



20 February 2017

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

Subscription to raise £2m at 0.8p per share

Edenville Energy plc (AIM:EDL), the Company developing a coal-to-power project in south west Tanzania is pleased to announce a subscription, that was oversubscribed, to raise £2.0 million (before expenses) through the issue of 250,000,000 new ordinary shares of 0.02 pence each in the capital of the Company ("New Ordinary Shares") at 0.8 pence per New Ordinary Share to new and existing shareholders, together with 125,000,000 warrants issued to the subscribers on the basis of one warrant for every two New Ordinary Shares, exercisable at 1.08 pence per warrant at any time over the next 18 months (the "Warrants" and each a "Warrant"; and together with the New Ordinary Shares, the "Subscription").

The net proceeds from the Subscription will be used predominantly for the advancement of mining development and to facilitate the Company's progress into full coal mining operations as soon as possible. More specifically the proceeds of the Subscription will be used to facilitate the following:

- Complete the purchase of a wash plant and crusher and facilitate the transportation and installation of these items on site in Tanzania;
- Acquire mining equipment for an initial planned production of up to 10,000 tonnes of coal per month;
- Complete land compensation requirements as required;
- Build supporting infrastructure, including weighbridge facilities and implementing systems for coal delivery to customers; and
- Provide working capital for the Company as it moves towards full production.

The above will allow the Company's coal mining operations at Rukwa to complete the transition from development into full production, thus generating cash flow from the sale of processed coal, which the Directors anticipate will be sufficient to cover the Company's day to day costs in normal circumstances.

The development of the coal mine will continue alongside the development of the Company's planned coal to power project (the "Power Project"). As announced on 23 January 2017, the Company has established a strategic partnership with Sinohydro Corporation of China ("Sinohydro") in relation to the Power Project. Pursuant to this strategic partnership, Sinohydro will complete a Bankable Feasibility Study for the proposed Rukwa

Power Plant which the Company intends to use in relation to the future development of the Power Project.

As the Company currently only has authorities to issue a limited number of New Ordinary Shares the Subscription will take place in two tranches, details of which are further described below.

Rufus Short CEO of Edenville Energy commented: "I am pleased to announce a successful £2m fundraising (before expenses) and welcome our new shareholders at this exciting stage in the Company's development. The Subscription proceeds will establish a step change in the development of our activities in Tanzania, allowing the Company to become a coal producer. The funds raised will complete the purchase of the wash plant and crusher, as well as the ancillary work required for mobilisation. In addition, the Subscription will enable Edenville to acquire mining equipment which will enable Edenville to commence full coal mining operations. We believe our Rukwa coal project has the potential to contribute significantly to the available coal supply in Tanzania and neighbouring countries and we look forward to providing our shareholders with further updates as appropriate."

The Subscription

The Subscription is being conducted in two tranches, due to the Company's current limited authority to issue new shares on a non-preemptive basis.

a) The First Subscription

Pursuant to subscription agreements between the Company and certain investors, 22,781,732 New Ordinary Shares (the "First Subscription Shares"), together with 11,390,866 Warrants have been allotted at the issue price of 0.8 pence per New Ordinary Share for an aggregate subscription value of £182,253.86 before expenses (the "First Subscription"), conditional only upon admission to trading on AIM of the First Subscription Shares ("First Admission"). Application for First Admission has been made to London Stock Exchange and First Admission is expected to become effective on or around 23 February 2017.

b) The Second Subscription

Pursuant to subscription agreements between the Company and certain investors, 227,218,268 New Ordinary Shares (the "Second Subscription Shares"), together with 113,609,134 Warrants have been conditionally allotted at the issue price of 0.8 pence per New Ordinary Share for an aggregate subscription price of £1,817,746.14 before expenses (the "Second Subscription"),

The Second Subscription is conditional on the approval of the Company's shareholders at a General Meeting (the "General Meeting") of resolutions granting the directors of the Company authority to allot the Second Subscription Shares and dis-applying statutory pre-emption rights in relation to such allotment. Further details of the General Meeting are set out below.

As part settlement of broking fees, Edenville has granted Optiva Securities 12,500,000 warrants over the Company's ordinary shares (the "Broker Warrants"). The Broker Warrants have an exercise price of 0.8p and may be exercised at any time over the next 18 months.

The General Meeting

A circular convening the General Meeting will be sent to shareholders shortly. At the General Meeting shareholders will consider resolutions to permit the Directors to allot and issue up to £80,000 nominal value of new Ordinary Shares of 0.02 pence each in the Company and to dis-apply pre-emptive rights in respect of such amounts (the "Resolutions"). This equates to 400,000,000 new Ordinary Shares, with such authorities expiring if unused by the Company's next Annual General Meeting.

The passing of the Resolutions would permit the Second Subscription to be carried out and 227,218,268 Second Subscription Shares to be issued. Additionally it would permit the directors to issue of up to a further 60,000,000 Ordinary Shares as headroom for future possible other opportunities that may arise.

Total Voting Rights

Following Admission of the First Subscription Shares, the issued share capital of the Company will be 847,068,319 ordinary shares of 0.02 pence each. The shares issued in the First 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 First Subscription, it has 847,068,319 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 847,068,319 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.

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

For further information please contact:

Edenville Energy Plc Jeff Malaihollo - Chairman Rufus Short - CEO	+44 (0) 20 7652 9788
Northland Capital Partners Limited (Nominated Adviser) Gerry Beaney David Hignell	+44 (0) 20 3861 6625
Optiva Securities Limited (Broker) Jeremy King Graeme Dickson	+44 (0) 20 3137 1902
IFC Advisory (Financial PR and IR) Tim Metcalfe Graham Herring	+44 (0) 20 3053 8671

Heather Armstrong