
NEWS

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U.K. INSTITUTIONS BACK AUSTRALIA'S EDEN

IN GLOBAL PUSH ON HYDROGEN ENERGY

United Kingdom investors have joined Australian investors in a A\$13.9382 million funding charge for an Australian company's push to be a global leader in green energy alternatives, particularly hydrogen, for transport fuels.

ASX-listed Eden Energy Limited (ASX code "EDE") announced today that institutions and sophisticated investors in the United Kingdom had provided a large share (A\$7.6 million) of demand for a placement of approximately 23,330,334 million ordinary shares by the Perth-based green energy fuel technologist to raise a total of A\$13.9382 million.

Australian institutions and sophisticated local investors, also took shares in the placement.

The major institutional investors included, Goldman Sachs from UK and Macquarie Small Cap Fund from Australia.

A commission of 5% is payable to the Australian and UK stockbrokers who arranged the placements.

The Eden placement - at A\$0.60 per ordinary share – represents a 6.67% discount to last night's (Wednesday 11 July 2007) closing price for Eden of A\$0.64 per share.

It will take the number of Eden ordinary shares on issue to 158,488,513, valuing Eden at last night's closing price at approximately A\$130 million (fully diluted).

"The proceeds will be used to take our hydrogen fuel products and technologies right through to full commercialisation across several key global markets," Eden's Executive Chairman, Mr Greg Solomon, said today.

"It is tremendous support from this group of UK and Australian investors and provides a pointer to increasing market recognition of the upside potential in green or alternate energy investment," Mr Solomon said.

"It also reinforces a strong message to equities markets that a hydrogen-based economy is a nearer term horizon than previously credited and will become a cornerstone energy force as climate change and emission control issues increasingly impact.

"This should precipitate ongoing and greater levels of investment in this sector."

Eden has achieved considerable inroads in Australia's quest to drive new developments here and overseas in hydrogen storage and transport fuel systems.

The Company's package of assets and technologies now includes the successful low emission fuel, Hythane® - a blend of hydrogen and methane gas; world leading on-site hydrogen production capacity; a revolutionary cryogenic storage device; low temperature pyrolysis research into hydrogen; and geothermal energy production.

Eden is also currently drilling in south Wales in the United Kingdom to tap the gas rich south Wales coal fields for coal seam methane, and also owns conventional gas and geothermal exploration projects in Australia.

"A major proportion of the placement proceeds will be focused on an accelerated deployment globally of the HyRadix on-site hydrogen generating systems," Mr Solomon said.

"These have already been installed in California, China and Malaysia for use in transport, oil hydrogenation and metal annealing. They are a natural fit for integrating with Eden's own suite of hydrogen fuel technologies – in particular allowing for onsite production and dispensing of Hythane®."

The wider rollout of HyRadix follows Eden's acquisition of the Chicago-based hydrogen specialist earlier this year to complement Eden's objective of integrating Hythane® technology into existing natural gas fuelling stations and vehicles, and power generators, in cities throughout the world.

Other significant market gains by Eden this year have included:

A three-stage agreement with the A\$15 billion Indian-based Larsen & Toubro Ltd, a world ranked global engineering group, to manufacture and market throughout India, Eden's entire range of hydrogen and Hythane® technologies

A 10-year agreement with leading Indian transport manufacturer, Ashok Leyland, to develop Hythane® versions of its natural gas bus engines (Ashok currently manufactures more than 11,000 buses per year and provides the major share of all metropolitan state transport buses in India).

An agreement with Gujarat State Petroleum Corporation (GSPC) to jointly demonstrate and promote Hythane® as a vehicle fuel. GSPC is a major state owned Indian natural gas producer, transporter and marketer, which distributes its gas in the state of Gujarat via its 2500 km pipeline network

A research agreement with China's Henan Agricultural University of Zheng Zhou to explore the use of biomass as a base ingredient for producing Hythane®.

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