27 May 2015

Edenville Energy plc

("Edenville" or the "Company")

Full Year Results

Edenville Energy plc (AIM: EDL), the company focussed on generating new sources of coal-based energy in southern Tanzania, announces its full year results for the year ended 31 December 2014.

Financial Highlights

- £8.25 million Net Assets (2013: £8.34 million)
- £1.27 million operating loss (2013:1.70 million)
- Placing completed of 1,428,571,428 new ordinary shares raising £1.0m in January 2014
- Placing completed of 416,666,666 new ordinary shares raising £0.25 million
- Placing completed of 500,000,000 new ordinary shares raising £0.2m in November 2014

Operational Highlights

- Reported a JORC-compliant, Measured and Indicated Resource of 170 million tonnes of in-situ coal at its Rukwa Coal Project
- Granting of the Environmental Impact Assessment ("EIA") certificate
- Positive results from the first set of detailed coal sampling and test work at the Namwele deposit, part of the Rukwa Coal Project
- Continued productive discussions with potential development partners
- Appointment of Arun Srivastava as Non-Executive Director

Post period highlights

- Encouraging results from the Lahmeyer Power Plant Feasibility Study for its Rukwa Coal to Power Project
- Placing completed of 625,000,000 new ordinary shares raising £0.25m in April 2015
- Ready to commence the low cost exploration progamme to better define extensions and give scope for additional coal tonnage at Edenville's Rukwa Coal Project
- Continued relationship with Shandong Electric Power Construction No.2 Company ("SEPCO2") to cultivate formal partnership

Sally Schofield, Edenville Chairman, commented: "We have been pleased with the progress made by the Company over the year in its focus on the Rukwa Coal Project. The results from Lahmeyer Power Plant Feasibility Study proved a major milestone for Edenville and underpin our belief in the successful monetisation of the Rukwa Coal Deposit.

"The granting of the EIA certificate, a positive Power Station Feasibility Study compiled by one of the world's leading power consultancies demonstrating a financially and technically robust coal to power project all combine to place Edenville in a stronger position to find the right structure and partner on the right terms for shareholders in the Company.

"We would like to thank our shareholders for their ongoing support and look forward to progressing the business during the remainder of 2015."

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Chairman's Statement

I am pleased to present our results for the year ended 31 December 2014.

During the past year, Edenville has continued to focus on its most advanced project, the Rukwa Coal Project, moving the Company through some critical early phases of development. The Board is keenly aware of the importance of progressing the Rukwa Coal Project in tandem with developments in the power generation sector in Tanzania. Significant work has been carried out on the Rukwa Coal Project over the period and key milestones achieved, which mesh with progress at a national level regarding the planning and roll out of the new electrical transmission grid infrastructure. These combined developments bring the Company closer to making coal production at Rukwa a reality.

After the 2013 upgrading of the Rukwa Coal Project to a Measured and Indicated resource of 171 million tonnes of raw coal, with an additional 2 million tonnes in the Inferred category, the Company's prime focus in 2014 was the submission of the Environmental Impact Assessment ('EIA'). June 2014 saw Edenville granted this EIA from the National Environment Management Council, an outstanding achievement whose importance should not be underestimated. The EIA essentially gives environmental clearance to Rukwa, one of only three coal deposits in the entire country with environmental permitting in place, and is the main component for grant of a full Mining Licence.

In possession of a full JORC-compliant Measured and Indicated Resource and the EIA, the company significantly derisked the project and moved closer to a commercial production scenario. To get better understanding of the near surface coal, which would represent the material extracted during the first few years', Edenville commissioned a series of test pits to be dug at Namwele, Mkomolo and Muze. These test pits, which reached a maximum of 6.7 metres depth from surface, returned results which were consistently better than those quantified in the global resource. The coal in these top seams is of sufficient quality not to require washing for use in a thermal power plant, which will reduce mining and processing costs and have a correspondingly positive impact on the cost of power production.

The extent and consistency of this near-surface coal was another positive revealed by detailed test pit sampling. Our estimates, independently verified by Sound Mining Consultants of Johannesburg, indicate that more that 40 million tonnes of Edenville's Measured and Indicated coal resource has a very low strip ratio (approximately 1:1), lying within the zone covered by the EIA; this tonnage alone is sufficient to fuel a 120MW power station for the life of project. Outside of this 40 million tonnes of near surface, high quality coal, lies the rest of the Measured and Indicated resource, capable of providing additional feed material for a larger power plant if required. In addition, Edenville has identified key exploration targets in the near area which could add additional tonnage as the demand profile matures over time.

