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

16 January 2018

DekelOil Public Limited ('DekelOil' or the 'Company')

Full Year Production Update

DekelOil Public Limited, operator and 100% owner of the vertically integrated Ayenouan palm oil project in Côte d'Ivoire (the 'Project'), is pleased to provide a production update for the year ended 31 December 2017.

The Company is pleased to announce that DekelOil achieved record CPO volumes for a Q4 period which, at 7,055 tonnes, were 48.9% higher than Q4 2016.

	Q4 2017	**Q4 2016**	**Change**	**FY 2017**	**FY 2016**	**Change**
FFB collected (tonnes)	32,364	20,726	+56.2%	171,696	171,301	+0.2%
CPO production (tonnes)	7,055	4,738	+48.9%	38,736	39,111	-1.0%
CPO Sales (tonnes)	6,586	4,731	+39.2%	38,373	39,498	-2.8%
PKO production (tonnes)	442	331	+33.5%	2,554	2,851	-10.4%
PKO Sales (tonnes)	544	348	+56.3%	2,570	2,895	-11.2%
PKC production (tonnes)	578	442	+30.8%	3,444	3,468	-0.7%
PKC Sales (tonnes)	433	511	-15.3%	3,330	3,732	-10.8%

These figures remain subject to full year audit

- 38,736 tonnes of CPO produced in 2017 (FY 2016: 39,111 tonnes) - flat full year-on-year CPO production follows:
  - record Q4 2017 production of 7,055 tonnes (Q4 2016: 4,738 tonnes) primarily due to stronger local agriculture conditions
  - the strong finish to the year almost entirely offset reduced production due to unscheduled downtime during May and June 2017 when the Company's Mill was not fully operational due to two separate mechanical issues that have since been rectified

- The Company expects to report a record full year financial performance largely driven by an 18.3% increase in average selling year-on-year CPO prices to €680 (2016: €575). Average selling prices were also materially higher for PKO €980 (2016: €808) and PKC €48 (2016: €43)
  - 2017 revenues, EBITDA and NPAT expected to exceed 2016's full year reported figures of €26.6 million, €4.1 million, and €1.3 million respectively

- 22.6% extraction rate achieved in 2017 (2016: 22.9%) – whilst this is still relatively strong compared to DekelOil's competitors, in-house laboratory analysis shows actual oil content in fruit processed in 2017 was lower than previous years. In addition to agricultural variations, the Company believes this may be due to processing slightly younger fruit following heavy planting in the region over the last 5-7 years

  - the Board expects the extraction rate to gradually rise again over time as plants mature and produced fruit contains a higher oil content

DekelOil Executive Director Lincoln Moore said, "Thanks to a record Q4 performance, our 2017 CPO production, at 38,736 tonnes, closely matches last year's total, a highly creditable outcome particularly when the unplanned stoppages at the Mill during May and June are taken into account. The combination of stable production and higher CPO pricing will translate into record full year revenues and profits.

"Prior to 2017, CPO production at Ayenouan had grown for three consecutive years. We expect 2018 will see a resumption in annual CPO production growth. Our confidence is based not only on DekelOil's growing standing among local smallholders as an established and reliable buyer of fruit, but also the imminent completion of the 25% increase in the Mill's capacity to 75 tonnes per hour from 60 tonnes per hour. Importantly, this will be in place in time for the commencement of the peak harvest season, which typically runs from February until June in Côte d'Ivoire."

In addition, application has been made to the London Stock Exchange for the admission of a total of 628,397 ordinary shares of €0.0003367 each ("Ordinary Shares") issued to certain advisers in settlement of fees for services provided ("Admission"). This figure includes 400,000 Ordinary Shares which will be issued to Vince McAleer, CEO of the Company's subsidiary Dekeloil Côte d'Ivoire SA, as part of his base salary remuneration. It is expected that Admission will become effective on 22 January 2018. Following Admission, the Company's issued share capital will consist of 299,010,097 Ordinary Shares.

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
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
Frank Buhagiar
Megan Dennison

Notes:

DekelOil Public Limited is a low cost producer of palm oil in West Africa, which it is focused on rapidly expanding. 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 one million seedlings per year capacity.