



## AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

18 AUGUST 2010

### SHARE PURCHASE PLAN

The Directors of Eden Energy Ltd (**Eden**) are pleased to announce an offer to all eligible shareholders of Eden to participate in a share purchase plan (**SPP**), pursuant to which Eden plans to raise up to A\$2,000,000 through the issue of up to 40,000,000 ordinary shares in Eden (**Shares**). The SPP will allow all eligible shareholders to purchase up to A\$15,000 of additional Shares at a price of A\$0.05 per Share, without brokerage and transaction costs, on the terms and conditions to be set out in the SPP offer document. The SPP will be open to all Eden shareholders who are on the register as at 5.00pm WST on 17 August 2010 (the **Record Date**) and who have a registered address in Australia or New Zealand.

During the week commencing 23 August 2010 all eligible shareholders will receive the SPP offer document and a personalised application form.

Given the number of Eden's shareholders at the Record Date, each of whom will have a right to subscribe for up to A\$15,000 of additional Shares, it is possible that Eden could receive from eligible shareholders applications for Shares which, in aggregate, exceed the maximum number of Shares proposed to be allotted under the SPP. Therefore the Directors of Eden have determined that, in the event that Eden receives applications for, in aggregate, more than 40,000,000 Shares, Eden will scale back applications received from eligible shareholders. If Eden is required to scale back applications, it will use its best endeavours to allocate the new Shares being offered under the SPP to eligible shareholders on a pro-rata basis, having regard to the number of new Shares each eligible shareholder applied for under the SPP. If any applications are scaled back, any surplus in the application monies paid by an eligible shareholder will be refunded by Eden to that eligible shareholder, without interest. Eden therefore reserves the right to allot to an eligible shareholder fewer new Shares than that eligible shareholder applied for under the SPP.

Funds raised under this SPP will be used to finance Eden's general working capital.

The proposed Timetable for the SPP is as follows:

<b>Event</b>	<b>Date</b>
Record Date	17 August 2010
SPP Announcement	18 August 2010
Offer opens	23 August 2010
Offer closes	28 September 2010
Issue Date	4 October 2010
Dispatch of Holding Statements	5 October 2010

Gregory Howard Solomon  
Chairman