A review of Board composition mid 2014 confirmed the need to add a specialist with expertise on power plant development and electricity generation. Soon after, we identified Arun Srivastava as a prime candidate and were delighted to formally welcome him to the Board in September 2014. Arun's appointment came at a critical time, just as Edenville were looking to engage a consultancy group to carry out a Power Plant Feasibility Study to validate the commercial viability of the Rukwa Coal to Power Project. Arun was instrumental in engaging Lahmeyer India, a division of the highly regarded Lahmeyer International GmbH Germany, a leading international engineering company offering a broad range of planning and consultancy services relating primarily to infrastructure projects including energy. The group has extensive global experience in thermal power plant design, construction, transmission and distribution, making them an ideal choice for the work required by Edenville.

The results of this Feasibility Study, published post-period end in March 2015, gave tremendously encouraging results for the commercial viability of a coal fired power plant located at the Rukwa Coal Project. The study recommends the power plant be developed in two phases: Phase 1 comprising two units of 60MW each (total 120MW), and Phase 2 comprising two units of up to 120MW each (total 240MW), with the opportunity for rapid scale up to Phase 2 in parallel with the increasing demand profile in Tanzania.

The Feasibility Study and Financial Model consider the coal mine and power plant as an integrated commercial entity, with profits generated by the sale of electricity from a coal-fired power station. The financial metrics are very encouraging; the NPV, with a discount factor of 10%, ranges from US$220 million to US$322 million, with an estimated project cost for power plant and mine development of US$175 million. The combined capital expenditure of US$175 million for the power plant and mine equates to approximately US$1.45 million per MW (median estimate), which is considered competitive in terms of industry costs to develop the project.

The Rukwa Coal Deposit has sufficient near surface coal, at a strip ratio of 1:1, to feed a 120MW plant for at least 30 years.

Financing

In January 2014, Edenville completed a placing of 1,428,571,428 new ordinary shares at a price of 0.07p raising gross proceeds of £ 1 million.

The Directors recognise that the placing was at a significant discount to the prevailing share price at the time. The terms of the placing illustrate the challenges that pre-production junior mining companies, such as Edenville, face raising finance. The Directors did not undertake the placing without significant thought or exploration of financing alternatives. It is a fact that raising capital for the company was and remains a significant challenge. .

June 2014 saw a subsequent demand led placing, at market price, of 416,666,666 new ordinary shares at a price of 0.06p raising gross proceeds of £ 250,000.

In November 2014, Edenville completed a further demand-led placing, again at market price, of 500,000,000 new ordinary shares at 0.04 pence, providing the Company with £200,000 of additional working capital. These funds were raised from a small group of long-term, existing shareholders to sustain working capital, advance additional test work on the coal and to fund any additional work that may be required as we progressed through the feasibility process.

Post period end in April 2015 saw the placing of 625,000,000 new ordinary shares of 0.02p each. The placing price was equal to the closing bid price of 0.04 pence prior to the placing, providing the Company with £250,000 of additional funds. In addition, the subscribers to this placing were issued with 625,000,000 warrants excercisable for 12 months from Admission at 0.054p per warrant into an equivalent number of ordinary shares in the Company. This placing was undertaken with an existing long-term shareholder along with an institution wishing to purchase Edenville stock and was the third successive placing made at market price. The funds from the placing brought sufficient new money into the Company to complete the mining licence application process along with moving forward discussions with several groups interested to partner with the Company in the Rukwa Coal Project.

Impairment

As the Company progresses with detailed development discussions, we continued to review our landholdings in Tanzania and took the opportunity to rationalise where appropriate. Every hectare of ground held by the company incurs a cost, both from License Fees and associated work commitments, which can be significant. The relinquishment of four non-core Prospecting Licenses in March 2014 as reported in the 2013 accounts, with a projected twelve month saving of over more than US$1 million of committed spend, is a demonstration of the Board's commitment to focus financial, managerial and technical resources on the development of the Rukwa Coal Deposit.

As part of this ongoing cost management process, the Board elected to relinquish licence PL5420 in December 2014. This licence has been shown not to contain significant or economic quantities of minerals such as uranium or coal; dropping this licence reduces the work commitments over the next 12 months by c. US$180,000. In accordance with the Company's accounting policies and IFRS, as when the Directors determine that it will discontinue exploration or development on a property or when exploration rights or permits expire or are relinquished, an impairment charge arises. Consequently, an impairment charge of c. £1.3 million is in the Statement of Comprehensive Income in the Company's financial statements for 2014. It is a non-cash impairment.

