

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

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EDEN ENERGY LIMITED (ASX: EDE) provides the opportunity to listen to an audio broadcast with Mr Greg Solomon, Executive Chairman and Boardroomradio.

The presentation details are as follows:

- *Eden signs term sheet with Indian Oil for Pyrolysis - Mr Greg Solomon, Executive Chairman*
- *Presented by Mr Greg Solomon, Executive Chairman*
- *Fri, 12 Feb 2010 08:00AM AEST*

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Transcript

RADIO INTERVIEW WITH GREG SOLOMON, THE CHAIRMAN AT EDEN ENERGY, CONDUCTED ON THURSDAY, 11 FEBRUARY 2010

- Q1 Today on Boardroomradio I'm joined by Mr Greg Solomon, who is the Chairman at Eden Energy. Greg, welcome back to Boardroomradio and thanks for joining us.
- A1 Thank you very much, Tom.
- Q2 Greg, you've signed a term sheet with Indian Oil for pyrolysis. Can you explain to me what this is about and also touch on the importance of the technology for your company?
- A2 Yes, Tom. The pyrolysis technology is a new technology that we have developed with the University of Queensland over the last three years. It involves taking natural gas, or, in its more technical term, methane, which is a gas that is made up of hydrogen and carbon and separating those molecules into their primary constituents of just carbon and hydrogen, and, most importantly, with the carbon that we have been able to produce, we have been able to produce forms of carbon such as carbon fibre and also carbon nanotubes which are super strong and extraordinarily light and can be used in very high strength and ultra-light weight composite materials. This pyrolysis technology was originally perceived as a method of producing hydrogen without producing carbon dioxide, which is your normal, unwanted by-product from the process of producing hydrogen using normal reforming means that are commonly available. So we started off with this process looking at a way simply to produce hydrogen but not to produce any carbon dioxide. However, we were very encouraged when we produced the solid carbon and we analysed it, we actually saw the enormous commercial potential of the carbon. In fact, rather than perhaps being a hydrogen project it actually morphed into a carbon project with the hydrogen potentially being as a very low cost by-product, which is a

great outcome for a company that is looking to apply the hydrogen for downstream applications and things like, you know, Hythane® fuel product. So the technology itself has been developed over a period of about three or four years. We had half a million dollars worth of funding from the Australian Research Council and we've taken out patent applications in over 50 countries for the technology. The term sheet that we have signed with Indian Oil actually involves taking this technology through to a commercial pilot scale plant.

Q3 Greg, is the technology separate from your other projects or is it interrelated and what other projects are in the pipeline?

A3 The pyrolysis process, as I mentioned, is for production both of hydrogen and of the carbon fibre and carbon nanotubes. In terms of producing hydrogen, the project is intimately tied in with our remaining projects such as the Hythane® fuel project, which is hydrogen enriched natural gas as a premium blend of natural gas, and also leading on to the future hydrogen market. We also have another technology that is actually being developed in parallel with this pyrolysis process. It actually came out of the same process. And this is a one pass gas to liquids process where instead of the natural gas being separated into hydrogen and carbon, it actually combines and it forms liquids, and, in particular, we can produce benzene and with the by-product being large quantities of hydrogen. So it certainly ties in with another technology that is currently being developed also in conjunction with the University of Queensland.

Q4 Greg, can you explain the strategic importance of Indian Oil as a partner?

A4 Indian Oil as a partner is of great significance. Indian Oil is the largest company in India. It's predominantly government-owned and it is the agency that has been selected by the Indian Government as the body to promote the Indian hydrogen road map. The Indian hydrogen road map is a policy that was adopted by the Indian Government where they hope to introduce something like 20 per cent of all vehicles to operate on a hydrogen-based fuel by 2020, and Indian Oil is the party that is primarily charged with promoting this policy. Because the Indian Government has established a Ministry of New and Renewable Energy, and has provided funding for Indian Oil, it is in a very pivotal position in this whole process for promoting hydrogen, and, hence, its reason for its interest in this new hydrogen production technology. Just to put it in context, the first hydrogen Hythane® station that was built in Indian – the first public station – was actually commissioned by Indian Oil and our Company, US subsidiary Hythane company, was fortunate enough to win the international tender to build that and we completed that for Indian Oil some time early last year, which just puts in perspective the overall role that Indian Oil is playing in this whole Indian hydrogen road map.

