



For immediate release

Feronia Inc. Announces Secured Convertible Debenture Financing of up to US\$16.325 Million led by CDC, the UK Government's Development Finance Institution

TORONTO, ONTARIO – January 22, 2015: Feronia Inc. ("Feronia" or the "Company") (TSXV: FRN) is pleased to announce that it has entered into subscription agreements for a private placement (the "Offering") of up to US\$16.325 million of secured convertible debentures (the "Debentures") led by CDC Group plc ("CDC"), the UK Government's Development Finance Institution.

Proceeds from the Offering, which was unanimously agreed by Feronia's Board of Directors, shall be used for working capital purposes and, in particular, to provide expansion capital for the Company's subsidiaries in the Democratic Republic of the Congo.

It is expected that a first tranche of US\$7.15 million will close today. In the first tranche, CDC has agreed to subscribe for US\$7,078,500 principal amount of Debentures. Ravi Sood, Feronia's Chairman, has agreed to subscribe for the remaining US\$71,500. Subsequent tranches of the offering will close at the option of the majority holders of the Debentures and upon the meeting of certain conditions. Each of the subscribers of the Debentures shall receive a 2% placement fee on the amount of Debentures purchased. Mr. Sood has elected that the placement fee of \$1,430 related to his subscription be used to purchase educational supplies for schools on the Company's plantations.

The Canadian dollar equivalent of the principal amount of the Debentures is convertible into units of the Company (each, a "Unit") at a rate of Cdn.\$0.80 per Unit. Each Unit consists of one common share in the capital of the Company (each, a "Common Share") and one transferable common share purchase warrant (each, a "Warrant"). Each Warrant shall be exercisable into one Common Share at an exercise price of Cdn.\$0.80 per share for a period of five years from the closing date of the first tranche of the Offering. If the Company does not complete a Qualifying Debt Financing (as such term is defined in the Debentures) prior to September 30, 2015, the conversion price of the Debentures shall be reduced to Cdn.\$0.45 per Unit and the exercise price of the Warrants shall be reduced to Cdn.\$0.45 per share.

Interest on the Debentures shall be 12% per annum, compounded semi-annually, and shall accrue and be payable upon maturity, unless converted

earlier. A minimum of one year's interest shall accrue on the First Tranche of Debentures, regardless of when such Debentures are repaid or converted. The interest payable on a subsequent closing of Debentures shall be a minimum of the interest for the portion of the fiscal quarter up to the date that such subsequent Debentures are repaid or converted plus interest for one additional fiscal quarter. Notwithstanding the foregoing, the guaranteed interest provisions above shall not apply if the Qualifying Debt Financing is not completed by September 30, 2015. Upon conversion, the Canadian dollar equivalent of the accrued interest on the Debentures shall, subject to the approval of the TSXV, be convertible into Common Shares at a per share price equal to the greater of Cdn.\$0.80 and the Discounted Market Price (as defined in the policies of the TSXV) at the time of conversion. If the Qualifying Debt Financing is not completed by September 30, 2015, the interest on the Debentures shall convert at a price equal to the greater of Cdn\$0.45 and the Discounted Market Price of the Common Shares at the time of conversion.

The Debentures will mature and convert one year from the closing of the first tranche of the Offering. At any time prior to maturity, the Debentures may be converted at the option of the holder. The Debentures shall automatically convert in the event that the Company draws down on a Qualifying Debt Financing. The Debentures shall be secured by way of a pledge by the Company of the outstanding shares of its wholly-owned Cayman Islands subsidiary, Feronia CI Inc.

Mr. Xavier de Carniere, Chief Executive Officer of Feronia, commented:

"Having recently joined as Chief Executive Officer, I am impressed by the progress Feronia has made in the rehabilitation of its 104-year old palm oil business.

"I know from experience that whether you are establishing or rehabilitating a palm oil business, it is a capital-intensive process. Money invested in planting palms shows little in the way of a return in the first few years and, during this time, the palms must be maintained. Since it acquired the business in 2009, the Company has replanted 17,000 ha of oil palm which has been a considerable phase of agricultural investment, the likes of which has seldom been seen in Africa before.

"As a Company, we are now entering a new phase and need to put in place the right structure to gain maximum advantage from the work that has been done to date. In this regard, shareholders have demonstrated their continued commitment to the long term goal of restoring this 104-year old business to its status as the largest producer of palm oil in Africa."

Mr. Nigel Gourlay, Independent Non-Executive Director of Feronia, added: *"I would like to thank CDC on behalf of all the Independent Directors for its decision to provide this important financing, which comes at a critical time for the business. Having the support of patient investors such as CDC*

allows us to continue to rehabilitate old plantations, boost production and return them to profitability.

"We are working to put in place long-term financing arrangements appropriate for the increasingly mature nature of the business. Until that process is concluded, the continued support of our key shareholders to provide ongoing funding is, we believe, a positive for all shareholders. We thank them for their continued support."

Mr. David Easton, Investment Director, Equity Investments, CDC Group said: *"The additional financing being provided by CDC will allow Feronia to build on what they have already achieved, generating and sustaining new growth, jobs and investment in the DRC. CDC continues to work closely with Feronia to ensure it has access to the capital and support it needs as it executes on its ambitious plan to rehabilitate its plantations. Agribusiness is a priority sector for CDC and this facility is an important step in Feronia's long-term financing."*

The Company also announces that it has granted 1,104,400 deferred share units ("DSUs") to Mr. de Carniere. Under the terms of the Company's deferred share unit plan (the "DSU Plan"), 552,200 of the DSUs granted vest in four equal instalments on the first day of January 2017, 2018, 2019 and 2020 (each, a "Vesting Day"). Up to an additional 138,050 DSUs may vest on each Vesting Day subject to achieving certain performance targets. The full text of the DSU Plan is set out in the Company's management information circular dated May 7, 2014 which is filed under the Company's SEDAR profile at www.sedar.com. The DSU Plan is intended to enhance the Company's ability to attract and retain talented individuals to serve as directors, officers and employees by allowing such individuals to participate in the long-term success of the Company and to promote a greater alignment of interests between such individuals and the shareholders of the Company.

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About Feronia Inc.

- Feronia Inc. is a large-scale commercial farmland and plantation operator in the Democratic Republic of the Congo ("DRC").
- The Company uses modern agricultural practices to operate and develop its oil palm plantations and arable farming business division.
- Feronia believes in the immense agricultural potential of the DRC for high-quality foodstuffs and edible oils given its ideal climate, excellent soil and highly skilled and experienced workforce.
- Feronia's management team is comprised of senior agriculturalists with extensive experience in managing both plantations and large-scale mechanized farming operations in emerging markets.
- Feronia is committed to sustainable agriculture, environmental protection and providing support for local communities.
- For more information please see www.feronia.com

About CDC

CDC is the UK government-owned development finance institution that uses its own balance sheet to invest in the developing countries of South Asia and Africa. It has net assets of £2.8bn. CDC's mission is to support the building of businesses in the poorest countries, creating jobs and making a lasting difference to people's lives in some of the world's poorest places. Under its recent business strategy, announced in September 2012, CDC provides debt and direct investment to businesses as well as acting as a fund-of-funds investor. CDC also now only makes new investment commitments in Africa and South Asia. www.cdcgroup.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 annual Management's Discussion and Analysis for the year ended December 31, 2013, 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.

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