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

(AIM:EDL)

Interim Results for the Six Months Ended 30 June 2011

22 September 2011

Edenville Energy plc, the African coal exploration and development company, today announces its Unaudited Interim Results for the six months ended 30 June 2011.

Highlights

· £9 million net assets

· £342,609 loss

· £1.56m cash

· £1,500,000 raised to fund drilling programmes at key coal targets and working capital

· Comprehensive geological survey work over the Namwele and Mkomolo deposits (Rukwa coalfield property)

· First drill targets identified at Mkomolo

· Acquisition of contiguous coal exploration block covering 494.99km- Adjacent to Kiwira-Songwe Coalfield

Post period events

· Commencement of diamond drilling at Mkomolo near surface coal deposit

· First diamond drill hole completed to 43m- coal measures intersected:32 to 38m and included 1.80m

· 15 holes completed to date with 14 returning coal intercepts which are currently being assayed

· Drilling has identified coal bearing strata over a lateral strike distance of 4,500m to a depth in excess of 90m - remains open ended both along strike to the north and at depth down dip

· On completion of drilling at Mkomolo rig to mobilise to Namwele

· Objective remains to rapidly delineate a single JORC complaint coal resources across Rukwa that can be developed into a near term- low cost open pit mine

Simon Rollason, Chairman of Edenville, commented that "The immediate outlook for Edenville is very interesting as we await full assays from our ongoing drill campaign at Rukwa. The work undertaken during the period allowed us to prepare a carefully selected series of drill targets and I believe the fact 14 of our 15 holes intersected coal demonstrates that our pre-drilling work has allowed Edenville to make best use of shareholder funds. We shall look to use current drilling results and further exploration work to rapidly deliver a maiden JORC compliant resource estimation for the Rukwa project, a previously operating coal mine. Edenville continues to evaluate our portfolio of assets in Tanzania and will continue to seek new opportunities for company growth through joint participation, partnerships or ownership."

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I am pleased to report on the interim results of the Group for the six months ended 30th June 2011. The company has made strong progress during the first half of 2011 with field work focusing on the Rukwa Coalfield Project of South-western Tanzania, where currently it is undergoing its first diamond drill programme.

Operational Review

Since Edenville was re-admitted onto AIM in March 2010 the Company has developed into an active coal focused African energy exploration company, and we have made a number of acquisitions during this time to strengthen the coal asset portfolio. The main area of activity for the Company over the reporting period has been the Rukwa Coalfield Project, which was acquired in August 2010.

During the first six months of this year we have been actively undertaking comprehensive geological survey work over the Namwele and Mkomolo deposits. This work has been supported by manual pitting and trenching to expose the underlying geology, which tends to be covered by 3-4m, on average, of overburden. The objective of this work was the delineation of the underlying Karoo-aged sediments, and to aid in drill planning through identification of shale units which host the coal measures and occur in close proximity to the underlying basement gneisses. Over 7km of strike length and 3km of strike at Mkomolo and Namwele, respectively, are currently being tested and evaluated with the on-going drill programme.

In April 2011 we announced the acquisition of three additional exploration licences in south-western Tanzania, which we considered as having strong potential for coal discovery. These licences form a contiguous block covering 494.99km2 and lie adjacent to the Kiwira-Songwe Coalfield. The total cash consideration paid to the private vendors was US$161,699.40.

The company holds a number of options over gemstone exploration licences in Tanzania which were rolled over from the Gemstone of Africa company. We consider these to be non-core to the company's activities and the management are current reviewing our strategy with these assets.

Financing

In January 2011 the Company raised £1,500,000 through a subscription of 83,333,334 new ordinary shares in the Company at a price of 1.8p each, with the proceeds being used to fund drilling programmes at key coal targets, such as the Rukwa Coalfield Project and to provide additional working capital to the Company.

Financial Results

The Company made a loss after taxation for the six month period ended 30 June 2011 of £342,609 and had net assets at that date of £9 million.

The total comprehensive loss for the period was £675,020, which included a loss of £332,411 arising of the translation of the Tanzanian subsidiary company accounts from US Dollars to Sterling.

