



Press release

June 2015

## Deutsche Rohstoff AG: Best result in company history and dividend proposal of EUR 0,50 per share

Consolidated annual net profit increased to EUR 54 million/All projects on schedule

**Heidelberg.** Deutsche Rohstoff Group successfully ended the financial year 2014 with a consolidated annual net profit of EUR 54 million (previous year minus EUR 7.7 million). At the AGM, which will take place on 21 July in Wiesloch, near Heidelberg, the management and the supervisory board will propose to pay a dividend of EUR 0.50 per share. In 2013, Deutsche Rohstoff had first paid a dividend of EUR 0.10 per share. In 2014, a share buy-back program with a volume of EUR 5 million was carried out instead of a dividend payment.

Thomas Gutschlag, CEO of Deutsche Rohstoff, commented: "We can look back at an outstanding year 2014 and we want our Shareholders to participate in this success by increasing the dividend significantly. It is our goal to distribute reasonable dividends in the coming years."

The positive result within the Group to a large extent results from the successful sale of the main assets of the US-subsiary Tekton Energy, which accounted for a profit of EUR 104.1 million and generated a return on the invested equity of 365%. Negative impact of depreciation accounted for EUR 25.4 million (previous year EUR 7.3 million) of which EUR 17.5 million were non-scheduled depreciation charges which were caused to a large extent by the depreciation of the Wolfram Camp Mine that was sold for a price below book value in 2014. In addition, non-scheduled depreciations were necessary for Tin International, Ceritech and Devonian Metals due to the negative price development.

Below are the key figures of the consolidated financial statement:

- Revenue EUR 22.9 million (prev. year EUR 17.8 million)
- Other operating income EUR 110.7 million (prev. year EUR 0.8 Mio)
- EBITDA EUR 114.2 million (prev. year EUR 1.9 million)
- EBIT EUR 88.7 million (prev. year EUR -5.4 million)
- Net Profit EUR 54,0 million (prev. year EUR -7.7 Mio)
- Net Profit after minority interests EUR 21.2 million (prev. year EUR 0.8 million)
- Group balance sheet total: EUR 134.7 million (prev. year EUR 131.5 million)
- Property, Plant and Equipment: EUR 2.3 million (prev. year EUR 57.9 million)
- Cash, Cash equivalents and marketable securities: EUR 103.3 million (prev. year EUR 50.5 million)
- Equity Capital: EUR 62.5 million (prev. year EUR 38.9 million)
- Equity Ratio: 46.4% (prev. year 29.5%)



Deutsche Rohstoff AG as parent company generated revenues of EUR 0.59 million (previous year EUR 0.56 million) and an annual net profit of EUR 12.22 million (previous year EUR 12.19million).

The consolidated financial statement of Deutsche Rohstoff Group including the Group's management report as well as the financial statement of Deutsche Rohstoff AG as well as the group Annual Report are available on the website of the company. Currently, there is only a German version, an English version will follow shortly.

The development of oil and gas projects in the US is on schedule. Since March 2015, five wells in which Elster Oil & Gas, LLC (with Deutsche Rohstoff owning 93% of the company) are the majority working interest owner, are underway with production expected to begin in September, 2015. The operator, Extraction Oil & Gas, LLC, is planning an additional 57 wells within the Magpie Project Area. These wells are currently scheduled to begin drilling from fall 2015 with the drilling program estimated to last through mid-year 2017.

Cub Creek Energy, LLC (with Deutsche Rohstoff owning 74% of the company) has first quarter development plans initiated by acquisitions of land in the Wattenberg field. Current development plans are to drill up to 90 horizontal wells within two specific project areas. Dependent on commodity pricing, commencement of drilling is planned for the fourth quarter of 2015.

There is also a significant progress within our mining companies and investments:

Our tungsten investment Almonty Industries (share Deutsche Rohstoff 24.9%) has successfully completed the first part of the restructuring of the Wolfram Camp Mine. Until the end of September the processing plant will be fully remodeled, so that the cost structure will correspond with Almonty's profitable Los Santos Mine in Spain.

The Australian company Hammer Metals (share Deutsche Rohstoff 17.3%) after the financing from Deutsche Rohstoff has carried out an exploration campaign on its ground in the Australian Mount Isa region. Initial very positive results were already published. The results of additional drill holes are expected over the next weeks. The main goal will be to explore and develop a copper-gold deposit similar to the nearby Ernest Henry Mine.

Ceritech AG (share Deutsche Rohstoff 61.5%) was able to further progress its project focusing on the extraction of rare earth elements from gypsum. The test work to optimize processing will be continued with larger quantities of material. Until the end of the year it is planned to sign further contracts with companies that own gypsum dumps and to achieve a first pilot production.

Jörg Reichert, CTO of Deutsche Rohstoff, said: "In the first months of 2015 we have set the conditions for future success. Our US-subsiidiaries have obtained a promising portfolio of prospective acreage. They represent the core of DRAG's portfolio, which is excellently rounded up with our mining investments. We are convinced that our assets will show a very good performance within the next few years."



Heidelberg, 2 June 2015

**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](http://www.rohstoff.de).

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