

Media Release

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**EDEN's ENERGY SAVING DIESEL FUEL KIT IN
INDIAN, UNITED STATES and EUROPEAN SALES BOOST**

An Australian company's decision to find ways in which diesel generators around the world could save fuel and cut greenhouse emissions, has gained international momentum with sales in three of the world's major markets.

Perth-based and ASX-listed Eden Energy Limited (ASX code: "EDE") announced today that its OptiBlend® dual fuel kit had now secured its first repeat commercial sales in the huge generator dependent Indian domestic and industrial market after successful trials on four generators there throughout 2010.

It has also secured a sale in Europe and trials in the US of its OptiBlend® dual fuel kit that are anticipated to lead to sales in the American and European markets.

The OptiBlend® kit is retrofit technology that enables diesel engines to be operated on a fuel mixture of diesel fuel and natural gas with up to 70-75% of the diesel being displaced by the gas.

As a generator's fuel mix is lower in carbon content and the combustion process is slightly modified, the OptiBlend® system also produces a cleaner exhaust with lower levels of particulates and greenhouse gases such as carbon dioxide and oxides of nitrogen (NOx).

"As well as the greenhouse benefits, the kit is opening opportunities for hundreds of thousands of diesel-dependent generators worldwide to run more economically in areas where diesel has risen in price while natural gas prices have fallen," Eden Energy's Executive Chairman, Mr Greg Solomon, said today.

"This trend in energy commodity prices is particularly evident currently in the United States and in much of Europe where natural gas prices are falling against a backdrop of increasing oil prices – an oil supply situation not helped by the worsening sovereign risk issues in the north Africa-Middle East regions," Mr Solomon said.

He said Eden's marketing strategy for OptiBlend® had to date focused on large, stationary diesel powered generator sets in India and the United States.

Indian installations during 2009 and 2010 comprised three OptiBlend® sets at tea plantations in the northeast, and one in Mumbai to one of India's largest engineering companies on various brands of diesel generator sets..

"We last month successfully installed a kit on a Cummins1250 kva generator at a large machinery manufacturer near Delhi and have since received a second order from the firm," Mr Solomon said.

"The displacement of diesel fuel from the January 2011 installation has been above 70%, a rate which will deliver payback on the total capital and installation costs of less than 12 months, and possibly half that, depending on usage.

"Significantly, this customer has nearly 40 generator sets of this size throughout its Indian network and has indicated to Eden a desire to progressively convert these to dual fuel operation as natural gas becomes more available there."

Eden has also received inquiries from across northern and western India where every major private and government industrial, commercial and retail building and complex has one or more generators on site to provide either back-up power when electricity outages occur, or in some cases to provide continuous uninterrupted power.

The sales price of an installed OptiBlend® kit varies according to the size and configuration of the engine, but frequently is in the range of US\$25,000 - \$40,000.

US and European sales progress

Eden also announced today that in the United States, its wholly owned subsidiary, Hythane Company, has secured an order to install an OptiBlend® kit on a large, high speed engine at a site for one of the country's largest natural gas producers.

The first sale has also occurred in Europe, to a major Italian generator set supplier.

"Our international marketing will through 2011, also now concentrate on countries which have less than ideal grid power and which are heavily generator dependent, as our new self tuning feature enables the OptiBlend® system to be installed without Hythane personnel being required, as was the case in Italy, no matter how remote the location," Mr Solomon said.

The OptiBlend® kits are produced at Eden's Colorado (US) and Gujarat (India) facilities.

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