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# **EDENVILLE ENERGY PLC**

("Edenville" or the "Company")

## **Bulk Sampling Update**

Edenville Energy plc, the Company developing an integrated coal to power project in western Tanzania, is pleased to announce the current bulk sampling programme at the Rukwa Coal to Power Project site has been completed.

A total of approximately 20 tonnes has been extracted from open pit areas at three different locations in Mkomolo and Namwele. The material has been processed according to Tanzania export regulations and is currently being shipped to SGS Laboratories in Johannesburg, South Africa.

### Key Points

- Bulk sampling extraction of 20 tonnes of samples completed and shipped to laboratories in South Africa
- Sampling shows extensive near surface coal which can enable rapid and low cost development of the mining operation on a commercially viable basis
- Company is looking at opportunities for early production in conjunction with mine mouth power generation

**Rufus Short CEO of Edenville Energy plc said:** "We are extremely encouraged after seeing the near-surface coal seams exposed when opening up the areas for bulk sampling. Material is now on its way to South Africa and we expect to start receiving results from the testing in October. Extensive coal measures exist at surface which provides the Company with an opportunity to rapidly advance the commercial production at our Rukwa site, which can be done in conjunction with the development of mine mouth power generation.

"The Rukwa project already has a mining licence and environmental certificate in place and we are working on options to assess the financial viability of a phase 1 operation to place the project into commercial production. As such we are in advanced discussions with several parties connected with both extraction of the coal and sales of the product and will update our shareholders at the earliest opportunity. Early mining of the deposit will also provide "proof of concept" for the coal fuel source component of the Company's Coal to Power Project and

provide further reassurance beyond the 173 million tonnes of JORC compliant resource that we have. This is an extremely exciting time for the Company and we hope to provide updates at regular intervals over the next quarter on our progress in the development of the deposits at Mkomolo and Namwele."

### **Bulk sampling and test work**

The bulk sampling involved the excavation of three box cuts, each approximately 25 metres in length along the strike of the two coal outcrops at Mkomolo and near the previous workings at Namwele. A total of three seams were extracted for sampling.

The samples will undergo test work in South Africa under the supervision of P.C. Meyer Pr.Sci.Nat, a coal consultant who was the author of the JORC compliant Rukwa Coal Resource Statement in 2013 which delineated a resource of 171 million tonnes of coal in the Measured and Indicated categories. Mr Meyer was present on site for the extraction process and supervised the quality assurance necessary to provide the level of confidence required in the test results.

The results we will receive shall include, but not be limited to, the following for the individual seams sampled: a) size analysis; b) raw qualities, c) full wash results; d) plant design parameters.

The method and parameters for the analysis and wash testing have been reviewed by several groups including our consultants, SMS, a contract miner who also provides and operates wash plant equipment who has been on site, and a world class power plant EPC contractor, who has also previously carried out a site inspection. All parties consider the parameters and level of testing suitable and that the results will provide the basis to design and construct the mine, and wash plant for both power plant feed and commercial sales. The coal analysis can also feed into future design parameters for any planned power plant.

Suitable washing of raw coal produces a consistent quality that is often necessary for customer's applications. The Company's focus is very much to prove the viability of producing a consistent product whether this is for the Coal to Power Project or commercial third party sales.

Bulk sampling has taken place in parallel with assessing the available options for commercial production and sales. Several contract miners and a potential customer for the coal have been on site over August and September to move this forward and we will update the market as advancements are made.

Key points on the exposed coal to note are:

- The surface seams contain good quality raw coal, previously verified by the test pit programme completed in Q4 2014.
- Bulk sample results will clarify suitable wash plant design parameters, allowing this easily accessible coal to be optimally processed for potential customer's requirements.
- The coal is very close to surface, meaning opening up of commercial mining can be rapid and does not require high levels of pre production capital.
- Because the coal is close to surface, little initial stripping of overburden is required, ie: strip ratios of overburden to coal are extremely low in certain areas, thus mining (operational) costs can be minimised through low overburden removal.
- The opportunity to dig much of the overburden material freely without applying drill and blast techniques will also allow mining costs to be reduced.

**A link to photographs of the sampling and coal can be accessed here:**

[http://www.rns-pdf.londonstockexchange.com/rns/8770K\\_-2016-9-26.pdf](http://www.rns-pdf.londonstockexchange.com/rns/8770K_-2016-9-26.pdf)

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