



19 May 2017

EDENVILLE ENERGY PLC ("Edenville" or the "Company")

Rukwa Coal Project - Update

Edenville Energy plc (AIM:EDL), is pleased to provide an update on its Rukwa Coal Project in western Tanzania (the "Project").

Key Points

- Letter of Intent signed with a customer to supply coal
- Key mining equipment purchased
- Tanzanian contractor appointed

Coal Customers

The Company is pleased to announce it has signed a Letter of Intent ("LOI") with a customer to supply coal. Initially this is expected to be 1,000 tonnes per month rising to a potential 7,000 tonnes per month supply to this customer as the operation expands.

The LOI is the first stage of completing a formal coal supply agreement prior to first deliveries. Deliveries are expected to start in July 2017, initially with the Company supplying screened coal and, once the coal wash plant is operational, the customer requirements will be assessed to determine the most suitable product to supply. The board can give no assurance at this stage that a formal agreement will be concluded.

In addition to the above, the Company is working on several other agreements that would provide significantly more additional sales. We expect to progress these over the coming weeks as the operation develops.

Mining

The Company is moving ahead with the establishment of the mining fleet at site with the purchase of critical path equipment and the engagement of a local Tanzanian contractor to supply support equipment and services.

As part of this the Company has completed the purchase of two key machines to carry out loading at the mine site. These are a Volvo EC300D excavator and a Volvo L120G loader. It is planned the excavator will carry out in pit mining, whilst the loader will predominantly manage the stockpile area.

To supplement this equipment we have engaged a Tanzanian contractor to provide haulage and support services to the operation with their fleet of mining equipment.

Rufus Short, CEO of Edenville commented: "I am very pleased we have been able to reach agreement with a customer with a view to providing long term supply to fulfil their requirements. Over 100 tonnes of coal have already been shipped to them for trial purposes and we are confident that we can deliver a product that will fit their needs. In parallel we are working on several other supply agreements to provide both early stage and washed coal to customers in Tanzania and the wider region.

"After reviewing proposals from several contractors we settled on a group that have an existing presence in the Rukwa Region. I believe their local knowledge and past experience in operating in the area will add value to the Project, the management of which will remain under Edenville's control. All our people, whether they be employees, consultants or contractors just want to push on with the Project to make it a success. We have had very positive support from local and national government and I am confident this Project can bring a wide range of benefits to the local population and economy of Tanzania. I look forward to providing further updates over the coming weeks."

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.

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