Edenville
ENERGY PLC

Annual Report & Accounts

For the year ended 31 December 2015

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Edenville
ENERGY PLC

Company Information

Directors

Rufus Victor Short Chairman and Chief Executive Officer
Mark Jonathan Pryor Chief Operating Officer
Arun Srivastava Non Executive Director

Company Secretary

David Venus and Company LLP

Registered Office

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Chairman's and Chief Executive Officer's Report

for the year ended 31 December 2015

I am pleased to present our Annual Report and Accounts for the Financial Year ended 31 December 2015.

I write this now, not only as CEO, but also as acting Chairman of the Company following the recent resignation of our Chairman, Sally Schofield. Sally has contributed significantly to the Company's progress since its admission to AIM in 2010. She led the Company from early stage exploration through to the recent grant of the Mining Licence and has now decided to step aside due to personal commitments. I would like to thank Sally on behalf of everyone at Edenville for her guidance, direction and involvement during her time with the Company.

I am very grateful for the support of our shareholders throughout the year along with the effort and hard work put in by the staff and consultants of Edenville, in Tanzania the UK and elsewhere. Our main focus, the "Rukwa Coal to Power Project" progressed significantly in 2015 and has continued to make further advances in the current year. The Company is now at a stage where it can go forward through the final stages of pre-development planning.

2015 opened with the completion of Lahmeyer's Power Plant Feasibility Study giving a robust outcome for a 120MW Power Plant that has scope to expand to 300MW in line with Tanzanian government power development plans. The year drew to a close with the Mkomolo Mining Licence application entering its final stage of review, with final grant by the Tanzanian Ministry of Energy and Minerals (MEM) in February 2016. The Company has made significant progress in its discussions with Tanesco, the Tanzanian state electricity company, in order to agree a Power Purchase Agreement (PPA) and ultimately move the project from the planning stage into development and construction. These discussions cover many areas including technical, financial and environmental considerations.

2015 Review

We entered 2015 with our flagship project, the Rukwa Coal to Power Project undergoing a Feasibility Study to determine the viability of a Phase 1 120MW power plant. Ultimately the project has scope to expand to 300MW in line with the Tanzanian government's power development strategy for the Rukwa Region, which includes the development of the western spur transmission infrastructure. Robust engineering conclusions for the power plant resulted in a study that provided a basis to progress the project towards development.

Several Engineering, Procurement and Construction (EPC) groups globally expressed a keen interest in partnering with us in the project. It was clear that, whilst the project was viewed favourably, advancement in regulatory areas, such as obtaining a Mining Licence and agreeing a PPA was critical to getting the full commitment of groups wishing to finance and construct the project.

A key component identified was the requirement for a Mining Licence over the majority of the Mkomolo deposit area, which is expected to form the basis for fuel supply to the Phase 1 120MW power project and beyond.

Extensive background work and preparation was necessary to submit the application for a Mining Licence, which included a Mining Feasibility Study, Employment Plan and Corporate Social Responsibility (CSR) programme along with integration of the Environmental Impact Assessment (EIA). In late June, the Company was in a position to formally apply for the Mining Licence and the process was initiated with the MEM, with the assistance of our in-country engineering and environmental consultants, Tansheq. During this time we were also moving forward discussions with potential EPC engineering groups and partners.

In June 2015, a reorganisation of the board took place, with the Company taking into account the predicted timeframes for the project development. The reorganisation was strategic and ensured overheads were managed and allocated responsibly, reducing where possible corporate costs and redirecting available funds to Tanzania. Rakesh Patel resigned as CFO but retained the responsibility for the Company's accounts and financial management on a consultancy basis. Sally Schofield moved from an Executive Chairman role to a Non-Executive Chairman position, whilst Non Executive Director Mark Pryor took on the role of COO, focusing on Tanzania. Throughout the year we have attempted to keep costs to a minimum and the selective use of consultants has allowed the Company to rapidly progress areas such as the Mining Licence.

The second half of the year in Tanzania was dominated by the national parliamentary elections, with voting for the President and National Assembly taking place on 25 October. Prior to this, government departments such as the MEM were busy and operating with reduced personnel at times. This impacted to an extent the progress of our Mining Licence application although the majority of the work was completed by December, something we were very grateful to the MEM and other government departments for. We are also grateful for the support and continued assistance from the Tanzanian state electricity company, Tanesco. Our relationship with Tanesco is strong and we look forward to helping them to deliver their Tanzanian power development goals.

Ground magnetic survey work was expanded over the Rukwa project site in 2015 in order to further delineate boundaries and structures. This work and its results will be used along with future targeted drilling to determine geotechnical parameters for the life of mine (LOM) pit designs for the coal mine. The enhanced delineation on the coal measures will allow barren sterilised areas to be defined for power plant and mine infrastructure subsequently feeding into both technical and environmental work requirements.

In late November we entered into a Collaboration Agreement with Runh Power of China. Runh are a privately held EPC group that have completed many projects in Asia and are currently involved in power station builds in East Africa; the team at Runh have been assisting Edenville in assessing engineering options and sources of suitable project finance.

As the year drew to a close our Mining Licence application was in its final stage of processing. The Company moved forward into 2016 with the mining licence for Mkomolo being granted on the 23 February 2016. This was a major milestone and transformational event for the Company. The newly formed Tanzanian government have placed a strong emphasis on future power generation capacity and the development of coal fired power plants form part of that plan. Links between the Company and the Tanzanian government have strengthened over the year and we are pursuing all options to develop the deposit as an integrated Coal to Power project to maximise the potential for both the Company and the Tanzanian people.

Post Period Events and Outlook

Through the first quarter of 2016 we have been advancing towards the successful implementation of a framework agreement with Tanesco. Several key areas have moved forward. These include the registration of a new Tanzanian company, "Edenville Power TZ Ltd", which will assume responsibility for the power plant portion of the project. Additionally, a formal concept note has been prepared and submitted to Tanesco, which is a deliverable in the formal development plan to put in place a framework agreement. This outlines the project parameters and demonstrates the Company's options and commitment to develop the project.

There has been significant interest from groups and investors wishing to move forward with Edenville to develop the project. These discussions are ongoing and the outcome, including selection of partners and entering into commercial agreements, will be dependent amongst other things on formalisation of the framework agreement with Tanesco which the Company is currently working on.

With regards to the development of the Rukwa site we have rapidly moved forward with initial preparation works, and equipment is already on site. Our first priorities will be to improve and construct suitable roads to improve access to the mine site, defining areas for mine infrastructure, along with preparation for the removal of a bulk sample of coal that can be washed for analysis, probably in South Africa.

The bulk sample results will be used in the production of a focused design of a suitable coal wash plant to provide the optimum final product in terms of both technical quality and financial value. Additionally it will give the power plant engineering team a set of parameters on which a design can be based that accounts for the Rukwa coal characteristics, thus maximising its viability as a fuel source and ensuring the power plant is optimal and appropriate for the coal deposit.

Financing

During the course of 2015 Edenville raised an aggregate of £750,000 (before expenses) by way of placings through the issue of 1,750,000,000 new ordinary shares. These funds allowed the Company to complete all the necessary work to obtain the Mining Licence in February 2016. The Company has been very conscious of the general market conditions regarding resource focused stocks over 2015 and has consistently targeted its limited capital at areas which would add value to the project and advance it through the pre-development process.

Post the period end, in March 2016, £400,000 of gross proceeds were raised through the placing of 1,333,333,333 new ordinary shares. These funds are predominantly being used to advance the mining operation in accordance with Tanzanian government requirements and to complete further work connected to moving forward the power plant project.

Edenville
ENERGY PLC

Chairman's Statement

Impairment of Historic Licences

As the Company progresses with detailed development discussions, we continue to review our landholdings in Tanzania and take the opportunity to rationalise where appropriate. Every hectare of ground held by the company incurs a cost, both from annual license fees and associated work commitments, which can be significant. The Rukwa Coal to Power Project has clearly emerged as the single most important asset of the Company and we continue our drive to direct maximum resources, both human and financial, to our flagship project.

In order to continue our ongoing cost management process, three early-stage exploration licences (PL5790, PL5659 and PL6174), two of which were Uranium licences, were relinquished in April 2016. The licences were originally acquired for shares at the time of the Company's admission to AIM in 2010 and, after initial exploratory work, were found to contain little indication of economic mineralisation.

Relinquishment of these licenses will reduce the Company's work and licence fee commitments over the next 12 months by approximately US$250,000 and allow managerial, technical and financial resources to be focused on the development of the Rukwa Coal to Power Project.

As a result of the decision to relinquish these licence interests, an impairment charge, in accordance with the Company's accounting policies and IFRS, has beene made to the statement of comprehensive income, in the Group's financial statements for the year ending 31 December 2015, of approximately £3.6 million. At 31 December 2015, after making provision for this impairment, the Group's Net Book Value of its Exploration and Evaluation assets, including goodwill, is £5,361,277. The impairment of these licences is a non-cash impairment having been originally acquired for shares.

Corporate Social Responsibility

A programme to supply equipment to local Tanzanian schools was initiated in 2015. 100 desks were constructed and these are in the process of being distributed to relevant schools. These supplies will be supplemented by other materials requested by the schools along with assistance on maintenance of school buildings.

Throughout the year the Company has endeavoured, wherever possible, to employ local personnel to carry out work needed at the project site. The latest round of exploration work allowed us to employ local geology assistants and support staff over a period of several months. We will continue utilising local resources wherever possible.

Summary

I am very pleased with the progress the Company has made in 2015 and post the period end. The Company is at its most advanced stage to date with regards to the Rukwa Coal to Power project, with government support for our project evidenced by the recent granting of the Mining Licence. We have a clear framework for project development and the team at Edenville remain focused on achieving all milestones in parallel with the Tanzanian government's stated aim to roll out supporting power distribution infrastructure in south western Tanzania.

Like most small natural resource companies the challenge the Company continues to face is the raising of development capital. However, with the continued support of the Tanzanian authorities, along with the considerable interest shown by international groups and institutions we will endeavour to continue to source suitable capital when available for the project to continue its progress to development.

Rufus Short
Chairman and Chief Executive Officer

10 May 2016

Edenville
ENERGY PLC

Strategic Report

for the year ended 31 December 2015

The directors present their strategic report for the year ended 31 December 2015.

Principal activity

The principal activity of the Group is the exploration and development of energy commodities predominantly coal and uranium in Africa.

Business review and future developments

The purpose of this review is to show how the Group assesses and manages risk and uncertainty and adopts appropriate policy targets. Further details of the Group's business and expected future developments and a review of operations are also set out in the Chairman's and Chief Executive Officer's Report on pages 3 to 5.

Exploration approach

The Group actively manages geological exploration on its licences by implementing a phased strategy that progressively increases the level of geological understanding for each licence to facilitate more focused exploration and resource development in the longer term. All field work is conducted by citizens of Tanzania under the direct supervision of the directors of Edenville International (Tanzania) Limited, who in return report directly to the Board of the Group. The Group also engages internationally recognised consultants to provide further guidance to the Board of the Group. Initial work consists of a desk-top review involving the collection, collation and re-interpretation of all available historical data, supplemented by regional-scale geological reconnaissance mapping and sampling. This will define the host geological units for mineralisation and allow for progressively more focused and detailed exploration that will potentially lead into a drilling campaign and ultimately ore body delineation and subsequent mineral resource estimations.

Financial and performance review

The results of the Group for the year ended 31 December 2015 are set out on page 20.

Principal risks and uncertainties and risk management

The principal risks facing the Group are those relating to the volatility of the commodities markets, reliance on the expertise of key Group personnel, risks connected with uncertainties of Tanzanian political, fiscal and legal systems, including taxation and currency fluctuations, as well as those regimes in which the Group has direct or indirect interests.

The Board and senior management regularly monitor and report on all areas of risk, through formal reports on a monthly basis as well as through ad hoc communications. Senior management regularly visits operations to understand site-specific risks as well as to assess local political, fiscal and legal risks. In this regard, the Group maintains a strict policy of compliance with local laws and regulations, and community issues (including health and safety, community development, and environmental responsibility) are at the forefront of strategic and operational decision-making.

The following are the key risks that face the Group:

Exploration and development risk

The exploration for and development of mineral deposits involves significant risks which no combination of careful evaluation, experience and knowledge can entirely eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. There is no certainty that the exploration programmes described in this document will result in the discovery of ore in commercial quantity and quality, or result in profitable commercial mining operations. Significant capital investment is required to achieve commercial production from successful exploration efforts and there can be no certainty that the Company will be able to obtain the financing required to continue operations and meet its commitments for the exploration and development programme.

The commercial viability of a mineral deposit is dependent upon a number of factors. These include the attributes of the deposit such as size, grade and proximity to infrastructures; current and future mineral prices which can be cyclical; and government regulations, including those relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The effect of these factors, either alone or in combination, cannot be entirely predicted and their impact may result in the Group not receiving an adequate return on invested capital.

Conclusions drawn during mineral exploration are subject to the uncertainties associated with all sampling techniques and to the risk of incorrect interpretation of geological, geochemical, geophysical, drilling and other data.

The Group may carry out some of its exploration activities through joint ventures with others to spread the exploration risk and to decrease the Group's financial exposure to individual projects. There can be no guarantee that these partners will not withdraw for their own reasons.

