

Citi's Global Resources Conference

9 March 2016



PetraDiamonds



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Discover Petra...

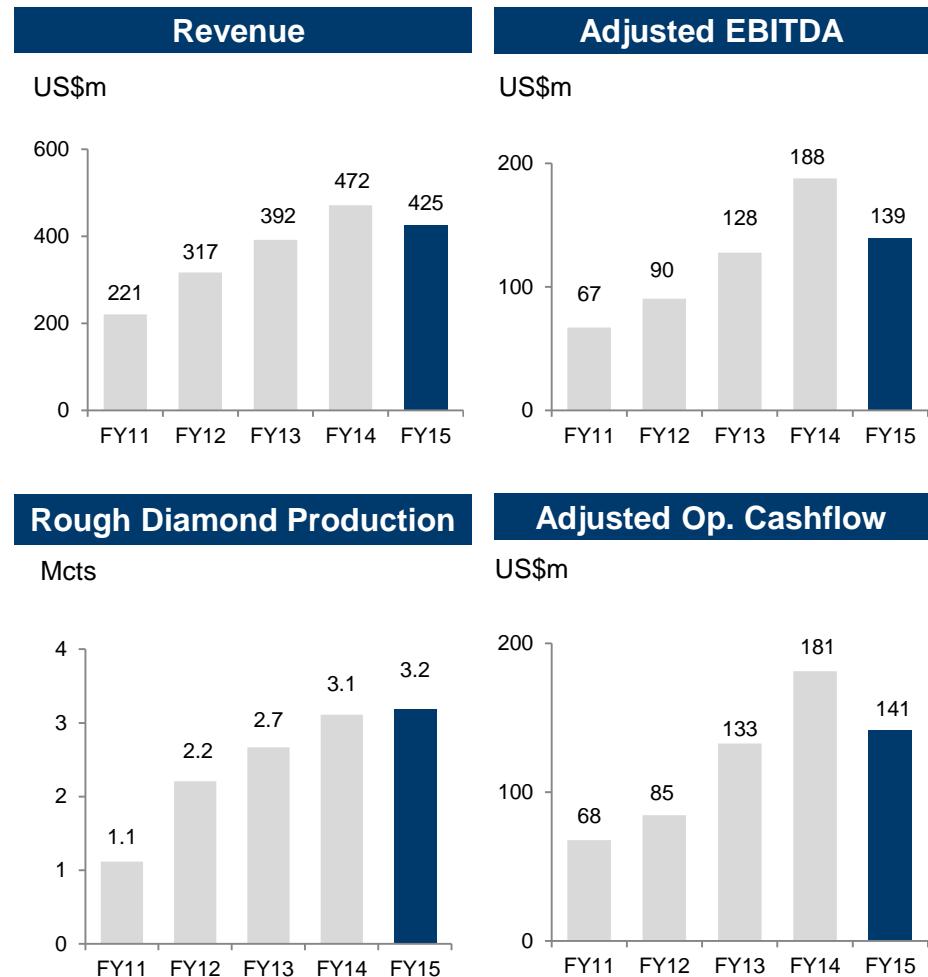
...a leading independent diamond miner with a diversified portfolio and high quality team

Petra expansion plans expected to:

- Improve grades
- Improve product mix
- Improve operating costs

Leading to:

- Significantly higher operating margins
- Production growth to ca. 5 Mcts by FY 2019



An Exceptional Growth Path

July 2007

Koffiefontein



70% Petra¹; 30% BEE

Sub-level / Block Cave
Mine Plan to 2025
+20yr Potential Life

July 2008

Cullinan



74%¹ Petra; 26% BEE

Block Cave
Mine Plan to 2030
+50yr Potential Life

February 2009

Williamson



75% Petra¹; 25%
Government of Tanzania

Open Pit
Mine Plan to 2033
+50yr Potential Life

May 2010

Kimberley UG

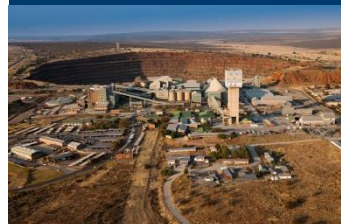


74% Petra¹; 26% BEE

Block Cave
Mine Plan to 2026
+13yr Potential Life

September 2011

Finsch



74% Petra¹; 26% BEE

Sub-level / Block Cave
Mine Plan to 2030
+25yr Potential Life

January 2016

Kimberley Mines



49.9% Petra; 50.1%
Ekapa

Tailings Operations
Mine Plan to 2019
+20yr Potential Life

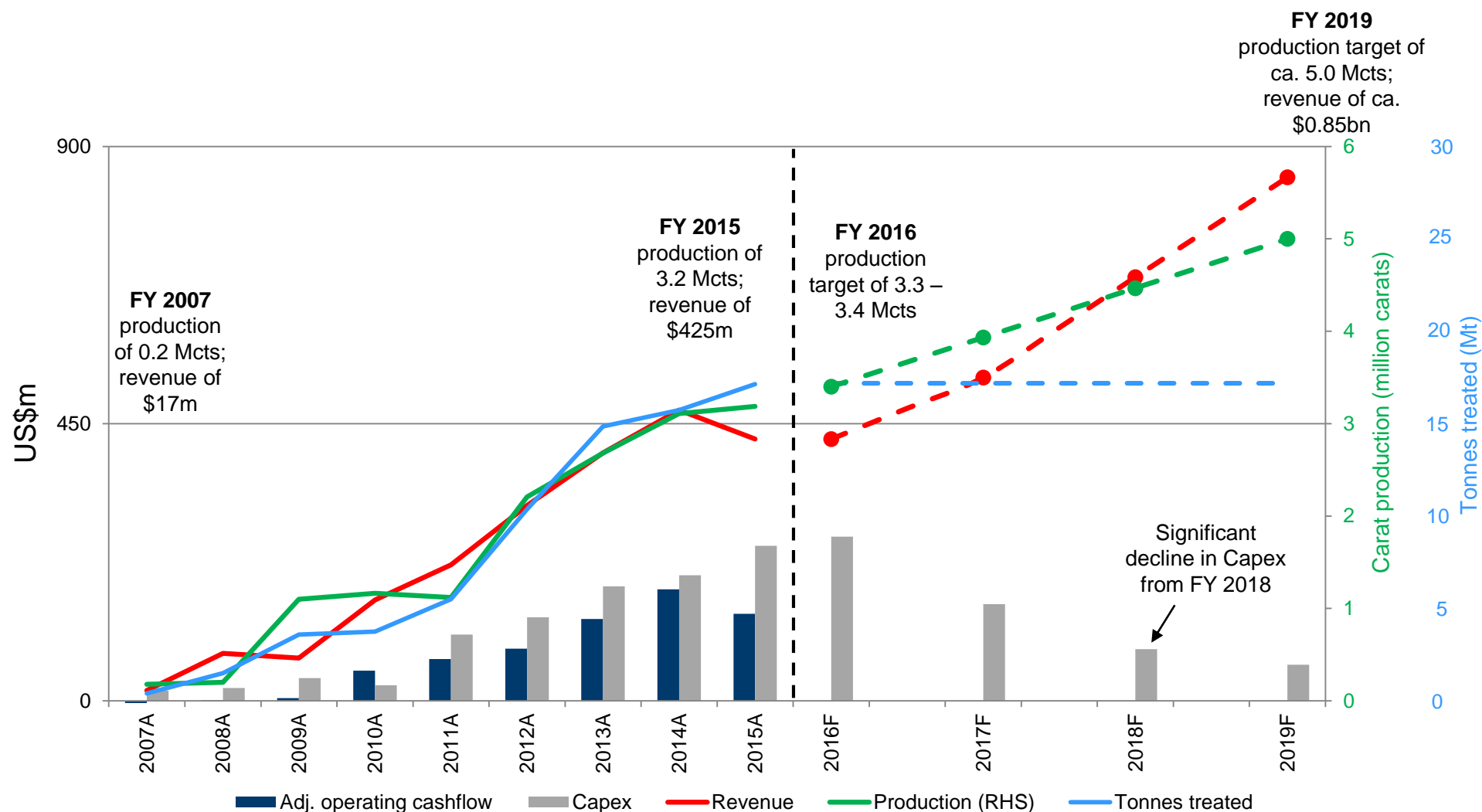
Petra has acquired six non-core diamond mining operations from De Beers

Petra approach:

- Flat management structures
- Focus on efficiencies / cost control
- Focus on value as opposed to volume production
- Utilise in-house expertise / knowledge
- Phased approach to development (lower capital intensity)
- Make decisions, get going

1. See 'Effective Interest in Mines' document on <https://www.petradiamonds.com/investors/analysts/analyst-guidance> for further disclosures re. Petra's effective interest in its mines

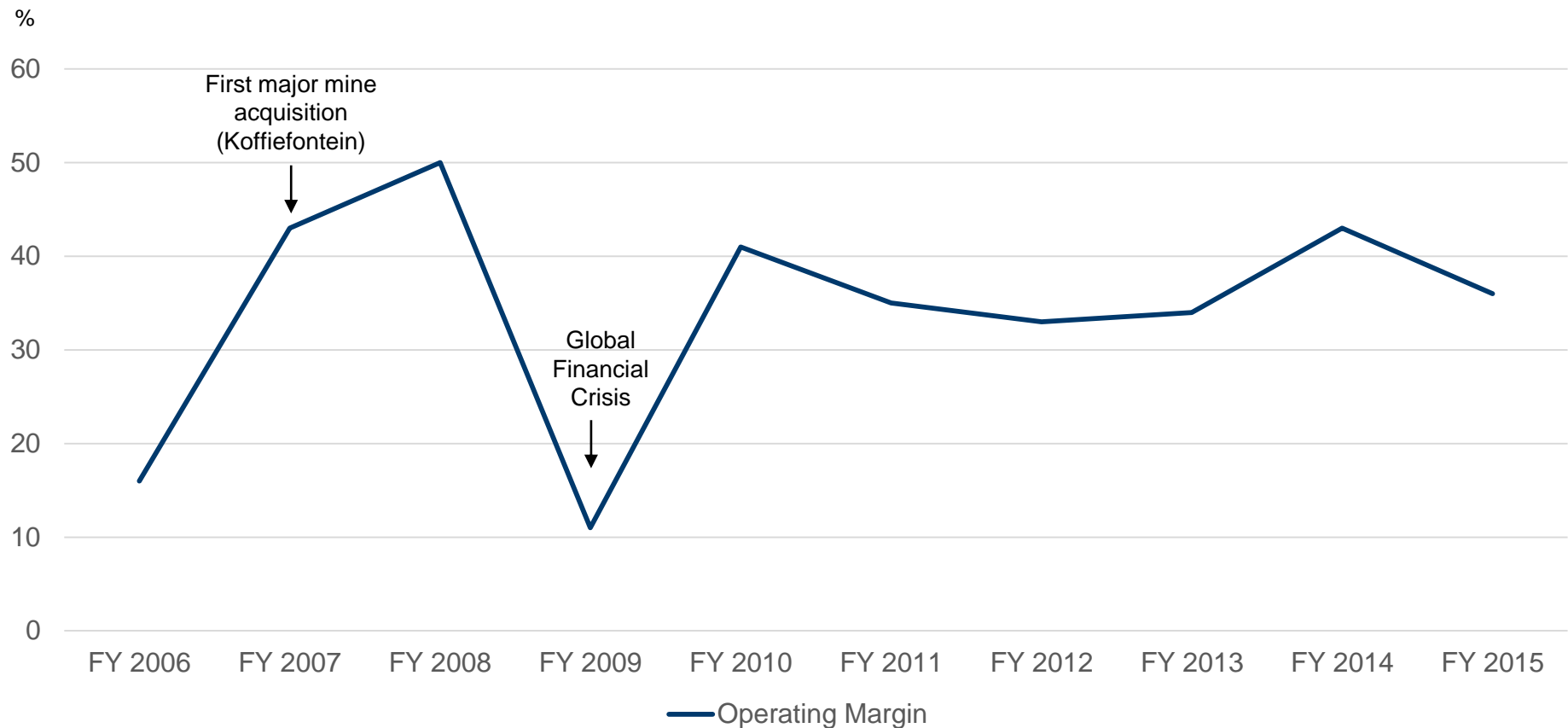
Outlook – Growth and Margin Expansion



Notes: 1. All forecasts for Capex, revenue and production are management estimates. 2. Capex is in nominal terms. 3. Forecast revenue calculated using FY 2016 guided prices less 9%, flat pricing for FY 2017 (real terms), and thereafter a 4% annual real price increase.

