



**STERLING BIOFUELS INTERNATIONAL LIMITED**

ACN 119 880 492

**NOTICE OF ANNUAL GENERAL MEETING  
AND  
EXPLANATORY STATEMENT  
TO SHAREHOLDERS**

**NOTICE IS INCLUDED FOR  
THE ANNUAL GENERAL MEETING OF SHAREHOLDERS  
TO BE HELD ON  
FRIDAY, 7 NOVEMBER 2008  
AT 2.00PM  
AT THE CELTIC CLUB, 48 ORD STREET, WEST PERTH**

**IMPORTANT INFORMATION**

This is an important document that should be read in its entirety.  
If you do not understand it, or any part of it,  
you should consult with your professional advisers without delay.

**You are encouraged to attend the meeting, but if you cannot, you are requested to complete and return the enclosed Proxy Form without delay to  
Sterling Biofuels International Limited at  
Ground Floor, 16 Ord Street, West Perth WA 6005  
or by facsimile on facsimile number (+61 8) 9324 8586  
or by mail to PO Box 541, West Perth WA 6872.**

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**STERLING BIOFUELS INTERNATIONAL LIMITED**  
ACN 119 880 492

**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Sterling Biofuels International Limited ("the Company") will be held as specified below:

**TIME:** 2.00pm

**DATE:** Friday, 7 November 2008

**LOCATION:** The Celtic Club  
48 Ord Street, West Perth, Western Australia

**This is an important document that should be read in its entirety.  
If you do not understand it, you should consult with your professional advisers without delay.**

**If you wish to discuss any aspects of this document with the Company, please contact  
Ms. Susan Hunter, Company Secretary of the Company on +61 8 9324 8583.**

Words and phrases used in the Resolutions are defined in Section 6 of the accompanying Explanatory Statement and these words and phrases have the same meaning in this Notice of Annual General Meeting as defined in the Explanatory Statement.

**ORDINARY BUSINESS**

**Financial Reports**

To receive and consider the financial report and the directors' and auditors' reports for the year ended 30 June 2008.

**RESOLUTION 1: Re-election of Director**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

***"That Mr. Alister Maitland being a Director of the Company who retires by rotation pursuant to rule 8.1 of the Company's Constitution, and being eligible, is re-elected as a Director of the Company."***

**RESOLUTION 2: Re-election of Director**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

***"That Mr. Andrew Phang being a Director of the Company who retires by rotation pursuant to rule 8.1 of the Company's Constitution, and being eligible, is re-elected as a Director of the Company."***

**RESOLUTION 3: Remuneration Report**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

***"That the Remuneration Report for the year ended 30 June 2008 be adopted."***

*Note – the vote on this Resolution is advisory only and does not bind the Directors or the Company.*

## EXPLANATORY STATEMENT

Shareholders are referred to the Explanatory Statement accompanying and forming part of this Notice of Annual General Meeting.

## PROXIES

Members are encouraged to attend the meeting, but if you are unable to attend the meeting, we encourage you to complete and return the enclosed proxy form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has the right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice of the Annual General Meeting as soon as possible and either:

- send the Proxy Form by facsimile to the Company on +61 8 9324 8586;
- post the Proxy Form to the Company at PO Box 541, West Perth WA 6872; or
- deliver the Proxy Form to the registered office of the Company at Ground Floor, 16 Ord Street, West Perth WA 6005.

Proxy Forms must be received by the Company not later than 48 hours before the time specified for the commencement of the Annual General Meeting.

## DATE FOR DETERMINING HOLDERS OF SHARES

For the purposes of regulation 7.11.37 of the Corporations Act, the Directors have set 2.00pm (WST) on Wednesday 5 November 2008 as the time and date to determine who are the holders of the Shares in the Company for the purposes of the Annual General Meeting. Accordingly Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

Dated this 5 September 2008  
By order of the Board



Susan Hunter  
Company Secretary

**EXPLANATORY STATEMENT TO SHAREHOLDERS  
STERLING BIOFUELS INTERNATIONAL LIMITED  
ACN 119 880 492**

**This Explanatory Statement has been prepared to assist Shareholders of the Company in understanding the business to be put to Shareholders for their consideration at the forthcoming 2008 Annual General Meeting of the Company.**

**The Directors recommend that you read this Explanatory Statement and attend the forthcoming 2008 Annual General Meeting.**

**1. ANNUAL FINANCIAL REPORTS**

The Corporations Act requires the Company's financial statements and reports of the Directors and of the auditors for the year ended 30 June 2008 to be laid before the Annual General Meeting. The financial statements and the reports of the Directors and of the auditors are contained in the Company's 2008 Annual Report, a copy of which is available on the Company's website at [www.sterlingbiofuels.com](http://www.sterlingbiofuels.com).

While no resolution is required in relation to this item, Shareholders should consider the documents and raise any matters of interest with the Directors when this item is being considered.

The Company's auditor will also be present at the meeting and Shareholders will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies and the independence of the auditor.

**2. RESOLUTION 1: RE-ELECTION OF DIRECTOR**

In accordance with ASX Listing Rule 14.4 and rule 8.1 of the Constitution, at every Annual General Meeting, if the number of Directors of the Company is five or less after excluding the Managing Director, two of the remaining Directors must retire from office and are eligible for re-election. The Directors to retire are those who have been longest in office since their appointment or, if the Directors have been in office for an equal length of time, by agreement. Mr. Maitland is required to retire and being eligible for re-election, offers himself for re-election.

