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Feronia Inc. Announces US\$19.3 Million Private Placement and Related Debt Settlement

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TORONTO, May 28, 2019 (GLOBE NEWSWIRE) -- Feronia Inc. ("Feronia" or the "Company") (TSX-V: FRN) is pleased to announce the proposed private placement (the "Private Placement") of up to approximately US\$19.3 million of common shares in the capital of the Company ("Common Shares") to be lead primarily by existing shareholders Straight KKM 2 Limited ("KKM") and CDC Group plc, the UK Government's development finance institution ("CDC") at an issuance price of CAD\$0.075 per share and based on a CAD\$1.344:US\$1.00 exchange rate.

Proceeds from the Private Placement shall be used to complete the construction of a new palm oil mill at Lokumete, the settlement of all of the outstanding short term debt previously provided by KKM and CDC in the aggregate amount of approximately US\$11.3 million (the "Debt Settlement") and for working capital purposes. Pursuant to the Private Placement, up to a total of 346,006,233 Common Shares are to be issued which shall include an aggregate of 202,646,233 Common Shares to settle the short term debt in full.

The transactions are subject to various customary closing conditions including the approval of the TSX Venture Exchange (the "TSXV"). Assuming such conditions are met, the closing of the transactions is expected to be completed on May 31, 2019. The Common Shares, if issued, will be issued in reliance on certain prospectus exemptions available under applicable securities legislation and will be subject to a hold period of four months and one day in accordance with applicable securities legislation and TSXV requirements.

Pursuant to Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"), the Private Placement and Debt Settlement each constitutes a "related party transaction" as the participants in the transactions are insiders of the Company. The Company is relying on exemptions from the formal valuation and minority approval requirements.

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About Feronia Inc.

- *Feronia is an agribusiness operating in the Democratic Republic of the Congo (DRC).*
- *At the heart of Feronia lies a long established palm oil business, Plantations et Huileries du Congo (PHC), which has three remotely located plantations; Lokutu, Yaligimba and Boteka.*
- *When Feronia acquired its palm oil business from Unilever in 2009, it had suffered from years of underinvestment and considerable disruption caused by conflict in the DRC. Our initial focus has been on rebuilding the business and resuming production to secure its future and the livelihoods of the thousands of people we directly employ.*
- *Feronia's plantations produce crude palm oil (CPO) and palm kernel oil (PKO). CPO is part of the staple and traditional diet of the Congolese and, with our products sold locally in the DRC, we are well placed to help decrease reliance on imports and increase food security and quality.*
- *Feronia prides itself on being the guardian of our 108 year-old palm oil business and its employees, communities, and environment. We have a long term commitment to improve the living and working*

environment of our employees and their communities and are committed to sustainable agriculture, environmental protection and community inclusion. Feronia has in place an Environmental and Social Action Plan which is focused on implementing environmental and social best practice and improving social infrastructure.

- *Feronia is implementing IFC/World Bank standards for environmental and social sustainability. Our oil palm replanting programme is brownfield in nature – replacing old palms with new – and it has no reliance on deforestation.*
- *Feronia’s management team has extensive experience in managing both plantations and farming operations in emerging markets.*
- *For more information please see www.feronia.com*

Cautionary Notes

Except for statements of historical fact contained herein, the information in this press release constitutes “forward-looking information” within the meaning of Canadian securities law. Such forward-looking information may be identified by words such as “anticipates”, “plans”, “proposes”, “estimates”, “intends”, “expects”, “believes”, “may” and “will”. There can be no assurance that such statements will prove to be accurate; actual results and future events could differ materially from such statements. Factors that could cause actual results to differ materially include, among others: risks related to foreign operations (including various political, economic and other risks and uncertainties), the interpretation and implementation of the “Loi Portant Principes Fondamentaux Relatifs A L’Agriculture”, termination or non-renewal of concession rights or expropriation of property rights, political instability and bureaucracy, limited operating history, lack of profitability, lack of infrastructure in the DRC, high inflation rates, limited availability of debt financing in the DRC, fluctuations in currency exchange rates, competition from other businesses, reliance on various factors (including local labour, importation of machinery and other key items and business relationships), the Company’s reliance on one major customer, lower productivity at the Company’s plantations and arable farming operations, risks related to the agricultural industry (including adverse weather conditions, shifting weather patterns, and crop failure due to infestations), a shift in commodity trends and demands, vulnerability to fluctuations in the world market, the lack of availability of qualified management personnel and stock market volatility. Details of the risk factors relating to Feronia and its business are discussed under the heading “Risks and Uncertainties” in Feronia’s Management’s discussion and Analysis for the year ended December 31, 2018, a copy of which is available on the Company’s SEDAR profile at www.sedar.com. Most of these factors are outside the control of the Company. Investors are cautioned not to put undue reliance on forward-looking information. Except as otherwise required by applicable securities statutes or regulation, the Company expressly disclaims any intent or obligation to update publicly forward-looking information, whether as a result of new information, future events or otherwise.

Neither the TSX Venture Exchange nor its regulation services provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.