

Northland Capital Partners View on the City

09:24 08 Oct 2018

Northland Capital Partners View on the City - Active Energy Group; Edenville Energy

ACTIVE ENERGY GROUP (LON:AEG)

SECTOR - RENEWABLE ENERGY

RATING - CORP*

MARKET CAP - £24.8m

CURRENT PRICE - 2.4p#

ANALYST - MIKE JEREMY

Year-end Dec

2016A

2017A

Revenue (US\$m)

-

-

No forecasts provided

EBITDA (adj) (US\$m)

(2.20)

(5.24)

Rptd. Net Loss (US\$m)

(4.66)

	(8.60)
EPS (US\$c)	
	(0.48)
	(1.87)
DPS (\$c)	
	-
	-
Net Cash/(Debt) (US\$m)	
	(5.5)
	(13.3)
P/E (x)	
Dividend yield (%)	
	-
	-
EV/EBITDA (x)	

SOURCE: Northland Capital Partners Limited estimates. #Priced at prior trading day close. *Northland Capital Partners Limited Acts as Nomad to Active Energy Group and therefore this information should be viewed as a Marketing Communication.

Update on Newfoundland forestry project application

- Active Energy Group reports positive meetings held last week in the Province of Newfoundland and Labrador with the Minister of Fisheries and Land Resources, the Honourable Gerry Byrne, and Minister of Tourism,

Culture, Industry and Innovation, the Honourable Christopher Mitchelmore.

- The Ministries remain supportive of AEG's application for a Forestry Management Agreement, as a result of which AEG reports that it is amending its application in respect of Forestry Districts 17 and 18 and development of one or more dedicated CoalSwitch™ plants. The company stated: "Active Energy has been given no reason to be concerned at the delay in the process and can confirm that it is encouraged by the positive and supportive approach by all Government departments to the questions presented and requests made."
- Richard Spinks intends to relinquish his Active Energy Board responsibilities in favour of his role as Managing Director of Timberlands, effective from 1 November. Richard expects to focus specifically on developing the Group's Newfoundland and Labrador relationships and opportunities.

The decision by Richard Spinks to relinquish his position on the Board of AEG in order to focus efforts on securing the Newfoundland forestry opportunity indicates the importance of bringing efforts in the region to fruition, a process which clearly requires a dedicated presence.

COMPANY DESCRIPTION

Active Energy Group (AEG) is an international, vertically-integrated forestry management and renewable resource energy provider. The group combines management of forestry resources with the commercial development of a proprietary solution (CoalSwitch™) to the integration of wood-based (biomass) fuel into existing coal-fired thermal power plants.

Edenville Energy (LON:EDL)

SECTOR - MINING

RATING - CORP*

MARKET CAP - £4.1m

CURRENT PRICE - 0.26p#

ANALYST - BARRY GIBB

DR RYAN D. LONG

Year-end Dec

2016A

2017A

Revenue (£m)

-

-

No forecasts provided

EBITDA (£m)

(3.2)

(1.2)

Adj. pre-tax Profit (£m)

(3.2)

(1.2)

Adj. EPS (p)

(0.5)

(0.1)

DPS (p)

-

-

Net Cash/(Debt) (£m)

0.1

0.8

P/E (x)

-

-

Dividend yield (%)

-

-

EV/EBITDA (x)

SOURCE: Northland Capital Partners Limited estimates. #Priced at prior trading day close. *Northland Capital Partners Limited acts as Nomad and Broker to Edenville Energy and therefore this information should be viewed as a Marketing Communication.

Further coal supply contract signed with East African industrial group

- Edenville Energy plc announced that it has signed a contract with an industrial customer operating in East Africa that is part of a global manufacturing group
- Edenville has been working with this customer throughout 2018 to create a product specifically suited to its operations, supplying it with test batches of coal in order to perfectly match its needs. The upgrades currently being undertaken at the Company's Rukwa project site should ensure that this contract, along with other customer deliveries, can be met.
- The customer's initial contract duration extends to a period of two years, supplying coal with a gross calorific value of between 5,300 - 5,700 kCal/kg.
- Pricing has been agreed and is based on local commercial rates; tonnage is variable but is expected to initially be between 300 and 500 tonnes per month.

The signing of a further coal supply agreement with a global group, that delivers products to various international industries, supports the view that Edenville is able to identify and satisfy strong medium-to-long-term demand for its output. It is also seeking to deepen its client relationships and prospective interdependence by examining ways in which it might further assist this particular business in mining related tasks going forward. Rufus Short, CEO of Edenville noted "I look forward to providing further updates on the progress of the operation as we look to expand and secure further contracts."

COMPANY DESCRIPTION

Edenville Energy is moving the Rukwa Coal Project towards near-term production alongside advancing its Coal to Power Project.

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