



biodiesel doesn't cost the earth

1 May 2006

## ASX/Media Announcement (ASX: ABJ)

### **ABG secures 24 million litre per annum off-take agreement with Queensland's Freedom Fuels**

Australian Biodiesel Group Limited (ABG) today announced a four year biodiesel sales agreement with Queensland independent fuel company, Freedom Fuels.

Freedom Fuels will purchase up to 24 million litres of biodiesel per annum, with a guaranteed minimum annual purchase.

Sales at the 24 million litres per annum level would represent a purchase of around 15 percent of the total output capacity of ABG's new Queensland production facility at Narangba, which is due to start commissioning in June 2006.

Freedom Fuels is a 100 percent Australian-owned independent petroleum convenience company that has been trading since 2001. The company participates in several industries, including retail and convenience, terminals, distribution and wholesaling of fuel and fuel products.

Freedom has a focus on South East Queensland and operates 28 outlets in the region.

Freedom Fuels Managing Director, Matthew Morland, said his company was keen to offer its customers the pricing and environmental benefits offered by biodiesel fuel.

"We have chosen ABG as a supplier of biodiesel because of our confidence in their ability to supply a high quality product and to offer a reliability of supply.

"Freedom Fuels wants to remain at the forefront of the industry and biodiesel is set to become a regular part of the transport fuel market over the next 12 months," Mr Morland said.

#### **Further information**

Dr Len Humphreys, Chief Executive Officer, ABG Limited, Tel. 02 8908 4300

#### **About ABG Limited**

ABG is Australia's leading commercial producer of biodiesel and a licensor of its biodiesel production process. Its current production facility is a 40 million litre per annum facility at Berkeley Vale, north of Sydney, and by mid-2006, a second, 160 million liter per annum facility at Narangba, north of Brisbane, will commence commissioning.

ABG has developed its own process for producing biodiesel, which involves a considerably lower capital cost than many competing international technologies. Feedstocks for the production process are tallow, used cooking oil and vegetable oil and the process produces two products, biodiesel, which ABG sells in bulk on a wholesale basis, and glycerol. Further details regarding the company are available at [www.abgbiodiesel.com](http://www.abgbiodiesel.com)