

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 Hythane Demonstration Co-operation Agreement*
- *Presented by Mr Greg Solomon, Executive Chairman*
- *Thu, 25 Feb 2010 08:25AM AEST*

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Transcript

RADIO INTERVIEW WITH GREG SOLOMON, THE EXECUTIVE CHAIRMAN AT EDEN ENERGY, CONDUCTED ON THURSDAY, 24 FEBRUARY 2010

- Q1 Joining me today on Boardroomradio I have Mr Gregory Solomon, who is the Executive Chairman at Eden Energy. Greg, welcome back and thank you as always for your time.
- A1 Thank you, Tom.
- Q2 Greg, on the ASX you've announced a Hythane demonstration co-operation agreement with GAIL and MGL. Can you give me a couple of bits of background on the two companies that you've signed this with?
- A2 Yes, Tom. This agreement is something that has been a long time in the gestation. GAIL is the Gas Authority of India. It's the national body that was set up by the Indian Government to handle the distribution and marketing of natural gas in India. It's a major company. It's got a very significant turnover and operates something like 6700 kilometres of high pressure gas pipelines across the country, and it also currently owns a half interest or approximately a half interest in the City Gas distribution networks in nine major cities and actually plans to expand that to something approaching 260 cities according to its published literature. It is the premier player in the Indian natural gas distribution market. MGL or Mahanagar Gas is actually one of those City Gas distribution companies and it's actually the one that operates in Mumbai or Bombay. It's half owned or approximately half owned by BG, which was British Gas, that a lot of people in Australia would be familiar with and also by GAIL, so it services a market of something in the order of 25 million people. Mumbai itself has something like 16 million people and greater

Mumbai which it services covers a greater area. So these two players are very pivotal both in terms of GAIL which opens up the potential for broad scale rollout across the country and MGL which opens up a very, very large existing City Gas distribution network where there is very significant potential for the rollout of our products.

Q3 Okay. And what exactly does the agreement entail and how does this relate to your hydrogen fuels project?

A3 The agreement itself relates to a demonstration project that is going to be conducted at a bus company called BEST, it's an acronym for a bus and electric supply company that was set up - it's government owned - that operates something in the order of about four or four and a half thousand buses in Mumbai, and the arrangement will be that we will install a Hydrogen and Hythane station in one of those bus stations. The bus company will then procure the necessary Hythane compatible buses, and MGL will supply all of the site works, the civil works, the consumables, the natural gas, the water, the electricity, that is required for the fuel. The process will take something in the order of about nine months to get the various approvals and the work done and we will then gradually start off with about two buses and then expand it to something between 50 to 70 buses. The reason for the uncertainty in terms of the actual number of buses is that we will structure it in such a way that we will fully utilise the Hydrogen output that will come from the Hydrogen reformer that will put out something in the order of 100 normal cubic metres per hour, and the number of buses that that can supply will depend on just exactly how many kilometres each bus does each day and so it could be variable depending upon what the workload of each particular bus is. The purpose of it is to assess the commercial viability of Hythane as a long term commercial fuel. The environmental benefits are well known; it's been fully documented and tested before. We don't need to really do another demonstration if it is simply going to repeat demonstrations that have been done in Canada and the United States on several occasions. What we do need though is the economic results and that is the purpose of this project as a major step forward towards commercialisation of this technology. The implications are obviously therefore that it's of great importance both for the rollout of Hythane as the immediate product that we are promoting, but it is also of great significance for the future rollout of the full Hydrogen economy, because it is this same infrastructure that is going to be used to supply the Hythane that in turn will be able to be used to supply pure Hydrogen as and when the pure Hydrogen vehicles come along. India, as I've mentioned previously, has adopted a Hydrogen road map that embraces the concept of using Hythane as the transitional fuel and has the targets of having something like 20 per cent of all its vehicles running on a Hydrogen-based fuel by 2020. That's only 10 years away that we're talking about. And the target is to actually have all vehicles running on a Hydrogen-based fuel by 2050. Now, it is in that context that this is a very, very significant step forward, because Gas Authority of India, although it is only playing a relatively minor role in the actual demonstration project, is itself the pivotal player for the long term rollout of both Hythane and Hydrogen in the Indian market over the next 20 or 30 years.

Q4 And, Greg, if this all goes to plan as expected, what would be the logical next steps?

A4 The logical next steps are at the end of the demonstration project we will prepare a report which will assess the overall commercial viability of the project. We will then negotiate with both MGL and GAIL for a long term marketing arrangement. The agreement contemplates the possibility that MGL will take on exclusively the

marketing of Hythane and the promotion of Hythane within its area of interest and through Gas Authority of India we will also then look to expand that into other cities. The market itself is not going to be limited only to buses. That's the area that we have personally been focusing on, but smaller vehicles is another sector of the market that is also receiving active attention. In fact the Society of Indian Automobiles Manufacturers released an announcement only about – within the last week, saying that they are planning to do a significant Hythane demonstration project - they call it HCNG – for small vehicles which have been developed in association with the Automotive Research Association of India, ARAI. So the whole market is a potentially very, very large market that is all moving forward in parallel. We've been focusing on the buses, but the other part of the market is also moving forward. So the infrastructure that we will be involved in supplying is going to have potentially a very large and rapidly expanding market over the next few years as it spreads not only amongst the very large bus fleets throughout the country, but also into just the normal motor vehicle sector.

Q5 It certainly sounds like an important step in the potential commercialisation of this technology. Greg, thank you very much for your time today.

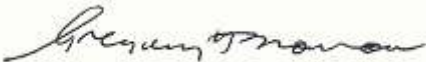
A5 Thank you very much, Tom.

INTERVIEW CONCLUDED

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Executive Chairman