Robust Operating Margins

- Margins generally between 30 – 40% despite operating in diluted mining areas
- Margins forecast to go to +50% once operating in new mining areas (not reliant on increase in diamond pricing)

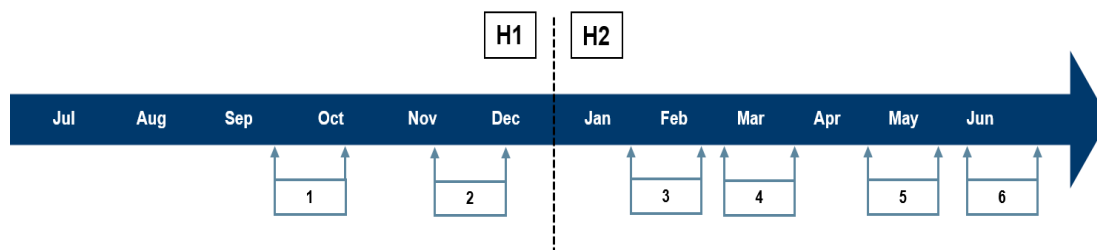


On Track for Full Year Guidance of 3.3 – 3.4 Mcts

H1 FY 2016 – Production and Sales Summary

	Unit	H1 FY 2016	H1 FY 2015	Variance	FY 2015
<u>Sales</u>					
Diamonds sold	Carats	1,303,051	1,401,575	-7%	3,168,650
Gross revenue	US\$M	154.0	214.8	-28%	425.0
<u>Production</u>					
ROM diamonds	Carats	1,243,706	1,167,982	+7%	2,276,168
Tailings and alluvial diamonds	Carats	385,697	433,087	-11%	910,307
Total diamonds	Carats	1,629,403	1,601,069	+2%	3,186,475
<u>Capex</u>					
Total Capex	US\$M	151.3	125.2	+21%	274.1

Petra tender sales cycle – sales weighted to H2



23ct Williamson pink sold for \$10.05m



Diamond Market – Overview

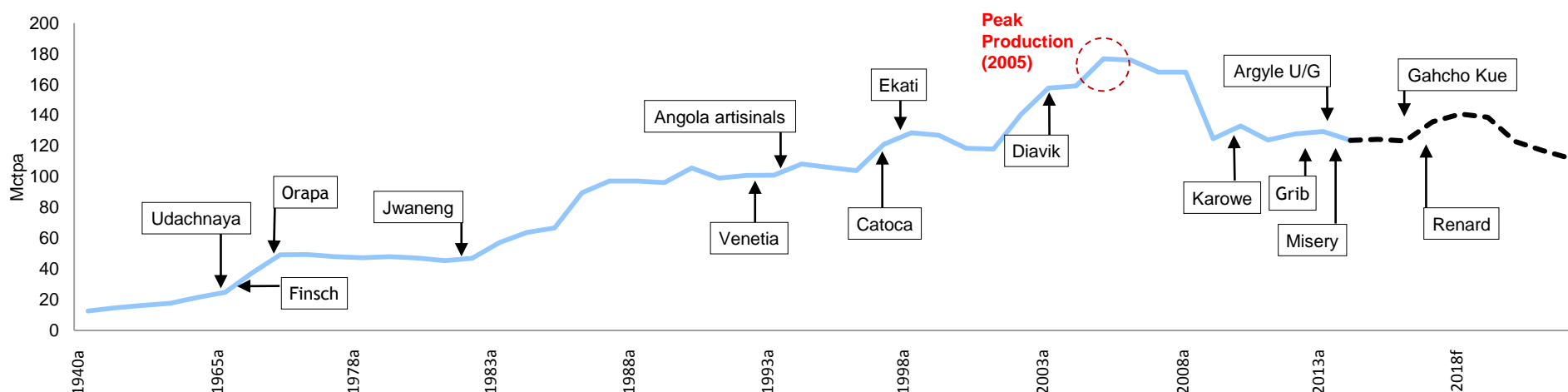
Supply

- **Supply constraints:** Global rough diamond production decreased 4% to 125 Mcts worth \$14.5bn in 2014 (average \$116/ct); estimated to be flat or slightly lower in 2015
- **No new finds:** success rate in diamond exploration estimated to be <1% - no significant finds this century, plus exploration expenditure cut worldwide
- **Overall declining trend:** 2005 expected to have been world peak diamond production
- New mines coming on stream in next few years not large enough to counter declines from world's major producers
- World supply expected to decline slowly after 2018 / 2019

Demand

- **US remains the major market:** strong diamond buying culture; retail sales currently performing well
- **"Late cycle" commodity:** growth in developed and emerging markets to continue further to rising wealth and growing middle classes worldwide
- **Bridal underpin:** The bridal sector provides a certain level of immunity to fluctuating economic conditions; desire for diamond bridal jewellery increasingly taking hold in emerging markets
- **Mass luxury:** China / India starting to follow US model of affordable diamond jewellery (US\$200 to + US\$2,000)

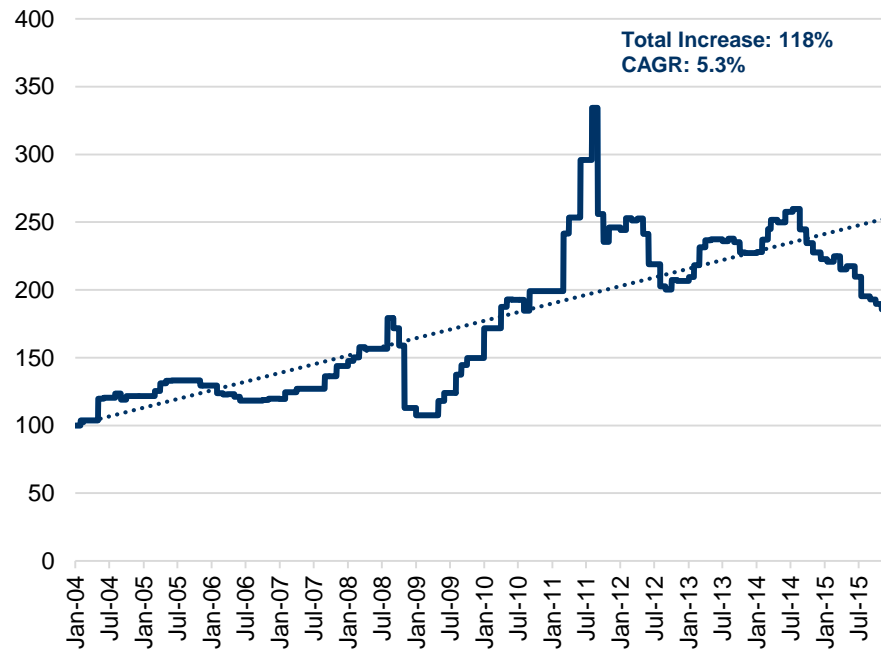
Global Diamond Supply – Historical and Forecast Rough Production



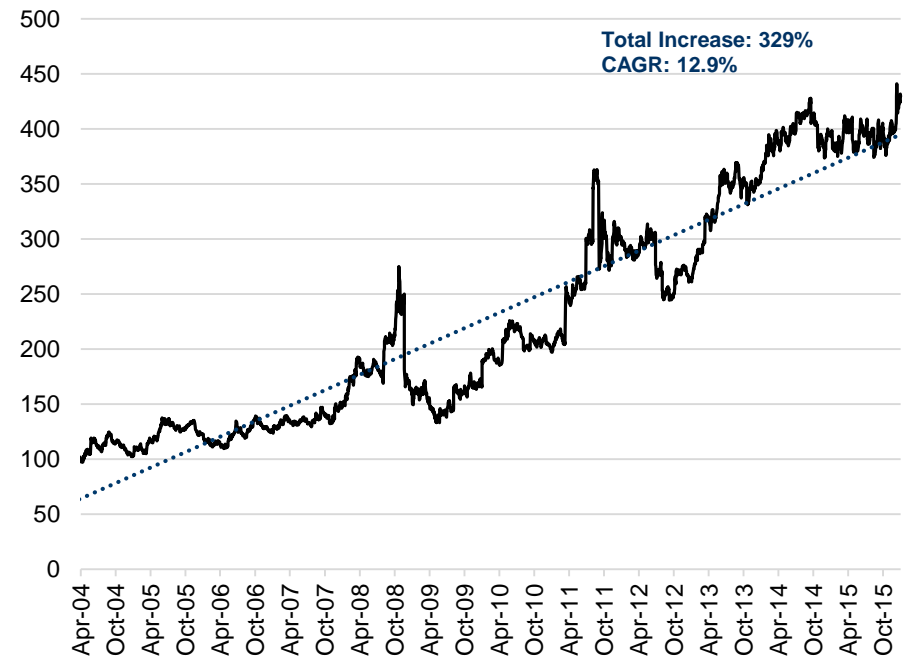
Rough Diamond Pricing

- Rough diamond pricing achieved by Petra down ca. 20% over last 18 months
- Impact of lower pricing has been mitigated by the Rand weakening ca. 25% over the same period

Bloomberg Rough Diamond Index (Jan 04 to Dec 15)



Bloomberg Rough Diamond Index – ZAR terms (Jan 04 to Dec 15)



Diamond Market – Current Trading and Outlook

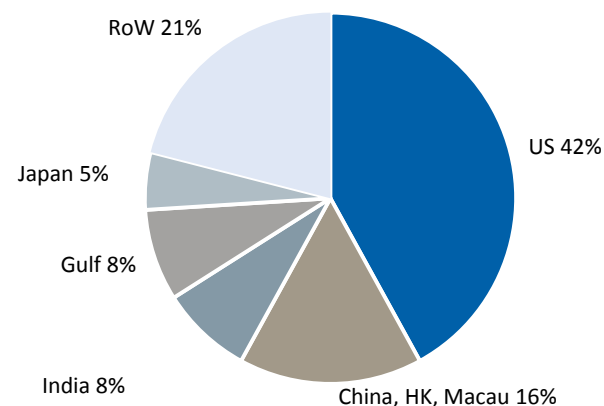
FY 2016 Market Conditions

- Price decrease of ca. 9% for tender 1 (October '15) of H1 FY 2016; market and prices stabilised at tender 2 (December '15)
- Initial indications of solid Christmas sales in the major US market (estimates of 2 - 3% increase)
- Tender 1 in H2 FY 2016 (February '16) saw firm market and solid pricing

Outlook

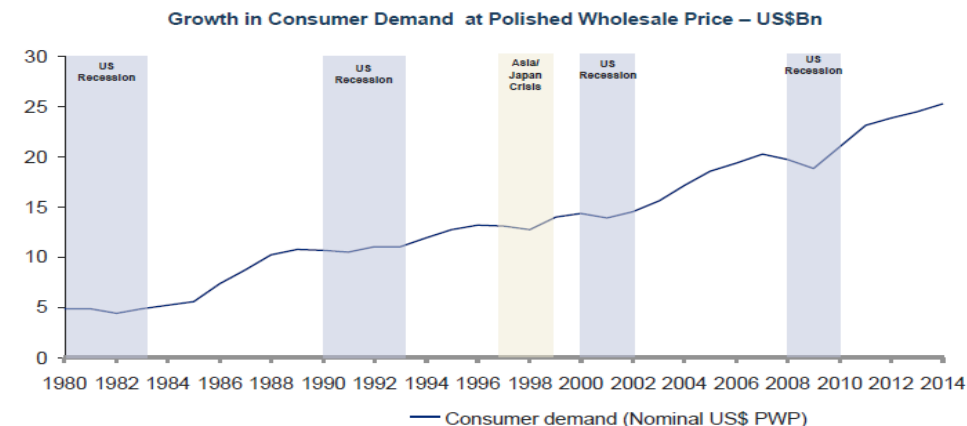
- Main issues impacting market:
 - Higher than usual inventories
 - Liquidity / profitability issues in midstream
 - Impact of the strong USD
 - Slowdown in demand from China
- Steps taken to address market challenges:
 - Significantly reduced supply (reduction cuts and lower sales volumes from majors)
 - Reduced rough diamond pricing
 - Increased consumer marketing

The US remains the dominant diamond consumer market



Source: De Beers Diamond Insight Report 2015

Diamond market historically recovers from periods of weakness



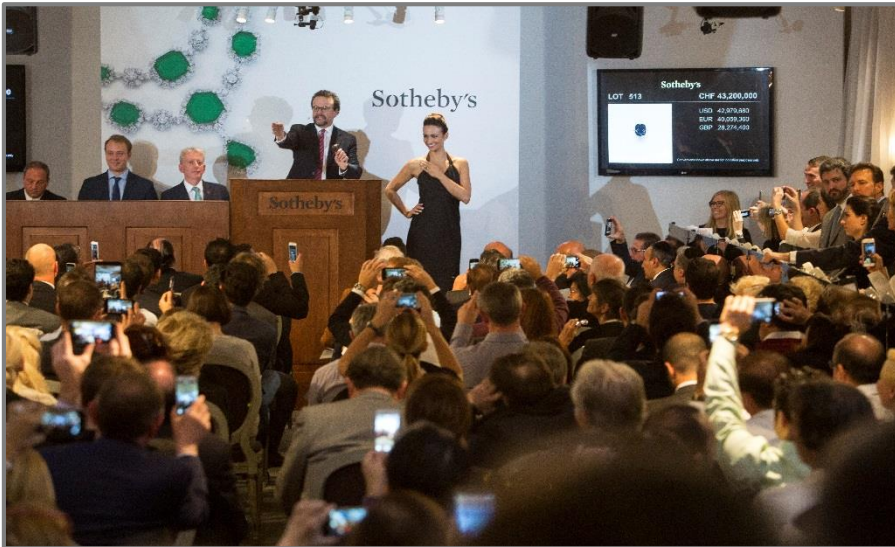
Source: De Beers Internal Analysis / courtesy of Anglo American

Exceptional Diamond Sales Remain Strong

- Very rare coloured diamonds or large white diamonds continue to break records at auction
- Petra classifies 'Exceptional Diamonds' as stones that sell for +\$5 million each
- Exceptional diamonds contributed on average \$21 million pa from FY 2009 to FY 2015

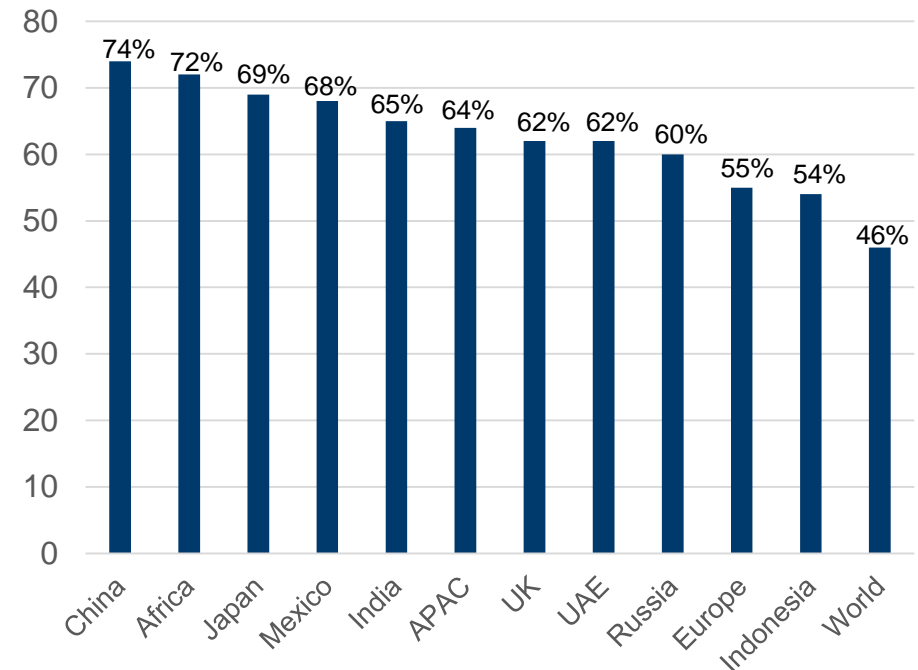
Who buys Exceptional Diamonds?

