
NEWS

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AUSTRALIAN COMPANY IN U.S. ENERGY DEPARTMENT

BREAKTHROUGH FOR HISTORIC HYDROGEN FUEL TEST

An Australian company has won the backing of the giant United States Department of Energy ("DOE") for a long-term test in that country of two hydrogen fuel types for automotive combustion engines.

ASX-listed Eden Energy Limited (ASX code: "EDE") announced today that:

- The US's first long-term test of engines fuelled by hydrogen and a hydrogen-natural gas mixture called Hythane®, had been awarded to wholly owned Eden Energy subsidiary, Colorado-based Hythane Co, subject to the Company completing an audit and contract negotiations with DOE.
- The test program to deliver an ultra-clean hydrogen fuel would be supported by a US Energy Department grant of US\$2.1 million.

"This is the first breakthrough into the massive American automotive market we have been working towards," Eden Energy's Executive Chairman, Mr Greg Solomon, said today.

"It is a two year project that for the first time, will establish a 'no compromises' comparison of Hythane® and pure hydrogen based internal combustion engines (ICE) for the automotive sector," Mr Solomon said.

"With increasing acceptance that hydrogen will be the basis of automotive fuels of the future compared to other derivatives currently under study, the backing of the US DOE catapults Eden and Hythane Co into a lead position in this emerging but potentially huge market opportunity."

Eden Energy – which is 27% owned by Perth-based listed minerals explorer, Tasman Resources NL - has fostered the development of Hythane®, as the Company's extensive field tests to date has shown it

- Cuts engine emissions of NOx and CO by 50% compared with natural gas
- Has major carbon credit potential
- Is immediately available because of existing low cost natural gas infrastructure in the key markets of the US, China and India, and
- Can use in its mix, low purity hydrogen as well as CNG and LNG.

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Test program terms

Mr Solomon said natural gas, Hythane®, and hydrogen ICEs represented the three most practical, and therefore the most likely transitional steps in the future between current diesel ICEs and fuel cell electric vehicles.

Under the terms of the grant and test program, two identical, heavy-duty, spark-ignited natural gas engines will be acquired and modified - one to run on Hythane® and the other to run on hydrogen. Hythane Co. will undertake most of the work on the 2,500 hour test program, which is expected to take two years.

“Many previous research, development, and demonstration studies have established the operational parameters and emissions performance for hydrogen and hydrogen-blended ICEs but these programs have mostly provided only short-term data,” Mr Solomon said.

“This new work will establish for the first time, formal laboratory data on the long-term performance, emissions, and durability of Hythane® and pure hydrogen ICEs.

“It is possible that the hydrogen content in the test fuels, particularly the pure hydrogen powered engine, could contribute to issues with engine lubricants, the engine, component or emissions system materials, the behavior of fuel supply components, or combustion product effects. These possible sources for accelerated deterioration may be subtle and require long-term interaction to become apparent.

“The new test work will aggressively simulate real-world, long-term operation of heavy-duty engines and provide sufficient opportunity to push durability and performance deterioration limits.”

Eden Energy listed on the ASX in June after closing early its \$8.4 million Initial Public Offer, having already invested more than \$5 million to date on developing potential world-class energy projects.

The Company’s other projects include its:

- Coal seam gas exploration of coalfields in the South Wales(UK),
- Natural gas and geothermal plays in South Australia, and
- Collaboration with the Queensland University into research into low-cost/low-temperature production of hydrogen from natural gas without production of CO2.

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