



NATIONAL BIODIESEL PTY LTD

SOYDIESEL MONTHLY

MINISTER APPROVES A\$310 MILLION PROJECT

Special points of interest:

- NSW DoP Approves Soybiodiesel Plant
- Brisbane Terminal now open and supplying the Market
- Port Alma Terminal now open and supplying the market
- 21,000 litre rigid is newest addition to NB fleet
- Supply of Soybiodiesel® expands to mining sector
- NB first to receive B20 approval from federal Environment Minister

The NSW Minister for Planning, the Hon. Kristina Keneally has approved National Biodiesel's Soybean Processing and Biodiesel Production facility to be constructed at Pt Kembla, NSW.

The plant, capable of producing over 280 million litres of premium quality Soybiodiesel® annually will ensure the security of supply to the Australian market and . It will provide the backbone for meeting the NSW Government's recently announced biodiesel mandate of 2% by 2010 and 5% by 2012.

In addition to creating up to 235 direct jobs, and 725 indirect jobs the plant will generate over one million tones of high-protein animal feed (Soybean Meal),

significantly improving Australia's domestic food security.

The consistent and high quality bulk supply of Soybiodiesel® from the facility will seamlessly transition from the Soybiodiesel® currently supplied to the Southern Illawarra region out of Pt Kembla by National Biodiesel.

"This approval ensures the long-term supply of large volumes of premium Soybiodiesel to the Australian market and lends support to the quality and consistency of the Biodiesel currently sold to NSW and QLD markets."

Chairman Ed Dutton



The facility will produce almost 300 million litres of Soybiodiesel annually supplied to the NSW market.



Inside this issue:

- NB Expands to Supply Mining Sector **2**
- NB First to Receive Federal Gov Approval **2**
- Government's CPRS supports Soybio- **2**
- Interest Article - Cold Flow of Biodiesel **3**

ADDITION TO NB FLEET

National Biodiesel welcomes the newest addition to its fleet, a 21,000 L rigid tanker. This vehicle will support the existing fleet and provide customers with the option of Soybiodiesel® delivered at volumes less than 32,000 L or TGP.

The vehicle will service the NSW region and solidify the commitment made by National Biodiesel to supply premium quality Soybiodiesel® to all diesel users seeking an environmentally friendly, consistent supply of fuel.





Mining giant Centennial Coal enjoy benefits of Soybiodiesel®

NB EXPANDS OPERATIONS TO SUPPLY MINING SECTOR

The health and environmental benefits of using Soybiodiesel® are demonstrated in the recent expansion of the NB customer base to include mining giants and specialists such as Centennial Coal.

This expands the diversity of sectors currently enjoying the benefits of soy-based biodiesel, including Civil Construction, Road Haulage, and large-scale Agricultural Producers.

Soybiodiesel used in place of petro-diesel has significant health and environmental benefits including:

- 95% less carcinogenic compounds
- 100% elimination of Sulphur Dioxide (SO₂)
- 37% less un-burnt hydrocarbons
- 46% less carbon monoxide
- 68% less particulate matter

This is in addition to a 78.5% reduction in CO₂ emissions over the life-cycle of the fuel.

Of particular interest to the mining community is the improved lubricity of Soybiodiesel® over regular diesel, reducing the need for costly shutdowns due to maintenance. Further, the superior cold flow properties, and enhanced stability of Soybiodiesel® gives the confidence that the fuel will operate under any condition experienced on site.

“Users can now enjoy the benefits of Soybiodiesel® without surrendering any government rebates.”

NB FIRST TO RECEIVE GOVT APPROVAL FOR B20 UNDER DIESEL SPECIFICATION

The federal Minister for Environment, the Hon. Peter Garrett granted National Biodiesel the right to sell Soybiodiesel® blended at 20% with regular diesel (B20) under diesel specification. This entitles users currently receiving on or off-road rebates for petro-diesel the capacity to continue receiving such rebates when using B20. National Biodiesel was the first

to receive approval issued by the Minister, further testament to the quality and reliability of supply of Soybiodiesel®.

