

19 September 2014

EDENVILLE ENERGY PLC (“Edenville” or the “Company”) (AIM:EDL)

Interim Results for the Six Months Ended 30 June 2014

Edenville Energy plc, the African coal exploration and development company, today announces its unaudited Interim Results for the six months ended 30 June 2014.

Financial Highlights to 30 June

- £8,801,728 net assets
- £533,265 loss
- £995,483 cash reserves
- Continued focus on cost management:
 - relinquishment of four non-core Prospecting licenses, March 2014, producing estimated savings of approximately \$1 million over the next 12 months, as provided for and disclosed in, the December 2013 annual accounts
- Placing completed of 1,428,571,428 new ordinary shares at a price of 0.07 pence raising £1million, January 2014
- Placing completed of 416,666,666 new ordinary shares at a price of 0.06 pence raising £0.25 million, June 2014
- Cantor Fitzgerald appointed as new company NOMAD and Broker.

Operational Highlights for the period

- Expression of Interest relating to coal-fired power station at Edenville’s Rukwa Coal Project in Tanzania signed with EPC division of a multi-national conglomerate after extensive due diligence process, June 2014
- Environmental Impact Assessment (‘EIA’) certificate granted on 18th June 2014 which approves Phase 1 mining operations at Edenville’s Namwele and Mkomolo coal deposits at the Rukwa Coal Project, which hosts 173 million total tonnes of coal in-situ at Mkomolo, Namwele and Muze combined. Of this, 57.5 million tonnes are in the Measured and Indicated category at 17.42 MJ/kg (float density = 2.0, yield = 34.4%)
- Moving the Rukwa coal-to-power project into feasibility stage
- Ongoing discussions with potential development partners
- A new phase of further coal exploration mapping and sampling work in the Namwele, Mkomolo and Muze areas commenced in June 2014 to evaluate additional coal exploration targets in the existing Licence areas

Post period Highlights

- Mr Arun Srivastava engaged as a consultant to advise the Board on the development of the power plant and associated infrastructure. Mr Srivastava was formally Managing Director and CEO of Essar Power of India, part of the Essar Group, which has a total installed generation capacity of 3,910MW capacity. Mr Srivastava's extensive sector experience and depth of knowledge contributes greatly to the analysis and development of the power options open to Edenville.

Sally Schofield, Edenville Chairman, commented: “We have made significant progress this year to date and attained several key milestones in our pursuit of successfully developing the Rukwa Coal Project and delivering value to shareholders. The award of the EIA from the Government of Tanzania marks a significant hurdle on the route to development. In addition, the appointment of Mr Srivastava gives us a new level of technical expertise as we continue to advance the Rukwa coal-to-power project. We remain positive for the future of the Project and look forward to updating shareholders in due course.”

Contact

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Chairman's Statement

I am pleased to report on the interim results of the Group for the six months ended 30 June 2014, a period which marked the achievement of several key milestones in Edenville's pursuit of developing a significant coal-to-power project at its Rukwa Coal Project in Tanzania.

In January 2014, Edenville completed a share placing of 1,428,571,428 new ordinary shares at a price of 0.07 pence raising £1million. Cash is the lifeblood of any business in the development stage and we demonstrated our ability to raise funds in a difficult market, showing significant confidence and support for the project at a critical point in its development from the investor community. In addition, we announced the appointment of our new NOMAD and Broker, Cantor Fitzgerald, an international financial group.

In the first quarter of 2014, we received confirmation from the Government of Tanzania regarding the development of the Western Spur of the country's new power grid, the proposed route of which runs approximately 12 km from Edenville's Rukwa Coal project. This new transmission infrastructure, combined with the Tanzanian Government's stated strategy of encouraging foreign investment into the energy sector, presents an opportunity for international, independent power producers to establish a presence in mainland Tanzania.

The Government of Tanzania has carried out significant work during 2014 to advance its development strategy for its domestic power industry. The "Tanzania Electricity Supply Industry Reform Strategy and Roadmap" released in June 2014 outlines this; see link below:

<http://www.gst.go.tz/images/TANZANIA%20ELECTRICITY%20SUPPLY%20INDUSTRY%20REFORM%20STRATEGY%20&%20ROADMAP.pdf>

This document summarises the country's requirement to increase installed power capacity from 1,583MW in 2014 to 10,000MW by 2025. Edenville's Rukwa Coal Project is well placed both in terms of size of resource and geographical location to contribute to this power expansion plan.

