



ASX Quarterly Report for Period Ended 30th September 2007

HIGHLIGHTS

Hythane®

- **Indian Government announces a target of having all Natural Gas powered vehicles, estimated at 1 million vehicles or 20% of the whole Indian vehicle market, running on Hythane® by 2020.**
- **Highly encouraging progress on conversion of first Indian Natural Gas Bus engine to Hythane® operation.**
- **Conversion of first Indian manufactured 500kva diesel generator to a dual fuel operation (diesel and Hythane®) has commenced in Colorado.**
- **Costing and preparations for production in India of first HyRadix hydrogen reformer nearing completion.**
- **Demonstration projects for both Hythane® fuelled buses and Hythane® dual fuel generator presently planned for second quarter 2008, both of which are planned to progress directly into commercial operations.**
- **Negotiations underway for conversion of a second Indian Natural Gas bus engine and a mini-bus engine to Hythane® operation.**
- **Drafting of proposed Hythane® safety standards and regulations for India nearing completion.**
- **Marketing in India of HyRadix hydrogen reformers for the industrial gas market commences and negotiation for a strategic alliance underway.**
- **Indian subsidiary company established and first staff engaged to manage Indian operations.**

HyRadix Inc

- **First hydrogen reformer sold to US float glass manufacturer**

Eden Cryogenics LLC

- **Purchase of world leading Cryogenic Design, Consulting and Fabrication operation**

South Wales – Coal Bed Methane (50% farm in joint venture)

- **Drilling second Coal Bed Methane well; first well completed at 429m.**
- **First Well returned encouraging preliminary gas content results (up to 9m³/t) with gas content increasing with depth; encouraging moderate to high permeability results (18mD and 44mD) and nett coal intercepts of 15.8m in 12 seams, thickest seam 2.4m.**
- **First three wells anticipated to be completed by late January 2008 with data in due course thereafter.**

Hydrogen and Hythane® (Eden 100%)

Hythane® Marketing

During the quarter ended 30th September 2007 (“the Quarter”) further significant progress was made in the marketing of Hythane®, with significant advances achieved in India.

Hythane® is a premium blend of 93% Natural Gas and 7% hydrogen. It increases engine efficiency by up to 10% and reduces emissions of oxides of nitrogen (NOx) and carbon monoxide (CO) by up to 50% compared with pure Natural Gas. NOx is the primary cause of photochemical smog and is a major contributor to lung cancer and respiratory ailments. CO is a highly poisonous gas.

1. India

- The Indian Government (the Ministry of New and Renewable Energy), as part of its hydrogen roadmap, recently announced a target of having all Natural Gas powered vehicles, estimated at 1 million vehicles or 20% of the whole Indian vehicle market in 2020, running on a mixture of hydrogen and Natural Gas by 2020.

Eden has been very actively promoting and marketing Hythane®, a hydrogen enriched premium blend of Natural Gas, in India for the past 2 years and has already made significant progress. Agreements have been concluded with Ashok Leyland, a major engine manufacturer, Gujarat State Petroleum, a large state-owned Natural Gas producer, distributor and retailer, and Larsen& Toubro, the world ranked, largest engineering group in India. Additionally negotiations are well advanced many other relevant bodies and companies. Coupled with the Indian Government’s support of Hythane®, the stage is set for major progress over the next few years.

The Indian Government’s policy aims to establish a transitional strategy on the path to a full hydrogen economy by providing an immediate use for the new hydrogen infrastructure that will be developed. The policy will also achieve both a very efficient use of India’s Natural Gas resources and ultra-low emissions, which will help minimise the huge public health issues that will inevitably follow the increase in harmful emissions from the rapidly expanding Indian motor vehicle population.

At present, there are more than 200,000 vehicles in India operating on Natural Gas. This will rapidly increase over the next 2-3 years as the Natural Gas pipeline grid rolls out across the country and large domestic gas fields come into production. Presently, the entire bus, taxi and three-wheel auto-rickshaw fleet in Delhi (estimated at more than 10,000 buses, 40,000 taxis, and 100,000 auto rickshaws) operates on Natural Gas. The same applies in a small number of other Indian cities where pipeline Natural Gas is already available.

The Gas Authority of India recently announced plans to rollout pipeline Natural Gas to more than 230 cities over the next 5 years. This programme, which is mirrored by similar private sector initiatives, is well underway and many cities that have not previously had pipeline Natural Gas will receive it over the next few years. At the same time, Natural Gas supply is projected to increase 500% from 5 million tonnes per year to 25 million tonnes per year.

