



AUSTRALIAN RENEWABLE
FUELS LIMITED

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ABN 66 096 782 188

SUITE 18, LEVEL 5
SOUTH SHORE PLAZZA
85 SOUTH PERTH ESPLANADE
SOUTH PERTH WA 6151

P.O. BOX 837
SOUTH PERTH WA 6951

TEL +61 8 9363 3500
FAX +61 8 9363 3511
E-MAIL info@arfuels.com.au
WEB www.arfuels.com.au

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ASX Release

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

Dear Sir/Madam,

Australian Renewable Fuels Secures Major Biodiesel Sale from Adelaide Plant

Australian Renewable Fuels Limited ("Arfuels") (ASX:ARW) is pleased to announce that it has executed a major biodiesel supply agreement from its Adelaide plant to an independent fuel trader, accounting for between 53% and 80% of the new plant's design capacity.

The agreement is for biodiesel manufactured predominantly from tallow and other low cost feed materials and is for a volume of between two million and three million litres per month, for an initial term of 6 months.

This is the first large volume sale that Arfuels has concluded since the changes earlier this year in the fuel taxation legislation. Both parties see it as a pre-cursor to a longer term relationship.

Arfuels is also pleased to advise that negotiations are at an advanced stage for the sale of biodiesel to other prospective large volume purchasers.

The absolute commitment of Arfuels to quality of product and the company's ability to process tallow and other low cost fats to biodiesel that meets the Australian standard for biodiesel were critical in achieving this important sale for the company. Arfuels operates two biodiesel plants, one in Adelaide and the other in Picton, Western Australia.

Each plant has a design capacity of approximately 45 million litres per annum and both are able to process almost any fat to biodiesel meeting the Australian standard.

For further information, please contact:

Australian Renewable Fuels Limited
Max Ger
Finance Director / Company Secretary
T: (08) 9363 3500 or 0414 543 005
E: mger@arfuels.com.au

Peter Ellery & Associates
Peter Ellery
Govt & PR Consultant
Tel: (08) 9380 0722
E: peter.ellery@iinet.net.au

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