

TASMAN RESOURCES NL

ACN 009 253 187

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2 The Esplanade, Perth, Western Australia 6000

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10 December 2004

Dear Shareholder

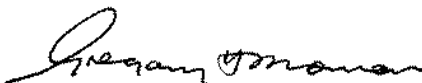
Enclosed please find attached a notice of extraordinary general meeting and explanatory statement in relation to Eden Energy Ltd.

The purpose of the general meeting is to seek approval for the issuing to directors of options as an incentive for the future development of Eden, and seek approval for the directors' fees that are to be paid.

All of the matters the subject of the resolutions were detailed in the information memorandum which Eden issued on the 8th August 2004 for the purpose of raising seed capital. Pursuant to that memorandum, a total of \$2,120,000.00 was raised from 3 investors.

Eden is currently in the process of preparing a prospectus with a view to seeking an appropriate stock exchange listing either in Australia or in the United Kingdom as soon as is reasonably possible, and accordingly the shareholders' meeting has been convened to finalise these matters prior to completion of the prospectus.

Yours sincerely



Gregory H. Solomon
Executive Chairman

TASMAN RESOURCES NL

ACN 009 253 187

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that an extraordinary general meeting of the members of Tasman Resources NL ACN 009 253 187 ("the Company") will be held at Level 40, Exchange Plaza, 2 The Esplanade, Perth, Western Australia on Thursday the 13th day of January 2005 at 10:00 am.

SPECIAL BUSINESS

The business of the meeting is to consider and (if thought fit) to pass, with or without modification, the following ordinary resolutions:

1. Issue of Options to Gregory Howard Solomon

"That, for the purposes of Part 2E.1 of the Corporations Act 2001 and for all other purposes, approval is given by the Company's shareholders for Eden Energy Ltd (an entity which the Company controls) ("Eden") to issue to Gregory Howard Solomon (being a current director of Eden), 1,500,000 options in Eden, each to acquire one fully paid share in Eden at an issue price of 20 cents exercisable on or before 30 September 2009 and otherwise on the terms and conditions set out in the explanatory statement attached hereto"

2. Issue of Options to Douglas Howard Solomon

"That, for the purposes of Part 2E.1 of the Corporations Act 2001 and for all other purposes, approval is given by the Company's shareholders for Eden Energy Ltd (an entity which the Company controls) ("Eden") to issue to Douglas Howard Solomon (being a current director of Eden), 1,500,000 options in Eden, each to acquire one fully paid share in Eden at an issue price of 20 cents exercisable on or before 30 September 2009 and otherwise on the terms and conditions set out in the explanatory statement attached hereto"

3. Issue of Options to Guy Touzeau Le Page

"That, for the purposes of Part 2E.1 of the Corporations Act 2001 and for all other purposes, approval is given by the Company's shareholders for Eden Energy Ltd (an entity which the Company controls) ("Eden") to issue to Guy Touzeau Le Page (being a current director of Eden), 1,500,000 options in Eden, each to acquire one fully paid share in Eden at an issue price of 20 cents exercisable on or before 30 September 2009 and otherwise on the terms and conditions set out in the explanatory statement attached hereto"

4. Non-Executive Directors Remuneration

"That, for the purposes of Part 2E.1 of the Corporations Act 2001, ASX Listing Rule 10.17 and for all other purposes, approval is given by the Company's shareholders for Eden:

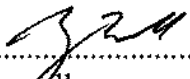
- (a) in accordance with Article 70(1) of Eden's Constitution, to fix the sum of \$72,000.00 per annum as the maximum amount payable to the non-executive directors of Eden; and
- (b) to pay each non-executive director of Eden the amount of \$24,000.00 per annum with effect from the date of passing of this resolution."

5. Executive Directors Remuneration

"That, for the purposes of Part 2E.1 of the Corporations Act 2001 and for all other purposes, approval is given by the Company's shareholders for Eden to pay to Gregory Howard Solomon, the executive chairman of Eden, the sum of \$150,000.00 per annum plus superannuation with effect from the date of passing of this resolution."

Dated this 10th day of December 2004.