Operational risks

Mineral exploration operations generally involve a degree of physical risk. The Group's operations are and will be subject to all the hazards and risks normally encountered in the exploration of minerals. These include climatic conditions, hazards of operating vehicles and plant, risks associated with operating in remote areas and security and health risks associated with work in developing countries.

The exploration activities of the Group are subject to various federal, provincial and local laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances and other matters. Exploration activities are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws mandate, among other things, the maintenance of air and water quality standards, and land reclamation. These laws also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Although the Group's exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail future production or development. Amendments to current laws and regulations governing operations and activities of exploration, or future mining and milling, or more stringent implementation thereof, could have a material adverse effect on the value of the Group's assets.

The operational risks are mitigated, where possible, as follows:

- the executive directors visit each operation regularly, when these key risks are reviewed and actions taken as necessary;
- control procedures have been communicated to operations' management who review local procedures for Group compliance;
- the in-country operations team submit monthly reports to head office which cover operational progress and analysis of technical data. Results obtained from testing of mineral samples by independent laboratories are sent to the operational team and copied directly to the UK head office. A strict quality assurance/quality control procedure, designed by a leading independent consultancy group, is in place covering all aspects of geological exploration and sample collection with local staff trained to standards set by the UK head office;
- the executive directors visit each operation regularly to review local operational and technical procedures and controls and compliance with Group procedures and report to the Board;
- the head office finance function visits each operation to review local financial controls and compliance with Group procedures and report to the board.

Human resources

The Group is reliant on a small team of experienced mining professionals for their success and is more than usually vulnerable to the adverse effects of losing key personnel.

Licences

While the Directors have no reason to believe that the existence and extent of any of the Group's properties are in doubt, title to mining properties is subject to potential litigation by third parties claiming an interest in them.

The failure to comply with all applicable laws and regulations, including failures to pay taxes, meet minimum expenditure requirements, or carry out and report assessment work, may invalidate title to portions of the properties where the mineral rights are held by the Group.

The Group might not be able to retain its licence interests when they come up for renewal, despite a possibility of discovering ore bodies. Under the Mining Act 2010, at the end of the initial licence term and on renewal, a company must relinquish 50% of the land area held under licence. The dropped portion may be re-applied for; however, relinquishing 50% of the licence area does not necessarily devalue the licence. Mineral deposits may cover areas of only a few Km^2 and the process of relinquishment is such that a company will retain the part of the licence that is considered most prospective for a mineral discovery. If the original licence covers $40km^2$ the retained ground after relinquishment is more than sufficient for the discovery of a world class deposit and does not detract from the value of the property.

While the Group has undertaken all the customary due diligence in the verification of title to its material mineral properties, this should not be construed as a guarantee of title. The Group's management team has been operating in Tanzania for a number of years and have experience in managing the title to its properties. It maintains professional relationships with the relevant government bodies responsible for the issue and renewal of licences but if there was an indication of an issue over the title to any of its properties it would seek advice from the Group's lawyers.

Economic risks

The value of the Group's properties may be affected by changes in the market price of minerals which fluctuate according to numerous factors beyond the Group's control. Changes in interest rates and exchange rates, the rate of inflation and world supply of and demand for mineral commodities all cause fluctuations in such prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political conditions. Future mineral price declines could have an adverse effect on the value of the Group's assets and its ability to raise further funds.

Certain of the Group's payments, in order to earn or maintain property interests, are to be made in the local currency in the jurisdiction where the applicable property is located. As a result, fluctuations in the US dollar against the pound and each of those currencies against local currencies in jurisdictions where properties of the Group are located could have an adverse effect on the Group's financial position which is denominated and reported in sterling.

The Group has not insured against any risks. Risks not insured against and for which the Group may become subject to liability include environmental pollution, political risk and other hazards against which the Group cannot insure or which it may elect not to insure. The payment of such liabilities may have a material adverse effect on Group's results of operation and financial condition.

The market price of commodities is volatile and is affected by numerous factors beyond the Group's control.

There is the risk that the price earned for minerals will fall to a point where it becomes uneconomic to extract them from the ground. The prices of these commodities are affected by a number of factors beyond Edenville's control The principal commodity in Edenville's portfolio is coal. During 2015, the price of coal has also fallen 16% (Australian Thermal Coal) over the year starting January 2015. Subsequent to the year end the price of coal has continued to decrease but had recovered to December 2015 levels by March 2016. The impact of the price coal on the economics of Edenville project is kept under close review.

Political risks

A substantial portion of the assets of the Group are located in non-UK jurisdictions. As a result, it may be difficult for investors to enforce judgments obtained against the Company if the damages awarded exceed the realisable value of the Company's UK assets. The political situations in African countries may introduce a degree of risk with respect to the Group's activities. In the countries where the Group has exploration activities, governments exercise control over such matters as exploration and mining licensing, permitting, exporting and taxation. Changes of policy by such governments may adversely impact the Group's ability to carry out exploration activities.

Edenville minimises political risk by operating in countries considered to have relatively stable political systems, established fiscal and mining codes and a respect for the rule of law.

Impact of law and Governmental regulations

The Group's investments may be subject to the foreign exchange and other laws of various countries that may prevent, materially delay or at least require governmental approval for, the full or partial repatriation of the Group's investments. Foreign investment in companies in emerging countries may be restricted or controlled to varying degrees. These restrictions may, at times, limit or preclude foreign investment and increase the costs and expenses of the Group. Additionally, under certain circumstances a country may impose restrictions on capital remittances abroad. The Group could be adversely affected by delays in, or refusal to grant any required governmental approval for, repatriation of capital or dividends held by the Group or their conversion into foreign currency. In addition, gains from the disposal of such securities may be subject to withholding taxes, income tax and capital gains tax.

The Group must comply with, inter alia, the current and future Tanzanian regulations relating to mineral exploration and production. The institution and enforcement of such regulations could have the effect of increasing the expense and lowering the income or rate of return from, as well as adversely affecting the value of, the Group's assets.

Dependency on a single country

The Group's current exploration activities are situated entirely in Tanzania. The political situations in Africa may introduce a degree of risk with respect to the Group's activities. Risks may include, among others, labour disputes, delays or invalidation of governmental orders and permits, corruption, uncertain political and economic environments, civil disturbances and terrorist actions, arbitrary changes in laws or policies, foreign taxation and exchange controls, opposition to mining from environmental or other non-governmental organisations, limitations on foreign ownership, limitations on the repatriation of earnings, infrastructure limitations and increased financing costs. In Tanzania, the government exercises control over exploration and mining licensing, permitting, exporting and taxation. The Board believes that the Government of Tanzania supports the development of natural resources. However, there is no assurance that future political and economic conditions in Tanzania will not result in the Government of Tanzania changing its political attitude towards mining and adopting different policies respecting the exploration, development and ownership of mineral resources. Any such changes in policy may result in changes in laws affecting ownership of assets, land tenure and mineral licences, taxation, royalties, rates of exchange, environmental protection, labour relations, repatriation of income and return of capital, which may affect the Group's ability to undertake exploration and future mining operations in the properties in respect of which it has obtained exploration and mining rights to date and may adversely impact the Group's ability to carry out its activities.

Management is actively evaluating other coal projects in the African continent in order to expand the Group's coal resource base and reduce dependency on Tanzania.

Competition risks

The mineral exploration and mining business is competitive in all of its phases. The Group competes and will compete with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for, and the acquisition of, attractive mineral properties. The Group's ability to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire promising properties or prospects for mineral exploration. There is no assurance that the Group will continue to be able to compete successfully with its competitors in acquiring such properties or prospects.

Edenville is aware that it operates in an area considered highly prospective to competitive companies. The management monitor the activities of other operators and monitor their development and future plans from information available in the public domain, which allows the company to evaluate whether these competitors pose a threat to our market position.

Financing

The further development and exploration of the various mineral properties in which the Group holds interests is dependent upon the Group's ability to obtain financing through joint venturing projects, debt financing, equity financing or other means. There is no assurance that the Group will be successful in obtaining the required financing. If the Group is unable to obtain additional financing as needed some interests may be relinquished and/or the scope of the operations reduced.

Financial risks

The Group's multi-national operations expose it to a variety of financial risks:

(i) **Foreign exchange risk**
The majority of exploration costs are in United States dollars or Tanzanian schillings. Accordingly, foreign exchange fluctuations may adversely affect the Group's financial position and operating results. The Group utilises exchange rate hedging where appropriate.

(ii) **Liquidity risk**
Prudent liquidity risk management in the context of the Group implies maintaining sufficient cash in the necessary currencies to be able to pay creditors as and when they fall due. The Group has a comprehensive system for financial reporting. The board approves the annual budget which is revised through the year as necessary with the board's approval. Monthly results are reported against budgets and variances analysed. Great importance is placed on the monitoring and control of cash flows, and cash forecasts are reported to the board.

(iii) **Credit risk**
Cash balances are deposited with banks with a high credit rating.

Key performance indicators

The Company is currently a resource exploration and development entity, and consequently its assets comprise predominantly early phase projects that are not yet at the production stage. As a result, no revenue would be generated from these projects in the short-term and therefore the key performance indicators for the Company are linked to the achievements of project milestones, the increase in overall enterprise value and cash position.

The Board monitors relevant KPIs which are focused on managing the exploration and appraisal operations. The KPIs monitored by the Group on a monthly basis are as follows:

Financial KPIs

- Exploration expenditure.
- Total expenditure burn rates.
- Corporate overheads as a percentage of total expenditure.

Non financial KPIs

- Health and safety –There were no reported health and safety incidents during the year.
- Operational success – Relevant information is reported in the 'Chairman and Chief Executive Officer's Report' on pages 3 to 5.

Rufus V Short
Chief Executive Officer

10 May 2016

Directors' Biographies

Rufus Victor Short
Aged 52
Chairman and Chief Executive Officer

Rufus is a qualified surveyor and also holds an MSc in Mineral Economics from Curtin University Western Australia. He has 25 years experience in the resources industry having worked in engineering and management positions in Australia, South East Asia and the FSU with companies such as PanAust, Newcrest and Aurora Gold.

A large part of his experience has been on development of projects in remote locations such as Borneo and Laos and he has worked to build coal, gold, silver and copper mines in such locations. Rufus has also spent several years working for various Australian mining consultancies such as AMC. Rufus is currently an independent mining consultant having previously worked at Investec plc for 6 years as an Investment Banker in the resources space. He is a member of the Association of Mining Analysts and a Member of the Insitute of Directors (MIoD).

Mark Pryor
BSc (Hons) Geology & Mineralogy, FGS, FSEG, Pr.Sci.Nat, Aged 56
Chief Operating Officer

Mark Pryor is an Independent Geological Consultant working with private mining and exploration groups, based out of the United Kingdom and holds a BSc (Hons) degree from the University of Aberdeen. He has 25 years of management experience in advanced stage exploration and mine development projects worldwide. He is a 'Qualified Person' as defined by the Securities Commission and regularly submits Independent Technical Reports for companies wishing to list on the Stock Exchange as well as Independent Technical Reports and press releases for quoted companies. Mark has worked for major and mid-tier mining companies and has many contacts within the venture capital sector of the mining industry. Mark has extensive global experience having worked in Mexico, EurAsia, China, Southern Africa and South America, holding management positions in recognised companies in the industry including Placer Dome, Minefinders, Monarch Resources and Anglo American. Mark is an associate of SRK (UK) Ltd and is a Fellow of the Geological Society, Society of Economic Geologists and is a registered Natural Scientist (Pr. Sci. Nat).

Arun Srivastava
Aged 68
Non Executive Director

Arun has a rich and varied work experience of more than 40 years in the power industry, spread across turnkey development and operation of power plants, acquisition of fuel sources and liaison with regulators and representing industry and completing management of large size coal and gas based power projects.

Arun served as Managing Director and CEO of Essar Power Limited for 10 years until 2009 during a 19 year career with the company. At the time of his leaving, Essar Power, the power generation arm of Essar Group, operated five power plants with a combined capacity of 1200 MW across three locations in India and was expanding its generation capacity to 6000 MW. With in-house mining operations and licenses for power transmission and trading, the company was a fully integrated, end-to-end player within the power sector.

Prior to his role at Essar, Arun spent 13 years (1977-1990) at NTPC Limited, India's largest power generation company with a current installed capacity of 45000 MW plus coal-based and gas-based plants located across the country. Arun was responsible for preparing detailed project reports and implementation of various engineering aspects of these power projects. Key responsibilities included analysing coal properties for suitable selection of technology, including various types of boilers and coal and ash handling systems.

Arun currently acts as an independent consultant in the power sector and has advised companies both in India and abroad, as an Independent Director on the Board of Prolec-GE, Promoted Indo Tech Transformer Ltd (a publicly listed company in India), Evonik Energy Services(I) Pvt Ltd (Indian Consultancy subsidiary of Evonik Group, Germany), Smart Power Group, a US based group engaged in renewable energy technologies and Enam Holdings Pvt Ltd, the investment arm of Enam Group with large proprietary capital invested across companies/sectors.

Directors' Report

for the year ended 31 December 2015

The Directors present their annual report and audited Group financial statements for the year ended 31 December 2015.

Dividends

The Directors do not recommend payment of a dividend for the year (2014: nil). The loss is transferred to reserves.