As a consequence of these developments, Edenville was approached by several parties interested in participating in the development of the Rukwa Coal Project in tandem with the Government's plans to bring much needed electricity to an under developed part of Tanzania. Several Non-Disclosure Agreements were signed, and remain in force, and due diligence commenced. Edenville's robust and comprehensive dataroom aided this process and we were delighted to announce, in June 2014, that after extensive due diligence and an in-depth site visit, an Expression of Interest had been signed by the EPC division of a multi-national conglomerate company, headquartered in East Asia.

A detailed report produced for this company, which underpinned the Expression of Interest, proposed a staged development programme, with initial construction of a 100MW plant

with scope to expand up to 600MW in the coming years as demand increases with regional development. The final size of the project would also depend on infrastructure, grid availability and fuel supply, not only from Edenville's deposit but from other sources of coal and supplementary fuels such as biomass. The project modelled using Circulating Fluidised Bed (CFB) technology will allow the project to incorporate lower quality coal into the overall fuel mix thereby further increasing the amount of available coal at Edenville's Rukwa Coal Project, decreasing costs and reducing waste.

This Expression of Interest contains several conditions and project milestones which, once met, would lead to an exclusive development agreement. Edenville is committed to completing these development milestones and remains in active discussions with this, and other, potential power partners.

The positive news regarding the Expression of Interest enabled Edenville to complete a placing of 416,666,666 new ordinary shares at a price of 0.06 pence raising £0.25 million, in June, which allowed the company to continue discussions with a healthy cash balance to support our position and maintain the Rukwa Coal asset.

June saw the achievement of one such significant milestone for Edenville, when the Board was delighted to receive the Environmental Impact Assessment Certificate ('EIA') which approves proposed mining operations at the Company's Namwele and Mkomolo coal deposits at the Rukwa Coal Project in Tanzania. Our consultants in Tanzania, NEMC and the Government of Tanzania all played a part in moving the assessment along towards a positive conclusion and the importance of receiving the EIA cannot be overstated.

The EIA significantly de-risks the overall coal-to-power project plan, giving confidence to potential partners that Edenville's Rukwa Coal Project is a viable source of long-term fuel with first phase mining an option in the near term. Although coal-to-power remains Edenville's prime focus, the EIA approval also provides the option to proceed towards stand-alone coal mine development.

Post Period

Recent calculations by Sound Mining Solutions Limited ("SMS") of South Africa, based on overburden to coal ratios, suggest coal reserves are sufficient to support mining operations in addition to fuelling a power plant and the Board of Edenville is currently assessing the viability of two significant coal supply options.

Work is ongoing on an exploration programme started in June in the Namwele, Mkomolo and Muze areas. Extensions to deposits are being investigated and further sampling is being done to gain greater knowledge of the coal characteristics and quality. We expect this work to continue in the near future and contribute to the next stage of the feasibility process.

In August, The World Bank committed \$5 billion in new technical and financial support to encourage increased international investments in energy infrastructure projects in six African nations, including Tanzania, under the US-backed Power Africa programme. Bank president Jim Yong Kim said the package would include direct financing, investment guarantees and advisory services for project preparation in Power Africa's initial partner countries Ethiopia, Ghana, Nigeria, Tanzania, Kenya and Liberia.

Confident that the power development program in Tanzania will gather momentum, Edenville recently engaged Mr Arun Srivastava as a consultant to advise the Board on the development of the power plant and associated infrastructure. Mr Srivastava was formally Managing Director and CEO of Essar Power of India, part of the Essar Group, which has a total installed generation capacity of 3,910MW capacity. Mr Srivastava's extensive sector experience and depth of knowledge adds greatly to the analysis and development of the power options open to Edenville. Mr Srivastava will play an active role in enabling Edenville to achieve the milestones and deliverables which are required to progress the project to a 'partner ready' stage.

In summary, we are very encouraged by the positive developments made during 2014 to date, both on the technical and financial viability of Edenville's Rukwa coal to power project and the Government of Tanzania's absolute commitment to bringing electricity to large areas of the country.

Financial Results

The Company made a loss after taxation for the six month period ended 30 June 2014 of £533,265 including £102,295 in respect of share based payments. The net assets at 30 June 2014 amounted to £8,801,728.

The total comprehensive loss for the period was £846,207, which included a loss of £312,942 arising from the translation of the Tanzanian subsidiary company accounts from US Dollars to Sterling.

At 30 June 2014, the Company had cash reserves of £995,483.