Further, the Indian Supreme Court has continued its policy of promoting reduced urban emissions and has mandated that more than 20 cities must convert their entire bus fleets to Natural Gas operation.

The combination of all these factors is very likely to result over the next five years in the emergence of a huge market for Hythane® in India, in which Eden will be a major participant.

- The first Ashok Leyland Natural Gas bus engine conversion to Hythane®, being undertaken in Colorado at Hythane Company’s plant, is nearing completion. Highly encouraging results with ultra low emissions have been achieved. Further work on both this engine and at least one further Natural Gas bus engine is planned. Once completed, the engines will be returned to India for official certification and use in the Hythane® bus demonstration project planned for the second quarter of 2008.

- Ashok Leyland is the largest Indian bus manufacturer, supplying a very high percentage of all government-owned bus fleets. Out of its total annual vehicle output of approximately 80,000, approximately 11,000-14,000 are buses. It recently announced plans to increase its annual output over the next four years to 180,000 vehicles. The close relationship with this major Indian bus manufacturer is a key part of Eden's Indian Hythane® marketing strategy.
- Conversion of a leading Indian manufactured 500kva diesel generator to a dual fuel operation (diesel and Hythane®) has commenced in Colorado. The generator was delivered from India, and the factory-designed Natural Gas dual fuel kit is due to be shipped to the US this week.
- With the current diesel/ Natural Gas dual fuel kit, the best mixture that can reliably be achieved is 40% diesel and 60% Natural Gas. Hydrogen, acts as a very strong combustion stimulant, and Eden's target is to recalibrate the engine to operate on a mixture of at least 80% Hythane® and no more than 20% diesel.
- Natural Gas currently sells in India at approximately 60% of the price of diesel fuel. Consequently, significant fuel cost savings are projected from conversion to a Hythane®/diesel dual fuel mixture. Further, with Indian domestic Natural Gas supply projected to substantially increase over the next 3 years, prices of gas projected to fall, and world oil prices anticipated to increase, this price differential, and hence the savings, are expected to substantially increase.
- There are thousands of privately owned diesel powered generators in India which are currently used either for back-up power supply or for base-load power supply, and as Natural Gas becomes more widely available, a good market for Hythane® dual fuel is projected to emerge, particularly for larger units generating base-load power.
- Eden will produce the necessary hydrogen to create the Hythane® using the HyRadix range of hydrogen reformers. HyRadix, a wholly owned subsidiary of Eden, proposes to manufacture these units in India, at very competitive prices whilst retaining world-class quality.
- The hydrogen will be produced on-site using skid mounted reformers operating on either LPG or Natural Gas. It will then be blended with Natural Gas to create the appropriate mixture. Costing and preparations for production in India of the first HyRadix hydrogen reformer have been underway for the past several months and are nearing completion. Indian production of the first hydrogen reformer is planned to commence within the next one to two months. This unit will be used to produce Hythane® for the Indian bus demonstration project in the second quarter of 2008.
- Two demonstration projects, one for Hythane® fuelled buses and the other for Hythane®/diesel dual fuelled generators, are presently planned for second quarter 2008, both demonstration projects are planned to progress directly into commercial operations. The bus demonstration will initially involve two buses, and then expand to 50 buses. The hydrogen reformer will be capable of providing Hythane® for the 50 buses and enable a full commercial evaluation of the Hythane® bus project. Both demonstrations are planned to then continue on an ongoing commercial basis. The cost of the Hythane® fuel will be a very important factor, particularly in the cost sensitive vehicle market and every effort is being made to achieve a low-cost supply of hydrogen.
- Negotiations with another Indian vehicle manufacturer for conversion to Hythane® operation of a mini-bus engine, followed by perhaps two other sized engines are also underway. These engines would expand Eden's coverage of the Indian Hythane® market to a far broader vehicle market.
- For the past six months as part of a joint initiative with Indian Oil Company, Eden has been preparing proposed Hythane® safety standards and regulations for India. This is nearing completion. Eden commissioned independent testing to be carried out in USA to support the proposed standards and regulations and the results confirmed that Hythane® should be treated as Natural Gas for the purpose of all electrical and storage regulations This will form the basis of the draft regulations that will be submitted to the Indian regulatory authorities.
- Marketing in India of the HyRadix hydrogen reformers for the industrial gas market has commenced and negotiations with a leading merchant gas company are underway in relation to

forming a strategic marketing relationship, which would open up a broad share of the emerging Indian hydrogen industrial gas market. This market includes edible food oil plants, float glass plants, steel plants and semi-conductor manufacturers. HyRadix has reformers in operation in China, Malaysia and US and being installed in Europe.

