Eden Secures Second Indian Hythane Deal

wholly owned subsidiary of Eden Energy has secured its second major breakthrough in the huge Indian transport market after negotiating a five year agreement with one of India's largest natural gas groups, Gurjarat State Petroleum Corporation Ltd (GSPC) to market Eden's Hythane fuel technology throughout Gurjarat, a heavily industrialised state in northwest India.

GSPC is a major Indian natural gas producer, pipeline operator, distributor and marketer and also owns and gas exploration interests in Western Australia and Victoria. The agreement now only relies on formal sanction by the GSPC Board.

Hythane, a mixture of hydrogen and natural gas, is a high efficiency, low emission premium blend of natural gas which reduces emissions of polluting nitrogen oxide by up to 50% compared with just natural gas and which Eden is increasingly marketing on a global basis.

The latest breakthrough, announced on 20 March, adds to Eden's announcement in December last year that it had secured a 10 year agreement with the large bus and heavy transport group, Chennai-based Ashok Leyland for Eden's patented Hythane fuel blend to be introduced across tens of thousands of public transport vehicles in India.

Eden Energy's Executive Chairman, Greg Solomon, said the Gurjarat signing was a further major milestone for Eden in its efforts to establish Hythane as the natural gas fuel standard in the enormous emerging Indian natural gas market for vehicles, power generation and locomotives.

"Eden is hopeful that this will be just one of several strategic agreements related to the marketing and rollout of Hythane in India that Eden and its subsidiaries will enter into over the next six to 12 months.

Under the terms of the agreement:

- GSPC will collaborate, on a non-exclusive basis, to market Hythane in Gujarat.
- Eden will provide to the GSPC Group and its customers, and thereafter maintain, on commercial terms to be agreed, all necessary equipment to produce all Hythane required by them.
- GSPC will in turn support the marketing of Hythane and the proposed Hythane bus demonstration project planned for Ahmedabad (the capital of Gujarat) later in 2007.
- GSPC will support the establishment of all necessary standards and regulations for Hythane in India.