Pressemitteilung

December, 2014

Deutsche Rohstoff: US-oil projects attractive even at low oil prices

Update on current status of projects/Positive effect from Euro-devaluation

Heidelberg. Deutsche Rohstoff and the management of its two US subsidiaries Cub Creek Energy (CCE) and Elster Oil and Gas (EOG) expect to be able to achieve attractive returns with oil and gas drilling activity in the US in the coming years. The Break Even Point (BEP) for most wells in Wattenberg Field, which are currently planned by both companies, is USD 40 per barrel. Due to the already declining activities it is expected that drilling development costs will decline in the future resulting in a decreased BEP threshold.

At the moment, Cub Creek is completing several acquisitions of land in the Wattenberg Field DJ Basin, Colorado. CCE management focuses on this area, as it is one of the most attractive and economically most robust oil fields in the US and is well understood technically and operationally by CCE. In addition, EOG owns about 700 net acres in a focused project area located in Wattenberg Field that remains with the company after the Tekton sale in May, 2014. More details will be published by Cub Creek once the acreage acquisitions are finalized.

Bob Gardner, CEO of Cub Creek, commented: "The DJ Basin and Wattenberg Field collectively are well understood technically and economically by CCE and is currently one of the most economically robust oil fields within the U.S. capable of generating strong returns even at lower prices. We are very pleased to have found, and due to lower oil prices will continue to pursue, acquisition opportunities for economically attractive development. The current market environment will facilitate our ability to acquire acreage at reasonable valuations and is a significant part of the company's development strategy."

Deutsche Rohstoff plans to finance possible wells from its own resources. The vast majority of cash and cash equivalents held by the Group are in US Dollars. Therefore, a positive currency exchange in the amount of approximately seven million Euros incurred in the Group within the third quarter, due to depreciation of the Euro against the US Dollar.

Tax payments in the US in the amount of approximately EUR 30 million have now been completely made. According to the US tax code, it is possible to get a tax refund if some of the future drilling costs are retroactively charged against the profit from the Tekton sale. From the perspective of Deutsche Rohstoff, such refunds will reduce drilling costs and will have a positive effect on the outset assumptions for cost-effectiveness and also on the break-even point, return and net present value of new wells. The possibility of allocation is not just for investments in oil projects, but also for mining projects.

Thomas Gutschlag, CFO of Deutsche Rohstoff AG, commented: "We believe that the current situation is a very good chance to lay the foundation for high yields in the next few years. We will of course adjust our investment planning at the very volatile market situation. We will by no means jeopardize our financial flexibility. "

Only minor changes occurred within the other subsidiaries of Deutsche Rohstoff, compared to the information from the half-year report:

Rhein Petroleum (10% share): The test production for the both wells in the Allgäu region have been postponed to mid-January by the operator Wintershall, as the necessary equipment will only then be available. Rhein Petroleum also plans to commence a third well in their license area “Nördlicher Oberrhein” (south of Frankfurt) in mid-January.

Almonty Industries (24,9% share): The company presented a resource estimate in accordance with Canadian NI 43-101 for its tungsten project Valtreixal in Spain (www.almonty.com). A new study by Edison Research calculated a target price of CAD 1.05 per Almonty share.

Devonian Metals (47% share): Concrete negotiations for the sale of the project have not been initiated. Efforts for a sale are to be continued.

Ceritech (60% share): The work relating to the mineralized waste tailings projects continue unabated. The Board is currently talking to different tailings owners and is working on optimizing the treatment process.

Tin International/Sachsenzinn (60% share): The focus is on further development of the license area Sadisdorf.

Regardless of the existing projects, Deutsche Rohstoff analyzes a number of investment opportunities, particularly for the metals gold, nickel and copper in North America and Australia. Due to the extremely difficult financial situation of many companies in this sector, the Board is confident of being able to acquire high-quality projects at reasonable prices.

Heidelberg, 18 December 2014

Deutsche Rohstoff (Heidelberg, Germany), listed in the Entry Standard segment of Frankfurt Stock Exchange, is establishing a new primary producer. The company’s focus is placed on oil & gas and so called high tech metals such as tin, tungsten, and rare earth metals. All projects are located in political stable countries with high environmental standards. The business concept is based on redeveloping deposits, which have been well explored in the past. For more information please visit www.rohstoff.de.

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