- Eden Energy India Private limited, a wholly owned Indian subsidiary, has been established and its office is currently being set up. The first staff have also been engaged, giving Eden a strong base from which it can rapidly expand its operations throughout India to achieve its objectives.

In summary, Eden is making significant progress towards becoming a world leading hydrogen company, establishing Hythane® in India and securing its leading role in the huge emerging Indian Hythane® market, which collectively herald a very exciting period for Eden over the next five years.

2. USA

Hythane Company, Eden's wholly owned US subsidiary, is making progress towards securing several Hythane® demonstration projects for cities in California and in the northeastern USA.

The US market for Hythane® has the potential to develop into a very large market, but at present only a limited number of vehicles run on Natural Gas. This is however, anticipated to climb, as the price differential between petrol and diesel on the one hand, and Natural Gas on the other, increases. This ever growing gap will provide the stimulus to the Natural Gas vehicle market which itself is the target market for Hythane®.

3. Europe

Whilst various European parties have expressed interest for Hythane® demonstration projects, there have been no developments during the Quarter.

HyRadix Inc (100% Eden subsidiary)

HyRadix Inc. announced that the company had signed an agreement with Pilkington North America, a part of the NSG Group of Japan, to supply an Aptus® hydrogen generation unit. The Aptus plant, capable of producing 100m³/h of hydrogen will be located at one of Pilkington's U.S. float glass manufacturing sites.

The Aptus system allows customers to have on-site control over their hydrogen production with high reliability for uninterrupted manufacturing processes. The systems produce high purity hydrogen between 50m³/h and 100m³/h from a feedstock of natural gas or liquefied petroleum gas (LPG) and can be combined to generate up to 300m³/h very economically compared to alternative means of delivered hydrogen, such as truck delivered bottles.

The float glass industry has demanding product reliability requirements and this installation underlines the maturity and reliability of the Aptus product.

Following the installation of the Aptus unit before year-end in the glass factory, HyRadix will have operating plants in each of the company's main targeted industries: float glass production, edible oils hydrogenation, and metals annealing.

Eden Cryogenics LLC (100% Eden Energy Ltd)

Eden Cryogenics LLC operates a cryogenic design and fabrication facility in Columbus Ohio, USA, manufacturing cryogenic valves, jackets and other components. Cryogenic storage capability of hydrogen is important to Eden as it completes its technology package related to the production, storage, and use of hydrogen.

Eden Cryogenics LLC completed during the quarter the purchase of the assets and intellectual property of Cryogenic Technical Services ("CTS"), a company of which Dr. Glen E. McIntosh is President and founder.

Dr. McIntosh a world renowned authority on cryogenic engineering, established CTS more than 28 years ago as a world-leading cryogenic design and consulting company and, at the request of NASA, expanded it into specialty fabrication and covering a very wide spectrum of cryogenic engineering.

In 2005 Dr. McIntosh, who has authored or co-authored approximately 75 publications and been granted 7 patents, was only the twelfth person to receive the prestigious Samuel C. Collins Award, which was established in 1965 by the Cryogenic Engineering Conference in America.

Dr. McIntosh, who has served as President of the Cryogenic Society of America, will continue to work for CTS as its Chief Technology Officer, supported by Mr Ken Leonard, another world expert on cryogenic engineering.

The acquisition of CTS with its world-leading cryogenic design, consultancy and fabrication skills dramatically extends the scope and capacity of Eden Cryogenics LLC, which was established in 2006 and is expected to substantially increase the Company's cashflow (sales for the current quarter are already approximately US\$500,000) from a wide range of customers, including ASRC (Kennedy) and NASA Glenn, as well open up a far wider market for the broader range of services.

As part of its current development work, CTS is fabricating for Hythane Company a storage container for cryogenic Hythane®, a mixture of Liquefied Natural Gas and hydrogen that has significant market potential for the large truck and locomotive markets that utilise LNG as a fuel. The CTS suite of technology also has great relevance to various other Eden Group companies, including its technology related to liquefaction and storage of LNG and liquid hydrogen. Eden Cryogenics LLC proposes to commercialise and market a range of these technologies on a global basis.