The Board of Edenville remain positive on the outlook for the Rukwa Coal Project and would like to thank shareholders for their ongoing support.

EDENVILLE ENERGY PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2014

	Note	Six months ended 30 June 14 Unaudited £	Six months ended 30 June 13 Unaudited £	Year ended 31 Dec 13 Audited £
Gross profit		-	-	-
Administrative expenses		(430,973)	(300,564)	(638,868)
Share based payments		(102,295)	-	(39,797)
Impairment of tangible asset		-		(1,687,494)
Group operating loss		<u>(533,268)</u>	<u>(300,564)</u>	<u>(2,366,159)</u>
Finance income		3	4	9
Loss on operations before taxation		<u>(533,265)</u>	<u>(300,560)</u>	<u>(2,366,150)</u>
Taxation		-	-	284,111
Loss for the period after taxation		<u>(533,265)</u>	<u>(300,560)</u>	<u>(2,082,039)</u>
Other comprehensive (loss)/income:				
(Loss)/gain on translation of overseas subsidiary		(312,942)	583,297	(143,057)
Total comprehensive income/(loss) for the period		<u>(846,207)</u>	<u>282,737</u>	<u>(2,225,096)</u>
Attributable to:				
Equity holders of the Company		(846,072)	282,998	(2,220,883)
Non-controlling interest		(135)	(261)	(4,213)
		<u>(846,207)</u>	<u>282,737</u>	<u>(2,225,096)</u>
Loss per share				
- basic and diluted (pence)	2	<u>(0.009)</u>	<u>(0.007)</u>	<u>(0.05)</u>

The loss for the period arises from the Group's continuing operations.

EDENVILLE ENERGY PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2014

		As at 30 June 14 Unaudited	As at 30 June 13 Unaudited	As at 31 Dec 13 Audited
	Note	£	£	£
Non-current assets				
Property, plant and equipment		36,224	62,024	38,538
Intangible assets	4	8,565,254	11,221,803	8,828,849
		<u>8,601,478</u>	<u>11,283,827</u>	<u>8,867,387</u>
Current assets				
Trade and other receivables		186,967	206,934	176,277
Cash and cash equivalents		995,483	341,910	303,908
		<u>1,182,450</u>	<u>548,844</u>	<u>480,185</u>
Current liabilities				
Trade and other payables		(87,566)	(54,773)	(81,213)
Current assets less current liabilities		<u>1,094,884</u>	<u>494,071</u>	<u>398,972</u>
Total assets less current liabilities		<u>9,696,362</u>	<u>11,777,898</u>	<u>9,266,359</u>
Non - current liabilities				
Provisions for other liabilities and charges		(894,634)	(1,308,451)	(930,167)
		<u>8,801,728</u>	<u>10,469,447</u>	<u>8,336,192</u>
Capital and reserves				
Called-up share capital	5	1,388,728	976,188	1,019,680
Share premium account		13,127,820	11,995,027	12,286,868
Share based payment reserve		142,092	326,984	39,797
Foreign currency translation reserve		(1,113,326)	(74,030)	(800,384)
Retained earnings		(4,758,045)	(2,774,372)	(4,224,915)
Issued capital and reserves attributable to owners of the parent company		<u>8,787,269</u>	<u>10,449,797</u>	<u>8,321,046</u>
Non-controlling interest		14,459	19,650	15,146
Total equity		<u>8,801,728</u>	<u>10,469,447</u>	<u>8,336,192</u>

EDENVILLE ENERGY PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2014

	-----Equity Interests-----							
	Share capital £	Share premium £	Retained Earnings £	Share option reserve £	Foreign currency translation reserve £	Total £	Non- Controlling interest £	Total £
Balance at 1 January 2014	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	369,048	880,952	-	-	-	1,250,000	-	1,250,000
Share issue costs	-	(40,000)	-	-	-	(40,000)	-	(40,000)
Share based payment charge	-	-	-	102,295	-	102,295	-	102,295
Foreign currency translation	-	-	-	-	(312,942)	(312,942)	(552)	(313,494)
Loss for the period	-	-	(533,130)	-	-	(533,130)	(135)	(533,265)
Balance at 30 June 2014	<u>1,388,728</u>	<u>13,127,820</u>	<u>(4,758,045)</u>	<u>142,092</u>	<u>(1,113,326)</u>	<u>8,787,269</u>	<u>14,459</u>	<u>8,801,728</u>
Balance 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	10,600	96,295	-	-	-	106,895	-	106,895
Share issue costs	-	(14,954)	-	-	-	(14,954)	-	(14,954)
Foreign currency translation	-	-	-	-	583,297	583,297	167	583,464
Total comprehensive loss for the period	-	-	(300,299)	-	-	(300,299)	(261)	(300,560)
Balance at 30 June 2013	<u>976,188</u>	<u>11,995,027</u>	<u>(2,774,372)</u>	<u>326,984</u>	<u>(74,030)</u>	<u>10,449,797</u>	<u>19,650</u>	<u>10,469,447</u>
Balance 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)
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)
Balance at 31 December 2013	<u>1,019,680</u>	<u>12,286,868</u>	<u>(4,224,915)</u>	<u>39,797</u>	<u>(800,384)</u>	<u>8,321,046</u>	<u>15,146</u>	<u>8,336,192</u>

