

PRESS RELEASE ASX ANNOUNCEMENT- FOR IMMEDIATE RELEASE

Tuesday 5 May, 2009

STATE GOVERNMENT APPROVES SALE OF LAND FOR A NEW DIESEL FACILITY TO SERVICE NORTHERN SOUTH AUSTRALIA

The State Government and developer Port Bonython Fuels Pty Ltd - owned 85% by Stuart Petroleum Limited (ASX code: STU) and 15% by the Scott Group of Companies - have agreed terms for the sale and purchase of land at Port Bonython in the State's Upper Spencer Gulf region. Subject to receipt of all requisite approvals, work will begin at the end of this calendar year to establish a 500 million litre a year diesel import, storage, and distribution facility at Port Bonython. This facility, due for completion in mid 2011, will service the needs of diesel consumers throughout the north, mid-north and west of South Australia.

Operation of the new facility will offer significant efficiencies over existing fuel supply arrangements:-

- 100,000 tonne capacity vessels will be able to berth at Port Bonython with attendant cost savings over the berthing of 28,000 tonne capacity vessels which presently land the bulk of the State's diesel fuel at Port Adelaide
- Road haulage distances to customers in the north and west of the State will be significantly lower from Port Bonython than from Port Adelaide.
- Road safety issues associated with moving large volumes of fuel through metropolitan Adelaide will be obviated.

The new facility will be sited on a 74 hectare parcel of land. The developing Company is also entitled, for a period of 10 years, to purchase a second parcel of 64 hectares to enable expansion and further development of the Company's business.

Managing Director of Stuart Petroleum Mr Tino Guglielmo said today that "This project is a key piece of infrastructure which will support the expansion of industry in the north and west of the State for decades to come."

"Port Bonython Fuels has been pleased to work closely with the South Australian Government to achieve an important milestone in development of the State's north," Mr Guglielmo added.

For further information please contact:

Tino Guglielmo
Managing Director
Stuart Petroleum Limited
Ph: 08 8410 0611
Email: guglielmo.t@stuartpetroleum.com.au

Kevin Skinner
Field Public Relations
Ph: 08 8234 9555
Email: kevin@fieldpr.com.au