Hong Kong property magnate Joseph Lau purchases the 12ct Blue Moon of Josephine on auction for \$48.5m, a world record price, as well as a record price per carat (+\$4m/ct), for any diamond



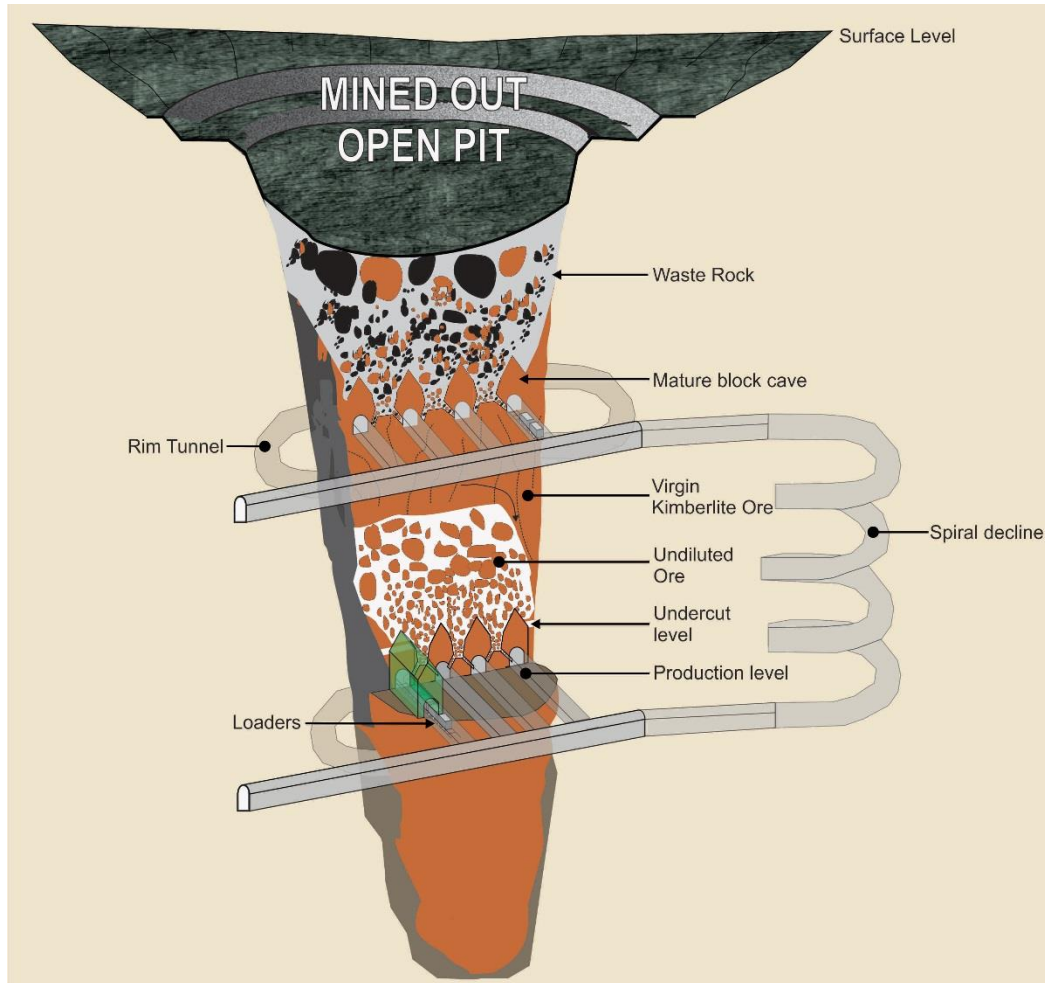
Source: Sotheby's

No. of Millionaires forecast to increase +46% by 2020



Source: Credit Suisse Wealth Report 2015 (published October 2015)

Moving into Undiluted Ore



- Caving is a safe and proven mechanised mining method; provides access to higher volumes of ore than other methods
- Current underground mining taking place in diluted, mature caves nearing end of lives
- Expansion programmes to take next 'cut' by deepening and establishing new block/sub level caves in undiluted kimberlite
- Grades expected to rise significantly, increasing margin per tonne mined, especially at Finsch and Cullinan
- Will reduce wear and tear on processing systems (waste rock is harder and more abrasive than kimberlite)

Development Snapshot

Drilling



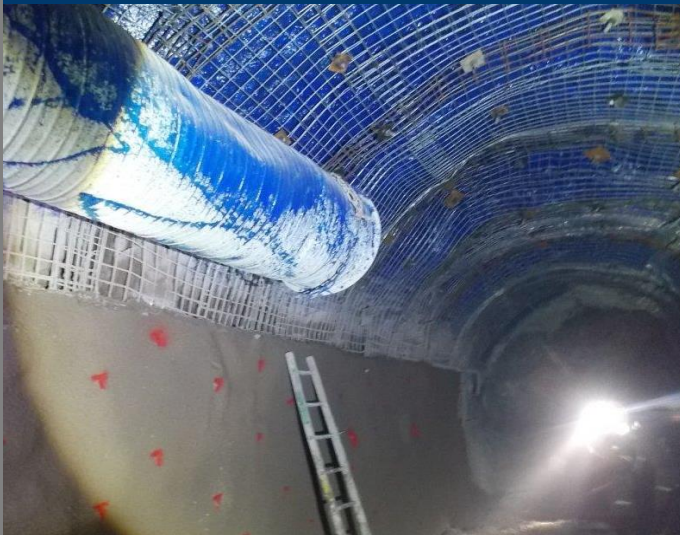
Undercut secondary support



Orehandling systems



'Blue' development – rock sealing



'Blue' development – secondary support



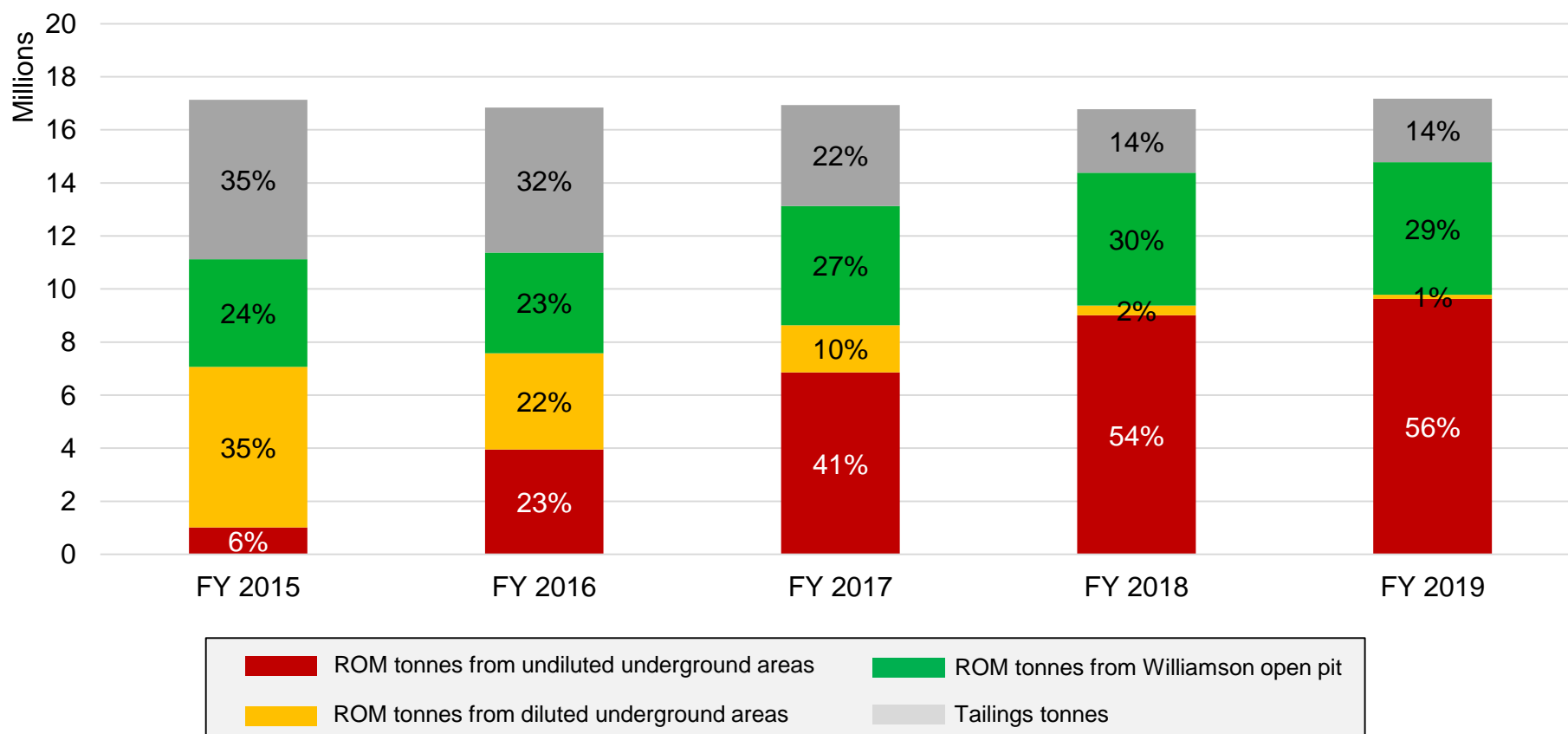
Construction of Cullinan Plant



Transition from Low to High Quality Tonnes

- Increase in ROM grades and lower contribution of tailings to drive ca. 60% growth in production
- Flat tonnage throughput helps contain costs

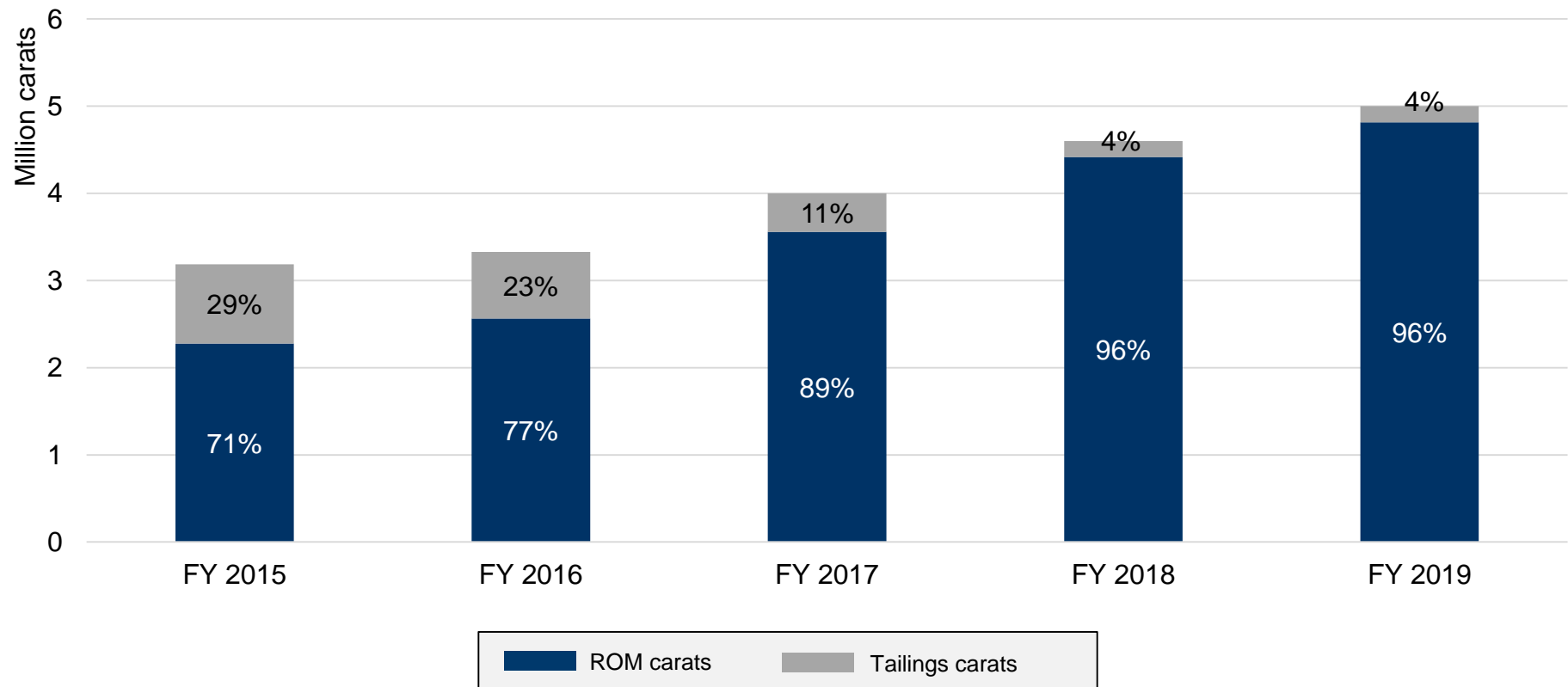
Split of Petra's tonnage profile from different ore sources



Improving Product Mix

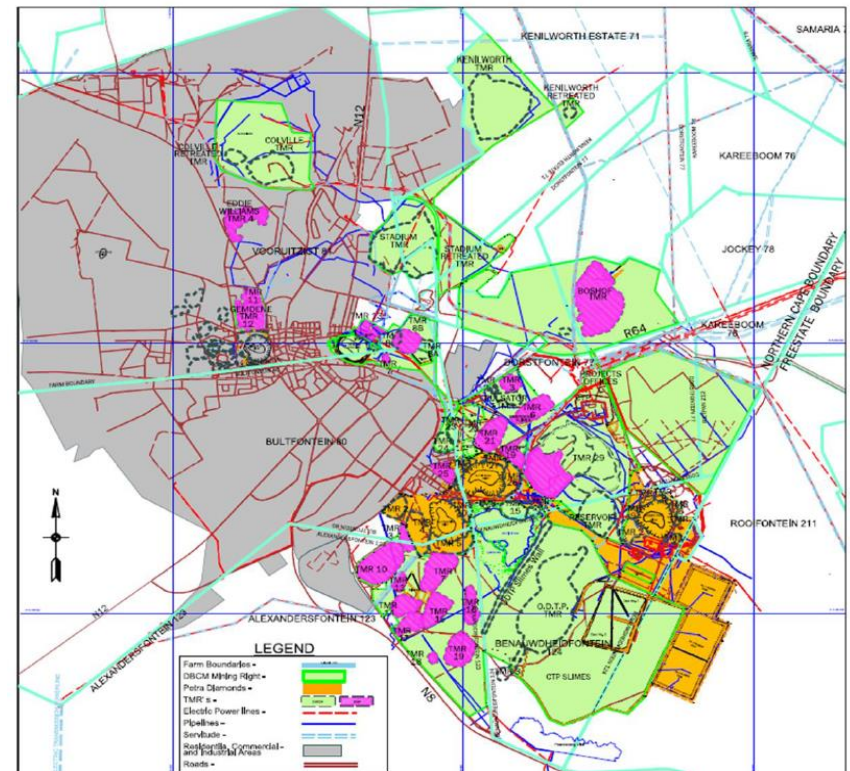
- Lower value tailings to reduce from 1 in 3 carats in FY 2015 to 1 in 20 by FY 2018
- ROM carats are worth 2 to 3 times the value of tailings carats

