

ASX/MEDIA RELEASE

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## **ADVANCED BRAKING TECHNOLOGY RECEIVES REGULATORY APPROVAL FOR EUROPEAN MARKET**

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Perth-based advanced braking systems manufacturer, Advanced Braking Technology Ltd (**ASX: ABV**) is continuing on its path towards profitability, today announcing the Company has received regulatory approval for its patented Sealed Integrated Braking System (SIBS) product in Europe, opening up a major new market.

The Company announced today (**Wednesday**) that the German vehicle compliance-testing agency, TÜV, has confirmed that the SIBS product, as fitted to a Toyota Hilux, complies with the European vehicle braking standards for motor vehicles.

This approval clears the way for the sale of SIBS in Europe.

Managing Director of Advanced Braking Technology, Mr Ken Johnsen, said European approval was a major boost for the Company, opening up a significant new market for the SIBS product.

"We have had strong interest from customers interested in SIBS' potential to offer significantly reduced maintenance costs and vehicle downtime for vehicles used in harsh off-road conditions," he said. "Two evaluation units have been delivered to a German customer, and this initial exposure to German industry has already led to several other sales opportunities."

"Regulatory approval for the European market allows us to actively commence sales efforts in this region," Mr Johnsen continued.

The Company also outlined continued strong sales to Canada, an established market for SIBS, and the commencement of a major sales and marketing campaign in South Africa. Advanced Braking Technology has recently appointed a full-time representative in South Africa to support the Company's established sales agent, Brakecore, which is yielding positive results both in South Africa and neighboring mining regions.

In addition the Company had commenced its marketing activity in South America and is actively seeking representation for the sale and service support to customers in that important mining market.

Strong progress is also being made in the Australian market, with a number of major Australian mining operations and their contracting companies now fitting SIBS to all Toyota Landcruisers put into service underground.

Mr Johnsen said the fail-safe feature of SIBS, combined with much lower operating costs, is driving ongoing demand.

"The SIBS product fulfills two key requirements currently attracting major attention in the global mining industry – they significantly enhance safety for mine employees, and they also enable operators to reduce their maintenance costs and vehicle downtime," he said. "We expect sales to continue to grow as mining companies increasingly recognise these two key benefits."

In addition to ongoing sales and marketing of the SIBS products, Advanced Braking Technology also has several engineering projects underway to develop special-purpose braking solutions using the SIBS technology - two of which relate to the development of fail safe brakes for heavy trucks used in underground mines. An additional technology demonstration project for an overseas vehicle manufacturer is also nearing completion.

Mr Johnsen said engineering services are providing a growing source of revenue for the Company, as well as assisting in broadening the Company's product portfolio.

"Following a successful December Quarter, all efforts are now being directed to achieving cash flow positive operations," Mr Johnsen said. "Additional sales staff are now being sought to ensure continued growth in sales revenue and greater exposure to end-users, and we look forward to reporting a further strengthening of the Company's financial position in the second half of the financial year."

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#### **Background Information – Advanced Braking Technology Ltd (ASX: ABV)**

Perth-based Advanced Braking Technology Ltd (ASX: ABV – formerly 'Safe Effect Technologies Ltd') is dedicated to innovative braking systems. The Company's key asset is the Sealed Integrated Braking System (SIBS™), a comprehensively patented Australian invention which is regarded as the most significant development in braking technology since the invention of disc brakes 100 years ago.

SIBS™ utilises wet friction, with the moving and non-moving brake parts immersed in a liquid that dissipates heat and reduces wear through lubrication. As a result, the brakes are virtually wear and maintenance-free and may outlast the vehicles they are fitted to, unlike conventional drum and disc brakes. SIBS™ brakes deliver unparalleled safety, improved productivity and lower operating costs, and are engineered to survive the world's harshest conditions.

The proven technology is also environmentally friendly, eliminating brake dust emissions and noise and squealing, and provides a wide-range of benefits for on-road, off-road and industrial applications in terms of safety, reliability, performance and adaptability.

Advanced Braking Technology is collaborating with industries to adapt SIBS for trucks, conveyors, industrial brakes and other applications requiring safer braking systems.

The SIBS product received a key accreditation for use on public roads and underground mines in South Africa, which is expected to become a major market.

Based in Perth, Western Australia, Advanced Braking Technology has a manufacturing plant in Thailand, worldwide patents on its technology and an overseas reseller network.

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