30 September 2013

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

DekelOil Public Limited, operator and 51% owner of an established vertically integrated palm oil project in Côte d'Ivoire, is pleased to announce its interim results for the six month period ended 30 June 2013.

Highlights:

- Successful listing on AIM in March 2013 in tandem with a £2.3 million fundraising
- 60t/hr CPO extraction mill ('the Mill') remains on course, with operations due to commence and first revenues to be generated in January 2014
- Award of a turnkey contract for the construction of an Effluent Treatment Plant ('ETP') to provide an environmentally friendly waste water solution at the Mill
- Fully funded to commence production and generate revenues from the end of this year with 2014 production target of 35,000-40,000 tons of CPO
- Advanced discussions with a number of third parties, including a leading international buyer of palm oil, with a view to securing off-take agreements for our CPO

DekelOil Executive Director Lincoln Moore said, "Following completion of the Mill's construction at the end of the year, DekelOil will be positioned to produce significant revenues, a tremendous achievement considering the short time since listing, and build the Company to become a significant CPO producer in the Cote d'Ivoire. With this in mind, I am delighted with the swift strides made towards this goal during the first six months of the year and with strong progress being made in finalising our on-going logistic and off-take arrangements, the next quarter will be a crucial and exciting time, as we lay the foundations for considerable growth going forward."

CHAIRMAN'S STATEMENT

Over the past six months, we have made significant progress towards delivering on our near term objective to build a vertically integrated palm oil business in the Côte D'Ivoire. At the time of our Admission to AIM in March 2013, we already had in place a revenue-generating nursery with an annual capacity to produce 1 million seedlings, 1,886 hectares of planted company-owned estates and long term agreements secured with cooperatives and small holders covering 27,000 hectares of mature Oil Palm plantations to provide adequate supplies of fresh fruit. The construction of our fully funded crude palm oil ('CPO') mill which, with an annual capacity to produce 70,000 tonnes of CPO per annum will be one of West Africa's largest, was the major outstanding component in our model. With this in mind, I am delighted to report that our 60t/hr CPO extraction mill ('the Mill') remains on course to be completed by the end of the year, with operations due to commence and first revenues to be generated in January 2014.

The Mill has been purchased through a turn-key contract with Modipalm Engineering SDN BHD, a leading Malaysian engineering company. Under the terms of the contract, Modipalm has assumed responsibility for constructing the Mill within a set time frame, substantially de-risking the construction phase for DekelOil.

While the Mill is being installed, we have continued to focus on ensuring that comprehensive systems and infrastructure are in place covering all aspects of CPO production, ahead of Modipalm handing over the Mill to DekelOil in Q4 2013. With this in mind, we recently announced the award of a turnkey contract for the construction of an Effluent Treatment Plant ('ETP') to provide an environmentally friendly waste water solution at the Mill. Until the ETP becomes fully operational in July 2014, ponds will be used to store the by product from the CPO process. The ETP, which will be the first built in the Côte D'Ivoire, uses an advanced anaerobic digester to digest and collect biogas, underpins our commitment to build DekelOil into a sustainable West African palm oil producer but also provides scope for electricity generation in the future.

Elsewhere, considerable progress is being made with regards to building an effective logistics solution, including putting in place hub sites, to transport fresh fruit bunches from the smallholder estates to the Mill for processing into CPO. This will include a combination of Company-owned as well as contracted vehicles, which will allow a steady and regular flow of fruit to be delivered to the Mill during both peak and off-peak harvesting seasons. Similarly we are in active and advanced discussions with a number of third parties, including leading international buyers of palm oil, with a view to securing off-take agreements for our CPO. Announcements will be made providing further details in due course.

Our immediate priority is to be in a position to produce and deliver CPO as soon as the Mill becomes operational, so that we are ready for the 2014 peak production season which normally commences in March. We are targeting 35,000-40,000 tons of CPO in 2014 which will generate significant revenues for reinvestment into the business. We will look to increase our Company-owned plantations close to our Mill by 5,000 hectares, bringing the total to 7,000 in the next 2-3 years but we do not intend to stop at Ayanouan. DekelOil also holds the rights to over 24,000 hectares of land suitable for palm oil development in the Guitry region of Côte d'Ivoire which, subject to funding, will form the basis of our roll out campaign in 2014.

Financial Review:

As a pre-production company, the Group made an operating net loss of €1,083,000 (2011 - loss of €341,000) during the period.