The total cost for the acquisition of the assets of CTS was US\$200,000 plus the commitment to issue to Dr. McIntosh, over a three year period, 300,000 options to acquire shares in Eden Energy Ltd, pursuant to the Eden Energy Employee Share Option Plan.

Dr. McIntosh will also receive a royalty of 3% of the production generated revenues to be derived from the commercialisation of the various designs and inventions made by Dr. McIntosh, which Eden has acquired.

South Wales – Coalbed Methane/Coalmine Methane/Natural Gas (Eden earning 50%)

Second well commenced: Llangeinor 1 – Cwmcedfyw area

The second well of the current drilling programme is drilling ahead. The well is centrally located in PEDL100 at Cwmcedfyw farm; about 10km east of the first well drilled at Port Talbot (see Figure 1). This second hole has been named Llangeinor 1 by the British permitting authorities.

Eden is earning a 50% interest through farming into three of Eden Petroleum Exploration and Development licenses (PEDL100, PEDL148, and PEDL149) which have a total area of 430km².

Llangeinor 1 is planned to drill to a depth of approximately 800m and to take three to four weeks to drill. The main target coal measures begin at around 300m depth, with the first seam of significance for CBM, the Two Feet Nine seam, not expected until around 570m depth. Around 300m of coal measures are expected to be drilled with at least seven thick coal seams interpreted to be present in the sequence below the Two Feet Nine seam, and with a similar number of coal seams present above the Two Feet Nine seam. The hole is being drilled using tri-cone mud rotary to minimise costs until the target seams are reached at approximately 500m, thereafter the hole will be drilled using HQ triple tube coring.

An old British Coal Board drill hole is located only 500m from Llangeinor 1, so the expected geology in the upper part of Llangeinor 1 is well known and no fault zones are expected until well past 700m depth. These faults are likely to have repeated the coal sequence leading to a greater number of seams at this location.

The test results from Llangeinor 1 are of particular interest for the longer-term prospectivity of PEDL 100 since depths of the coal seams in this hole are similar to much of the area of the licence.

Results from First well – Aberavon 1 – Port Talbot Area

The first of Eden's initial three Coal Bed Methane exploration stratigraphic holes, Aberavon 1, at Port Talbot in South Wales, UK, 3km from the Corus steelworks (see Figure 1), was completed in September.

It is pleasing to report that preliminary gas content and permeability results are very encouraging. Final results, including gas composition data, are still outstanding but expected shortly.

Aberavon 1 reached a total depth of 428.91m, and intersected a total of 12 seams ranging in drilled thickness between 0.25m and 2.35m for an aggregate drilled thickness of 15.81m.

Pre-collars for the three initial CBM exploration holes were completed prior to commencing the coring programme.

Core recoveries were excellent, and high quality samples were obtained from all of the coal seams, despite the difficult ground conditions.

The hole encountered substantial drilling problems, with very poor ground conditions and excessive caving caused by widespread and unexpected local thrust faulting, with steep dips in places. Unfortunately the hole could not be continued to the base of the coal measures sequence where thicker and gassier seams were expected. The faulting has complicated interpretation of the stratigraphy, but the current interpretation shows that only about half of the coal measures were intersected at Port Talbot.

Wireline logs – gamma, density and calliper – were run through the rods and in portions of the hole that remained accessible.

Aberavon 1 – Gas Content and Permeability Results

All of the seams thicker than 0.25m were tested for gas content, and selected samples also tested for gas composition by Ticora Geosciences, Inc. Preliminary results show the gas content increasing steadily with depth from a low of about 1 cubic metre per tonne (m³/t) at 100m to over 9m³/t at 400m.

Final gas content results are awaited, as well as results of isotherm tests on selected samples, which are used to estimate the relative gas saturation of the seams, and gas composition analysis results.

Two seam intervals, 93m to 115m (1.5m nett coal) and 231m to 250m (1.86m nett coal), were tested for permeability also by Ticora Geosciences, Inc.

The amount of permeability was encouraging with the shallower zone being highly permeable (44mD) and the deeper zone was moderate (18mD).

Persistent collapse/bridging of the hole at around 250m unfortunately would not allow for the seams deeper in the hole to be tested.

