

EDENVILLE ENERGY PLC ("Edenville" or the "Company")

Upgraded JORC Compliant Resource Estimate, Rukwa Coalfields, Tanzania

26th March 2013

Edenville Energy plc (AIM:EDL), the coal exploration and development company, today announces its updated mineral resource estimate, as prepared by Sound Mining Solutions Limited ("SMS") of South Africa, on the Rukwa Coalfield project in South Western Tanzania.

Highlights:

- Significant upgrade from the Inferred category to Measured & Indicated
- 173 million total tonnes in-situ at Mkomolo, Namwele and Muze combined, of which 57.5 million tonnes Measured and Indicated at 17.42 MJ/kg (float density = 2.0, yield = 34.4%)
- 90% of this resource tonnage lies within Mkomolo and Namwele; Muze still to be fully evaluated
- Robust geological model; resource constrained to discrete coal zones identified within the overall coal measure sequence
- Independent, commercial evaluation of Phase I mining at Namwele to commence April 2013

Sally Schofield, Chairman of Edenville, commented "The Board is extremely encouraged by this upgraded JORC standard resource estimate for our Rukwa Coalfield Project, which further strengthens our belief in the commercial potential of our assets. The work completed by our geological team and SMS has resulted in a detailed, robust geological model with the Measured and Indicated coal resource now constrained to discrete coal zones within the overall coal measure sequence.

"This is a significant upgrade to the 2012 resource statement, expanding the total Measured, Indicated and Inferred tonnage and converting the majority of tonnes to the Measured and Indicated ("M&I") category.

"The 2012 drilling has further confirmed the quality of the coal as suitable, with appropriate processing, for coal fired power generation. The Board is of the view that the overall project continues to have considerable upside potential. The five holes drilled at Muze during 2012 returned a M&I resource of 5.5 million tonnes and we are confident that this resource could be expanded considerably with further drilling.

"We now have a solid platform from which to progress our stated strategy of evaluating Phase I mining at Namwele in parallel with the longer-term goal of establishing a partnership to provide coal to a mine mouth power station."

Detail:

The Company has now received the updated resource model for its three known coal deposits within the Rukwa coalfields following the completion of the 2012 drilling programme. The objective of this programme was to complete infill and step-out drilling from the 2011 Phase I drilling in order to establish a Measured and Indicated resource for the Mkomolo and Namwele blocks and to conduct a preliminary investigation of the Muze blocks.

SMS was contracted in June 2012 to provide services for borehole logging, database management, geological modelling and coal resource estimation reporting. SMS made a preliminary site visit during June 2012 after which multiple follow-up site visits were conducted by SMS personnel in order to conduct training and project supervision.

During 2012 a total of 19 boreholes were drilled within the Mkomolo Block, with four completed on Namwele Block and five within the Muze Block, for a combined total meterage of 4,528.84m. For the purpose of the resource estimate, SMS used a total of 41 diamond drillholes for a total meterage of

5,726.26m at the Mkomolo project, 12 drillholes at Namwele and 5 at Muze, with total drilled meters of 1,426.90m and 831.84m respectively.

SMS was able to construct a more detailed geological model than previously developed, as result of the additional drilling conducted in 2012. The previous geological model considered the full coal measure interval thickness per borehole, and calculated the average sample yield, weighted on the sampled thickness against the barren interval thickness, and applied this average yield to the coal measure in order to obtain a washed tonnage for the coal measures.

The major difference between the previous model and the SMS geological model is the identification of separate, discrete coal zones within the overall coal measure sequence. The total in-situ tonnages contained within these coal zones is now estimated at 173 million tonnes Measured, Indicated and Inferred for the three deposits evaluated. Dilution factors varied from 10% for blocks falling with the measured category, 15% for indicated and 20% for inferred blocks. A 3-dimension block model was constructed and the coal qualities interpolated, using average washed qualities with a yield equal to 0 for the un-sampled waste intervals, effectively excluding the waste interburden from the washed product resource estimate to produce a detailed structural and quality model.

Detailed geological investigation of the drill data has lead to the identification of six fault blocks within the Mkomolo Block, with up to four separate coal zones being identified within these fault blocks. At Namwele only a single fault block with a single coal zone was identified, whilst a single fault block hosting two coal zones was identified at Muze.