By order of the Board


.....
RF Buscall
Company Secretary

NOTES RELATING TO PROXIES:

A shareholder entitled to attend and vote at the Extraordinary General Meeting of the Company may appoint not more than two more proxy's to attend and vote in his/her place. Where more than one proxy is appointed each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. A proxy may be, but need not be a member of the company.

Proxy forms (and the Power of Attorney or other authority, if any under which the proxy form is signed) must be deposited at the registered office of the company at Level 40, Exchange Plaza, 2 The Esplanade, Perth, Western Australia, 6000 not less than 48 hours before the time for holding the Extraordinary General Meeting or adjourned Extraordinary General Meeting.

TASMAN RESOURCES N.L.
(ACN 009 253 187)

PROXY FORM
EXTRAORDINARY GENERAL MEETING

I/We

being a member/members of Tasman Resources N.L. entitled to attend and vote at the meeting, hereby

Appoint

Name of proxy

or failing the person so named or, if no person is named, the Chairman of the meeting or the Chairman's nominee, to vote in respect of _____% of my/our voting rights in accordance with the following directions, or if no directions have been given, as the proxy sees fit at the Extraordinary General Meeting of the company, to be held on Thursday 13th of January 2005 and at any adjournment thereof. If no directions are given, the Chairman will vote in favour of all of the resolutions.

	FOR	AGAINST	ABSTAIN
Ordinary Resolutions:			
1. To issue options to Mr GH Solomon	☐	☐	☐
2. To issue options to Mr DH Solomon	☐	☐	☐
3. To issue options to Mr GT Le Page	☐	☐	☐
4. To approve payment of non-executive directors fees	☐	☐	☐
5. To approve payment of executive directors remuneration	☐	☐	☐

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not intended to be counted in computing the required majority on a poll.

Signed this day of 2004.

Individuals and joint holders

Signature

Signature

Signature

Companies (affix common seal if appropriate)

Director

Director/Company Secretary

Sole Director and Sole Company Secretary

The Chairman intends to vote in favour of all 5 resolutions in respect of all undirected proxies.

If you do not wish to direct your proxy how to vote please place a mark in the box.

By marking this box you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

Notes:

1. To be effective, this proxy and the power of attorney (if any) under which it is signed must be received at the Registered Office of the company, Level 40, Exchange Plaza, 2 The Esplanade, Perth, WA 6000 not less than 48 hours before the time for holding the meeting, or any adjournment thereof.
2. If the member is a corporation, the form of proxy should be signed under seal if appropriate.

EXPLANATORY STATEMENT

This Explanatory Statement is an important document and you should read this statement carefully. If you have any queries regarding the matters set out in this Explanatory Statement or the preceding Notice please contact the Company or your professional advisor.

Resolutions 1, 2 and 3 – Issue of Options to Eden Directors

A. Background

Resolutions 1, 2 and 3 seeks shareholder approval for the purposes of Part 2E.1 of the Corporations Act 2001 (“the Act”) and for all other purposes to Eden Energy Ltd (“Eden”) issuing options to the directors of Eden. The Company owns 64.33% of the issued share capital of Eden, and has control of Eden.

The directors of Eden have resolved that, subject to receiving approval of the Company’s shareholders in accordance with resolutions 1, 2 and 3 and the approval of its own shareholders, each of the current directors of Eden will be issued with 1,500,000 options in Eden (“the Options”). The directors of Eden, as at the date of this Explanatory Statement, are Gregory Howard Solomon, Douglas Howard Solomon, Guy Touzeau Le Page and Guiting Liu.

These Options are being issued to the current directors of Eden in consideration of services performed by the directors of Eden during the period from the incorporation of Eden until the date of issue of the Options during which period the directors were not paid any fees and as an incentive to the directors for the future development of Eden. Notwithstanding that Guiting Liu was not appointed as a director of Eden until November 2004, the directors of Eden have also resolved to issue to him with 1,500,000 Options on the same basis as the other directors.

The issue of these Options was disclosed in the Information Memorandum issued by Eden on 8 August 2004, pursuant to which all seed capitalists have invested in Eden. All seed capital shares in Eden were issued with one 20 cent option for each two shares issued.

