

RNS Number : 7872L
Dekeloil Public Limited
31 December 2018

The following replaces the announcement released at 07:00 on 21 December 2018 under RNS number 1959L in which the third paragraph of the announcement incorrectly stated the number of new ordinary shares to be issued as consideration as being 52,456,660 when it should have stated 52,612,613. This change has been underlined, all other details remain unchanged and the full amended announcement is set out below.

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. 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 ("DekelOil" or the "Company")

**Acquisition of 43.8% Interest in Cashew Processing Project,
Issue of Equity and
Director / PDMR Shareholding**

Highlights:

- Revised option agreement permitting the acquisition of initial 43.8% stake in Tiebissou cashew processing project in Cote d'Ivoire (the "Project") at an implied current valuation of €6 million (the "Option"), in line with DekelOil's strategy to build a multi-project, multi-commodity West African focused agriculture company
- Acquisition settled by the issue of new ordinary shares in DekelOil at 4.5p per share, a 46.3% premium to the closing price of 3.075 pence per DekelOil share on 20 December 2018, being the last practicable date prior to publication of this announcement
- DekelOil retains an option to acquire a further 20.5% interest on the same terms as the original option agreement announced on 26 June 2018 ("Original Option")
- Tiebissou cashew processing project is on course to become DekelOil's second operational project by early 2020, alongside its palm oil project at Ayenouan, Cote d'Ivoire

DekelOil Public Limited, the West African focused agricultural company, is pleased to announce that it has entered into a new, revised option agreement (the "Option") pursuant to which it will acquire an initial 43.8% interest in the share capital of Pearlside Holdings Ltd ('Pearlside') from Trustland Management Limited (the 'Acquisition'). Pearlside's wholly owned subsidiary Capro CI SA ('Capro') is

currently developing a large-scale 10,000tpa (expandable to 30,000 tpa) raw cashew nut ('RCN') processing project at Tiebissou in Côte d'Ivoire which is now expected to commence production in late 2019/early 2020.

The Acquisition is at a significantly reduced valuation to the terms of the Original Option to acquire up to 58.5% of the issued share capital of Pearlside, announced on 26 June 2018 reflecting the fact that the project is not yet operational. The new Option also permits the acquisition of up to a total of 64.3%, not 58.5% as set out in the Original Option agreement, of the issued share capital of Pearlside.

The Acquisition is to be settled by the issue of 52,612,613 new ordinary shares of €0.0003367 each ('Ordinary Shares') in DekelOil at a price of 4.5p per share, a 46.3% premium to the closing price of 3.075 pence per DekelOil share on 20 December 2018, being the last practicable date prior to entering into the Acquisition agreement ('Consideration Shares'). This implies a current valuation of €6 million for the entire issued share capital of Pearlside and represents a significant discount to the minimum €18 million valuation assigned to Pearlside under the terms of the Original Option agreement announced in June 2018. An independent report prepared by PKF Littlejohn LLP opined that the current valuation assigned to Pearlside "appears reasonable and on an arm's length basis."

The Option (similar to the Original Option) permits the exercise of options granted pursuant to it for a limited period following the publication of Pearlside's audited annual accounts for the year ending 31 December 2020.

DekelOil has elected to bring forward the Acquisition following the significant progress made at Tiebissou since the Original Option was signed. As a result, the Directors believe the development phase of the Tiebissou Project has been materially de-risked. Progress includes the appointment of a senior management team at Capro comprising executives who played a key role in the successful construction and commissioning of DekelOil's palm oil project in Ayenouan; confirmation of a 13 year tax exemption for the Project; and the execution of key contracts relating to the cashew processing plant and infrastructure works and the final financing package for the plant.

DekelOil Executive Director Lincoln Moore said, "The early acquisition of a 43.8% interest in Tiebissou is a significant event for DekelOil and one which we believe will generate long term value for shareholders. This is a reflection of both the substantially lower valuation we have secured compared to the Original Option agreement, but also the significant premium at which the new Consideration Shares in DekelOil have been issued. The share price premium is an endorsement of our vision to build a multi-project, multi-commodity agriculture company, the strategy we have in place to achieve this and our management team which, as it successfully demonstrated at our palm oil project in Ayenouan, has the credentials to deliver.

"Due to the progress made at Tiebissou since we announced the Original Option in June 2018, we are pleased to have agreed this earlier partial exercise. We are also delighted to have secured the option to

acquire a further 20.5% interest, in addition to this early acquisition of a 43.8% interest in Tiebissou, representing an aggregate interest of up to 64.3% in the Project, as opposed to an interest of up to 58.5% under the Original Option agreement. We are confident that the €6 million valuation assigned to the Project today represents value for shareholders and I look forward to providing further updates on our progress, as we focus on bringing our second project into production in late 2019."