GOVERNMENT’S CPRS SUPPORTS SOYBODIESEL®



Australian Government
Department of Climate Change

In recognition of the significant environmental benefits of using Soybiodiesel® in place of fossil diesel, the Australian Government has ‘zero-rated’ the carbon emissions of Soybiodiesel® in the current form of Carbon Pollution Reduction Scheme (CPRS). This gener-

ates a saving of 2.7 tonnes of CO₂-eq for every kL of Soybiodiesel® used in place of regular diesel.

The use of Soybiodiesel® will generate no carbon liability due to its ‘zero rating’.

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National Biodiesel Pty Ltd is the leading supplier of premium quality Soy-biodiesel sourced exclusively from BQ-9000 certified producers and marketers. We specialize in the wholesale supply of Soybiodiesel® to the following industry segments:

- Mining - large scale
- Civil construction
- Road Haulage & Transport
- Agriculture & Farming

The supply of Soybiodiesel® to the NSW and QLD markets is in the lead-up to commissioning of a large-scale Soybean Processing and Biodiesel Manufacturing Facility in Port Kembla, NSW, which will produce Soybiodiesel®, glycerine and soybean meal for Australian and international markets.

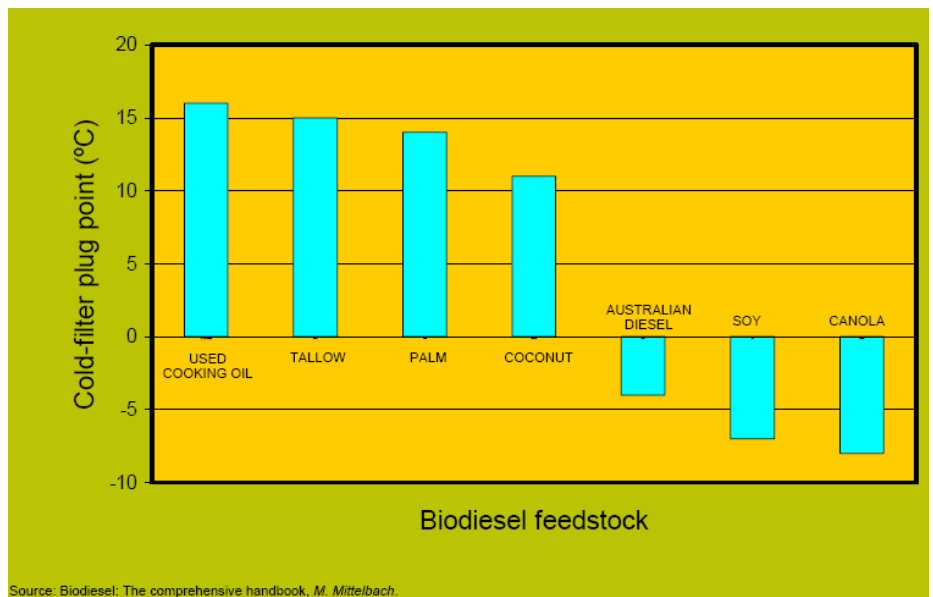
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INTEREST ARTICLE - COLD FLOW OF BIODIESEL

Poor cold flow properties have been a major issue with many biodiesels to date, but it is important to understand what causes such poor performances, and to realise that not all biodiesels are the same - with Soy and Rape-based biodiesels performing very well under cold conditions and palm and tallow-based biodiesels performing poorly.

The basic reason for unfavourable cold flow properties in biodiesel stem from chain length and degree of unsaturation of the methyl ester (biodiesel). Soy and rapeseed-based biodiesels are very unsaturated and have short chain lengths when compared with palm and tallow-based methyl esters, hence the superior cold flow properties of Soybiodiesel® over that of palm and tallow - two types of biodiesel that have been prevalent in the Australian market to date.



Graph of Cold Filter Plugging Point (CFPP) for biodiesels made from different feedstocks. The lower the temperature the better.

The CFPP is an important number as it defines the highest temperature at which a fuel can pass through a standardized filtering