A deferred tax liability of £1,336,332 arising on the acquisition of Edenville International Limited was omitted from the 30 June 2010 interim accounts and the 31 December 2010 annual accounts in error. This error has been corrected in the 30 June 2011 interim accounts and the corresponding periods restated. The impact of these adjustments has been to increase goodwill recognised on the acquisition and increase the deferred tax liability by the same amount. There has been no change to the value of the net assets of the Company or the reported results for either the previous year's interim accounts or the last annual accounts of the Company as a result of this adjustment.

At 30 June 2011, the Company had cash reserves of £1.56m.

Post Balance Sheet Events

In July 2011, we announced the commencement of drilling operations on the Rukwa Coalfield Project. Drilling will be undertaken on a grid pattern with north-south line spacing at 500m intervals. All holes are being drilled vertically to intersect the coal measures at successively deeper depths up to a maximum of 200m.

The first drill hole for which results have been received, MK11-01, is located towards the southern end of the Mkomolo Basin, and was drilled to a depth of 42m, intersecting a 3.8m section of coal bearing strata between 32.34m and 36.15m. Detailed float and sink analysis confirms the presence of approximately 2.3m of principal coal bearing strata.

Outlook

The outlook for the company remains positive and we expect further strong progress at Rukwa. Earlier indications from the drilling are favourable and we are confident that we will deliver, on budget and on time the maiden JORC compliant resource estimation for this project and allow us to advance the project to the next level. We will continue to evaluate our portfolio of assets in Tanzania and will continue to seek new opportunities for company growth through joint participation, partnerships or ownership.

Simon Rollason

Chairman

	Note	Six months ended 30 June 11 Unaudited £	Six months ended 30 June 10 Unaudited £	Year ended 31 Dec 10 Audited £
Gross profit		-	-	-
Administrative expenses		(234,188)	(112,430)	(281,829)
Share based payments		(108,421)	(7,452)	(22,519)
Operating loss		(342,609)	(119,882)	(304,348)
Finance costs		-	-	-
Loss before taxation		(342,609)	(119,882)	(304,348)
Taxation		-	-	-
Loss for the period after taxation		(342,609)	(119,882)	(304,348)
Other comprehensive income:				
Loss on translation of overseas subsidiary		(326,753)	(28,803)	(265,273)
Total comprehensive loss for the period		(669,362)	(148,685)	(569,621)
Attributable to:				
Equity holders of the Company		(669,349)	(148,631)	(569,632)
Non controlling interest		(13)	(54)	11
		(669,362)	(148,685)	(569,621)
Loss per share				
- basic and diluted (pence)	2	(0.010)	(0.005)	(0.010)

The loss for the period arises from the Group's continuing operations.

	Note	As at 30 June 11 Unaudited £	As at 30 June 10 Unaudited (Restated) £	As at 31 Dec 10 Audited (Restated) £

Non-current assets				
Tangible fixed assets		20,722	33,542	23,683
Intangible assets	4	8,309,203	8,385,744	8,385,072
Equity investments - available for sale		446,428	446,428	446,428
		8,776,353	8,865,714	8,855,183
Current assets				
Trade and other receivables		31,324	47,385	11,590
Cash and cash equivalents		1,561,958	881,590	625,639
		1,593,282	928,975	637,229
Current liabilities				
Trade and other payables		75,865	46,054	179,233
Current assets less current liabilities		1,517,417	882,921	457,996
Total assets less current liabilities		10,293,770	9,748,635	9,313,179
Non -current liabilities				
Provisions for other liabilities and charges		(1,242,711)	(1,321,392)	(1,286,890)
		9,051,059	8,427,243	8,026,289
Capital and reserves				
Called-up share capital	5	740,588	648,921	658,922
Share premium account		9,707,686	8,229,439	8,224,353
Share option reserve		139,299	40,893	52,616
Foreign currency translation reserve		(592,026)	(28,803)	(265,273)
Retained earnings		(965,069)	(463,180)	(644,367)
Issued capital and reserves attributable to owners of the parent company		9,030,478	8,427,270	8,026,251
Non-controlling interest		20,581	(27)	38
Total equity		9,051,059	8,427,243	8,026,289