Outlook

The absolute focus on the Rukwa Coal Project, Edenville's key asset, better positions the Company in the lengthy and complex discussions with potential partners as we seek the best outcome for shareholders. Each deliverable, such as the EIA and the Feasibility Study, de-risks the project and increases the potential value of the Company for shareholders.

The Lahmeyer Power Plant Feasibility Study confirms the Board's belief that the construction of a coal fired power station at Rukwa, to provide electricity to Tanesco and commercial end users, is the best route to monetising the Rukwa Coal Deposit. It is a financially robust project, with a strong investment profile, which could bring energy to a country and region undergoing significant, long term development of its power industry over a timescale of several years. Edenville is better placed than ever to navigate negotiations with potential partners The granting of the EIA certificate, a positive Power Stations Feasibility Study compiled by one of the world's leading power consultancies demonstrating a financially and technically robust coal to power project all combine to place Edenville in a stronger position to find the right structure and partner on the right terms for shareholders in the Company.

We thank our shareholders for ongoing support during a difficult year and look forward to progressing the business during 2015.

Sally Schofield

Chairman
Date**:** 27 May 2015

CEO's Statement

2014 was my first full year as CEO of Edenville Energy plc. It proved to be a busy time to move our flagship asset the Rukwa Coal Project forward.

In summary the Rukwa Coal Project is uniquely placed to contribute to the expanding electricity generation profile in Tanzania. Its relative remoteness means other forms of significant power generation based on diesel / HFO are prohibitively expensive and the Government of Tanzania has a stated aim to phase these costly power alternatives out in favour of more economic alternatives including coal. The western power line development is also moving closer to reality with plans to integrate this into the East Africa Power Pool grid system over the next three years. During 2014 we have been working with all stakeholders and groups interested in becoming part of the project to advance the necessary technical, regulatory and commercial milestones. As we move through 2015 the Company is confident the project, as confirmed by the Lahmeyer Power Plant Feasibility Study, has the potential to provide significant power over a time span of at least30 years to the Tanzanian people.

2014 started with the Company in discussions with several engineering and financing groups that could bring both expertise and capital to the Rukwa Coal Project. As part of the process a consultancy group "Aequo" was commissioned to examine the process and options to develop a large scale mine mouth power plant located at our coal deposit. The findings from Aequo's work were positive and allowed us to move forward over the remainder of the year to engage in work that would add value to the project and satisfy potential partner's requirements prior to their involvement in the development.

In June 2014 the Rukwa Coal Project was granted the Environmental Impact Assessment ('EIA') Certificate from the National Environment Management Council (NEMC). This certification as well as giving environmental clearance to the project is also a key requirement in the process of moving from an exploration licence to a mining licence. The EIA covers Mkomolo and Namwele and provides the Company with one of the pillars on which to move the mining project towards production.

Following the granting of the EIA we took steps to refine our knowledge of the near surface coal which would be mined at the beginning of an operation. To further delineate and upgrade the coal resource a series of test pits were excavated along the sub crop of the coal in Namwele and the southern part of Mkomolo (Block 5). By opening up the seam in 8 locations this allowed detailed examination and sampling of the coal measures.

Extremely encouraging and consistent results were obtained from the analysis, especially considering this coal is more weathered as it is close to surface. The coal along the length of the sub-crop exhibits qualities that would mean beneficiation or washing would probably not be required in order for this coal in order for it to be fed into a thermal power plant. Typical qualities of around CV 15MJ/kg, ash <40% and sulphur < 4% were recorded along the entire strike of the coal seams. This coal could be fed directly to a suitably configured Circulating Fluidised Bed (CFB) plant configuration. The test work was carried out at the ISO 9001 accredited Alfred Knight Laboratories in Scotland and included wash analysis on the samples. These too were very encouraging and demonstrated high CV values of 21 - 25MJ/kg along with good coal yields generally above 40%.

Part of the financial impact of not needing to wash the coal would be to reduce mining and processing costs. We are greatly encouraged by this scenario. Along with further work carried out by our mining consultants, Sound Mining Systems of Johannesburg, which indicated over 40 million tonnes of the coal resource has a low strip ratio of approximately 1:1 we consider the existing deposit can provide a robust coal supply for a mine mouth coal power plant of the size we are targeting. With exploration leaving open the potential for significantly more coal, particularly in the Muze area, the prospect for long term operation of the project is very positive.

To gain greater understanding of the power generation component of the project it was accepted we needed to increase our skills base in the Company to include the area of power plant development and generation. In September 2014 we commissioned Arun Srivastava, a well-respected power consultant to assist with this. Arun previously held the position of founding CEO in Essar Power of India who generate approximately 3.5GW per annum of power. Arun's input was integral in developing the next stage moving forward and in November 2014 we were delighted when Arun joined the board of Edenville Energy as a Non-Executive Director.