Each Option to be granted to the current directors of Eden will grant to the holder an option to acquire 1 fully paid ordinary share in Eden at an issue price of 20 cents exercisable on or before 30 September 2009. The terms and conditions upon which each Option will be issued are as follows:-

1. The Options are exercisable at any time prior to 5.00pm WST 30th September 2009 (the Expiry Date). Options not exercised on or before the Expiry Date will automatically lapse.
2. The Options may be exercised wholly or in part by completing a notice of exercise of options (in an approved form) to be delivered to Eden’s registered office and received by it any time prior to the Expiry Date.
3. The Options entitle the holder to subscribe (in respect of each Option held) for a share in Eden (Share) at an exercise price per Option of 20 cents.
4. Upon the exercise of the Options and receipt of all relevant documents and payment, Shares will be issued ranking pari passu with the then issued Shares. If at the date of exercise of the Options the shares of Eden are quoted on a recognized Exchange, Eden will apply to that Exchange to have the Shares granted Quotation.

5. A summary of the terms and conditions of the Options including the notice of exercise is sent to all holders of Options when the Options are issued.
6. Any notice of exercise received by the Company on or prior to the Expiry Date will be deemed to be a notice of exercise as at the last Business Day of the month in which such notice is received.
7. There are no participating entitlements inherent in the Options to participate in new issues of capital, which may be offered to shareholders during the currency of the Options. Prior to any new pro rata issue of securities to shareholders, holders of Options will be notified by Eden and will be afforded 10 Business Days before the Record Date (to determine entitlements to the issue), to exercise Options.
8. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of Eden prior to the Expiry Date the number of Options or the exercise price of the Options or both shall be reconstructed (as appropriate) in a manner which will not result in any benefits being conferred on holders of Options which are not being conferred on shareholders and (subject to the provisions with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the reconstruction of capital), in all respects the terms for the exercise of Options shall remain unchanged.
9. The Options may be transferred at any time prior to the Expiry Date.
10. Shares issued pursuant to the exercise of an Option will be issued not more than 14 days after the notice of exercise.

All of the options issued by Eden to date (as set out in the table below) have been issued free of charge, and on the same terms as the Options.

None of the directors of Eden currently hold any shares or options in Eden. If all of the Options proposed to be issued to the Eden directors are exercised, an additional 6,000,000 shares in Eden will then be on issue. The capital structure of Eden as it currently stands and as it will stand if all of the Options are exercised (assuming all of the other options currently on issue in Eden are also exercised) is set out below:

Holders	Shares	Options	New Shares
Tasman Resources NL	45,800,000	47,900,000	93,700,000
Top Energy P/L	24,200,000	12,100,000	36,300,000
JP Morgan Nominees Australia Ltd	1,000,000	500,000	1,500,000
BJ Watson	200,000	100,000	300,000
GH Solomon	0	1,500,000*	1,500,000
DH Solomon	0	1,500,000*	1,500,000
GL Page	0	1,500,000*	1,500,000
G Liu	0	1,500,000*	1,500,000
Totals	71,200,000	66,600,000	137,800,000

* Assuming shareholder approval to the grant of the Options is obtained.

Accounting Standard AASB 1046 states that where market prices are not available, the fair value of the Options as at the date of grant shall be determined using a valuation technique to estimate what the price of the Options would have been on the date of grant in an arms length transaction between knowledge and willing parties.

Eden is an unlisted public company and, accordingly, there is no market price for the Options.

Subject to the significant qualifications detailed below (arising out of the fact that the shares in Eden are unlisted and un-traded), the directors of Eden have estimated, using the valuation formulae summarised below, that the value of each of the Options to be granted to the directors of Eden is less than 0.1cent per Option. Therefore, in relation to each director, the total value of the 1,500,000 Options being granted to each director is less than \$1,500. The basis of this valuation formulae is as follows:

The valuation formulae is a warrant valuation formula which is derived from the Black-Scholes formula for valuing call options. Details of this formula can be found in, for instance, 'Options, Futures and Other Derivatives' by John Hull, 5th Edition. It is an appropriate method for valuing these options, which are European Warrants. The essential difference between this and the standard Black Scholes formula is that the warrant valuation formula takes into account the dilutionary effect of warrants on the share price. The standard Black Scholes formula works on the assumption that exercising an option has no effect on the share price. This is appropriate where the number of shares is constant (when the person writing the option is a third party, not the company) and the number of options relative to the number of shares is small. On the other hand, in the case of a warrant, the option is issued by the company and when it is exercised, more shares are issued, ie the company's value is split amongst a larger number of shares. Furthermore, the number of warrants outstanding in this company is large relative to the number of shares. Both of these justify the warrant formula as opposed to the standard Black-Scholes method.

