



CHAIRMAN'S ADDRESS

ANNUAL GENERAL MEETING

25 November 2015

The last twelve months have been a very productive time for Eden. Although sales of its world-leading OptiBlend™ Dual Fuel System virtually came to a halt in the second half of 2014 when the international price of oil dropped dramatically and US exploration effectively dried up, Eden was very fortunate in that it managed to fill the vacuum with a sustained period of rapid and significant progress on its EdenCrete™ concrete admixture.

EdenCrete™ is Eden's 100% owned, carbon-enhanced, proprietary liquid concrete additive, one of the primary target markets for which is improving the performance of concrete used in the construction and maintenance of concrete roads, bridges and other infrastructure. Additionally, it has potential for use in a range of other applications including high-rise building construction, marine and coastal applications, water storage and pipelines, and pre-fabricated concrete structures and products.

The progress with EdenCrete™ has been considerable. Twelve months ago we had only just completed the development of EdenCrete™ admixture by showing that it had achieved a greater than 6-month shelf life, a pre-requisite to having a commercial product.

Since then, the following have occurred :-

1. We have arranged successful trials of EdenCrete™ in both Australia and the US with major concrete companies to test the product. Both achieved good results and both of these trials are still ongoing.
2. Further trials with other large commercial concrete companies have taken place in the US and have led in turn to the first commercial sales of EdenCrete™ in ready-mix applications in Colorado.
3. The first commercial sales of EdenCrete™ for use in fabricated concrete products (concrete tiles) were achieved with a major national US concrete tile manufacturer.
4. The US infrastructure market beckons as a very important target market for EdenCrete™. In 2005, the US Geological Survey reported that 40% of all cement used in the United States is used on interstate highways. This important piece of information was further supported in July 2015 by a very sobering report issued by the US Department of Transportation on the appalling state of repair of both bridges and interstate roads and highways throughout the United States. For instance, this report states that out of 605,219 bridges in the US, 146,418

(or 24.19%) are structurally deficient or functionally obsolete. This document was put together to garner support for the passage of the US Surface Transportation Bill and was very effective, with the US Surface Transportation Act being passed by both the Congress and Senate and signed into law by the President on 20 November 2015. This Act importantly secures funding for the Federal Department of Transportation for the next six years.

5. At the end of May 2015, discussions took place with the Georgia Department of Transportation in relation to the possible application of EdenCrete™ in their concrete. These discussions quickly led to:
 - 5.1. approval for Eden to conduct two field trial using EdenCrete™;
 - 5.2. two field trials of EdenCrete™ on Interstate Highway I-20 in Augusta, Georgia took place in August 2015;
 - 5.3. following the achievement by the EdenCrete™ enriched concrete of a 45.8% increase in compressive strength and a 56% reduction in the rate of wear from abrasion from this field trial, on 19 November 2015, the Georgia Department of Transportation's New Products Evaluation Committee agreed to allow the use of EdenCrete™ in the Department of Transportation's 24-hour repair concrete mix which is used in approximately 20% of the Department's concrete. This in turn should lead, over the next few months or so, to the development by the Department of specifications to cover the use of EdenCrete™ in repair work on its roads and highway, and
 - 5.4. significantly, the New Products Evaluation Committee also approved a further field trial of EdenCrete™ in the Georgia Department of Transportation's A Class mix of concrete, which is used for most of its other concrete applications.

The importance of the approval by the Georgia Department of Transportation cannot be understated. Not only is it the major hurdle to gaining access to the very large infrastructure market in Georgia, but it could also act as a springboard for similar approvals by the Departments of Transport in other States across America, opening up the potential for an enormous market for the EdenCrete™ admixture.

In anticipation of a rapidly increasing demand, the following developments have occurred in the expansion Eden's production capability of EdenCrete™ :-

In Colorado, steps are currently underway to expand the production capability to approximately 250,000 gallons (approximately 950,000 litres) of EdenCrete™ per annum and will take 9 months to complete and cost around US\$2-3million.

1. In Georgia, steps have also been taken to establish a global manufacturing and marketing base for EdenCrete™ and expand production initially to 12.5 million gallons (47.5 million litres) of EdenCrete™ per annum, and then increasing progressively to 50 million gallons (190 million litres) or more, with the first phase to be completed within 18 months at a cost of approximately US\$35million and the full expansion to be completed within 4 years at a total cost in the order of US\$70million. Significant process has been made in relation to this expansion, including:
 - 1.1. initial concept design has commenced;
 - 1.2. a firm contract, terminable by Eden within 150 days if it is not satisfied after completing a due diligence examination, for the purchase of approximately 70 acres

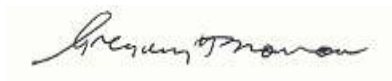
of suitable industrial land in Augusta for a price in the order of US\$1.15 million has been entered into; and

- 1.3. State and regional financial incentives from both the Georgia Economic Development Authority and Augusta Economic Development Authority, largely based on the size of the project investment and the number and value of jobs that will be created, are currently being negotiated. The indications received to date include potential aggregated financial support worth more than US\$20million, primarily through a series of tax credits and other financial support that can be applied over an extended period of between 10-20 years against various State and regional taxes such as corporate income tax, sales tax or property tax. In addition other benefits that may be provided include staff selection and job training assistance, and at a regional level assistance with financing through a mechanism known as an Industrial Revenue Bond. An offer of a similar sized, alternative industrial site in the Augusta area, free of charge, is also under discussion.

Concurrently, the following progress on marketing EdenCrete™ in Georgia to other groups has occurred:

- 1.4. laboratory tests have been arranged with two major companies in Georgia, one a manufacturer of fabricated materials and the other a major ready-mix company; and
- 1.5. a significant Georgia-based ready-mix contractor is planning to quote the use of EdenCrete™ to a major industrial customer for use in a highly abrasive concrete application.

Clearly, it has been a very exciting period for the company and since our last annual general meeting the market capitalisation of the company has risen from \$10.6 million to approximately \$66.5 million, a rise of 526% (during which time the ASX All Ordinaries Index actually fell by 0.83%), and with the momentum that has been gained, coupled with the highly consistent and extremely encouraging results that have been and still are being obtained from the trials and laboratory tests of EdenCrete™, the directors consider that the next 12-24 months will be an extremely exciting time in the history of Eden.



Gregory H. Solomon
Executive Chairman