

Company Presentation



September 2011

**Manufacturer and designer of
the world's most efficient and
cost effective superchargers**



Shortfall –
from an
Entitlement
Issue – 92m
shares at 2
cents raising
\$1.8m

- Proceeds to be used to fund Malaysian JV production facility, equipment in Perth R&D facility, working capital, sales and marketing and public relations costs and an efficiency drive
- Total entitlement issue was \$6.9m, from which \$5.1m was raised
- Directors participated \$3.3m
- Patersons are the Lead Manager placing the shortfall

Company

- **Listed** company – ASX:ATJ
- \$12 million market cap
- **Long-term shareholders** – top 20 shareholders, including directors, control 79%
- Directors own 61% and have invested \$26m
- JV with a Malaysian tier 1 auto parts supplier for a **low cost Malaysian manufacturing facility**, with assembly commencing Nov 11 and manufacturing commencing Feb 2012

Product

- Most efficient & cost effective **supercharger - patent protected**
- **R&D complete**
- **Established supplier** in the aftermarket sales
- Developing supercharger systems to sell product
- **Supplying 1st OEMs** – **Proton**, S&S Cycles, DeLorean,
- **Order received for inaugural 500 supercharger systems from Proton** value US\$630,000

Market

- **Growth market** – reduction in fuel consumption / emissions and growing middle classes in India and China
- After market – power and torque increase – discretionary spend, high margin
- OEM engine downsizing – reduces fuel consumption and CO2 production – low margin, high volume
- Target sectors:
 - Asia: sub 2 litre engines
 - America: compacts and SUVs (6 cylinder]

Sales Agents

- Asia: **Proreka** – established Asian **tier 1** automotive component manufacturer and distributor based in Malaysia
- Americas: **Kenmar** – specialist business development organisation headquartered in Detroit, USA serving the global automotive industry, **50 years of service and manage almost US\$1b in automotive component sales**

Range development



Proof of concept



Small OEMs



Mass market



Specialty markets



Swap-outs



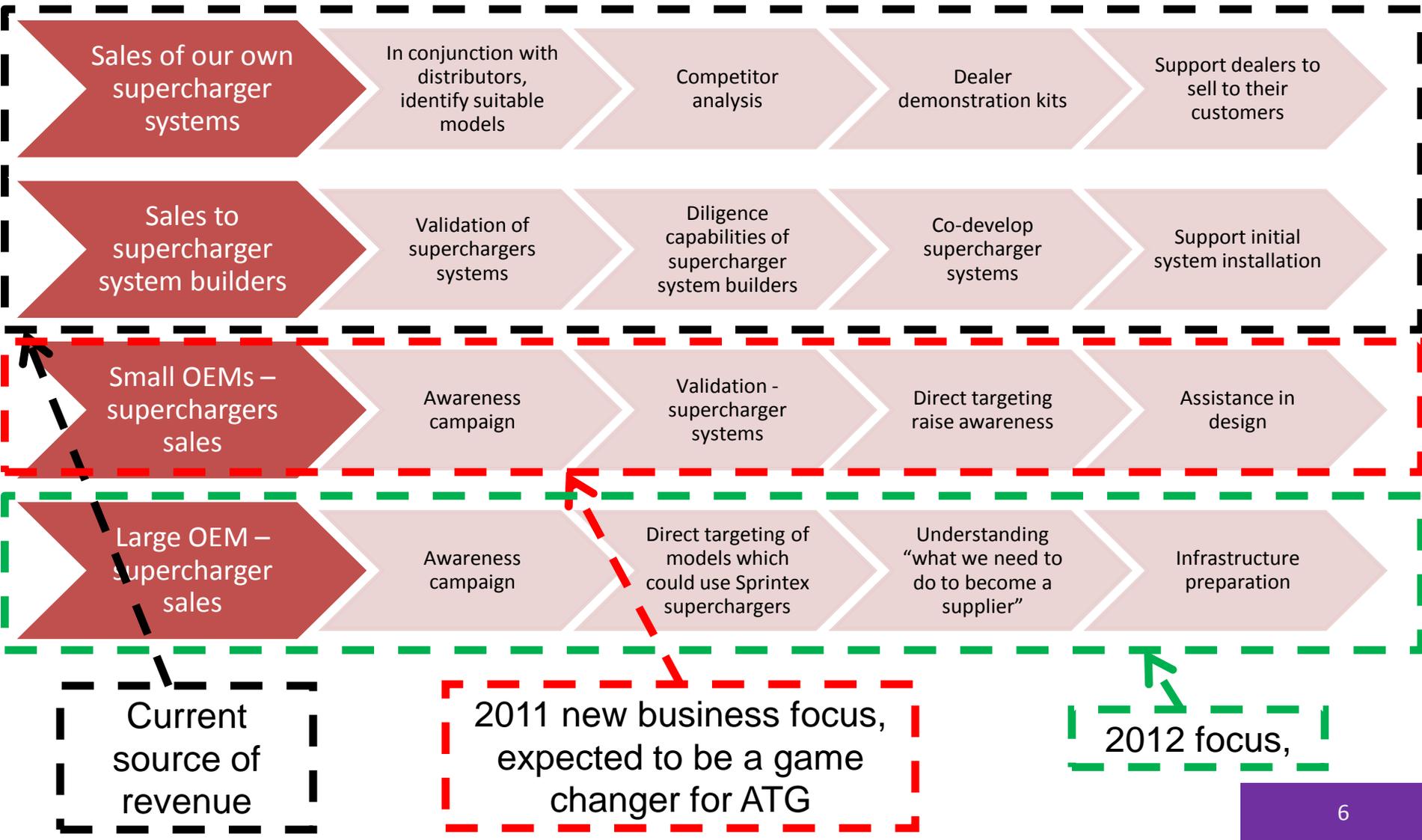
Achieved and under continued development