The estimates are subject to considerable uncertainty, because many of the necessary parameters of the model (or indeed of any standard option pricing model) are difficult to estimate. For an un-traded company, it is difficult to estimate the current share price. We use for the share price the last price at which shares in Eden were issued, which is 10c per share. This estimate is somewhat high, since this transaction included a number of options as well, so is likely to overestimate the option value. The other highly uncertain variable is the volatility for the stock. Because it has no trading history, any volatility is essentially a guess. As a result, the volatility used in this case is the annual volatility of the All Ordinaries Index - in the absence of any specific data, we assign the share the same volatility as the main share market index in Australia. The other numbers involved (exercise price of 20c, time to maturity of 4.8 years, risk free rate of 5.41%) are all easily available.

In addition to difficulty in parameter estimation, it is notable that the current situation, involving an un-traded company, many of the assumptions of any option pricing model will be questionable. As a result, no estimate of option value will be particularly precise, because no good models exist for the share price of un-traded companies with no share price history. The numbers given represent the standard way for pricing warrants on stocks, and thus are applied here, although readers should view these estimates understanding the level of precision involved.

The share price history of Eden since incorporation is as follows:

1,200,000 shares issued at 10c per share
24,200,000 shares issued at 8.26c per share

The directors are not currently receiving any remuneration from Eden, however if resolutions 4 and 5 are passed, then the directors will receive, as from the date of the passage of those resolutions, in addition to the Options, the remuneration therein specified.

B. The Act

Part 2E.1 of the Act regulates the provision of “financial benefits” by the Company and any entity that the Company controls (which will include Eden). By s.208(1) of the Act, Eden (being an entity controlled by the Company) can only give a “financial benefit” to a “related party” of the Company if the Company obtains the approval of its members in accordance with the procedures set out in Part 2E.1 of the Act.

For the purposes of the Act, a “related party” of the Company includes the directors of the Company. Gregory Howard Solomon, Douglas Howard Solomon and Guy Touzeau Le Page are directors of the Company and, accordingly, are related parties of the Company. Furthermore, the Act deems the granting of an option to a related party to constitute the giving of a “financial benefit” to the related party.

In the circumstances, the resolution by the directors of Eden to issue options to its directors will result in Eden giving a financial benefit to Gregory Howard Solomon, Douglas Howard Solomon and Guy Touzeau Le Page, who are related parties of the Company. A financial benefit will also be given to Guiting Liu, who joined the board of directors of Eden as a non-executive director in November 2004, however he is not a related party of the Company.

Section 211 of the Act provides an exception to the need to obtain member approval where, inter alia, the financial benefit is remuneration given to a related party as an officer of an entity that the public company controls and to give the remuneration would be reasonable given the circumstances of the entity giving the remuneration and the related party (including the responsibilities involved in the office or employment). The directors of the Company consider that the issue of the Options to the directors of Eden is reasonable given the circumstances of Eden and the directors. Nevertheless, and for avoidance of doubt, the Company is seeking shareholder approval for the purposes of Part 2E.1 of the Act.

Gregory Howard Solomon, Douglas Howard Solomon, Guy Touzeau Le Page and Guiting Liu, being directors of Eden, are also related parties of Eden. In these circumstances, the resolution by the directors of Eden to issue options to its directors will result in a financial benefit being given to a related party of Eden, and the approval of Eden’s shareholders is also being sought at a meeting convened for the same day as this meeting. If the approval of the shareholders of either the Company or Eden is not obtained, the Options will not be issued to the directors of Eden.

