

29 May 2014

ASX Compliance Pty Limited
Level 8 Exchange Plaza
2 The Esplanade
PERTH WA 6000

Attention: Mr Adam Russo

By Email: Adam.Russo@asx.com.au

Dear Mr Russo,

EDEN ENERGY LTD (“the Company”) – PRICE AND VOLUME QUERY

We refer to your letter of 29 May 2014, and in relation to the questions raised by you concerning the recent increase in both price and volume of trading in securities of the Company during trading yesterday and today (28 May and 29 May 2014), we comment as follows:-

1. *Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?*

No.

2. *If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?*

Not applicable.

3. *Is there any other explanation that the Company may have for the price change in the securities of the Company?*

The directors of the Company believe that the recent increase in share price and volume may be due to the following matters:

1. Negotiations are still continuing with Eden’s UK joint venture partner in relation to a proposed merger of our respective interests in a UK coal seam methane/ shale gas joint venture, as announced to the ASX on 25 March 2014 and 1 May 2014;
2. The announcement to the ASX made on 23 May 2013 that Eden had been selected as a semi-finalist in the national Australian Cleantech Competition based on its carbon nanotube/ hydrogen project, the progress in relation to which project was detailed in Eden’s Quarterly Activities Report lodged with the ASX on 29 April 2014.
3. Encouraging progress that Eden has made in its Optiblend™ dual fuel technology as announced to the ASX on 31 March 2014 and repeated in its Quarterly Activities Report on 29 April 2014; and
4. The publication on 28 May 2014 in the Sydney Morning Herald newspaper, The Age newspaper and The Canberra Times newspaper of an article written by David Potts, entitled “Seven Wonders of the Investing World” in which Eden was referenced in the section entitled “Energy revolution” in relation to its potential to derive benefit

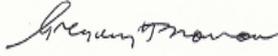
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from the expanding US shale gas market from the sales of Eden's Optiblend™ dual fuel system to US shale gas participants.

4. *Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.*

The Company confirms that it is in compliance with the listing rules and, in particular, listing rule 3.1.

Yours faithfully



Gregory H. Solomon
Executive Chairman

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29 May 2014

Mr Aaron Gates
Company Secretary
Eden Energy Limited

By Email: agates@edenenergy.com.au

Dear Aaron

Eden Energy Limited (the "Company") - ASX price query

We have noted a change in the price of the Company's securities from a closing price of \$0.013 on 27 May 2014, to an intra-day high of \$0.017. We have also noted an increase in the volume of trading in Company's securities over this period.

In light of the price and volume change, ASX asks you to respond separately to each of the following questions:

1. Is the Company aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes":
 - a) Is the Company relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in the Company's securities would suggest to ASX that such information may have ceased to be confidential and therefore the Company may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - b) Can an announcement be made immediately?

Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that the Company may have for the recent trading in its securities?
4. Please confirm that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **11:15am (WST) on Thursday, 29 May 2014**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Company's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Company's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at adam.russo@asx.com.au or by facsimile to 08 9221 2020. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Company to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Company's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in the Company's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Adam Russo

Adviser, Listings Compliance (Perth)

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