

## ASX Quarterly Report for Period Ended 31<sup>st</sup> March 2008

### HIGHLIGHTS

#### Hythane®

- Work on building the first public hydrogen dispensing station in India to supply fuel to motor vehicles running on either hydrogen or Hythane® has been started by Hythane Co.
- Production, by Eden's partner Larsen & Toubro, began in India of the first five of HyRadix's APTUS 100 hydrogen reformers, that will be used in Indian Hythane® bus demonstration projects and for industrial gas applications.
- Patent received for cryogenic storage vessels for liquid hydrogen – paving the way for practical alternative energy vehicles that use hybrid, electric or hydrogen internal combustion engines without needing bulky batteries. The key application will be in SMES (superconducting magnetic energy storage) systems.

#### South Wales – Coal Bed Methane (Eden earning 50%)

- Second Coal Bed Methane well of South Wales (U.K.) farm-in project completed at 810m.
- Encouraging preliminary *in situ* total gas content results from Llangeinor 1 (up to 11.4m<sup>3</sup>/t) with average dry ash-free gas content of 8.4m<sup>3</sup>/t.
- Final results received for Aberavon 1 confirm preliminary results – good gas contents and permeabilities, with average gas compositions showing methane comprising 94% of the gas content, plus a small but significant content of ethane and heavier hydrocarbons (1.6%) (which is very close to typical Australian pipeline specifications for natural gas)
- Next drill site at Pencoed 1 ready for immediate start on completion of access track improvements needed because of boggy conditions.

#### Geothermal Energy – South Australia

- Drilling of Eden's first geothermal exploration hole in South Australia's Riverland, north of Renmark was completed at 512m. The aim of the hole is to measure the geothermal gradient and measure thermal conductivity to allow a heatflow estimate for the area to be made. The conductivity work has been completed and temperature logging will be undertaken in early May now that downhole temperatures have equilibrated.

## **Hydrogen and Hythane® (Eden 100%)**

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 (NO<sub>x</sub>) and carbon monoxide (CO) by up to 50% compared with pure Natural Gas. NO<sub>x</sub> is the primary cause of photochemical smog and is a major contributor to lung cancer and respiratory ailments. CO is a highly poisonous gas.

### **Hythane® Marketing**

During the quarter continuing progress was made in the marketing of Hythane®, with more milestones achieved in India.

### **Hythane Company building the first Hythane® refuelling station in India**

As previously reported, Indian Oil Corporation, which is one of India's largest petroleum marketing groups, selected Hythane Company LLC, the wholly owned subsidiary of Eden Energy to supply and install the first public hydrogen dispensing station in India to supply fuel to motor vehicles running on either hydrogen or Hythane®.

Work on the US\$1.0 million hydrogen/Hythane® retail fuel outlet in the heart of Delhi, the capital of India, has now commenced.

The hydrogen dispensing station comprising hydrogen production (5m<sup>3</sup> of hydrogen per hour), compression, storage, blending (to make Hythane®) and dispensing equipment will be used to refuel a number of trial vehicles including buses, cars, trucks and three-wheel auto-rickshaws with either hydrogen or Hythane®. Currently approximately 2500 vehicles per day refuel at the existing site with petrol, diesel and Natural Gas. The new dispensing equipment is scheduled for completion in the third quarter of 2008.

Success with the hydrogen dispensing station will be a further springboard for the progressive commercial rollout across India, commencing in 2009, of what Eden anticipates will ultimately be thousands of hydrogen/Hythane® refuelling stations.

### **Fabrication of the first five hydrogen reformers progressing**

Another of Eden's key partners, Larsen & Toubro, a world class engineering group which is the largest engineering company in India, has commenced work building five of the HyRadix hydrogen reformers which are scheduled for progressive completion commencing in October 2008. Two or three of these reformers are planned to be used for Hythane fuel projects, and the remainder will be used for sale into the industrial gas market. The cost of these reformers is anticipated to be significantly cheaper as a result of lower Indian manufacturing costs, which will greatly assist Eden in achieving its goal of delivering world's best equipment and solutions, at world competitive prices.

### **Eden Energy Advances Practicality of Hydrogen Cars**

Eden's subsidiary Hythane Company LLC received a U.S. patent for its cryogenic storage vessels for liquid hydrogen. The newly patented technology will advance the practicality of hydrogen cars by optimizing energy storage, reducing or eliminating the need for bulky lithium ion batteries.

