



**AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
14 NOVEMBER 2008**

ISSUE OF CONVERTIBLE NOTES TO RAISE WORKING CAPITAL

Eden Energy Ltd (“the Company”) announces that on 13 November 2008 it agreed to issue up to 750,000 convertible notes of \$1.00 each to Fission Energy Ltd (“the Noteholder”) to raise up to \$750,000 short term working capital under the 15% placement rule of the Australian Securities Exchange Listing Rules, on the following key terms;

- of the total amount of \$750,000.00, \$500,000 has been paid to the Company already and the balance of \$250,000 can be drawn if the Company has not sold its Coal Seam Methane Assets in Wales/UK before expending the first \$500,000;
- interest is payable at a rate of ten percent (10%) per annum, payable monthly in arrears;
- each note is convertible into ordinary fully paid shares in the Company (“Shares”), at the election of the Noteholder at any time prior to the earlier of 30 September 2009 or the date which is 7 days after the settlement of any sale by Eden of its coal seam assets in Wales/UK (“the Repayment Date”), (subject to the Convertible Note not then having been repaid or converted) at a conversion price per share which is equal to the higher of 3.75 cents or 80% of the VWAP of the Company’s Shares for the 10 trading days prior to the conversion notice;
- if not converted or repaid by the Repayment Date, the notes are to be redeemed on the Repayment Date;
- the loan is to be secured by a floating charge over all of the assets of the Company (excluding the shares in, and assets of, Eden Hydrogen Inc and Eden Cryogenics LLC); and
- in addition Eden agreed to issue to the Noteholder 5,000,000 options in Eden, each to acquire 1 Share, at an exercise price of 10 cents at any time on or before 31 December 2011.

In the meantime steps are being actively taken to pursue a sale of all or part of our Welsh/UK Coal Seam Methane assets.

Gregory H. Solomon
Executive Chairman