

## AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

23 NOVEMBER 2007

### AUSTRALIA'S EDEN ENERGY ANNOUNCES SIGNIFICANT DEVELOPMENTS IN INDIAN HYTHANE® PROJECT

The directors of Eden Energy Ltd ("Eden") are delighted to announce further significant progress on the Company's flagship project of promoting Hythane® - a mixture of Hydrogen and Natural Gas - as a high efficiency, ultra low emission fuel in India.

The latest developments – including the immediate start to Indian manufacturing of hydrogen production units for Indian Hythane® bus demonstration projects and industrial gas applications – further cements Eden's position at the forefront of global hydrogen technology.

Eden, through its wholly owned US subsidiaries - HyRadix Inc and Hythane Company - has been developing this market for the past three years.

The following highlights enhance Eden's target of being a major participant in the Indian Government's plans to promote Hythane® as the Natural Gas vehicle fuel standard in India, as a transitional stage in its longer term roadmap for developing a hydrogen based economy in India.

#### **Highlights**

- **Design work completed by Larsen & Toubro for Indian manufacturing of HyRadix Inc's APTUS 100 hydrogen reformer unit**
- **Production to commence immediately in India by Larsen & Toubro of up to five of HyRadix's APTUS 100 units, for use in Indian Hythane® bus demonstration projects and for industrial gas applications**
- **Two Indian Hythane® bus demonstration projects planned to commence in August 2008**
- **Additional design work underway in India by Larsen & Toubro for Agilon 25 hydrogen reformer with a view to commencing production of the first unit late in the first quarter of 2008, for use in the first Hythane® generator demonstration project in second or third quarters of 2008**

## **Agreement to commence manufacturing in India of Aptus 100 hydrogen reformer.**

The Aptus 100 hydrogen reformer unit (which can produce 100NM<sup>3</sup> of hydrogen per hour) has been developed by Eden's US subsidiary, HyRadix Inc.

Following completion by Larsen & Toubro, India's largest, world renowned engineering group, of the design work necessary to enable Indian manufacturing of HyRadix's Aptus 100 hydrogen reformer unit, Eden and Larsen & Toubro have agreed to the terms and timetable for Larsen & Toubro to commence building the Aptus 100 units in India.

## **Fabrication of up to five hydrogen reformers planned to commence in December 2007**

Production of up to five Aptus reformers by Larsen & Toubro is planned to commence early in December 2007, with each unit taking approximately six-eight months to complete.

Following testing and trials, it is planned to install two of the units in bus refuelling stations in Ahmedabad and Mumbai to provide the necessary hydrogen for the first two Hythane® bus demonstration projects in India which are scheduled to start in the third quarter of 2008.

## **Two Indian Hythane® Bus demonstration project planned for Third quarter in 2008**

Each of the two bus demonstration projects will take four-six months to complete and are proposed to be conducted in two stages. The first stage of each demonstration will involve the installation of an Aptus unit with two buses being trialled using Hythane®.

Once this is operating satisfactorily, the number of Hythane® buses will be progressively increased in the second stage to approximately 50 buses. This is the number that can operate on Hythane® with the quantity of hydrogen available from each Aptus 100 reformer.

The demonstration projects are taking place in cities that have Natural Gas already available, and will be conducted in conjunction with the leading Natural Gas suppliers in Ahmedabad and Mumbai. Each demonstration will be targeted at obtaining a full environmental, operational and economic assessment of using Hythane®, produced on an Indian manufactured reformer, on Indian buses in Indian operating conditions.

At the end of each demonstration project, it is planned to continue the operation of the demonstration units on an on-going commercial basis, and progressively rollout Hythane® on a broad commercial basis by increasing the number of Hythane® refuelling stations and the number of buses operating on Hythane®.

Hythane Company is nearing the end of the engine recalibration programme with the Ashok Leyland bus engine which will be used in the bus demonstrations and it is planned to return the engine to India during the next two-to-three months for official testing and certification, in anticipation of using the engine in the bus demonstration

project. A proposal to convert a second model bus engine to Hythane® is also currently under consideration.

**Design of second hydrogen reformer (Agilon 25) commences, with fabrication planned for the first half of 2008.**

Design work has also commenced in India by Larsen & Toubro for the HyRadix designed Agilon 25 hydrogen reformer. It is proposed to use this reformer to produce the necessary hydrogen to operate a 400kw generator on a dual fuel mixture of diesel and Hythane®. Diesel fuel is approximately 40% more expensive than Natural Gas and a very significant cost saving is anticipated from the substitution of up to 90% of the diesel fuel with Hythane®.

**First Indian Hythane® Dual Fuel generator demonstration planned for mid 2008**

Following completion of the design work on the Agilon 25 reformer, Larsen & Toubro will commence manufacturing this unit in India in the first quarter of 2008 for use in the first Hythane® dual fuel generator demonstration project which is planned for later in the second or early in the third quarter of 2008.

This will involve the demonstration of a Cummins 400kw generator operating on a diesel/ Hythane® dual fuel mixture in a commercial location. This demonstration project is planned to continue on a commercial basis after the demonstration is successfully completed, and result in the immediate commencement of the commercial rollout of Hythane® dual fuel generators in India.

**Conclusion**

These latest developments are the most significant to date in Eden's progress towards becoming a global leader in hydrogen technology.

Our progress in India on both the Hythane® vehicle and generator projects is extremely exciting, with broad, strong support rapidly expanding for the use of Hythane® as India rapidly develops and grapples with the huge dilemma of serious air pollution, coupled with soaring oil prices.

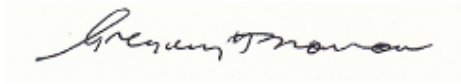
In Ahmedabad alone, there are plans to purchase up to 8,000 new CNG buses over the next few years, and in Mumbai, Delhi and several other cities, similar Natural Gas bus expansion and replacement programs are currently planned.

All of these buses would be suitable for the use of Eden's Hythane® which is produced from a mix of Hydrogen and Natural Gas.

The demonstration projects announced today provide a perfect springboard for the planned commercial deployment of Hythane® across many Indian cities as the expansion of the nation's Natural Gas pipeline network is completed over the next five-to-ten years.

Currently there are six major new gas pipeline projects which have either been started or approved in India, which will extend Indian Natural Gas supplies a further 4751 kilometres.

Additionally there are another three such projects planned to further extend the Indian Natural Gas pipeline grid by an additional 3350 kilometres - opening up the availability of Natural Gas to several hundred further cities and many hundreds of millions of people.

A handwritten signature in black ink on a light yellow background. The signature is cursive and appears to read "Gregory Solomon".

Gregory Solomon  
Chairman

***About Eden Energy Limited***

Eden Energy Ltd is a diversified clean energy company that listed on the Australian Securities Exchange in June 2006. Eden has interests in hydrogen production, storage & transport fuel systems, including the low emission Hythane hydrogen-methane blend, coal seam & abandoned mine methane in the UK, conventional gas in SA, low temperature pyrolysis research into hydrogen production and geothermal energy production.

All these aspects of Eden's business are part of an integrated strategy to become a major global participant in the alternate energy market, particularly focussing on the clean energy transport market, producing hydrogen without any carbon emissions, transporting the hydrogen to markets & providing the engines to power hydrogen-based transport & energy solutions.

For further information please contact Greg Solomon (+61 8 9282 5889) or visit our website ([www.edenenergy.com.au](http://www.edenenergy.com.au)).