Discussion of Aberavon 1 Results

The permeability results are very encouraging, being the equivalent or better than similar areas in Australia. For example, in the Sydney and Bowen Basins, permeabilities at similar depths, range from <1mD up to the order of 500mD. Producing seams of similar depths and thicknesses from the Moranbah Coal Measures of the Bowen Basin have permeabilities ranging from 3mD to 300mD, and gas contents of 6-9m³/t.

Despite being unable to undertake permeability tests on deeper zones in Aberavon 1, the starting values in this hole suggest deeper seams will have permeabilities suitable for commercial CBM development.

In the Australian context, where gas prices are much lower and infrastructure development costs, such as pipelines, are much higher, permeability values down to 5mD are considered attractive for options such as surface to in-seam development and/or fracking.

The South Wales Project also enjoys the benefits of potential customers and pipelines already ready in place within the licence area (see Figure 1) coupled with significantly higher gas prices than Australia. Consequently, a broader range of development options and commercial opportunities are available

Ongoing Programme

Drilling progress in South Wales has been slower than anticipated due to exceptionally poor ground conditions in the first well at Port Talbot and unseasonably wet weather affecting access.

The unexpectedly wide zone of faulting encountered at Port Talbot is considered unusual for the PEDL 100 area, though faults are very common in the South Wales Coalfields. Similarly problematic zones are not expected in the vicinity of the other planned exploration wells.

Drilling at Cwmcedfyw is expected to reach the target seams in 2-3 weeks time, with the end of the hole taking a further 2-3 weeks to reach.

The next well in PEDL100 to be drilled following Llangeinor 1 is Pencoed 1. This well is located on the eastern side of PEDL100, adjacent to a major consumer of gas in the Rockwool insulation plant. This area is considered very prospective for a development of a conventional CBM field – due to a large area of relatively flat open fields and good coal thicknesses at appropriate depths.

The drilling contractor has secured other work in the region and is bringing an additional rig to Wales, so that the opportunity for beginning Pencoed 1 before Llangeinor 1 is completed is a viable option. Based on current drilling rates though, the initial three hole programme in PEDL 100 is expected to take until late January or February 2008 to complete; with the testwork taking 6-10 weeks for final reports to be completed. The second rig in Wales will also facilitate Eden's farm in work programme with work on PEDLs 148 and 149 being able to be scheduled sooner.

Geothermal Exploration, South Australia (Eden 100%)

Eden holds eight geothermal exploration licences in South Australia: GELs 166, 167, 168, 169, 175, 176, 177 and 185.

Drilling

Preparations for drilling at Renmark, which is only approximately 50km to 100km from the nearest power lines, continues to progress well, and this target will be drilled in the last quarter of 2007. Permitting documentation is well advanced, and a drill contract signed.

Drilling at Witchellina has been postponed to 2008.

MT Surveys

A contract to undertake trial MT (magnetotelluric) geophysical surveys on Eden's GELs 185, 169 and 177 has been signed.

Geothermal systems contain hot saline fluids and can also alter the rocks containing them. In general, this salinity and alteration together with the high temperatures associated with geothermal fluids tends to result in lower overall resistivity in geothermal systems compared to the surrounding rocks.

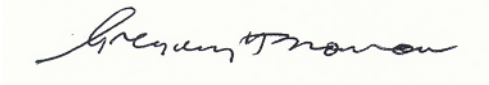
The magnetotelluric (MT) surveying method maps changes in the earth's electrical properties related to changes in resistivity by measuring the earth's electrical response to a wide frequency band of natural electromagnetic signals generated by ionospheric pulsations driven by solar activity.

MT is commonly used in assessing geothermal systems elsewhere in the world. It offers the promise of directly identifying possible geothermal targets in a cost effective manner and assisting in targeting drill holes to test heatflow and ultimately the target zones themselves.

South Australian Gas Project (Eden 100%)

Negotiations with relevant Native Title parties were successfully completed. The agreement has been approved by the SA government review and is expected to be signed in the near future, with the offer of the Petroleum Exploration licence to follow shortly thereafter.

It is hoped to drill the already identified Natural Gas target later in 2008, either in conjunction with a joint venture partner or alternatively as a wholly owned project of Eden's.



Gregory H Solomon

Executive Chairman

About Eden Energy Limited

Eden Energy Ltd is a diversified clean energy company that listed on the Australian Stock 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).

