

DekelOil Public Limited
14 November 2016

DekelOil Public Limited / Index: AIM / Epic: DKL / Sector: Food Producers

14 November 2016

**DekelOil Public Limited ('DekelOil' or the 'Company')
Investments to Increase Profitability at Ayenouan**

DekelOil Public Limited, operator and 85.75% owner of the profitable and vertically integrated Ayenouan palm oil project in Côte d'Ivoire (the 'Project'), is pleased to announce three key capital investments focused on increasing the Project's profitability and further de-risking its operations ahead of the peak harvesting season expected to run from March - June 2017.

- **Acquisition of an Empty Fruit Press to extract additional crude palm oil ("CPO") from empty fruit bunches - expected to increase the total CPO extraction rate by at least 0.5 percentage points, thereby improving the Project's margins**

Capital investment of €485,000 - order placed with Modipalm and Sri Sinaco Engineering Works and the press expected to be operational in time for the peak harvesting period
Anticipated payback of under a year

- **Construction of an additional 3,000t tank to increase overall CPO storage capacity to 8,000 tn - gives the Company flexibility to choose when to sell its CPO enabling achieved sales prices to be maximised**

Capital investment of €390,000 - civil work to commence imminently and take approximately 5 months to complete ahead of 2017 peak harvesting season (March - June 2017)

- **Investment in an additional back up boiler for the Project's 60 tn per hour CPO extraction mill (the 'Mill') to minimise downtime in the event of a break-down. While this is unlikely given the existing machinery is new and state of the art, the Board deems it prudent to de-risk this component**

€0.2 million deposit paid on €1.25 million capital investment - anticipated to be operational within 17 months

All investments will be funded internally from excess funds following the recent debt refinance and internal cash resources of the Project.

DekelOil Executive Director Lincoln Moore said, "These capital investments, which have been in our sights since the Mill became operational, are expected to improve operating margins, de-risk operations and provide more flexibility with sales pricing going forward. We look forward to benefitting operationally and financially from these initiatives in the near future. Our ability to make these investments, while preserving our ability to return capital to our shareholders in the form of dividends, is reflective of our strong balance sheet and our commitment to proactively managing our operations to improve performance and potential risks on behalf of shareholders."

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR'). Upon the publication of this announcement via a Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain.

**** ENDS ****

For further information please visit the Company's website or contact:

DekelOil Public Limited +44 (0) 207 236 1177
Youval Rasin
Shai Kol
Lincoln Moore

Cantor Fitzgerald Europe (Nomad and Broker) +44 (0) 207 894 7000
Andrew Craig
Richard Salmond

Beaufort Securities Limited (Broker) +44 (0) 207 382 8300
Zoe Alexander
Elliot Hance

Optiva Securities Limited (Broker) +44 (0) 203 137 1903
Christian Dennis
Jeremy King

St Brides Partners Ltd (Investor Relations) +44 (0) 207 236 1177
Elisabeth Cowell
Frank Buhagiar

Notes:

DekelOil Public Limited is a low cost producer of palm oil in West Africa, which it is focused on rapidly expanding. To this end, it has an 85.75% interest in one of the largest oil processing mills based in Côte d'Ivoire, which has a capacity of 70,000 tons of CPO. Feedstock for the Mill comes from several co-operatives and thousands of smallholders, however it also has nearly 1,900 hectares of its own plantations. Furthermore, it has a world-class nursery with a 1 million seedlings a year capacity.