

2 March 2016

EDENVILLE ENERGY PLC

("Edenville" or the "Company")

£400,000 Subscription

Edenville Energy plc (AIM:EDL), the Company developing a coal-to-power project in south west Tanzania announces the subscription of 1,333,333,333 new ordinary shares of 0.02p each in the capital of the Company ("New Ordinary Shares" or "Subscription Shares") at 0.03 pence per New Ordinary Share, to raise £400,000, together with 666,666,666 warrants exercisable at 0.04p per warrant (the "Warrants" and each a "Warrant"; and together with Subscription Shares, the "Subscription").

The net funds from the Subscription will bring essential new money into the Company following the grant of the Mining Licence for the Company's Rukwa Coal Deposit and enable Edenville to progress the key deliverables in the draft Framework Agreement with Tanzania Electric Supply Company Ltd ("Tanesco").

Specifically the proceeds of the Subscription will enable Edenville to:

- Commence groundworks on site to improve access roads and infrastructure in preparation for mining operations at its Rukwa Coal Project, which was awarded a Mining Licence on 25 February 2016;
- Achieve the milestones outlined in the draft Framework Agreement with Tanesco, announced on 8 February 2016 to enable the Company to commence formal negotiations for a Power Purchase Agreement ("PPA") and Transmission Line Agreement ("TLA");
- Further appraise the near surface coal contained with Edenville's 170Mt Measured and Indicated Coal Resource at the Rukwa Coal Project. This near surface coal is expected to provide the fuel source for the initial phase of any power station development and, alongside the PPA, will form the basis for a firm financing proposal with a power partner; and
- Expand the data gathering programme to complete baseline studies for the Power Plant Environmental Impact Assessment.

Warrants

In connection with the Subscription, Optiva Securities will receive 666,666,666 warrants to subscribe for Ordinary Shares, exercisable at 0.04p per warrant at any time over the next 18 months.

Admission

Application will be made for the Subscription Shares to be admitted to trading on AIM ("Admission"). It is expected that Admission will become effective on or around 7 March 2016. Following the Subscription, the issued share capital of the Company will be 10,441,504,539. The shares issued in the Subscription will rank *pari passu* with the existing ordinary shares.

In accordance with the Financial Conduct Authority's Disclosure and Transparency Rules, the Company hereby announces that, following the Subscription, it has 10,441,504,539

ordinary shares of 0.02p each in issue, each share carrying the right to one vote. The Company does not hold any ordinary shares in treasury.

The above figure of 10,441,504,539 ordinary shares may be used by shareholders in the Company 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 share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

Commenting, Rufus Short, CEO of Edenville, said: "We are incredibly pleased by the progress made in Tanzania in recent months and we thank the Tanzanian Government for their continued support of Edenville as we move into a critical phase of project development. We have achieved significant milestones already during 2016 and the recent grant of the Mining Licence, combined with the draft Framework Agreement with Tanesco, demonstrate the progress we have made. In order to drive the Company forward towards agreeing the terms of a PPA and securing debt financing, we require additional funds to complete a series of very specific tasks. We thank our shareholders for their continued support and look forward to a year of significant development and newsflow."

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