Eden sees a principle use for this technology in an application called Superconducting Magnetic Energy Storage (SMES), that can be used in the automotive industry. Whether used for traditional hybrids, electric cars, or hydrogen combustion engines, SMES will capture and use energy from the vehicle braking system to reduce or eliminate the use of large, expensive batteries. By combining fuel storage and the battery into a single unit, the range and efficiency of alternative fuel vehicles will be increased, and fuel can be stored in a much smaller space.

The innovation of SMES is that the vehicle fuel tank becomes a storage device to capture electrical energy from a regenerative braking system or other engine generation system, reducing or eliminating the need for on-board batteries. Integrating the SMES system with a liquid cryogenic fuel tank enables superconductivity, providing almost frictionless energy storage. Applications for US Government funding of development of this technology are presently being prepared.

## **Hythane® Bus Pilot Projects**

Active work continued on planning for the commencement, late in 2008, of two Hythane® bus pilot projects.

An agreement has been signed with Gujarat State Petroleum Corporation, to conduct a pilot project in Gujarat. This project has the support of the Gujarat Government and is likely to also involve the local bus company. The second project is planned for Mumbai. Each pilot project is anticipated to take approximately 6 months, and involve 50 Hythane® buses, after which it is planned to then carry on each as the first commercial. Hythane® projects in India, leading to a widespread commercial rollout.

## **Indian Hythane®/Diesel Dual Fuel Generator Project**

During the quarter, Eden completed the preliminary development of a high quality, low cost dual fuel kit which will be marketed both in India and elsewhere as a stand-alone piece of equipment, and as part of the Hythane®/diesel dual fuel generator project in India. Testing and development of the reformer for this purpose, and optimisation of the generators for dual fuel operation are underway and will be completed during the second quarter of 2008. It is planned that the production in India by Larsen & Toubro of the first of these reformers will be completed in late 2008, and that the pilot programme, followed by a planned commercial rollout of the Hythane®/diesel generators in India will commence late in 2008 or early 2009.

## **Pyrolysis Project (50/50 Joint Venture with University of Queensland. (UQ))**

During the quarter, Eden and UQ jointly applied for two new patent applications arising out of the experimental work conducted by UQ, with supporting funding from Eden and the Australian Research Council, over the past two years. These original patent applications, lodged in early 2007 dealt with a new catalytic process for the production of hydrogen and solid carbon from methane (CH<sub>4</sub>), without producing carbon dioxide.

Further work on this project has identified that in addition to carbon powder and fibres (commonly known as Carbon Black), under certain conditions, multi-walled and single-walled carbon nanotubes were produced together with hydrogen, and under other conditions, instead of causing the methane molecules to separate into carbon and hydrogen, the molecules amalgamated to form more complex liquid hydrocarbons, some of which could potentially be used in the production of plastics.

Based on these results, two further patent applications were lodged during the quarter to cover both the production of the carbon nanotubes, and also the production of liquid hydrocarbons from methane (known as a "Gas to Liquids" process). Both of these processes if they are able to be scaled up from the present laboratory scale results, could have significant economic potential.

A further financial grant from the Australian Research Council has been obtained for development of the Gas to Liquids technology, which is hoped will start during the second or third quarter of 2008.

Carbon nanotubes have enormous tensile strength (several hundred times stronger than steel) as well as being exceptional conductors of electricity, and this process potentially opens up large markets for this carbon in both the structural materials markets and the electronics market.

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

### **Second well completed: Llangeinor 1 – Cwmcedfyw area**

The second well of the current drilling programme, Llangeinor 1, was completed at 810m. The well is centrally located in PEDL100 at Cwmcedfyw farm; about 10km east of the first well drilled at Port Talbot.

The current drilling programme, comprising three cored coal bed methane exploration wells, is designed to test key CBM parameters including the gas content and quality, and the permeability of the coal seams. This data is required to start to determine the economic potential of coal bed methane in the licence area.

Time taken to complete the hole was longer than previously advised, due to only a single drilling crew being available despite the contractor's best endeavours to supply a second shift, and due to mudstones in the hole limiting the drilling rate.

Whilst Eden's directors would have preferred more rapid progress of the hole, they are pleased that the ground conditions encountered in the hole and the core recovery have been excellent and high quality technical data has been collected, providing valuable new information of the CBM production potential of this central portion of the licence.

As predicted the main target coal measures began at around 570m depth, though coal seams potentially of interest were intersected higher up in the hole, with the thickest seams being 3m and 4m. A fault zone was encountered at 671m and the hole size was reduced to NQ to isolate the problem zone (and prevent problems such as were encountered at Port Talbot) and drilling continued to the final depth of 810m.

A full suite of wireline logs were completed in the hole.

