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DekelOil Public Limited
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DekelOil Public Limited
(‘DekelOil’ or the ‘Company’)
Gains 100% Interest in Profitable Palm Oil Project

DekelOil Public Limited is pleased to announce that it now holds a 100% interest in the profitable and vertically integrated Ayenouan palm oil project in Côte d'Ivoire (the 'Project'), which includes one of West Africa's largest crude palm oil ('CPO') mills. This follows the acquisition, by way of a share conversion, of the remaining 14.25 per cent interest in CS DekelOil Siva Limited ('CSDS'), the Company's joint venture which owns the Project, from DekelOil's partner, Biopalm Energy Limited ('Biopalm') ('the Acquisition').

The Acquisition completes the process initiated in May 2016 when a circular was sent to DekelOil's Shareholders regarding the exercise of the First Option by the Company to acquire 30.5 per cent of the shares in CSDS which Biopalm then held and the subsequent acquisition in July 2016 of a further 4.25 per cent of Biopalm's shares in CSDS.

Consideration for the Acquisition is being satisfied via the issue of 35,455,111 ordinary shares of €0.0003367 (the 'New Ordinary Shares') in the Company to Biopalm at 13.25p per share, a premium of 19.2 per cent to the closing share price on 6 January 2017. This equates to a purchase price of the remaining 285 shares in CSDS of €21,428.57 per share at a fixed £/€ exchange rate of 1.3, an 11.5 per cent premium to the prevailing £/€ exchange rate of c.1.17*. The premium achieved on both the conversion price and the prevailing exchange rate results in shareholders of DekelOil obtaining an additional 14.25 per cent in the Project via the issue of only 12.52 per cent in new shares in DekelOil. The Directors therefore believe that the Acquisition is value accretive for existing shareholders.

Following the issue of the New Ordinary Shares, Biopalm will hold approximately 12.51 per cent of the issued share capital in DekelOil and has agreed to certain orderly market restrictions in respect of its shareholding in DekelOil.

Lincoln Moore, Executive Director of DekelOil, commented, "Today's acquisition has been secured on terms that are value accretive for our existing shareholders. Equally as important however, is that it gives DekelOil 100% ownership of our producing and profitable palm oil project at Ayenouan. Our shareholders will also enjoy 100% of the benefits of all new initiatives going forward and I look forward to providing further updates on our progress in due course."

Total Voting Rights

In addition to the 35,455,111 New Ordinary Shares, application has been made to the London Stock Exchange for the admission of an additional 138,007 New Ordinary Shares issued to certain advisers in settlement of fees for services provided.

Application will be made for the New Ordinary Shares, which will rank pari passu with the existing ordinary shares, to be admitted to trading on AIM (the 'Admission'). It is expected that Admission will become effective and dealings in the New Ordinary Shares will commence on or around 12 January 2016.

Following the issue of the 35,593,118 New Ordinary Shares, the Company's issued share capital will consist of 283,417,158 ordinary shares of €0.0003367 each ('Ordinary Shares'). No Ordinary Shares are held in treasury at the date of this announcement and therefore following the Admission, the total number of voting rights will be 283,417,158.

The above total voting rights figure may be used by shareholders as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company.

**exchange rate as at 16:35 UTC on Friday 6th January 2017*

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****

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Notes:

DekelOil Public Limited is a low cost, profitable producer of palm oil in West Africa, which it is focused on rapidly expanding. It owns 100% of 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.