

07 July 2016

**DekelOil Public Limited ('DekelOil' or the 'Company')**  
**Half Year Production Update**

DekelOil Public Limited, operator and 85.75% owner of the profitable and vertically integrated Ayenouan palm oil project in Côte d'Ivoire (the 'Project'), is pleased to provide a production update for the half year ended 30 June 2016.

The Company's extraction mill (the 'Mill') has the capacity to produce 70,000 tonnes of crude palm oil ('CPO') per year, making it one of the largest in West Africa. In the half year to 30 June 2016, production of CPO was up 30.75% to 28,550 tonnes. Furthermore, production of palm kernel oil ('PKO') and palm kernel cake ('PKC') at the Company's new kernel crushing plant, which commenced operations in November 2015, was 1,998 tonnes and 2,360 tonnes respectively for the six month period.

As a result of the strong operational performance, the Company expects EBITDA for H1 2016 to be materially higher than H1 2015's EBITDA of €2.2m. In addition, the recent strengthening of the Euro against GBP Sterling is expected to have a positive impact on DekelOil's results which are reported in Euros.

	<b>HY 2016</b>	<b>HY 2015</b>	<b>% Increase</b>
CPO production (tonnes)	28,550	21,836	30.75
CPO Sales (tonnes)	25,225	19,184	31.49
Average CPO price per tonne	€542	€617	(12.16)
Kernel production (tonnes)	4,745	3,733	27.11
Kernel Sales (tonnes)	Sales discontinued and PKO/PKC commenced	3,760	n/a
Average Kernel price per tonne	n/a	€183	n/a
PKO production (tonnes)	1,998	Nil	n/a
PKO Sales (tonnes)	1,828	Nil	n/a
Average PKO price per tonne	€781	Nil	n/a
PKC production (tonnes)	2,360	Nil	n/a
PKC Sales (tonnes)	2,615	Nil	n/a
Average PKC price per tonne	€40	Nil	n/a

- H1 2016 was characterised by a period where both the CPO sales price and the cost of purchasing Fresh Fruit Bunches ("FFB") were lower than H1 2015 and lower than spot international trading prices. This price movement was driven in part by the recent

currency crisis in Nigeria, which significantly reduced its imports of refined CPO products. This fed through to lower Cote d'Ivoire prices for CPO sales and FFB, our major cost component. Following the recent float of Nigeria's currency we expect trade to gradually normalise and we are currently experiencing CPO prices higher than the average during the first half of the year

- Importantly, the commencement of meaningful sales of PKO and PKC in H1 2016 should result in a material increase in overall gross margin
- Palm kernel oil extraction rates have continued to increase - current daily extraction rate being achieved is 42.5% compared to 39.9% reported in Q1 2016
- Crude Palm oil extraction rates have remained steady in Q2 at approximately 23.1%

DekelOil Executive Director Lincoln Moore said: "The significant increase in production at the Ayenouan palm oil project demonstrates exactly why we made the decision to increase our stake to 85.75% in this profitable asset.

"Half year production of CPO is up 30.75% on the previous year to 28,550 tonnes, in line with our strategy to fully utilise the Mill's 70,000 tonne production capacity. Furthermore, the commissioning of the kernel crushing plant in November 2015 has been very successful, with production of PKO and PKC standing at 1,998 and 2,360 respectively.

"The close partnerships with local palm planters that provide feedstock for the Mill are key drivers in our strategy and continue to produce mutually beneficial results. The current results support our view that the availability of FFB in our region is growing and we continue to benefit from this growth moving towards full utilization of our mill. In addition, our effort towards maximising production of FFB at our own 1,900 hectare plantation is also paying off as plants mature. We are confident that we can realise significant value for shareholders from the Project and look forward to advancing our development strategy as swiftly as possible."

In addition, application has been made to the London Stock Exchange for the admission of 119,146 ordinary shares of €0.0003367 each ("Ordinary Shares") issued to certain advisers in settlement of fees for services provided ("Admission"). It is expected that Admission will become effective on Tuesday 12 July 2016. Following Admission, the Company's issued share capital will consist of 247,824,040 Ordinary Shares.

**\*\* 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 an 86% 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.