

Press release

May 2016

Deutsche Rohstoff AG: Dividend increases after good financial year

High investments in US oil and gas production / Early repayment of bond 13/18 planned

Heidelberg. Deutsche Rohstoff Group successfully ended the 2015 fiscal year with a consolidated net profit after minorities of EUR 1.15 million. Executive and Supervisory Board will propose a dividend of 55 cent per share (previous year: 50 cent per share) to the Annual General Meeting, which will take place on 5 July 2016 in Wiesloch, near Heidelberg.

The positive net profit to a large extent results from currency gains. The Group benefited from its high US-Dollar holdings due to the depreciation of the Euro. For the full year, currency gains amounted to EUR 8.5 million. Operations as well as accompanying oil and gas sales only started in September 2015, after producing assets had been sold in 2014. Sales amounted to EUR 1.9 million (previous year: EUR 22.9 million), earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to EUR 4.9 million and earnings before interest and taxes (EBIT) amounted to EUR 2.4 million.

The Group balance sheet remains very robust. On 31 December 2015, equity amounted to EUR 61.8 million (previous year: EUR 62.6 million), with an equity ratio of 48.3 % (previous year: 46.3 %). Cash (bank deposits and securities in current and fixed assets) was available in the amount of EUR 83.03 million (previous year: EUR 103.33 million). Liabilities were further reduced to EUR 62.2 million (previous year: EUR 67.8 million).

Deutsche Rohstoff AG as parent company generated an annual net profit of EUR 3.36 million (previous year: 12.22 million) with sales revenues amounting to EUR 0.36 million (previous year: 0.59 million).

Thomas Gutschlag, CEO of Deutsche Rohstoff, commented: "In 2015, we have rebuilt our business in the United States and laid out the foundation for growth in the years to come. Against this background, the result is very pleasing. The increased dividend reflects our confidence. We will also have higher earnings from the operational business in this and the following years."

With its subsidiaries Elster Oil & Gas and Cub Creek Energy, Deutsche Rohstoff started an extensive drilling program in the US. Six horizontal wells have already commenced in late March. Starting in June, additional 20 wells are scheduled for drilling. Start of production of all wells is expected between July and October.

In order to reduce costs of financing, Deutsche Rohstoff AG plans to use its right to call the bond 13/18, which bears interest at 8 % and reaches maturity in July 2018. The bond can initially be called on July 11th 2016 at a price of 103%. In order not to restrict the existing financial flexibility of the group, the company intends to place a new bond



and to offer existing bondholders an attractive opportunity to convert the existing principal to the new bond. Detailed conditions for the new bond are expected to be fixed by mid-June.

The consolidated financial statement of Deutsche Rohstoff Group, including the Group's management report and the financial statement of Deutsche Rohstoff AG are now available at the homepage of the company. The annual report has also been published today. For now, only a German version is available, an English version will follow shortly.

Heidelberg, 10 May 2016

Deutsche Rohstoff identifies, develops and divests attractive resource projects in North America, Australia and Europe. The focus is on the development of oil and gas opportunities within the United States. Metals, such as gold, copper, rare earth elements, tungsten and tin complete our portfolio. For more information please visit www.rohstoff.de.

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