
AUTOMOTIVE TECHNOLOGY GROUP LIMITED
ACN 106 337 599
NOTICE OF ANNUAL GENERAL MEETING

TIME: 12:00 noon (WST)
DATE: 30 November 2010
PLACE: QV1 Conference Centre
Level 2
250 St Georges Terrace
PERTH WA 6000

The Automotive Technology Group Limited 2010 Annual Report is available online at
www.ATGgroup.com.au.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 6468 0388.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders of Automotive Technology Group Limited to which this Notice of Meeting relates will be held at 12:00 noon (WST) on 30 November 2010 at:

QV1 Conference Centre, Level 2, 250 St Georges Terrace, Perth WA 6000

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting at the time on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the proxy form enclosed and send the proxy form:

- (a) by post to Automotive Technology Group Limited, PO Box 34, North Perth WA 6906; or
- (b) by facsimile to the Company on facsimile number (08) 9228 0704,

so that it is received not later than 12:00 noon (WST) on 28 November 2010.

Proxy forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Automotive Technology Group Limited will be held at 12:00 noon (WST) on 30 November 2010 at QV1 Conference Centre, Level 2, 250 St Georges Terrace, Perth WA 6000.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the proxy form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at the close of business on 28 November 2010.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

ORDINARY BUSINESS

Reports and Accounts

To receive and consider the audited financial statements of the Company for the year ended 30 June 2010 together with the declaration of the directors, the directors' report, the remuneration report and auditor's report.

1. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given to the adoption of the Remuneration Report as contained in the Company's annual financial report for the year ended 30 June 2010.”

Short Explanation: The vote on this resolution is advisory only and does not bind the Directors or the Company.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR RICHARD SIEMENS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for all purposes, Mr Richard Siemens, a director of the Company who retires in accordance with clause 15.4 of the Constitution and, being eligible, is re-elected as a Director of the Company.”

3. RESOLUTION 3 – ISSUE OF SECURITIES TO MR RICHARD O'BRIEN – SHORTFALL ISSUE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 1,577,391 Shares and 394,348 Options to Richard O'Brien and/or his nominee/s and otherwise on the terms of the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Richard O'Brien, his nominee(s) or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

DATED: 25 October 2010

BY ORDER OF THE BOARD

**JAY STEPHENSON
COMPANY SECRETARY**

Voting Exclusion Note: Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at QV1 Conference Centre, Level 2, 250 St Georges Terrace, Perth WA 6000 at 12:00 noon (WST) on 30 November 2010.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. FINANCIAL STATEMENTS AND DIRECTORS' REPORTS

In accordance with the Company's Constitution, the business of the meeting will include receipt and consideration of the Company's Financial Report and reports of directors and auditors for the year ended 30 June 2010.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

The Remuneration Report is set out in the Directors' Report in the Company's 2010 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting.

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders.

However, Shareholders should note that the vote on this resolution is advisory only and does not bind the Directors or the Company.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR RICHARD SIEMENS

Clause 15.4 of the Constitution requires that one-third of the Directors (other than the Managing Director) must retire at every annual general meeting of the Company.

Mr Richard Siemens will retire in accordance with clause 15.4 of the Constitution and seek re-election.

4. RESOLUTIONS 3 – ISSUE OF SECURITIES TO MR RICHARD O'BRIEN

4.1 General

On 13 October 2010, the Company lodged an Entitlement Issue Prospectus for a pro-rata non-renounceable entitlement issue of 1 Share for every 1 Share held by Shareholders at an issue price of \$0.03 per Share together with 1 new free Option for every 4 new Shares issued exercisable at \$0.08 on or before 30 June 2012.

The Company has disclosed in the Entitlement Issue Prospectus and has agreed that upon receipt of a valid application from Mr O'Brien, and upon receiving Shareholder Approval, it will allot 1,577,391 Shortfall Shares and 394,348 Shortfall Options at an exercise price of \$0.08 and a 30 June 2012 expiry date to that Mr Richard O'Brien (**Related Party**) pursuant to the Entitlement Prospectus dated 13 October 2010 and on the terms and conditions set out below.

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and

- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

The grant of the Securities to the Related Parties requires the Company to obtain Shareholder approval because the grant of Securities constitutes giving a financial benefit and as a Director, Mr Richard O'Brien is a related party of the Company.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Shares to the Related Parties.

