ASX ANNOUNCEMENT



UPDATE ON SPRINTEX SUPERCHARGER PLASMADRIVE AGREEMENT

Key points

- ATG has successfully completed due diligence on PlasmaDrive's fuel saving engine systems
- Independent Australian Government certified testing of the PlasmaDrive's engine system, fitted with an ATG patented Sprintex® Supercharger, will be conducted in Perth this month
- Full results are expected to be available late this month
- The technology has the potential to revolutionise the fuel economy and emissions output of conventional vehicle engines

Australian clean automotive technology company Automotive Technology Group (ATG) (ASX: ATJ) is pleased to provide the following update on its agreement with emerging American automotive technology company PlasmaDrive Inc to supply ATG's patented Sprintex® Superchargers in PlasmaDrive's fuel saving engine systems.

ATG announced the agreement to provide its Sprintex® Supercharger to PlasmaDrive's revolutionary Phas5Fuel advanced fuel economy, low emission engine systems in April. Under the agreement, ATG will work with PlasmaDrive to develop PlasmaDrive's engine systems into the global automotive market.

PlasmaDrive's patented breakthrough technology allows conventional vehicle engines to operate at normal capacity using significantly less fuel with a proportional decrease in exhaust emissions. Previous testing in the USA has achieved fuel savings of 30% to 50%.

Following the announcement of the agreement, ATG visited PlasmaDrive's research and development facility in Seattle, USA, to conduct due diligence on PlasmaDrive's engines systems. This due diligence has now been successfully completed, with ATG extremely positive at the global commercial potential of the PlasmaDrive systems.

ATG has subsequently commissioned Australian Government certified testing of the technology at an independent Perth facility which will be conducted later this month.

The Company has completed independent fuel and emissions testing to ADR 79/01 standard on a conventional configuration Ford F250 vehicle, in preparation for testing of a PlasmaDrive Phas5 Fuel engine system. The Phas5 Fuel system is currently being installed on the F250 test vehicle, and a PlasmaDrive engineer has arrived in Perth to oversee the completion of installation and calibration of the Phas5 system.

Certified independent fuel and emissions testing of the Phas5 Fuel system-fitted F250 test vehicle is scheduled to commence next week, and ATG expects full results to be available late this month. ATG will announce details of the results as they become available.

ATG holds a positive view on the potential of the test results to demonstrate that PlasmaDrive's Phas5 Fuel engine system, fitted with an ATG Sprintex® Supercharger, has the ability to allow conventional vehicle engines to operate at normal capacity on significantly less fuel with lower emissions.

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.

Motor vehicle and motorcycle manufacturers are increasingly turning to Superchargers to help meet tougher vehicle emissions and fuel efficiency targets being set by governments globally, and the Sprintex Supercharger achieves these two goals while ensuring that engine performance is not compromised. This technology vision is simple; smaller more powerful engines, less pollution, one solution.

The Company operates from a specialist research and development, and manufacturing facility in Perth, Western Australia.

About PlasmaDrive

PlasmaDrive, Inc. is an emerging global leader in advanced fuel economy and emissions reduction innovation and technology. Its mission is to develop and deliver technologies that promote cleaner and more energy-efficient vehicles worldwide.

The company has pioneered a breakthrough technology for improving energy efficiency of engines powered by fossil fuels and reducing harmful carbon dioxide emissions.

It has patent protection for its breakthrough technologies in the world's most major markets including the USA, China, Japan, and most of Europe.