



EDEN ENERGY LTD

ACN 109 200 900

Level 40, Exchange Plaza, 2 The Esplanade, Perth, Western Australia, 6000
Telephone: (08) 9282 5889 Facsimile: (08) 9282 5866

Website: www.edenenergy.com.au

AUSTRALIAN STOCK EXCHANGE ANNOUNCEMENT

22 JANUARY 2007

HYTHANE - INDIA

The Company is continuing to make good progress in its marketing of Hythane® in India and is well placed to be a major participant in what is seen as a huge and potentially rapid roll out of anticipated Hythane® in various sectors of the Indian market. During the past two weeks the following have occurred:-

1. Negotiations with a major engineering group in India were significantly progressed with a view to establishing a joint venture company in India for the marketing and roll out of Hythane®. It is hoped that these negotiations will be concluded during the next 4-6 weeks.
2. Further encouraging progress was made in the Company's negotiations with another major Indian bus manufacturer and with a major Indian generator manufacturer in relation to developing Hythane® gensets for the huge Indian generator market. It is hoped that both of these negotiations will progress to agreements during the next 1-3 months.
3. The Gas Authority of India, a government body which owns and operates most of the gas pipelines in India and is a major gas supplier in India, has offered to partner with Hythane Company (the wholly owned subsidiary of Eden Energy) in the Indian Hythane® bus demonstration projects for the Ashok Leyland engine, planned for May / June 2007, following which they are ready to commence an immediate roll out of Hythane® in selected areas where both hydrogen and Natural Gas are available.
4. Frank Lynch, the co-inventor of Hythane®, and an exclusive consultant to the Hythane Company on Hythane®, delivered a key note address to the SIAT 2007 Conference in Pune on 19 January 2007, which was attended by over 1,000 delegates. This conference was arranged and run by the Automotive Research Association of India ("ARAI") in association with SAE India and NATRIP. The key note address focused on the benefits of Hythane®, and its physical properties and characteristics.
5. At the SIAT 2007 Conference, a leading consultant to the Indian government announced that it is proposed to develop an urban rapid transit system in India using buses, to build dedicated bus lanes in approximately 50 cities, and to power the buses with alternate fuels. Natural Gas and Hythane® are likely to be the major fuels used for these buses.
6. ARAI, which, along with the associated Indian government organisation NATRIP, have recently received major Indian government funding to expand automotive research and development in India, also gave a paper at the SIAT 2007 Conference on Hythane® in India. The associate director of ARAI, who delivered the paper, said that whilst India proposes to ultimately move to pure hydrogen as a vehicle fuel, Hythane® is the transitional fuel which will be used and developed in the meantime. ARAI further indicated a desire to work with Hythane Company (Eden's wholly owned subsidiary) to develop and test Hythane® engines for the Indian market where appropriate.

7. Indian Oil Corporation, which is also charged with responsibility for the development of Hythane® in India, has requested that Hythane Company conduct a workshop on Hythane® in early March at their research and development facility near Delhi, at which all relevant government and industry parties will be invited. This workshop will focus on the standards, codes and regulations for Hythane® that should be applied for India.

The overall level of interest and activity in India is extremely encouraging and bodes very well for the future of Hythane® in the huge Indian market.

Gregory H. Solomon
Chairman

22 January 2007