



A rare opportunity to acquire  
Australia's largest biodiesel  
production facilities



# **Biodiesel Producers Pty Ltd ('BPL') and Australian Renewable Fuels Adelaide Pty Ltd ('ARFA')**

## **(Both Receivers and Managers Appointed) (Both In Liquidation) (together 'AR Fuels')**

AR Fuels has historically been Australia's largest producer/seller of B100 biodiesel. The group has two facilities with a potential annual productive capacity of 90,000 Mt.

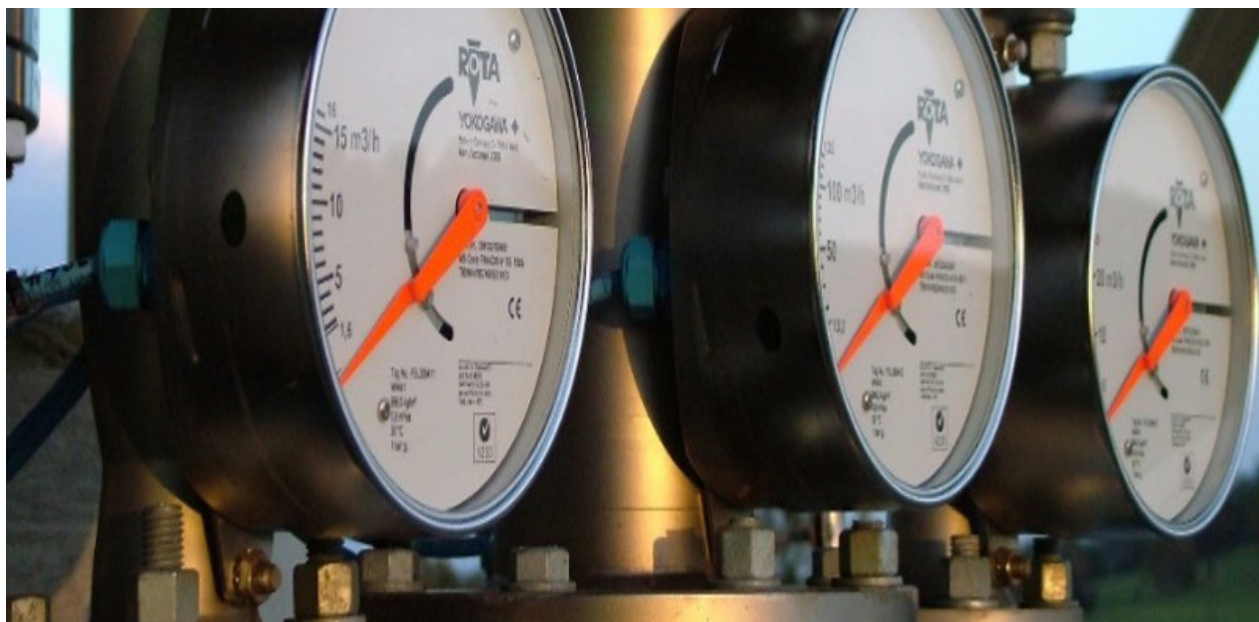


### **Investment Highlights**

- Strategically positioned biodiesel production facilities on the New South Wales/Victoria border (Barnawartha) and in Port Adelaide (Largs Bay).
- Barnawartha: Freehold site with world class biodiesel plant (nameplate capacity 52,000 Mt). BPL generated revenue of \$50 million and operating margin of \$7.6 million in its last full year of production (FY15).
- Port Adelaide: Biodiesel plant and fuel storage facility with proven export capability. The last shipment being 4,201 Mt of biodiesel to Houston, USA (unloaded May 2016) .
- The business is well positioned to respond to opportunities in the global biodiesel market including a recovery in oil price.
- Australian government support for biodiesel sector:
  - state government mandates for retail sale of biodiesel
  - excise on biodiesel being phased in over a prolonged period (15 years) to a cap of 50% of the full excise rate
  - full excise rate now imposed on imported biodiesel.
- Track record of supplying major fuel retailers/meeting customer specification requirements



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## Barnawartha Plant

BPL's Barnawartha plant is located just south of Barnawartha (near Wodonga), Victoria, Australia. It is strategically located to service Australia's two primary population centres – Sydney and Melbourne (~40% of Australia's population).

The plant (currently under care and maintenance) produce biodiesel utilising a Batch Process ('BP'). Whilst slightly slower at producing biodiesel than the continuous action process, BP allows for greater control and precision in blending of biodiesel product.

