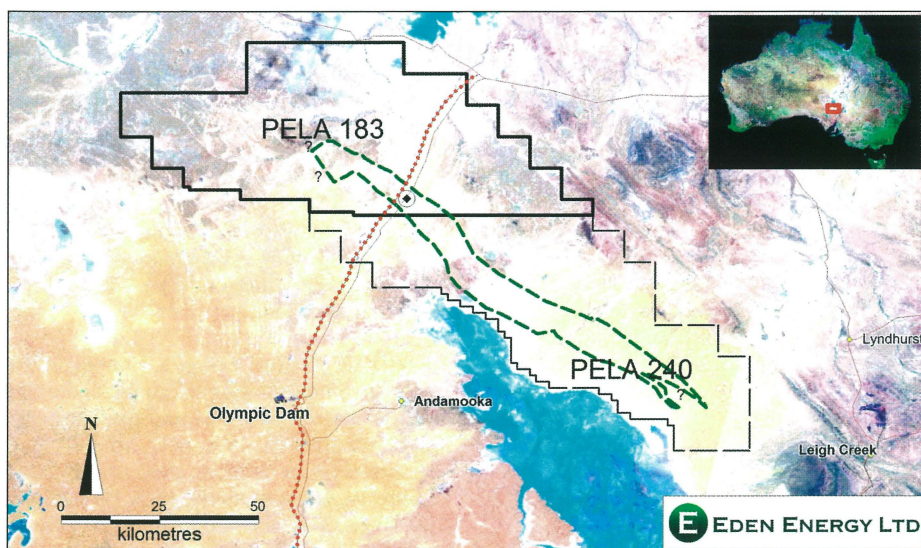


Eden Targets SA Outback In 2007



Eden Energy's PELA 183 and PELA 240 tenements are "interesting hydrocarbon plays" and are about 60 km north of BHP Billiton's Olympic Dam mine.

Eden Energy Limited expects to start exploration by the end of the year on a section of South Australian Outback not previously drilled for oil, but which the company says could change the dynamics for local mining projects if successful.

Eden Energy Chairman, Greg Solomon, said its PELA 183 and adjoining PELA 240 tenements were interesting hydrocarbon plays. "This is a conceptual exploration focus as both of these tenements north of Olympic Dam and Andamooka are in Proterozoic rocks", Solomon said.

"There has previously not been any successful oil and gas exploration in such structures anywhere in Australia, although there are a number of similar successful projects in other

countries. Yet a seismic survey by Geoscience Australia revealed, on our examination, several stand-out anticlines which have never been tested for hydrocarbons."

Solomon said the company is close to concluding negotiations with native titleholders and expects to be on the ground drilling by the end of this year. He said any commercial oil or gas discovery on either of the licence application areas, which are only 60 km north of BHP Billiton's Olympic Dam mine would "significantly change the economics" of the expanding number of mining projects in the region.

"These projects would have for the first time, a ready local fuel supply source that could contribute positively to feasibility studies for future mines in the province", he said. ■