AUSTRALIAN RENEWABLE FUELS LIMITED
ABN 66 096 782 188
Level 31, 120 Collins Street
Melbourne VIC 3065
TEL: +61 (3) 9663 8222

29 July 2011

Comments on Appendices 4C for the month and quarter ended 30 June 2011

Australian Renewable Fuels Limited (ASX: ARW) is pleased to present the attached Appendices 4C for the Month and Quarter ended 30 June 2011, and offer the following comments:

- Work has progressed well on the overall imported feedstock process, with 60 tons of the product currently being cleared at Customs for conversion at the Barnawartha plant. A further 2500 tons of product is now ready for shipment, and the logistics are being completed. This feedstock material is expected to arrive in Australia by mid-September, and be converted shortly thereafter.

- The current domestic stock profile is as follows:

Feed stock and reagents	1221 tons
Biodiesel	691 tons
Total value	$2,268 m

- Expenditures for the month were again geared towards product supply and conversion , with major categories being as follows:

Feed stock & reagents	$486 k
BPL Stock Purchases	$378 k
Production & conversion costs	$416 k
Other	$93 k

- With regard to the BPL acquisition, the integration steps have been defined and are being implemented. The details of the same will be released separately.

- Based on unaudited management accounts, the combined sales of the ARF/BPL units was in excess of 3 million litres for the month of June 2011.

Rule 4.7B

Appendix 4C

Monthly report for entities admitted on the basis of commitments

Name of entity

Australian Renewable Fuels Limited

ABN	Month ended
66 096 782 188	**30 June 2011**

Consolidated statement of cash flows

	Cash flows related to operating activities	Current month $A'000	Year to date 12 months $A'000
1.1	Receipts from customers	656	6,848
1.2	Payments for:		
	(a) staff costs	(183)	(1,852)
	(b) advertising and marketing	-	-
	(c) research and development	-	-
	(d) other operating costs	(1,373)	(12,010)
1.3	Dividends received	-	-
1.4	Interest received	38	86
1.5	Interest and other costs of finance paid	-	(169)
1.6	R&D Tax Concession Rebate Received	-	358
1.7	Income taxes paid	-	-
	Net operating cash flows	**(862)**	**(6,739)**

		Current month $A'000	Year to date 12 months $A'000
1.8	Net operating cash flows (brought forward)	**(862)**	**(6,739)**
	Cash flows related to investing activities		
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) group expansion	-	-
	(d) intellectual property	-	-
	(e) physical non-current assets	-	(143)
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.11	Loans to other entities	-	(17)
1.12	Net cash outflow on disposal of subsidiary	-	-
	Net investing cash flows	**-**	**(160)**
1.13	**Total operating and investing cash flows**	**(862)**	**(6,899)**
	Cash flows related to financing activities		
1.14	Net proceeds from issues of shares, options, etc.	519	*12,755
1.15	Reduction in finance lease liabilities	-	(7)
1.16	Proceeds from borrowings – External	-	-
1.17	Repayment of borrowing	-	(1,350)
1.18	Dividends paid	-	-
1.19	Loans received	-	-
	Net financing cash flows	**519**	**11,398**
	Net increase (decrease) in cash held	(343)	4,499
1.20	**Cash at beginning of month/year**	5,621	779
1.21	Exchange rate adjustments	-	-
1.22	**Cash at end of month/year**	**5,278**	**5,278**

***$1.75m held in Dual Authority Trust Account**

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current month $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	6
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	Directors fees and salaries

Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	Amount $A'000
		-

2.2	Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest.
	-

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available $A'000	Amount used $A'000
3.1	Working Capital Loan Facility		
3.2	Inventory and Receivables financing facility	-	-
3.3	Bank guarantees provided to third parties	735	-
	Total financing facilities available at end of month	735	-

Reconciliation of cash

Reconciliation of cash at the end of the month (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current month $A'000	Previous month $A'000
4.1	Cash on hand and at bank	5,278	5,621
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other Bank Facilities	-	-
	Total: cash at end of month/year	**5,278**	**5,621**

Acquisitions and disposals of business entities

		Acquisitions *(Item 1.9(a))*	**Disposals** *(Item 1.10(a))*
5.1	Name of entity	-	-
5.2	Place of incorporation or registration	-	-
5.3	Consideration for acquisition or disposal	-	-
5.4	Total net assets	-	-
5.5	Nature of business	-	-

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.