Outlook:

The last six months have laid the foundations for what will be a transformational second half of the year for the Company, as CPO production commences and revenues are generated at the Mill in Ayanouan. Typically it can take a palm oil company up to eight years for production and profitability to be attained, primarily as a result of the time it takes for plantations to mature and yield fruit. DekelOil remains on track to achieve this milestone within its first year as a public company, a testament to management's extensive experience and knowledge of both the country and industry. We are building a leading asset-backed palm oil company focused on West Africa and in the process we are generating significant value for shareholders. I look forward to providing further updates on our progress in the months ahead.

Finally, I would like to thank the Board, management team and all our advisers for their hard work and also to our shareholders for their continued support over the period.

Andrew Tillery
Non-Executive Chairman
30 September 2013

For further information please visit the Company's website www.dekeloil.com or contact:

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CONSOLIDATED BALANCE SHEETS

	June 30, 2013 Unaudited	June 30, 2012 Unaudited	December 31, 2012
		Euros in thousands	
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	463	1,340	124
Government authorities and accounts receivable	476	33	36
Total current assets	939	1,373	160
NON-CURRENT ASSETS:			
Long-term deposits	17	20	36
Biological assets	5,425	4,635	5,018
Property and equipment, net	10,787	3,681	5,412
Total non-current assets	16,229	8,336	10,466
Total assets	17,168	9,709	10,626
CURRENT LIABILITIES:			
Trade payables	679	117	238
Short-term loan	558	17	278
Other accounts payable and accrued expenses	398	203	255
Total current liabilities	1,635	337	771
NON-CURRENT LIABILITIES:			
Long-term capital lease	38	64	38
Accrued severance pay, net	31	26	30
Long-term loan	7,039	2,098	3,200

Capital notes	5,557	5,864	6,214
Related parties	179	128	179
Biopalm Energy Limited	513	38	-
Other liabilities			
Total non-current liabilities	13,357	8,218	9,661
Total liabilities	14,992	8,555	10,432
EQUITY (DEFICIENCY) ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	1,252	(551)	(1,138)
Non-controlling interests	924	1,705	1,332
Total equity	2,176	1,154	194
Total liabilities and equity	17,168	9,709	10,626

CONSOLIDATED STATEMENTS OF OPERATIONS

	Six months ended June 30, 2013 Unaudited	**Six months ended June 30, 2012 Unaudited**	**Year ended December 31, 2012**
		Euros in thousands	
Revenues	201	178	419
Net gain from changes in fair value of biological assets	363	2,267	2,509
Operating expenses	(224)	(219)	(380)
General and administrative	(1,055)	(782)	(2,273)
Other expenses	-		(3)
Finance income	-	34	31

Finance cost	(362)	(359)	(644)
(Loss)/profit before taxes on income	(1,077)	1,119	(341)
Taxes on income	(6)	-	-
Net (loss)/profit	(1,083)	1,119	(341)
Attributable to:			
Equity holders of the Company	(675)	516	(571)
Non-controlling interests	(408)	603	230
Net (loss)/profit	(1,083)	1,119	(341)
Net loss per share attributable to equity holders of the Company (in Euros):			
Basic and diluted loss/profit per share in Euros	0.00	0.00	0.00
Weighted average number of shares used in computing basic and diluted loss per share	1,299,390,096	722,588,065	761,211,761

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Six months ended June 30, 2013 Unaudited	Six months ended June 30, 2012 Unaudited	Year ended December 31, 2012
		Euros in thousands	
Net income (loss)	(1,083)	1,119	(341)
Other comprehensive loss:			

Actuarial gains on defined benefit plans	-	3	3
Total comprehensive loss	(1,083)	1,116	(338)
Total comprehensive loss attributable to:			
Equity holders of the Company	(675)	513	(569)
Non-controlling interests	(408)	603	231
	(1,083)	1,116	(338)

STATEMENTS OF SHAREHOLDERS' EQUITY

	Attributable to equity holders of the Company							
	Share capital	Additional paid-in capital	Accumulated deficit	Capital reserve	Capital reserve from transactions with non-controlling interests	Total	Non-controlling interests	Total equity
	Euros in thousands							
Balance as of 1 January 2012	2	405	(7,178)	2,532	3,175	(1,064)	1,102	38
Actuarial gains	-	-	3	-	-	3	-	3
Net loss	-	-	(571)	-	-	(571)	230	(341)
Exercise of options to Ordinary shares	1	-	-	-	-	1	-	1
Issuance of bonus shares	23	(23)	-	-	-	-		-
Share-based compensation	-	493	-	-	-	493	-	493
Balance as of 31 December 2012	26	875	(7,746)	2,532	3,175	(1,138)	1,332	194

