



AUSTRALIAN RENEWABLE
FUELS LIMITED

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ASX RELEASE

Company Announcements Office
Australian Stock Exchange Limited
10th Floor, 20 Bond Street
SYDNEY NSW 2000

Dear Sir/Madam,

RE: Transpacific Industries Group Ltd (ASX Code: TPI) and Australian Renewable Fuels Limited (ASX Code: ARW) to form Joint Venture in Brisbane

On Thursday 13 April 2006, Transpacific Industries Group Ltd ("TPI") and Australian Renewable Fuels Limited ("ARF") executed a Heads of Agreement ("HoA") to form a 50/50 unincorporated joint venture ("JV") to confirm the feasibility of and then develop a biodiesel production facility in Brisbane, Queensland. The facility will replicate ARF's Adelaide and Picton facilities and be designed to produce 45 Mega litres of biodiesel annually.

The project will be located adjacent to TPI's existing cooking oil facilities in the Port of Brisbane and, allowing for approvals and construction, is expected to be in production in the second half of 2007. TPI will provide operational management to the project and ARF the development and technical management. The project will utilise the proven Energea biodiesel technology, for which ARF has purchased the patent rights in the Australian region. TPI will provide up to 50% of the feedstock to the project through its existing used cooking oil collection business. Remaining feedstock requirements will be obtained in a manner consistent with ARF's strategy for its other biodiesel plants.

ARF Managing Director Darryl Butcher commented: "This joint venture between ARF and TPI is an attractive way for ARF to achieve its growth in Australia and brings together two leading participants from complementary business sectors."

The joint venture was initiated by TPI after an exhaustive review of biodiesel technology worldwide and the emerging Australian biodiesel industry and its participants. It fulfils TPI's desire to obtain participation in this rapidly expanding market.

TPI Executive Chairman Terry Peabody commented: "Biodiesel is a natural extension to our business fitting neatly into our waste recycle and re-use mentality; both JV partners have the feedstock and the outlets and our JV partner brings the technology most suitable to us to value add to our existing cooking oil and tallow business and with the level at which fuel prices are, will provide a fabulous return on investment."

About Transpacific Industries Group Ltd

Transpacific is one of Australasia's leading providers of industrial services and total waste management solutions with a focus on the liquid and hazardous segments of the waste management market.

Transpacific has exclusive import and distribution rights for Western Star and Autocar trucks and parts throughout Australia, New Zealand and select markets in Asia; and for MAN trucks, bus chassis and parts in Australia and New Zealand. Transpacific also has exclusive import and distribution rights for MAN industrial engines and parts in Australia (except Western Australia and the Northern Territory).

About Australian Renewable Fuels Limited

Australian Renewable Fuels Limited is an Australian company currently developing two biodiesel plants, one in Adelaide, South Australia, and another in Picton, Western Australia. The development of commercial scale renewable fuels production plants marks an exciting new stage in the growth of use of alternative fuels in Australia

ARF's vision is to become one of the leading biofuels producers in Australia. The Company's current expansion program includes the rollout of biodiesel plants within Australia and the establishment of biodiesel plants overseas.

The technology to be used in its plants is the proven Energea process, currently operating in Austria. ARF has patent and manufacturing rights for the Energea technology in the Australian region.

Yours faithfully,

A handwritten signature in dark ink, appearing to read 'Max L Ger', with a horizontal line drawn underneath it.

Max L Ger
Finance Director/Company Secretary

ENDS