A brief CV on Mr. Maitland can be found on page 5 of the Annual Report.

The board unanimously supports the re-election of Mr. Maitland.

**3. RESOLUTION 2: RE-ELECTION OF DIRECTOR**

In accordance with ASX Listing Rule 14.4 and rule 8.1 of the Constitution, Mr. Phang is required to retire and being eligible for re-election, offers himself for re-election.

A brief CV on Mr. Phang can be found on page 6 of the Annual Report.

The board unanimously supports the re-election of Mr. Phang.

**4. RESOLUTION 3: ADOPTION OF REMUNERATION REPORT**

The Remuneration Report is required to be considered for adoption in accordance with section 250R of the Corporations Act. The Remuneration Report which details the Company's policy on the remuneration of non-executive directors, executive directors and senior executives is set out on page 11 of the Company's 2008 Annual Report, a copy of which is available on the Company's website at [www.sterlingbiofuels.com](http://www.sterlingbiofuels.com).

A reasonable opportunity will be given for the discussion of the Remuneration Report at the Annual General Meeting. Shareholders should note that the vote on this resolution is advisory only and does not bind the Company or the Directors.

## 5. CONCLUSION AND RECOMMENDATION

Your Directors believe that the Resolutions described above are in the best interests of the Company and the Directors unanimously recommend Shareholders vote in favour of the Resolutions.

## 6. DEFINITIONS

In this Explanatory Statement:

**Annual General Meeting** means the meeting of the Shareholders convened for the purposes (including others) of considering the Resolutions contained in the Notice of Annual General Meeting.

**ASX** means ASX Limited, ABN 98 008 624 691.

**Board** means the Board of Directors of the Company.

**Company** means Sterling Biofuels International Limited, ACN 119 880 492.

**Constitution** means the constitution of Sterling Biofuels International Limited, ACN 119 880 492.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Director** means a director of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice of Annual General Meeting.

**Listing Rules** means the Listing Rules of the ASX.

**Notice of Annual General Meeting** means the notice convening the Annual General Meeting accompanying this Explanatory Statement.

**Proxy Form** means the form of proxy accompanying the Notice of Annual General Meeting.

**Resolution** means a resolution proposed to be passed at the Annual General Meeting and contained in the Notice of Annual General Meeting.

**Share** means a fully paid ordinary share in the Company.

**Shareholder** means a person entered in the Company's register as a holder of a Share.



**STERLING BIOFUELS INTERNATIONAL LIMITED  
ACN 119 880 492**

**2008 ANNUAL GENERAL MEETING  
FORM OF PROXY**

For personal use only

I/We (print name) .....  
of .....

.....  
a member/members of Sterling Biofuels International Limited (ACN 119 880 492) hereby appoint

.....  
of .....

or failing him/her .....

of .....

or failing him/her, the Chairman of the meeting, as my/our proxy at the Annual General Meeting of the Company to be held commencing at **2.00pm on Friday, 7 November 2008**, and at any adjournment thereof and to vote for me/us on my/our behalf in respect of all/the following\*

.....  
of my/our Shares in the manner as set out below.

**In relation to any undirected proxies the Chairman intends to vote in favour of all Resolutions.**

**If you do not wish to instruct your proxy how to vote, please place a cross in the box.**

By marking this box you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

		<b>For</b>	<b>Against</b>	<b>Abstain</b>
<b>Resolution 1</b>	Re-election of Director – Mr. A. Maitland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 2</b>	Re-election of Director – Mr. A. Phang	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3</b>	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated this ..... day of ..... 2008.

**Signature of Member/s**

**Individuals and joint holders**

**Companies (affix common seal if appropriate)**

Signature		Director/Sole Director
Signature		Director/Company Secretary
Signature		Sole Director and Sole Company Secretary

## INSTRUCTIONS FOR COMPLETING THE FORM OF PROXY

1. To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice of Annual General Meeting as soon as possible and either:
  - send the Proxy Form by facsimile to the Company on +61 8 9324 8586;
  - post the Proxy Form to the Company at PO Box 541, West Perth WA 6872; or
  - deliver the Proxy Form to the registered office of the Company at Ground Floor, 16 Ord Street, West Perth WA 6005.
2. Proxy Forms must be received by the Company not later than 48 hours before the time specified for the commencement of the Annual General Meeting.
3. A member entitled to attend and vote at the meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights.
4. \*If two proxies are appointed you may delete "all" and insert the relevant number or proportion of Shares in respect of which each such appointment is made. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
5. Should you desire to direct your proxy how to vote, place a cross in the appropriate box for each item, otherwise your proxy may vote as your proxy thinks fit or abstain from voting.
6. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
7. Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provision of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
  - 2 directors of the company;
  - a director and a company secretary of the company; or
  - for a proprietary company that has a sole director who is also the sole company secretary – that director.
8. Completion of a Proxy Form will not prevent individual Shareholders from attending the meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the meeting in person, the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the meeting.
9. Where a Proxy Form or form of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged with this proxy.