In parallel with Arun's appointment the Company commissioned Lahmeyer International (India) Pvt Ltd ('Lahmeyer'), the Indian subsidiary of Lahmeyer International GmbH, Germany, a leading international engineering company offering a broad range of planning and consultancy services relating primarily to infrastructure projects including energy, to carry out a Power Plant Feasibility Study. The study was focused on proving the fundamental concept of a mine mouth power plant of greater than 100MW and expanding this with technical and commercial analysis.

As part of the study Lahmeyer conducted a comprehensive site visit in November 2014 with the feasibility study report released post period end in March 2015.

Key indicative values for the project include:

An estimated project capital cost of USD175M, An estimated project payback of 9 to 10 years, Sufficient near-surface coal supplies at a strip ratio of 1:1 to feed the 120MW plant for at least 30 years, an estimated base case Pre Tax NPV(10%) of USD220M, with an IRR of 23.1% increasing to USD322M and an IRR of 27.8% by including commercial power sales.

As the power demand profile increases over time, there also exists the possibility to expand the project into a second phase which could take the output to greater than 300MW.

This study and report is a pivotal point around which discussions and negotiations with financing groups, EPC contractors and potential project partners can take place. It also satisfies requirements by the Tanzanian authorities to allow the project to move along the development process within the framework of the Power System Master Plan. In the second half of 2014 we engaged in several rounds of development talks with the Tanzanian authorities along with submitting the Public Private Partnership (PPP) Concept document as required by Tanzanian regulations.

Additionally as part of the preparation for the next phase of planning and development a detailed topographical survey was carried in out December 2014 over the area in Namwele and Mkomolo most likely to be mined first stage.

Although our primary focus was on the coal deposit at Rukwa we did continue to review and carry out work on our other licences in Tanzania. Ultimately we took the decision to relinquish certain licences that showed a low likelihood of economic mineralization. These licences were PL 5002/2008, PL 6180/2011, 6124/2009 and 6393/2011 in March 2014 (reported and impaired in the 2013 , all in the Kyela Runwe area, along with PL 5420/2011 at Mwitikila in October 2014. The cost savings have been and will continue to be utilised to contribute to the progress of the Rukwa coal development.

Post Period Events and Outlook

With a positive Power Plant Feasibility Study the project can now progress through the next stages of development in 2015. The list of tasks is comprehensive and will include submission of the application for the Mining Licence, establishing a relationship with a suitable partner to the project, sourcing and examining financing for the project development and advancing talks and regulatory requirements with the Tanzanian authorities. We are examining and moving forward on all possible avenues to increase value and create revenue from the project whether that is in the form of a power plant development or from sales to other end users for the coal in region should the opportunity arise.

CSR

Throughout the year the Company has endeavoured wherever possible to employ local personnel to carry out work needed at the project site. The latest round of exploration work allowed us to employ local geology assistants and support staff over a period of several months. We will continue to apply our policy of utilising local resources wherever possible.

R V Short
Chief Executive Officer
Date: 27 May 2015

GROUP STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2014

	Note	2014 £	2013 £
Administration expenses		(895,305)	(638,868)
Share based payments		(147,977)	(39,797)
Impairment of intangible asset		(1,271,482)	(1,687,494)
Group operating loss		(2,314,764)	(2,366,159)
Finance income		1,037	9
Loss on operations before taxation		(2,313,727)	(2,366,150)
Income tax		234,794	284,111
Loss for the year		(2,078,933)	(2,082,039)
Other comprehensive income/(loss)			
Loss on translation of overseas subsidiary		446,690	(143,057)
Total comprehensive loss for the year		(1,632,243)	(2,225,096)
Attributable to:			
Equity holders of the Company		(1,629,217)	(2,220,883)

Non-controlling interest	(3,026)	(4,213)
Loss per Share (pence)		
Basic and diluted loss per share	(0.04p)	(0.05p)

All operating income and operating gains and losses relate to continuing activities.

No separate statement of comprehensive income is provided as all income and expenditure is disclosed above.