Split of carat production from ROM vs Tailings



Kimberley Mines Acquisition

- 18 January 2016: Petra completed acquisition of Kimberley Mines from DBCM in partnership with Ekapa Mining (Petra: 49.9%; Ekapa: 50.1%)
- Petra share of acquisition cost: ZAR50.9 million (\$3.6 million)
- Kimberley Mines assets:
 - A number of tailings dumps (“TMRs”) in Kimberley with total resources of ca. 7.2 Mcts
 - The Central Treatment Plant, a 6 Mtpa processing plant with state-of-the-art equipment
- Expected to produce ca. 0.7 Mcts pa for first 3 years at average value of \$95/ct
- Opportunity to consolidate remaining operations in Kimberley providing sustainable future for diamond mining industry in the local region



Balance Sheet Snapshot

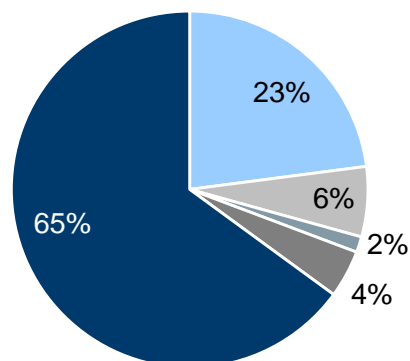
- Capex remains fully funded from treasury, bank facilities and cashflows

	Unit	31 December 2015	30 June 2015
<i>Closing exchange rate used for conversion</i>		<i>R15.46/US\$1</i>	<i>R12.16/US\$1</i>
Cash at bank	US\$m	42.1	166.6
Diamond inventories	Carats	666,357	339,489
	US\$m	57.4	33.5
Diamond debtors	US\$m	1.4	57.6
US\$ loan notes (including accrued interest)	US\$m	302.1	303.3
Bank loans and borrowings	US\$m	63.9	35.0
Net debt	US\$m	323.9	171.7
Bank facilities undrawn and available	ZARm	2,644	2,800
	US\$m	6.2	25.0
	Total US\$m equivalent	177.1	255.1

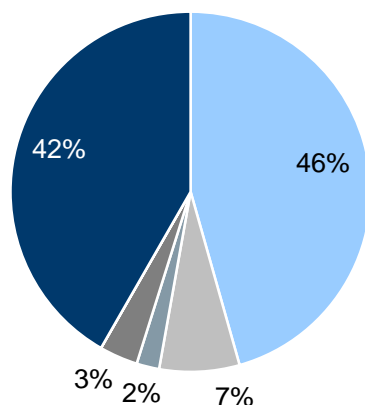
Petra Portfolio – FY 2015 vs FY 2019

Gross Production

FY 2015 actual: 3.2 million carats

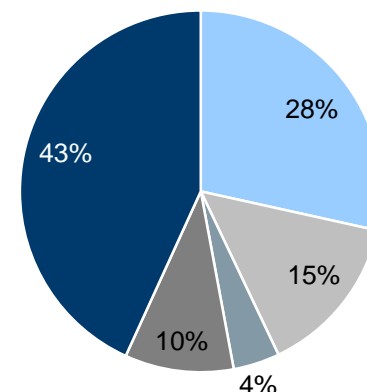


FY 2019: ca. 5 million carats¹

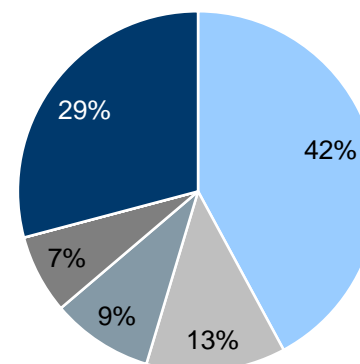


Gross Revenue

FY 2015 actual: US\$425.0 million



FY 2019: ca. US\$850 million¹



Notes: 1. FY 2019 figures are management estimates; 2. Forecast revenue calculated using FY 2016 guided prices less 9%, flat pricing for FY 2017 (real terms), and thereafter a 4% annual real price increase

Sustainability at the Heart of Petra

Petra Diamonds Ltd
SHORTLISTED
ACHIEVEMENT IN
SUSTAINABILITY AWARD

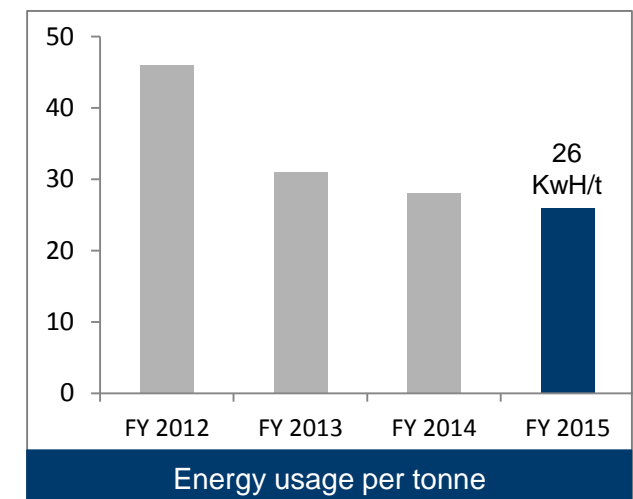
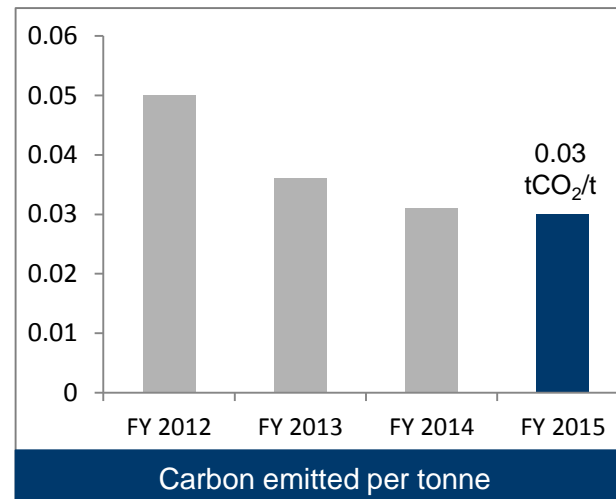
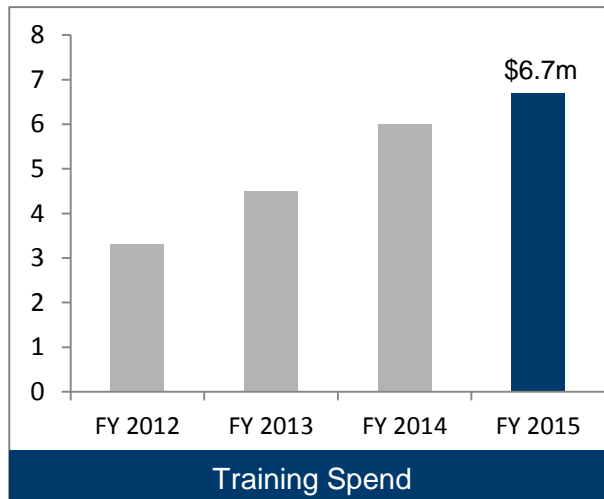
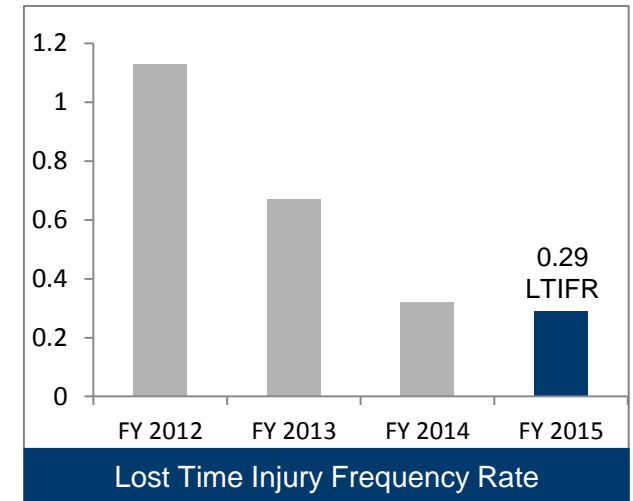


FTSE4Good



PetraDiamonds

- Petra strives for continuous improvement across all CSR areas
- Petra CSR programmes focus on sustainable job creation, poverty alleviation, skills transfer and local enterprise development
- Good track record of managing labour relations in South Africa – limited industrial action over +25 year operating history
- Petra Diamonds Employee Trust owns proportion of BEE stake in South African mines – annual distributions to employees commenced in December 2014
- Dec 2015: Inclusion in FTSE4Good Index





PetraDiamonds



The Williamson mine in Tanzania owns and operates the Mwadui Primary School, which provides free education to 460 students

Appendix

Capital Structure

Share Price (1 year to 4 March 2016)
vs FTSE 350 Mining



High Quality Share Register (as at 4 March 2016)

% ISC

T. Rowe Price ¹	12.9%
BlackRock Investment (UK) Limited	11.0%
Standard Life Investments (Holdings) Limited	8.4%
M&G Investment Funds	5.5%
Directors	3.2%

Listing

LSE: PDL

Average daily trading volume (shares) – (last 12 months)	4.0m
Shares in issue	522.8m
Free float	96.8%
Market cap @ 107.8p (4 March 2016)	£560m / US\$790m



Adonis Pouroulis
Non-Executive Chairman

Successful mining entrepreneur
Founded Petra Diamonds in 1997 and floated first diamond company on AIM
Along with fellow directors, built Petra into pan-African diamond group with over 5,000 employees (as at 30 June 2013)
Instrumental in raising funds to help finance and structure early stage mining companies in Africa



Johan Dippenaar
CEO

One of South Africa's most successful diamond entrepreneurs with 25 years' experience
Founded diamond group in 1990 and grew portfolio to three producing mines before listing as Crown Diamonds on ASX
Merger with Petra in 2005 – now at helm of London's largest diamond company



David Abery
Finance Director

Extensive experience as Chief Financial Officer in South African and UK business environments
In-depth knowledge of London capital markets
Integral to structuring and deliverance of strategic group corporate development, including acquisitions and joint ventures



Jim Davidson
Technical Director

Acknowledged world authority on kimberlite geology and exploration
+20 years' experience in diamond mine management
Formerly Head of Diamond Exploration for Rio Tinto across Southern Africa
As Technical Director of Crown Diamonds, managed specialist underground fissure mines over a decade



Tony Lowrie
Senior Independent Non-Executive Director

Over 35 years' association with the equities business and an experienced NED
Formerly Chairman of ABN AMRO Asia Securities & MD of ABN AMRO Bank. Has previously been a NED of Allied Gold Plc (prior to its merger with St Barbara Limited), Dragon Oil plc, J. D. Wetherspoon plc and several quoted Asian closed end funds
Currently NED of Kenmare Resources plc and a Director of the Edinburgh Dragon Fund



Dr Patrick Bartlett
Independent Non-Executive Director

Acknowledged expert on kimberlite geology and design and geotechnical aspects of block caving
Formerly Chief Geologist for De Beers; responsible for all kimberlite mines in South Africa
In-depth knowledge of several Petra mines, having worked at Finsch, Koffiefontein, Kimberley Underground, plus was geologist at Cullinan between 1983 to 2003
Since retiring has been involved in block caving projects for BHP, Anglo and Rio Tinto



Gordon Hamilton
Independent Non-Executive Director

Extensive experience as a NED across wide range of businesses, both JSE and LSE listed; chairs Audit Committee for all these companies
Formerly a partner for +30 years at Deloitte & Touche LLP; primarily responsible for multinational and FTSE 100 listed company audits, mainly in mining, oil & gas, and aerospace and defence; headed up Deloitte South Africa desk in London
Served for 9 years as member of the UK Financial Reporting Review Panel

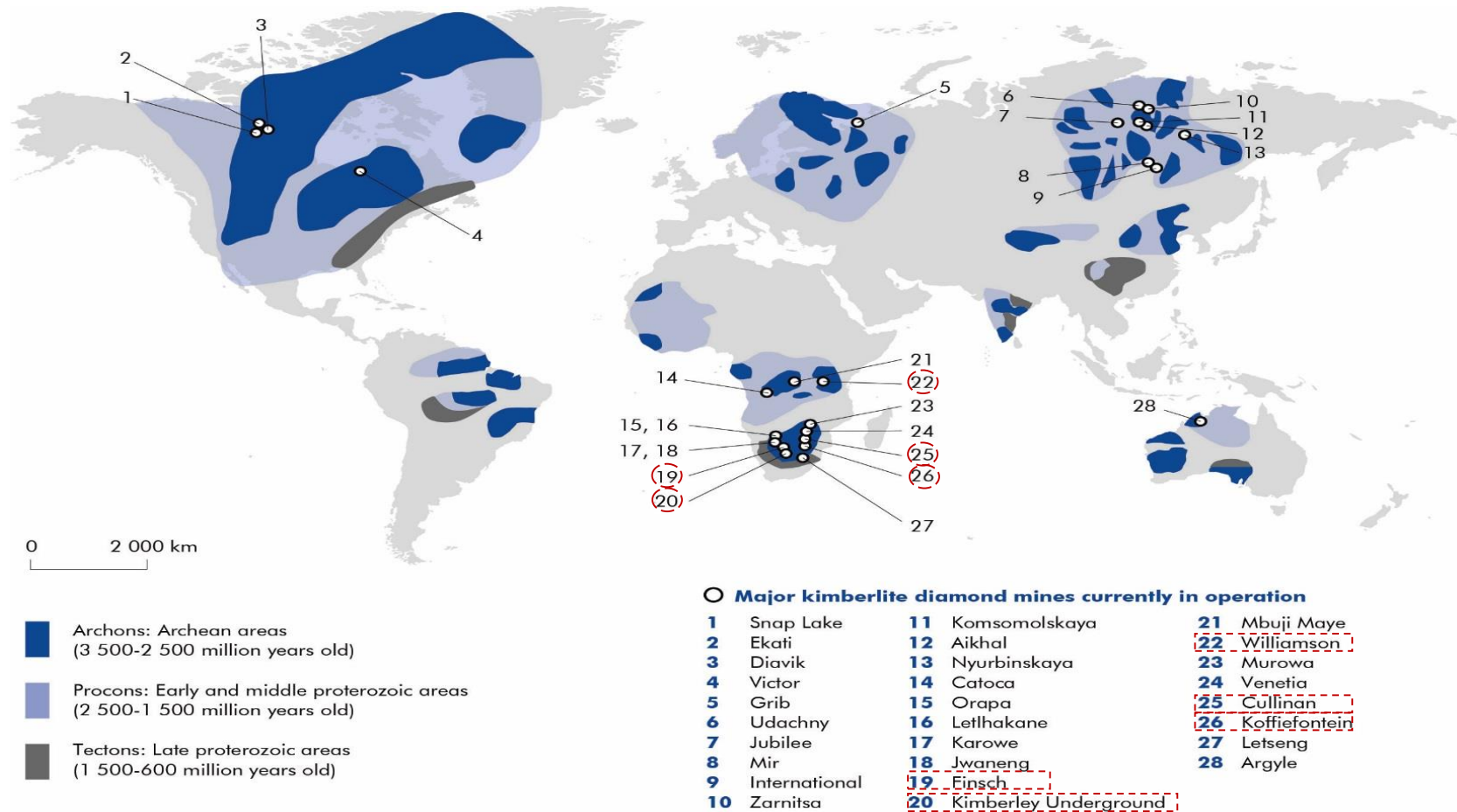


Octavia Matloa
Independent Non-Executive Director

A chartered accountant with broad business, financial and auditing experience
Member of the Audit Committee
Completed articles with PwC in South Africa in 2000 before joining the Department of Public Transport, Roads and Works, first as deputy chief financial officer, followed by chief director management accountant
An entrepreneur who has founded a number of businesses

