

20 October 2009



ASX ANNOUNCEMENT

SHORTFALL ARRANGEMENT REACHED

Automotive Technology Group Limited (ASX: **ATJ**) is pleased to announce it has entered into a Agreement with Alpha Securities Pty Ltd (**Alpha**) to place the Shortfall in its recent Rights Entitlement Issue.

Alpha will coordinate the placement of 45,000,000 Shares on a best endeavours basis to wholesale sophisticated investors at \$0.05 per share, to raise \$2,250,000.

Alpha will complete the initial placement of 10 million Shares prior to the end of October 2009 and the balance is to be completed by the end of November 2009.

Alpha Securities is a Sydney-based niche broking house with a growing expertise in small-cap capital raisings and corporate work.

ATJ is pleased to have entered into the agreement with Alpha to take care of the Company's short term funding requirements, which will allow it to focus on its business plans to market and sell the patented low emissions, high fuel efficiency Sprintex Supercharger product in to global automobile markets.

Alpha will receive a placement fee of 5% of funds raised, and 20 million options exercisable at \$0.10 per share on or before 30 June 2011 subject to the shortfall being placed and shareholder approval.

ENDS

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About Automotive Technology Group

Automotive Technology Group listed on the ASX in May 2008. It is the designer and manufacturer of the patented low emissions, high fuel efficiency Sprintex® supercharger product range. The Company's vision is to be a leading developer and manufacturer of innovative green automotive technologies to world markets, in particular in the manufacturer of superchargers. The Company operates from a specialist research and development facility in Perth, Western Australia.