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

EDEN ENERGY LIMITED

ABN

58 109 200 900

Quarter ended ("current quarter")

30 SEPTEMBER 2007

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	325	325
1.2	Payments for (a) exploration and evaluation		
	Australia	(36)	(36)
	South Wales	(693)	(693)
	(b) development		
	(c) production		
	(d) administration	(3,653)	(3,653)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	74	74
1.5	Interest and other costs of finance paid	(1)	(1)
1.6	Income taxes paid – GST Paid	(50)	(50)
	Income Taxes – GST Refunds Received	22	22
1.7	Other (provide details if material)- Research & Development –Hydrogen production	(417)	(417)
Net Operating Cash Flows		(4,429)	(4,429)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a)prospects	0	0
	(b)equity investments	(302)	(302)
	(c)other fixed assets	(44)	(44)
1.9	Proceeds from sale of: (a) prospects	0	0
	(b)equity investments	0	0
	(c) other fixed assets	0	0
1.10	Loans to other entities	0	0
1.11	Loans repaid by other entities	0	0
1.12	Other (provide details if material)	0	0
Net investing cash flows		(346)	(346)
1.13	Total operating and investing cash flows (carried forward)	(4,775)	(4,775)

1.13	Total operating and investing cash flows (brought forward)	(4,775)	(4,775)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	13,949	13,949
1.15	Proceeds from sale of forfeited shares	0	0
1.16	Proceeds from borrowings	0	0
1.17	Repayment of borrowings	(10)	(10)
1.18	Dividends paid	0	0
1.19	Other (provide details if material) Share Issue Costs	(513)	(513)
Net financing cash flows		13,426	13,426
Net increase (decrease) in cash held		8,651	8,651
1.20	Cash at beginning of quarter/year to date	3,468	3,468
1.21	Exchange rate adjustments to item 1.20	0	0
1.22	Cash at end of quarter	12,119	12,119

**Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	201
1.24	Aggregate amount of loans to the parties included in item 1.10	0

1.25 Explanation necessary for an understanding of the transactions

Management Fees, as per agreement, were paid during the quarter to a company of which Mr GH Solomon and Mr DH Solomon are directors.
Professional Fees were paid during the quarter to a company of which Mr R Beresford is a director.
Professional Fees were paid during the quarter to a company of which Mr A Leibovitch is a director.
Bona-fide reimbursement of expenses paid during the quarter.
Directors Fees and Superannuation paid during the period.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest.

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,000
4.2 Development	
Total	2,000

Subsequent to end of quarter additional capital has been raised to fund part of this expenditure.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	4,119	3,468
5.2 Deposits at call	8,000	0
5.3 Bank overdraft	0	0
5.4 Other (provide details)	0	0
Total: cash at end of quarter (item 1.22)	12,119	3,468

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
Geothermal Licences held in the name of Eden Energy Ltd				
6.2	Interests in mining tenements acquired or increased			
	GEL 166	Licence granted	100%	100%
	GEL 167	Licence granted	100%	100%
	GEL 168	Licence granted	100%	100%
	GEL 169	Licence granted	100%	100%
	GEL 175	Licence granted	100%	100%
	GEL 176	Licence granted	100%	100%
	GEL 177	Licence granted	100%	100%
	GEL 185	Licence granted	100%	100%
Outstanding Petroleum Exploration Licence Application in the Name of Eden Energy Ltd PELA 183, PELA 240, GELA 329, GELA 330, ELA 3226				

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities (description)	NOT APPLICABLE			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	158,543,513	108,123,175		
7.4 Changes during quarter (a) Increases through issues Options exercised (b) Decreases through returns of capital, buy-backs	23,330,334 55,000			
7.5 *Convertible debt securities (description)	NOT APPLICABLE			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options	86,576,408 950,000 4,000,000 500,000 1,500,000 1,300,000 650,000	36,142,852 NIL NIL NIL NIL NIL NIL	<i>Exercise price</i> 20 cents 25 cents 20 cents 58.5 cents 70 cents 68.5 cents 68.5 cents	<i>Expiry date</i> 30 Sep 2009 30 Aug 2009 5 Jun 2009 5 April 2012 7May 2010 13 May 2010 15 May 2010
7.8 Issued during quarter	NIL	NIL		
7.9 Exercised during quarter	55,000	NIL	20 cents	30 Sep 2009
7.10 Expired during quarter	NIL	NIL		
7.11 Debentures (totals only)	NOT APPLICABLE			
7.12 Unsecured notes (totals only)	NOT APPLICABLE			

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

RAYMOND FRANCIS BUSCALL
COMPANY SECRETARY
Date: 31 October 2007

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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