

Ad hoc news

## Current company situation

- Pending approval of Wassoul'Or's accounts, the publication of Pearl Gold's annual report has been delayed
- Major write-downs of Pearl Gold's stake in Wassoul'Or and of its gold delivery rights
- Pearl Gold and Wassoul'Or agree upon the need for fresh money and the restructuring of the Koderian mine

Frankfurt, 09 April 2014. Pearl Gold (ISIN: DE000A0AFGF3). The publication of Pearl Gold's annual report and accounts for 2013 will be delayed as the accounts of its main participation, Wassoul'Or S.A., have yet to be approved. So as to fully satisfy the information needs of its own shareholders, and as has been the case in previous years, Pearl Gold's auditors will incorporate examination of parts of Wassoul'Or's business into their audit. Management expects the completion and approval of the accounts in the coming weeks.

In order to secure its liquidity needs for at least the coming twenty-four months, Pearl Gold has sold a small part of its gold delivery rights (against Wassoul'Or) to a third party. The price achieved for the 2,000 ounces sold was 300 Euro per ounce. This will necessitate a write-down of Pearl Gold's remaining delivery rights (for 44,200 ounces), which were previously valued at 1,262 Euro per ounce. Furthermore, due to operational issues at the Koderian mine, Pearl Gold feels it would be prudent to write down the value of its 25 percent stake in Wassoul'Or. Pending the auditor's assessment, the current book value of 140m Euro is expected to be substantially reduced. Both write-downs combined are likely to exceed 100m Euro.

While production at the Koderian mine is still on hold, a geological consultancy group, which inspected the mine during the second half of 2013, concluded its final report. As announced earlier, the findings, based upon re-examination of historical drilling campaigns, and surface trenching, logging and analyses confirm the existence of high-grade veins within a structurally complex environment, suggestive of a gold inventory not dissimilar to earlier stated indicated resource totals. In order to establish the robustness of the new geological model, however, a further drilling campaign will be required to (a) validate the results from earlier campaigns, (b) infill gaps in the developing three-dimensional model, and (c) establish sterilization zones for the dumping of expected barren material generated by a proposed new selective mining phase.

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Managements of both Wassoul'Or and Pearl Gold agree that new funding is required in order to resume production on a significantly improved basis. Wassoul'Or as well as Pearl Gold are currently in discussion with third parties about the terms of funding and conceivable operational measures. Hopefully by the time of implementation political tensions in Mali will have ceased so that the deployment of specialist engineers from abroad will pose no more problem.

## Pearl Gold AG

- Pearl Gold AG is a project developer and active investor listed in the General Standard of the Frankfurt Stock Exchange, based in Frankfurt. The company focuses on investments in West African exploration and mining corporations, especially in the field of gold and other precious metals. The first investment of Pearl Gold is the Malian mining company Wassoul'Or, in which Pearl Gold has a stake of 25 per cent. Wassoul'Or concentrates on the exploration and production of gold and runs the Kodiéran gold mine in the South of Mali. For further information as well as the securities prospectus visit <http://www.pearlgoldag.com>

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