GROUP STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	2014 **£**	**2013** **£**
Non-current assets		
Property, plant and equipment	28,676	38,538
Intangible assets	8,234,083	8,828,849
Equity investments - available for sale	-	-
	8,262,759	8,867,387
Current assets		
Trade and other receivables	180,912	176,277
Cash and cash equivalents	641,830	303,908
	822,742	480,185
Current liabilities		
Trade and other payables	(88,311)	(81,213)
Current assets less current liabilities	734,431	398,972
Total assets less current liabilities	8,997,190	9,266,359
Non-current liabilities		
Provision for deferred tax	(746,922)	(930,167)
	8,250,268	8,336,192
Equity		
Called-up share capital	1,488,728	1,019,680
Share premium account	13,215,320	12,286,868
Share option reserve	183,713	39,797
Foreign currency translation reserve	(353,694)	(800,384)
Retained earnings	(6,296,761)	(4,224,915)
Attributable to the equity shareholders of the company	8,237,306	8,321,046
Non- controlling	12,962	15,146

interests

Total equity	8,250,268	8,336,192

GROUP STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2014

	----------Equity Interests----------							
	Share Capital	**Share Premium**	**Retained Earnings Account**	**Share Option Reserve**	**Foreign Currency Reserve**	**Total**	**Non-controlling interest**	**Total**
	£	**£**	**£**	**£**	**£**	**£**	**£**	**£**
At 1 January 2013	965,588	11,913,686	(2,474,073)	326,984	(657,327)	10,074,858	19,744	10,094,602
Issue of share capital	54,092	456,536	-	-	-	510,628	-	510,628
Cost of issue	-	(83,354)	-	-	-	(83,354)	-	(83,354)
Exercise of warrants	-	-	-	-	-	-	-	-
Cancellation of share options	-	-	326,984	(326,984)				
Share based payment charge	-	-	-	39,797		39,797	-	39,797
Foreign currency translation	-	-	-	-	(143,057)	(143,057)	(385)	(143,442)
Loss for the year	-	-	(2,077,826)	-	-	(2,077,826)	(4,213)	(2,082,039)
At 31 December 2013	1,019,680	12,286,868	(4,224,915)	39,797	(800,384)	8,321,046	15,146	8,336,192

Issue of share capital	469,048	980,952	-	-	-	1,450,000	-	1,450,000
Cost of issue	-	(52,500)	-	-	-	(52,500)	-	(52,500)
Exercise of warrants								
Cancellation of share options	-	-	4,061	(4,061)	-	-	-	-
Share based payment charge	-	-	-	147,977	-	147,977	-	147,977
Foreign currency translation	-	-	-	-	446,690	446,690	842	447,532
Loss for the year	-	-	(2,075,907)	-	-	(2,075,907)	(3,026)	(2,078,933)
At 31 December 2014	1,488,728	13,215,320	(6,296,761)	183,713	(353,694)	8,237,306	12,962	8,250,268

GROUP CASH FLOW STATEMENTS

YEAR ENDED 31 DECEMBER 2014

	Year ended 31 December 2014 £	**Year ended 31 December 2013 £**
Cash flows from operating activities		
Operating loss	(2,314,764)	(2,366,159)
Impairment of tangible & intangible non-current assets	1,271,482	1,704,644
Depreciation	11,475	12,258
Share based payments	147,977	39,797
Decrease/(increase) in trade and other receivables	3,774	78,422
(Decrease)/increase in trade and other payables	4,677	(83,073)
Foreign exchange differences	19,065	(3,457)

Net cash outflow from operating activities	(856,314)	(617,568)
Cash flows from investing activities		
Purchase of exploration and evaluation assets	(204,520)	(289,889)
Purchase of fixed assets	-	(550)
Investment in subsidiaries	(22)	-
Finance income	1,037	9
Net cash used in investing activities	(203,505)	(290,430)
Cash flows from financing activities		
Proceeds from issue of ordinary shares	1,450,000	510,628
Share issue costs	(52,500)	(83,354)
Net cash inflow from financing activities	1,397,500	427,274
Net increase/(decrease) in cash and cash equivalents	337,681	(480,724)
Cash and cash equivalents at beginning of year	303,908	784,072
Effect of foreign exchange rate changes on cash and cash equivalents	241	560
Cash and cash equivalents at end of year	641,830	303,908

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

1. General Information

Edenville Energy Plc is a public limited company incorporated in the United Kingdom. The address of the registered office is Aston House, Cornwall Avenue, London, N3 1LF. The company's shares are listed on AIM, a market operated by the London Stock Exchange.

The principal activity of the Group is the exploration and mining of energy commodities predominantly coal and uranium in Africa.

2. Group Accounting Policies

Basis of preparation and statement of compliance

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, IFRIC Interpretations and the parts of the Companies Act 2006 applicable to companies reporting under IFRS. The Group's financial statements have also been prepared under the historical cost convention, as modified by the revaluation of available for sale investments.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Group's financial statements are disclosed in Note 4.

The Company's financial statements continue to be prepared under IFRS. Therefore the Company's financial statements and the associated notes, together with the auditors' report on these financial statements, are presented separately from the Group.