In order to classify the resource, SMS conducted an investigation into the spatial relationships of the sample points by plotting variograms of the datasets. This was completed per fault block, per coal zone on the flattened, composited data. The direction of maximum correlation corresponds with the approximate strike of the coal strata, with there being insufficient data in other directions to obtain a robust result. The value of 400m between boreholes was chosen for a measured resource for all fault blocks and 1000m for indicated.

The coal resource area has been defined by the projection of the geological coal zone to a depth of 500m down dip from the boreholes intersection and 500m along strike from the last borehole intersecting coal. The geological modelling was completed utilising Micromine mining software. All sample analysis for the 2012 drill programme was completed at the Alfred H Knight Laboratory, Scotland, an internationally accredited coal analysis laboratory.

The results of the updated resource estimate, at a relative gravity separation of 2.0 are tabled below:

Block	Tonnes	Class	ASH (%)	IM (%)	VM (%)	FC (%)	CV (MJ/kg)	TS (%)	YLD (%)
Mkomolo	13,379,881	Measured	36.31	4.13	25.56	34.01	17.90	2.85	36.17
	31,888,824	Indicated	37.44	4.10	25.37	33.09	17.50	3.55	33.84
	635,187	Inferred	35.09	4.55	26.18	34.19	18.43	3.70	33.00
Namwele	4,142,141	Measured	39.03	4.75	24.22	32.00	16.53	4.19	24.14
	2,838,529	Indicated	37.51	4.61	25.25	32.63	17.16	4.35	22.24
	-	Inferred	-	-	-	-	-	-	-
Muze	3,691,527	Measured	39.08	4.24	24.99	31.70	16.46	2.67	49.85
	1,545,746	Indicated	38.13	4.48	25.02	32.37	16.73	2.80	44.46
	-	Inferred	-	-	-	-	-	-	-
Combined Total	21,213,549	Measured	37.32	4.27	25.20	33.22	17.38	3.08	36.20
	36,273,099	Indicated	37.47	4.16	25.35	33.02	17.44	3.58	33.38
	635,187	Inferred	35.09	4.55	26.18	34.19	18.43	3.70	33.00

ASH=Ash, IM=Inherent Moisture, VM=Volatile Matter, FC=Fixed Carbon, CV=Calorific Value, TS=Total Sulphur, YLD=Yield, RD=Relative Density

The results indicate that at a relative gravity separation of 2.0 and a yield of 34.4%, a Measured and Indicated resource with a calorific value of 17.42 MJ/kg is contained within 57.5 million tonnes, which would be of an acceptable quality to sell on to a local power station and/or local industry operators within the region.

The in-situ coal resources are classified as 'Measured and Indicated and Inferred Resources' at this stage in accordance with the JORC Code (Joint Ore Reserves Committee), 2004.

The SMS Competent Person who prepared the resource statement is Mr. Peet Meyer. Mr Meyer, a senior consulting geologist with over 20 years experience in the South African Coal Industry, has B.Sc. Hons. (Geology) and M.Sc (Earth Science Practice and Management) degrees from the University of Pretoria, is a member of the Geological Society of South Africa and Fossil Fuel Foundation. PC Meyer is a registered natural scientist (Pr. Sci. Nat 400025/03). He is also familiar with and adheres to the South African Minerals and Petroleum Resources Development Act of 2002 (ACT No. 28 of 2002), the JORC, SAMREC and SAMVAL codes and the South African Guide to the Systematic Evaluation of Coal Resources and Coal Reserves (SANS 10320:2004). In accordance with AIM Rules, Mr Meyer and SMS have reviewed the information contained in this news release.

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Additional information

Resource classification according to the JORC code states:

- An **Inferred Coal Resource** is that part of the total Inventory Coal or Coal Resource estimate for which quantity and quality can only be estimated with low levels of confidence. The quantity and quality are inferred using Points of Observation that may be supported by Interpretive Data. Estimates for this confidence category are likely to change significantly with further exploration.
- An **Indicated Coal Resource** is that part of the total Inventory Coal or Coal Resource for which quantity and quality can be estimated with reasonable levels of confidence, based on information gathered from Points of Observation that may be supported by Interpretive Data. The Points of Observation are sufficient for continuity to be assumed; but are too widely or inappropriately spaced to confirm geological and/or quality continuity.
- A **Measured Coal Resource** is that part of the total Inventory Coal or Coal Resource for which quantity and quality can be estimated with a high level of confidence, based on information gathered from Points of Observation that may be supported by Interpretive Data. The Points of Observation are spaced closely enough to confirm geological and/or quality continuity.