



AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

15 JULY 2021

EDEN INNOVATIONS LTD

OPTIBLEND® - SIGNIFICANT GROWTH IN INDIAN MARKET

Please see attached an ASX Announcement by Eden Innovations Ltd (ASX: EDE) for further details.

Background

Tasman through its wholly owned subsidiary, Noble Energy Pty Ltd, holds 631,777,564 fully paid shares in Eden representing 30.33% of the total issued capital of Eden Innovations Ltd.

A handwritten signature in black ink, appearing to read 'Greg Solomon', is displayed on a light yellow rectangular background.

Greg Solomon
Executive Chairman

This announcement was authorised by the above signatory.
For any queries regarding this announcement please contact Aaron Gates on +618 9282 5889.



Innovations that work.™

ACN 109 200 900

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OptiBlend®- Significant Growth in Indian Market

Highlights

- **Indian OptiBlend® sales for Q4-FY21 - Total AUD \$343,589.**
- **Indian OptiBlend® sales for FY21 - Total AUD \$989,749**
- **Sales are to large companies, driven by a combination of:**
 - **The significantly lower price of Natural Gas compared to diesel fuel; and**
 - **Various Government regulations and decisions, prohibiting the operation in the of diesel generators on diesel fuel alone during the winter period due to the emission levels generated.**

Details

Eden Innovations Ltd (ASX: EDE) is very pleased to provide the following update on the continued significant growth occurring in sales of OptiBlend®, Eden's proprietary dual fuel system that enables diesel generator sets to run on a combination of Natural Gas (up to approximately 70%) thereby reducing the diesel fuel consumption down to approximately 30% of the total fuel requirement.

Sales during Fourth Quarter of FY 2021 and Whole of FY2021

Indian OptiBlend® sales for Q4 of FY21 reached a total of approximately AUD \$343,589.

This resulted from the sale of 13 units (plus a number of installations of units sold in previous quarters that had not yet been installed) to two Indian subsidiaries of large international companies and three large Indian companies, comprising:

- Whirlpool of India Ltd (6 units),
- ABB India Ltd (2 Units),
- Sudhir Power Projects Ltd, a distributor in northern India of Cummins diesel generator sets (2 Units),
- Bikano Foods Pvt. Ltd, a large Indian processed food manufacturer that has a significant export market (2 Units delivered in the June Quarter with a further three Units scheduled to be invoiced and delivered in the September Quarter), and
- Haldiram Snacks Pvt. Ltd, a large Indian savoury food and snack manufacturer that supplies both the Indian and a large export market (1 Unit).

Further, this significant increase in sales in Q4 of FY 21 took the total Indian OptiBlend® sales for the 2021 Financial Year to an impressive total of approximately AUD \$989,749.

Market Drivers for Increased Sales

The primary driver at present, being outside of the winter months, is the significantly lower price of Natural Gas for industrial and commercial customers averaging approximately Rs 40 (plus or minus Rs5) for the same quantity of energy delivered by diesel fuel that would cost approximately Rs 90 (plus or minus Rs5).

The secondary driver of this sales growth is Government regulations aimed at reducing air pollution.

As previously announced (see Eden’s announcement 13 October 2020), on 8th of October 2020, the Environment Pollution (Prevention and Control) Authority (EPCA), a body mandated by the Indian Supreme Court, banned the use of non-essential diesel generator sets, with effect from 15 October 2020, in Delhi (the National Capital Territory), Ghaziabad, Noida, Faridabad and Gurugram, that collectively comprise the National Capital Region (NCR region) during the winter period.

The NCR region encompasses an area of 30,242 sq. km and has a total population of over 47 million people. Delhi alone, now has a population of over 20 million people. The total population of the NCR region, Haryana, Maharashtra and Tamil Nadu alone is approximately 276 million people, representing an estimated 20% of the Indian population.

This ban supported similar policies to reduce the air pollution that were earlier detailed in the National Clean Air Programme (NCAP), which, to date, State governments in Haryana, Maharashtra and Tamil Nadu have already adopted and are considered likely to be adopted in further States. Importantly, NCAP expressly approved the retrofitting of diesel-powered generator sets for partial Natural Gas usage (using a fuel mixture of diesel and Natural Gas) as a cost-effective way to convert the huge number of existing diesel generator sets across India to a Natural Gas operation, opening this major market opportunity for the OptiBlend® dual fuel system.

These various regulations and bans followed an important national decision of the National Green Tribunal handed down in Delhi dated 6 August 2019 (Original Application No. 681/2018) that noted reports in 2018 that there were 102 Indian cities that were identified as “Non-Attainment Cities” based upon monitoring ambient air quality. This decision went on to state that by 30 April 2019, 92 of these Non- Attainment Cities had had their action plans related to management of this issue approved by the Indian Central Pollution Control Board, and the remaining 10 cities that had not, would have to pay financial compensation to the Central Pollution Control Board.

The decision of the National Green Tribunal goes on to expressly approved the retro-fitted dual fuel systems in the following portion of the decision (in Paragraph 20):

“For DG Sets already operational, ensure usage of either of the two options: (a) use of retrofitted emission control equipment having a minimum specified PM capturing efficiency of at least 70%, type approved by one of the 5 CPCB recognized labs; or (b) shifting to gas-based generators by employing new gas-based generators or retrofitting the existing DG sets for partial gas usage.”

As a result of all these developments, it is considered highly likely that these various decisions and regulations will significantly extend the geographical footprint of OptiBlend®'s Indian markets, as piped Natural Gas supplies are progressively rolled out across India.

One possible short-term hurdle, however, may be that Eden India has recently experienced longer than usual delivery times for the importation of one component for the OptiBlend® systems, due to growing demand in other countries that is exceeding the supplier's production capacity. Whilst it has not yet impacted upon Eden India's sales, should this extended delivery time continue beyond when its current supplies of the part run out, it may slow the projected growth in OptiBlend® sales that is otherwise anticipated to occur, until this supply delay is resolved.

Summary

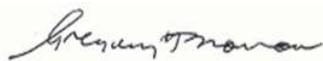
Eden India believes the growth in demand for its OptiBlend® systems in India, that it has experienced over the past year, is likely to continue for the longer term and spread to other regions of India apart from greater Delhi, as the rollout of Natural Gas pipelines extends to new areas, driven by the compelling market drivers of the far lower cost Natural Gas and the various Government regulations and decisions detailed above.

BACKGROUND

OptiBlend® was designed and developed by Eden US more than 12 years ago, and is 100% owned by Eden. It is a custom fitted hardware technology designed and produced by Eden, both in the US and India, that allows conventional diesel engines to run on Natural Gas as its primary fuel without modifying the engine or the diesel fuel system.

Key features and statistics of OptiBlend® are that it:

- Works by displacing up to 70% of diesel fuel with Natural Gas;
- Lowers fuel costs, and lowers emissions and increases runtime;
- Is a highly efficient, cost effective system that reduces fuel cost and emissions;
- Is used by Cummins on its oil/gas drilling power module using 3 Tier II gensets;
- Is suitable for most makes of diesel engines; installed on most major global brands;
- Marketed in US and India for over 10 years – highly reliable, durable, long proven in the market;
- Over 200 systems sold and installed over the past 10 years across USA and India and in a number of Middle Eastern, African and East Asian countries; and
- Significant potential markets are developing in India, currently, predominantly in Delhi and the National Capital Region, but progressively extending across India as the Natural Gas distribution pipelines are extended, because Natural Gas is far cheaper than diesel fuel, and extreme air pollution has resulted in a government ban on use of gensets during winter running solely on diesel fuel.



Gregory H. Solomon

Executive Chairman

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