Directors and Directors' interests

The Directors at the date of these financial statements who served during the year and their interests in the Ordinary Shares in the Company are as follows:

	Ordinary shares of 0.02p held at 31 December 2015	Ordinary shares of 0.02p held at 31 December 2014
Mark Pryor	Nil	Nil
Rakesh Patel (resigned 3 June 2015)	Nil	Nil
Sally Schofield (resigned 8 May 2016)	1,319,261	1,319,261
Arun Srivastava	Nil	Nil
Rufus Short	Nil	Nil

The Directors' interests in share options as at 31 December 2015 are as follows:

	Options at 31 December 2015	Exercise price	Date of grant	First date of exercise	Final date of exercise
Mark Pryor	23,121,082	0.25p	21.10.13	21.10.14	20.10.23
Sally Schofield (resigned 8 May 2016)	60,114,813	0.25p	21.10.13	21.10.14	20.10.23
Rufus Short	60,114,813	0.25p	21.10.13	21.10.14	20.10.23

Share capital

Details of issues of Ordinary Share capital during the year are set out in note 19.

Financial instruments and other risks

Details of the use of financial instruments by the Company and its subsidiary undertakings are contained in note 22 of the financial statements.

Details of risks and uncertainties that affect the Group's business are given in the Strategic Report.

Provision of information to auditors

So far as each Director at the date of approval of this report is aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

HW Fisher & Company have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the next Annual General meeting.

This report was approved by the board on 10 May 2016 and signed on its behalf.

Rufus V Short
Chief Executive Officer

Statement of Directors' Responsibilities

for the year ended 31 December 2015

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group financial statements in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that year. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on the AIM market.

In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the on-going integrity of the financial statements contained therein.

Remuneration Report

for the year ended 31 December 2015

The remuneration committee comprised of Mark Pryor and Arun Srivastava. The committee is, within the agreed terms of reference, responsible for making recommendations to the directors on matters relating to the Group's remuneration structure, including pension rights, the policy on compensation of executive directors and their terms of employment, with the objective of attracting, motivating and retaining high quality individuals who will contribute fully to the success of the Group's businesses.

As the scope of operations expands the Company intend to increase the number and scope of the non-executive directors. The Company has two non-Executive directors. During the year, the Remuneration Committee did not operate and all relevant matters were dealt with by the full Board.

Remuneration policy

Salaries are reviewed annually on the basis of market comparisons with positions of similar responsibility and scope in comparable industries. The full Board takes into account both Group and personal performance in reviewing directors' salaries.

Non-executive directors' remuneration

Fees for non-executive directors are determined by the full Board on the basis of market comparisons with positions of similar responsibility and scope in companies of a similar size in comparable industries. Non-executive directors do not have service contracts, are not eligible for pension scheme membership and do not participate in any of the Group's bonus schemes. They have letters of engagement with the Company and their appointments are terminable on one month's or three months' written notice on either side.

Service agreements

The full Board has adopted current best practice in respect of service agreements issued on all new appointments. Executive Directors are employed under six month rolling service contracts.

Share options

Details of share options granted to directors are included in the Directors' Report.

Directors' remuneration

Details of remuneration of the directors of the Company who served in the year ended 31 December 2015 are set out below:

Name	Fees and other remuneration £	Compensation for loss of office £	2015 Total £	2014 Total £
Executive				
Rakesh Patel (resigned 3 June 2015)	39,583	23,750	63,333	95,000
Mark Pryor (moved to Chief Operating Officer on 3 June 2015 from Non-Executive Director)	63,750	–	63,750	20,000
Rufus Short	130,000	–	130,000	129,210
Non-Executive				
Sally Joy Schofield (moved to Non-Executive Chairman on 3 June 2015 from Executive Chairman)	65,973	27,250	93,223	103,437
Arun Srivastava	36,000	–	36,000	–
	335,306	51,000	386,306	347,647

Directors' remuneration in respect of Rakesh Patel for the current and prior year were paid to Adler Shine LLP. Rakesh Patel is a partner in Adler Shine LLP.

The Directors have been and continue to be paid substantially less than their peers on the boards of AIM listed mining companies as indicated in Directors' Pay on AIM 2014, Vitesse Media Research Report.

Share based payment charge in respect of share options granted to directors amounted to £Nil (2014: £147,977).

Corporate Governance Report

for the year ended 31 December 2015

Compliance with the UK Corporate Governance code

Under the AIM Rules, the Company is not formally required to comply with the UK Corporate Governance Code. Nevertheless the Company has taken steps to comply with the Code in so far as it can be applied practically, given the size of the Company and the nature of its operations.

The Company has complied with the provisions set out in Section 1 of the FRC code as annexed to the listing rules of the Financial Conduct Authority since its admission to the AIM market of the London Stock Exchange in August 2003, to the extent that they are practical for a Group of its size and resources. The directors consider that the Group is not of a size to warrant the need for a separate nominations committee or internal audit function.

Board of directors

The Board currently comprises two Executive Directors (Rufus Short and Mark Pryor) and a Non-Executive Director (Arun Srivastava).

An agreed procedure exists for Directors in the furtherance of their duties to take independent professional advice. With the prior approval of the Chairman, all Directors have the right to seek independent legal and other professional advice at the company's expense concerning any aspect of the company's operations or undertakings in order to fulfil their duties and responsibilities as Directors. If the Chairman is unable or unwilling to give approval, Board approval will be sufficient. Newly appointed Directors are made aware of their responsibilities through the Company Secretary. The Company does not make any provision for formal training of new Directors.

Conflicts of interest

The Board confirms that it has instituted a process for reporting and managing any conflicts of interest held by Directors. Under the Company's Articles of Association, the Board has the authority to approve such conflicts.

Company materiality threshold

The Board acknowledges that assessment on materiality and subsequent appropriate thresholds are subjective and open to change. As well as the applicable laws and recommendations, the Board has considered quantitative, qualitative and cumulative factors when determining the materiality of a specific relationship of Directors.

Ethical standards

As part of the Board's commitment to the highest standard of conduct, the Company adopts a code of conduct to guide executives, management and employees in carrying out their duties and responsibilities. The code of conduct covers such matters as:

- responsibilities to shareholders
- compliance with laws and regulations
- relations with customers and suppliers
- ethical responsibilities
- employment practices
- responsibility to the environment and the community.

Corporate Governance Report

Board meetings

The Board meets on average every two months. Decisions concerning the direction and control of the business are made by the Board, and a formal schedule of matters specifically reserved for the Board is in place.

Generally, the powers and obligations of the Board are governed by the UK Companies Act 2006, and the other laws of the jurisdictions in which it operates. The Board is responsible, inter alia, for setting and monitoring Group strategy, reviewing trading performance, ensuring adequate funding, examining major acquisition opportunities, formulating policy on key issues and reporting to the shareholders. These areas are set out in more detail in a formal Schedule of Matters Reserved for the Board.

Board committees

There are two board committees, namely the Audit and Remuneration committees consisting of Mark Pryor and Arun Srivastava. During the year the audit committee and the remuneration committee did not operate and all relevant matters were dealt with by the full Board. Moving forward, the intention is for these two committees to operate as follows:

Audit committee

The Committee provides a forum for reporting by the Group's external auditors. Meetings are held on average once a year and are also attended, by invitation, by the executive Directors.

The Audit Committee is responsible for reviewing a wide range of financial matters including the annual and half year results, financial statements and accompanying reports before their submission to the Board and monitoring the controls which ensure the integrity of the financial information reported to the shareholders.

Remuneration committee

The Committee is responsible for making recommendations to the Board, within agreed terms of reference, on the Company's framework of executive remuneration and its cost. The Remuneration Committee determines the contract terms, remuneration and other benefits for the Executive Directors, including performance related bonus schemes, compensation payments and option schemes. The Board itself determines the remuneration of the Non-Executive Directors.

Relations with shareholders

Investors are encouraged to participate in the Annual General Meeting and are regularly advised of any significant developments in the Company. The Company expects to widen its investor base and then meet regularly with any significant institutional shareholders, fund managers and analysts as part of an active investor relations programme to discuss long term issues and obtain feedback.

Internal financial control

The Board is responsible for establishing and maintaining the Group's system of internal financial controls. Internal financial control systems are designed to meet the particular needs of the Group and the risk to which it is exposed, and by its very nature can provide reasonable, but not absolute, assurance against material misstatement or loss.

The Directors are conscious of the need to keep effective internal financial control, particularly in view of the cash resources of the Group. Due to the relatively small size of the Group's operations, the Directors are very closely involved in the day-to-day running of the business and as such have less need for a detailed formal system of internal financial control. The Directors have reviewed the effectiveness of the procedures presently in place and consider that they are still appropriate to the nature and scale of the operations of the Group.

Corporate Governance Report

Managing business risk

The Board constantly monitors the operational and financial aspects of the company's activities and is responsible for the implementation and ongoing review of business risks that could affect the Company. Duties in relation to risk management that are conducted by the Directors include, but are not limited, to:

- Initiate action to prevent or reduce the adverse effects of risk
- Control further treatment of risks until the level of risk becomes acceptable
- Identify and record any problems relating to the management of risk
- Initiate, recommend or provide solutions through designated channels
- Verify the implementation of solutions
- Communicate and consult internally and externally as appropriate
- Inform investors of material changes to the company's risk profile.

Ongoing review of the overall risk management program (inclusive of the review of adequacy of treatment plans) is conducted by external parties where appropriate. The Board ensures that recommendations made by the external parties are investigated and, where considered necessary, appropriate action is taken to ensure that the Company has an appropriate internal control environment in place to manage the key risks identified.

Going concern

The financial statements have been prepared on a going concern basis. The Company intends to operate within its cash resources.

During the year the Company raised approximately £700,000 net of expenses through a placing and, at 31 December 2015, the Group had cash balances totalling £316,652.

In March 2016 the Company placed 1,333,333,333 new ordinary shares of 0.02p each for a placing price of 0.03p, providing the Company with £400,000 additional funds.

Based on the current forecast, the Group is likely to need additional funds within twelve months of the date of approval of this Annual Report in order to maintain its proposed work programme and levels of expenditure. The ability of the Group to raise additional funds is dependent upon investor appetite.

Independent Auditors' Report – Group

to the members of Edenville Energy plc

We have audited the group financial statements of Edenville Energy plc for the year ended 31 December 2015 which comprise the Group Statement of Comprehensive Income, the Group Statement of Financial Position, the Group Statement of Changes in Equity, the Group Cash Flow Statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Group's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Group's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the Group's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 13, the Directors are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the group financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on or, materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the group financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 'Going concern' to the financial statements concerning the ability of the Group to continue as a going concern.

Based on current forecasts, the Group is likely to need additional funds within twelve months of the date of approval of this Annual Report in order to maintain its proposed work programme and levels of expenditure. The ability of the Group to raise additional funds is dependent upon investor appetite.

These conditions, along with the other matters explained in note 2 'Going concern' to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

Independent Auditors' Report – Group

to the members of Edenville Energy plc

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the group financial statements are prepared is consistent with the group financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you, if in our opinion:

- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Other matters

We have reported separately on the parent company financial statements of Edenville Energy plc for the year ended 31 December 2015.

Simon Mott-Cowan (Senior Statutory Auditor)
for and on behalf of HW Fisher & Company
Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London NW1 3ER
United Kingdom

Date: 10 May 2016

Edenville ENERGY PLC

Group Statement of Comprehensive Income

for the year ended 31 December 2015

	Note	2015 £	2014 £
Administration expenses	6	(870,399)	(895,305)
Share based payments	23	–	(147,977)
Impairment of intangible asset	14	(3,593,544)	(1,271,482)
Group operating loss		(4,463,943)	(2,314,764)
Finance income	10	20	1,037
Loss on operations before taxation		(4,463,923)	(2,313,727)
Income tax	11	639,331	234,794
Loss for the year		(3,824,592)	(2,078,933)
Other comprehensive income			
Gain on translation of overseas subsidiary		373,792	446,690
Total comprehensive loss for the year		(3,450,800)	(1,632,243)
Attributable to:			
Equity holders of the Company		(3,442,836)	(1,629,217)
Non-controlling interest		(7,964)	(3,026)
Loss per Share (pence)			
Basic and diluted loss per share	12	(0.05p)	(0.04p)

All operating income and operating gains and losses relate to continuing activities.

No separate statement of comprehensive income is provided as all income and expenditure is disclosed above.

