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INTERVIEW: Edenville Energy Focuses On Tanzania Coal Resource

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LONDON (Dow Jones)--Tanzania-focused coal miner **Edenville Energy** PLC (EDL.LN) is focused on building up resource estimates for its Rukwa coal project this year by drilling around 7-8 kilometers of holes across the three coal deposits in the project, with the end goal of securing a partner to assist developing a coal-fired power plant nearby, its chairman said Wednesday.

The company is in talks with at least one potential power plant partner and there is significant interest due to the lack of electricity and infrastructure in southern Tanzania, but there is no certainty of a deal yet, [Simon Rollason](#) told Dow Jones Newsires.

Earlier this month, Edenville released a much-anticipated maiden resource estimate for one of the deposits in the project, Mkomolo, of 39 million metric tons of thermal coal. Rollason expects more drilling to lead to further resource upgrades.

The company is still waiting for the drilling results from nine holes on another deposit, Namwele, as the laboratory which is processing them is backlogged.

Rollason was unable to estimate when the results would come through.

To prevent further bottle-necks, the company is looking for another laboratory to turn around future results faster, he said.

With the rainy season ending, Rollason anticipates a new drilling campaign to start in May. By the end of the year, he expects measured and indicated resource estimates for the Mkomolo and Namwele deposits and an inferred resource at the Muze deposit. Measured and indicated demonstrates a higher level of certainty towards the resource estimate than inferred.

The drilling work is fully funded from existing cash resources and the GBP2.5 million it raised in a share placing earlier in the year, Rollason said.

He even expects the company to have some cash left over at the end of the year, and said it could be put into buying another coal resource, though ideally one with an existing resource to speed up the development process.

At 1300 GMT, shares were down 0.005 pence, or 1.89%, at 0.26 pence.

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