Deutsche Rohstoff AG: Half Year results meet expectations
Half-year report online/Strong increase in producing wells

Mannheim. In the first half of the year, Deutsche Rohstoff Group generated group sales in the amount of EUR 32.1 million and earnings before depreciation, interest and taxes (EBITDA) of EUR 23.5 million (all figures according to German GAAP and unaudited) as already reported on 14 August with the publication of the preliminary figures. As of 30 June 2017, net earnings amounted to EUR 5.0 million. It was reduced by around EUR 3 million currency losses in EUR/USD.

Group equity increased slightly to EUR 66.9 million compared to 31 December 2016. This corresponds to an equity ratio of 35.2 % versus 34.2 % at the end of 2016. Cash and cash equivalents (bank balances plus marketable securities) amounted to EUR 47.1 million (31 December 2016: EUR 74.6 million).

In the coming months, Deutsche Rohstoff expects a significant increase of producing wells within the Group. All three US companies together are currently involved in more than 50 new drilling operations. Cub Creek Energy has already brought seven wells into production only a few days ago and 16 more will follow in the first quarter of 2018. Elster Oil & Gas is participating in 20 wells with a length of 2 and 2.5 miles, which are also scheduled to go in production in the first quarter of 2018. Salt Creek Oil & Gas expects production start of twelve 2-mile-wells later this year. Converted to a 100 % share of the three companies (net), the number of producing wells is expected to increase from currently 28 to 59.

There have also been positive developments in the mining sector in recent months. In general, the mining projects benefited from rising metal prices. The price of tungsten-APT increased by 50 % to approximately 315 USD/mtu from early July to mid-September. The price for some metals of the rare earth group increased even more.

Almonty Industries, of which Deutsche Rohstoff holds around 13.6 %, reported an EBITDA of CAD 3.3 million for the quarter from April to June, after CAD 0.9 million in the first quarter and CAD -0.4 million in the fourth quarter of 2016. In addition, equity was significantly strengthened and debt was reduced. The share price has tripled since its low at the end of June. This positive development is significant for Deutsche Rohstoff insofar as the book value of the Almonty shareholding is standing at around EUR 16.5 million. This number is nearly covered by Almonty's current share price.

The half-year report, which is available online on the Company's website www.rohstoff.de contains detailed information and updates of the development of the Group's key projects. Right now, only a German version is available. An English version will follow shortly.

Mannheim, 29 September 2017

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.

Contact:

Deutsche Rohstoff AG
Thomas Gutschlag
Tel. +49 621 490 817 0
info@rohstoff.de