



biodiesel doesn't cost the earth

18 August 2006

ASX/Media Announcement
(ASX: ABJ)

**ABG Limited officially opens Australia's largest biodiesel plant,
boosting fuel choice and competition**

Australian Biodiesel Group (ABG) Limited today announced the official opening of the nation's largest biodiesel production facility at Narangba, outside Brisbane, boosting choice and price competition in the fuel market.

ABG Chief Executive Officer, Dr Len Humphreys, said the facility has a production capacity of 160 million litres per annum and was the first large-scale biodiesel plant in Australia, similar in size to leading European facilities.

"Domestic diesel consumption is set to grow at between two and four percent each year and Narangba will help meet that rising demand, while providing environmental and economic benefits to the Australian community," Dr Humphreys said.

"Narangba manufactures a high quality biodiesel, with tallow from Queensland's meat processing industry as its primary feedstock. The facility may also process used cooking oil and a variety of vegetable oils, creating new and reliable markets for rural producers.

"Biodiesel is a renewable fuel and may be used as a direct substitute for fossil diesel, or may be blended with fossil diesel in any ratio."

At full production, the Narangba plant could supply enough fuel to meet the annual consumption of around 150,000 modern diesel cars the size of a Holden Astra or VW Golf. The consumption of the plant's full production capacity would also save around 150,000 tonnes of greenhouse gas emissions every year.

Queensland fuel distributors and retailers are contracted to purchase biodiesel from the facility. In addition, the company has off-take arrangements with trucking companies, mine operators and transport fleet operators within the region.

ABG recently announced a joint venture agreement that may lead to the co-funding, construction and operation of three biodiesel production facilities in North America. Each plant is expected to be the same production capacity as Narangba and based on ABG's own fuel production technology, as utilized in the Queensland plant.

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Event photos: today after 1:00pm from www.abgbiodiesel.com/Australia/sc_announcements.asp

ABG Limited is Australia's leading commercial producer of biodiesel and a licensor of its biodiesel production technology. More information on ABG Limited is available at www.abgbiodiesel.com