



30 May 2017

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

Rukwa Coal Project - Update

Edenville Energy plc (AIM:EDL), is pleased to announce that it has received a formal request from the Ministry of Energy and Minerals of Tanzania ("MEM") for the Company to proceed with the development of its Rukwa Coal to Power Project near Sumbawanga in the Rukwa Region of Tanzania (the "Project").

In early 2017 a new Power Master Plan Update was released by the Government of Tanzania (the Power System Master Plan - Update 2016) that included the Project. This plan is now being progressively rolled out by the Government of Tanzania to provide further power generation and transmission for the country over the long term up to 2040.

The Project has already had a feasibility study carried out in 2015 for a 120MW power generation facility and the MEM has indicated a larger facility of up to 300MW can be constructed at Rukwa, assuming technical, financial and commercial parameters can be satisfied. The 120MW Project returned an NPV10 of US\$252 million and an IRR of 23% from recent independent financial modelling carried out in late 2016.

In January 2017 Edenville signed a Memorandum of Understanding with Sinohydro Corporation of China to complete a Bankable Feasibility Study ("BFS") on the project. The Company and Sinohydro will be looking at all options to optimise the power plant size and to source suitable funding from recognised financial institutions for construction of the Project. In parallel with this, talks will take place with The Tanzanian Electric Supply Company ("Tanesco") to finalise the Power Purchase Agreement ("PPA") and associated transmission infrastructure that will be needed to take the electricity.

Edenville holds 100% of Edenville Power Tanzania Ltd, the company registered in Tanzania to develop and operate the Project. Edenville through its Tanzanian subsidiary Edenville International Tanzania Ltd, also holds the Mkomolo mining licence ML562/2016 and a 90% interest in the coal deposits at Rukwa.

New access road permit granted for coal mine

The Company has also received permission to upgrade and where necessary construct, a new access road that will connect the site with the main north south sealed highway to the west of the Project. The road will be approximately 16km long and allow coal trucks to reach the site more efficiently than the current transport infrastructure. Ultimately this road will also be used as part of the power plant access infrastructure. Work is commencing on the road immediately and we expect a usable road to be completed by the end of June 2017.

Rufus Short, CEO of Edenville Energy plc commented: "The request from the MEM is a very significant step forward in the timeline for the development of the Project. The Project can now move forward, working alongside the Tanzanian authorities, to ultimately provide significant electricity expansion to the country. The start up of the coal mine to provide commercial coal sales will undoubtedly assist the power plant development as this will give a significantly greater understanding of the coal that will be used for power generation. The next few years will be an extraordinarily busy and transformative time for the Company as both the mine and the power plant are developed, and I look forward to providing regular updates as and when appropriate."

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

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