Share option reserve	Foreign currency translation reserve	Retained Earnings	Non-Controlling interest	Total			
	£	£	£	£	£	£	£
Balance at 1 January 2011	658,922	8,224,353	52,616	(265,273)	(644,367)	38	8,026,289
Issue of share capital	81,666	1,483,333					1,564,999
Transfer on exercise of options and warrants	-	-	(21,738)	-	21,738	-	-
Share based payment charge	-	-	108,421	-	-	-	108,421
Fair value adjustment	-	-	-	-	-	20,712	20,712

Other reserves	-	-	-		156	(156)	-
Total comprehensive loss for the period	-	-	-	(326,753)	(342,596)	(13)	(669,362)
Balance at 30 June 2011	740,588	9,707,686	139,299	(592,026)	(965,069)	20,581	9,051,059
Balance at 1 January 2010	330,133	730,969	33,441	-	(343,352)	-	751,191
Issue of share capital	318,788	7,650,920	-	-	-	-	7,969,708
Cost of shares issued	-	(152,450)	-	-	-	-	(152,450)
Other reserves	-	-	7,452	-	-	27	7,479
Total comprehensive loss for the period	-	-	-	(28,803)	(119,828)	(54)	(148,685)
Balance at 30 June 2010	648,921	8,229,439	40,893	(28,803)	(463,180)	(27)	8,427,243
Balance at 1 January 2009	330,133	730,969	33,441	-	(343,352)	-	751,191
Issue of share capital	328,789	7,650,919	-	-	-	-	7,979,708
Cost of shares issued	-	(157,535)	-	-	-	-	(157,535)
Transfer on exercise of options and warrants	-	-	(3,344)	-	3,344		-
Share based payment charge	-	-	22,519	-	-	-	22,519
Other reserves	-	-	-	-	-	27	27
Total comprehensive loss for the period	-	-	-	(265,273)	(304,359)	11	(569,621)
Balance at 31 December 2010	658,922	8,224,353	52,616	(265,273)	(644,367)	38	8,026,289

	Six months ended 30 June 11 Unaudited £	Six months ended 30 June 10 Unaudited £	Year ended 31 Dec 10 Audited £
Cash flows from operating activities			

Operating loss	(342,609)	(119,882)	(304,348)
Loss of disposal of fixed assets	-	-	5,849
Depreciation	2,959	1,458	5,468
Share based payments	108,421	7,452	22,519
Foreign exchange loss	-	165	(5,517)
(Increase)/ decrease in trade and other receivables	(19,749)	18,777	54,544
(Decrease)/ increase in trade and other payables	(94,766)	(41,076)	92,103
Net cash from operating activities	(345,744)	(133,106)	(129,382)
Cash flows from investing activities			
Purchase of subsidiary, net of cash acquired	-	(9,103)	(12,846)
Purchase of licences	(282,641)	(29,812)	(290,659)
Purchase of fixed assets	-	(35,000)	(35,000)
Net cash used in investing activities	(282,641)	(73,915)	(338,505)
Cash flows from financing activities			
Proceeds on issue of shares	1,564,999	1,000,000	1,010,000
Share issue costs	-	(152,450)	(157,535)
Net cash generated in from financing activities	1,564,999	847,550	852,465
Net increase in cash and cash equivalents	936,614	640,529	384,578
Cash and cash equivalents at beginning of year	625,639	241,061	241,061
Exchange losses on cash and cash equivalents	(295)	-	-
Cash and cash equivalents at end of year	1,561,958	881,590	625,639

1. Financial information and basis of preparation

The interim financial statements of Edenville Energy Plc are unaudited consolidated financial statements for the six months ended 30 June 2011 which have been prepared in accordance with IFRSs as adopted by the European Union. They include unaudited comparatives for the six months ended 30 June 2010 together with audited comparatives for the year ended 31 December 2010.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2010, as described in those financial statements.

The interim financial statements do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The statutory accounts for the year ended 31 December 2010 have been reported on by the company's auditors and have been filed with the Registrar of Companies. The report of the auditors was unqualified and did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2011:

· IAS 24 *Related Parties Disclosure* - revised definition of related parties

· IFRIC 13 *Customer Loyalty Programmes*

· IFRIC 14 *IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*

The adoption of these standards has not had a material effect on the financial statements of the group.

