



For immediate release

**Feronia Inc. Announces Closing of Second Tranche of
Secured Convertible Debentures**

TORONTO, ONTARIO – July 16, 2015: Feronia Inc. ("Feronia" or the "Company") (TSXV: FRN) is pleased to announce that it has closed the second tranche (the "Offering") of the previously announced private placement of secured convertible debentures (the "Debentures") in the principal amount of US\$983,500 with the African Agriculture Fund ("AAF"), through its subsidiary Golden Oil Holdings Limited ("GOHL").

Proceeds from the Offering 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. The investment is also anticipated to enable the Company to deliver better environmental and social standards for workers and local people through improved community engagement and environmental practices, upgraded community facilities, such as greater access to clean drinking water, and better workers' housing and sanitation.

The Canadian dollar equivalent of the principal amount of the Debentures is convertible into common shares of the Company (each, a "Common Share") at a price of Cdn.\$0.25 per Common Share. If the Company does not complete an Amended Debt Financing (as such term is defined in the Debentures) prior to December 31, 2015, the conversion price of the Debentures shall be reduced to Cdn.\$0.14 per Common Share.

Interest on the Debentures shall be 12% per annum, compounded semi-annually, and shall accrue and be payable upon maturity, unless converted earlier. 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.\$0.25 and the Discounted Market Price (as defined in the policies of the TSXV) at the time of conversion. If the Amended Debt Financing is not completed by December 31, 2015, the interest on the Debentures shall convert at a price equal to the greater of Cdn.\$0.14 and the Discounted Market Price of the Common Shares at the time of conversion.

The Debentures will mature on January 22, 2016 and shall be converted or repaid. 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 an Amended 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.

Pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"), the Offering constitutes a "related party transaction" as GOHL is an insider of the Company. The Company is relying on an exemption from the formal valuation and minority approval requirements. The Offering is subject to the approval of the TSXV and the Debentures and Common Shares issued pursuant to the Offering are subject to a statutory hold period of four-months and one day.

For further information please contact:

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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. We also have an arable farming operation which grows and processes rice.*
- *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 8,000+ people we directly and indirectly 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 104 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 working towards certification by the Roundtable for Sustainable Palm Oil (RSPO) and 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 is comprised of senior agriculturalists with 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, 2014, 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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