



AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

14 APRIL 2016

EDEN SECURES FINANCIAL ASSISTANCE AND INCENTIVES WORTH US\$24.76 MILLION TO ESTABLISH EDENCRETE™ PLANT IN AUGUSTA, GEORGIA

HIGHLIGHTS

- EDEN SECURES FINANCIAL ASSISTANCE AND INCENTIVES PACKAGE WORTH US\$24.76 MILLION FROM GEORGIA ECONOMIC DEVELOPMENT AUTHORITY AND AUGUSTA ECONOMIC DEVELOPMENT AUTHORITY.
- EDEN TO ESTABLISH ITS LARGE-SCALE, GLOBAL EDENCRETE™ PRODUCTION FACILITY IN AUGUSTA, GEORGIA AT AN ESTIMATED COST FOR THE FIRST PHASE OF US\$67 MILLION TO CREATE 251 JOBS OVER SIX YEARS, WITH SUFFICIENT LAND TO ACCOMMODATE UP TO NINE FUTURE PHASES ON THE SITE.
- THE INCENTIVES PACKAGE WILL DELIVER TOTAL COST SAVINGS AND COST AVOIDANCE BENEFITS OF US \$24.76 MILLION, BEING:
 - US\$11.59 MILLION TO BE PROVIDED BY STATE OF GEORGIA,
 - US\$13.17 MILLION TO BE PROVIDED BY AUGUSTA ECONOMIC DEVELOPMENT AUTHORITY INCLUDING A GRANT OF 45 HECTARES (112 ACRES) OF SERVICED INDUSTRIAL LAND IN THE AUGUSTA INDUSTRIAL PARK PLUS AN OPTION OVER A FURTHER 12.75 HECTARES (31.5 ACRES).
- PRODUCTION CAPACITY OF THE FIRST PHASE IS TO BE DEVELOPED IN FOUR STAGES TO AN ESTIMATED TOTAL OUTPUT OF 50 MILLION GALLONS (189 MILLION LITRES) PER YEAR OF EDENCRETE™.

DETAILS

Perth-based **Eden Energy Limited (ASX: EDE)** is very pleased to announce further significant progress towards the establishment of its EdenCrete™ concrete admixture in the USA, with Eden's wholly owned subsidiary, EdenCrete Industries Inc. ("ECI") securing an attractive financial assistance and incentives package worth US\$24.76 million to assist it establish its large scale global manufacturing plant in Augusta, Georgia, as announced in Georgia by Governor Nathan Deal on 13 April 2016 (see attached Press Release).

Proposed EdenCrete™ Production Facility

ECI proposes to establish its large scale global EdenCrete™ production facility in Augusta, Georgia, with the first phase planned to be completed, in four stages, over the next seven years at an estimated cost of US\$67 million to create 251 jobs. The first phase has a planned annual production capacity of 189 million litres (50 million gallons) of EdenCrete™ concrete admixture. The site has sufficient area to accommodate a further 9 similar phases as demand grows (see **Figure 1 attached**).

State of Georgia Incentive Package

The State of Georgia (through the Georgia Department of Economic Development (GDEcD")) and the Augusta Economic Development Authority ("AEDA") have collectively agreed to provide a generous financial assistance and incentives package estimated to be worth up to US\$24.76 million over the next 20 years to assist ECI.

The incentives package, which is dependent on ECI establishing the new plant, will deliver total cost savings and cost avoidance benefits of US \$24.76 million, with:

- US\$11.59 Million to be provided by State of Georgia
- US\$13.17 Million to be provided by AEDA

Incentive Package Details

THE details of the financial assistance and incentives package for new plant, which are being provided against ECI's commitment to build the plant, include the following:

- A grant of 45 hectares (112 acres) of industrial land in the Augusta Industrial Park (worth US\$2.8M) with an option over a further 12.75 ha (31.5 acres) for future expansion (see **Figure1**);
- Financial assistance through the AEDA Industrial Revenue Bond programme that will deliver approximately US\$5.8M of savings in local property taxes over 20 years;
- AEDA will spend US\$2.5m establishing two lane road access to site, US\$100,000 towards site preparation costs and US\$400,000 towards securing rail access to the site,
- GDEcD will contribute US\$500,000 to the cost of establishing the road, training and hiring assistance,

- Augusta Utilities to spend US\$1.57M to install water and waste water lines to site; and
- Various other State and AEDA tax benefits including:
 - State Job Tax Credits
 - Various County tax exemptions from Property Tax, Inventory Tax, and Freeport Exemption; and
 - State Sales Tax and Use Tax exemptions.

