
NEWS

• RELEASE •

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EDEN ENERGY LODGES PROSPECTUS

FOR A\$10M RAISING

Australian company Eden Energy Ltd today lodged a Prospectus with the Australian Securities and Investment Commission for a A\$10 million Initial Public Offering to fund the development of what Eden Directors describe as “four potential world class energy projects”.

The projects – outlined in the Prospectus – include the further development of Eden’s substantial existing hydrogen technology business, coal seam gas exploration project over 430 km² of the South Wales coalfields in the UK, a South Australian Natural Gas play, eight geothermal licences in South Australia and research with the University of Queensland into the low-cost/low-temperature production of hydrogen from natural gas.

Perth-based Eden – which was founded in 2004 by ASX-listed copper-gold explorer, Tasman Resources NL – is offering up to 50 million shares at A\$0.20 per ordinary share, to raise up to A\$10 million, with one free 20 cent option expiring 30 September, 2009, offered for every two shares subscribed for.

The Prospectus offer provides for oversubscriptions of 10 million shares, and five million options, to raise up to a further A\$2 million.

Brokers to the Eden IPO are Taylor Collison Limited

The Prospectus has been posted on the Eden Energy website (www.edenenergy.com.au) with subscriptions to the offer opening on 6th April 2006.

Global hydrogen assets

Since its formation, Eden has raised more than \$4.5 million to acquire significant hydrogen technology assets and to assemble its suite of diversified energy projects.

“Eden’s corporate strategy is to become a major global participant in the alternate energy market,” the Company’s Chairman, Mr Greg Solomon, said today.

“To achieve our target, Eden proposes to raise sufficient capital to enable it to progress each of its key investment areas (and any other emerging opportunities) for the next two years,” he said.

“During that period, Eden will decide which of its main projects it will develop on its own, in strategic joint ventures, or in separate subsidiary companies which themselves may seek a separate stock exchange listing on an appropriate market.”

World-leading hydrogen technology

Eden has in the past year assembled significant internationally-recognised hydrogen technology, mainly through the acquisition of 100% ownership of both Brehon Energy plc and Brehon Far East Pte Ltd.

Mr Solomon said Brehon had put together a world class team of US-based hydrogen employees and consultants, most of whom were involved in the development of many aspects of hydrogen technology over the past 50 years, particularly as part of NASA’s space program.

“Brehon holds and is developing technology and a range of patents in relation to use and storage of hydrogen, involving both the cryogenic storage of hydrogen and the production, use and deployment of a low-emission hydrogen / methane (natural gas) fuel mixture known as Hythane® for use as a fuel in motor vehicles and other internal combustion engines,” he said.

Eden has spent more than US\$2.5 million acquiring and developing these assets while at the same time positioning Eden as a major participant in several strategic sectors of the emerging transition to a global hydrogen economy.

“We have outlaid considerable effort and funds to develop Eden Energy as a force in hydrogen-based fuels and technologies marketable internationally,” Mr Solomon said.

“Australia’s high oil prices and worldwide pressure to reduce greenhouse gases have created an environment now ripe for the Eden Energy IPO and the rollout globally of our hydrogen-blend fuels and technologies.

“The potential market is limitless, as hydrogen blends can meet tougher fuel consumption, emission and performance criteria being imposed by many countries.”

Coal Seam / Coal Mine gas

Mr Solomon said Eden’s farm-in joint ventures with UK-based companies, Coastal Oil and Gas Limited and UK Methane Ltd, offered the potential for the Australian company to become a major energy producer in the UK and Western Europe.

These joint ventures cover:-

- two petroleum exploration and development licences over 430 km² of the South Wales coalfields in respect of coal bed and abandoned mine methane to acquire a 50% interest, and
- a deeper oil/natural gas target, to acquire a 50% interest (increasing to 60% if Eden expends more than one million pounds).

Australia

In South Australia, Eden has applied for a 100% owned 7614km² petroleum exploration licence over a large newly identified and largely untested anticline (approximately 100km x 10km) in South Australia - approximately 60km north of BHP Billiton's giant Olympic Dam copper / gold / uranium mine.

The Company has also been granted eight 100%-owned geothermal licences in SA which it says potentially could produce vast quantities of cheap "green" energy.

In Queensland, Eden has entered into an agreement with the University of Queensland to participate in a 3 year advanced research project to try to develop an effective catalyst to facilitate low cost/low temperature production of hydrogen from natural gas using pyrolysis, and without generating carbon dioxide.

This project has been awarded a prestigious grant from the Australian Research Council which will cover a significant part of the research costs.

Terms of the Eden IPO

The Eden prospectus – lodged with ASIC today (29 March 2006 - offers up to 50 million shares at A\$0.20 per ordinary share, to raise up to A\$10 million, with one free 20 cent option expiring 30 September, 2009, offered for every two shares subscribed for. The minimum subscription to the Issue is 30 million shares and 15 million options, to raise A\$6 million.

Oversubscriptions of 10 million shares, and five million options, are provided for to raise up to a further A\$2 million.

The Offer is due to open on 6 April 2006 with a projected closing date for applications of 26 May 2006. This date is indicative only and may change.

Quotation of Eden shares on the ASX is expected to commence approximately two weeks after the issue closes which is tentatively scheduled to occur on 6 June 2006..

The offer of the Eden Energy Limited securities is made in a copy of the Prospectus lodged with the ASIC on 29 March 2006. Anyone wishing to acquire the securities will need to complete the application form that will accompany the Prospectus.

MEDIA CONTACT:

Greg Solomon
Tasman Resources NL
(08) 9282 5889
0402 060 000

Kevin Skinner
Field Public Relations
(08) 8234 9555
0414 822 631