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Tests Show Eden Energy's Hythane® Fuel Will Lower India's Electricity Costs

Dual Fuel Operation Cuts Costs from \$0.26 to \$0.15 Per kWh

Perth, Australia -- Eden Energy Ltd. today announced results of a test project for the Indian electricity market showing that a 400kW Cummins diesel generator can run on a mixture of Hythane® and diesel fuel to reduce the cost of electricity production from 10.97 to 6.5 Rupees per kilowatt hour (USD \$0.26 to \$0.15 per kWh). The savings result from a 78% reduction of diesel in the fuel mix.

In tests performed at Eden's Hythane Company test facility in Colorado, US, a dual fuel kit was developed to enable the generator to run on a combination of petroleum diesel and either natural gas or Hythane®. The natural gas and diesel mixture also showed a significant cost decrease (USD \$0.26 to \$0.21 per kWh). Savings were calculated using recent prices for natural gas and petroleum diesel in India. Hythane® is an optimal blend of natural gas and hydrogen that is cheaper and cleaner than petroleum diesel or natural gas.

"These preliminary results are extremely encouraging and exceed our expectations for reducing the cost of electricity production for the Indian market using natural gas or Hythane®," said Greg Solomon, CEO of Eden Energy. "With the price of natural gas about 60% cheaper than diesel fuel, India can obtain significant savings when thousands of generators convert to the dual fuel operation."

Development work on the dual fuel generators is to be completed in the next two months. Pilot projects in India using the Hythane® dual fuel kit will begin by October 2008. Eden Energy will supply both the dual fuel conversion kits and the Hythane® production equipment to the Indian market, collaborating with generator manufacturers to reach their existing customers. Eden anticipates sales of these products will increase rapidly due to the dramatic cost savings in electricity production.

About Eden Energy

Eden Energy Ltd (ASX:EDE) is a diversified clean energy company providing global alternative energy solutions. The company focuses on producing, storing, and delivering hydrogen to market to power hydrogen-based transportation. Hydrogen technologies developed and marketed by Eden include Hythane®, a near zero emissions alternative fuel; HyRadix® on-site hydrogen generation systems and supply solutions; and Eden Cryogenics, cryogenic and vacuum systems and equipment.

For more information, visit www.edenenergy.com.au or <http://www.hythane.com>.