Net loss	-	-	(675)	-	-	(675)	(408)	(1,083)
Issuance of shares, net	17	2,048	-	-	-	2,065	-	2,065
Share-based compensation	-	16	-	-	-	16	-	16
Capitalisation of capital notes	3	1,934	-	(953)	-	984	-	984
Balance as of 30 June 2013 (unaudited)	46	4,873	(8,421)	1,579	3,175	1,252	924	2,176

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six months ended June 30, 2013 Unaudited	Six months ended June 30, 2012 Unaudited	Year ended Dec 31, 2012
	Euros in thousands		
Cash flows from operating activities:			
Net income (loss)	(1,083)	1,119	(341)
Adjustments to reconcile net loss to net cash provided by (used in) in operating activities:			
Adjustments to the profit or loss items:			
Depreciation and amortisation	54	51	92
Share-based compensation	16	3	493
Accrued interest on long-term loan and non-current liabilities	333	340	360
Change in employee benefit liabilities, net	1	3	(4)
Loss from sale of property and equipment	-	-	-
Gain from changes in fair value of biological assets	(363)	(2,267)	(2,509)
Loss from sale of property, plant and equipment	-	-	3
Changes in asset and liability items:			
Decrease (increase) in Government authorities and accounts receivable	(440)	(2)	(25)
Increase in trade payables	441	(44)	77
Increase (decrease) in other liabilities	-	26	(12)
Increase in related parties	-	30	81
Increase (decrease) in accrued expenses and other accounts payable	656	(14)	38
Total	698	(1,874)	(1,406)
Cash received during the year for:			
Interest	-	-	7
Cash paid during the year for:			
Tax	(6)	-	-
Net cash used in operating activities	(391)	(1,877)	(1,740)

	Six months ended June 30, 2013 Unaudited	Six months ended June 30, 2012 Unaudited	Year ended Dec 31, 2012
		Euros in thousands	
Long-term deposits	19	(16)	(12)
Investment in biological assets	(44)	(185)	(326)
Proceeds from sale of property and equipment	-		4
Purchase of property and equipment	(5,429)	(597)	(2,036)
Net cash provided by (used) in investing activities	(5,454)	(978)	(2,370)
Cash flows from financing activities:			
Issuance of shares	2,065		-
Exercise of options to Ordinary shares	-		1
Receipt(payment) of short-term loan, net	280	(40)	221
Payment of long-term lease	-	(2)	(28)
Receipt of long-term loan	3,839	1,248	2,350
Net cash provided by financing activities	6,184	1,206	2,544
Increase (decrease) in cash and cash equivalents	339	(350)	(1,566)
Cash and cash equivalents at beginning of period	124	1,690	1,690
Cash and cash equivalents at end of period	463	1,340	124
(a) Supplemental disclosure of non-cash financing activities:			
Capitalisation of capital notes	984	-	-

Notes to the financial statements

NOTE 1: GENERAL

a. DekelOil Public Limited ("the Company") is a public limited company incorporated in Cyprus on 24 October 2007. The Company is engaged through its subsidiaries in developing and cultivating palm oil plantations in Cote d'Ivoire for the purpose of producing and marketing Crude Palm Oil ("CPO"). The Company's registered office is in Limassol, Cyprus.

b. On 18 March 2013, the Company completed its Initial Public Offering ("IPO") on the Alternative Investment Market ("the AIM") of the London Stock Exchange, by issuing 170 million Ordinary shares at a price of £ 0.01 per share for a total consideration of £ 1.7 million. Concurrently, upon Admission of its Share Capital to trading on the AIM and pursuant to an agreement dated 12 March 2013, the Company acquired, in consideration for the issuance of 100 million Ordinary shares, 100% of Boletus Resources Ltd. "Boletus"). Boletus is an unquoted investment company which at the date of acquisition had cash and other assets (principally admission costs advanced by Boletus on behalf of the Company) in the approximate amount of € 650 thousand. The net proceeds received by the Company from the aforementioned (after Admission costs of approximately €450 thousand) amount to approximately € 2.1 million.

c. As of June 30, 2013 the Company has negative cash from operating activities in amount of Euro 391k and deficiency in working capital in amount of Euro 696k.