Edenville
ENERGY PLC

Group Statement of Financial Position

as at 31 December 2015

	Note	2015 £	2014 £
Non-current assets			
Property, plant and equipment	13	22,292	28,676
Intangible assets	14	5,361,277	8,234,083
		5,383,569	8,262,759
Current assets			
Trade and other receivables	15	141,924	180,912
Cash and cash equivalents	16	316,652	641,830
		458,576	822,742
Current liabilities			
Trade and other payables	17	(105,092)	(88,311)
Current assets less current liabilities		353,484	734,431
Total assets less current liabilities		5,737,053	8,997,190
Non-current liabilities			
Provision for deferred tax	18	(144,490)	(746,922)
		5,592,563	8,250,268
Equity			
Called-up share capital	19	1,872,978	1,488,728
Share premium account		13,623,545	13,215,320
Share option reserve		129,610	183,713
Foreign currency translation reserve		20,098	(353,694)
Retained earnings		(10,059,286)	(6,296,761)
Attributable to the equity shareholders of the company		5,586,945	8,237,306
Non-controlling interests		5,618	12,962
Total equity		5,592,563	8,250,268

The financial statements were approved by the board of directors and authorised for issue on 10 May 2016 and signed on its behalf by:

Rufus Short
Director

Company registration number: 05292528

Group Statement of Changes in Equity

for the year ended 31 December 2015

	Equity interests							
	Share capital £	Share premium £	Retained earnings account £	Share option reserve £	Foreign currency reserve £	Total £	Non-controlling interest £	Total £
At 1 January 2014	1,019,680	12,286,868	(4,224,915)	39,797	(800,384)	8,321,046	15,146	8,336,192
Issue of share capital	469,048	980,952	–	–	–	1,450,000	–	1,450,000
Cost of issue	–	(52,500)	–	–	–	(52,500)	–	(52,500)
Exercise of warrants	–	–	–	–	–	–	–	–
Cancellation of share options	–	–	4,061	(4,061)	–	–	–	–
Share based payment charge	–	–	–	147,977	–	147,977	–	147,977
Foreign currency translation	–	–	–	–	446,690	446,690	842	447,532
Loss for the year	–	–	(2,075,907)	–	–	(2,075,907)	(3,026)	(2,078,933)
At 31 December 2014	1,488,728	13,215,320	(6,296,761)	183,713	(353,694)	8,237,306	12,962	8,250,268
Issue of share capital	350,000	400,000	–	–	–	750,000	–	750,000
Cost of issue	–	(50,000)	–	–	–	(50,000)	–	(50,000)
Exercise of warrants	34,250	58,225	–	–	–	92,475	–	92,475
Cancellation of share options	–	–	54,103	(54,103)	–	–	–	–
Foreign currency translation	–	–	–	–	373,792	373,792	620	374,412
Loss for the year	–	–	(3,816,628)	–	–	(3,816,628)	(7,964)	(3,824,592)
At 31 December 2015	1,872,978	13,623,545	(10,059,286)	129,610	20,098	5,586,945	5,618	5,592,563

Group Cash Flow Statement

for the year ended 31 December 2015

	Note	Year ended 31 December 2015 £	Year ended 31 December 2014 £
Cash flows from operating activities			
Operating loss		(4,463,943)	(2,314,764)
Impairment of tangible and intangible non-current assets		3,593,544	1,271,482
Depreciation		7,430	11,475
Share based payments		–	147,977
Decrease in trade and other receivables		45,535	3,774
Increase in trade and other payables		13,692	4,677
Foreign exchange differences		(657)	19,065
Net cash outflow from operating activities		(804,399)	(856,314)
Cash flows from investing activities			
Purchase of exploration and evaluation assets		(313,958)	(204,520)
Investment in subsidiaries		–	(22)
Finance income		20	1,037
Net cash used in investing activities		(313,938)	(203,505)
Cash flows from financing activities			
Proceeds from issue of ordinary shares		842,475	1,450,000
Share issue costs		(50,000)	(52,500)
Net cash inflow from financing activities		792,475	1,397,500
Net (decrease)/increase in cash and cash equivalents		(325,862)	337,681
Cash and cash equivalents at beginning of year		641,830	303,908
Effect of foreign exchange rate changes on cash and cash equivalents		684	241
Cash and cash equivalents at end of year	16	316,652	641,830

Notes to the Group Financial Statements

for the year ended 31 December 2015

1 General information

Edenville Energy plc is a public limited company incorporated in the United Kingdom. The address of the registered office is Aston House, Cornwall Avenue, London, N3 1LF. The company's shares are listed on AIM, a market operated by the London Stock Exchange.

The principal activity of the Group is the exploration and mining of energy commodities predominantly coal and uranium in Africa.

2 Group accounting policies

Basis of preparation and statement of compliance

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, IFRIC Interpretations and the parts of the Companies Act 2006 applicable to companies reporting under IFRS. The Group's financial statements have also been prepared under the historical cost convention, as modified by the revaluation of available for sale investments.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Group's financial statements are disclosed in Note 4.

The Company's financial statements continue to be prepared under IFRS. Therefore the Company's financial statements and the associated notes, together with the auditors' report on these financial statements, are presented separately from the Group, starting on page 42.

Standards and interpretations in issue but not yet effective or not yet relevant

At the date of authorisation of these financial statements the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective:

		Effective date (period beginning on or after)
IFRS 2	Share based payments – Amendments resulting from the annual improvements cycle 2010-2012 (definition of "vesting conditions")	1 February 2015
IFRS 3	Business combinations – Amendments resulting from the annual improvements cycle 2010-2012 (scope exception for joint ventures")	1 February 2015
IFRS 3	Business combinations – Amendments resulting from the annual improvements cycle 2011-2013 (scope exception for joint ventures")	1 January 2015
IFRS 5	Non-current assets held for sale and discontinued operations – Amendments resulting from September 2014 annual improvements to IFRSs	1 January 2016
IFRS 7	Financial instruments disclosure – Amendments resulting from September 2014 annual improvements to IFRSs	1 January 2016
IFRS 8	Operating segments – Amendments resulting from the annual improvements cycle 2010-2012 (aggregation of segments, reconciliation of segment assets)	1 February 2015
IFRS 9	Financial instruments – incorporating requirements for classification and measurement, impairment, general hedge accounting and de-recognition	1 January 2018
IFRS 10	Consolidated financial statements – Amendments regarding the the application of consolidation exception	1 January 2016
IFRS 12	Disclosure of interests in other entities – Amendments regarding the the application of consolidation exception	1 January 2016
IFRS 13	Fair value measurement – Amendments resulting from the annual improvements cycle 2011-2013 (scope of the portfolio exception)	1 January 2015
IAS 1	Presentation of financial Statements – Amendments resulting from the disclosure initiative	1 January 2016
IAS 7	Statement of cash flows – Amendments resulting from the disclosure initiative	1 January 2017

2 Group accounting policies continued

Standards and interpretations in issue but not yet effective or not yet relevant continued

		Effective date (period beginning on or after)
IAS 12	Income taxes – Amendments regrading recognition of deferred tax assets for unrealised losses	1 January 2017
IAS 16	Property, plant and equipment – Amendments resulting from the annual improvements cycle 2010-2012 (proportionate restatement of accumulated depreciation on revaluation)	1 February 2015
IAS 16	Property, plant and equipment – clarification of acceptable methods of depreciation and amortisation and amendments bringing bearer plants into the scope of IAS 16	1 January 2016
IAS 16	Property, plant and equipment – Amendments bringing bearer plants into scope of IAS 16	1 January 2016
IAS 19	Employee benefits – Amendment to clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service	1 February 2015
IAS 19	Employee benefits – Amendment resulting from September 2014 Annual Improvements to IFRSs	1 January 2016
IAS 24	Related party disclosures –Amendments resulting from annual improvements 2010-2012 cycle (management entities)	1 February 2015
IAS 27	Separate financial statements – Amendments reinstating the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements	1 January 2016
IAS 28	Investments in associates and joint ventures – Amendments regarding the application of the consolidation exception	1 January 2016
IAS 38	Intangible assets – Amendments resulting from annual improvements 2010-2012 cycle (proportionate restatement of accumulated depreciation and revaluation)	1 February 2015
IAS 38	Intangible assets – Amendments regarding the clarification of acceptable methods of depreciation and amortisation	1 January 2016

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the Group's financial statements.

Share based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- excluding the impact of any non-vesting conditions (for example, the requirement of employees to save).

Assumptions about the number of options that are expected to vest include consideration of non-market vesting conditions. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

When the options are exercised, the Group issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Notes to the Group Financial Statements

2 Group accounting policies continued

Basis of consolidation

The Group's financial statements consolidate the financial statements of Edenville Energy plc and all its subsidiary undertakings (GOA Tanzania Limited, Edenville International (Seychelles) Limited and Edenville International (Tanzania) Limited) made up to 31 December 2015. Profits and losses on intra-group transactions are eliminated on consolidation.

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Business combinations

The Group adopts the acquisition method in accounting for the acquisition of subsidiaries. On acquisition the cost is measured at the fair value of the assets given, plus equity instruments issued and liabilities incurred or assumed at the date of exchange. The assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair value at the date of acquisition. Any excess of the fair value of the consideration over the fair value of the identifiable net assets acquired is recorded as goodwill.

Any deficiency of the fair value of the consideration below the fair value of identifiable net assets acquired is credited to the income statement in the period of the acquisition.

The results of subsidiary undertakings acquired or disposed of during the year are included in the group statement of comprehensive income statement from the effective date of acquisition or up to the effective date of disposal.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. Inter-company transactions and balances between group companies are eliminated.

Revenue recognition

Revenue from the sale of energy commodities is recognised upon delivery of goods to the customers. Interest income is recognised on a proportional basis taking into account the effective interest rates applicable to the financial assets.

All revenue is stated net of the amount of sales tax.

Currently the group does not generate any revenue.

Presentational and functional currency

This financial information is presented in pounds sterling, which is the Group's functional currency.

In preparing the financial statements of individual entities, transaction in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in pounds sterling using exchange rates prevailing at the balance sheet date. Income and expense items are translated at the average exchange rate for the period. Exchange differences arising, if any, are classified as equity and transferred to the Group's foreign currency translation reserve. Such translation differences are recognised in the income statement in the period in which the foreign operation is disposed of.

2 Group accounting policies continued

Financial assets

Financial assets comprise investments, cash and cash equivalents and receivables. Unless otherwise indicated, the carrying amounts of the Group's financial assets are a reasonable approximation of their fair values.

Recognition and measurement

Investments are initially recognised at fair value plus transactions costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when rights to receive cash flows from investments have expired or the group has transferred substantially all the risks and rewards of ownership. Available for sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost.

Equity investments available for sale

Equity investments available for sale are non-derivatives that are either designated in this category or not classified in any of the other categories. Equity investments available for sale do not have a quoted market price in an active market. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Investments are initially classified at fair value. Gains and losses arising from changes in fair value are recognised directly in equity, until the security is disposed of or is determined to be impaired. The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised in statement of comprehensive income, is removed from equity and recognised in the statement of comprehensive income.

Where the fair value cannot be reliably measured as a result of a lack of an active market and/or reliable estimates could not be made the equity investments are measured at cost.

Trade and other receivables

Provision for impairment of trade receivables is made when there is objective evidence that the Group will not be able to collect all amounts due to it in accordance with the original terms of those receivables. The amount of the write-down is the difference between the receivables carrying amount and the present value of the estimated future cash flows.

An assessment for impairment is undertaken at least annually.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

Property, plant and equipment

Property, plant and equipment are stated at cost on acquisition less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all property, plant and equipment categories at rates calculated to write off the cost, less estimated residual value on a reducing balance basis over their expected useful economic life. The depreciation rates are as follows:

	Basis of depreciation
Fixtures and fittings	25% reducing balance
Office equipment	25% reducing balance
Motor vehicles	25% reducing balance

Costs capitalised include the purchase price of an asset and any costs directly attributable to bringing it into working condition for its intended use.

2 Group accounting policies continued

Financial liabilities

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities comprise only trade and other payables.

All financial liabilities are recorded at amortised cost, using the effective interest method, with interest-related charges being recognised as an expense under finance costs in the Income Statement.

A financial liability is derecognised only when the obligation is extinguished, that is, when the obligation is discharged, is cancelled, or expires.

Finance costs

Finance costs of debt, including premiums payable on settlement and direct issue costs are charged to the income statement on an accruals basis over the term of the instrument, using the effective interest method.

Income taxation

The taxation charge represents the sum of current tax and deferred tax.

The tax currently payable is based on the taxable profit for the period using the tax rates that have been enacted or substantially enacted by the balance sheet date. Taxable profit differs from the net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred taxation

Deferred tax is recognised, using the liability method, in respect of temporary differences between the carrying amount of the Group's assets and liabilities and their tax base. Deferred tax liabilities are offset against deferred tax assets within the same taxable entity or qualifying local tax group. Any remaining deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits, within the same jurisdiction, in the foreseeable future against which the deductible temporary difference can be utilised. Deferred tax is determined using tax rates that are expected to apply in the periods in which the asset is realised or liability settled, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is recognised in the income statement, except when the tax relates to items charged or credited directly in equity, in which case the tax is also recognised in equity.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from the proceeds.

Exploration and evaluation assets

Capitalisation

Certain costs (other than payments to acquire the legal right to explore and costs which are directly attributable to those payments) incurred prior to acquiring the rights to explore are charged directly to the income statement. All costs incurred after the rights to explore an area have been obtained, such as geological and geophysical costs and other direct costs of exploration and appraisal are accumulated and capitalised as intangible exploration and evaluation ("E&E") assets. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the areas or where activities in the areas have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

E&E costs are not amortised prior to the conclusion of appraisal activities.

At completion of appraisal activities, if technical feasibility is demonstrated and commercial reserves are discovered, then, following development sanction, the carrying value of the relevant E&E asset will be reclassified as a development and production ("D&P") asset, but only after the carrying value of the relevant E&E asset has been assessed for impairment, and where appropriate, its carrying value adjusted. If after completion of appraisal activities in the area, it is not possible to determine technical feasibility and commercial viability or if the legal right to explore expires or if the Company decides not to continue exploration and evaluation activity, then the costs of such unsuccessful exploration and evaluation are written off to the income statement in the period the relevant events occur.

2 Group accounting policies continued

Exploration and evaluation assets continued

Impairment

Management consider on a regular basis the geological resources and exploration and evaluation results of each licence and based on their analysis may relinquish or abandon a particular licence area. When this occurs the costs related to the relinquished area are written off to the income statement.