Standards and interpretations in issue but not yet effective or not yet relevant

At the date of authorisation of these financial statements the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective:

		Effective date (period beginning on or after)
IFRS 2,3,8, IAS 16,24,38	Amendments resulting from Annual Improvements 2010-2012 cycle	1 February 2015, earlier adoption is permitted
IFRS 3,13, IAS 40	Amendments resulting from Annual Improvements 2011-2013 cycle	1 January 2015, early application is permitted
IFRS 5,7, IAS 19,34	Amendments resulting from September 2014 Annual improvements to IFRSs	1 January 2016
IFRS 7	Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures	1 January 2015
IFRS 9	Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures	1 January 2015
IFRS 9	Finalised version, incorporating requirements for classification and measurement, impairment, general hedge accounting and de-recognition	1 January 2018
IFRS 10	Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture	1 January 2016
IFRS 10	Amendments regarding the application of the consolidation exception	1 January 2016
IFRS 11	Amendments regarding the accounting for acquisitions of an interest in joint operation	1 January 2016
IFRS 12	Amendments regarding the application of the consolidation exception	1 January 2016
IAS 1	Amendments resulting from the disclosure initiative	1 January 2016
IAS 16	Amendments regarding the clarification of acceptable methods of depreciation and amortisation	1 January 2016
IAS 16	Amendments bring bearer plants into scope of IAS 16	1 January 2016
IAS 19	Amendments to clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service	1 February 2015, earlier application is permitted
IAS 27	Amendments reinstating the equity method as	1 January

	an accounting option for investments in subsidiaries, joint ventures and associated in an entity's separate financial statements	2016
IAS 28	Amendments regarding the sale or contribution of assets between an investor and its associate joint venture	1 January 2016
IAS 28	Amendments regarding the application of the consolidation exception	1 January 2016
IAS 38	Amendments regarding the clarification of acceptable methods of depreciation and amortisation	1 January 2016
IAS 41	Amendments bring bearer plants into scope of IAS 16	1 January 2016

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the Group's financial statements.

Share based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- excluding the impact of any non-vesting conditions (for example, the requirement of employees to save).

Assumptions about the number of options that are expected to vest include consideration of non-market vesting conditions. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

When the options are exercised, the Group issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Basis of consolidation

The Group's financial statements consolidate the financial statements of Edenville Energy Plc and all its subsidiary undertakings (GOA Tanzania Limited, Edenville International (Seychelles) Limited and Edenville International (Tanzania) Limited) made up to 31 December 2014. Profits and losses on intra-group transactions are eliminated on consolidation.

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Business combinations

The Group adopts the acquisition method in accounting for the acquisition of subsidiaries. On acquisition the cost is measured at the fair value of the assets given, plus equity instruments issued and liabilities incurred or assumed at the date of exchange. The assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair value at the date of acquisition. Any excess of the fair value of the consideration over the fair value of the identifiable net assets acquired is recorded as goodwill.

Any deficiency of the fair value of the consideration below the fair value of identifiable net assets acquired is credited to the income statement in the period of the acquisition.

The results of subsidiary undertakings acquired or disposed of during the year are included in the group statement of comprehensive income statement from the effective date of acquisition or up to the effective date of disposal. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. Inter-company transactions and balances between group companies are eliminated.

Revenue recognition

Revenue from the sale of energy commodities is recognised upon delivery of goods to the customers. Interest income is recognised on a proportional basis taking into account the effective interest rates applicable to the financial assets.

All revenue is stated net of the amount of sales tax.

Currently the group does not generate any revenue.

Presentational and functional currency

This financial information is presented in pounds sterling, which is the Group's functional currency.

In preparing the financial statements of individual entities, transaction in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in pounds sterling using exchange rates prevailing at the balance sheet date. Income and expense items are translated at the average exchange rate for the period. Exchange differences arising, if any, are classified as equity and transferred to the Group's foreign currency translation reserve. Such translation differences are recognised in the income statement in the period in which the foreign operation is disposed of.

Financial assets

Financial assets comprise investments, cash and cash equivalents and receivables. Unless otherwise indicated, the carrying amounts of the Group's financial assets are a reasonable approximation of their fair values.

Recognition and measurement
Investments are initially recognised at fair value plus transactions costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when rights to receive cash flows from investments have expired or the group has transferred substantially all the risks and rewards of ownership. Available for sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost.

