



AUSTRALIAN RENEWABLE
FUELS LIMITED

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ASX/Media Release

**AUSTRALIAN RENEWABLE FUELS LIMITED
(ASX Code: ARW) SECURES \$200M WA SALES AGREEMENT**

Biodiesel producer Australian Renewable Fuels Limited ("ARFuels") today announced a sale agreement with Western Australian based fuel distributor, Westfuel.

The agreement, which is for a four year term, is for up to 45 million litres—the entire production capacity of ARFuels' forthcoming Picton plant—with a guaranteed minimum volume component.

At current spot price this contract has a value of up to \$200 million in revenue terms for the period of the contract and is the second major sales agreement announced by ARFuels in as many months. On 23 March ARFuels announced a 5-year, \$250 million sale agreement with South Australian fuel distributor Dermody Petroleum.

Commenting, the Managing Director of ARFuels, Mr Darryl Butcher, said:

"We are delighted to have locked in over \$450 million in contracted sales within Australia. This is a testament to the high quality of our product and confirms our view of the rapidly growing appeal of biodiesel as a renewable option for fuel.

"ARFuels is well advanced in its strategy to roll out a series of five plants in Australia with our second plant at Picton in Western Australia at advanced commissioning stage and the entire production from both plants already locked in to local sales" he said.

The sales agreement follows the recent announcement of the company's expansion into the US following an agreement to purchase Energea's biodiesel technology patents for the NAFTA Zone, encompassing the United States of America, Canada and Mexico.

About ARFuels

ARFuels plants utilise the proven Energea technology. Energea is a leading technology provider in Europe and has constructed the world's largest biodiesel plant in the United Kingdom. ARFuels strategic alliance with Energea gives the company access to a proven technology with the potential to be a low cost producer to supply domestic and offshore markets.

Fat is the principal feedstock in biodiesel production and ARFuels has exclusive five year feedstock supply agreements in South Australia and Western Australia with Gardner Smith, the market leader in the delivery and storage of fats in Australia.

About Westfuel

Westfuel is a fuel distributor with over 25 years experience and distributes fuel in the south of Western Australia.

"Westfuel has a broad client base and we believe that the availability of biodiesel provides a further point of distinction to facilitate market penetration and assist in the future growth of the company" General Manager of Westfuel, Barry Scott said.

ARFuels

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