2. Loss per share

The calculation of the basic and diluted loss per share is based on the following data:

	30 June 11	30 June 10	31 December 10
	£	£	£
Loss after taxation	(342,609)	(119,882)	(304,348)
The weighted average number of shares in the period were			
Basic ordinary shares	3,421,821,619	2,212,928,071	3,073,260,594
Diluted ordinary shares	3,568,626,087	2,212,928,071	3,073,260,594
Basic Loss per share (pence)	(0.010)	(0.005)	(0.010)
Diluted Loss per share (pence)	(0.010)	(0.005)	(0.010)

3. Dividends

No dividends are proposed for the six months ended 30 June 2011 (six months ended 30 June 2010 £nil: year ended 31 December 2010 £nil).

4. Intangible assets

	Exploration and evaluation assets	Goodwill	Total
	£	£	£
Cost or valuation as at 1 January 2011	7,098,182	1,286,890	8,385,072
Additions	285,199	20,712	305,911
Foreign exchange differences	(337,601)	(44,179)	(381,780)
Cost or valuation as at 31 June 2011	7,045,780	1,263,423	8,309,203

	Exploration and evaluation assets	Goodwill	Total
	£	£ (Restated)	£ (Restated)

Cost or valuation as at 1 January 2010	19,082	-	19,082
Prospecting licences acquired on acquisition of subsidiary	7,044,399	-	7,044,399
Additions	29,812	1,336,332	1,366,144
Foreign exchange differences	(28,941)	(14,940)	(43,881)
Cost or valuation as at 30 June 2010	7,064,352	1,321,392	8,385,744

	Exploration and evaluation assets	Goodwill	Total
	£	£ (Restated)	£ (Restated)
Cost or valuation as at 1 January 2010	19,082	-	19,082
Prospecting licences acquired on acquisition of subsidiary	7,044,399	-	7,044,399
Additions	294,437	1,336,332	1,630,769
Foreign exchange differences	(259,736)	(49,442)	(309,178)
Cost or valuation as at 31 December 2010	7,098,182	1,286,890	8,385,072

The outcome of ongoing exploration and evaluation, and therefore whether the carrying value of exploration and evaluation assets will ultimately be recovered, is inherently uncertain. The directors have assessed the value of exploration and evaluation expenditure carried as intangible assets. In their opinion there has been no impairment loss to intangible exploration and evaluation assets in the period.

5. Share capital

	No.	£
30 June 2011		
Allotted, called up and fully paid		
Ordinary shares of 0.02p each	3,446,216,405	689,244
Deferred shares of 0.08p each	64,179,932	51,344
		740,588
30 June 2010		
Allotted, called up and fully paid		
Ordinary shares of 0.02p each	2,987,883,072	597,577
Deferred shares of 0.08p each	64,179,932	51,344
		648,921

31 December 2010		
Allotted, called up and fully paid		
Ordinary shares of 0.02p each	3,037,883,072	607,578
Deferred shares of 0.08p each	64,179,932	51,344
		658,922

On 7 January 2011, warrants in respect of 325,000,000 ordinary shares were exercised at an exercise price of 0.02p per share.

On 31 January 2011, the company issued 83,333,334 ordinary shares at a price of 1.8p per share.

On 21 February 2011, the company granted 35,000,000 share options at an exercise price of 1.8p per share.

6. Prior period adjustment

A deferred tax liability of £1,336,332 arising on the acquisition of Edenville International Limited was omitted from the 30 June 2010 interim accounts and the 31 December 2010 annual accounts in error. This error has been corrected in the 30 June 2011 interim accounts and the corresponding periods restated. The impact of these adjustments has been to increase goodwill recognised on the acquisition and increase the deferred tax liability by the same amount. There has been no change to the value of the net assets of the Company or the reported results for either the previous year's interim accounts or the last annual accounts of the Company as a result of this adjustment.

7. Distribution on interim report to shareholders

The interim report will be available for inspection by the public at the registered office of the company during normal business hours on any weekday and from the Company's website http://www.edenville-energy.com/. Further copies are available on request.