



AUSTRALIAN RENEWABLE FUELS LIMITED
ABN 66 096 782 188

NOTICE OF ANNUAL GENERAL MEETING

and

EXPLANATORY MEMORANDUM

DATE OF MEETING

Friday, 28 November 2008

TIME OF MEETING

09.00 am WDT

PLACE OF MEETING

The Esplanade River Suites
112 Melville Parade, Como, Western Australia

**This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety.
If Shareholders are in doubt as to how they should vote, they should seek advice from their
accountant, solicitor or other professional adviser without delay.**

**Notice of Annual General Meeting
of Australian Renewable Fuels Limited**
ABN 66 096 782 188

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Australian Renewable Fuels Limited ("**Company**") will be held at the Esplanade River Suites, 112 Melville Parade, Como, Western Australia on Friday 28 November 2008 at 9.00am WDT for the purpose of transacting the following business.

Please note terms used in the Resolutions contained in this Notice of Annual General Meeting have the same meaning as set out in the glossary of the Explanatory Memorandum accompanying this Notice.

A G E N D A

BUSINESS:

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice of Meeting.

FINANCIAL STATEMENTS AND REPORTS:

To receive and consider the annual financial report together with the Directors' and Auditor's reports for the year ended 30 June 2008.

RESOLUTION 1 - Directors' Remuneration Report

To consider and if thought fit, pass the following resolution as an ordinary resolution:

That the Remuneration Report as contained within the Directors' Report for the year ended 30 June 2008 be adopted.

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

RESOLUTION 2 - Re-election of Mr Glyn Denison as a Director of the Company

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That Mr Glyn Denison, being a Director, who retires by rotation in accordance with rule 13.2 of the Company's Constitution and being eligible, offers himself for re-election, be re-elected as a Director.

PROXIES

A Shareholder entitled to attend and vote at the above Annual General Meeting of Shareholders may appoint not more than two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the Shareholder's voting rights. A proxy may, but need not be, a Shareholder of the Company. Proxy forms must reach the Registered Office of the Company at least 48 hours prior to the Annual General Meeting.

IN PERSON Australian Renewable Fuels Limited, Suite 3, 18 Angove Street, North Perth, WA 6006

BY MAIL Australian Renewable Fuels Limited, PO Box 119, North Perth, WA, 6906

BY FAX *61 8 9227 0101

ENTITLEMENT TO VOTE

For the purposes of regulation 7.11.37 of the Corporations Regulations, the Company determines that members holding ordinary shares at 5.00pm WDT on Wednesday, 26 November 2008 will be entitled to attend and vote at the Annual General Meeting.

EXPLANATORY MEMORANDUM

This Notice of Meeting should be read in conjunction with the accompanying Explanatory Memorandum which forms part of this Notice of Meeting.

By order of the Board

Tania Oosterhof
Company Secretary

17 October 2008

Explanatory Memorandum

ABN 66 096 782 188

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting ("**Notice**") of Australian Renewable Fuels Limited ("**Company**").

The Directors recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

The following information should be noted in respect of the various matters contained in the accompanying Notice:

RESOLUTION 1 - Directors' Remuneration Report

Pursuant to Section 250R(2) of the Corporations Act, a resolution adopting the Remuneration Report contained within the Directors' Report must be put to the vote.

Shareholders are advised that pursuant to Section 250R(3) of the Corporations Act, this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out within the Directors' Report in the Company's Annual Report 2008. The Remuneration Report:

- explains the Board's policy for determining the nature and amount of remuneration of executive and non-executive Directors and senior executives of the Company;
- sets out remuneration details for each Director and remuneration of specified executives of the Company;
- details and explains any performance conditions applicable to the remuneration of executive Directors and senior executives of the Company; and
- provides an explanation of share based compensation payments for each Director and senior executive of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

The Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report.

RESOLUTION 2 - Re-election of Mr Glyn Denison as a Director of the Company

Rule 13.2 of the Company's Constitution provides that at every annual general meeting of the Company one-third of the Directors (other than alternate Directors and the Managing Director) shall retire from office. The Directors to retire at an annual general meeting are those who have been longest in office since their last election. A retiring Director is eligible for re-election.