In process

In process

4 stream sales philosophy

Focus on OEMs well progressed, with the potential to be a game changer



The ATG advantage

In an automotive world moving to downsized, boosted engines

Superchargers have distinct advantages over turbochargers

ATG have the world's most efficient supercharger which is cost effective

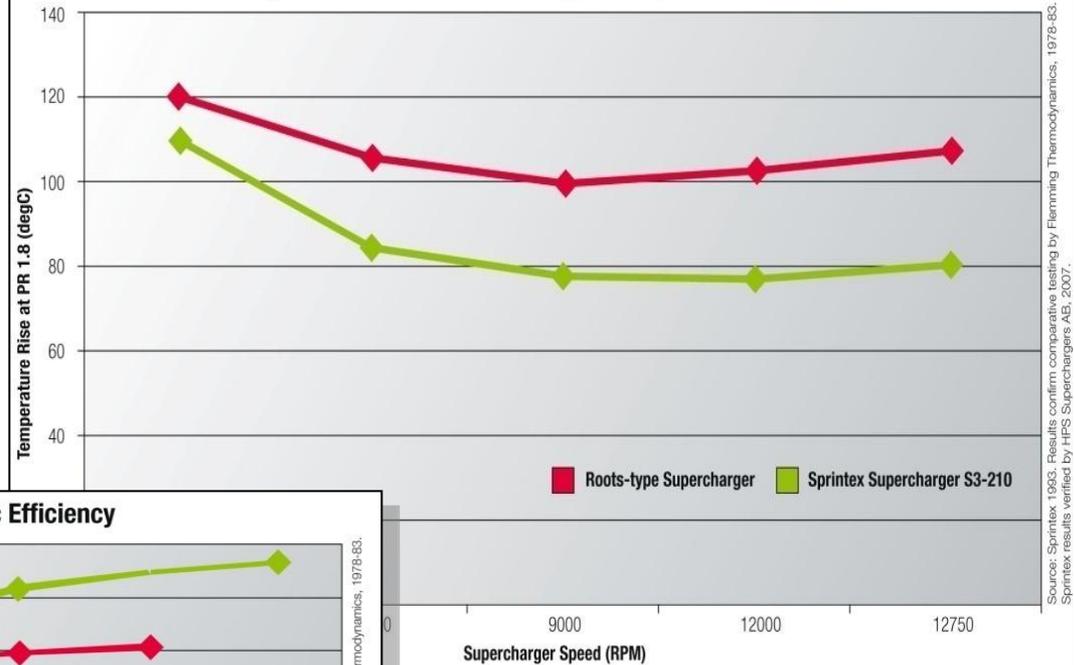
Sprintex superchargers reduce fuel consumption and CO₂ emissions

