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DekelOil Public Limited
22 January 2018

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.

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

22 January 2018

**DekelOil Public Limited ('DekelOil' or the 'Company')
Operations Update for Producing Palm Oil Project in West Africa**

DekelOil Public Limited, operator and 100% owner of the profitable and vertically integrated Ayenouan palm oil project in Côte d'Ivoire, is pleased to announce a positive update on its ongoing programme to improve the productivity and profitability of its crude palm oil ('CPO') extraction mill ('the Mill') in readiness for the upcoming peak harvesting season which is expected to commence imminently.

- Installation of a second boiler for the Mill to minimise downtime in the event of a breakdown has been completed ahead of schedule and on budget
- Expected to lead to an increase in CPO production in 2018 as lost production as a result of boiler issues in the 2017 high season should be avoided going forward
- As announced in November 2016 the total capital investment for the boiler stood at €1.25 million
- 25% upgrade in the Mill's capacity to 75 tonnes per hour ('tph') from 60tph to increase the volumes of CPO produced at Ayenouan in the peak period has been completed and testing has proved successful

The additional boiler and capacity increase form part of the Company's ongoing plan to optimise performance of the Mill, which included the following initiatives that were completed in 2017:

- Construction of an additional 3,000t tank to increase overall on-site CPO storage capacity to 8,000t to provide flexibility regarding timings of the sale of CPO and enable sales prices to be maximised
- Acquisition of an Empty Fruit Press to extract additional CPO from empty fruit bunches

- The team continues to develop its smallholder network to expand the reach of collection hubs and increase Fresh Fruit Bunch delivery to the Mill

DekelOil Executive Director Lincoln Moore said, "We continue to make excellent progress in optimising our processing and production capability. The installation of the second boiler and the 25%

increase in capacity at the Mill are both part of our ongoing programme to maximise CPO production at Ayenouan, particularly during the high season in Cote d'Ivoire which we are now entering for 2018. These initiatives are designed to reduce downtime and eliminate bottlenecks at the Mill so that more fruit can be processed to produce CPO and PKO. In tandem with these Mill improvements, we continue to work closely with local smallholders to facilitate the delivery of fruit to the Mill via our distribution hubs which are strategically located at sites around our project area. We are determined to ensure all production and logistical operations are fully optimised during the upcoming high season."

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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 1 million seedlings a year capacity.

This information is provided by RNS
The company news service from the London Stock Exchange

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