

COMPLETION OF PLANT CONSTRUCTION AND PRE COMMISSIONING – UNDER BUDGET AND ON TIME

Sterling Biofuels International Limited (“SBI” or “the Company”) is pleased to announce that it has now taken delivery of its Malaysian based biodiesel production facility on time and notably under budget.

The total budgeted capital cost as stated in the Company’s IPO prospectus was **\$21.3 million**. This compares favorably with the actual capital cost for the plant of **\$19.4 million**. This represents a saving of approximately **9%** or **\$1.9 million**.

In commenting on the achievement of this milestone, Group Managing Director, C.R.S. Paragash said “This is a very pleasing result especially in light of prevailing tight labour markets and a tight metals market. The construction of the production facility on time and under budget has removed one of the main risks associated with the Project and at the same time makes available further cash resources for the Company”.

The Company’s cash balance as at 30 June 2007 was approximately \$13 million. This cash balance together with the value of its constructed plant places the Company in a strong net asset position to ride out the current spike in crude palm oil prices.

On this subject, the Company is of the opinion that palm oil prices appear to have peaked with the price of palm olein averaging RM2,763 in June 2007, down from its peak of RM3,051. The Company continues to monitor movements in the palm oil price and is also in the process of investigating a number of feedstock management strategies, the aim of which will be to reduce the total cost of its feedstock. The Company will keep the market informed as to any material progress in this regard.

The Company is also pleased to announce that all pre-commissioning procedures have also been successfully completed at the plant. The Company is waiting on final sign off from the fire and safety authorities (expected end-July) before commencing full cycle commissioning. Pursuant to its contract with Desmet, the primary technology provider, Desmet warrants the performance of the plant to produce biodiesel that will meet the European EN14214 and American ASTM-D6751 specifications.

It is worth noting that Desmet has successfully commissioned 3 other plants in Malaysia in the last 9 months.

The Company encourages shareholders and investors to visit its website www.sterlingbiofuels.com to view the latest photos of the completed biodiesel production facility.

For further information, please contact:

CRS Paragash

Group Managing Director

Email: crsp@sterlingbiofuels.com

Tel: +618 9324 8583

Fax: +618 9324 8586

Emmanuel Correia

Cardrona Capital Pty Ltd

Email: ecorreia@cardronacapital.com.au

Tel: +612 8916 6777

Fax: +612 8916 6732