

13 July 2016

# **EDENVILLE ENERGY PLC**

("Edenville" or the "Company")

## **Rukwa Coal to Power Project Update**

Edenville Energy plc (AIM: EDL), is pleased to provide an update on the Company's Rukwa Coal to Power project, located in southwest Tanzania.

### **Highlights**

- Environmental and Social Impact Assessment (ESIA) work commenced, with this phase being due to be completed in Q3 2016;
- Site access upgrades largely complete;
- Preparations for Bulk Sampling completed, bulk sampling to commence in August; and first phase test work is scheduled for completion in September 2016; and
- Site visits with equipment suppliers and EPC (Engineering, Procurement and Construction) groups ongoing.

### **ESIA**

The Company is pleased to announce work has commenced on the next stage of the Power Plant Environmental and Social Impact Assessment ("ESIA"). During Q3 2016 Edenville, along with our consultants Tansheq, will be working to progress the necessary requirements needed to meet the standards of the Tanzanian National Environment Management Council ("NEMC"). This includes areas such as consultation with relevant institutions, both governmental and commercial, along with stakeholder consultation and reviews focused on flora, fauna and socio-economic impacts. This comprehensive work programme will then feed into the report requirements needed to complete the ESIA application process. Assuming other parts of the application process can be advanced in a timely manner, management expect the ESIA application process work to be completed in H1 2017.

### **Access Upgrade Work**

Work on the upgrading of existing access routes and the creation of new roads at the project site is largely complete. Upgrade work on approximately 17km of roads in and around the project site has been completed, along with new access to the proposed site of the power plant. Additionally, rejuvenation of local roads has taken place as part of the Company's Corporate Social Responsibility ("CSR") programme. Routine maintenance will continue as necessary and the improved access allows further pre development work to be accessed and completed more easily. The recent site work further demonstrates the Company's continued commitment to moving forward with both the mining and power components of the project.

### **Bulk Sampling**

Preparation work has been completed for bulk sampling at the Mkomolo deposit. Excavation is planned to take place at the start of August with a sample batch being transported to Johannesburg, South Africa, for treatment and analysis by SGS, a highly respected international laboratory company. The results will subsequently feed into design work for both the power plant combustion process and any associated coal treatment or washing facilities to service the proposed power plant.

### **Equipment Suppliers and EPC Groups**

Following several recent meetings in Tanzania, discussions on both equipment supply for the power plant and selection of suitable EPC groups for construction and operation of the project are reaching a more advanced stage. All the supply and EPC groups we have engaged with have the capability to either directly or indirectly invest in the development of the project. Once Tanzania Electric Supply Company Ltd ("Tanesco") has defined its requirements for the projects key parameters more fully we would expect to move to a formal arrangement with one or more of these groups. Whilst the timing of this is outside the control of the Company, we will update the market as soon as more information is available. The Company is also continuing to review engineering options with Runh Power of China with whom we have a non-exclusive collaboration agreement.

### **Issue of Equity**

The Company has issued a professional group providing Edenville with consulting services 63,333,333 new ordinary shares 0.02p each ("Ordinary Shares") in lieu of consultancy fees at a price of 0.03p per share.

Application will be made for the Ordinary Shares to be admitted to trading on AIM ("Admission"). Admission is expected to occur at 8.00 a.m. on 18 July 2016. Following Admission, the total number of voting rights in the Company will be 12,490,393,427 Ordinary Shares. This number may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure and Transparency Rules.

**Rufus Short, CEO of Edenville commented,** "Edenville continues to make good progress with its Rukwa Coal to Power project. We are committed to accelerating completion of pre-construction tasks and continue to work alongside MEM, Tanesco and our consultants to do this. In addition to progressing the ESIA work, bulk sampling and other work streams, we are continuing detailed discussions with potential partners and advancing routes to project finance. We will update our shareholders on developments relating to the Rukwa Coal to Power project as they occur. "

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.

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