Where the licences will be retained an impairment review is performed when facts and circumstances indicate that the carrying value of E&E assets may exceed its recoverable amount.

For E&E assets when there are such indications, an impairment test is carried out by grouping the E&E assets with the D&P assets belonging to the same geographic segment to form the Cash Generating Unit ("CGU") for impairment testing. The equivalent combined carrying value of the CGU is compared against the CGU's recoverable amount and any resulting Impairment loss is written off to the income statement. The recoverable amount of the CGU is determined as the higher of its fair value less costs to sell and its value in use.

Goodwill

At the date of acquisition of a subsidiary undertaking, fair values are attributed to the acquired identifiable assets, liabilities and contingent liabilities. Goodwill represents the difference between the fair value of the purchase consideration and the acquired interest in the fair value of those net assets.

Goodwill is initially recognised at fair value. Any negative goodwill is credited to the income statement in the year of acquisition. If an undertaking is subsequently sold, the amount of goodwill carried on the balance sheet at the date of disposal is charged to the income statement in the period of disposal as part of the gain or loss on disposal.

Goodwill is associated with exploration and evaluation assets, the impairment of which is discussed in the accounting policy note for exploration and evaluation assets.

Going concern

At 31 December 2015, the Group had cash balances totalling £316,652 and in March 2016 the Company placed 1,333,333,333 new ordinary shares of 0.02p each for a placing price of 0.03p, providing the Company with £400,000 additional funds. In addition, subscribers to the placing were issued with 666,666,666 warrants exercisable for 18 months from Admission at 0.04p per warrant into an equivalent number of ordinary shares in the Company.

Based on the current working capital forecast, the Group is likely to need additional funds within twelve months of the date of approval of these financial statements in order to maintain its proposed work programme and levels of expenditure. The ability of the Group to raise additional funds is dependent upon investor appetite. A large element of the expenditure on the licences is discretionary and both head office costs and Tanzanian administration costs can be reduced if the additional funds cannot be raised and the Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

3 Financial risk management

Fair value estimation

The carrying value less impairment provision of trade receivables and payables is assumed to approximate their fair values, due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

4 Critical accounting estimates and areas of judgement

The Group makes estimates and assumptions concerning the future, which by definition will seldom result in actual results that match the accounting estimate. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are those in relation to:

- the impairment of intangible exploration and evaluation assets;
- the fair value of intangible assets acquired on the acquisition of Edenville International Limited; and
- Share based payments.

Impairment – intangible exploration and evaluation assets

The Group is required to perform an impairment review, for each CGU to which the asset relates, when facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount. The recoverable amount is based upon the Directors' judgements and are dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and future profitable production or proceeds from the disposal until the technical feasibility and commercial viability of extracting a mineral resource becomes demonstrable, at which point the value is estimated based upon the present value of the discounted future cash flows.

Fair value of intangible assets

The Company holds Tanzanian prospecting licences through its subsidiary, Edenville International (Tanzania) Limited. The value of these intangible exploration assets acquired represents the fair value of the consideration paid by Edenville Energy plc at the time of the acquisition of Edenville International Limited.

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, other than the amounts charged to the income statement.

Share based payments

The estimate of share based payments costs requires management to select an appropriate valuation model and make decisions about various inputs into the model including the volatility of its own share price, the probable life of the options and the risk free interest rate.

Deferred taxation

The deferred taxation liability is based on the fair value adjustment to the cost of the prospecting licences held by the Company's subsidiary, Edenville International (Tanzania) Limited on the date of acquisition.

The outcome of on going 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 change to the fair value of the prospecting licenses originally acquired. Any change in the value of these prospecting licences will result in a change in the deferred tax liability.

Notes to the Group Financial Statements

5 Segmental information

The Board considers the business to have two reportable segments being Coal and Uranium exploration projects.

Other represents unallocated expenses and assets held by the head office. Unallocated assets primarily consist of cash and cash equivalents.

	Exploration Projects Coal £	Exploration Projects Uranium £	Other £	Total £
2015				
Consolidated Income Statement				
Impairment of intangible assets	(688,740)	(2,904,804)	–	(3,593,544)
Other expenses	(130,430)	–	(739,969)	(870,399)
Group operating loss	(819,170)	(2,904,804)	(739,969)	(4,463,943)
Finance income	–	–	20	20
Loss on operations before taxation	(819,170)	(2,904,804)	(739,949)	(4,463,923)
Income tax	109,636	529,695	–	639,331
Loss for the year	(709,534)	(2,375,109)	(739,949)	3,824,592
2014				
Consolidated Income Statement				
Impairment of intangible assets	–	(1,271,482)	–	(1,271,482)
Share based payments	–	–	(147,977)	(147,977)
Other expenses	(52,337)	(63,958)	(779,010)	(895,305)
Group operating loss	(52,337)	(1,335,440)	(926,987)	(2,314,764)
Finance income	–	–	1,037	1,037
Loss on operations before taxation	(52,337)	(1,335,440)	(925,950)	(2,313,727)
Income tax	–	234,794	–	234,794
Loss for the year	(52,337)	(1,100,646)	(925,950)	(2,078,933)

By Business Segment	Carrying value of segment assets 2015 £	Carrying value of segment assets 2014 £	Additions to non-current assets and intangibles 2015 £	Additions to non-current assets and intangibles 2014 £	Total liabilities 2015 £	Total liabilities 2014 £
Coal	5,527,042	5,072,495	302,468	193,910	214,734	269,932
Uranium	–	3,355,496	11,489	10,610	–	523,101
Other	315,103	657,510	–	–	34,848	42,200
	5,842,145	9,085,501	313,958	204,520	249,582	835,233

By Geographical Area	£	£	£	£	£	£
Africa (Tanzania)	5,527,042	8,427,991	313,958	204,520	214,734	793,033
Europe	315,103	657,510	–	–	34,848	42,200
	5,842,145	9,085,501	313,958	204,520	249,582	835,233

6 Administrative expenses

	2015 £	2014 £
Staff costs	417,339	397,244
Other expenses	453,060	498,061
	870,399	895,305
Share based payment charge	–	147,977
	870,399	1,043,282

7 Auditors' remuneration

	2015 £	2014 £
Fees payable to the Company's auditor for the audit of the parent company and consolidated accounts	20,000	22,500

8 Employees

	2015 £	2014 £
Wages and salaries	386,909	365,981
Social security costs	30,430	31,263
Share based payment charge	–	147,977
	417,339	545,221

The average number of employees and directors during the year was as follows:

	2015	2014
Administration	10	8

9 Directors' remuneration

	2015 £	2014 £
Emoluments	335,306	365,981
Compensation for loss of office	51,000	–
Share based payment charge	–	147,977
	386,306	513,958

The highest paid director received remuneration of £130,000 (2014: £129,910).

Directors' interest in outstanding share options per director is disclosed in the directors' report.

10 Finance income

	2015 £	2014 £
Interest income on short-term bank deposits	20	9
Other interest receivable	–	1,028
	20	1,037

Notes to the Group Financial Statements

11 Income tax expense

	2015 £	2014 £
Current tax:		
Current tax on loss for the year	–	–
Total current tax	–	–
Deferred tax:		
On write off/impairment on intangible assets	639,331	234,794
Tax charge for the year	639,331	234,794

No corporation tax charge arises in respect of the year due to the trading losses incurred. The Group has Corporation Tax losses available to be carried forward and used against trading profits arising in future periods of £4,053,465 (2014: £3,319,816).

A deferred tax asset of £728,612 (2014: £662,465) calculated at 18% (2014: 20%) has not been recognised in respect of the tax losses carried forward due to the uncertainty that profits will arise against which the losses can be offset.

The tax assessed for the year differs from the standard rate of corporation tax in the UK as follows:

	2015 £	2014 £
Loss on ordinary activities before tax	(4,463,923)	(2,313,727)
Expected tax credit at standard rate of UK Corporation Tax 20% (2014: 20%)	(892,785)	(462,745)
Disallowable expenditure	745,680	307,947
Depreciation in excess of capital allowances	375	500
Tax losses carried forward	146,730	154,298
Tax charge for the year	–	–

12 Earnings per share

The basic loss per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of shares in issue.

The loss attributable to equity shareholders and weighted average number of ordinary shares for the purposes of calculating diluted earnings per ordinary share are identical to those used for basic earnings per ordinary share. This is because the exercise of warrants would have the effect of reducing the loss per ordinary share and is therefore anti-dilutive.

	2015 £	2014 £
Net loss for the year attributable to ordinary shareholders	(3,824,592)	(2,078,933)
Weighted average number of shares in issue	7,930,181,098	5,344,172,342
Basic and diluted loss per share	(0.05p)	(0.04p)

Notes to the Group Financial Statements

13 Property, plant and equipment

2014	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost				
As at 1 January 2014	7,471	6,651	76,856	90,978
Foreign Exchange Adjustment	–	138	3,334	3,472
As at 31 December 2014	7,471	6,789	80,190	94,450
Depreciation				
As at 1 January 2014	4,845	5,188	42,407	52,440
Charge for the year	656	365	10,454	11,475
Foreign exchange adjustment	–	138	1,721	1,859
As at 31 December 2014	5,501	5,691	54,582	65,774
Net book value				
As at 31 December 2014	1,970	1,098	25,608	28,676

2015	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost				
As at 1 January 2015	7,471	6,789	80,190	94,450
Foreign exchange adjustment	–	130	3,137	3,267
As at 31 December 2015	7,471	6,919	83,327	97,717
Depreciation				
As at 1 January 2015	5,501	5,691	54,582	65,774
Charge for the year	492	274	6,664	7,430
Foreign exchange adjustment	–	130	2,091	2,221
As at 31 December 2015	5,993	6,095	63,337	75,425
Net book value				
As at 31 December 2015	1,478	824	19,990	22,292

14 Intangible assets

2014	Evaluation and Exploration Assets Tanzanian Licenses £	Goodwill £	Total £
Cost or valuation			
As at 1 January 2014	9,281,826	1,234,517	10,516,343
Additions	204,520	–	204,520
Foreign exchange adjustment	403,780	68,416	472,196
Written off	(2,958,976)	–	(2,958,976)
At 31 December 2014	6,931,150	1,302,933	8,234,083
Accumulated amortisation and impairment			
As at 1 January 2014	1,687,494	–	1,687,494
Charge for the year	1,271,482	–	1,271,482
Written off	(2,958,976)	–	(2,958,976)
	–	–	–
Net book value			
As at 31 December 2014	6,931,150	1,302,933	8,234,083

14 Intangible assets continued

2015	Evaluation and Exploration Assets Tanzanian Licenses £	Goodwill £	Total £
Cost or valuation			
As at 1 January 2015	6,931,150	1,302,933	8,234,083
Additions	313,958	–	313,958
Foreign exchange adjustment	342,412	64,368	406,780
Written off	(3,593,544)	–	(3,593,544)
At 31 December 2015	3,993,976	1,367,301	5,361,277
Accumulated amortisation and impairment			
As at 1 January 2015	–	–	–
Charge for the year	–	–	–
	–	–	–
Net book value			
As at 31 December 2015	3,993,976	1,367,301	5,361,277

Tanzanian Licences and Goodwill

The Tanzanian licenses initially comprised six prospecting licences acquired on the acquisition of Edenville International (Tanzania) Limited in 2010. The Licenses are, located in a region displaying viable prospects for both uranium and coal and occur in a country where the government's policy for development of the mineral sector aims at attracting and enabling the private sector to take the lead in exploration mining, development, mineral beneficiation and marketing. The value of the assets obtained on acquisition represents the fair value of the consideration paid to the vendors. The area covered by these original 6 licences has since decreased as the licence renewal process has focused on smaller areas with the best drill results.

Edenville International (Tanzania) Limited has since acquired additional licences. Goodwill arose as a result of the valuation placed on the six Tanzanian licences acquired on the acquisition of Edenville (Tanzania) Limited. The allocation of the Goodwill was based on the valuation of the Group's licences.

In 2015 as the Group focused firmly on the development of the Rukwa Coal to Power Project the directors have looked at rationalisation of other licences which will allow available funds to be focussed on the development of the Group's core asset at Rukwa.

Three exploration licences in Tanzania have consequently been relinquished. These licences are numbered PL5790, PL5659 and PL6174. The licences were originally acquired for shares at the time of the Company's admission to AIM in 2010. They were found after investigation to contain little indication of economic mineralisation.

The Directors have considered the status of the remaining projects at the year end and do not consider there are any facts or circumstances that would require an impairment review to be performed.

Notes to the Group Financial Statements

15 Trade and other receivables

	2015 £	2014 £
Receivables	4,000	700
VAT receivable	132,652	170,860
Prepayments	5,272	9,352
	141,924	180,912

There was no provision for impairment of receivables at 31 December 2015 (2014: £nil).

16 Cash and cash equivalents

Cash and cash equivalents include the following for the purposes of the cash flow statement:

	2015 £	2014 £
Cash at bank and in hand	316,652	641,830

17 Trade and other payables

	2015 £	2014 £
Trade and other payables	19,428	18,001
Accruals and deferred income	85,664	70,310
	105,092	88,311

18 Deferred taxation

A deferred tax liability of £144,490 (2014: £746,922) calculated at 30% (2014: 30%) has been provided in respect of the potential tax liability arising on licenses acquired on the acquisition of Edenville International (Tanzania) Limited. The deferred tax liability relate to a fair value adjustment made to the original six Tanzanian prospecting licences. During the year, three of these licences was written off, having already written off two previously, resulting in the fair value adjustment relating to this licence. As a consequence the deferred tax liability was reduced by £639,331.

