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Dekeloil Public Limited
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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.

10 October 2018

DekelOil Public Limited

('DekelOil' or the 'Company')

Q3 2018 Production & Sales Update

DekelOil Public Limited, the West African focused agricultural company, is pleased to provide a production and sales update for its Ayenouan palm oil project in Côte d'Ivoire (the 'Project') for the quarter ended 30 September 2018.

Q3 2018 production of Crude Palm Oil ('CPO'), Palm Kernel Oil ('PKO') and Palm Kernel Cake ('PKC') at the Project showed a significant year on year improvement compared to Q3 2017. This has been driven by what appears to be a region-wide recovery in Fresh Fruit Bunch ('FFB') volumes to more normal seasonal levels. Q3 2018 production and sales figures for the Project, which includes one of West Africa's largest extraction mills, are detailed in the table below:

	Q3 2018	**Q3 2017**	**Increase / (Decrease)**	**H1 2018**
FFB collected (tonnes)	24,938	21,626	15.3%	96,195
CPO production (tonnes)	5,371	4,734	13.5%	22,242
CPO sales (tonnes)	5,471	7,217	-24.2%	22,271
Average CPO price per tonne	€544	€655	-16.9%	€549
PKO production (tonnes)	526	464	13.4%	1,793
PKO sales (tonnes)	578	704	-17.9%	1,480
Average PKO price per tonne	€691	€904	-23.6%	€893
PKC production (tonnes)	681	662	2.9%	2,197
PKC sales (tonnes)	643	668	-3.7%	2,304
Average PKC price per tonne	€51.9	€42	23.6%	€50

- 15% increase in year on year Q3 FFB yields partially offsets poor region-wide FFB harvest during H1 2018 peak season
- Rebound in FFBs grown in the region in Q3 is in line with historic performance where poor region-wide harvests (as was the case in H1 2018) are typically followed by periods of stronger yields
- CPO sales were down 24% as a result of less inventory on hand at the half year following this year's low high season production - the Company continues to sell all CPO produced
- CPO extraction rate based on actual FFB processed remained stable compared to Q3 2017 which demonstrates the mill at Ayenouan continues to operate efficiently
- The CPO and PKO pricing environment has remained extremely challenging with international prices trading at 10 year lows
- CPO sold 11% higher than international benchmark prices, in line with initiative to extract premium pricing from customers to mitigate the impact on gross margins of continued strong competition for FFBs following poor high season harvest
    - CPO international benchmark prices averaged €489 during Q3
    - PKO pricing was 9.2% lower than international prices. Local fluctuations above and below the international price are quite typical given the small local market for PKO

DekelOil Executive Director Lincoln Moore said, *"The strong year on year rebound in FFBs during the quarter and subsequent pick-up in CPO production at Ayenouan is most welcome and bodes well for production returning to more normal levels in 2019. Having increased the mill's capacity in time for the 2018 peak harvesting season, we are ready to maximise production in 2019 should the recovery in yields extend to next year's high season and further into the future, as history suggests it should.*

"While lag effects stemming from the poor 2018 harvest continue to weigh on gross margins, we have managed to partially offset these by selling our produce at a premium to international prices. Together with our efforts to secure kernels from external sources for processing, shareholders can rest assured that we are working hard to counterbalance external factors that are beyond our control, including weak international CPO pricing. As we have set out, we are focused on transforming DekelOil into a multi-project, multi-commodity producer, and one that will be well-equipped to navigate the challenges faced by all producing agricultural companies."

**** ENDS ****

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Notes:

DekelOil Public Limited is a low-cost producer of palm oil in West Africa, which is focused on rapidly expanding including its recent acquisition of an option to acquire a majority interest in a cashew processing company. Feedstock for the mill at Ayenouan 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.