising the supply of products to our customers, both here in Australia and internationally, during this period of disruption.

ABT maintains a disciplined approach to costs and this will continue to be the focus of the business in these uncertain economic times.

We appreciate that this is a very challenging time for everyone. The current extreme levels of volatility in share markets are unsettling and there may be significant ongoing economic impacts across many industries. However, the health of the broader community is the primary concern at this time.

March Quarter Revenues

The Company achieved a strong sales result for Q3 FY20, with unaudited operating sales being \$1.91m which represents a 23% increase over the corresponding Q3 FY19 period. For the 9-month period to March 2020, the unaudited operating sales revenue is \$6.22m which represents a 29% increase over the corresponding prior period result of \$4.83m.

Outlook

The Company's primary customer base remains within the mining and civil construction industries which to-date continue to operate during this challenging period. However, future sales may be impacted should customers in any industry to which we provide our braking solutions defer capital expenditure over the coming months.

Should operating conditions have a material impact on future cash flows, the Company will utilise the financial assistance measures provided by both the Federal and Western Australia state governments, to protect both the business and its employees, whilst at the same time amending its business operations to reflect the deteriorating operating environment.

A further Operational Update will be provided when the Appendix 4C for the March 2020 quarter is released to the ASX.

ABT CEO, Mr John Annand stated *"We are responding to the dynamic situation presented by the spread of COVID-19, focusing our efforts on maintaining business continuity. We have seen a steady demand for our products throughout this period and will continue to evaluate the conditions to ensure the ongoing success and viability of our business. The safety of our employees, customers and suppliers continues to be a priority during these uncertain times."*

This release is approved by the Board of Directors of Advanced Braking Technology Ltd.

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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 7 continents across the globe.