4.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Securities:

- (a) the related party is Mr Richard O'Brien and he is a related party by virtue of being a Director;
- (b) the maximum number of Securities (being the nature of the financial benefit being provided) to be granted to the Related Party are:
 - (i) 1,577,391 Shares; and
 - (ii) 394,348 Options;
- (c) the Securities will be granted to the Related Party no later than 1 month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will be issued on one date;
- (d) the Shortfall Shares will be issued for \$0.03 each under the terms of the Entitlement Issue Prospectus dated 13 October 2010 and the Company intends to use the funds for working capital purposes;
- (e) the Shortfall Options will be issued for no consideration under the terms of the Entitlement Issue Prospectus dated 13 October 2010;
- (f) the Shortfall Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (g) the Shortfall Options will be exercisable at \$0.08 per Option on or before 30 June 2012 under the terms of the Entitlement Issue Prospectus dated 13 October 2012;

- (h) the relevant interests of the Related Party in securities of the Company are set out below;

Related Party	Shares	Options
Mr Richard O'Brien		
Pre Entitlement Issue	822,609	99,722
Post Entitlement Issue	1,645,218	305,374

- (i) the remuneration and emoluments from the Company to the Related Party are set below;

Related Party	Current Financial Year Remuneration	Previous Financial Year Remuneration
Mr Richard O'Brien	30,000	10,182
Total	10,182	10,182

- (j) if the Shares and Options are granted to the Related Party after completion of the Entitlement Issue, a total of 1,577,391 Shares would be allotted and issued. This would increase the number of Shares on issue from 453,846,341 to 455,423,732. This assumes that all entitlements are taken up. The effect of the shareholding would be that existing Shareholders would be diluted as follows:

Related Party	Issued Shares as at the date of this Notice of Meeting	Shortfall Shares issued and Shortfall Options Exercised	Total Issued Shares Issue of Shortfall Shares and Exercise of Shortfall Options	Dilutionary effect upon issue of Shortfall Shares and exercise of Shortfall Options
Mr Richard O'Brien	453,846,341	1,971,739	455,818,080	0.43%

- (k) the trading history of the Shares on ASX in the 12 months before the date of this Notice of Annual General Meeting is set out below;

	Price	Date
Lowest	3.5 cents	4 and 5 October 2010
Highest	5.5 cents	12, 13 and 14 July 2010
Last	3.4 cents	15 Oct 09

- (l) Mr Richard O'Brien declines to make a recommendation to Shareholders in relation to Resolution 3 due to his material interest in the outcome of Resolution 3. The other Directors, who do not have a material interest in the outcome of Resolution 3, recommend that Shareholders vote in favour of Resolution 3. The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 9;

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Shares to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

5. RECOMMENDATION

The Board believes that the resolutions to be proposed at the Company's Annual General Meeting are in the best interests of the Company and (except where otherwise stated) unanimously recommend that shareholders vote in favour of each resolution.

PROXY FORM

APPOINTMENT OF PROXY
AUTOMOTIVE TECHNOLOGY GROUP LIMITED
ACN 106 337 599

ANNUAL GENERAL MEETING

I/We

being a Shareholder of Automotive Technology Group Limited entitled to attend and vote at the Meeting, hereby

Appoint

Name of proxy

OR

☐

Mark this box if you wish to appoint the Chairman of the Meeting as your proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the Annual General Meeting to be held at 12:00 noon (WST), on 30 November 2010 at QV1 Conference Centre, Level 2, 250 St Georges Terrace, Perth WA 6000 and at any adjournment thereof. If no directions are given, the Chairman will vote in favour of all the resolutions.

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of the Remuneration Report	☐	☐	☐
Resolution 2 – Re-election of Mr Richard Siemens	☐	☐	☐
Resolution 3 – Issue of Securities to Mr Richard O'Brien	☐	☐	☐

OR

In relation to these Resolutions, if the Chairman is to be your proxy and you do **not** wish to direct your proxy how to vote on these Resolutions, please place a mark in this box ☐

By marking this box, you acknowledge that the Chairman of the meeting may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the meeting will not cast your votes on these Resolutions and your votes will not be counted in computing the required majority if a poll is called on these Resolutions. The Chairman intends to vote in favour of these Resolutions.

IF THE CHAIRMAN IS TO BE YOUR PROXY IN RELATION TO RESOLUTIONS 1 TO 2 YOU MUST EITHER MARK THE BOXES DIRECTING YOUR PROXY HOW TO VOTE OR MARK THE BOX INDICATING THAT YOU DO NOT WISH TO DIRECT YOUR PROXY HOW TO VOTE, OTHERWISE THIS APPOINTMENT OF PROXY IN RELATION TO RESOLUTIONS 1 TO 2 WILL BE DISREGARDED.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is

Signed this _____ day of _____ 2010 _____ %

By:

Individuals and joint holders

Signature

Signature

Signature

Companies (affix common seal if appropriate)

Director

Director/Company Secretary

Sole Director and Sole Company Secretary

**AUTOMOTIVE TECHNOLOGY GROUP LIMITED
ACN 106 337 599**

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at a Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a Proxy Form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.