World Diamond Mines

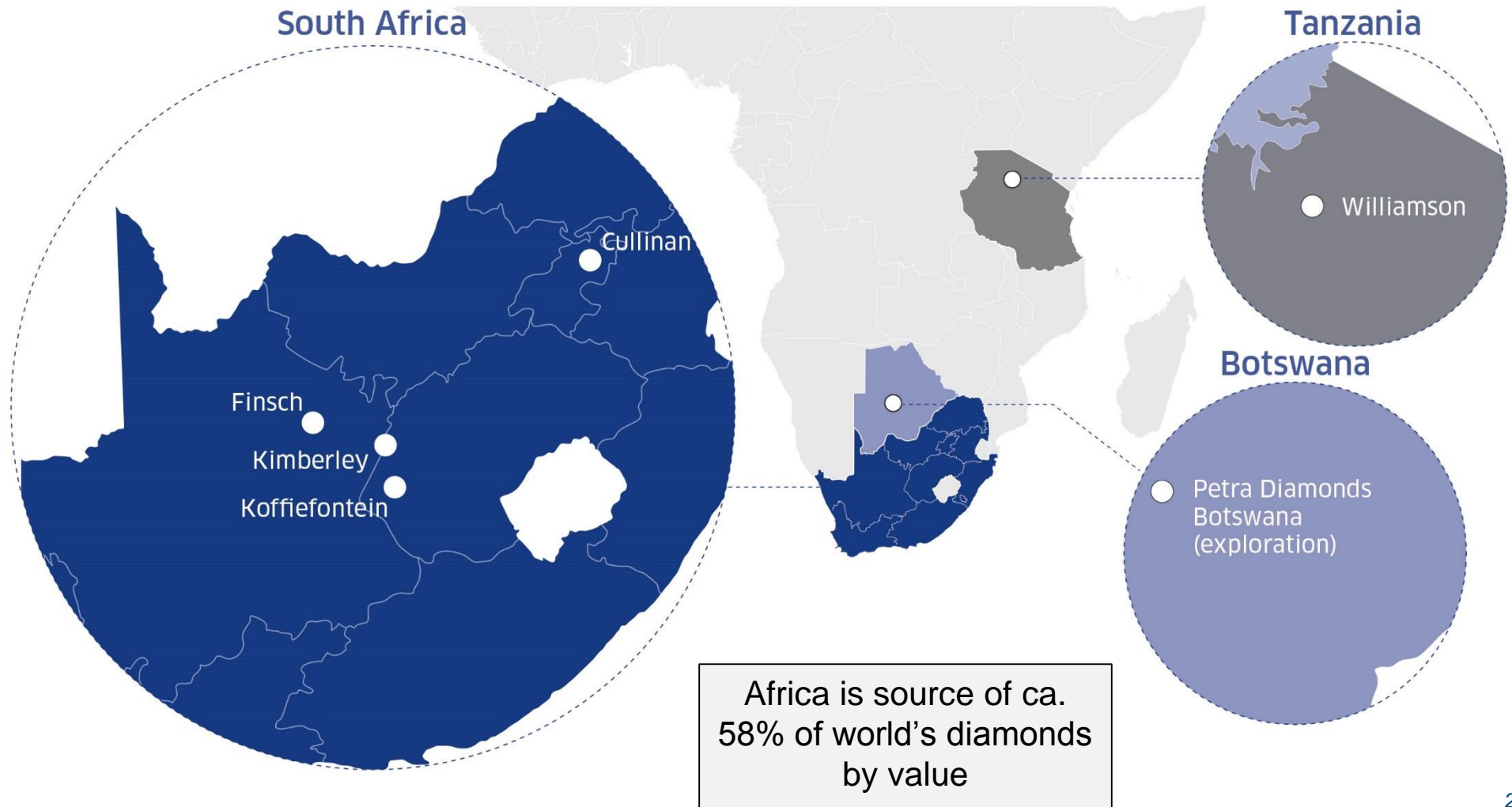
- Petra now has majority stakes in 5 of less than 30 significant kimberlite mines in operation
- Major diamond resource of 308.7 Mcts valued at ca. US\$54.3 bn¹



1. Based on FY 2015 average diamond prices

Focus on Southern Africa

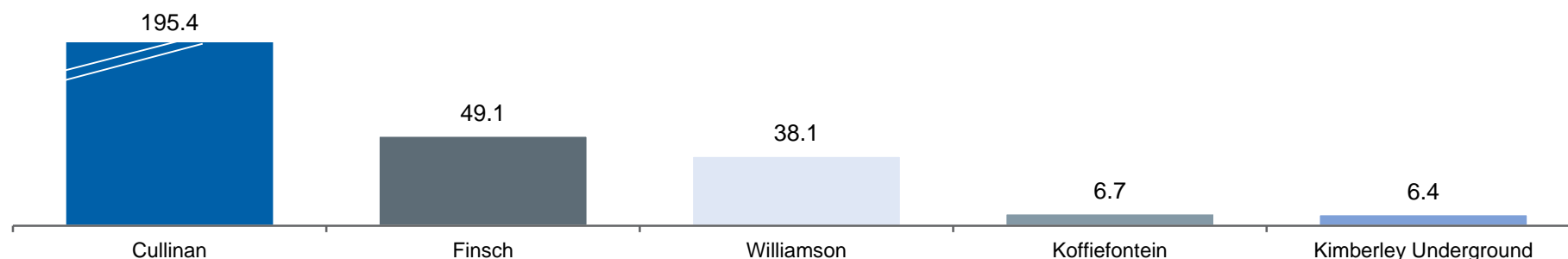
Diversified portfolio: 5 producing mines (4 in South Africa, 1 in Tanzania), extensive tailings operations in Kimberley and exploration in Botswana



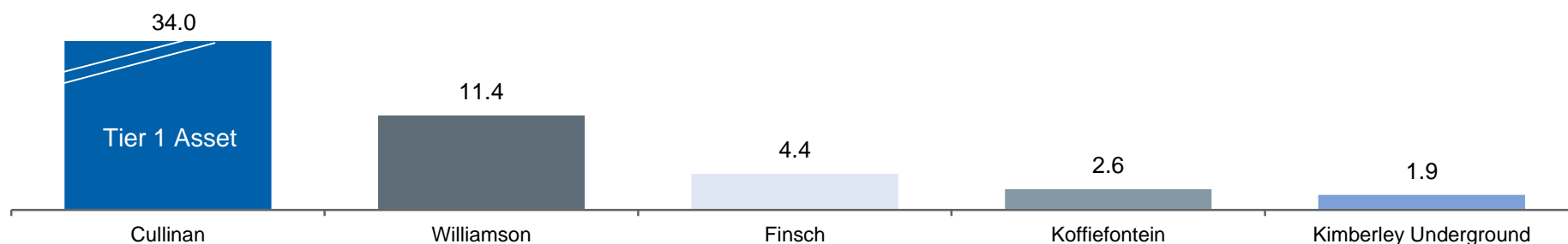
2015 Resource Statement (30 June 2015)

- World-class Resource base of 308.7 million carats¹ worth ca. \$54.3 billion²

Gross Resources (Mcts)

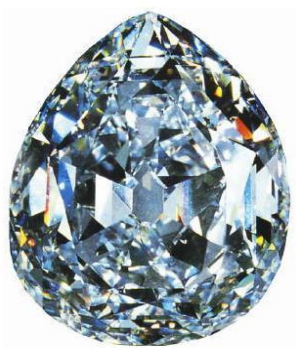


Gross In Situ Value (US\$bn)²



- The total Group Resource includes 4.1 Mcts for the Helam mine in South Africa (now on care and maintenance) and 8.8 Mcts for the KX36 exploration project in Botswana.
- The estimated Resource value uses FY 2015 average carat values to calculate the in situ values of the Cullinan, Finsch, Williamson, Koffiefontein and Kimberley Underground mines; the values for Helam and KX36 have not been included in this estimate value.

Iconic Diamonds From Iconic Mines



The Greater Star of Africa

Largest polished yield from the Cullinan at 530ct; sits in the Royal Sceptre
Cullinan, 1905



The Cullinan Heritage 507.5 carats rough **Cullinan, 2009**

The Williamson Pink
55ct rough; 24ct polished; gifted to Princess Elizabeth on her engagement
Williamson, 1947



The Golden Jubilee 755.5ct rough, 545.6ct polished **Cullinan, 1986**



The Cullinan 3,106 carats rough Largest gem diamond ever discovered **Cullinan, 1905**

The Oppenheimer
253.7ct rough
Perfect yellow diamond
Dutoitspan Mine, Kimberley U/G, 1964



The Star of Josephine 26.6ct rough, 7.0ct polished **Cullinan, 2009**



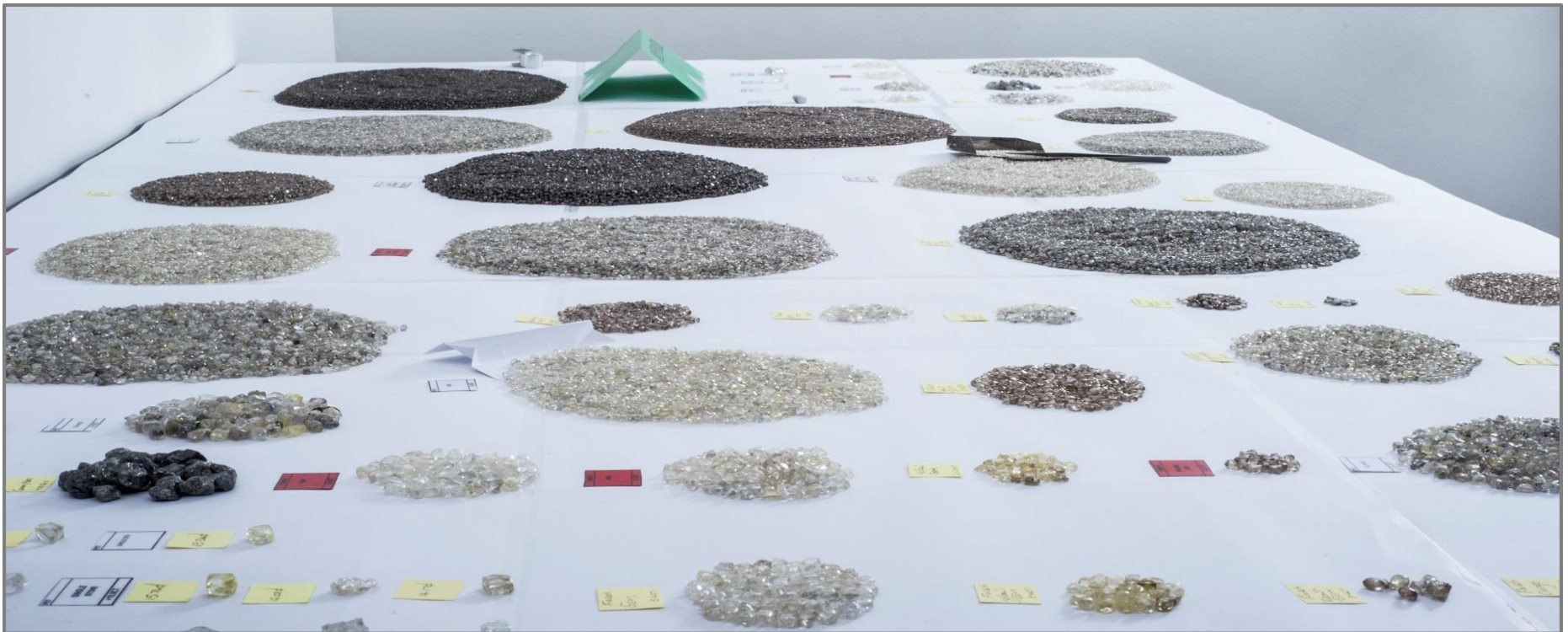
The Blue Moon of Josephine 29.6ct rough, 12.0ct polished **Cullinan, 2014**

The Taylor Burton
240.8ct rough, 69.4ct polished
Cullinan, 1966



Petra Production Profile

- The production profile of a kimberlite is highly consistent when the mine is in steady state production; Petra experienced volatility in product mix in FY 2015 due to the reliance on the heavily diluted old mining areas at its underground operations
- *Ever growing volumes* across the full diamond spectrum (from lowest to highest value)
- Growing trend for *mass luxury* supported by strong pricing performance in smaller / 2nd to 3rd quality goods



H1 FY 2016 – Results Summary

	H1 FY 2016	H1 FY 2015	FY 2015
Revenue	154.0	214.8	425.0
Adjusted mining and processing costs ¹	(99.6)	(122.9)	(272.7)
Other direct income	0.7	1.0	2.2
Profit from mining activity¹	55.1	92.9	154.5
Exploration expense	(1.9)	(2.4)	(5.6)
Corporate overhead	(4.7)	(5.6)	(9.6)
Adjusted EBITDA¹	48.5	84.9	139.3
Depreciation	(24.2)	(19.6)	(38.3)
Share-based expense	(2.4)	(2.8)	(6.6)
Net finance expense	(13.3)	(0.2)	(6.2)
Tax expense	(2.3)	(19.5)	(25.4)
Adjusted net profit after tax¹	6.3	42.8	62.8
Net unrealised foreign exchange losses	(8.5)	(3.7)	(3.2)
Net (loss) / profit after tax	(2.2)	39.1	59.6
Earnings per share attributable to equity holders of the Company – US\$ cents			
Basic (loss) / profit – from continuing operations	(0.72)	5.94	9.46
Adjusted basic profit from continuing operations ¹	0.92	6.66	10.09

1. Refer to interim results announcement dated 22 February 2016 for detailed notes explaining non IFRS adjusted disclosures

