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Woodbois Limited
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Woodbois Limited

("Woodbois", the "Group" or the "Company")

Acquisition of Additional Veneer Equipment and Offtake Agreement

As referenced in this morning's results announcement, Woodbois Limited (AIM: WBI), the African focused forestry, timber trading, reforestation and voluntary carbon credit company, today confirms the acquisition of two additional veneer lines for its Gabon operations from CEMA Bois De L'Atlas ("CEMA"), one of Africa's largest plywood manufacturers.

Woodbois will pay a consideration of €800,000 for the two veneer lines. The first line is currently in Libreville being prepared for transportation and will be delivered and installed in late Q2 / early Q3 2021. The second line will be delivered and installed in H2 2022.

In addition to the purchase of the veneer making equipment, Woodbois has agreed to sell logs to CEMA's existing operations in Gabon on a monthly basis under an Offtake Agreement, in lieu of cash consideration payments for the lines.

The first veneer line to be installed is expected to add approximately 35m^3 per day of veneer production capacity to Woodbois' existing 30m^3 facilities. The second veneer line has production capacity for an additional 75m^3 per day of output.

The purchase of this additional machinery is consistent with Woodbois' intentions to further expand its manufacturing presence in Gabon. In line with Woodbois' commitment to providing additional skilled jobs to local communities, these additional veneer lines are expected to provide employment for approximately a further 50 local people in 2021 and a further 70 people in 2022, a total of roughly 120 people over the course of two years, of which around 45% are estimated to be filled by female employees.

Paul Dolan, Chairman and CEO said:

"*We are delighted to be further growing our high margin veneer business through this agreement with CEMA, a business that Woodbois has a longstanding relationship with. The transactions will benefit Woodbois, as we will gain from economies of scale and CEMA, who will secure supply from a trusted source under the Offtake Agreement.*

This announcement provides further evidence of Woodbois' ambitious growth plans, but also that Gabon remains at the forefront of the Company's expansion plans: we remain a committed provider of long-term, skilled employment opportunities there."

This announcement contains inside information

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Background on Woodbois

Woodbois Limited (AIM:WBI) is an African focused forestry and timber trading company, which produces, processes, manufactures and distributes sustainable African hardwoods and hardwood products to customers around the world.

Woodbois' forestry division has production facilities in Gabon and Mozambique, managing a total of c400,000 hectares of natural forest concessions. The trading division comprises a highly experienced team of timber specialists, who source and supply sustainable timber to a global customer base. Its proprietary technology developed in house, captures, stores and presents data, providing a matching engine to build scale and optimise trading opportunities.

Sustainability is at the heart of the business, with a clear focus on maintaining the transparency and sustainability of its timber operations. This has been recognised by The Zoological Society of London,

which ranked Woodbois third in its Sustainability Policy Transparency Toolkit ('SPOTT") ESG policy transparency assessments for the worldwide timber and pulp industries for 2020.

Please follow the Company on Twitter: @WoodboisLtd

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