Q5 And, Greg, has there been any progress on your Hythane® project?

A5 Yes, Tom, there's been significant progress. We have been negotiating with major parties in India for the first commercial scale Hythane® demonstration that it will be a bus fleet of somewhere between 50 and 70 buses that will be operating on the hydrogen enriched blend of natural gas, and as soon as we're in a position to announce this we will certainly do so, but it's looking very encouraging at this stage and I've got very confident plans that with the Indian hydrogen road map having adopted Hythane® as the transitional fuel to achieve its target of 20 per cent of all vehicles running on a hydrogen based fuel by 2020, that Hythane® will play a very significant role in this fuel mix.

Q6 Now, this project has a lead time of around two years. What are you going to be doing about cash flow in the meantime?

A6 In the meantime we have been focusing very hard on developing a cash flow in both the United States and in India through our dual fuel technology. This is a new technology

that we originally developed for Hythane® applications but we found we got such great results using just natural gas, because it's got a big market immediately for natural gas. This involves running diesel generators on a combination of diesel and natural gas rather than just running on pure diesel, and the advantages are where natural gas is available and is cheaper than diesel the overall fuel cost is much cheaper, but also, importantly, the emissions are very much lower, both in terms of the local air polluting NOx, oxides of nitrogen which cause photochemical smog and all sorts of health issues but also the greenhouse gases. And the focus has been to develop a strong cash flow in India and in the United States marketing this technology. We installed, in October last year, the first of three dual fuel kits in Assam in North-Eastern India in one of the very large tea plantations where they have a lot of natural gas available and they also run these diesel generators for many hours of the day, and we anticipate there is a very large emerging market for this in India as natural gas becomes available. There are hundreds of thousands of generators right through the country where they've been used to supply back-up power throughout India whilst the power system is gradually expanded, and as natural gas becomes available it becomes much, much cheaper to run these gen sets on the dual fuel. Similarly, in the United States there are a lot of applications for operation in places like the oil fields and in situations where there are hurricanes and typhoons and tornadoes, and they use generators for back-up power that you can actually run a diesel genset for maybe three times as long if you're only using a third of the amount of fuel, because the rest of it is being supplied by natural gas. So we see that as our primary focus for getting our cash flow over the next couple of years whilst we focus on developing our Hythane® and our other technology projects.

Q7 To finish up, what about your other energy projects; what's happening with those?

A7 Yes, Tom, the other energy projects that we have are, firstly, the coal bed methane project in the United Kingdom, and, secondly, the geothermal project in Australia. In relation to the coal bed methane project in the United Kingdom, it has taken on a very interesting development over the last six months in that it has changed from being exclusively focused on coal bed methane to also being focused on a very high potential for shale gas, which is a form of natural gas that is tied tightly up in shales which are hard rocks that are deep in the ground, and in the United States the shale gas market has been hugely developing over the last 24 months or so. Shale gas is now supplying something in the order of about 45 per cent of the United States' natural gas and the reserves of shale gas in the United States have dramatically expanded the reserves available. There's a lot of interest starting to emerge in Europe. There's some major companies looking at farming into a similar shale gas project in the Paris Basin, a couple of hundred kilometres east of where we are, and the 1800 square kilometres that we've got in both Southern Wales and in Bristol and in Kent all are highly prospective for shale gas, and if the numbers from what they're projecting in the Paris Basin or in the United States are anything to go on, this could potentially be a very, very interesting project, so we're looking at moving that up at the moment. We've got some research taking place and reviewing previous exploration. On the geothermal front we're just moving forward doing a full detailed analysis and review of our geothermal projects in South Australia with a view to trying to get that listed as a separate company some time later on this year.

Q8 Greg, thank you for that very interesting update.

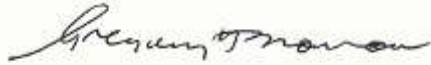
A8 Thank you very much, Tom.

INTERVIEW CONCLUDED

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A handwritten signature in black ink, appearing to read "Gregory H. Solomon", is displayed on a light yellow rectangular background.

Gregory H. Solomon
Executive Chairman