In accordance with the requirements of Part 2E.1 of the Act, and in particular section 219 of the Act, the following information is provided to allow the shareholders of the Company sufficient information to determine whether they should approve these resolutions:-

I. Resolution 1

1. The proposed financial benefit is to be given to Gregory Howard Solomon (who is a director of Eden and the Company).
2. The nature of the financial benefit is the issue of Options in Eden.
3. Gregory Howard Solomon (being the person to whom the financial benefit will be given) does not wish to make a recommendation to shareholders about this resolution (as he has an interest in the passage of the resolution). All of the directors of the Company that do not have an interest in this resolution recommend that shareholders approve this resolution on the basis that the Options are being issued to the directors of Eden in consideration of services performed by the directors of Eden in the period from the incorporation of Eden up to the date of issue of the options, during which time the directors were not paid any fees and as an incentive to the directors to endeavour to maximise the future performance of Eden.

4. Gregory Howard Solomon, being a director of the Company and Eden and the person to whom the financial benefit will be payable, has an interest in this resolution.
5. The directors are not aware of any other information (other than as set out above and in Part A) that would be reasonably required by shareholders to allow them to make a decision whether it is in the best interest of the Company to pass the resolution.

The fact that it was proposed to seek approval to issue these Options was disclosed in the Information Memorandum issued by Eden on 8 August 2004 and pursuant to which the sum of \$2,120,000 seed capital has now been raised by Eden.

The Company will disregard any votes cast on resolution 1 by Gregory Howard Solomon (being the related party of the Company to whom the resolution would permit the financial benefit to be given) and his associates (who are all prohibited from voting).

II. Resolution 2

6. The proposed financial benefit is to be given to Douglas Howard Solomon (who is a director of Eden and the Company).
7. The nature of the financial benefit is the issue of Options in Eden.
8. Douglas Howard Solomon (being the person to whom the financial benefit will be given) does not wish to make a recommendation to shareholders about this resolution (as he has an interest in the passage of the resolution). All of the directors of the Company that do not have an interest in this resolution recommend that shareholders approve this resolution on the basis that the Options are being issued to the directors of Eden in consideration of services performed by the directors of Eden in the period from the incorporation of Eden up to the date of issue of the options, during which time the directors were not paid any fees and as an incentive to the directors to endeavour to maximise the future performance of Eden.
9. Douglas Howard Solomon, being a director of the Company and Eden and the person to whom the financial benefit will be payable, has an interest in this resolution.
10. The directors are not aware of any other information (other than as set out above and in Part A) that would be reasonably required by shareholders to allow them to make a decision whether it is in the best interest of the Company to pass the resolution.

The fact that it was proposed to seek approval to issue these Options was disclosed in the Information Memorandum issued by Eden on 8 August 2004 and pursuant to which the sum of \$2,120,000 seed capital has now been raised by Eden.

The Company will disregard any votes cast on resolution 2 by Douglas Howard Solomon (being the related party of the Company to whom the resolution would permit the financial benefit to be given) and his associates (who are all prohibited from voting).

III. Resolution 3

11. The proposed financial benefit is to be given to Guy Touzeau Le Page (who is a director of Eden and the Company).
12. The nature of the financial benefit is the issue of Options in Eden.

13. Guy Touzeau Le Page (being the person to whom the financial benefit will be given) does not wish to make a recommendation to shareholders about this resolution (as he has an interest in the passage of the resolution). All of the directors of the Company that do not have an interest in this resolution recommend that shareholders approve this resolution on the basis that the Options are being issued to the directors of Eden in consideration of services performed by the directors of Eden in the period from the incorporation of Eden up to the date of issue of the options during which time the directors were not paid any fees and as an incentive to the directors to endeavour to maximise the future performance of Eden.
14. Guy Touzeau Le Page, being a director of the Company and Eden and the person to whom the financial benefit will be payable, has an interest in this resolution.
15. The directors are not aware of any other information (other than as set out above and in Part A) that would be reasonably required by shareholders to allow them to make a decision whether it is in the best interest of the Company to pass the resolution.

The fact that it was proposed to seek approval to issue these Options was disclosed in the Information Memorandum issued by Eden on 8 August 2004 and pursuant to which the sum of \$2,120,000 seed capital has now been raised by Eden.

The Company will disregard any votes cast on resolution 3 by Guy Touzeau Le Page (being the related party of the Company to whom the resolution would permit the financial benefit to be given) and his associates (who are all prohibited from voting).