EDENVILLE ENERGY PLC
CONSOLIDATED CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2014

	Six months ended 30 June 14 Unaudited £	Six months ended 30 June 13 Unaudited £	Year ended 31 Dec 13 Audited £
Cash flows from operating activities			
Operating loss	(533,268)	(300,564)	(2,366,159)
Impairment of tangible & intangible non-current assets	-	-	1,704,644
Depreciation	1,249	8,756	12,258
Share based payments	102,295	-	39,797
Foreign exchange (loss)/gain	(4,282)	315	(3,457)
Increase/(decrease) in trade and other receivables	(16,528)	60,823	78,422
Increase/(decrease)/increase in trade and other payables	7,748	(113,654)	(83,073)
Net cash used in operating activities	<u>(442,786)</u>	<u>(344,324)</u>	<u>(617,568)</u>
Cash flows from investing activities			
Purchase of exploration and evaluation assets	(75,277)	(190,679)	(289,889)
Purchase of fixed assets	-	(561)	(550)
Finance income	3	4	9
Net cash used in investing activities	<u>(75,274)</u>	<u>(191,236)</u>	<u>(290,430)</u>
Cash flows from financing activities			
Proceeds on issue of shares	1,250,000	106,895	510,628
Share issue costs	(40,000)	(14,954)	(83,354)
Net cash generated from financing activities	<u>1,210,000</u>	<u>91,941</u>	<u>427,274</u>
Net increase/(decrease) in cash and cash equivalents	691,940	(443,619)	(480,724)
Cash and cash equivalents at beginning of year	303,908	784,072	784,072
Exchange losses on cash and cash equivalents	(365)	1,457	560
Cash and cash equivalents at end of year	<u><u>995,483</u></u>	<u><u>341,910</u></u>	<u><u>303,908</u></u>

EDENVILLE ENERGY PLC
NOTES TO THE INTERIM REPORT

FOR THE SIX MONTHS ENDED 30 JUNE 2014

1. Financial information and basis of preparation

The interim financial statements of Edenville Energy Plc are unaudited consolidated financial statements for the six months ended 30 June 2014 which have been prepared in accordance with IFRSs as adopted by the European Union. They include unaudited comparatives for the six months ended 30 June 2013 together with audited comparatives for the year ended 31 December 2013.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2013, as described in those financial statements.

The interim financial statements do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The statutory accounts for the year ended 31 December 2013 have been reported on by the company's auditors and have been filed with the Registrar of Companies. The report of the auditors was unqualified and did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2014:

		Effective date (period beginning on or after)
IFRS 10	Consolidated financial statements Amendments to transitional guidance	1 January 2014
IFRS 11	Joint Arrangements Amendments to transitional guidance	1 January 2014
IFRS 12	Disclosure of interests in other entities Amendments to transitional guidance	1 January 2014
IAS 27	Separate financial statements Amendments to investment entities	1 January 2014
IAS 36	Impairment of assets Amendments arising from recoverable amount disclosures for non-financial assets	1 January 2014
IAS 39	Financial Instruments: recognition and measurement Amendments for novations of derivatives	1 January 2014

The adoption of these standards has not had a material effect on the financial statements of the group.