Apart from evidencing the strong support that the Government of Georgia is prepared to provide to incoming industry, this very generous assistance package will significantly reduce both the up-front capital costs and the operational set-up costs associated with establishing the large scale manufacturing operation in Georgia, and also help significantly defray operating costs for up to 20 years.

It also provides a large tract of suitable industrial land with capacity for very large-scale future expansion. The site has very convenient road and rail access to the entire North American market, as well as easy access to shipping to the global market via the Port of Savannah. The site adjoins the railway system linking it to the entire North American rail network. It is also located within 12 kilometres of the interconnected US Interstate Highway network giving it very efficient road access to North America. The Port of Savannah, the third largest port (by volume) in the US for containerised freight, is 160 kilometres away by both road and rail, and provides efficient shipping access via the Atlantic to South America, Europe, Africa and the Middle East, and also via the Panama Canal to the rest of the global market.

This incentive package will deliver a significant reduction in both the capital and operating costs, and greatly enhance the overall attractiveness of the project to future investors and lenders for fund raising purposes.

BACKGROUND

EdenCrete™ is Eden's 100% owned, proprietary carbon-strengthened concrete additive which significantly improves a wide range of performance characteristics of concrete, making it suitable for use in a wide range of applications including the construction and maintenance of concrete roads, bridges and other infrastructure. Additionally, it has potential for use in a range of other concrete applications including high wear and abrasion applications, high-rise building construction, marine and coastal applications, water storage and pipelines, and pre-fabricated concrete structures and products.



Gregory H. Solomon
Executive Chairman



Governor Nathan Deal
Office of the Governor



For immediate release
April 13, 2016

Office of Communications
(404) 651-7774

Deal: EdenCrete to create more than 250 jobs in Augusta

Concrete solutions company to invest \$67 million in global manufacturing headquarters

Gov. Nathan Deal today announced that EdenCrete Industries Inc. (ECI), a manufacturer of carbon nanotube enriched concrete solutions, will establish its global manufacturing headquarters operation in Augusta. This project represents the creation of more than 250 new jobs and an overall investment of \$67 million in the local community.

“When global manufacturing companies like EdenCrete Industries Inc. choose to locate to Georgia, it is a testament to the international reputation of our top-ranked business climate,” said Deal. “I am confident ECI will benefit from our leading talent and robust industry network in order to find the support it needs to successfully serve its customers around the world. I am proud to welcome ECI to Georgia.”

ECI is a wholly owned subsidiary of Australian-based Eden Energy Limited. With this business venture, ECI will expand the manufacturing of its proprietary product, EdenCrete™, in the U.S.

“We selected Georgia, and in particular Augusta, to establish our global manufacturing base, not only because of the government’s great support for industry as is evidenced today and Georgia’s highly efficient transport access to the both the North American and international export markets, but also, because of the warmth of its people, the quality of its workforce and the attractive standard of living and opportunities that it offers our future employees,” said Greg Solomon, chairman of Eden Energy.

EdenCrete™ is ECI’s carbon-strengthened concrete additive which significantly improves a wide range of performance characteristics of concrete. The product is suitable for use in the construction and maintenance of concrete roads, bridges and other infrastructure networks.

“Augusta-Richmond County welcomes ECI to our continually growing business community,” said Augusta Mayor Hardie Davis. “Their innovative products and process is exactly the kind of company that finds the perfect location in Augusta.”

The Georgia Department of Transportation (GDOT) has already approved the use of EdenCrete™ in its 24-hour highway concrete repair mix and plans a further field trial of EdenCrete™ for use in new concrete highway construction. EdenCrete™ also has the potential for use in other concrete applications

including the construction of high-rise buildings, marine and coastal structures, water storage pipelines and pre-fabricated concrete structures and products.

“ECI combines a long-time manufacturing process with new age technology innovations, and we are proud to welcome them to the Augusta Corporate Park,” said Augusta Economic Development Authority Chairman Henry Ingram. “Walt Sprouse and Scott Poag worked with the company, the Georgia Department of Economic Development, Augusta Utilities, Mayor Hardie Davis, the Augusta-Richmond County Commission and many others to make this day a reality.”

Georgia Department of Economic Development (GDEcD) project manager David Dunagan represented Georgia throughout this project in partnership with the Augusta Economic Development Authority, Augusta-Richmond County Commission, City of Augusta, Augusta Utilities, GDOT and Cranston Engineering Group, P.C.

“We are excited that ECI chose Augusta to establish its global manufacturing headquarter operation, speaking to the strength and vitality of economic development in the region,” said GDEcD Commissioner Chris Carr. “We believe they will find great success in our pro-business environment, and we look forward to working with our partners in Augusta to support them in future growth.”