Sprintex superchargers generate less heat, removing the need for intercoolers

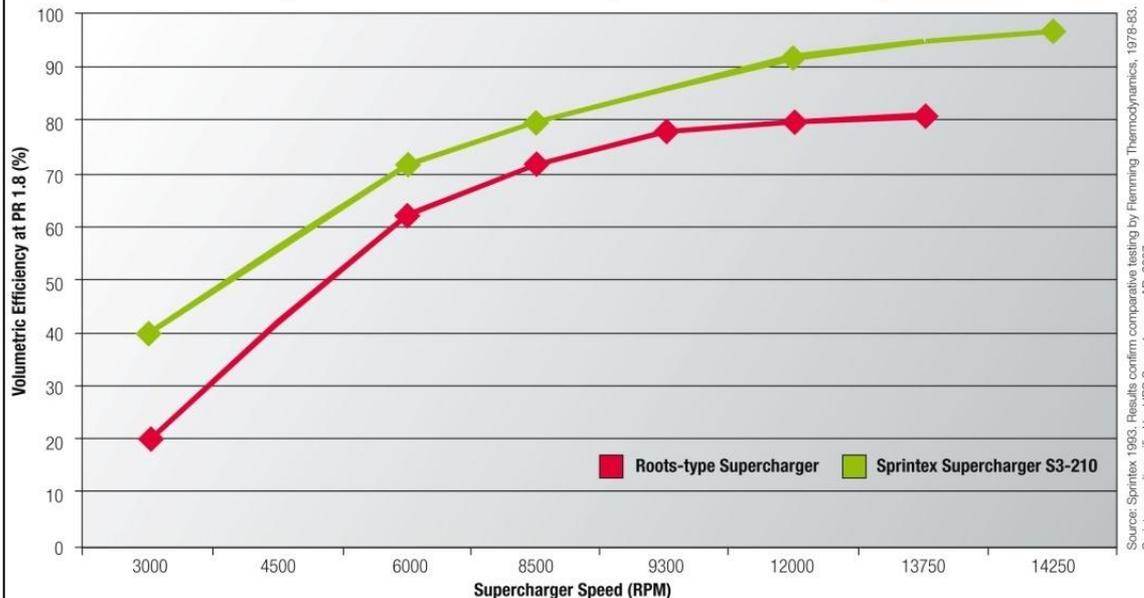
Why a Sprintex supercharger?