Resolution 4 – Non-Executive Directors’ Remuneration

A. Background

Resolution 4 seeks shareholder approval for the purposes of Part 2E.1 of the Act, ASX Listing Rule 10.17 and for all other purposes to the payment of non-executive directors fees to the directors of Eden.

The directors of Eden have resolved, subject to receiving approval of the Company’s shareholders in accordance with this resolution 4 and the approval of its own shareholders, in accordance with article 70(1) of Eden’s constitution, to fix the sum of \$72,000.00 per annum as the maximum amount payable per annum by way of non-executive directors fees, and that each non-executive director of Eden will be paid remuneration of not more than \$24,000.00 per annum with effect from and after the date of passing of this resolution.

The payment of such non-executive directors fees was disclosed in the Information Memorandum issued by Eden on 8 August 2004, pursuant to which all seed capital investors have invested in Eden. This Information Memorandum stated that non-executive directors fees of \$24,000 per annum for each non-executive director would become payable upon the earlier of the time when Eden raised \$2,000,000.00 or achieved a stock exchange listing. Eden succeeded in raising \$2,120,000 which was completed on 12 November 2004.

B. The Act

The payment by Eden of directors fees to its non-executive directors will result in a financial benefit (the annual payment of \$24,000) being given by Eden to Douglas Howard Solomon and Guy Touzeau Le Page, who are related parties of the Company (see part B of resolution 1). A similar financial benefit will also be given by Eden to Guiting Liu who is also a director of Eden but who is not a related party of the Company.

Whilst the directors of the Company consider that the amount of fees proposed to be paid by Eden to its non-executive directors is in accordance with prevailing market rates (and thus falls within the exemption in s.211 of the Act) (see part B of resolution 1), for avoidance of doubt, the Company is seeking shareholder approval for the payment by Eden of the non-executive directors fees for the purposes of Part 2E.1 of the Act.

Douglas Howard Solomon, Guy Touzeau Le Page and Guiting Liu, being directors of Eden, are also related parties of Eden. In these circumstances, the resolution by the directors of Eden to pay non-executive directors fees to its directors will result in a financial benefit being given to a related party of Eden, and the approval of Eden's shareholders is also being sought at a meeting convened for the same day as this meeting. If the approval of the shareholders of either the Company or Eden is not obtained, this resolution will not be implemented.

In accordance with the requirements of Part 2E.1 of the Act, and in particular section 219 of the Act, the following information is provided to allow the shareholders of the Company sufficient information to determine whether they should approve this resolution:-

16. The proposed financial benefit is to be given to the non-executive directors of Eden, being Douglas Howard Solomon and Guy Touzeau Le Page (who are both also the directors of the Company). A similar financial benefit will also be given by Eden to Guiting Liu, however he is not a related party of the Company.
17. The nature of the financial benefit is the payment of non-executive directors fees.
18. Douglas Howard Solomon and Guy Touzeau Le Page do not wish to make a recommendation to shareholders about this resolution as they have an interest in the passage of the resolution. Gregory Howard Solomon recommends that shareholders approve this resolution on the basis that the fees sought to be paid by Eden to its non-executive directors are reasonable.
19. Douglas Howard Solomon and Guy Touzeau Le Page, being directors of the Company and Eden and the persons to whom the financial benefit will be payable, have an interest in this resolution.
20. The directors are not aware of any other information that would be reasonably required by shareholders to allow them to make a decision whether it is in the best interest of the Company to pass the resolution.

The Company will disregard any votes cast on resolution 4 by Douglas Howard Solomon and Guy Touzeau Le Page (being the related parties of the Company to whom the resolution would permit the financial benefit to be given) and their associates (who are all prohibited from voting).

C. Listing Rules

Listing Rule 10.17 provides that an entity must not increase the total amount of directors fees payable by it or any of the child entities without the approval of holders of its ordinary securities. This rule does not apply to the salary of an executive director. As Eden is an entity which is controlled by the Company, it will be a child entity of the Company. As no directors fees are currently payable by Eden to its directors, the Company considers that the payment of such fees to the directors of Eden will result in an increase in the total amount of directors fees payable by the Company and Eden and, therefore, seeks the approval of the holders of its ordinary securities in accordance with Listing Rule 10.17.