About EdenCrete Industries Inc. (ECI)

ECI has been established to manufacture and market EdenCrete™, Eden’s proprietary carbon nanotube enriched concrete admixture that significantly improves many of the performance characteristics of concrete.

About Eden Energy Limited (Eden)

Eden focuses on clean and innovative technology, with operating subsidiaries in USA and India. Its main products are EdenCrete™, which is being trialed and marketed in the U.S., and OptiBlend™, a leading diesel/ natural gas dual fuel system.

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Industrial Land Tract

Conceptual Development for 10 Manufacturing Plants/Building, beginning with Plant 1.

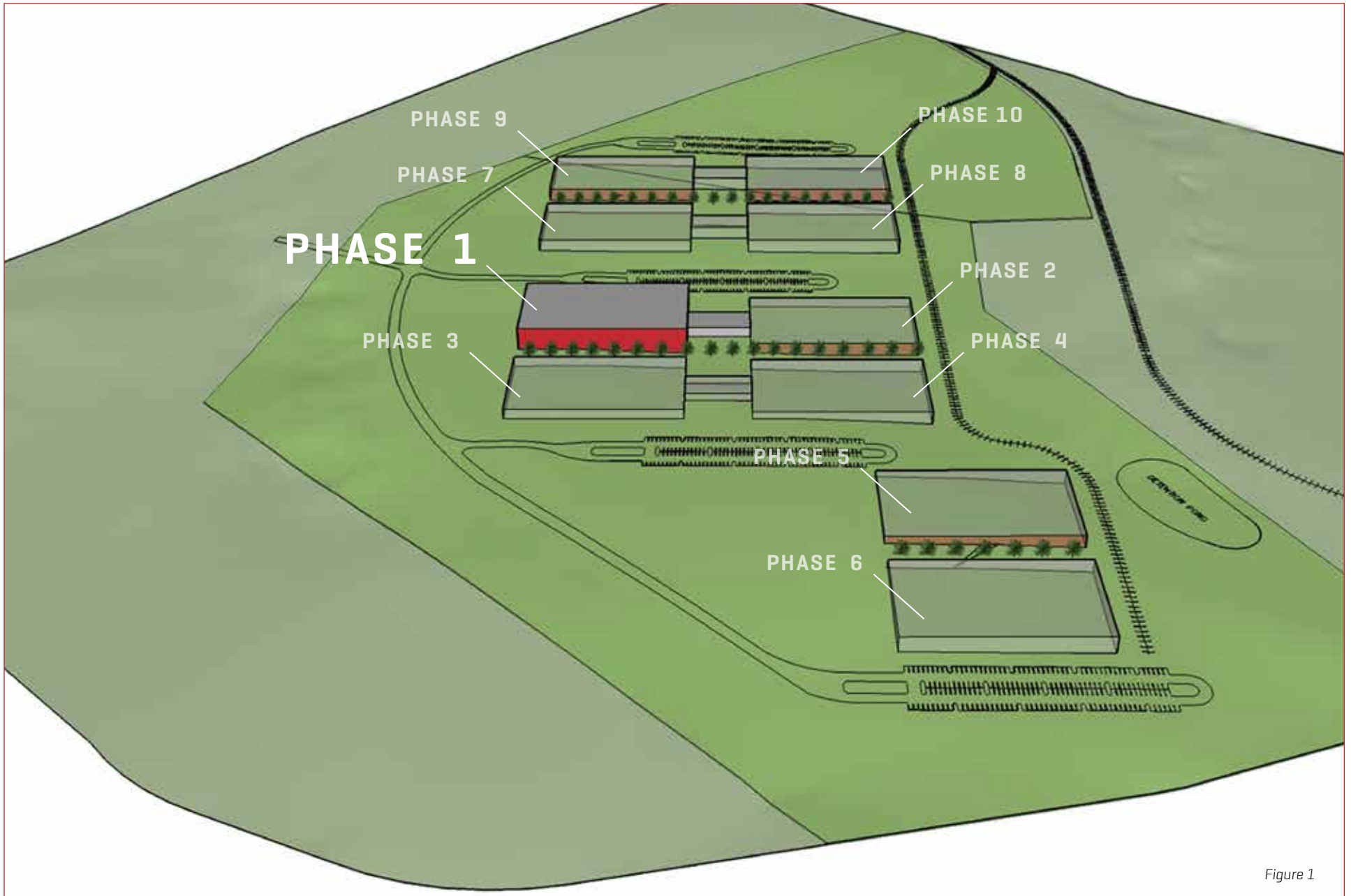


Figure 1