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AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

20 MARCH 2007

HYTHANE PROJECT – INDIA

5 YEAR HYTHANE® MARKETING AGREEMENT WITH GUJARAT STATE PETROLEUM

Eden Energy Ltd (‘Eden”) is delighted to announce the execution of a 5 year agreement with the Gujarat State Petroleum Corporation Ltd (“GSPC”), a major Indian Natural Gas producer, pipeline operator, distributor and marketer, to market Hythane® in India. Hythane®, a mixture of hydrogen and Natural Gas, is a high efficiency, low emission premium blend of Natural Gas which reduces emissions of NOx by up to 50% compared with Natural Gas, and which Eden intends to market on a global basis.

The agreement is subject to the formal approval of the Board of Directors of GSPC.

Under the terms of the agreement, Eden and GSPC will collaborate, on a non-exclusive basis, to market Hythane® in Gujarat, a major industrial state in north-western India.

Eden, through its wholly owned subsidiaries, will provide to the GSPC Group and its customers, and thereafter maintain, on commercial terms to be agreed, all necessary equipment to produce all Hythane® required by them.

GSPC will in turn support the marketing of Hythane® and the proposed Hythane® bus demonstration project planned for Ahmedabad (the capital city of the state of Gujarat) planned for later in 2007, and the establishment of all necessary standards and regulations for Hythane ® in India.

All carbon credit benefits derived from their joint Hythane® operations will be shared equally between Eden and GSPC.

GSPC Group, which comprises seven companies, has been playing a pivotal role in energizing and mobilizing the energy sector of India. It has earned the rare distinction in little over twenty five years, of becoming a major Indian Natural Gas and oil producer in addition to developing a comprehensive energy infrastructure which includes a 2,500 kilometre high pressure Natural Gas pipeline which services 20 cities in the state of Gujarat. Additionally, GSPC Group has developed, alone and in joint venture, more than

1000MW of gas fired power production in Gujarat as well as establishing an expanding chain of Natural Gas retail outlets which service the bus and automobile markets.

As well as being a major oil and gas producer in India, GSPC has acquired oil and gas exploration interests in two Western Australian offshore permits as well holding a 20% farm-in interest in an offshore block in the Otway Basin in Victoria.

This agreement, which follows the 10 year agreement which Eden's subsidiary company entered into in December 2006 with Ashok Leyland to convert Indian Natural Gas bus engines to operate on Hythane®, is a further major milestone for Eden in its efforts to establish Hythane® as the Natural Gas fuel standard in the enormous emerging Indian Natural Gas market for vehicles, power generation and locomotives. Eden is hopeful that this will be just one of several strategic agreements related to the marketing and rollout of Hythane® in India that Eden and its subsidiaries will enter into over the next six to twelve months with various major companies and organizations that operate in relevant sectors of the Indian Natural Gas market.

A handwritten signature in black ink, appearing to read "Gregory Solomon", is written over a dotted line. The signature is cursive and somewhat stylized.

Gregory Solomon
Executive Chairman