H1 FY 2016 – Operations Results

Operation	Finsch (74% ¹ Petra; 26% BEE)		Cullinan (74% ¹ Petra; 26% BEE)		Koffiefontein (74% ¹ & ² Petra; 26% BEE)		Kimberley UG (74% ¹ Petra; 26% BEE)		Williamson (75% Petra; 25% Government of Tanzania)	
	H1 FY 2016	H1 FY 2015	H1 FY 2016	H1 FY 2015	H1 FY 2016	H1 FY 2015	H1 FY 2016	H1 FY 2015	H1 FY 2016	H1 FY 2015
<u>ROM Production</u>										
Tonnes treated (t)	1,656,256	1,530,455	1,180,399	1,292,895	289,217	132,202	483,110	578,761	1,824,915	2,002,080
Diamonds recovered (carats)	749,954	651,068	303,400	333,770	24,840	9,709	76,240	72,012	89,272	95,506
Grade (cpht)	45.3	42.5	25.7	25.8	8.6	7.3	15.8	12.4	4.9	4.8
<u>Total Production</u>										
Tonnes treated (t)	2,892,584	2,746,699	1,577,557	2,505,263	551,759	462,167	681,313	578,761	2,032,136	2,172,132
Diamonds recovered (carats)	1,095,078	1,013,117	322,366	391,398	31,760	19,676	84,358	72,012	95,841	98,949
<u>Sales</u>										
Revenue (US\$M)	75.2	77.3	25.0	77.7	9.9	7.1	15.5	18.1	29.5	34.6
Diamonds sold (carats)	912,069	906,214	227,759	314,957	21,568	18,215	61,113	56,470	80,359	98,270
Average price per carat (US\$)	82	85	110	247 ³	457	389	253	321	366	352
<u>On-mine cash cost per tonne treated</u> (ZAR unless otherwise stated)	182	160	254	152	317	263	253	251	US\$11	US\$12
<u>Total Capex</u>	32.6	39.5	84.5	54.0	15.3	13.5	7.8	5.9	9.7	5.9

1. Other than the percentage interests above, Petra has an interest in Sedibeng Mining, one of its BEE partners – refer document ‘Effective Interest in Mines’: <http://www.petradiamonds.com/investors/analysts/analyst-guidance>; 2. Petra has an interest in Re Teng Diamonds (Pty) Ltd, the BEE partner for the Koffiefontein mine; 3. Excluding exceptional diamonds, the average value for H1 FY 2015 was US\$124 per carat

Petra Rough Diamond Pricing

	Actual Weighted Average ¹ US\$/ct H1 FY 2016	Guidance Weighted Average US\$/ct FY 2016	Actual Weighted Average US\$/ct FY 2015	Ranges of Individual Tender Results ² US\$/ct FY 2015
Finsch	82	94	90	82 – 112
Cullinan	110	126 ³	174 ⁴	106 – 135
Koffiefontein	459	570	386	226 – 536
Kimberley Underground	254	327	302	246 – 376
Williamson	367 ⁵	303	298	217 – 354

1. Includes sales to Petra's in-house cutting and polishing subsidiary Tarorite (Pty) Ltd totalling 295.5 carats valued at US\$1.28 million across the operations; excludes sales by Helam and Tarorite totalling 477.9 carats, US\$0.21m.
2. Excluding Exceptional Diamonds
3. Excluding Exceptional Diamonds
4. Excluding Exceptional Diamonds, the average value per carat was \$119
5. Excluding Exceptional Diamonds, the average value per carat was \$241

Finsch – Development Programme

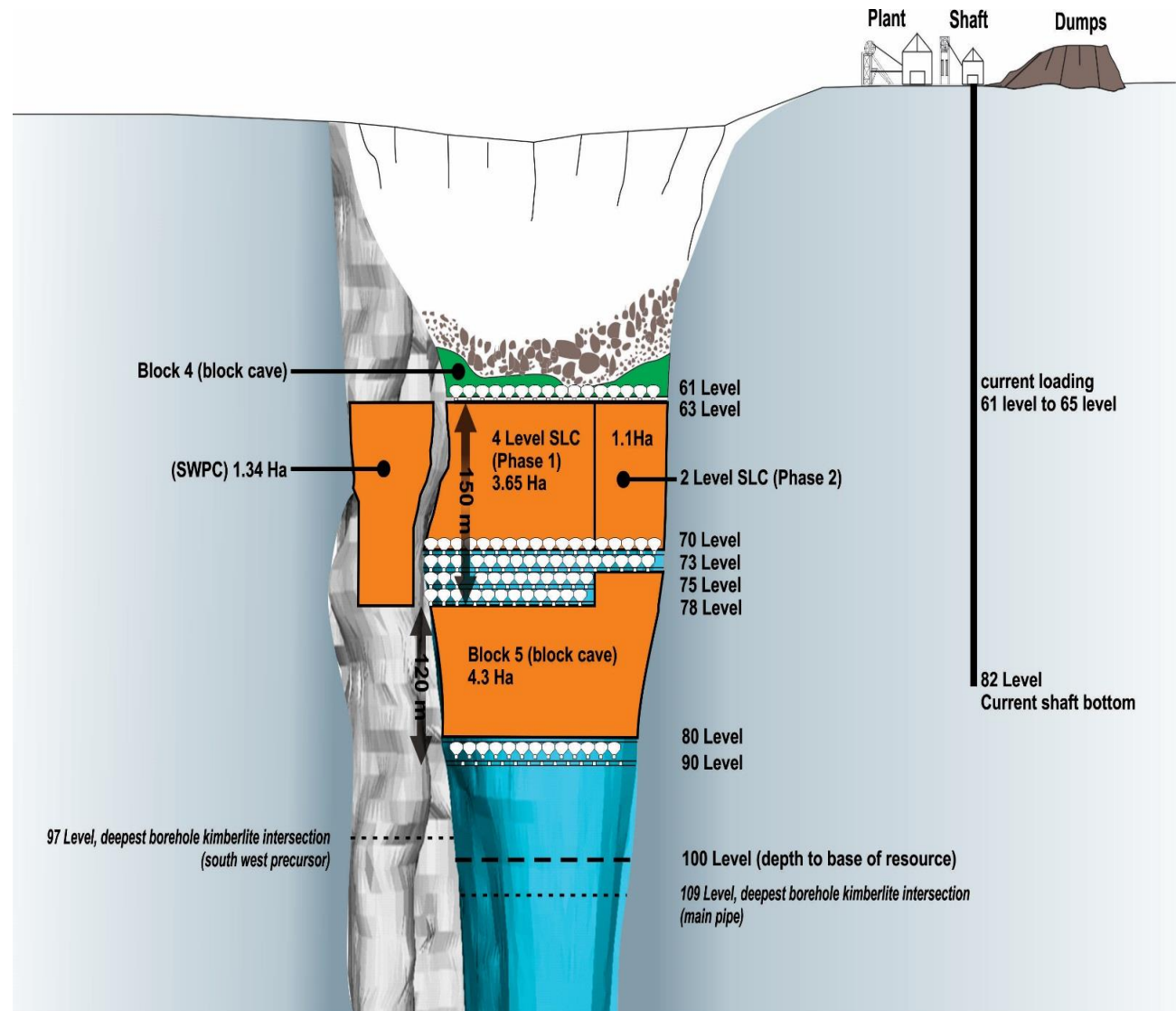
Expansion Plan

- Expansion plan to take production to ca. 2.0 Mctpa (ROM) by FY 2018
- Sub level cave – development of 3 out of 4 levels complete
- New Block 5 Block Cave to be installed at 900m

Key Future Milestones

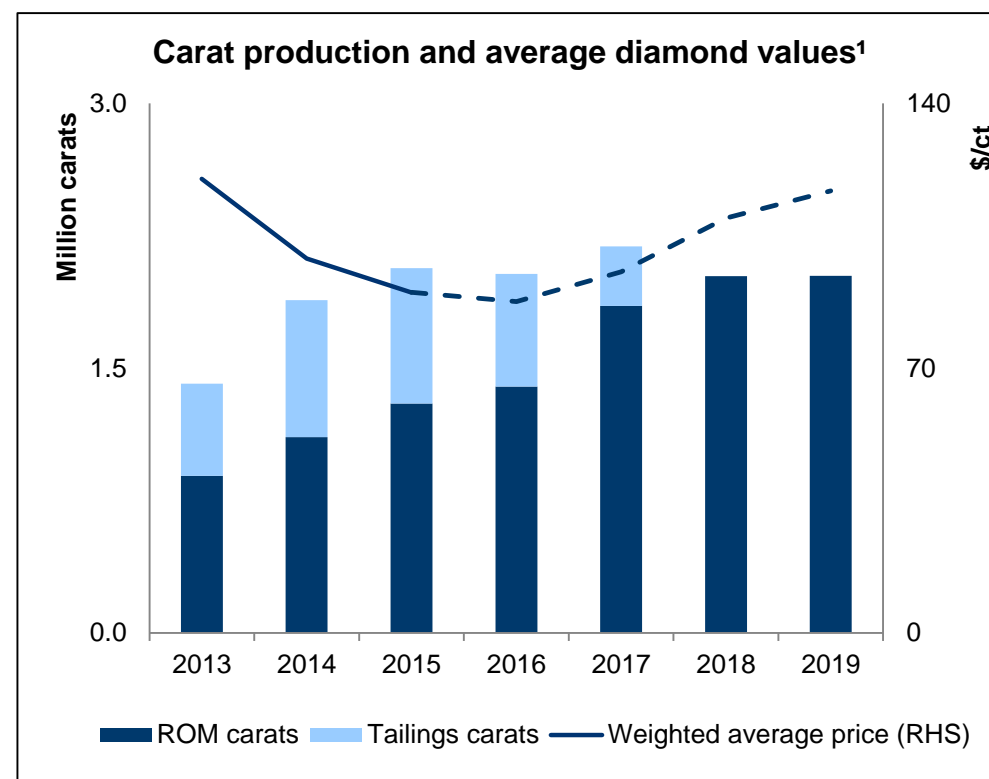
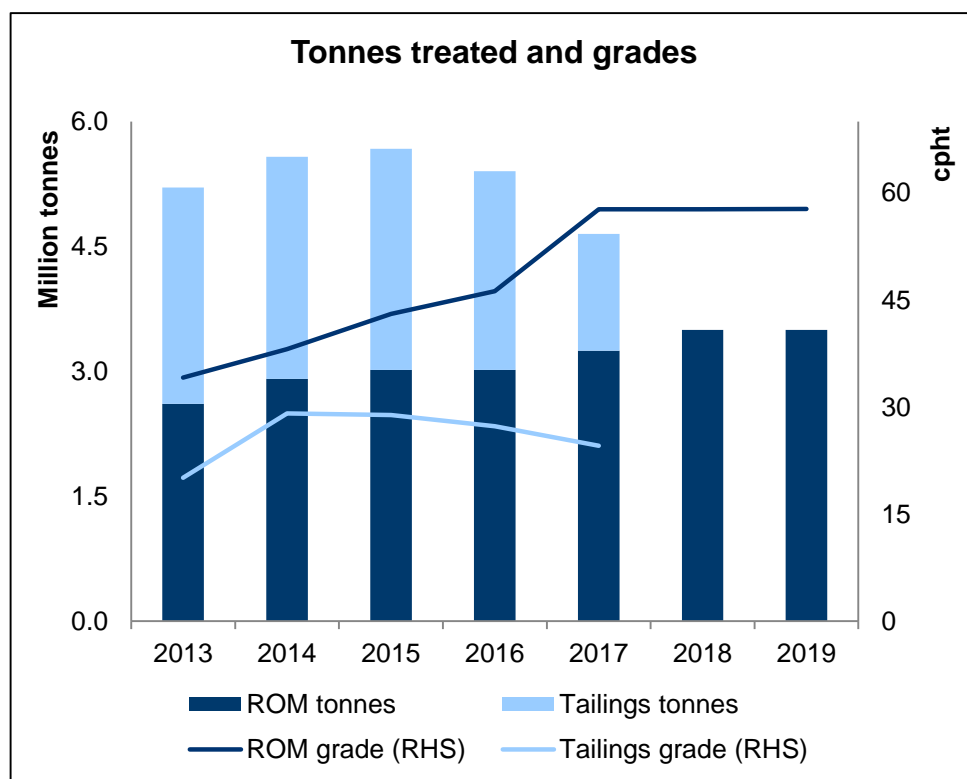
- Production from SLC – end H1 FY 2016
- Dedicated conveyor ore-handling infrastructure (to transfer SLC ore to existing infrastructure at 650m) – end FY 2016
- Mining of South West Precursor from 630m to 780m – from H2 FY 2016
- Further bulk sampling at overburden dumps – FY 2016
- Decommissioning of Block 4 automated ore-handling system – FY 2017
- Steady state ROM production – FY 2018
- Pre 79 Tailings treated – until FY 2017
- Block 5 Block Cave at 900m – FY 2024

FY 2015 Development : 4,217 metres; Raiseboring: 376 metres; Kimberlite: 1,038 metres



Finsch – Production Plan

- ROM tonnages to rise ca. 16%, but ROM carat production to rise ca. 56% due to higher grade
- Positive impact on average value per carat as tailings production winds down



1. Forecasts for average value per carat calculated using FY 2016 guided prices less 9%, flat pricing for FY 2017 (real terms), and thereafter a 4% annual real price increase

