

12 January 2017

EDENVILLE ENERGY PLC

("Edenville" or the "Company")

Trial Mining Commences

Edenville Energy plc (AIM: EDL) the company developing an integrated coal to power project in south western Tanzania, is pleased to announce that it has started trial mining at the Rukwa Coal Project near Sumbawanga in western Tanzania.

Key Points

- Trial mining commenced
- Initial mine production planned to start in Q1 2017
- Significant interest from several groups for the coal from Rukwa

Over the past several months Edenville has received significant formal interest from several companies for long-term coal supply. As a result, trial shipments of run of mine ("ROM") coal have been transported to customers in order to determine appropriate logistical, quality and quantity parameters. Commercial rates are being paid for the delivery of this coal.

Consequentially, the Company has taken the decision to move the project to the next stage of development, which focuses on the commencement of commercial mining operations and the acquisition of a coal processing facility. It is planned that initial mining will commence in Q1 2017. This will focus on stripping the overburden and the production of a ROM coal stockpile. In parallel, a suitable coal wash plant is planned to be established on site.

Whilst some coal will be delivered unprocessed, as per customer requirements, it is envisaged that the majority of coal will undergo a degree of treatment through the wash plant to optimise the product for different customers and maximise the potential returns to Edenville. Initial mining operations will be under the control of Edenville and the Company is well advanced in selection of a suitable wash plant facility. The wash plant facility will also be configured so as to be able to process coal for the planned future power plant. More details on the above points and other areas of the operation will be announced as appropriate.

Rufus Short CEO of Edenville Energy commented: "I am very pleased we have been able to reach the stage where we are confident there is a long-term market for the coal from Rukwa. Our goal is to move our asset into generating positive cash flow in the near-term and to become a key supplier of coal in the East Africa region. Production will take place alongside the continued advancement of the planned coal to power project."

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

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