



AUSTRALIAN RENEWABLE
FUELS LIMITED

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ABN 66 096 782 188

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Wednesday 2 May 2007

ASX Release

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

Dear Sir/Madam,

Appendix 3B – Allotment pursuant to General Meeting held 20 April 2007
Application for quotation of new Securities

Please find enclosed Appendix 3B re the allotment pursuant to the General Meeting held on 20 April 2007.

Yours faithfully,

Max L Ger
Company Secretary

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

AUSTRALIAN RENEWABLE FUELS LIMITED

ABN

66 096 782 188

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Fully paid Ordinary Shares
Options for fully paid Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 5,714,286 Ordinary Shares
5,714,286 Options for Ordinary Shares |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid Ordinary Shares

Options are exercisable at 60 cents each on or before 24 April 2009. |

4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	The Shares rank equally with existing fully paid Ordinary Shares. Shares issued pursuant to the Options will rank equally with all other existing fully paid Ordinary Shares.						
5 Issue price or consideration	Shares – 35 cents per share. Options exercisable at 60 cents each.						
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The Company has obtained Shareholder approval to issue 5,714,286 Shares and 5,714,286 free attaching Options in aggregate to Mr Darryl Butcher. This issue is in lieu of the repayment of an amount of \$2,000,000 payable to Mr Butcher as deferred consideration for the acquisition of shares in Shelly Nominees Pty Ltd pursuant to a Share Sale Agreement dated 19 January 2005 (as varied by deeds dated 3 and 9 March 2005 and 7 March 2007).						
7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates	The securities referred to in this announcement were allotted on 1 May 2007.						
8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th><th>⁺Class</th></tr> </thead> <tbody> <tr> <td>116,214,287</td><td>Fully paid Ordinary Shares.</td></tr> <tr> <td>48,014,286</td><td>Options expiring 24 April 2009.</td></tr> </tbody> </table>	Number	⁺ Class	116,214,287	Fully paid Ordinary Shares.	48,014,286	Options expiring 24 April 2009.
Number	⁺ Class						
116,214,287	Fully paid Ordinary Shares.						
48,014,286	Options expiring 24 April 2009.						

	Number	*Class
9	Number and *class of all *securities not quoted on ASX (including the securities in clause 2 if applicable)	56,000,000 225,000 1,230,000 200,000 300,000 210,000 90,000 3,000,000 Ordinary Fully Paid Restricted Shares Options expiring 18 October 2009 at various prices Options expiring 30 June 2010 at various prices Options expiring 24 March 2011 at various prices Options expiring 17 March 2011 at various prices Options expiring 6 November 2011 at various prices [Note; Options approved for issue but not allotted]. Options expiring 11 November 2011 at various prices Options expiring 2 January 2012 at various prices
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non- renounceable?	
13	Ratio in which the *securities will be offered	
14	*Class of *securities to which the offer relates	
15	*Record date to determine entitlements	

ARW Appendix 3B
New issue announcement

- | | | |
|----|--|--|
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has *security holders who will not be sent new issue documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of *security holders | |
| 25 | If the issue is contingent on *security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |

29	Date rights trading will end (if applicable)	
30	How do *security holders sell their entitlements <i>in full</i> through a broker?	
31	How do *security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do *security holders dispose of their entitlements (except by sale through a broker)?	
33	*Despatch date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☒ If the *securities are *equity securities, the names of the 20 largest holders of the additional *securities, and the number and percentage of additional *securities held by those holders

- 36 ☒ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

38 Number of securities for which ⁺quotation is sought

39 Class of ⁺securities for which quotation is sought

40 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

	Number	⁺ Class
42 Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 38)		

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: _____
(Director/Company Secretary)



Date: 2 May 2007

Print name: Max Ger

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