Cullinan – Development Programme

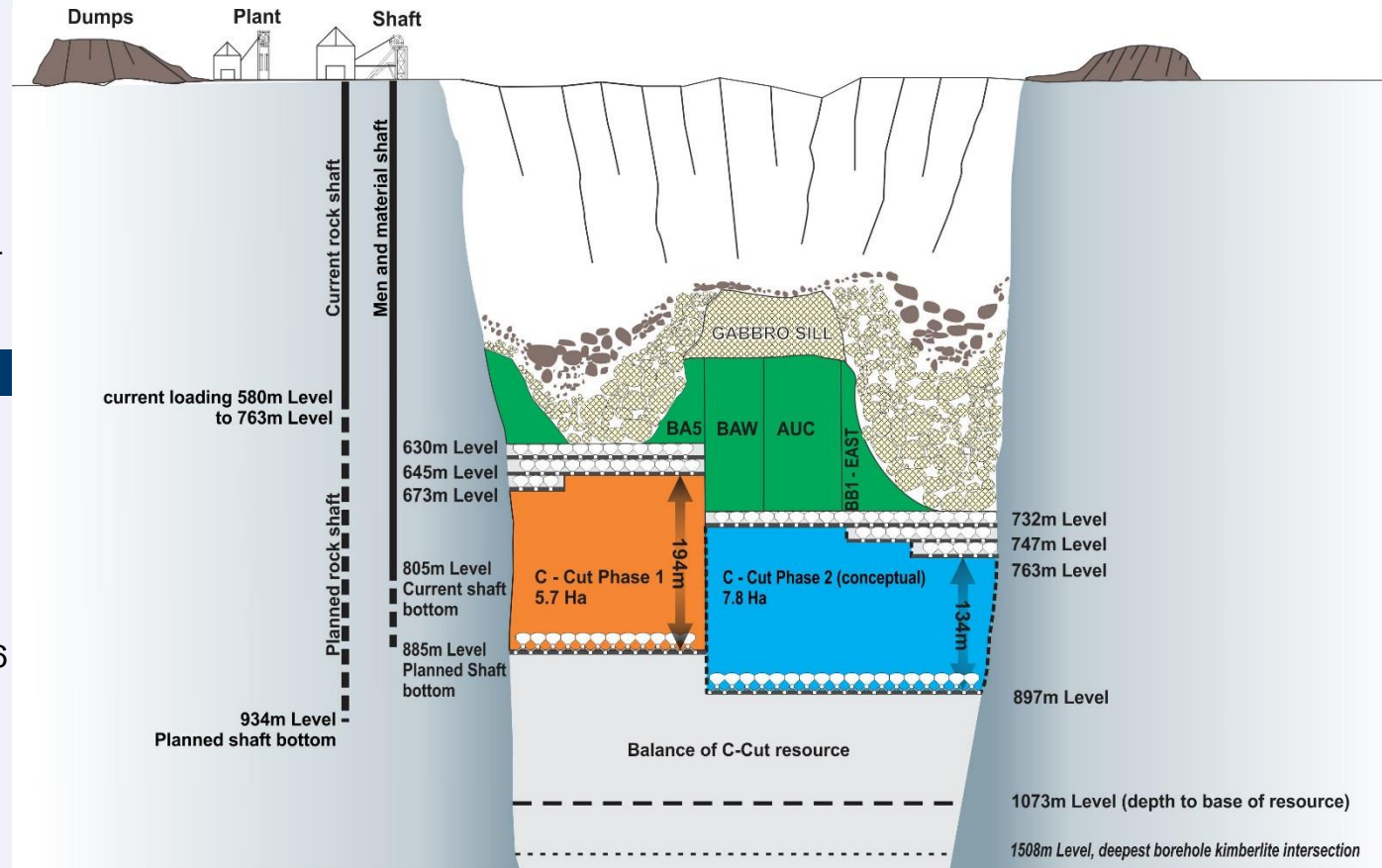
Expansion Plan

- Expansion plan to take production to +2 Mcts by FY 2019
- C-Cut Phase 1: new block cave being established on the western side of the orebody
- Development work transitioning from waste tunnelling in host rock to kimberlite
- First rings in the undercut blasted – June 2015

Key Future Milestones

- New production levels to be established at 839m and shaft to 930m to be commissioned – FY 2016
- 880m ore-handling system, allowing for future ramp-ups to utilise full C-Cut footprint – FY 2016
- Initial production from new C-Cut cave – H2 FY 2016
- Ore shaft completed and commissioned – H1 FY 2017
- New Cullinan plant operational – end FY 2017
- Steady state ROM production (4 Mtpa) – FY 2019

FY 2015: Development: 4,282 metres; Raiseboring: 614 metres; Kimberlite: 2,285 metres



Cullinan Case Study – New Plant

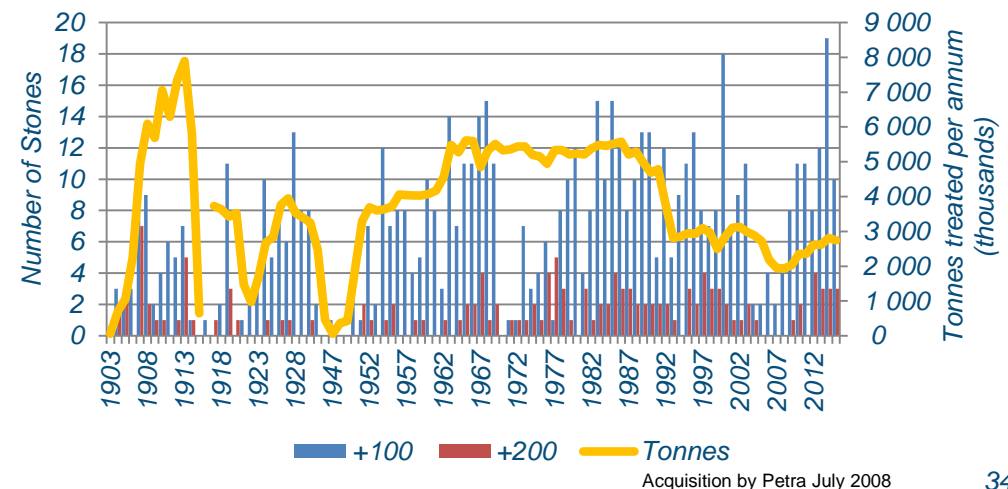
Expected benefits of new plant

- Footprint decreases from ca. 26 to ca. 5 hectares
 - Expected reduction in number of conveyor belts from 151 (ca. 15km) to 22 (ca. 3km)
- Increase in revenue per tonne
 - Increase in grade due to increased liberation across the full diamond spectrum
 - Improved recoveries of large, higher value stones; less diamond breakage as new plant will utilise gentler processing methods (comminution via attrition) instead of extensive crushing
- Saving in processing costs
 - Operating cost savings due to increased energy efficiency, reduced water consumption, reduced circulation and reduction in maintenance requirements
- Strong standalone economics
 - Payback of ca. 3 years
 - IRR of 25%

Existing Cullinan Plant

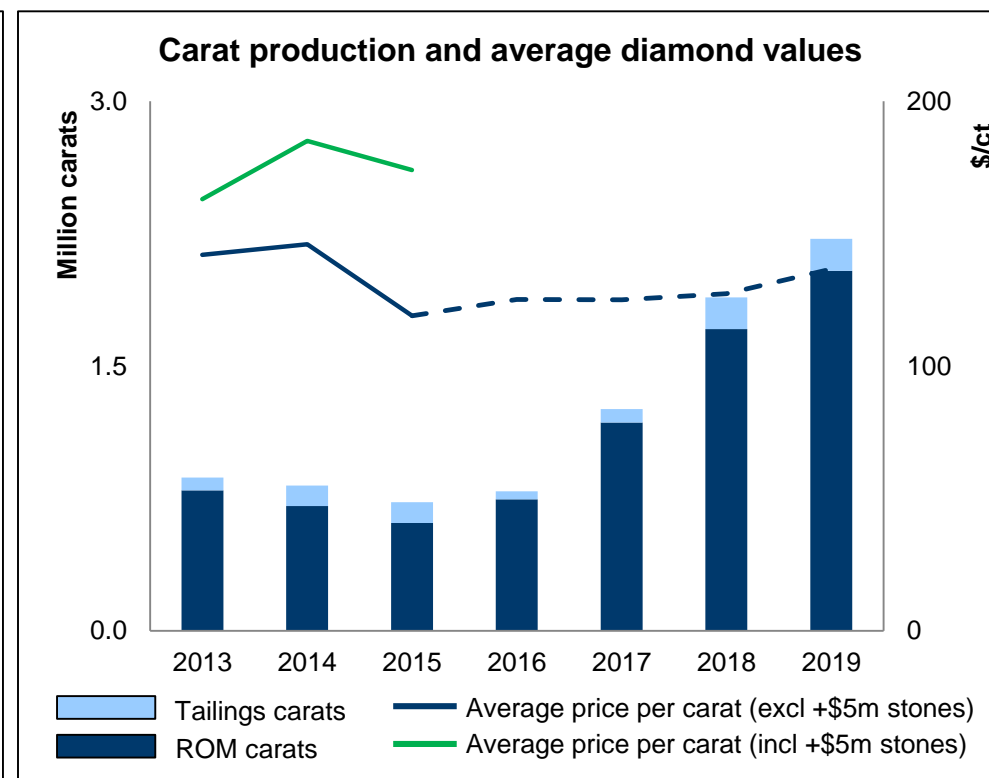
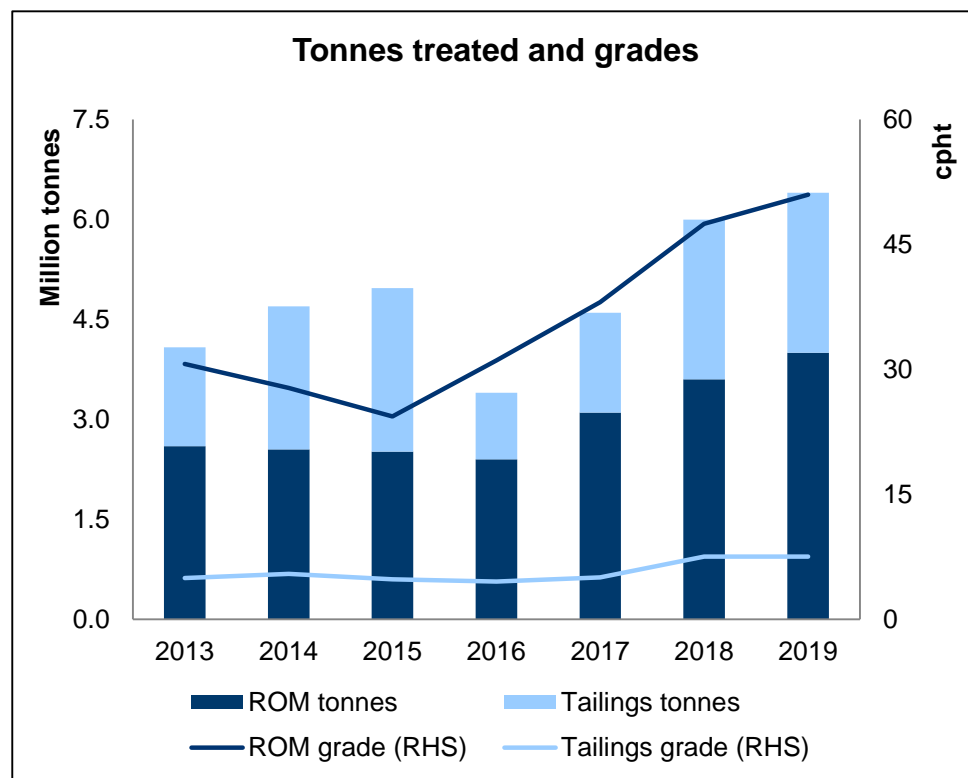


Historic large diamond recovery at Cullinan



Cullinan – Production Plan

- ROM tonnages to rise 60%, but ROM carat production expected to rise +200%, due to increase in grade as result of mining undiluted C-Cut tonnes

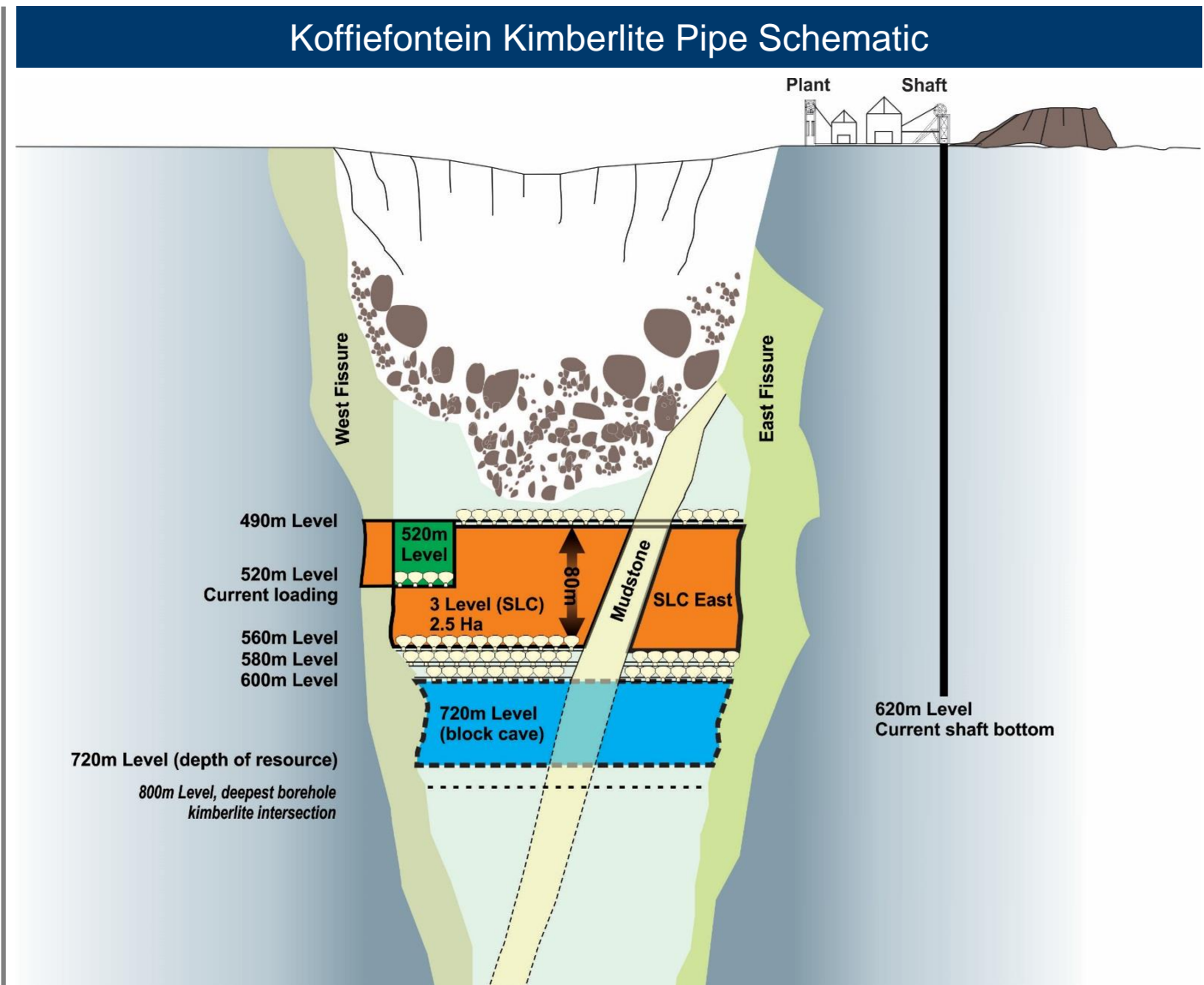


- Forecasts for average value per carat calculated using FY 2016 guided prices less 9%, flat pricing for FY 2017 (real terms), and thereafter a 4% annual real price increase