	2015 £	2014 £
Provision brought forward	746,922	930,167
Foreign exchange movement	36,899	51,549
Released in the year	(639,331)	(234,794)
Provision carried forward	144,490	746,922

19 Called-up share capital

	2015 Number	2014 Number
Issued and fully paid		
Ordinary shares of 0.02p each	9,108,171,206	7,186,921,205
Deferred shares of 0.08p each	64,179,632	64,179,932
	9,172,350,838	7,251,101,137

	2015 £	2014 £
Issued and fully paid		
Ordinary shares of 0.02p each	1,821,634	1,437,384
Deferred shares of 0.08p each	51,344	51,344
	1,872,978	1,488,728

On 23 April 2015 the Company issued 625,000,000 new ordinary shares of 0.02p each for a consideration of 0.04p per share.

On 9 June 2015 the Company issued 12,500,000 new ordinary shares of 0.02p each for a consideration of 0.054p per share.

On 1 July 2015 the Company issued 20,000,000 new ordinary shares of 0.02p each for a consideration of 0.054p per share.

On 2 July 2015 the Company issued 59,722,222 new ordinary shares of 0.02p each for a consideration of 0.054p per share.

On 16 July 2015 the Company issued 16,527,778 new ordinary shares of 0.02p each for a consideration of 0.054p per share.

On 14 August 2015 the Company issued 500,000,000 new ordinary shares of 0.02p each for a consideration of 0.05p per share.

On 2 September 2015 the Company issued 62,500,000 new ordinary shares of 0.02p each for a consideration of 0.054p per share.

On 7 December 2015 the Company issued 625,000,000 new ordinary shares of 0.02p each for a consideration of 0.04p per share.

The rights attaching to the deferred shares are as follows:

(a) no dividend or other distribution shall be paid or made in respect of the deferred shares;

(b) the holders of deferred shares shall not be entitled to receive notice of, or to attend and vote at any general meeting of the Company;

(c) on a return of capital, whether on a winding-up or otherwise, the holders of deferred shares shall be entitled to receive only the amount credited as paid up on each share, but only after the holders of each ordinary share have received the amount paid up or credited as paid up on each share, together with a payment of £10,000 per share;

(d) the Company may transfer the shares without making any payment to the holders thereof, to such persons as the Company may determine, and acquire the same in accordance with the provisions of the Companies Acts at a price of 0.08p each.

Notes to the Group Financial Statements

20 Capital and reserves attributable to shareholders

	2015 £	2014 £
Share capital	1,872,978	1,488,728
Share premium	13,623,545	13,215,320
Other reserves	149,708	(169,981)
Retained deficit	(10,059,286)	(6,296,761)
Total equity	5,586,945	8,237,306

There have been no significant changes to the Group's capital management objectives or what is considered to be capital during the year.

21 Capital management policy

The Group's policy on capital management is to maintain a low level of gearing. The group funds its operation through equity funding.

The Group defines the capital it manages as equity shareholders' funds less cash and cash equivalents.

The Group objectives when managing its capital are:

- To safeguard the group's ability to continue as a going concern.
- To provide adequate resources to fund its exploration activities with a view to providing returns to its investors.
- To maintain sufficient financial resources to mitigate against risk and unforeseen events.

The group's cash reserves are reported to the board and closely monitored against the planned work program and annual budget. Where additional cash resources are required the following factors are taken into account:

- the size and nature of the requirement.
- preferred sources of finance.
- market conditions.
- opportunities to collaborate with third parties to reduce the cash requirement.

22 Financial instruments

The Board of Directors determine, as required, the degree to which it is appropriate to use financial instruments to mitigate risk with the main risk affecting such instruments being foreign exchange risk, which is discussed below.

Categories of financial instruments

	2015 £	2014 £
Financial assets		
Receivables at amortised cost including cash and cash equivalents:		
Cash and cash equivalents	316,652	641,830
Trade and other receivables	141,924	180,912
Total	458,576	822,742
Financial liabilities		
Financial liabilities at amortised cost:		
Trade and other payables	105,092	88,311
Net	353,484	734,431

22 Financial instruments continued

Cash and cash equivalents

This comprises cash held by the Group and short-term deposits. The carrying amount of these assets approximates to their fair value.

General risk management principles

The Directors have an overall responsibility for the establishment of the Group's risk management framework. A formal risk assessment and management framework for assessing, monitoring and managing the strategic, operational and financial risks of the Group is in place to ensure appropriate risk management of its operations.

The following represent the key financial risks that the Group faces:

Interest rate risk

The Group is not exposed to significant interest rate risks as it does not have any interest bearing liabilities and its only interest-bearing asset is cash invested on a short-term basis which attracts interest at the bank's variable interest rate.

Credit risk

Credit risk arises principally from the Group's trade receivables and investments in cash deposits. It is the risk that the counterparty fails to discharge its obligation in respect of the instrument.

The Group holds its cash balances with reputable financial institutions with strong credit ratings. There were no amounts past due at the balance sheet date.

The maximum exposure to credit risk in respect of the above at 31 December 2015 is the carrying value of financial assets recorded in the financial statements.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they fall due.

Liquidity risk is managed through an assessment of short, medium and long-term cash flow forecasts to ensure the adequacy of working capital.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances to meet expected requirements for a period of one year.

Currency risk

The Group is exposed to currency risk as the assets of its subsidiaries are denominated in US Dollars. The Group's policy is, where possible, to allow group entities to settle liabilities denominated in their functional currency (primarily US Dollars) with cash. The Company transfers amounts in sterling or US dollars to its subsidiaries to fund its operations. Where this is not possible the parent company settles the liability on behalf of its subsidiaries and will therefore be exposed to currency risk.

The Group has no formal policy is respect of foreign exchange risk; however, it reviews its currency exposure on a regular basis. Currency exposures relating to monetary assets held by foreign operations are included in the Group's income statement. The Group also manages its currency exposure by retaining the majority of its cash balances in sterling, being a relatively stable currency.

The effect of a 10% rise or fall in the US dollar/Sterling exchange rate would result in an increase or decrease in the net assets of the group of £528,623.

Fair value of financial assets and liabilities

Fair value is the amount at which a financial instrument could be exchanged in an arm's length transaction between informed and willing parties, other than a forced or liquidation sale and excludes accrued interest. Where available, market values have been used to determine fair values. Where market values are not available, fair values have been calculated by discounting expected cash flows at prevailing interest rates and by applying year end exchange rates.

The Directors consider that there is no significant difference between the book value and fair value of the Group's financial assets and liabilities.

Notes to the Group Financial Statements

23 Equity-settled share-based payments

The following options over ordinary shares have been granted by the Company:

Date	Exercise price	Exercise period	Number of options/warrants
21 October 2013	0.25p	9 Years	226,586,603

At the date of grant, the options were valued using the Black-Scholes option pricing model. The fair value per option granted and the assumptions used in the calculation were as follows:

The options granted on 21 October 2013 are exercisable from 21 October 2014. The options are valid for a period of 10 years from the date of grant. There are no vesting conditions.

Date of grant	21 October 2013
Expected volatility	85%
Expected life	4 years
Risk-free interest rate	1.23%
Fair value per option	0.09p

The charge to the income statement for share based payments for the year ended 31 December 2015 was £Nil (2014: £147,977).

Movements in the number of options and warrants outstanding and their related weighted average exercise prices are as follows:

	2015		2014	
	Number of options	Weighted average exercise price per share pence	Number of options	Weighted average exercise price per share pence
At 1 January	203,465,521	0.25	226,586,603	0.25
Cancelled	(60,114,813)	(0.25)	(23,121,082)	(0.25)
At 31 December	143,350,708	0.25	203,465,521	0.25

The average volatility is used in determining the share based payment expense to be recognised in the year. This was calculated by reference to the standard deviation of the Company share price. All of the above options are equity settled.

The weighted average remaining contractual life of options as at 31 December 2015 was 7.81 years (2014: 8.81 years).

During the year the Company granted 500,000,000 warrants exercisable from 3 August 2015 for a period of 12 months at 0.0675p.

24 Reserves

The following describes the nature and purpose of each reserve:

Share Capital	represents the nominal value of equity shares
Share Premium	amount subscribed for share capital in excess of the nominal value
Share Option Reserve	fair value of the employee equity settled share option scheme as accrued at the balance sheet date
Foreign Currency Translation Reserve	gains/losses arising on retranslating the net assets of overseas operations into pounds sterling
Retained Earnings	Cumulative net gains and losses less distributions made

Notes to the Group Financial Statements

25 Related party transactions

Rakesh Patel, who resigned on 3 June 2015, is a partner in Adler Shine LLP. During the year the Company paid £7,000 (2014: £30,300) to Adler Shine LLP for accounting services provided in the year to Mr Patel's resignation date.

During the year the Company paid £28,750 (2014: £35,175) for engineering services to Sunjem Consulting Limited, which is controlled by the director Mark Pryor.

During the year the Directors Rufus Short, Sally Schofield and Rakesh Patel were each paid £nil (2014: £5,000) in respect of the share issues.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling activities of the Company, and are all directors of the Company. For details of their compensation please refer to the Remuneration report.

26 Events after the reporting date

In March 2016 the Company placed 1,333,333,333 new ordinary shares of 0.02p each for a placing price of 0.03p, providing the Company with £400,000 additional funds. In addition, subscribers to the placing were issued with 666,666,666 warrants exercisable for 18 months from Admission at 0.04p per warrant into an equivalent number of ordinary shares in the Company.

27 Ultimate controlling party

The Group considers that there is no ultimate controlling party.

Edenville
ENERGY PLC

Independent Auditors' Report – Company

to the members of Edenville Energy plc

We have audited the parent company financial statements of Edenville Energy plc for the year ended 31 December 2015 which comprise the company Statement of Financial Position, company Statement of Changes in Equity, company Cash Flow Statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 13, the Directors are responsible for the preparation of the parent company financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the parent company financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Parent Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the parent company financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015;
- have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 'Going concern' to the financial statements concerning the ability of the Company to continue as a going concern.

Based on current forecasts, the Company is likely to need additional funds within twelve months of the date of approval of this Annual Report in order to maintain its proposed work programme and levels of expenditure. The ability of the Group to raise additional funds is dependent upon investor appetite.

These conditions, along with the other matters explained in note 1 'Going concern' to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt over the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

Edenville
ENERGY PLC

Independent Auditors' Report – Company

to the members of Edenville Energy plc

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the parent financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Other matters

We have reported separately on the group financial statements of Edenville Energy plc for the year ended 31 December 2015.

Simon Mott-Cowan (Senior Statutory Auditor)
for and on behalf of HW Fisher & Company
Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London NW1 3ER
United Kingdom

Date: 10 May 2016

Company Statement of Financial Position

as at 31 December 2015

	Note	2015 £	2014 £
Non-current assets			
Investment in subsidiaries	4	11,168,172	10,778,121
Property, plant and equipment	5	5,620	7,493
		11,173,792	10,785,614
Current assets			
Trade and other receivables	6	18,062	20,573
Cash and cash equivalents	7	297,040	637,533
		315,102	658,106
Current liabilities			
Trade and other payables	8	34,848	42,200
Current assets less current liabilities		280,254	615,906
Total assets less current liabilities and net assets		11,454,046	11,401,520
Equity			
Called-up share capital	9	1,872,978	1,488,728
Share premium account		13,623,545	13,215,320
Share option reserve		129,610	183,713
Profit and loss account		(4,172,087)	(3,486,241)
Total equity		11,454,046	11,401,520

The financial statements were approved by the board of directors and authorised for issue on 10 May 2016 and signed on its behalf by:

Rufus Short
Director

Edenville ENERGY PLC

Company Statement of Changes in Equity

for the year ended 31 December 2015

	Share capital £	Share premium £	Retained earnings account £	Share option reserve £	Total £
At 1 January 2014	1,019,680	12,286,868	(2,564,351)	39,797	10,781,994
Issue of share capital	469,048	980,952	–	–	1,450,000
Cost of issue	–	(52,500)	–	–	(52,500)
Share based payment charge	–	–	–	147,977	147,977
Cancellation of share options	–	–	4,061	(4,061)	–
Total comprehensive loss for the year	–	–	(925,951)	–	(925,951)
At 31 December 2014	1,488,728	13,215,320	(3,486,241)	183,713	11,401,520
Issue of share capital	350,000	400,000	–	–	750,000
Cost of issue	–	(50,000)	–	–	(50,000)
Exercise of warrants	34,250	58,225	–	–	92,475
Transfer from share option reserve	–	–	54,103	(54,103)	–
Total comprehensive loss for the year	–	–	(739,949)	–	(739,949)
At 31 December 2015	1,872,978	13,623,545	(4,172,087)	129,610	11,454,046

Edenville ENERGY PLC

Company Cash Flow Statement

for the year ended 31 December 2015

	Note	Year ended 31 December 2015 £	Year ended 31 December 2014 £
Cash flows from operating activities			
Operating loss		(739,969)	(926,988)
Depreciation		1,873	2,498
Share based payments		–	147,977
(Increase)/decrease in trade and other receivables		(387,540)	2,802
(Decrease)/increase in trade and other payables		(7,352)	4,608
Net cash outflow from operating activities		(1,132,988)	(769,103)
Cash flows from investing activities			
Finance income		20	1,037
Net cash inflow from investing activities		20	1,037
Cash flows from financing activities			
Proceeds from issue of ordinary shares		842,475	1,450,000
Investment in subsidiary		–	(294,783)
Share issue costs		(50,000)	(52,500)
Net cash inflow from financing activities		792,475	1,102,717
Net (decrease)/increase and cash equivalents		(340,493)	334,651
Cash and cash equivalents at beginning of year		637,533	302,882
Cash and cash equivalents at end of year	7	297,040	637,533

Notes to the Company Financial Statements

for the year ended 31 December 2015

1 Accounting policies

Basis of preparation and statement of compliance

The Company financial statements are prepared under the historical cost convention, as modified by the revaluation of available for sale investments, and in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, IFRC interpretations and the parts of the Companies Act 2006 applicable to companies reporting under IFRS. The Company has elected to take the exemption under section 408 of the Companies Act 2006 from presenting the Parent Company Income Statement. The loss after tax for the Parent Company for the year was £739,949 (2014: £925,951).

