

Dekeloil PLC

RNS Number : 9518L  
Dekeloil Public Limited  
25 July 2017

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

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

**Formal Commencement of Second Palm Oil Project in Côte d'Ivoire**

DekelOil Public Limited, operator and 100% owner of the profitable and vertically integrated Ayenouan palm oil project in Côte d'Ivoire, is pleased to confirm formal commencement of operations at Guitry, its second project in Côte d'Ivoire (the 'Project'), in which the Company holds a 100% interest. As with Ayenouan, Guitry is to be developed into a vertically integrated palm oil operation including nursery, company-owned estates and a mill producing crude palm oil ('CPO') from fresh fruit bunches grown by both the Company and local smallholders.

**Nursery**

- Equipment ordered for computerised, fully irrigated, palm oil nursery
- Nursery will have a capacity of 1 million plants per year (6,000ha of oil palm estates equivalent)
- Initially to supply local smallholders and a pilot company owned estate - size to be determined

**Estate Development**

- Secured rights to develop oil palm estates over approximately 24,000 ha of brownfield land - primarily old cocoa and oil palm estates
- Water surveys and Environmental Impact and Social Assessments have been completed and are supportive of project commencement
- Potential to significantly enhance the local smallholder industry to provide additional feed stock to a company owned mill
- RSPO certification will be sought for the estate development

**Initial CPO extraction mill**

- Discussions with local smallholders to determine capacity of an initial CPO mill at the site - whilst the smallholder industry is less developed than Ayenouan the Company will undertake a feasibility study for a 15-30tn per hour CPO extraction mill

**Project Tax exemption**

- An application for a corporate tax exemption for the Guitry project will be made on similar terms to the 13 years full corporate tax exemption obtained for the Ayenouan project

## **Project Funding**

- Development capital over the next 12 months is not expected to exceed €250,000
- The Company may fund a portion of Guitry's future development from internal cash flow, however, the majority of funding will likely be obtained by introducing a project partner as it did with the Ayenouan project. While these discussions have commenced, no partner has been selected at this stage. Further updates will be made in due course.

DekelOil Executive Director Lincoln Moore said, "We believe Guitry in time has the potential to become a much larger and more profitable operation than our successful project in Ayenouan. It has always been our intention to first prove our vertically integrated model at Ayenouan before building a portfolio of other vertically integrated palm oil projects in West Africa. Having established a successful operation at Ayenouan which plays an important role in the local economy, our business model is proven and de-risked and with this in mind we are encouraged by the interest and support we are receiving from potential partners and banks with regards to providing development capital for Guitry. I look forward to updating shareholders on our future progress at Guitry as we deliver on our strategy to transform DekelOil into a leading West African focused palm producer."

## **Further Information**

Guitry is a town situated in the county of Guitry in Côte d'Ivoire and is approximately 160 km west of the capital, Abidjan. The Project is located 240km west of DekelOil's 100% owned Ayenouan palm oil project which includes a fully operational 60t/hr crude palm oil ('CPO') mill. At Guitry, DekelOil has an agreement in place with landowners covering 24,000 hectares of brownfield estates. Under the terms of the agreement, DekelOil is to develop the land and convert it into oil palm plantations.

The nursery at Guitry will be identical to the nursery established at Ayenouan which can produce up to one million plants per year in two cycles. The nursery operates with a computerised drip irrigation system allowing the delivery of accurate water and fertiliser requirements to each individual plant. Each plant is held in black poly bags containing a substrate of finely chopped coconut fibre and good quality organic compost to enhance root development. As proven at Ayenouan, this process produces plants that are ready for planting in a shorter period of time than would be the case using traditional methods. Equipment for the nursery at Guitry has now been ordered and will take approximately four to six weeks to arrive. The cost of the nursery will be funded by the Company's internally-generated profits at Ayenouan.

In terms of the mill, Social and Environmental Impact Assessment and water surveys at the site have been completed. The next step is to work closely with the smallholders to determine the initial size of the mill at Guitry. The Company anticipates the mill will have a capacity to produce between 15,000 and 30,000 tonnes of CPO per annum.

*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 producer of palm oil in West Africa, which it is focused on rapidly expanding. To this end, it has 100% 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.