Koffiefontein – Development Programme

Expansion Plan – to take production to ca. 100,000 ctpa by FY 2017

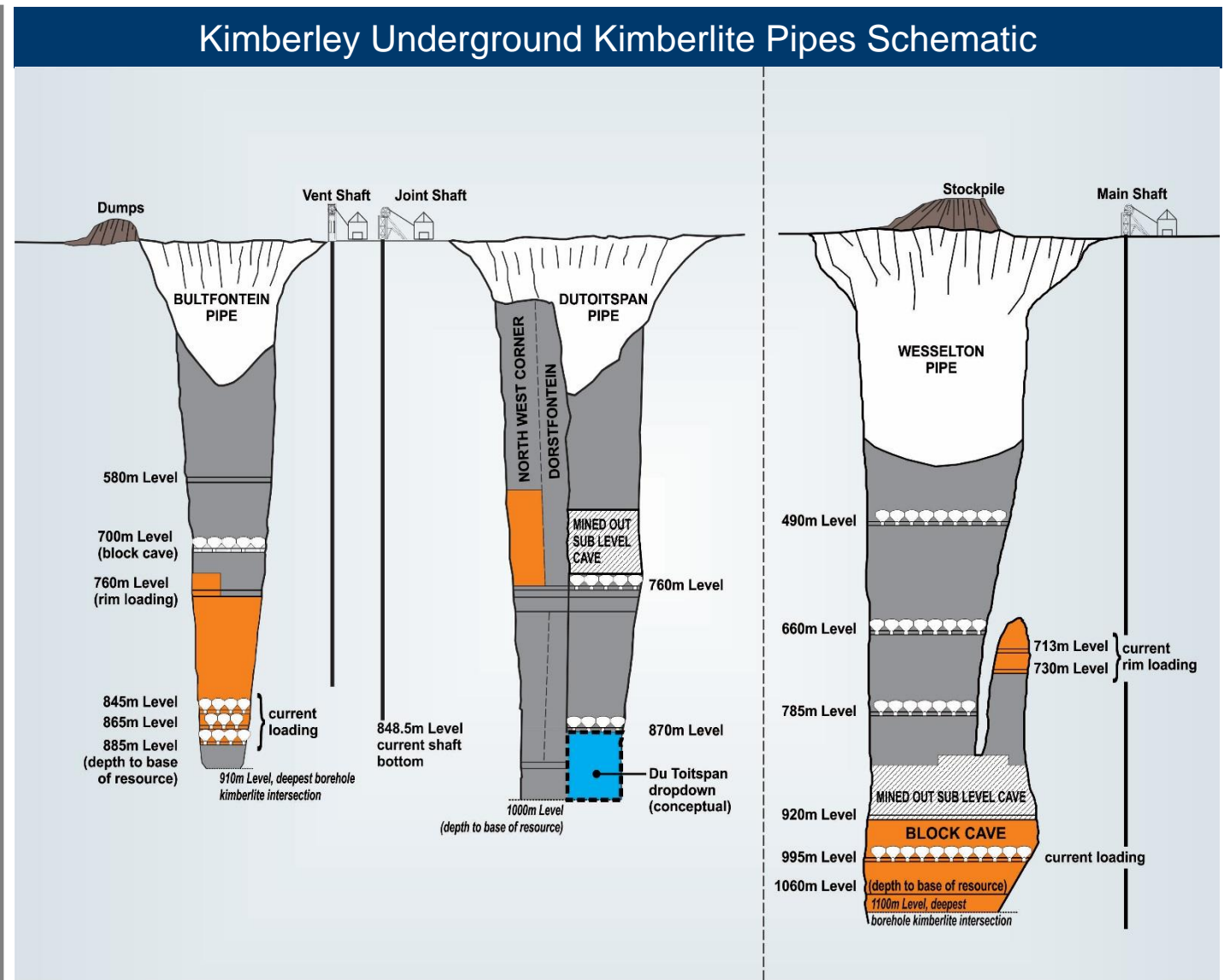
- SLC to be mined over 3 levels from 560 mL to 600 mL
- Production commenced from first tunnels of SLC on 560 mL – end FY 2015
- ROM production supplemented by ore from Ebenhaezer open pit (ca. 5 ha) – FY 2016
- 52L western Fissure comes into production to supplement ore from SLC Phase 1 on 56L – FY 2016
- Ramp up ROM production to 1.1 Mt by FY 2017



Kimberley Underground – Development Programme

Expansion Plan – planned production of ca. 170,000 ctpa by FY 2016

- Planned ROM tonnes treated of ca. 1.2 Mtpa – from FY 2015
- Planned grade of 13 – 15 cpht from FY 2016
- Scope refinement of underground development at the Joint Shaft extending lives of Bultfontein and Dutoitspan to match Wesselton

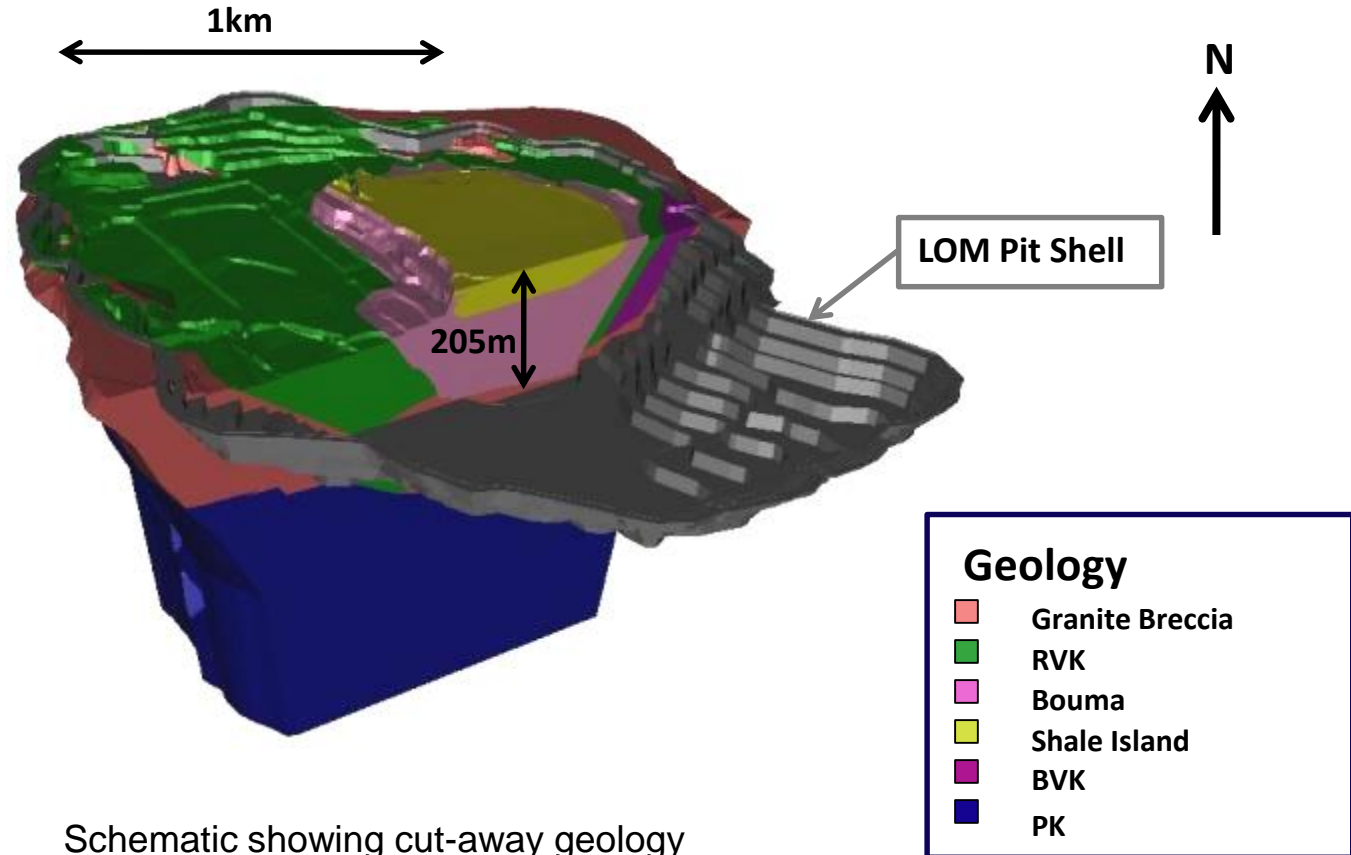


Williamson – Development Programme

Expansion Plan – to take production to ca. 350,000 ctpa by FY 2018

- Plant modifications (additional crusher circuit, 2 autogenous mills) to commence – FY 2016
- Commissioning of crusher – FY 2016
- Commissioning of 2 autogenous mills – H1 FY 2017
- ROM throughput for FY 2016 planned at 3.8 Mt due to downtime associated with plant modifications
- Ramp up of ROM production to c. 5 Mtpa (at ca. 7 cpht) by FY 2018

Williamson Kimberlite Pipe Schematic

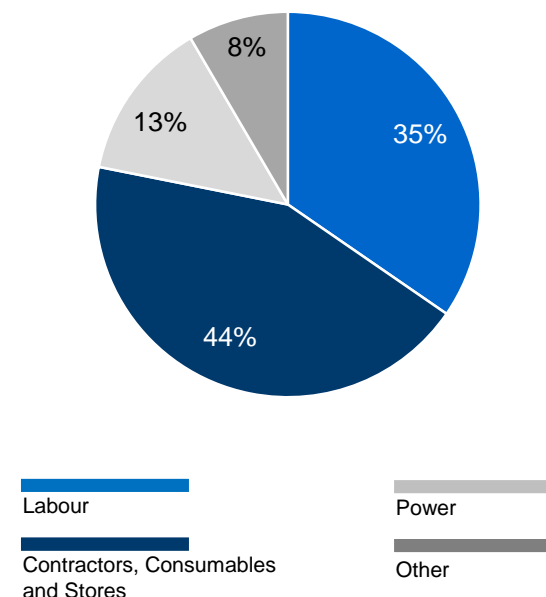


Schematic showing cut-away geology and planned open pit

H1 FY 2016 Operating Costs

- Petra's focus on cost control and the weaker ZAR helped to mitigate inflationary pressures
- On-mine cash operating costs in H1 FY 2016 remained in line with expectations, despite the ongoing inflationary pressures.
- On-mine cash costs decreased by 7.3% due to:
 - the continued ramp-up of more costly underground production in line with the Group's strategy (1.2% increase)
 - inflationary increases, including the impact of electricity and labour costs (7.0% increase)
 - positively offset by the effect of translating South African operations' ZAR denominated costs at weaker ZAR/USD exchange rates (15.5% decrease)

On-mine cash cost make-up (Petra Group)



Cost per tonne treated performance at Finsch and Cullinan

		H1 FY 2016 (Actual)	FY 2016 (Guidance)	H1 FY 2015 (Actual)	FY 2015 (Actual)
Finsch	ZAR	182 ¹	173	160	164
Cullinan	ZAR	254 ²	173	152	154

1. Start-up of Bulk Sampling Plant (commissioned late FY 2015) added ZAR8/t, resulting in unit costs exceeding guidance

2. Decision taken to cut-back tailings throughput resulted in unit cost exceeding guidance; absolute costs in ZAR terms remained in line with expectations

Debt Facilities

Bank facilities (excl FX lines) ca. \$241 million as at 31 December 2015

Lender	Type	Size US\$M	Size ZARM	Utilised at 31 Dec 2015 ZARM / US\$M	Interest Rate	Repayment
Absa & RMB (FNB)	ZAR Amortising term facility	52 ¹	800	-	3M JIBAR + 3.5%	3 semi-annual payments from Mar 2018
IFC	USD Amortising term facility	35	-	US\$35M	3M LIBOR + 4.0%	3 semi-annual payments from Mar 2018
Absa & RMB (FNB)	ZAR Revolving credit facility	97 ¹	1,500	-	JIBAR + 5.0%	Repayable Dec 2019
IFC	USD Revolving credit facility	25	-	US\$18.8M	1M LIBOR + 5.5%	Repayable Dec 2019
Absa & RMB (FNB)	ZAR Working capital facility	32 ¹	500	ZAR156M	SA Prime – 1.0%	Subject to annual renewal

- Bank debt facilities undrawn and available to the Group at 31 December 2015: US\$177.1 million

1. US\$m equivalent, exchange rate US\$1:ZAR15.4615

Capex Profile

Financial Year		2015A	2016	2017	2018	2019
Operation						
Finsch	ROM tonnes treated (Mt)	3.0	3.0	3.2	3.5	3.5
	Tailings tonnes treated (Mt)	2.7	2.4	1.4	-	-
	Expansion Capex (ZARm)	747	700	620	400	150
	Sustaining Capex (ZARm)	184	100	90	90	90
Cullinan	ROM tonnes treated (Mt)	2.5	2.3	2.8	3.6	4.0
	Tailings tonnes treated (Mt)	2.5	2.3	2.4	2.4	2.4
	Expansion Capex (ZARm)	1,199	2,050	960	260	170
	Sustaining Capex (ZARm)	101	90	80	80	80
Koffiefontein	ROM tonnes treated (Mt)	0.3	1.0	1.1	1.1	1.1
	Surface tonnes treated (Mt)	0.5	0.3	-	-	-
	Expansion Capex (ZARm)	265	250	80	20	20
	Sustaining Capex (ZARm)	42	60	40	40	40
Kimberley Underground	ROM tonnes treated (Mt)	1.2	1.2	1.2	1.2	1.2
	Expansion Capex (ZARm)	121	150	90	60	50
	Sustaining Capex (ZARm)	39	50	40	40	40
PETRA (SA Operations)	Expansion Capex (ZARm)	2,331	3,150	1,750	740	390
	Sustaining Capex (ZARm)	365	300	250	250	250
Williamson	ROM tonnes treated (Mt)	4.1	3.8	4.5	5.0	5.0
	Alluvial tonnes treated (Mt)	0.4	0.4	-	-	-
	Expansion Capex (USDm)	8.3	17	5	4	3
	Sustaining Capex (USDm)	7.9	3	3	3	3
PETRA (All Operations)	ROM tonnes treated (Mt)	11.1	11.3	12.8	14.4	14.8
	Tailings / other tonnes treated (Mt)	6.0	5.4	3.8	2.4	2.4
	Total tonnes treated (Mt)	17.1	16.7	16.6	16.8	17.2

1. All Capex numbers are stated in FY 2016 money terms (except for FY 2015 actuals).
2. Depreciation on mining assets for FY 2016 guided at ca. \$52 million.
3. As in prior guidance, capital estimates above do not include any capitalised borrowing costs. Guidance is to assume majority of borrowing costs are to be capitalised.
4. The Block 5 Block Cave expansion capital (post FY 2019) is guided at ca. ZAR250 million p.a. (FY 2016 money terms), to be incurred over the five year period FY 2020 to FY 2024.
5. Mine plans beyond FY 2030 will leverage off infrastructure established as part of the current capital programmes. Plans to extend current mine lives will be made available in future guidance.



PetraDiamonds



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