A total of 18 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 total *in situ* gas content slowly decreasing with depth from a high of about 11.4 cubic metres per tonne (m<sup>3</sup>/t) at 534m to 8.4m<sup>3</sup>/t in the deepest seam tested.

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.

Permeability tests are now to be undertaken by Ticora Geosciences, Inc. The results are expected within the next 3 - 4 weeks.

### **Aberavon 1 – Port Talbot area**

The first of Eden's initial three Coal Bed Methane exploration stratigraphic holes, Aberavon 1, was drilled at Port Talbot in South Wales, UK, 3km from the Corus steelworks, and completed in September 2007.

It is pleasing to report that final gas content and permeability results are very encouraging, reflecting the preliminary results already reported.

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.

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.

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. Final gas content results show the gas content increasing steadily with depth from a low of about 1 cubic metre per tonne (m<sup>3</sup>/t) at 100m to over 9m<sup>3</sup>/t at 400m.

Gas composition analysis results that showed average methane contents were greater than 94% of the gas content; that there was a small but significant content of ethane and heavier hydrocarbons (1.6%) and 1.7% carbon dioxide and 2.6% nitrogen (which is very close to typical Australian pipeline specifications for natural gas and immediately suitable for use in gas powered electricity generation).

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.

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 6-9m<sup>3</sup>/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.

### **Ongoing Programme**

Drilling and initial testwork at Llangeinor 1 is complete. As noted above, additional injection testwork is needed to clarify preliminary permeability results. About a weeks further work is envisaged.

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. Access to the site has deteriorated since the precollar was drilled due to heavy rainfall exacerbating boggy conditions. Track upgrades have been completed to ensure all weather access during drilling.

Operational and OH&S factors outside of the drilling contractor's control have meant drilling has yet to commence at Pencoed. However, this well is expected to commence in early May 2008.

### **Background**

Eden Energy Limited has a farm-in agreement with Coastal Oil and Gas Limited, a Wales, UK, based company, to explore the coal bed gas potential in Petroleum Exploration and Development Licences 100, 148, and 149 in South Wales. By carrying out an exploration programme, particularly the drilling of three stratigraphic core holes and testing the intersected seams for gas content and composition, and testing the permeabilities of selected seams, Eden Energy will earn a 50% interest in the PEDLs. The programme will also include the exploration for methane in abandoned mine workings, and the running of a seismic programme and the drilling of a deep well targeting Devonian sandstones. Gas prices in Britain are high, and gas will find a ready market either into existing pipelines or into local industry.

The three PEDLs which are the subject of the Eden farming cover more than 20% of the South Wales Basin, a coal bearing basin of Late Carboniferous age – the principal coal forming period in Europe. Coal has been mined in the basin from Roman times, through the Industrial Revolution, and up to the present; although diminished reserves and high mining costs have cut back the extent of mining in recent years. Improved mining technology and a resurgence in coal prices has seen a push to reopen some mines.

The basin contains a large number of individual seams, over 130 have been recognised, ranging in thickness upwards from less than 1m up to local developments of 5m or more. The type of coal in the seams is conducive to CBM development, being high in vitrinite (a coal component that is a major store of methane and can lead to good permeability) and commonly of High Volatile Bituminous rank (coal that is moderately metamorphosed, and can therefore retain good permeability and gas content). Large-scale thrust faulting exists within the basin and in places this faulting has repeated seams and added geological complexity.

The coal seams are known to be gassy, and gas outbursts have been recorded from seams in a number of collieries. This is the gas that Eden Energy is evaluating from seams remote from and deeper than existing mine workings and from the abandoned mine workings themselves.

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

## **Geothermal Exploration, South Australia (Eden 100%)**

Eden holds ten geothermal exploration licences in South Australia: GELs 166, 167, 168, 169, 175, 176, 177, 185, 329 and 330. A contiguous application to GELs 175 and 176, ELA 3226, is located across the border in NSW. A new project area covering 5976km<sup>2</sup> has recently been applied for; details are given below.

### **Renmark Drilling Completed**

Eden Energy holds two licence areas in the Riverland - GEL175 and GEL176 - located 40km northeast of Renmark, with an additional licence application on the NSW side of the border. In total, these tenements cover 1943km<sup>2</sup> of the geological feature known as the Renmark-Tararra Trough.

On regional geothermal mapping there is a strongly anomalous predicted high temperature region near Renmark, lying within the Renmark-Tararra Trough – a 300km long geological feature running northeasterly to the north of Renmark.

The limited available data suggests that commercially attractive geothermal resources may be present, associated with deep fracture zones and aquifers, as well as within the basement rocks of the Trough - and may be enhanced by fluid circulation along the major fracture zones within and bounding the Trough.