2 This statement does give a true and fair view of the matters disclosed.

Sign here .... Date: 29 July 2011
Managing Director

Print name: Tom Engelsman

Notes

1. The monthly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.

   - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
   - 9.2 - itemised disclosure relating to acquisitions
   - 9.4 - itemised disclosure relating to disposals
   - 12.1(a) - policy for classification of cash items
   - 12.3 - disclosure of restrictions on use of cash
   - 13.1 - comparative information

3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

AUSTRALIAN RENEWABLE FUELS LIMITED

Rule 4.7B

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

Australian Renewable Fuels Limited

ABN	Quarter ended
66 096 782 188	**30 June 2011**

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter \$A'000	Year to date 12 months \$A'000
1.1	Receipts from customers	2,331	6,848
1.2	Payments for:		
	(a) staff costs	(534)	(1,852)
	(b) advertising and marketing	-	-
	(c) research and development	-	-
	(d) other operating costs	(4,306)	(12,010)
1.3	Dividends received	-	-
1.4	Interest received	38	86
1.5	Interest and other costs of finance paid	(10)	(169)
1.6	R&D Tax Concession Rebate Received	-	358
1.7	Income taxes paid	-	-
	Net operating cash flows	**(2,481)**	**(6,739)**

		Current quarter $A'000	Year to date 12 months $A'000
	Net operating cash flows (brought forward)	(2,481)	(6,739)
	Cash flows related to investing activities		
1.8	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) group expansion	-	-
	(d) intellectual property	-	-
	(e) physical non-current assets	(49)	(143)
1.9	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.10	Loans to other entities	-	(17)
1.11	Net cash outflow on disposal of subsidiary	-	-
	Net investing cash flows	**(49)**	**(160)**
1.12	**Total operating and investing cash flows**	**(2,530)**	**(6,899)**
	Cash flows related to financing activities		
1.13	Net proceeds from issues of shares, options, etc.	*2,639	*12,755
1.14	Reduction in finance lease liabilities	(2)	(7)
1.15	Proceeds from borrowings – External	-	-
1.16	Repayment of borrowings - External	-	-
1.17	Repayment of borrowings	-	(1,350)
1.18	Dividends paid	-	-
1.19	Loans received	-	-
	Net financing cash flows	**2,637**	**11,398**
	Net increase (decrease) in cash held	107	4,499
1.20	**Cash at beginning of quarter/year**	5,171	779
1.21	Exchange rate adjustments	-	-
1.22	**Cash at end of quarter/year**	**5,278**	**5,278**

***$1.75m held in Dual Authority Trust Account**

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	166
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	Directors fees and salaries

Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	Amount $A'000
		-

2.2	Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest.

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available $A'000	Amount used $A'000
3.1	Working Capital Loan Facility	-	-
3.2	Inventory and Receivables financing facility	-	-
3.3	Bank guarantees provided to third parties	735	-
	Total financing facilities available at end of quarter	735	-

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	**Current quarter $A'000**	**Previous quarter $A'000**
4.1 Cash on hand and at bank	5,278	5,171
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other Bank Facilities	-	-
Total: cash at end of quarter	**5,278**	**5,171**

Acquisitions and disposals of business entities

	Acquisitions *(Item 1.9(a))*	**Disposals** *(Item 1.10(a))*
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

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Sign here .... Date: 29 July 2011
Managing Director

Print name: Tom Engelsman

Notes

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