



This document is important and requires your immediate attention.

Advanced Braking Technology Ltd
ACN 099 107 623

**Notice of Annual General Meeting
and Explanatory Statement**

For the purpose of providing information to Shareholders regarding the Annual General Meeting of Advanced Braking Technology Ltd to be held at 10.30 am (AEDT) on Friday 27 November 2015, at:

**The offices of R B Flinders – Conference Room
Level 3, 189 Flinders Lane, Melbourne, Vic 3000**

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- A. Notice of Annual General Meeting
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Important note

This booklet sets out information to assist Shareholders to assess the resolutions to be considered at the Annual General Meeting.

You should read this information carefully and in its entirety before making a decision as to how to vote at the Meeting. No responsibility is taken for the contents of this booklet by ASIC, ASX or any of their officers.

If you do not fully understand the contents of this information you should consult your financial or legal adviser for assistance.

A Notice of Annual General Meeting and proxy form are included in/with this booklet. Shareholders are urged to complete and return the enclosed proxy form as soon as possible, irrespective of whether or not they intend to attend the Meeting.

Questions

If you have any queries regarding the contents of this booklet or in relation to the Annual General Meeting, please contact the Company Secretary, Mr Neville Walker, on (08) 9273 4804 or (08) 9273 4800.

Time and Place of Meeting and How to Vote

Venue

The Annual General Meeting of the Shareholders of Advanced Braking Technology Ltd (**Company**) will be held in the conference room at;

**The offices of R B Flinders
Level 3, 189 Flinders Lane, Melbourne, Vic 3000**

Commencing at

10.30 am (AEDT) on Friday 27 November 2015

How to Vote

You may vote by attending the Meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, attend the meeting on the date and at the place set out above.

Voting by Proxy

To be valid, your proxy form (and any power of attorney under which it is signed) must be received at an address given below by 10.30am (AEDT) on Wednesday 25 November 2015. Any proxy form received after that time will not be valid for the scheduled meeting.

Online At www.investorvote.com.au

By mail Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia

By fax 1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)

By mobile Scan the QR Code on your proxy form and follow the prompts

Custodian voting For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

Advanced Braking Technology Ltd

ACN 099 107 623

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of Shareholders of Advanced Braking Technology Ltd for 2015 will be held at 10.30 am (AEDT) on Friday 27 November 2015.

Agenda

The Explanatory Statement that accompanies and forms part of this Notice of Annual General Meeting describes the matters to be considered as ordinary business and special business.

Ordinary Business

Financial Statements and Reports

To receive and consider the annual financial report and the reports of the Directors and of the Auditor for the financial year ended 30 June 2015.

This item of business is intended to provide an opportunity for Shareholders to raise questions on the reports themselves and on the performance of the Company generally.

Resolution 1 – Adoption of Remuneration Report

To consider and if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s annual financial report for the year ended 30 June 2015.”

Please note that the vote on this resolution is advisory only and does not bind the Directors nor the Company.

Voting Exclusion:

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) member of the Key Management Personnel details of whose remuneration is included in the Remuneration Report; and/ or
- (b) a Closely Related Party of such a member of the Key Management Personnel.

However, the above persons may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution (directed proxy); or
- (b) the voter is the Chairperson and the appointment of the Chairperson as proxy:
 - (1) does not specify the way the proxy is to vote on the resolution; and
 - (2) expressly authorises the Chairperson to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 2 – Re-Election of Director - Mr Bruce Grey

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 14.4 and article 13.2 of the Constitution and for all other purposes, Mr. Bruce Grey, a Director retiring by rotation in accordance with article 13.2 of the Constitution, being eligible and having signified his candidature for the office, is hereby re-elected as a Director.”

Special Business

Resolution 3 – Approval of 10% Placement Facility

To consider and if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, the Company need not disregard a vote cast on this Resolution if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the chairperson of the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Other Business

To transact any other business that may be properly brought before the meeting in accordance with the Constitution.

By order of the Board



Neville Walker
Company Secretary
Dated: 15 October 2015

Notes:

1. A Shareholder who is entitled to attend and vote at a general meeting of Shareholders is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
3. In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001*, the Directors have set a snapshot date to determine the identity of those entitled to attend and vote at the Meeting. The snapshot date is 5.00pm (AEDT) on Wednesday 25 November 2015.

Explanatory Statement

1. General Information

This Explanatory Statement and all attachments are important documents. They should be read carefully.

This Explanatory Statement has been prepared for the Shareholders of Advanced Braking Technology Ltd (**Company**) in connection with the Annual General Meeting of the Company to be held at 10:30am AEDT on Friday 27 November 2015 at the offices of R B Flinders, Level 3, 189 Flinders Lane, Melbourne Victoria, 3000.

The purpose of this Explanatory Statement is to provide Shareholders with the information known to the Company that the Board considers material to their decision on whether to approve the Resolutions in the accompanying Notice. This document is important and should be read in conjunction with all of the information contained in this booklet, including the Notice. Capitalised terms in this Explanatory Statement are defined in the Glossary.

If you appoint the Chairman as your proxy, or the Chairman is appointed as your proxy by default, new rules apply in respect of Resolution 1. Your attention is drawn to the section in the Proxy Form entitled "Important – for item 1" and in particular the requirement that you specifically direct your proxy how to vote, or mark the box on that form, if you wish your votes to be counted on Resolution 1. Shareholders should note that:

- the Chairman intends to vote any undirected proxies that are able to be voted in favour of all resolutions including Resolution 1; and
- they may choose to specifically direct the Chairman to vote against, or abstain from voting, in respect of any resolution, including Resolution 1.

Financial Statements and Reports

In accordance with the Corporations Act and the Company's constitution, the business of the Annual General Meeting will include the receipt and consideration of the annual financial report of the Company for the year ended 30 June 2015, together with the related Directors' report, Directors' declaration and Auditors' report. No resolution need be put to the meeting in relation to these items.

As a shareholder, you are entitled to submit a written question to the Auditor prior to the Annual General Meeting provided that the question relates to:

- the content of the Auditor's report; or
- the conduct of the audit in relation to the financial report.

All written questions must be received by the Company no later than 5.00pm (AEDT) on Friday, 20 November 2015.

All questions must be sent to the Company and may not be sent to the Auditor. The Company will then forward all questions to the Auditor.

The Auditor will be present at the Meeting and Shareholders will have the opportunity to ask the Auditor questions in relation to the conduct of the audit, the Auditor's report, the Company's accounting policies, and the independence of the Auditor.

2. Resolution 1 – Adoption of Remuneration Report

Section 250R (2) of the Corporations Act requires a listed company to put to its shareholders (at the annual general meeting) a resolution that the remuneration report be adopted. However, such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2015.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

Although the effect of Resolution 1 is advisory only, changes to the Corporations Act which came into effect on 1 July 2011 have introduced what has been referred to as the 'two strikes' rule. Under this rule, companies will be required to put a resolution to shareholders to hold fresh elections for directors if, at two consecutive annual general meetings, at least 25% of the votes cast on a resolution (such as Resolution 1) to adopt the remuneration report are cast against that resolution. Accordingly, if at least 25% of the votes cast at the meeting on Resolution 1 are against that Resolution, and (at the next annual general meeting in 2016) at least 25% of the votes are cast against the resolution to adopt the 2015/2016 Remuneration Report, then the Company will be required to propose a resolution to hold another general meeting within the following 90 days. If such a resolution is passed, then at the subsequent general meeting all Directors (other than a Managing Director) who were in office when the Remuneration Report was approved at board level will cease to hold office (but may, if eligible, stand for re-election).

The Board unanimously recommends that Shareholders vote in favour of Resolution 1 and adopt the Remuneration Report.

3. Resolution 2 – Re-Election of Mr Bruce Grey

ASX Listing Rule 14.4 and article 13.2 of the Constitution requires that one third of the Directors (or, if their number is not a multiple of 3, then the number nearest to but not exceeding one third) must retire from office at each annual general meeting. The Directors retire by rotation, with the Director(s) who have been the longest in office since being appointed or re-appointed being the Director(s) who must retire in any one year.

The Constitution ensures that no Director is able to remain in office for longer than 3 years without standing for re-election. Each Director is entitled to offer himself/herself for re-election as a Director at the annual general meeting which coincides with his/her retirement.

The Managing Director (if any) is exempted by his office as managing director from the requirement to retire by rotation.

Notwithstanding the fact that Mr Grey has been a Director for less than two and a half years, Mr Grey retires by rotation (in accordance with the requirements of the Constitution) at the Annual General Meeting. As he is entitled and eligible for re-election, he seeks re-election as a Director at the Meeting.

Mr Grey has been influential in helping to change the focus of the Company in seeking to change the operational and strategic direction which included securing the appointment of the current Managing Director. As Chairman he has provided leadership to the Board since his appointment in 2013.

Mr Grey was Managing Director of the Advanced Manufacturing Cooperative Research Centre from 2009 until 2014. In the 20 years to 2009 he was an Executive Director of two Australian public companies and for 10 years until 2009, was Chairman of a joint-venture between Bishop and Mercedes-Benz Lenkungen GmbH, located in Schönebeck Germany.

He is currently a non-executive Director of CAP XX Limited listed on the London Stock Exchange. He is also a Board member of the Murdoch Children's Research Institute and is currently also Chairman of the Translation and Commercialisation Committee.

He is a Board member of the Victorian Clinical Genetics Services, a wholly owned subsidiary of MCRI.

He has more than 30 years' experience in international commercialisation of Australian innovation and in excess of 25 years' experience in managing industry R&D. He has been directly responsible for creating new manufacturing facilities in Germany, Thailand and South Korea and the US, all based on Australian innovation. Over this period he also negotiated licence agreements in Japan, China, South Korea and the US yielding in excess of \$100 million in royalties and licence fees.

He is a Fellow of the Australian Academy of Technological Sciences and Engineering and is a Member of the Australian Institute of Company Directors.

In 2001 Bruce became a member of the Industry Advisory Network at University of Technology Sydney serving as Chairman for two and a half years.

In 2005 he was appointed Chairman of the Federal Government's Advanced Manufacturing Action Agenda. He also served as a member of the Federal Government's Future Manufacturing Industry Innovation Council until June 2012.

He was Chairman of the Expert Advisory Panel for the Victorian Government's Technology Voucher Program from 2009 until 2014.

The Board, other than Mr Grey, unanimously recommends that Shareholders vote in favour of Resolution 2.

4. Resolution 3 – Approval of 10% Placement Facility

4.1 General

ASX Listing Rule 7.1A enables eligible entities to issue equity securities (as that term is defined in the ASX Listing Rules) up to 10% of its fully paid ordinary securities on issue through placements over a 12 month period after the Annual General Meeting (10% Placement Facility). The effect of Resolution 3 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Facility during the period up to 12 months after the Meeting without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity, as its current market capitalisation is \$10,332,522 (1,476,074,530 Ordinary Shares @ 0.7 cents per share).

The Company seeks Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities (if any) capable of being issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to section 4.2 below).

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present in person or by proxy and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

The Board considers that Resolution 3 is in the best interests of the Company and unanimously recommends that Shareholders vote in favour of Resolution 3.

4.2 Summary of ASX Listing Rule 7.1A

(a) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. At the date of this Notice, the Company has two classes of quoted Equity Securities, being its Shares and the loyalty Options issued pursuant to the prospectus dated 17 April 2014.

(b) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

Where:

- A is the number of shares on issue 12 months before the date of the issue or agreement:
- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the 12 months;
 - (iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
 - (iv) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rules 7.1 or 7.4.

(c) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1. At the date of this Notice, the Company has a capacity to issue:

- (1) 221,411,180 Shares under Listing Rule 7.1; and
- (2) 147,607,453 Shares under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 4.2(b) above).

(d) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the volume weighted average price of Equity Securities in the same class calculated over the 15 ASX trading days immediately before:

- (1) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (2) if the Equity Securities are not issued within 5 ASX trading days of the date in section 4.2(d)(1) above, the date on which the Equity Securities are issued.

(e) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- (1) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- (2) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

(f) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an Annual General Meeting.

