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AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

29 February 2016

EDENCRETE™ - US UPDATE

Eden Energy Limited (“Eden”) (ASX: EDE) is pleased to release the following update on its marketing and pricing strategies, and future US production capacity, for EdenCrete™.

The following is the current position:

1. Eden recently commenced the broader scale commercial marketing of EdenCrete™, its carbon nanotube enriched concrete admixture. This coincided with the release of its sales brochures at the World of Concrete convention in Las Vegas early in February 2016. As a direct result of this convention, a number of large US companies from various parts of the concrete market have now been supplied with EdenCrete™ to trial.
2. The huge global concrete and cement market was estimated to be valued at nearly US\$450 billion in 2012*. It comprises a wide range of market sectors that vary from country to country and is a very complex industry. Global demand for cement and concrete additives has been estimated will rise by 9.3 percent annually to US\$21.2 billion in 2017**.
3. Because of the size and complexity of both the US and the global concrete and additive markets, a detailed review of these markets is planned by Eden to help determine longer term marketing strategies and pricing policies for EdenCrete™ in both the US and elsewhere.
4. Eden has adopted an initial US list price of US\$25 per gallon for EdenCrete™, with a modest discount being offered for larger-scale early adopters. EdenCrete™ is added to concrete at between approximately half a gallon (1.9 litres) per cubic yard (0.76 m³) of concrete to 4 gallons (15.2 litres) per cubic yard, depending upon the particular application for which the concrete is to be used.
5. Future prices for all EdenCrete™ products will be determined and adjusted from time to time in accordance with normal commercial practices.
6. The current expansion of Eden’s Colorado based production capability of EdenCrete™, from its current maximum level of approximately 190,000 gallons

per year to a targeted maximum (operating on a 24 hour/day basis) of approximately 2.4 million gallons per year, is underway and is now scheduled to be in production between late 2016 and early in 2017.

7. The ongoing discussions in relation to the future establishment of large-scale EdenCrete™ production capacity in Georgia, USA, are also progressing satisfactorily.

BACKGROUND

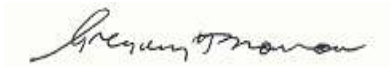
EdenCrete™ is Eden's 100% owned, proprietary carbon-strengthened concrete additive, one of the primary target markets for which is improving the performance of concrete used in the construction and maintenance of concrete roads, bridges and other infrastructure. Additionally, it has potential for use in a range of other applications including high-rise building construction, marine and coastal applications, water storage and pipelines, and pre-fabricated concrete structures and products.

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www.prnewswire.com/news-releases/global-concrete-and-cement-market---key-trends-and-opportunities-to-2017-225380342.html

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www.freedoniagroup.com/World-Cement-And-Concrete-Additives.html



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