Unlike many more remote geothermal prospects, the Renmark area is close to infrastructure and grid powerlines, (within 30-60km) including the main transmission lines running to Adelaide and to Broken Hill – enhancing the area's commercial potential for geothermal energy.

In addition to possible “clean” electricity production, the geothermal energy from the Riverland area, which adjoins the Murray River and the saline aquifers of the Murray basin, could be an ideal energy source for a large scale water desalination project.

As previously advised, Eden's first geothermal prospecting well near Renmark is the first well drilled to establish whether the Riverland area of South Australia has the potential to host a new onshore province for Australia's rapidly emerging geothermal sector. Hole Chowilla 1 will be used to acquire core and temperature measurements from within the Renmark Trough to confirm the anticipated high flow status of the region.

Chowilla 1 was completed at a depth of 512m. The base of unconsolidated sediments belonging to the Murray Basin was reached at 466m. Casing has been run to 465m and cemented in place.

Following a wait of around 3 months, to allow temperatures in the hole to equilibrate and stabilise, measurements of the downhole temperatures, other geophysical logs and geothermal gradient will be undertaken. Delays on logging contractor availability have postponed the temperature acquisition work until early May 2008. Thermal conductivity measurements have been completed. Key results are now expected to be known towards late May 2008.

### **MT Surveys**

Orientation magnetotelluric surveys were completed in GELs 185, 177 and 169.

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.

Data delivery and initial processing by the contractor of the MT data has been delayed by external factors. Preliminary results are expected in early May 2008.

## **South Australian Gas Project – Mulgaria Sub-basin (Eden 100%)**

The project area is located 70km north of Roxby Downs and Olympic Dam, accessed using the Olympic Dam borefield pipeline road (the planned Moomba to OD pipeline route runs along same road).

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 Eden-owned project.

PEL183 contains the Mulgaria Sub-basin, a geological feature newly recognised on Geoscience Australia (GA) seismic data collected in 2004. Review of gravity data by Eden suggests the sub-basin occupies an area of up to 120km long by up to 10km wide. Anticlinal structures highlighted by the seismic imaging correspond with magnetic units within the sediments, supporting the gravity interpretation – the largest has been named the “Arthur Hill Anticline”.

The GA Seismic data was re-processed by Eden. “Bright spot” and “flat spot” anomalies are identified in seismic reflection data at the crest of the anticline and its north-eastern limb. These seismic features at the crest of the anticline are interpreted to be caused by gas accumulations, with natural gas being the target of commercial interest. There is also the possibility that any gas on these structures may also contain attractive amounts of helium given the age and radiogenic character of the basement rocks in the region.

Petroleum Exploration Licence 183 was granted to Eden Energy for 5 years over 3982km<sup>2</sup> on 4 February 2008.

## **Corporate**

### **Australian Geothermal Assets - To be housed in new AS\$10-20m IPO – Terratherma Ltd**

It is proposed to transfer all of Eden’s Australian geothermal assets to a wholly owned subsidiary company, Terratherma Ltd (“Terratherma”), which in turn will seek an ASX listing as soon as stock market conditions permit.

It is proposed that Eden will initially hold shares having a value of approximately \$15 million (i.e. 75 million shares at a valuation of 20 cents each), together with a similar number of five year 20 cent options, in the wholly owned subsidiary.

Terratherma will then proceed with an Initial Public Offering (IPO) anticipated currently to be between \$10-20 million. It is proposed that a Priority allocation be made available to shareholders and option holders in both Tasman Resources NL and Eden Energy Ltd to take up shares in the Terratherma IPO.

As a result, Eden would retain a majority shareholding in Terratherma. It is contemplated that where appropriate, Eden and Terratherma may collaborate on renewable energy projects using geothermal power generated by Terratherma to produce hydrogen which could be stored and transported to market using Eden’s hydrogen technology.

At the date of this report, the prospectus for the IPO has been completed and the board of directors is awaiting suitable stock market conditions before proceeding with this IPO.

### **UK And SA Gas Assets - To be housed in a new Joint Venture ahead of an AIM listing**

Eden’s gas assets consist of a 50% farm-in interest in 430km<sup>2</sup> of coalbed methane (CBM) and conventional gas licences in South Wales in the UK. These are currently being drilled to evaluate their CBM potential).

Eden also wholly owns a South Australian natural gas project.

Preliminary agreement has been reached with Eden’s joint venture partner in Wales to transfer 100% of the entire South Wales project, the South Australian licence and a modest natural gas resource near Chester in the UK, owned by Eden’s Welsh joint venture partner, into a new joint venture (JV) company.

