

Client: Edenville Energy
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Edenville Energy **SPECULATIVE BUY**

18/04/2012 Miles Nolan



Once known as Gemstones of Africa, a new management team moved in a couple of years ago, a reverse take-over took place and the focus for Edenville was shifted towards coal projects in Tanzania.

Focused on the Rukwa Coalfield, it has three known deposits. The completion of drilling across a 6km strike length has delivered a maiden resource of 39m tonnes of coal at its Mkomolo site to the south of the country. Edenville is focused on thermal coal, and given the low depth, the likelihood is it will undertake open pit mining over the next two years.

With £3m in the bank, the AIM company is fully funded for its ongoing drilling programme, which should help further prove up its resource. Tanzania has a population of 43.7m, but suffers from a chronic electricity shortage. Edenville hopes to solve this by establishing power plants, which should also lead to revenue generating offtake agreements.

Edenville has over 1,000 shareholders and is heavily traded - at current levels it is clearly not without risk, but it could reward a speculative punt.



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Market cap: £11.3m **PE Forecast:** n/a **Share price:** 0.26p