According to the Company's management, the Company has sufficient funds to continue its operations and will be able (including its loans) to maintain positive cash flow during the next 12 months till September 2014.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation:

The interim condensed financial statements as of June 30, 2013 and for the six months then ended have been prepared in accordance with IAS 34, "Interim Financial Reporting".

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as of December 31, 2012 and their accompanying notes.

b. Accounting policies:

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended December 31, 2012.

c. Disclosure of new standard

IAS 19 (Revised) Employee Benefits:

The IASB made several changes to IAS 19, the principal of which are as follows:

- The re-measurement of the net defined benefit liability (formerly - actuarial gains and losses) are recognised in other comprehensive income and not in profit or loss.

- Income from the plan assets is recognised in profit or loss based on the discount rate used to measure the employee benefit liabilities.

The standard has been adopted by the Company with no significant impact on its results or financial position.

IFRS 10 - Consolidated Financial Statements

IFRS 10 addresses the accounting for consolidated financial statements. It establishes a single control model that applies to all entities. The Standard is effective for annual periods beginning on or after 1 January 2013. The Company estimates that the Standard is not expected to have a material impact on its financial statements.

IFRS 13 - Fair Value Measurement:

IFRS 13 establishes guidance for the measurement of fair value, to the extent that such measurement is required under IFRS. IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. IFRS 13 also prescribes certain specific disclosure requirements.

The new disclosures, and the measurement of assets and liabilities pursuant to IFRS 13, are to be applied prospectively for annual periods commencing on January 1, 2013 or thereafter.

The appropriate disclosures will be included in the Company's financial statements upon initial adoption of IFRS 13. As for the effect on the financial statements, the Company believes that IFRS 13 is not expected to have a material impact on its financial statements.

Amendments to IAS 36 - Impairment of Assets:

In May 2013, the IASB issued amendments to IAS 36, "Impairment of Assets" ("the Amendments") regarding the disclosure requirements of fair value less costs of disposal. The Amendments include additional disclosure requirements of the recoverable amount and fair value. The additional disclosures will be based on the fair value hierarchy, the valuation techniques and changes therein, the discount rates and the principal assumptions underlying the valuations.

The Amendments are effective for annual periods beginning on or after January 1, 2014. Earlier application is permitted.

The required disclosures will be included in the Company's financial statements upon the first-time adoption of the Amendments.

NOTE 3: SIGNIFICANT EVENTS DURING THE PERIOD

a. On 3 February 2013, the Company issued and allotted to certain existing shareholders 49,005,049 Ordinary Shares in consideration for the cancellation of indebtedness owed by the Company at a total amount of € 225,000.

b. On 3 February 2013, the authorised share capital limit of the Company was increased to € 70,000 divided into 7,000,000 shares of € 0.01 each, following which the par value of each Ordinary Share was sub-divided from € 0.01 each to € 0.00003367 each and a further 807,488,000 shares were issued to the existing shareholders pro-rata to their shareholding in the Company.

c. On 20 February 2013, the Company constituted a warrant instrument and granted warrants over 33,317,674 Ordinary Shares in consideration for the cancellation of capital notes at a total amount of € 353,329. On 20 February 2013, the Company issued and allotted 42,642,947 Ordinary Shares and granted warrants over 24,700,457 Ordinary Shares to certain existing shareholders in consideration for the cancellation of capital notes at a total amount of € 1,012,785.

Each warrant entitles the holder to purchase one Ordinary share. The exercise price is £ 0.01 per share and the warrants can be exercised at any time until February 2018.
The fair value of the warrants is € 0.

d. On 20 February 2013 the Company issued and allotted 162,855,339 Ordinary Shares pursuant to a private subscription at a price of € 0.00003367 raising a total of € 5,483.

e. On 18 March 2013, the Company completed its Initial Public Offering, see also note 1 (c). Following the transfer of the funds from Boletus to the company, on 19 June the company sold its holding in Belotus to Optiva Securities Limited for a consideration of £ 400.

f. The mill equipment was shipped and arrived to mill site on March, accordingly the first payment under the letter of credit to Modipalm Engineering and Boilermech at the sums of € 2,805,000 and $ 606,000 respectively, this sums were withdrawn from the two financing bank BOAD and BIDC, thus, together with additional payment made to the civil work construction in accordance to the construction progress were recorded as loans.

NOTE 4: SUBSEQUENT EVENTS

On August 2, 2013 the subsidiary of the Company DekelOil CI SA signed a contract for constructing the Effluent Treatment Plant and some additional effluent and fresh water components at a total contract value of $ 2,450,000.