EDENVILLE ENERGY PLC
NOTES TO THE INTERIM REPORT

FOR THE SIX MONTHS ENDED 30 JUNE 2014

2. Loss per share

The calculation of the basic and diluted loss per share is based on the following data:

	30 June 14	30 June 13	31 December 13
	£	£	£
Loss after taxation	(533,265)	(300,560)	(2,082,039)
The weighted average number of shares in the period were			
Basic ordinary shares	6,098,918,048	4,591,716,643	4,670,657,112
Basic and diluted loss per share (pence)	(0.009)	(0.007)	(0.05)
	_____	_____	_____

The loss attributable to equity shareholders and weighted average number of ordinary shares for the purposes of calculating diluted earnings per ordinary share are identical to those used for basic earnings per ordinary share. This is because the exercise of share options and warrants would have the effect of reducing the loss per ordinary share and is therefore anti-dilutive.

EDENVILLE ENERGY PLC
NOTES TO THE INTERIM REPORT

FOR THE SIX MONTHS ENDED 30 JUNE 2014

3. Dividends

No dividends are proposed for the six months ended 30 June 2014 (six months ended 30 June 2013 £nil: year ended 31 December 2013 £nil).

4. Intangible assets

	Exploration and evaluation assets		
	Tanzanian Licences	Goodwill	Total
	£	£	£
Cost or valuation			
As at 1 January 2014	7,594,332	1,234,517	8,828,849
Additions	75,277	-	75,277
Foreign exchange adjustment	(291,710)	(47,162)	(338,872)
At 30 June 2014	<u>7,377,899</u>	<u>1,187,355</u>	<u>8,565,254</u>
Accumulated amortisation and impairment			
As at 1 January 2014	-	-	
As at 30 June 2014	<u>-</u>	<u>-</u>	<u>-</u>
Net book value			
As at 30 June 2014	<u>7,377,899</u>	<u>1,187,355</u>	<u>8,565,254</u>

4. Intangible assets (continued)

	Exploration and evaluation assets			
	Javan Licences £	Tanzanian Licences £	Goodwill £	Total £
Cost or valuation				
As at 1 January 2013	36,536	9,126,958	1,252,869	10,416,363
Additions	-	190,679	-	190,679
Foreign exchange adjustment	-	573,908	77,389	651,297
At 30 June 2013	<u>36,536</u>	<u>9,891,545</u>	<u>1,330,258</u>	<u>11,258,339</u>
Accumulated amortisation and impairment				
As at 1 January 2013	36,536	-	-	36,536
As at 30 June 2013	<u>36,536</u>	<u>-</u>	<u>-</u>	<u>36,536</u>
Net book value				
As at 30 June 2013	<u>-</u>	<u>9,891,545</u>	<u>1,330,258</u>	<u>11,221,803</u>

4. Intangible assets (continued)

	Exploration and evaluation assets		Goodwill £	Total £
	Javan Licences £	Tanzanian Licences £		
Cost or valuation				
As at 1 January 2013	36,536	9,126,958	1,252,869	10,416,363
Additions	-	289,889	-	289,889
Foreign exchange adjustment	-	(135,021)	(18,352)	(153,373)
Written Off	(36,536)	(1,687,494)		(1,724,030)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2013	-	7,594,332	1,234,517	8,828,849
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Accumulated amortisation and impairment				
As at 1 January 2013	(36,536)	-	-	(36,536)
Written Off	36,536	-		36,536
	<hr/>	<hr/>	<hr/>	<hr/>
		-	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net book value				
As at 31 December 2013	-	7,594,332	1,234,517	8,828,849
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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.

EDENVILLE ENERGY PLC
NOTES TO THE INTERIM REPORT

FOR THE SIX MONTHS ENDED 30 JUNE 2014

5. Share capital

	No.	£
30 June 2014		
Allotted, called up and fully paid		
Ordinary shares of 0.02p each	6,686,921,206	1,337,384
Deferred shares of 0.08p each	64,179,932	51,344
		<hr/> 1,388,728 <hr/>
30 June 2013		
Allotted, called up and fully paid		
Ordinary shares of 0.02p each	4,624,216,406	924,844
Deferred shares of 0.08p each	64,179,932	51,344
		<hr/> 976,188 <hr/>
31 December 2013		
Allotted, called up and fully paid		
Ordinary shares of 0.02p each	4,841,683,110	968,336
Deferred shares of 0.08p each	64,179,932	51,344
		<hr/> 1,019,680 <hr/>

On 23 January 2014 the company issued 1,428,571,428 ordinary shares at a price of 0.07p per share.

On 30 June 2014 the company issued 416,666,666 ordinary shares at a price of 0.06p per share.

6. Distribution on interim report to shareholders

The interim report will be available for inspection by the public at the registered office of the company during normal business hours on any weekday and from the Company's website <http://www.edenville-energy.com/>. Further copies are available on request.