



biodiesel doesn't cost the earth

**ASX/Media Announcement
(ASX: ABJ)**

2 May 2007

Withdrawal of alternative Director candidates

Australian Biodiesel Group Limited (ABG) has been notified in writing by Mr George Muirhead, Mr Gary Seaton and Mr Randall Jitts that they have withdrawn their nominations for Directorships of ABG Limited.

Mr Muirhead has also confirmed that an alternative funding offer will not be made to ABG Limited.

As a result of the withdrawals, Resolutions 1, 2 and 3 (proposing the election of Mr Muirhead, Mr Seaton and Mr Jitts), as detailed in ABG Limited's Notice of Meeting and Explanatory Memorandum of 23 April 2007, will not be put to the company's Annual General Meeting on 25 May 2007.

ABG Chairman John Keniry said the withdrawal of the alternative Director candidates cleared the way for the company's underwritten Rights Issue to proceed without hindrance.

About ABG Limited

Australian Biodiesel Group Limited (ABG) is the nation's leading manufacturer of biodiesel. The company's Narangba, Queensland, production facility is the nation's largest, supplying biodiesel to fuel wholesalers, distributors and large customers. ABG also operates a biodiesel raw material supply operation and is involved in project development in North America.

Further information: Brian Stewart, Corporate Affairs Manager, (02) 8908 4300.