In accordance with the requirements of Listing Rule 10.17.1, the following information is provided:-

1. The maximum amount of directors fees which will be payable to the non-executive directors of Eden is \$72,000.00 per annum (which is also the amount by which directors fees payable by the Company and Eden will have increased).
2. The maximum amount that may be paid to the non-executive directors of Eden (as a whole) will be \$72,000.00 per annum. Each individual director of Eden is entitled to remuneration up to a maximum amount of \$24,000.00 per annum. In addition, the non-executive directors of the Company are also entitled to directors fees of up to a maximum of \$72,000.00 per annum. Executive directors fees payable by Eden to Mr Gregory Howard Solomon are in addition to these amounts.
3. The Company will disregard any votes cast on this resolution by Gregory Howard Solomon, Douglas Howard Solomon, Guy Touzeau Le Page or Guiting Liu (the directors of Eden), and any associate of those persons. However, the Company need not disregard a vote if:-
 - 3.1 it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
 - 3.2 it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 5 –Executive Director’s Remuneration

A. Background

Resolution 5 seeks shareholder approval for the purposes of Part 2E.1 of the Act and for all other purposes to the payment by Eden of executive directors fees to Gregory Howard Solomon, the executive chairman of Eden.

The directors of Eden have resolved that, subject to receiving approval of the Company’s shareholders in accordance with this resolution 5 and the approval of its own shareholders, the executive chairman of Eden, Mr Gregory Howard Solomon (who is also the executive chairman of the Company), will be paid remuneration of \$150,000.00 per annum plus superannuation.

The payment of such executive director fees was disclosed in the Information Memorandum issued by Eden on 8 August 2004, pursuant to which all seed capitalists have invested in Eden. This Information Memorandum stated that executive director fees of \$150,000 per annum plus superannuation would become payable to Gregory Howard Solomon upon the earlier of the time when Eden raised \$2,000,000.00 or achieved a stock exchange listing. Eden succeeded in raising \$2,120,000 which was completed on 12 November 2004.

B. The Act

The payment by Eden of executive directors fees to Gregory Howard Solomon (Eden’s executive chairman) will result in a financial benefit being given by Eden to Gregory Howard Solomon, who is a related party of the Company (see part B of resolution 1).

Whilst the directors of the Company consider that the amount of fees proposed to be paid to Eden’s executive chairman is in accordance with prevailing market rates and thus falls within the exemption in s.211 of the Act (see part B of resolution 1), for avoidance of doubt, the Company is

seeking shareholder approval for the payment by Eden of the executive directors fees to Gregory Howard Solomon for the purposes of Part 2E.1 of the Act.

Gregory Howard Solomon, being a director of Eden, is also a related party of Eden. In these circumstances, the resolution by the directors of Eden to pay executive directors fees to him will result in a financial benefit being given to a related party of Eden, and the approval of Eden's shareholders is also being sought at a meeting convened for the same day as this meeting. If the approval of the shareholders of either the Company or Eden is not obtained, this resolution will not be implemented.

In accordance with the requirements of Part 2E.1 of the Act, and in particular section 219 of the Act, the following information is provided to allow the shareholders of the Company sufficient information to determine whether they should approve this resolution:-

21. The proposed financial benefit is to be given to the executive chairman of Eden, being Gregory Howard Solomon (who is also a director of the Company).
22. The nature of the financial benefit is the payment of executive directors fees.
23. Gregory Howard Solomon does not wish to make a recommendation to shareholders about this resolution as he has an interest in the passage of the resolution. Douglas Howard Solomon and Guy Touzeau Le Page recommend that shareholders approve this resolution on the basis that the fees sought to be paid by Eden to its executive director are reasonable.
24. Gregory Howard Solomon, being the director of the Company and Eden and the person to whom the financial benefit will be payable, has an interest in this resolution.
25. The directors are not aware of any other information that would be reasonably required by shareholders to allow them to make a decision whether it is in the best interest of the Company to pass the resolution.

The Company will disregard any votes cast on resolution 5 by Gregory Howard Solomon (being the related party of the Company to whom this resolution would permit the financial benefit to be given) and their associates (who are all prohibited from voting).