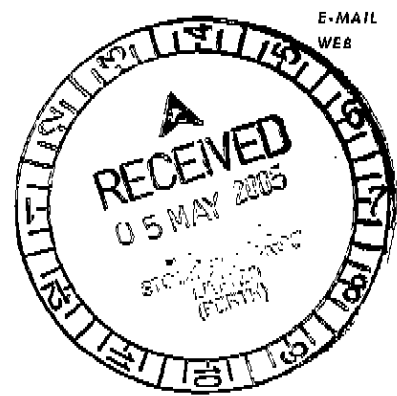


AUSTRALIAN RENEWABLE
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5 May 2005

Messrs Ong & Hodge
ASX Limited
Exchange Plaza
2 The Esplanade
PERTH WA 6000



Dear Nicholas and Marcus,

ESCROWED SHARES

The following shares have been escrowed:

- 1. 8,000,000 Term - 12 months from 24 January 2005
- 2. 58,000,000 Term - 24 months from date of listing.

Nicholas, please note that 56 million was escrowed by the Australian Stock Exchange and 2 million voluntarily.

Confirmation of completion of agreement with Darryl Butcher

This letter serves to confirm that the agreement between the Company and Mr Darryl Butcher has been completed by the allotment of 12.6 million ordinary shares in the company and the payment of \$1 million cash to Mr Darryl Butcher.

Yours sincerely,

Max Ger
Company Secretary