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ASX ANNOUNCEMENT

MAJOR BREAKTHROUGH IN SUPERCHARGER MANUFACTURING PROCESS

Leading Australian clean automotive technology company Automotive Technology Group (ATG) (ASX: ATJ) is pleased to announce that it has completed manufacturing trials of its first in-house produced rotor for the Company's patented low emissions, high fuel efficiency Sprintex[®] Supercharger.

The purpose built rotors of a Sprintex[®] Supercharger are a key component in delivering high efficiencies, but are also one of the most expensive components, representing over 40% of the total cost of a Sprintex[®] Supercharger. Their unique and patented design has meant that to date rotors have had to be imported from a specialty producer, at a high cost to ATG.

The capability to produce rotors for Sprintex[®] Superchargers in-house represents a major breakthrough in the manufacturing process of ATG's supercharger products. Having achieved this major break-through, the Company believes that it is on track to reduce the rotor cost by approximately 75% - through the design and development of dedicated rotor cutting machinery and manufacturing processes.

This major production cost saving will translate directly to a significant reduction in the end cost of Sprintex[®] Supercharger units and help in delivering the goal of cost parity with Turbo Charger products. When production processes are fully developed Sprintex[®] Superchargers will be the most efficient and cost effective supercharger in the world market.

ATG's Sprintex[®] Supercharger products deliver lower exhaust emissions with greater fuel efficiency and performance and are ideal for down-sized boosted engine applications. The technology enables use of smaller more efficient engines which maintain similar torque and power with improved fuel economy and lower emissions than larger, non-boosted engines.

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 vehicle performance is not compromised.

ATG is aiming to secure sales in the after-market product segment as well as developing business with motor vehicle original equipment manufacturers (OEM).

The OEM market has potential to be very lucrative for ATG. OEMs are concerned with not only vehicle fuel economy but also with engine noise and temperature levels, which have plagued many turbochargers and superchargers. Noise and temperature reduction has been a major focus area for ATG, and the Company is pleased to announce that it has made further advances in intake plate design of the Sprintex[®] Supercharger, which has resulted in a large reduction in operating temperatures and also a significant reduction in noise.

This represents a further major achievement in the development of Sprintex[®] Superchargers, and a key milestone in ATG's plan to achieve sales directly to OEMs.

Combined with recent efforts to develop supercharger kits to increase after-market sales for popular vehicles (where owners have a high propensity to modify their vehicles), the Company believes that these recent technical advances will assist with significantly increased sales volumes while also increasing gross margins.

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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, and manufacturing facility in Perth, Western Australia.