

Encouraging news for Edenville Energy

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Edenville Energy has announced encouraging results from its resource at the Rukwa Coalfield project in Tanzania, causing shares to surge higher on Thursday.

The company drilled 19 holes which show evidence of thickening to the north of the basin, with the 19th hole showing "coal-rich horizons".

Ten out of the eleven assayed holes returned coal results varying from 20.24 to 26.40 mega joules per kg.

The company said its strategy is to rapidly establish a defined joint ore reserves committee resource at the primary Rukwa areas, stating that current indications are that the coal, with appropriate processing, is suitable for use for power generation.

The predicted demand for electricity in the southern African region, particularly Tanzania, bodes well for the development of the project, the firm said.

Chairman Simon Rollason added: "These latest results are very encouraging and significantly the drilling has shown that the coal measures increases in thickness as we head northwards away from the previously known coal outcrops at Mkomolo.

"The coal measures in this newly discovered extension remain open-ended to the north and will be investigated further once the current drilling is completed."

The share price rose 10.96% to 41p by 14:03.