

15 August 2016

EDENVILLE ENERGY PLC

("Edenville" or the "Company")

Announcement by Tanzanian Ministry of Energy and Minerals

Edenville Energy plc, the Company developing a Coal to Power Project in south west Tanzania is pleased to provide the following update on the latest developments with regard to the project.

Key Points:

- Tanzanian Government expected to implement a ban on coal imports into Tanzania
- Possible near term production and supply opportunities exist for Edenville
- Edenville's Rukwa Coal Project well positioned to move rapidly to production

On 10 August 2016 the Tanzanian Ministry of Energy and Minerals ("MEM") announced a directive banning the importation of coal into Tanzania. The Company understands the ban is effective immediately.

The directive, as explained by the MEM, is in order to utilise and stimulate the production of coal from within Tanzania, enabling the country's resources to be brought into commercial production and the potential of the local coal industry to be more fully developed.

The Tanzanian government also indicated they wanted to promote more investment in the Tanzanian coal sector as it has significant potential to expand to provide both coal for energy and other uses such as cement production. Edenville welcomes the government's proactive approach to moving projects from exploration to production and wishes to clarify its position on this significant policy development in Tanzania.

The Company's Rukwa Coal to Power Project (the "Project") remains the Company's core focus and we are continuing to move forward through its stages of development accordingly. The Project is planned to encompass a mine mouth power plant of in excess of 100MW. We hope to have significant updates on the status of the project shortly and the Company is currently advancing various workstreams in parallel with discussions with government authorities and potential partners.

However, the ban on imports of coal has created a significant near term opportunity for coal sales throughout Tanzania and the Company is reviewing its options to contribute to this production accordingly.

The Company, through its Tanzanian subsidiary, holds a mining licence over its Mkomolo deposit and can also source coal from primary mining licences in the nearby Namwele deposit, where mining has previously occurred. The Project also holds a valid Environmental Impact Assessment Certificate from the National Environment Management Council. The Company is therefore well placed to rapidly instigate coal production subject to the Project's economic viability.

As preparation the Company has already requested and received several quotations for mining and associated infrastructure work at the Project site. We are currently reviewing these along with talking to other possible contractors and suppliers for the project. We have also revised our bulk sample programme to target additional areas that may have suitability for near term supply of coal. Suitable areas are currently being stripped to expose coal to be taken for testing. In parallel with the above we are discussing with various potential customers their future requirements.

The Project is well placed geographically to take advantage of the potential in Tanzania and the surrounding countries. It is close to the newly surfaced B8 north - south highway; Sumbawanga with its supply of labour and services; the Zambian boarder and Lake Tanganyika which offers transport options to distribute coal in the region. To the south, rail transport exists that can take coal towards the eastern seaboard of the country.

We will continue to update our shareholders as the new coal supply environment in Tanzania evolves in parallel with the development of the Project.

For further information please contact:

Edenville Energy Plc +44 (0) 20 7652 9788
Rufus Short - Chairman and CEO

Northland Capital Partners Limited (Nominated Adviser) +44 (0) 20 3861 6625
Gerry Beaney
David Hignell
Stuart Miller

Optiva Securities Limited (Broker) +44 (0) 20 3137 1902
Jeremy King
Graeme Dickson

IFC Advisory +44 (0) 20 3053 8671
(Financial PR and IR)
Tim Metcalfe
Graham Herring
Heather Armstrong