

For personal use only

FOURTH ANNUAL GENERAL MEETING

29 October 2010



Sterling  Biofuels

For personal use only

CORPORATE UPDATE



Sterling  Biofuels

BIODIESEL DIVISION

- Biodiesel plant remains in state of operational readiness
- Production viability uncertain in short term given strength of feedstock prices
- But implementation of Malaysian mandatory blend in medium term may provide base production capacity
- Significantly, biodiesel plant retains economic value and remains unencumbered



PLANTATION DEVELOPMENT

- Successful launch of Growers' Scheme in August 2010
- Secures funding for the plantation development while retaining 30% of the economic value of the plantation
- Plantation development professionally valued at \$20 million – values should increase as planting progresses



MOVING FORWARD

- Continue to pursue upstream strategy – capitalise on opportunities in oil palm sector while seeing through uncertainties in biodiesel industry
- No bank borrowings and assets remain unencumbered
- Share price not reflective of NTA
- No dilution of shareholder interests despite challenging times



Contact Details

Andrew Phang
Group Executive Director

Email: **andrew@sterlingbiofuels.com**
Tel: **+618 9324 8583**
Fax: **+618 9324 8586**

