



AUTOMOTIVE TECHNOLOGY GROUP LIMITED
ABN: 38 106 337 599

16 June 2011

ASX ANNOUNCEMENT

RETIREMENT OF CONVERTIBLE NOTE AND LOAN ARRANGEMENTS

The Company is pleased to announce that as part of the preparatory steps for the Company's 1 for 1 non-renounceable entitlement offer to all shareholders at an issue price of 2 cents (**Entitlement Issue**), which was announced on 27 May 2011, agreement has been reached with the holder of the \$1.7 million convertible note which matures on 30 June 2011, an entity associated with Mr Michael Wilson, to release its security over the Company's assets, convert the convertible note into a short term loan and for Mr Wilson to participate in the Entitlement Issue to the full extent of his entitlement, being approximately \$1.3 million.

The loan agreement also formalises the agreement for funds of approximately \$3.1 million, inclusive of Mr Wilson's \$1.3 million participation, to be contributed by all directors to subscribe to the Entitlement Issue under their respective entitlements.

ENDS

For further information please contact;

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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 emission, 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.

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



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