

ASX ANNOUNCEMENT

23 January 2009

Natural Fuel Secures Major Biodiesel Supply Contract

Natural Fuel Limited (ASX: NFL) is pleased to announce that it has signed a 12-month contract with a Europe-based oil and gas commodities trading company to supply up to 50,000 tonnes of biodiesel per month, from its Jurong Biodiesel Facility in Singapore. The contract will see Natural Fuel running at full capacity this calendar year.

Payment arrangements are to be secured by Letter of Credit and monthly deliveries will be price-indexed to allow for sustainable margins.

The Company is also in advanced discussions with several major banks for the provision of additional working capital and these negotiations are expected to be finalised following Chinese New Year.

About Natural Fuel Limited

Natural Fuel Limited is an ASX-listed company that aims to be a leading global player in the supply of quality biodiesel and kosher grade glycerine. NFL's wholly owned Singapore subsidiary Natural Fuel Pte Ltd operates the Company's biodiesel refinery on Singapore's Jurong Island. The facility has the capacity to produce 600,000 tonnes of biodiesel and 60,000 tonnes of refined glycerine per annum.

For further information:

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