



AUTOMOTIVE TECHNOLOGY GROUP LIMITED

ABN: 38 106 337 599

ASX ANNOUNCEMENT

1 September 2009

NOTICE UNDER SECTION 708AA OF THE CORPORATIONS ACT

As announced to ASX on 26 August 2009, Automotive Technology Group Limited (ASX: ATJ) (**ATJ**) will be offering its eligible shareholders the opportunity to acquire additional fully paid ordinary shares in the capital of ATJ via a one (1) for one (1) non-renounceable pro rata rights issue at an issue price of \$0.05 per new ATJ share (**Rights Issue**).

The Rights Issue will be conducted without a prospectus in accordance with the Section 708AA of the Corporations Act 2001 (Cth) (**Act**). An offer document containing details of the Rights Issue will be sent to shareholders on 14 September 2009.

The issue price of the new ATJ shares represents a discount of approximately 17% to the closing market price of ATJ shares on 31 August 2009, being the date Shares last traded on the ASX.

The Rights Issue will raise a maximum of \$5.8 million if all rights are taken up (based on ATJ's undiluted share capital as at the date of this notice). Proceeds from the Rights Issue will be used for payment of creditors, working capital and to review and develop new business opportunities.

The Rights Issue is partially underwritten to an amount of \$1,000,000, by Michael and Megan Wilson (**Underwriter**).

In addition, entities associated with Steven Apedaile and Richard Siemens (both Directors of ATJ) and Euro Mark Limited and the Underwriter have agreed to collectively subscribe for 54,282,837 new ATJ Shares under their respective entitlements under the Rights Issue.

Shareholders will also be invited to apply to participate in any shortfall under the Rights Issue. The Directors reserve the right to issue the shortfall in their discretion, and may issue the shortfall shares to existing shareholders or sophisticated or professional investors.

Following this announcement is an Appendix 3B in relation to the Rights Issue.

The anticipated timetable for the Rights Issue is as follows:

Event	Proposed Date
Lodgement of Rights Issue Offer Document, Cleansing Notice and Appendix 3B with ASX.	Tuesday 1 September 2009
Letter sent to shareholders containing details of the proposed timetable	Thursday 3 September 2009
"Ex" Date - The date on which ATJ shares commence trading without the entitlement to participate in the Rights Issue	Friday 4 September 2009
Record Date - The date for determining entitlements of Shareholders to participate in the Rights Issue	Thursday 10 September 2009
Despatch of Offer Document and entitlement and acceptance forms to shareholders	Tuesday 15 September 2009
Closing Date - The last day for receipt of acceptance forms (5.00pm Perth time)	Tuesday 29 September 2009
Despatch date. Allotment of shares under the Rights Issue	Thursday 8 October 2009
Expected commencement of trading in new shares on ASX	Friday 9 October 2009

Subject to the ASX Listing Rules, the Directors reserve the right to vary these dates for the Rights Issue at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue and normal trading of the shares under the Rights Issue.

NOTICE UNDER SECTION 708AA OF ACT

ATJ hereby gives notice that:

- (a) the securities being offered under the Rights Issue will be offered for issue without disclosure to investors under Part 6D.2 of the Act;
- (b) ATJ is providing this notice under paragraph 2(f) of Section 708AA of the Act;
- (c) as at the date of this announcement ATJ has complied with the provisions of Chapter 2M of the Act as they apply to ATJ and section 674 of the Act;
- (d) as at the date of this announcement there is no information that:

- (i) has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
- (ii) investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (B) the rights and liabilities attaching to the Shares,which is not set out in this notice; and
- (e) the potential effect the Rights Issue will have on the control of ATJ and the consequences of that effect is as follows:

CONTROL EFFECT OF THE RIGHTS ISSUE

An analysis of the changes in control has been undertaken to indicate the effect on the total relevant interests in the voting Shares of ATJ held by the following shareholders:

- (a) certain entities associated with Richard Siemens (a Director of ATJ);
- (b) certain entities associated with Steven Apedaile (a Director of ATJ);
- (c) the Underwriter (Michael and Megan Wilson); and
- (d) Euro Mark Limited,

(together, **Agreement Shareholders**).

These particular Agreement Shareholders have entered into agreements with ATJ pursuant to which they have each agreed with the ATJ to subscribe for certain amounts of Shares under their respective entitlements in the Rights Issue (as set out below).

The various control effect scenarios set out below assumes that each of these Agreement Shareholders have taken up the amounts agreed to be subscribed for under the abovementioned agreements, being a total of 54,282,837 Shares.

Agreement Shareholders	Shares currently held by Agreement Shareholder	Shares that will be subscribed for under agreement (including underwriting)	% of Total Shares if 100% take up of entitlements (233,239,500 Shares on issue)	% of Total Shares if 50% take up of entitlements by remaining Shareholders (202,071,043 Shares on issue)	% of Total Shares if 0% take up of entitlements by remaining Shareholders (170,902,587 Shares on issue)
Entities associated with Richard Siemens	19,830,170	9,915,085	12.75%	14.72%	17.40%
Entities associated with Steven Apedaile	14,996,930	4,000,000	8.14%	9.40%	11.12%
Euro Mark Limited	21,395,504	10,697,752	13.76%	15.88%	18.78%
Megan and Michael Wilson	9,670,000	29,670,000	16.86%	19.47%	23.02%
Total	65,892,604	54,282,837	51.51%	59.47%	70.32%

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Automotive Technology Group

ABN

38 106 337 599

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|----------------------------|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 116,619,750 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully Paid Ordinary Shares |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>				
<p>5 Issue price or consideration</p>	<p>\$0.05 per Share</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Entitlement Issue to Shareholders</p>				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>8 October 2009</p>				
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">233,239,500</td> <td style="text-align: center;">Fully Paid Ordinary Shares</td> </tr> </tbody> </table>	Number	+Class	233,239,500	Fully Paid Ordinary Shares
Number	+Class				
233,239,500	Fully Paid Ordinary Shares				

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	7,500,000	30 cent Options to acquire one (1) share in the Company exercisable on or before 31 Dec 2010
	17,099,500	Class A Performance Shares
	17,099,500	Class B Performance Shares
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	No
12 Is the issue renounceable or non-renounceable?	Non-renounceable
13 Ratio in which the +securities will be offered	1 Ordinary Share for every 1 Share held
14 +Class of +securities to which the offer relates	Ordinary Shares
15 +Record date to determine entitlements	10 September 2009
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17 Policy for deciding entitlements in relation to fractions	Rounding Up

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	29 September 2009
20	Names of any underwriters	Michael and Megan Wilson
21	Amount of any underwriting fee or commission	5%
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	15 September 2009
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	2 September 2009
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A

+ See chapter 19 for defined terms.

- 30 How do +security holders sell their entitlements *in full* through a broker?
- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

39 Class of +securities for which
quotation is sought

40 Do the +securities rank equally in all
respects from the date of allotment
with an existing +class of quoted
+securities?

If the additional securities do not
rank equally, please state:

- the date from which they do
- the extent to which they
participate for the next dividend,
(in the case of a trust,
distribution) or interest payment
- the extent to which they do not
rank equally, other than in
relation to the next dividend,
distribution or interest payment

41 Reason for request for quotation
now

Example: In the case of restricted securities, end of
restriction period

(if issued upon conversion of
another security, clearly identify
that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

JAY STEPHENSON
COMPANY SECRETARY

+ See chapter 19 for defined terms.