Standards and interpretations in issue but not yet effective or not yet relevant

At the date of authorisation of these financial statements the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective:

		Effective date (period beginning on or after)
IFRS 2	Share based payments – Amendments resulting from the annual improvements cycle 2010-2012 (definition of "vesting conditions")	1 February 2015
IFRS 3	Business combinations – Amendments resulting from the annual improvements cycle 2010-2012 (scope exception for joint ventures")	1 February 2015
IFRS 3	Business combinations – Amendments resulting from the annual improvements cycle 2011-2013 (scope exception for joint ventures")	1 January 2015
IFRS 5	Non-current assets held for sale and discontinued operations – Amendments resulting from September 2014 annual improvements to IFRSs	1 January 2016
IFRS 7	Financial instruments disclosure – Amendments resulting from September 2014 annual improvements to IFRSs	1 January 2016
IFRS 8	Operating segments – Amendments resulting from the annual improvements cycle 2010-2012 (aggregation of segments, reconciliation of segment assets)	1 February 2015
IFRS 9	Financial instruments – incorporating requirements for classification and measurement, impairment, general hedge accounting and de-recognition	1 January 2018
IFRS 10	Consolidated financial statements – Amendments regarding the the application of consolidation exception	1 January 2016
IFRS 12	Disclosure of interests in other entities – Amendments regarding the the application of consolidation exception	1 January 2016
IFRS 13	Fair value measurement – Amendments resulting from the annual improvements cycle 2011-2013 (scope of the portfolio exception)	1 January 2015
IAS 1	Presentation of financial Statements – Amendments resulting from the disclosure initiative	1 January 2016
IAS 7	Statement of cash flows – Amendments resulting from the disclosure initiative	1 January 2017
IAS 12	Income taxes – Amendments regrading recognition of deferred tax assets for unrealised losses	1 January 2017
IAS 16	Property, plant and equipment – Amendments resulting from the annual improvements cycle 2010-2012 (proportionate restatement of accumulated depreciation on revaluation)	1 February 2015
IAS 16	Property, plant and equipment – clarification of acceptable methods of depreciation and amortisation and amendments bringing bearer plants into the scope of IAS 16	1 January 2016
IAS 16	Property, plant and equipment – Amendments bringing bearer plants into scope of IAS 16	1 January 2016
IAS 19	Employee benefits – Amendment to clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service	1 February 2015
IAS 19	Employee benefits – Amendment resulting from September 2014 Annual Improvements to IFRSs	1 January 2016

Notes to the Company Financial Statements

1 Accounting policies continued

Standards and interpretations in issue but not yet effective or not yet relevant continued

		Effective date (period beginning on or after)
IAS 24	Related party disclosures –Amendments resulting from annual improvements 2010-2012 cycle (management entities)	1 February 2015
IAS 27	Separate financial statements – Amendments reinstating the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements	1 January 2016
IAS 28	Investments in associates and joint ventures – Amendments regarding the application of the consolidation exception	1 January 2016
IAS 38	Intangible assets – Amendments resulting from annual improvements 2010-2012 cycle (proportionate restatement of accumulated depreciation and revaluation)	1 February 2015
IAS 38	Intangible assets – Amendments regarding the clarification of acceptable methods of depreciation and amortisation	1 January 2016

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the Company's financial statements.

Share based payments

The Company operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Company. The fair value of the employee services received in exchange for the grant of options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- excluding the impact of any non-vesting conditions (for example, the requirement of employees to save).

Assumptions about the number of options that are expected to vest include consideration of non-market vesting conditions. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Segmental reporting

The Company does not have separately identifiable business or geographical segments which are material to disclose.

Revenue recognition

Revenue from the sale of energy commodities is recognised upon delivery of goods to the customers. Interest income is recognised on a proportional basis taking into account the effective interest rates applicable to the financial assets.

All revenue is stated net of the amount of sales tax. Currently the Company does not generate any revenue.

Notes to the Company Financial Statements

1 Accounting policies continued

Presentational and functional currency

This financial information is presented in pounds sterling, which is the Company's functional currency.

Financial assets

Financial assets comprise cash and cash equivalents and receivables. Unless otherwise indicated, the carrying amounts of the Company's financial assets are a reasonable approximation of their fair values.

Trade and other receivables

Provision for impairment of trade receivables is made when there is objective evidence that the Company will not be able to collect all amounts due to it in accordance with the original terms of those receivables. The amount of the write-down is the difference between the receivables carrying amount and the present value of the estimated future cash flows.

An assessment for impairment is undertaken at least annually.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

Property, plant and equipment

Property, plant and equipment are stated at cost on acquisition less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all property, plant and equipment categories at rates calculated to write off the cost, less estimated residual value on a reducing balance basis over their expected useful economic life. The depreciation rates are as follows:

	Basis of depreciation
Fixtures and fittings	25% reducing balance
Office equipment	25% reducing balance
Motor vehicles	25% reducing balance

Costs capitalised include the purchase price of an asset and any costs directly attributable to bringing it into working condition for its intended use.

Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities comprise only trade and other payables.

All financial liabilities are recorded at amortised cost, using the effective interest method, with interest-related charges being recognised as an expense under finance costs in the Income Statement.

A financial liability is derecognised only when the obligation is extinguished, that is, when the obligation is discharged, is cancelled, or expires.

Finance costs

Finance costs of debt, including premiums payable on settlement and direct issue costs are charged to the income statement on an accruals basis over the term of the instrument, using the effective interest method.

The taxation charge represents the sum of current tax and deferred tax.

Notes to the Company Financial Statements

1 Accounting policies continued

Income taxation

The tax currently payable is based on the taxable profit for the period using the tax rates that have been enacted or substantially enacted by the balance sheet date. Taxable profit differs from the net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred taxation

Deferred tax is recognised, using the liability method, in respect of temporary differences between the carrying amount of the Company's assets and liabilities and their tax base. Deferred tax liabilities are offset against deferred tax assets within the same taxable entity. Any remaining deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits in the foreseeable future against which the deductible temporary difference can be utilised. Deferred tax is determined using tax rates that are expected to apply in the periods in which the asset is realised or liability settled, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is recognised in the income statement, except when the tax relates to items charged or credited directly in equity, in which case the tax is also recognised in equity.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from the proceeds.

Investment in subsidiaries

Fixed asset investments in subsidiary undertakings held by the Company (see note 4) are shown at cost less provision for impairment. The cost of acquisition includes directly attributable professional fees and other expenses connected with the acquisition. In addition, investment in subsidiaries includes long term loans made to the subsidiaries where recovery of the loan is not probable.

Impairment

The carrying amounts of non-current assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable. If there are indicators of impairment, an exercise is undertaken to determine whether the carrying values are in excess of their recoverable amount. Such a review is undertaken on an asset by asset basis, except where such assets do not generate cash flows independent of other assets, in which case the review is undertaken at the cash generating unit level.

If the carrying amount of an asset or its cash generating unit exceeds the recoverable amount, a provision is recorded to reflect the asset or cash generating unit at the lower amount.

Going concern

At 31 December 2015, the Company had cash balances totalling £297,040 and in March 2016 the Company placed 1,333,333,333 new ordinary shares of 0.02p each for a placing price of 0.03p, providing the Company with £400,000 of additional funds. Based on the current working capital forecast, the Company is likely to need additional funds within twelve months of the date of approval of these financial statements in order to maintain its proposed work programme and levels of expenditure.

The ability of the Company to raise additional funds is dependent upon investor appetite. A large element of the expenditure on the licences is discretionary and both head office costs and Tanzanian administration costs can be reduced if the additional funds cannot be raised and the Company therefore continues to adopt the going concern basis in preparing its financial statements.

2 Critical accounting estimates and areas of judgement

The Company makes estimates and assumptions concerning the future, which by definition will seldom result in actual results that match the accounting estimate. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are those in relation to:

- Investments
- Share based payments

Investments

The Company performs an impairment review on its subsidiary undertakings as a group. The Company's main subsidiary is Edenville (Tanzania) Limited who hold various mining licences in Tanzania. As such, the carrying amount of the investments is based upon the Directors' judgements and is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and future profitable production or proceeds from the disposal until the technical feasibility and commercial viability of extracting a mineral resource becomes demonstrable, at which point the value is estimated based upon the present value of the discounted future cash flows.

Share based payments

The estimate of share based payments costs requires management to select an appropriate valuation model and make decisions about various inputs into the model including the volatility of its own share price, the probable life of the options and the risk free interest rate.

3 Staff costs

	2015 £	2014 £
Wages and salaries	335,909	365,981
Social security costs	30,430	31,263
Share based payment charge	–	147,977
	366,339	545,221

The average number of employees and directors during the year was as follows:

	2015	2014
Administration	4	5

Directors' remuneration

The aggregate directors' emoluments, including compensation for loss of office, in the year were:

	2015 £	2014 £
Emoluments	335,909	365,981
Share based payments	–	147,977
	335,909	513,958

The highest paid director received remuneration of £130,000 (2014: £129,210).

Directors' interest in outstanding share options per director is disclosed in the directors' report.

4 Investment in subsidiaries

Company	Shares in subsidiaries	Loans to subsidiaries £	Total 2015 £	Total 2014 £
Fair value				
At 1 January 2015	7,033,558	3,744,563	10,778,121	10,483,337
Additions	–	390,051	390,051	294,784
Disposals	–	–	–	–
At 31 December 2015	7,033,558	4,134,614	11,168,172	10,778,121
Accumulated impairment				
As at 1 January 2015	–	–	–	–
Impairment	–	–	–	–
At 31 December 2015	–	–	–	–
Net book value				
As at 31 December 2015	7,033,558	4,134,614	11,168,172	10,778,121
As at 31 December 2014	7,033,558	3,744,563	10,778,121	10,483,337

Investment in subsidiaries relates to the acquisition of Edenville International (Seychelles) Limited and its subsidiary Edenville International (Tanzania) Limited which holds prospecting licenses. The Tanzanian licenses initially comprised six prospecting licences acquired on the acquisition of Edenville International (Tanzania) Limited in 2010. The Licenses are located in a region displaying viable prospects for both uranium and coal and occur in a country where the government's policy for development of the mineral sector aims at attracting and enabling the private sector to take the lead in exploration mining, development, mineral beneficiation and marketing. The value of the assets obtained on acquisition represents the fair value of the consideration paid to the vendors. The area covered by these original 6 licences has since decreased as the licence renewal process has focused on smaller areas with the best drill results.

Edenville International (Tanzania) Limited has since acquired additional licences and held eight licences at the beginning of the year. The group has two CGUs: coal and uranium, as disclosed in note 5 to the group financial statements, which are relevant for the purposes of evaluating licences and hence investment in subsidiaries.

In 2015 as the Group focused firmly on the development of the Rukwa Coal to Power Project the directors have looked at rationalisation of other licences which will allow available funds to be focussed on the development of the Group's core asset at Rukwa.

Three exploration licences in Tanzania have consequently been relinquished. These licences are numbered PL5790, PL5659 and PL6174. The licences were originally acquired for shares at the time of the Company's admission to AIM in 2010. They were found after investigation to contain little indication of economic mineralisation.

The Directors have considered the status of the remaining projects at the year end and do not consider there are any facts or circumstances that would require an impairment review to be performed.

Holdings of more than 20%

The Company holds more than 20% of the share capital of the following companies:

Subsidiary undertaking	Country of incorporation	Class	Shares held
GOA Tanzania Limited	UK	Ordinary	100%
Edenville International (Seychelles) Limited	Seychelles	Ordinary	100%
Edenville International (Tanzania) Limited	Tanzania	Ordinary	99.5%*

On 17 Match 2016 a new company, Edenville Power Tz Limited was incorporated in Tanzania. 99.9% of the ordinary share capital is held by Edenville International (Tanzania) Limited.

*These shares are held by Edenville International (Seychelles) Limited.

