



AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

12 September 2016

ISSUE OF EMPLOYEE OPTIONS

The directors advise that 25,521,269 unlisted employee options ("Options") have been issued to employees and key consultants of the Eden Group under the Eden Energy Ltd employee share option plan ("ESOP"). This issue is being made out of the 28,000,000 unlisted employee options which the directors' previously approved for issue under the ESOP and announced on 26 August 2016.

The Options are exercisable at \$0.27, expire 28 February 2020 and were issued free of charge. All these options are subject to the rules contained in the ESOP. The options vest over a three year period for each employee / consultant, in three equal annual tranches on 31 August 2017, 31 August 2018 and 31 August 2019 (each will receive one third of their total entitlement each year), subject to them still being employed on each vesting date.

The Options have been divided between all employees and key consultants of all the Eden Group companies, including all senior US executives.

No other equity performance or incentive package is planned for any of these employees / consultants during this crucial three year period of the company's development, unless there is a change in an individual employee's function or level of responsibility.

No directors of the company (or their related parties) received any of these ESOP options.

Aaron P Gates
Company Secretary