



Australian Securities Exchange Announcement

30th May 2008

EDEN SECURES HUGE INCREASE IN AREA OF UK PETROLEUM/COAL SEAM METHANE LICENCES

Highlights

- **Eden, jointly with its 50% Welsh coal seam methane partner, has been awarded an additional 17 petroleum and coal seam methane blocks covering an area of approximately 1400km². This, when added to the 4 existing blocks, will increase the total area of petroleum and coal seam methane licences held by the joint venture in UK from 430km² to more than 1800 km².**
- **The new licences include 8 new blocks in South Wales, 5 in South West England and 4 in Kent.**

Award of 17 New Blocks

Eden Energy Ltd (“Eden”) is delighted to announce that it, jointly with Coastal Oil and Gas Ltd and UK Methane Ltd, its Welsh coal seam methane partners, have been successful in the recent 13th round of on-shore licensing conducted by the British government. Applications were made by the Joint Venture for 10 additional blocks surrounding their existing South Wales coal seam methane project, and Eden and its joint venture partner were successful in 8 of those applications. In addition, applications by the Joint Venture for five blocks in the South West of England covering an area of approximately 450km² of the coal fields, and for four blocks covering approximately 300km² of the Kent coal fields in Eastern England were also successful. The location of the new licence areas that have been awarded is shown in red on the attached Figure1.

Eden is presently earning a 50% interest in the four existing blocks (which are contained in PEDLs 100, 148 and 149 as shown on Figure 1) and Eden and its Welsh partners will each hold a 50% interest in these new blocks, which they propose to jointly promote the total area in a separate company which is to be established to exploit both the coal seam gas, other sources of unconventional gas and the conventional hydrocarbon potential.

Other Potential Resources

In addition to coal seam gas, there is a substantial opportunity for other unconventional gas resources, abandoned mine methane in the old mine shafts and conventional hydrocarbons in many of these new areas. Potential exists for Devonian-age shale gas and conventional hydrocarbons in sandstones located beneath the coal beds, similar to those existing in the Appalachian Trend in the United States of America, where major shale gas and Devonian-age sandstone hosted natural gas deposits exist beneath the younger coal measures. It has been interpreted that the United States, the United Kingdom and Western Europe were combined at the time of deposition of both the Devonian-age sandstones and the younger coal measures, and if this interpretation proves correct, significant potential exists for conventional hydrocarbon deposits to be found in these sandstones beneath the coal fields in South Wales and South Western England.

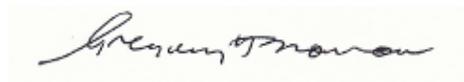
As previously reported, Eden will commence drilling of its third South Wales coal seam methane well, at Pencoed, on the existing licences next week. This hole, which follows the two earlier holes, which have produced encouraging gas content from both wells and good permeability from the one hole tested so far for permeability, will be drilled into relatively shallow coal seams, very close to a major industrial plant which would provide a significant potential industrial market for gas with very little in the way of infrastructure being required to deliver the methane to the customer.

Record UK Gas Prices

Wholesale gas prices, which in 2007 were between twice and twenty times higher than gas prices in Australia, were on the brink of a record £1 per therm in the UK on Wednesday 28 May 2008. The cost of a gas contract for delivery in January 2009 reached 99.7p per therm on the commodity markets, around double the level a year ago and the highest level ever seen at this time of year. Coupled with the very limited reserves of gas available in UK, the outlook for gas prices is very strong.

Conclusion

Coupled with the very high UK gas prices, the fourfold increase, to over 1,800 km², in the area over which Eden and its JV partner hold petroleum and coal seam methane licences in the UK, provides a very strong the base for the potential development of a significant gas company over the next 1 to 2 years.



Gregory H Solomon

Executive Chairman

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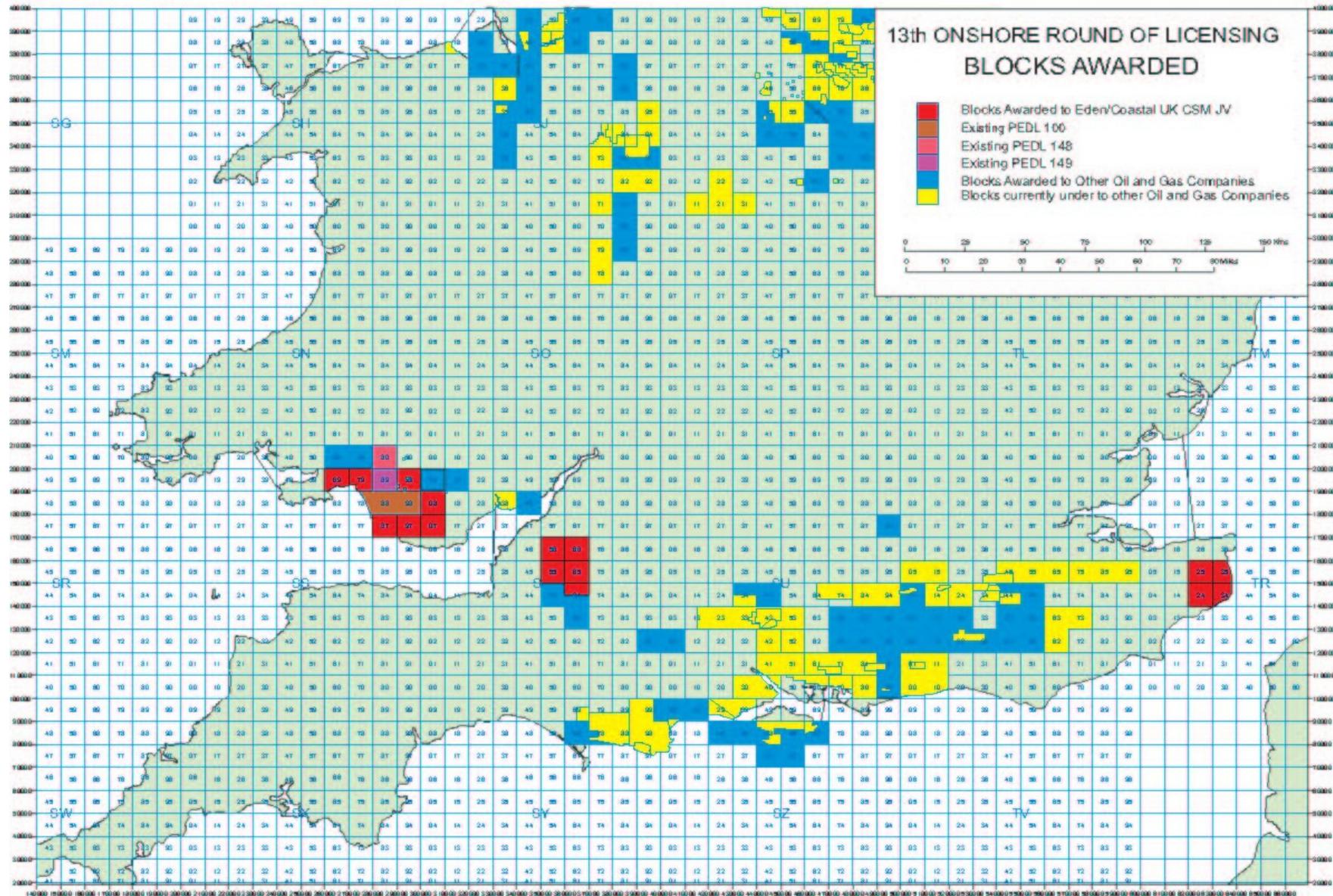


Figure 1