Operates at a lower temperature than competitors' superchargers

Sprintex Performance Advantage – Temperature Control

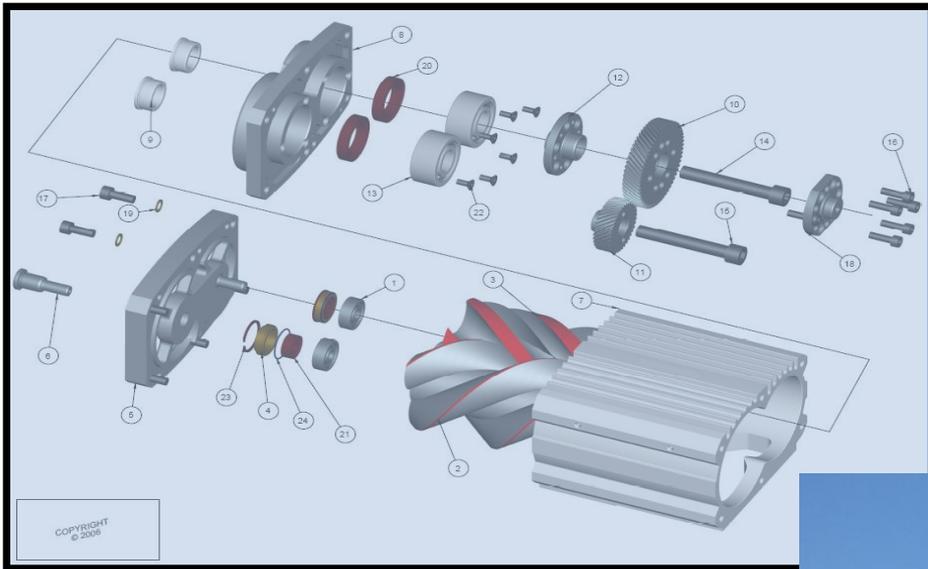


Sprintex Performance Advantage – Volumetric Efficiency



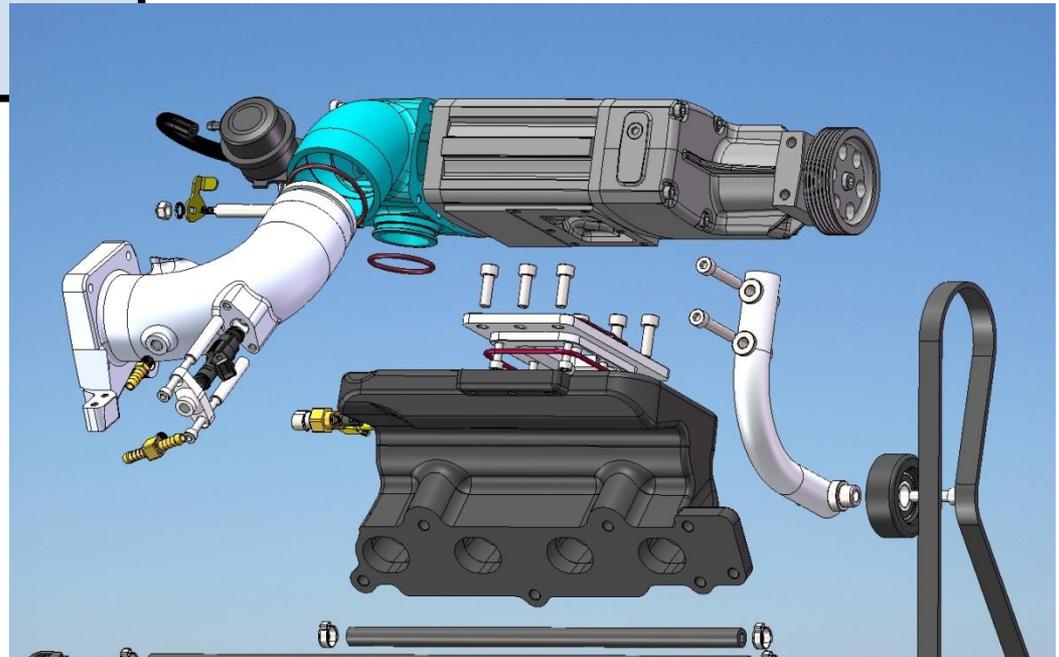
Higher efficiency means more power and lower emissions

Our product and its installation



Inside our supercharger

**Installed on a vehicle via a
supercharger system**



Automotive compressor market forecast to grow 70% from 2009 to 2014 – 21 million units to 36 million units (source: Jeff Daniels of About Automotive), & currently superchargers account for 10% of this number

Why?

- Limits on emissions forcing the use of smaller engines
- Performance – as demonstrated by the success of our after market sales in discretionary sectors such as 4WD, performance cars and motor cycles



Competition

The single largest player is Eaton, a NYSE listed company with a ~\$10 billion market cap

Eaton have stated that they will increase their supercharger production by 80% from late 2008

In a large, growing market dominated by 1 company, we have a viable alternative due to our patented design making the Sprintex supercharger highly efficient

Perth facility – R&D, design, aftermarket manufacturing



Management team

- **Managing Director** – successful entrepreneur experienced in growing businesses
- **CFO** – Chartered Accountant with over 20 years experience
- **GM – Operations** – extensive experience in logistics
- **Business Development and Technical Support Manager** - engineer with over 20 years international automotive experience
- **Engineering and Production Manager** – automotive engineer with majors

Sales agents

Asia – Proreka

- Established Asian tier 1 automotive component manufacturer
- Distribute products throughout Asia, specifically China, Korea, Malaysia and Thailand
- Based in Malaysia
- Initially targeting small/mid size OEMs

