

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Automotive Technology Group Ltd

ABN

38 106 337 599

Quarter ended ("current quarter")

June 2011

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (twelve months) \$A'000
1.1 Receipts from customers	122	588
1.2 Payments for (a) staff costs (note 2)	(747)	(2,461)
(note 1) (b) advertising and marketing	(21)	(145)
(c) research and development	(503)	(1,500)
(d) leased assets	-	-
(e) other working capital	(396)	(727)
(note 3)		
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	6	9
1.5 Interest and other costs of finance paid	(40)	(209)
1.6 Income tax received (Research & Development Grant)	-	671
1.7 Other (provide details if material)	-	-
<b>Net operating cash flows</b>	<b>(1,579)</b>	<b>(3,774)</b>

Note 1: Payments in the current quarter are higher than usual due to the March 2011 creditor payment run being paid in April 2011.

Note 2: Includes redundancy payments of \$110k in June 2011.

Note 3: Includes the commencement of inventory build up in advance of an anticipated increase in sales in the 2011/12 fiscal year.

**Appendix 4C**  
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	Current quarter \$A'000	Year to date (nine months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,579)	(3,774)
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(46)	(195)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	17	51
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)		
- Release of secured term deposit	-	-
<b>Net investing cash flows</b>	<b>(29)</b>	<b>(144)</b>
1.14 <b>Total operating and investing cash flows</b>	<b>(1,608)</b>	<b>(3,918)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	78	2,360
1.16 Proceeds from rights issue received in advance	1,809	1,809
1.17 Proceeds from borrowings	72	743
1.18 Repayment of borrowings	(53)	(168)
1.19 Dividends paid	-	-
1.20 Other (provide details if material)		
- Proceeds from borrowings - related parties	-	(105)
- Repayment of borrowings - related parties	(200)	(200)
- Other		
<b>Net financing cash flows</b>	<b>1,706</b>	<b>4,439</b>
<b>Net increase (decrease) in cash held</b>	<b>98</b>	<b>521</b>
1.21 Cash at beginning of quarter/year to date	580	157
1.22 Exchange rate adjustments	-	-
1.23 <b>Cash at end of quarter (Note 4)</b>	<b>678</b>	<b>678</b>

Note 4: On 27 May 2011, the Company announced a 1 for 1 renounceable entitlement issue at 2 cents per share to raise up to \$6.9 million. The directors have advanced \$1.8 million to the Company prior to the entitlement issue closing date.

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	62
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Directors' consulting fees

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

As part of the entitlement issue announced on 27 May 2011, the security of a \$1.7m convertible note was released and the holder of the convertible note agreed to participate in the entitlement issue to the maximum of his entitlement, being \$1.3m.

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

**Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements (Note 5)	5,000	-

Note 5: This represents an equity draw down facility to the extent of \$5 million that is available to the Company at the Company's discretion by way of the issue of the Company's shares for a period of three years. Please refer to the Company's announcement dated 15 December 2009 for further details.

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**Reconciliation of cash**

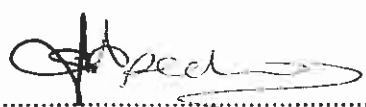
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	187	119
4.2 Deposits at call	491	461
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.23)</b>	<b>678</b>	<b>580</b>

**Acquisitions and disposals of business entities**

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	N/A	N/A
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  ..... Date: 28 July 2011  
 (Director/Company secretary)

Print name: Steven Apedaile

+ See chapter 19 for defined terms.

## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a) - policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