Messrs Robert Scott and Glyn Denison were re-elected as Directors at the Company's 2006 annual general meeting. Mr Geoffrey Towner was re-elected as Director at the Company's 2007 annual general meeting. Accordingly, the Directors who have been longest in office at this date are Messrs Robert Scott and Glyn Denison and they have agreed amongst themselves that Mr Glyn Denison will stand for re-election at the Company's 2008 annual general meeting.

Accordingly, pursuant to Rule 13.2 of the Company's Constitution, Mr Glyn Denison retires and being eligible, offers himself for re-election as a Director.

Questions and Comments by Shareholders at the Meeting

In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders - as a whole - to ask questions or make comments on the management of the Company at the Annual General Meeting.

Similarly, a reasonable opportunity will be given to Shareholders - as a whole - to ask questions to the Company's external auditor, BDO Audit & Assurance (WA) Pty Ltd ("**BDO**"), relevant to:

- a) the conduct of the audit;
- b) the preparation and contents of the auditor's report;
- c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to BDO if the question is relevant to the content of BDO's audit report to be considered at the Annual General Meeting or the conduct of its audit of the Company's financial report for the year ended 30 June 2008 to be considered at the Annual General Meeting.

Shareholders submit the relevant written questions to BDO by giving these questions to the Company no later than 5:00pm (WDT) on Friday, 21 November 2008. A list of those questions will be made available to Shareholders attending the Annual General Meeting and a reasonable opportunity will be given for BDO to answer the questions. If BDO has prepared written answers to the written questions, the chair of the Annual General Meeting may permit the written answers to be tabled at the Annual General Meeting. If written answers are so tabled, they will be made available to Shareholders as soon as practicable after the Annual General Meeting.

Please send written questions for BDO to:

By facsimile - *61 8 9227 0101; or

Post to - Australian Renewable Fuels Limited - PO Box 119, North Perth, WA 6906

by no later than 5:00pm (WDT) on Friday, 21 November 2008.

Glossary

"Board" means the board of Directors;

"Company" means Australian Renewable Fuels Limited ABN 66 096 782 188;

"Constitution" means the Company's constitution;

"Corporations Act" means Corporations Act 2001 (Cth);

"Director" means a director of the Company;

"Notice" or **"Notice of Meeting"** means the Notice of Annual General Meeting accompanying this Explanatory Memorandum;

"Resolution" means a resolution contained in the Notice;

"Shareholders" means holders of Shares;

"Shares" means fully paid ordinary share in the Company; and

"WDT" means Australian Western Daylight Time.

Australian Renewable Fuels Limited

ABN 66 096 782 188

000001 000 ARW
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Australian Renewable Fuels Limited
PO Box 119
North Perth WA 6906

In Person:

Australian Renewable Fuels Limited
Suite 3
18 Angove Street
North Perth WA 6006

Alternatively you can fax your form to
(within Australia) 08 9227 0101
(outside Australia) +61 8 9227 0101

For all enquiries call:

(within Australia) 1300 763 515
(outside Australia) +61 3 9415 4861

Proxy Form

For your vote to be effective it must be received by 9.00am (WDT) Wednesday 26 November 2008

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View the annual report or update your securityholding, 24 hours a day, 7 days a week:

www.investorcentre.com



Review your securityholding



Update your securityholding



Access the annual report below

www.arfuels.com.au

Your secure access information is:

SRN/HIN: 19999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Australian Renewable Fuels Limited hereby appoint



the Chairman
of the meeting OR



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Australian Renewable Fuels Limited to be held at The Esplanade River Suites, 112 Melville Parade, Como, Western Australia on Friday, 28 November 2008 at 9.00am (WDT) and at any adjournment of that meeting.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Item 1 Directors' Remuneration Report

Item 2 Re-election of Mr Glyn Denison as a Director of the Company

For	Against	Abstain
☐	☐	☐
☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN

Signature of Securityholder(s) This section must be completed.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /