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ACN 109 200 900

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

13 October 2020

OptiBlend® – Indian Market update

On 8th of October 2020, the Environment Pollution (Prevention and Control) Authority (EPCA), a body mandated by the Indian Supreme Court, banned the use of diesel generator sets, with effect from 15 October 2020, in Delhi (the National Capital Territory), Ghaziabad, Noida, Faridabad and Gurugram, that collectively comprise the National Capital Region (NCR region).

The NCR region encompasses an area of 30,242 sq. km and has a total population of over 47 million people. Delhi alone, now has a population of over 20 million people.

The ban applies throughout the NCR region to non-essential diesel-powered generator sets during the winter period. This ban supports similar policies to reduce the air pollution that were earlier detailed in the National Clean Air Programme (NCAP), which, to date, State governments in Haryana, Maharashtra and Tamil Nadu have already adopted and which are considered likely to be adopted in further States.

Importantly, NCAP expressly approved the retrofitting of diesel-powered generator sets for partial Natural Gas usage (using a fuel mixture of diesel and Natural Gas) as a cost-effective way to convert the huge number of existing diesel generator sets across India to a Natural Gas operation, opening this major market opportunity for the OptiBlend® dual fuel system.

The three States of Haryana, Maharashtra and Tamil Nadu, together with the NCR region are where piped Natural Gas is currently available (in Tamil Nadu it is only currently available on a limited basis) and is being promoted as a clean fuel alternative for power generation through the conversion of diesel generator sets to a wholly or partial Natural Gas operation.

The total population of the NCR region, Haryana, Maharashtra and Tamil Nadu alone is approximately 276 million people, representing an estimated 20% of the Indian population.

The Petroleum and Natural Gas Regulatory Board (PNGRB), a unit of the Government of India, is the national body responsible for promoting the establishment of a Natural Gas infrastructure/distribution network across India, including in many cities in these three States and the NCR region, as well as in cities in other States across the country.

These developments are driving a significant increase in demand in India for OptiBlend® dual fuel systems. OptiBlend® sales by Eden India (Eden's wholly owned Indian subsidiary) for the quarter ended 30 September 2020 (including a sale to Nigeria), reached

approximately A\$277,000, the highest quarterly total achieved to date, but which total is projected to rise significantly over the coming quarters.

Currently, Eden India has outstanding quotations valued at almost A\$1million with a range of potential customers and anticipates that a reasonable number of these quotations will convert into sales. For larger generator sets which comprise a significant share of Eden India's target market, these quotations are usually in the range of at least A\$30,000 - A\$40,000 per generator set.

To enable it to access this huge, emerging market opportunity, Eden India is at present establishing a network of commission-only, sales representatives in areas where piped Natural Gas is already available, commencing in the NCR region and the States of Maharashtra, Goa and Punjab.

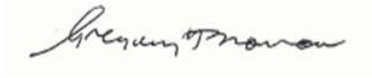
Eden India has successfully sold OptiBlend® dual fuel systems in India (as well as in Nigeria, Bangladesh and Dubai)) for over 10 years, fitted to a wide range of models of diesel generator sets manufactured by most of the leading global and Indian generator set manufacturers. Eden India's customers include a number of leading Indian and international companies that have run OptiBlend® dual fuel systems without any disruption, in some cases for over 10 years.

Eden India manufactures in India all the OptiBlend® dual fuel systems that it supplies to the Indian, Asian, African and Middle Eastern markets. These systems all comply with the Eden US design and performance standards and provide a very cost-effective solution that enables Eden India to compete in these highly price sensitive markets.

BACKGROUND

OptiBlend designed and developed by Eden US more than 12 years ago, is 100% owned by Eden. It is a custom fitted hardware technology designed and produced by Eden in the US and India that allows conventional diesel engines to run on natural gas as its primary fuel without modifying the engine or the diesel fuel system. Key features and statistics are that it:

- *Works by displacing up to 70% of diesel fuel with natural gas;*
- *Lower fuel costs, lower emissions and increased runtime;*
- *Is a highly efficient, cost effective system that reduces fuel cost and emissions;*
- *Is used by Cummins on its oil/gas drilling power module using 3 Tier II gensets;*
- *Is suitable for most makes of diesel engines; installed on most major global brands;*
- *Has been marketed in US and India for over 10 years – highly reliable and durable, long proven in the market place;*
- *Over 200 systems sold and installed over the past 10 years across USA and India and in a number of Middle Eastern, African and East Asian countries; and*
- *Significant potential market emerging in India and in particular in Delhi where extreme air pollution has resulted in a proposed government ban on use of gensets during winter running solely on diesel fuel.*

A handwritten signature in black ink on a light yellow background. The signature is cursive and appears to read "Gregory H. Solomon".

Gregory H. Solomon
Executive Chairman

This announcement was authorised by the above signatory.
For further information please contact Aaron Gates on +61 8 9282 5889.