Equity investments available for sale
Equity investments available for sale are non-derivatives that are either designated in this category or not classified in any of the other categories. Equity investments available for sale do not have a quoted market price in an active market. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Investments are initially classified at fair value. Gains and losses arising from changes in fair value are recognised directly in equity, until the security is disposed of or is determined to be impaired. The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised in statement of comprehensive income, is removed from equity and recognised in the statement of comprehensive income.

Where the fair value cannot be reliably measured as a result of a lack of an active market and/or reliable estimates could not be made the equity investments are measured at cost.

Trade and other receivables
Provision for impairment of trade receivables is made when there is objective evidence that the Group will not be able to collect all amounts due to it in accordance with the original terms of those receivables. The amount of the write-down is the difference between the receivables carrying amount and the present value of the estimated future cash flows.

An assessment for impairment is undertaken at least annually.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand, demand deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

Property, plant and equipment
Property, plant and equipment are stated at cost on acquisition less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all property, plant and equipment categories at rates calculated to write off the cost, less estimated residual value on a reducing balance basis over their expected useful economic life. The depreciation rates are as follows:

	Basis of depreciation
Fixtures and fittings	25% reducing balance
Office equipment	25% reducing balance
Motor Vehicles	25% reducing balance

Costs capitalised include the purchase price of an asset and any costs directly attributable to bringing it into working condition for its intended use.

Financial liabilities

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities comprise only trade and other payables.

All financial liabilities are recorded at amortised cost, using the effective interest method, with interest-related charges being recognised as an expense under finance costs in the Income Statement.

A financial liability is derecognised only when the obligation is extinguished, that is, when the obligation is discharged, is cancelled, or expires.

Finance costs

Finance costs of debt, including premiums payable on settlement and direct issue costs are charged to the income statement on an accruals basis over the term of the instrument, using the effective interest method.

Income taxation

The taxation charge represents the sum of current tax and deferred tax.

The tax currently payable is based on the taxable profit for the period using the tax rates that have been enacted or substantially enacted by the balance sheet date. Taxable profit differs from the net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred taxation

Deferred tax is recognised, using the liability method, in respect of temporary differences between the carrying amount of the Group's assets and liabilities and their tax base. Deferred tax liabilities are offset against deferred tax assets within the same taxable entity or qualifying local tax group. Any remaining deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits, within the same jurisdiction, in the foreseeable future against which the deductible temporary difference can be utilised. Deferred tax is determined using tax rates that are expected to apply in the periods in which the asset is realised or liability settled, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is recognised in the income statement, except when the tax relates to items charged or credited directly in equity, in which case the tax is also recognised in equity.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from the proceeds.

Exploration and evaluation assets

Capitalisation

Certain costs (other than payments to acquire the legal right to explore and costs which are directly attributable to those payments) incurred prior to acquiring the rights to explore are charged directly to the income statement. All costs incurred after the rights to explore an area have been obtained, such as geological and geophysical costs and other direct costs of exploration and appraisal are accumulated and capitalised as intangible exploration and evaluation ("E&E") assets. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the areas or where activities in the areas have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

E&E costs are not amortised prior to the conclusion of appraisal activities.

At completion of appraisal activities, if technical feasibility is demonstrated and commercial reserves are discovered, then, following development sanction, the carrying value of the relevant E&E asset will be reclassified as a development and production ("D&P") asset, but only after the carrying value of the relevant E&E asset has been assessed for impairment, and where appropriate, its carrying value adjusted. If after completion of appraisal activities in the area, it is not possible to determine technical feasibility and commercial viability or if the legal right to explore expires or if the Company decides not to continue exploration and evaluation activity, then the costs of such unsuccessful exploration and evaluation are written off to the income statement in the period the relevant events occur.

Impairment

Management consider on a regular basis the geological resources and exploration and evaluation results of each licence and based on their analysis may relinquish or abandon a particular licence area. When this occurs the costs related to the relinquished area are written off to the income statement.

Where the licences will be retained an impairment review is performed when facts and circumstances indicate that the carrying value of E&E assets may exceed its recoverable amount.

For E&E assets when there are such indications, an impairment test is carried out by grouping the E&E assets with the D&P assets belonging to the same geographic segment to form the Cash Generating Unit ("CGU") for impairment testing. The equivalent combined carrying value of the CGU is compared against the CGU's recoverable amount and any resulting impairment loss is written off to the income statement. The recoverable amount of the CGU is determined as the higher of its fair value less costs to sell and its value in use.

Goodwill

At the date of acquisition of a subsidiary undertaking, fair values are attributed to the acquired identifiable assets, liabilities and contingent liabilities. Goodwill represents the difference between the fair value of the purchase consideration and the acquired interest in the fair value of those net assets.

