

Edenville Energy

£5m Financing Facility Agreed

27 March 2013

The Board of Edenville Energy Plc ("Edenville" or the "Company") is pleased to announce that it has entered into a £5 million Equity Financing Facility ("EFF") with Darwin Strategic Limited ("Darwin"), a majority owned subsidiary of Henderson Global Investors' Volantis Capital ("Henderson Volantis").

Commenting, Sally Schofield, Chairman said: "We are delighted to receive support from Darwin Strategic and the fund management team at Henderson Volantis. This new £5 million facility gives Edenville access to efficient, cost effective financing, as needed. The facility can be used entirely at our discretion and considerably reduces our future financing risk."

Further details of the EFF can be found below.

Edenville Energy plc - Sally Schofield (Chairman) Rakesh Patel (Finance Director) Tel: +44 20 7653 9855

finnCap - Charlotte Stranner / Geoff Nash Tel: +44 20 7220 0500

Darwin Strategic Ltd - Anand Sambasivan / Jamie Vickers Tel: +44 20 7938 5754

Newgate Threadneedle - Graham Herring / Richard Gotla Tel: +44 20 7653 9850

Related Party Transaction

Henderson Global Investors is currently a holder of 937,643,910 Ordinary Shares in the Company, representing approximately 21% of the Company's issued share capital. As Darwin is ultimately majority owned by Henderson Volantis, entering into the EFF constitutes a Related Party Transaction for the purposes of AIM Rule 13 of the AIM Rules for Companies.

The Company's Directors consider, having consulted with the Company's Nominated Adviser, finnCap Limited, that the terms of the EFF are fair and reasonable insofar as the Company's shareholders are concerned.

Further details of the Equity Finance Facility

The EFF agreement with Darwin and Henderson Volantis provides Edenville with a facility of up to £5 million which (subject to certain limited restrictions) can be drawn down at any time over the next three years. The timing and minimum subscription price of any draw down is always at the complete control and sole discretion of the Company. There are no penalty fees payable for not using the facility.

Edenville is under no obligation to make a draw down and may make draw downs at its discretion, up to the total value of the EFF, by way of issuing subscription notices to Darwin. Following delivery of a subscription notice, Darwin will subscribe and the Company will allot to Darwin new ordinary shares of 0.02 pence each in Edenville ('Ordinary Shares').

The subscription price for any Ordinary Shares to be subscribed by Darwin under a subscription notice will be the average of the three lowest Closing Bid Prices of the Ordinary Shares over the 15 trading days following the date of the subscription notice. Darwin's subscription obligation will be based on this subscription price multiplied by the number of applicable trading days in the relevant pricing period. Upon the occurrence of certain specific events relating to the market or the trading in Ordinary Shares a trading day may be excluded from this calculation, and the subscription obligation reduced accordingly.

Edenville is able to specify in each subscription notice a minimum price below which Ordinary Shares will not be issued to Darwin. The Company will have the right (with the consent of Darwin) to modify that minimum price at any time during the relevant Pricing Period.

The number of Ordinary Shares which may be issued under any individual subscription notice may be up to the lower of 5 per cent. (expected to rise to 25 per cent. subject to Takeover Panel consent) of the Company's issued share capital following completion of the relevant subscription, or four times the average daily trading volume of Edenville's Ordinary Shares over the 15 trading days preceding the date of the issue of the relevant subscription notice. This may be reduced in certain circumstances, including where the minimum price is not maintained.

The maximum amount of an individual subscription notice may not exceed £500,000 without Darwin's permission. Darwin is entitled to a commission of up to 5 per cent. of amounts subscribed but may agree with Edenville in lieu thereof for the subscription price for the Ordinary Shares to be discounted by 5 per cent.

There is also an over-allotment facility available to Edenville, under which the Company may authorise Darwin, at Darwin's discretion, to increase the amount of the draw down by up to the aggregate undrawn amount under the EFF. Darwin may direct allotments under the EFF to its parent fund, Henderson Volantis.

Darwin and Edenville may mutually agree at the end of any pricing period to a variation of subscription price and the number of subscription shares. This may allow for a larger subscription via any additional over-allotment facility authorised by the Company.

The issuance of a Subscription Notice is conditional upon the satisfaction of certain Subscription Notice Conditions which have been agreed between Darwin and Edenville. Any subscription notice which Edenville may issue will only be valid to the extent that it has the requisite shareholder authority to issue the maximum number of Ordinary Shares that Darwin may be required to subscribe under the relevant subscription notice.

Darwin may terminate the EFF agreement if certain conditions are not met. Edenville may terminate the agreement on 3 months' notice. The EFF agreement contains certain customary warranties and indemnities given by the Company.

As part of the EFF arrangements, Edenville has entered into a warrant agreement with Darwin dated 26 March 2013 to subscribe for up to 47,500,000 Ordinary Shares, such warrants to be exercisable at 0.4p any time prior to the expiry of 36 months from the date of the warrant agreement.