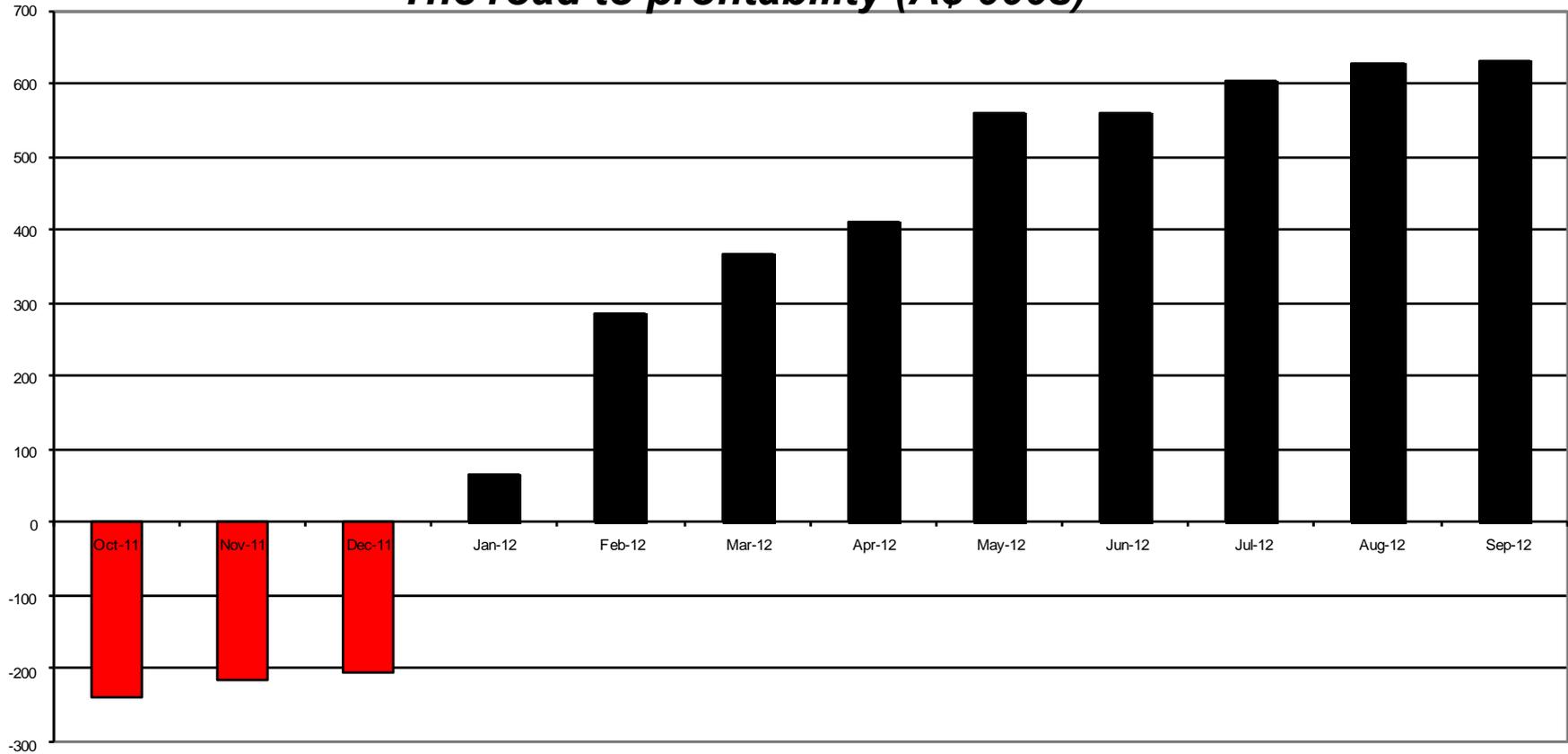
Americas - Kenmar

- Specialist business development organisation
- Headquartered in Detroit, USA
- 50 years serving the global automotive industry
- Manage almost US\$1b of automotive component sales
- Targeting large OEMs

- ATG and Proreka will invest an estimated US\$2.5m into the Malaysian joint venture company, to establish a low cost manufacturing facility for the highly efficient Sprintex[®] supercharger range for Asia with an initial capacity of 20,000 units p.a.;
- ATG and Proreka will each own 50% equity in the new joint venture company;
- ATG will earn a royalty for the intellectual property vested in the patented Sprintex[®] technology;
- The manufacturing facilities will be available to assemble ATG supercharger systems for global distribution;
- Proreka will be appointed exclusive sales agent for Asia, leveraging off their established OEM and after-market relationships; and
- Proreka will be the exclusive distributor for Malaysia and has already placed an inaugural order for 500 Proton Satria Neo supercharger systems.

Forecast monthly EBITDA

The road to profitability (A\$'000s)



▪ Via a combination of cost reductions from outsourcing non-core engineering functions, vendor selection, cost reductions in Perth and increased sales from product launches and the agreement with Proreka to manufacture products in Malaysia and to be our sales agent in Asia, EBITDA is forecast to be positive in January 2012

\$'000s	Entitlement Issue Shortfall
500	Additional equipment in Perth to produce own rotors
1,250	Investment in joint venture in Malaysia
90	Working capital
1,840	Total Shortfall

Share capital summary

	<i>(millions)</i>
Shares:	
Shares on issue	593
Shortfall shares available	92
	685
Options:	
8 cent, 30 June 2012	49
	734
Total fully diluted capital*	734
* Excluding performance shares / ESOP for ATG management	

This presentation may contain forward looking statements that are subject to risk factors. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates. Persons proposing to invest in **Automotive Technology Group** should first undertake their own analysis and obtain independent advice.

A key factor is raising sufficient capital to fund expansion.

All reference to dollars, cents or \$ in this presentation are to Australia currency, unless otherwise stated.

AUTOMOTIVE TECHNOLOGY GROUP LIMITED

Mr. Steven Apedaile

Managing Director

PH: +618 9262 7277

E: stevea@sprintex.com.au

Websites: www.ATGgroup.com.au

www.sprintex.com.au