Goodwill is initially recognised at fair value. Any negative goodwill is credited to the income statement in the year of acquisition. If an undertaking is subsequently sold, the amount of goodwill carried on the balance sheet at the date of disposal is charged to the income statement in the period of disposal as part of the gain or loss on disposal.

Goodwill is associated with exploration and evaluation assets, the impairment of which is discussed in the accounting policy note for exploration and evaluation assets.

Going concern

At 31 December 2014, the Group had cash balances totalling £641,830 and in April 2015 the company placed 625,000,000 new ordinary shares of 0.02p each for a placing price of 0.04p, providing the company with £250,000 of additional funds. In addition, the subscribers to the placing were issued with 625,000,000 warrants exercisable for 12 months from Admission at 0.054p per warrant into an equivalent number of ordinary shares in the company. Based on the current working capital forecast, the Group is likely to need additional funds within twelve months of the date of approval of these financial statements in order to maintain its proposed work programme and levels of expenditure. The ability of the Group to raise additional funds is dependent upon investor appetite. A large element of the expenditure on the licences is discretionary and both head office costs and Tanzanian administration costs can be reduced if the additional funds cannot be raised and the Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

3. Financial risk management

Fair value estimation

The carrying value less impairment provision of trade receivables and payables is assumed to approximate their fair values, due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments

4. Critical accounting estimates and areas of judgement

The Group makes estimates and assumptions concerning the future, which by definition will seldom result in actual results that match the accounting estimate. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are those in relation to:

- the impairment of intangible exploration and evaluation assets;
- the fair value of intangible assets acquired on the acquisition of Edenville International Limited.
- Share based payments

Impairment - intangible exploration and evaluation assets

The Group is required to perform an impairment review, for each CGU to which the asset relates, when facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount. The recoverable amount is based upon the Directors' judgements and are dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and future profitable production or proceeds from the disposal until the technical feasibility and commercial viability of extracting a mineral resource becomes demonstrable, at which point the value is estimated based upon the present value of the discounted future cash flows.

Fair value of intangible assets

The Company holds Tanzanian prospecting licences through its subsidiary, Edenville International (Tanzania) Limited. The value of these intangible exploration assets acquired represents the fair value of the consideration paid by Edenville Energy plc at the time of the acquisition of Edenville International Limited.

The outcome of ongoing exploration and evaluation, and therefore whether the carrying value of exploration and evaluation assets will ultimately be recovered, is inherently uncertain. The directors have assessed the value of exploration and evaluation expenditure carried as intangible assets. In their opinion there has been no impairment loss to intangible exploration and evaluation assets in the period, other than the amounts charged to the income statement.

Share based payments

The estimate of share based payments costs requires management to select an appropriate valuation model and make decisions about various inputs into the model including the volatility of its own share price, the probable life of the options and the risk free interest rate.

Deferred Taxation

The deferred taxation liability is based on the fair value adjustment to the cost of the prospecting licences held by the Company's subsidiary, Edenville International (Tanzania) Limited on the date of acquisition.

The outcome of on going exploration and evaluation, and therefore whether the carrying value of exploration and evaluation assets will ultimately be recovered, is inherently uncertain. The directors have assessed the value of exploration and evaluation expenditure carried as intangible assets. In their opinion there has been no change to the fair value of the prospecting licenses originally acquired. Any change in the value of these prospecting licences will result in a change in the deferred tax liability.

5. Directors' remuneration

	2014	2013
	£	£
Emoluments	365,981	258,609
Share based payment charge	147,977	39,797
	513,958	298,406

The highest paid director received remuneration of £129,910 (2013: £65,000).

Directors' interest in outstanding share options per director is disclosed in the directors' report.

6. Related party transactions

During the year ended 31 December 2014 the Group paid £30,300 (2013: £18,303) to Adler Shine LLP for accounting services provided in the year. Rakesh Patel is a partner in Adler Shine LLP.

During the year the Directors, Rufus Short, Sally Schofield and Rakesh Patel were each paid £5,000 in respect of the share issues.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling activities of the Group, and are all directors of the company. For details of their compensation please refer to the Remuneration report.

7. Events after the reporting date

In April 2015 the company placed 625,000,000 new ordinary shares of 0.02p each for a placing price of 0.04p, providing the company with £250,000 of additional funds. In additions, the subscribers to the placing were issued with 625,000,000 warrants exercisable for 12 months from Admission at 0.054p per warrant into an equivalent number of ordinary shares in the company.

The audited Annual Report and Financial Statements for the 12 months ended 31 December 2014 and notice of AGM will shortly be sent to shareholders and published at: http://www.edenville-energy.com/.