Notes to the Company Financial Statements

5 Property, plant and equipment

2014	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost				
As at 1 January 2014 and 31 December 2014	7,471	4,153	16,691	28,315
Depreciation				
As at 1 January 2014	4,844	2,694	10,786	18,324
Charge for the year	656	365	1,477	2,498
As at 31 December 2014	5,500	3,059	12,263	20,822
Net book value				
As at 31 December 2014	1,971	1,094	4,428	7,493

2015	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost				
As at 1 January 2015 and 31 December 2015	7,471	4,153	16,691	28,315
Depreciation				
As at 1 January 2015	5,500	3,059	12,263	20,822
Charge for the year	492	274	1,107	1,873
As at 31 December 2015	5,992	3,333	13,370	22,695
Net book value				
As at 31 December 2015	1,479	820	3,321	5,620

6 Trade and other receivables

	2015 £	2014 £
Current		
Other receivables	12,790	11,221
Prepayments	5,272	9,352
	18,062	20,573

7 Cash and cash equivalents

Cash and cash equivalents include the following for the purposes of the cash flow statement:

	2015 £	2014 £
Cash at bank and in hand	297,040	637,533

8 Trade and other payables

	2015 £	2014 £
Social security costs and other taxes	10,298	9,300
Accruals and deferred income	24,550	32,900
	34,848	42,200

9 Share capital

	2015 Number	2014 Number
Issued and fully paid		
Ordinary shares of 0.02p each	9,108,171,206	7,186,921,206
Deferred shares of 0.08p each	64,179,632	64,179,632
	9,172,350,838	7,251,100,838

	2015 £	2014 £
Issued and fully paid		
Ordinary shares of 0.02p each	1,821,634	1,437,384
Deferred shares of 0.08p each	51,344	51,344
	1,872,978	1,488,728

On 23 April 2015 the Company issued 625,000,000 new ordinary shares of 0.02p each for a consideration of 0.04p per share.

On 9 June 2015 the Company issued 12,500,000 new ordinary shares of 0.02p each for a consideration of 0.054p per share.

On 1 July 2015 the Company issued 20,000,000 new ordinary shares of 0.02p each for a consideration of 0.054p per share.

On 2 July 2015 the Company issued 59,722,222 new ordinary shares of 0.02p each for a consideration of 0.054p per share.

On 16 July 2015 the Company issued 16,527,778 new ordinary shares of 0.02p each for a consideration of 0.054p per share.

On 14 August 2015 the Company issued 500,000,000 new ordinary shares of 0.02p each for a consideration of 0.05p per share.

On 2 September 2015 the Company issued 62,500,000 new ordinary shares of 0.02p each for a consideration of 0.054p per share.

On 7 December 2015 the Company issued 625,000,000 new ordinary shares of 0.02p each for a consideration of 0.04p per share.

The only rights attached to the deferred shares are as follows:

(a) no dividend or other distribution shall be paid or made in respect of the deferred shares;

(b) the holders of deferred shares shall not be entitled to receive notice of, or to attend and vote at any general meeting of the Company;

(c) on a return of capital, whether on a winding-up or otherwise, the holders of deferred shares shall be entitled to receive only the amount credited as paid up on each share, but only after the holders of each ordinary share have received the amount paid up or credited as paid up on such share, together with a payment of £10,000 per share;

(d) the Company may transfer the shares without making any payment to the holders thereof, to such persons as the Company may determine, and acquire the same in accordance with the provisions of the Companies Acts at a price of 0.08p each.

Notes to the Company Financial Statements

10 Deferred taxation

A deferred tax asset of £810,693 (2014: £662,465) calculated at 20% (2014: 20%) has not been recognised in respect of the tax losses carried forward due to the uncertainty that profits will arise against which the losses can be offset.

11 Capital management policy

The Company's policy on capital management is to maintain a low level of gearing. The Company funds its operation through equity funding.

The Company defines the capital it manages as equity shareholders funds less cash and cash equivalents.

The Company's objectives when managing its capital are:

- To safeguard the Company's ability to continue as a going concern.
- To provide adequate resources to fund its exploration activities with a view to providing returns to its investors.
- To maintain sufficient financial resources to mitigate against risk and unforeseen events.

The Company's cash reserves are reported to the board and closely monitored against the planned work program and annual budget. Where additional cash resources are required the following factors are taken into account:

- The size and nature of the requirement.
- Preferred sources of finance.
- Market conditions.
- Opportunities to collaborate with third parties to reduce the cash requirement.

12 Financial instruments

The Board of Directors determine, as required, the degree to which it is appropriate to use financial instruments to mitigate risks with the main risk affecting such instruments being foreign exchange risk, which is discussed below.

Categories of financial instruments	**2015 £**	**2014 £**
Financial assets		
Receivables at amortised cost including cash and cash equivalents:		
Cash and cash equivalents	297,040	637,533
Other receivables	18,062	20,573
Total	315,102	658,106
Financial liabilities		
Financial liabilities at amortised cost:		
Trade and other payables	34,848	42,200
Net	280,254	615,906

12 Financial instruments continued

Cash and cash equivalents

This comprises cash held by the Company and short-term deposits. The carrying amount of these assets approximates to their fair value.

General risk management principles

The Directors have an overall responsibility for the establishment of the Company's risk management framework. A formal risk assessment and management framework for assessing, monitoring and managing the strategic operational and financial risks of the Company's is in place to ensure appropriate risk management of its operations.

The following represent the key financial risks that the Company faces:

Interest rate risk

The Company is not exposed to significant interest rate risks as it does not have any interest bearing liabilities and its only interest-bearing asset is cash invested on a short-term basis which attract interest at the banks variable rate.

Credit risk

Credit risk is the risk that the counterparty will default on its contractual obligations, resulting in financial loss. Credit risk arises from cash and cash equivalents and credit exposures on outstanding receivables and committed transactions.

There were no amounts past due at the balance sheet date.

The maximum exposure to credit risk in respect of the above at 31 December 2015 is the carrying value of financial assets recorded in the financial statements.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as and when they fall due.

Liquidity risk is managed through an assessment of short, medium and long-term cash flow forecasts to ensure the adequacy of working capital.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To ensure this aim, it seeks to maintain cash balances to meet expected requirements for a period of one year.

Fair value of financial assets and liabilities

The directors consider that there is no significant difference between the book value and fair value of the Company's financial assets and liabilities.

Notes to the Company Financial Statements

13 Equity-settled share-based payments

The following options over ordinary shares have been granted by the Company:

Date	Exercise price	Exercise period	Number of options
21 October 2013	0.25p	9 Years	226,586,603

The options granted on 21 October 2013 are exercisable from 21 October 2014. The options are valid for a period of 10 years from the date of grant. There are no vesting conditions.

At the date of grant, the options were valued using the Black-Scholes option pricing model. The fair value per option granted and the assumptions used in the calculation were as follows:

Date of grant	21 October 2013
Expected volatility	85%
Expected life	4 years
Risk-free interest rate	1.23%
Expected dividend yield	–
Possibility of ceasing employment before vesting	–
Fair value per option	0.09p

The charge to the income statement for share based payments for the year ended 31 December 2015 was £nil (2014: £147,977).

Movements in the number of options outstanding and their related weighted average exercise prices are as follows:

	2015		2014	
	Number of options	Weighted average exercise price per share pence	Number of options	Weighted average exercise price per share pence
At 1 January	203,465,521	0.25	226,586,603	0.25
Granted	–	–	–	–
Exercised	–	–	–	–
Cancelled	(60,114,813)	(0.25)	(23,121,082)	(0.25)
At 31 December	143,350,708	0.25	203,465,521	0.25

The weighted average remaining contractual life of options as at 31 December 2015 was 7.81 years (2014: 8.81 years).

During the year the Company granted 500,000,000 warrants exercisable from 3 August 2015 for a period of 12 months at 0.0675p.

14 Reserves

The following describes the nature and purpose of each reserve:

Share Capital	represents the nominal value of equity shares
Share Premium	amount subscribed for share capital in excess of the nominal value
Share Option Reserve	fair value of the employee equity settled share option scheme as accrued at the balance sheet date
Retained Earnings	cumulative net gains and losses less distributions made

Notes to the Company Financial Statements

15 Related party transactions

Rakesh Patel, who resigned on 3 June 2015, is a partner in Adler Shine LLP. During the year the Company paid £7,000 (2014: £30,300) to Adler Shine LLP for accounting services provided in the year to Mr Patel's resignation date.

During the year the Company paid £28,750 (2014: £35,175) for engineering services to Sunjem Consulting Limited, which is controlled by the director Mark Pryor.

During the year the Directors Rufus Short, Sally Schofield and Rakesh Patel were each paid £nil (2014: £5,000) in respect of the share issues.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling activities of the Company, and are all directors of the Company. For details of their compensation please refer to the Remuneration report.

During the year the Company paid £390,051 (2014: £294,784) to or on behalf of its wholly owned subsidiary, Edenville International (Tanzania) Limited. The amount due from Edenville International (Tanzania) Limited at year end was £4,130,902 (2014: £3,740,851). This amount has been included within investment in subsidiaries.

At the year end the Company was owed £3,712 (2014: £3,712) by its subsidiary Edenville International (Seychelles) Limited.

16 Events after the reporting date

In March 2016 the Company placed 1,333,333,333 new ordinary shares of 0.02p each for a placing price of 0.03p, providing the Company with £400,000 additional funds. In addition, subscribers to the placing were issued with 666,666,666 warrants exercisable for 18 months from Admission at 0.04p per warrant into an equivalent number of ordinary shares in the Company.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 2016 Annual General Meeting of the Company will be held at Acre House, 11-15 William Road, London NW1 3ER on 3 June 2016 at 10am to consider and, if deemed fit, to approve the following resolutions, of which 1 to 4 (inclusive) will be proposed as ordinary resolutions and 5 will be proposed as a special resolution:

Ordinary Business

1. To receive the accounts of the Company for the year ended 31 December 2015 together with the reports thereon of the directors and the auditors of the Company.

2. To re-appoint Rufus Short as a director who is retiring in accordance with Article 91.2 of the Company's articles and, being eligible, offers himself for re-appointment.

3. To reappoint HW Fisher & Company as auditors of the Company in accordance with Section 489 of the Companies Act 2006, until the conclusion of the next general meeting of the Company at which audited accounts are laid before members and to authorise the directors to determine their remuneration.

Special Business

4. That the directors of the Company be and they are hereby authorised generally and unconditionally pursuant to and in accordance with section 551 of the Companies Act 2006 ("the Act") to exercise all the powers of the Company to allot equity securities (as defined by section 560 of the Act), up to an aggregate nominal amount of £1,500,000 provided that this authority shall expire at the conclusion of the Company's next Annual General Meeting save that the Company may, pursuant to this authority, make offers or agreements before the expiry of this authority which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offers or agreements as if the authority conferred by this resolution had not expired.

5. That the directors be and they are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by resolution 6 above as if section 561(1) of the Act did not apply to such allotment, provided that this power shall be limited to the allotment of equity securities:

   (i) in connection with an offer of equity securities by way of rights to the holders of ordinary shares in proportion (as nearly as may be) to their respective holdings of ordinary shares on a record date fixed by the directors but subject to such exclusions or other arrangements as the directors may consider necessary or expedient to deal with problems under the laws of any territory or the requirements of any regulatory body or any stock exchange in any territory or in connection with fractional entitlements or otherwise howsoever; or

   (ii) (other than pursuant to paragraph (i) above) having (in the case of equity securities (as defined in section 560 Act)) a nominal amount or (in the case of any other equity securities) giving the right to subscribe for or convert into relevant shares having a nominal amount, not exceeding in aggregate £1,500,000.

The power conferred by this resolution shall expire at the conclusion of the Company's next Annual General Meeting save that the Company may, before the expiry of such power, make offers or agreements which would or might require equity securities to be allotted in pursuance of such offers or agreements as if the power conferred hereby had not expired.

By order of the board

For and on behalf of
David Venus & Company LLP
Secretary

Date: 10 May 2016

Registered Office
Aston House
Cornwall Avenue
London N3 1LF

Notes

1. A member entitled to attend and vote at the meeting is entitled to appoint more than one proxy, to exercise all or any of his rights to attend, speak and vote in his place on a show of hands or on a poll provided that each proxy is appointed to a different share or shares. Such proxy need not be a member of the Company.
2. To be valid, the completed and signed form of proxy must be returned to the Company's registrars Capita Asset Services at PXS, 34 Beckenham Road, Beckenham, BR3 4TU not less than 48 hours before the time fixed for the meeting i.e. by 10 a.m. on 1 June 2016. Lodging a form of proxy does not preclude a member from attending and voting at the meeting.
3. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those shareholders of the Company on the register at close of business on Wednesday 1 June 2016 be entitled to attend or vote at the meeting in respect of shares registered in their name at the time. Changes to the register after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.

Edenville ENERGY PLC

Notice of Annual General Meeting

Explanatory notes on the resolutions

Resolution 1
The directors must present to members the accounts and the reports of the directors and auditors in respect of each financial year.

Resolution 2
Article 91.2 requires that one third of the directors shall retire at the annual general meeting in each year. Rufus Short is standing for re-appointment under this provision.

Resolution 3
HW Fisher & Company are being proposed as the auditors of the Company until the conclusion the next general meeting at which accounts are presented. The directors are to be given authority to fix their remuneration.

Resolution 4
The Company's power to issue additional securities is exercised by the directors. The directors must be authorised by ordinary resolution of the shareholders to exercise that power.

Resolution 5
Under the Company's articles of association any new shares to be issued must first be offered to existing shareholders in proportion to the number of shares already held by them. The shareholders may by special resolution waive this right and permit the directors to issue additional shares without first offering them to existing shareholders. Authority is being sought to allow the directors to issue up to an additional nominal amount of £1,500,000. This authority will lapse at the conclusion of the Company's next Annual General Meeting.

Edenville
ENERGY PLC

Shareholder Notes

Shareholder Notes

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