Related Party Transaction

Youval Rasin, CEO and 16.1% shareholder of DekelOil, Yehoshua Shai Kol, Deputy CEO and CFO and 3.6% shareholder of DekelOil, and Lincoln Moore, Executive Director and 0.5% shareholder of DekelOil, have recently joined the board of Pearlside. Trustland has nominated that each of Youval Rasin, Yehoshua Shai Kol and Lincoln Moore be issued the following Consideration Shares:

	<i>Date of this announcement</i>			<i>Immediately following the Acquisition</i>	
Director	Number of Ordinary Shares	Percentage of ordinary share capital	Number of Consideration Shares	Number of Ordinary Shares	Percentage of the enlarged issued share capital
Youval Rasin	48,298,538	16.1%	16,576,577	64,875,115	18.4%
Shai Kol	10,725,884	3.6%	16,576,577	27,302,461	7.8%
Lincoln Moore	1,387,201	0.5%	3,003,003	4,390,204	1.2%

Accordingly, the Acquisition constitutes a related party transaction under Rule 13 of the AIM Rules for Companies. Andrew Tillery and Bernard Francois, Non-Executive Chairman and Non-Executive Director respectively at DekelOil, and who are considered independent directors for the purposes of the Acquisition, and having consulted with the Company's nominated adviser, consider the terms of the Option to be fair and reasonable insofar as DekelOil's shareholders are concerned. In forming this opinion, Mr Tillery and Mr Francois have taken into account the conclusions of an independent valuation report prepared by PKF Littlejohn LLP on Pearlside, and on the value that a recent independent investment was made in Pearlside by an unrelated investor.

Issue of Equity and Total Voting Rights

The Company is issuing 189,441 Ordinary Shares to certain advisers in settlement of fees for services provided and 52,612,613 Ordinary Shares in settlement of the Acquisition. Therefore, application has been made to the London Stock Exchange for the admission of a total of 52,802,054 Ordinary Shares ("Admission"). It is expected that Admission will become effective on 7 January 2019. The new

Ordinary Shares will rank *pari passu* with the existing Ordinary Shares in issue. Following Admission, the Company's total issued share capital will comprise 352,273,423 Ordinary Shares. This number may be used by shareholders in DekelOil as the denominator for calculation by which they determine if they are required to notify their interest in, or a change in their interest in, the share capital of DekelOil under the FCA's Disclosure Guidance and Transparency Rules.

**** ENDS ****

For further information please visit the Company's website or contact:

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Shai Kol
Lincoln Moore

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David Foreman
Richard Salmond

VSA Capital (Joint Broker) +44 (0) 203 005 5000
Andrew Monk (Corporate Broking)
Andrew Raca (Corporate Finance)

Optiva Securities Limited (Joint Broker) +44 (0) 203 137 1903
Christian Dennis
Jeremy King

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Frank Buhagiar
Cosima Akerman

Further Information on the Project

Pearlside is a privately-owned investment holding company, which wholly owns Capro, a cashew business in Côte d'Ivoire. Capro is constructing a 10,000 tpa (expandable to 30,000 tpa) plant at Tiebissou in Côte d'Ivoire to take advantage of a significant shortfall in processing capacity in the country. Tiebissou is located in a cashew producing region and within three hours of the port at Abidjan. Capro has secured 6ha of land at Tiebissou on which the processing plant will be built, plus

an additional 3ha for expansion and 1ha for a warehouse. Once operational, the processing plant at Tiebissou will aim to process up to 10,000 and 15,000 tonnes per annum of RCNs in 2020 and 2021 respectively, gradually increasing to 30,000 tonnes per annum by 2024. Processing of RCNs at the plant is scheduled to begin early 2020.

Appendix

1.	Details of the person discharging managerial responsibilities/person closely associated					
a)	Name:	Youval Rasin				
2.	Reason for the notification					
a)	Position/status:	Chief Executive Officer				
b)	Initial notification/amendment:	Initial notification				
3.	Details of the issuer emission allowance market participant, auction platform, auctioneer or auction monitor					
a)	Name:	DekelOil Public Limited				
b)	LEI:	213800TzMTERFY8P7D14				
4.	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted					
a)	Description of the financial instrument, type of instrument: Identification code:	Ordinary shares of €0.0003367 each CY0106502111				
b)	Nature of the transaction:	Consideration shares issued				
c)	Price(s) and volume(s):	<table border="1"> <thead> <tr> <th>Prices(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>4.5 pence</td> <td>16,576,577</td> </tr> </tbody> </table>	Prices(s)	Volume(s)	4.5 pence	16,576,577
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e)	Date of transaction:	20 December 2018				
f)	Place of transaction	Outside a trading venue				

1.	Details of the person discharging managerial responsibilities/person closely associated					
a)	Name:	Shai Kol				
2.	Reason for the notification					
a)	Position/status:	Deputy CEO				
b)	Initial notification/amendment:	Initial notification				
3.	Details of the issuer emission allowance market participant, auction platform, auctioneer or auction monitor					
a)	Name:	DekelOil Public Limited				
b)	LEI:	213800TZMTERFY8P7D14				
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f)	Place of transaction	Outside a trading venue				

1.	Details of the person discharging managerial responsibilities/person closely associated					
a)	Name:	Lincoln Moore				
2.	Reason for the notification					
a)	Position/status:	Executive Director				
b)	Initial notification/amendment:	Initial notification				
3.	Details of the issuer emission allowance market participant, auction platform, auctioneer or auction monitor					
a)	Name:	DekelOil Public Limited				
b)	LEI:	213800TZMTERFY8P7D14				
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