4.3 Information required by Listing Rule 7.3A

ASX Listing Rule 7.3A sets out a number of matters which must be included in a notice of meeting seeking an approval under ASX Listing Rule 7.1A. The following information is provided for the purposes of Listing Rule 7.3A:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 ASX trading days immediately before:
 - (1) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (2) if the Equity Securities are not issued within 5 ASX trading days of the date in section 4.3(a)(1) above, the date on which the Equity Securities are issued.
- (b) If the Company issues Equity Securities under the 10% Placement Facility, existing Shareholders' voting power in the Company will be diluted as shown in the table below. There is a risk that:
 - (1) the market price for the Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (2) the Equity Securities may be issued at a price that is at a discount to the market price for the Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (1) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (2) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Dilution				
Variable "A" in Listing Rule 7.1A.2	Issue Price (per Share)	50% decrease in Deemed Issue Price \$0.0035	Deemed Issue Price \$0.007	50% increase in Deemed Issue Price \$0.0105
Current Variable "A" 1,476,074,530 Shares	10% dilution - Shares issued	147,607,453 Shares	147,607,453 Shares	147,607,453 Shares
	Funds raised	\$516,626	\$1,033,532	\$1,549,878
50% increase in current Variable "A" 2,214,111,795 Shares	10% dilution - Shares issued	221,411,180 Shares	221,411,180 Shares	221,411,180 Shares
	Funds raised	\$774,939	\$1,549,878	\$2,324,817
100% increase in current Variable "A" 2,952,149,060 Shares	10% dilution - Shares issued	295,214,906 Shares	295,214,906 Shares	295,214,906 Shares
	Funds raised	\$1,033,252	\$2,066,504	\$3,099,757

The table has been prepared on the following assumptions:

- (i) The price of Shares is deemed, for the purposes of the table above, to be \$0.007, being the closing price of the Company's Shares on ASX on 8 October 2015 (**Deemed Price**). The Deemed Price is indicative only and does not consider the 15% discount to market that the Equity Securities may be placed at.
 - (ii) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (iii) No Options are exercised into Shares before the date of the issue of the Equity Securities. The Company currently has nil unlisted Options and 145,942,031 listed Options on issue as at the date of the Notice;
 - (iv) The 10% dilution reflects the aggregate percentage voting dilution against the issued share capital at the time of issue. This is why the dilution is shown in each example as 10%.
 - (v) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
 - (vi) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (1) as non-cash consideration for the acquisition of new assets and investments (including expenses associated with such acquisitions). In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (2) for cash consideration in which case the Company intends to use the funds raised for the expansion of products and distribution arrangements, increasing product production and general working capital purposes or towards the acquisition of new assets or investments (including expense associated with such acquisitions).

Although the Company may seek to issue Equity Securities for the acquisition of new assets and investments (including expenses associated with such acquisitions), the particular assets and investments which may be acquired by the Company have yet to be ascertained.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

- (e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of the Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (1) the purpose of the issue;
 - (2) alternative methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - (3) the effect of the issue of the Equity Securities on the control of the Company;
 - (4) the circumstances of the Company, including, but not limited to, the financial situation and solvency of the Company; and
 - (5) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company. Further, if the Company is successful in acquiring new assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

- (f) The Company has previously obtained approval under rule 7.1A, such approval having been sought and obtained by the Company at the annual general meeting of the Company for the financial year ended 30 June 2014 which was held on Friday, 28 November 2014. However, no Equity Securities have been issued in accordance with such approval or within the 12 months preceding this Notice of Meeting.
- (g) A voting exclusion statement is included in the Notice.

Glossary

In this Notice of Annual General Meeting and Explanatory Statement the following terms have the following meaning unless the context otherwise requires:

\$ means Australian dollars.

10% Placement Facility has the meaning given in section 4.1 of this Explanatory Statement

2015 Annual Report means the Company's annual report for the year ended 30 June 2015.

Annual General Meeting or **Meeting** means the Annual General Meeting of the Company the subject of the Notice of Meeting.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

ASX Listing Rules or **Listing Rule** means the official listing rules of ASX.

Auditor means the auditor of the Company, Moore Stephens.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

Company means Advanced Braking Technology Ltd (ACN 099 107 623).

Constitution means the Company's constitution.

Corporations Act means *Corporations Act 2001* (Cth).

Director means a director of the Company and **Directors** has a corresponding meaning.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P / ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement to this Notice.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Meeting means the meeting convened by this Notice.

Notice or **Notice of Meeting** means the notice of Annual General Meeting.

Option means an option to acquire a Share.

Proxy Form means the proxy form **attached** to the Notice of Meeting.

Remuneration Report means that section of the Directors' Report under the heading "Remuneration Report" set out in the 2015 Annual Report.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the issued capital of the Company.

AEDT means Australian Eastern Daylight Time.

Variable A means the variable "A" in the formula in ASX Listing Rule 7.1A.2 as set out in the calculations in section 4.3 of this Explanatory Statement.

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Advanced Braking Technology Ltd