The plant was constructed on 8 hectares of freehold land acquired and owned by BPL. Operations commenced in September 2007 with an annual production capacity 52,000 Mt. The plant's production model utilises a platform provided by BDI – a global market leader in biodiesel technology.

Barnawartha is designed to process multiple feedstocks including vegetable oils/fats, animal tallow/fats, used cooking oil and RMO (at flexible FFA levels).

The quality of biodiesel produced at Barnawartha has historically, consistently met Australian, US, EU and NZ standards for biodiesel.



## Port Adelaide

ARFA's facility is located on a site previously owned by Caltex Australia Limited just north of Adelaide, South Australia. It includes fuel storage facilities with a capacity of 4 ML.

The plant – which was commissioned in March 2006) was built with a nameplate annual production capacity of 39,000 Mt. It suffered a fire event in 2011 and repairs have not, to date, been completed. The plant remains under care and maintenance.

ARFA's plant uses a continuous action process to produce biodiesel and was developed by Austrian based company, Energea. This system has historically produced biodiesel to the European standard EN 14214, as well as to Australian standards.

In operation, the plant is designed to convert up to five tonnes of feedstock per hour and can process multiple feedstocks including vegetable oils/fats, animal tallow/fats, used cooking oil and recycled mill oil waste created at palm oil factories (after treatment to achieve acceptable levels of FFA).



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# Sale process



Interested parties should submit an expression of interest via email to the contact listed below. Following this, further details of the process including a Confidentiality Agreement and Sale Process Letter may be forwarded.

Expressions of interest should include a summary of the interested party's business and commentary on the capacity of the interested party to complete the proposed transaction. Based on the information provided, the Receivers and Managers, in their absolute discretion, may provide further information to interested parties, including an Information Memorandum.

**Expressions of Interest are sought by 5.00 pm on Friday 17 November 2017.**

## Disclaimer

The purpose of this document ('Document') is to provide information on Biodiesel Producers Pty Ltd and Australian Renewable Fuels Adelaide Pty Ltd (Both Receivers and Managers Appointed) (Both In Liquidation) (together with their Receivers and Managers 'Disclosers').

The Document is provided to you ('Recipient') solely for the purpose of assisting the Recipient and their professional advisors in deciding whether to proceed with a further investigation of AR Fuel's business and associated assets ('Assets') and in considering whether to acquire an interest in same. The Document is provided on the express understanding that it is to be used for only that purpose. Further, the Document is not intended to provide any recommendation either expressly or by implication with respect to the proposed sale.

The Document may not be appropriate for some persons and it is not possible for the Disclosers to have regard to the investment objectives, financial situation and particular needs of each person who reads or uses the Document.

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The Recipient must make their own independent investigations and rely upon their own enquiries as to the accuracy and completeness of the Document. The Recipient should seek appropriate professional advice in reviewing the Document and evaluating whether to purchase the Assets.

All warranties, conditions, liabilities or representations in relation to the Document are hereby expressly negated and excluded to the maximum extent by law. The Recipient agrees, to the fullest extent permitted by law, that they shall not seek to sue or to hold the Disclosers, any employees, agents or advisors of, and to, the Disclosers, liable in any respect whether in contract, negligence, equitable relief, statutory relief or otherwise by reason of provision of the Document.

Any reliance placed by the Recipient on the Document shall be at their own risk and the Disclosers shall not be liable for any indirect or consequential loss whatsoever or howsoever arising.

The Disclosers are not liable to reimburse or compensate the Recipient or any of their representatives for any costs or expenses incurred in conducting their review, submitting an expression of interest or proposal, making an offer or otherwise in connection with the proposed sale of the Assets.

In furnishing the Document, the Disclosers do not undertake any obligation to provide the Recipient with access to any additional information.

The Assets are to be sold pursuant to a Sale and Purchase Agreement. The Sale and Purchase Agreement will be governed by the laws of the state of Victoria. The Receivers and Managers' power to sell the Assets is derived from statute. On closing of a sale of the Assets, title to the Assets would be transferred to the purchaser free of any existing charges over the Assets. Validity of title to the Assets will need to be independently verified by prospective purchasers before the sale.

Consistent with insolvency practice in Australia, the Sale and Purchase Agreement will contain no representations or warranties in respect of the Assets. Prospective purchasers will need to independently satisfy themselves, through their own investigations, as to the nature and quality of the Assets, and should conduct their due diligence and other investigations with this in mind.

This document is dated November 2017.

## Contact details

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Restructuring