Eden would hold 45% of the JV company’s issued shares and would also contribute ongoing working capital of £1.0 million. If required by the ASX listing rules, this agreement will be subject to approval by Eden shareholders.

It is proposed that this JV company would itself look for a joint venture for the South Wales CBM Project from a major international gas or petroleum company, and would also seek to list on the Alternative

Investment Market (AIM) in London. To the extent that Eden may have the right to nominate who can subscribe for shares in the AIM listing of the JV company after meeting the requirements of any underwriter and our joint venture partner, Eden's shareholders at that time will be afforded a priority entitlement to apply for these shares.

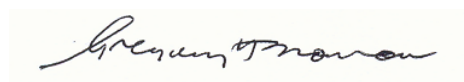
This process is expected to occur over the next six to twelve months, depending upon stock market conditions.

### **Eden Energy's Future**

As a result of the changes proposed above, Eden Energy would retain a significant shareholding in two strategic, listed, alternative energy companies.

Eden will then have the ability to focus solely on developing its world-leading hydrogen technologies, particularly into the huge emerging Indian clean fuel market where the Company has already secured strategic alliances and development agreements with sector-leading Indian engineering, energy, marketing, manufacturing and distribution conglomerates.

Further specific details of the corporate restructuring plan will be released to the market as they become available or as objectives are achieved.



**Gregory H Solomon**

*Executive 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))

# 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")

31 MARCH 2008

### Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors	343	1,291
1.2	Payments for (a) exploration and evaluation		
	Australia	(133)	(468)
	-Tenement Security Bond	(10)	(60)
	South Wales	(347)	(2,092)
	(b) development		
	(c) production		
	(d) administration	(3,762)	(11,565)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	133	384
1.5	Interest and other costs of finance paid	(1)	(3)
1.6	Income taxes paid – GST Paid	(26)	(125)
	Income Taxes – GST Refunds Received	163	254
1.7	Other (provide details if material)- Research & Development –Hydrogen production	(227)	(920)
<b>Net Operating Cash Flows</b>		<b>(3,867)</b>	<b>(9,437)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a)prospects	0	0
	(b)equity investments	0	(239)
	(c)other fixed assets	(641)	(921)
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
<b>Net investing cash flows</b>		<b>(641)</b>	<b>(1,160)</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(4,508)</b>	<b>(14,464)</b>

1.13	Total operating and investing cash flows (brought forward)	(4,508)	(14,464)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	3,113	17,075
1.15	Proceeds from sale of forfeited shares	0	0
1.16	Proceeds from borrowings	0	0
1.17	Repayment of borrowings	(11)	(31)
1.18	Dividends paid	0	0
1.19	Other (provide details if material) Share Issue Costs	(26)	(546)
<b>Net financing cash flows</b>		3,076	16,498
<b>Net increase (decrease) in cash held</b>		(1,432)	2,034
1.20	Cash at beginning of quarter/year to date	6,934	3,468
1.21	Exchange rate adjustments to item 1.20	0	0
1.22	<b>Cash at end of quarter</b>	5,502	5,502

**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	225
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.  
Consulting Fees 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	500
4.2 Development	
<b>Total</b>	<b>500</b>

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	3,502	2,934
5.2 Deposits at call	2,000	4,000
5.3 Bank overdraft	0	0
5.4 Other (provide details)	0	0
<b>Total: cash at end of quarter (item 1.22)</b>	<b>5,502</b>	<b>6,934</b>

## 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			
<b>Geothermal Licences held in the name of Eden Energy Ltd</b>				
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%
	GEL 329	Licence granted		100%
	GEL 330	Licence granted		100%
	EL 7090	Licence granted (ELA 3226)		100%
	PEL 183	Licence granted		100%
Outstanding Licence Applications in the PELA 240, GELA's 411 to GELA 422				

## 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 <b>*Ordinary securities</b>	166,926,626	116,406,288		
7.4 Changes during quarter (a) Increases through issues Options exercised (b) Decreases through returns of capital, buy-backs	8,163,157 54,339			
7.5 <b>*Convertible debt securities (description)</b>	NOT APPLICABLE			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b>	86,456,452 950,000 4,000,000 500,000 1,500,000 1,300,000 650,000	36,022,896 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 7 May 2010 13 May 2010 15 May 2010
7.8 Issued during quarter	NIL	NIL		
7.9 Exercised during quarter	54,339	NIL	20 cents	30 Sep 2009
7.10 Expired during quarter	NIL	NIL		
7.11 <b>Debentures (totals only)</b>	NOT APPLICABLE			
7.12 <b>Unsecured notes (totals only)</b>	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: 30 APRIL 2008

## 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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