

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

29 August 2016

GDOT TO USE EDENCRETE[™] IN SEVERAL UPCOMING STATE FUNDED, HIGHWAY SLAB REPLACEMENT PROJECTS

HIGHLIGHTS

- GDOT proposes to use EdenCrete[™] in several state funded forthcoming highway slab replacement projects in Georgia.
- GDOT intends that the requests for tender will specify that EdenCrete[™] be added to the concrete.
- These will be the first commercial contracts for EdenCrete[™] for US highway repair projects.

DETAILS

Eden Energy Limited (ASX: EDE) is very pleased to announce that the Georgia Department of Transportation ("GDOT") has advised that it is in the process of identifying several suitable upcoming, state funded highway slab replacement projects in which it proposes to specify in the request for tender, that EdenCreteTM be added to the concrete.

These projects, if awarded, will be the first commercial projects involving the use of EdenCrete[™] on US highway repair projects.

This decision follows GDOT reviewing the considerable improvement in performance shown by the EdenCrete[™] enriched section of concrete laid in August 2015 as a field trial of EdenCrete[™] on a troublesome section of the Interstate Highway I-20 in Augusta, Georgia.

To date, the EdenCrete[™] section is showing no visible cracking or significant signs of wear (after nearly 12 months). However, the adjoining control section, laid at the same time on the same lane on I-20, and using the same concrete mix but containing no EdenCrete[™], is already showing a significant crack developing (see Eden Announcement - ASX: EDE 19 July 2016, and Figures 1 and 2 below).

GDOT has concluded that the performance improvements that EdenCrete[™] brings to the concrete (increased flexural strength and compressive strength) are beneficial in slab replacements, particularly when the substructure may be problematical, which frequently leads to the cracking beginning, as has been the case in the I-20 field trail.

The trial section of the I-20 has high water content in the substructure beneath the road surface, which often results in a relatively short service life of the concrete roadway surface.



Figure 1. EdenCrete[™] - No Visible Cracking

Figure 2. Control - Visible Crack Developing

GDOT has advised that it is now in the process of identifying several upcoming, state funded slab replacement projects in which it proposes to specify in the request for tender, that EdenCrete[™] be used. In accordance with Federal regulations, federally funded projects will still only specify performance characteristics that must be achieved.

By requiring the use of EdenCrete[™], GDOT will be able to ensure that EdenCrete[™] is used in the nominated projects, and will enable it to monitor the results achieved, including where different subsurface conditions and wear conditions may exist.

As and when received, details of the number, size and the likely timetable of these projects will be released to the market.

Georgia Infrastructure Market

In July 2016, GDOT announced a \$14 billion, 10-year budget for Major Mobility Investment Projects¹.

This budget includes a doubling of state funding in 2016 to more than \$400 million dollars per year over the next four years for road maintenance projects, and to over \$200 million per year for repairing and replacing state and local bridges.

¹<u>http://www.dot.ga.gov/PartnerSmart/Innovative/DesignBuild/IndustryForum/2016/InnovativeIndustry</u> <u>Briefing-7-6-16.pdf</u>

This budget includes funding for over 2,500 miles of roadway resurfacing during the 18 months from 1 July 2016, and replacing 118 bridges and repairing and maintaining over 300 bridges during the next three years.

CONCLUSION

Eden considers that the intention of GDOT to both decide to use EdenCrete[™] and to specify the use of EdenCrete[™] in several requests for tender for state funded, highway repair projects (15 months after discussions commenced with GDOT), to each be major milestones in Eden's longer-term goal of broad penetration by EdenCrete[™] into the huge US infrastructure market.

BACKGROUND

EdenCrete[™] is Eden's 100% owned, proprietary carbon-strengthened concrete additive, one of the primary target markets for which is improving the performance of concrete used in the construction and maintenance of concrete roads, bridges and other infrastructure. Additionally, it has potential for use in a range of other applications including high-rise building construction, marine and coastal applications, highly abrasive and hardwearing applications, water storage and pipelines, and pre-fabricated concrete structures and products.

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Gregory H. Solomon Executive Chairman