PetraDiamonds

Bank of America Merrill Lynch Global Metals & Mining Conference

16 – 18 May 2017

Value over Volume

MEMBER OF DIAMOND PRODUCERS ASSOCIATION

London Stock Exchange LISTED PREMIUM

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Discover Petra…

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

Petra expansion plans expected to:

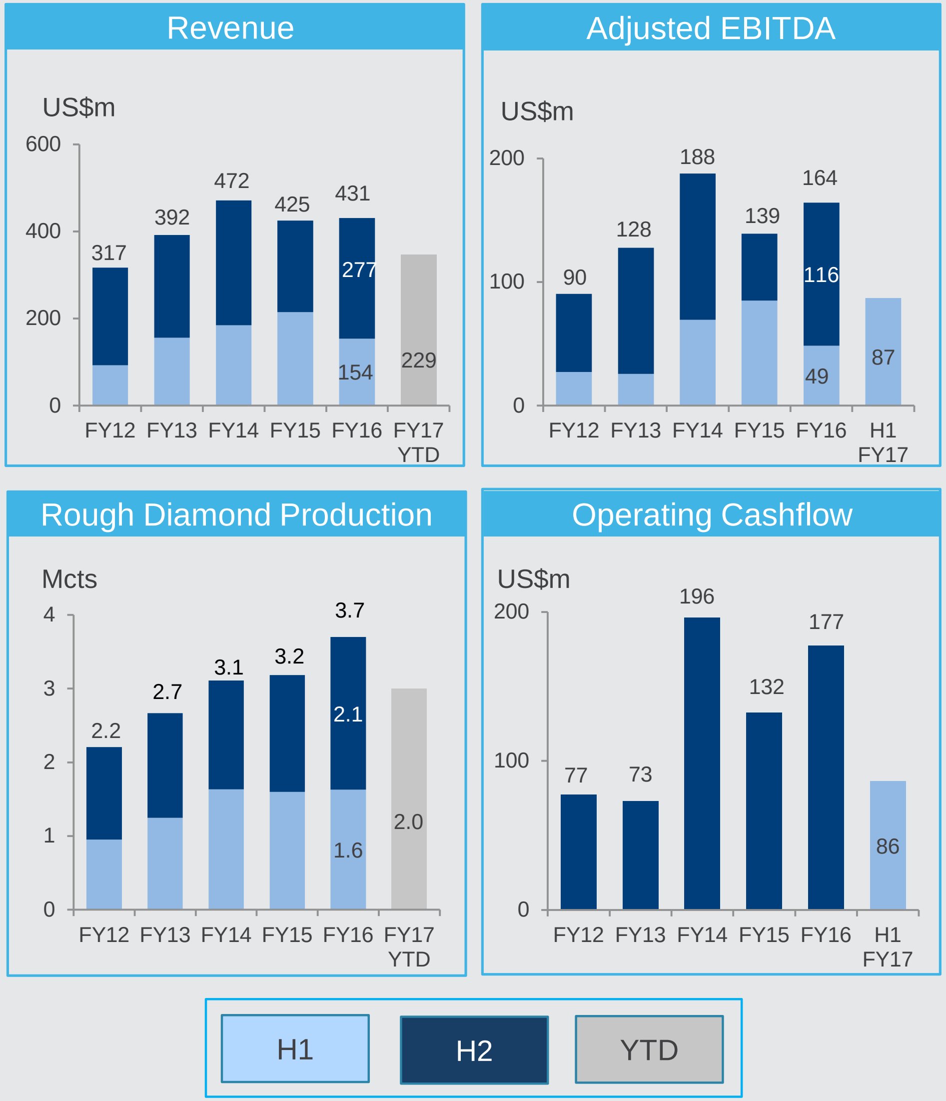
- Improve grades
- Improve product mix
- Improve operating costs

Driving VALUE

- Significantly higher operating margins

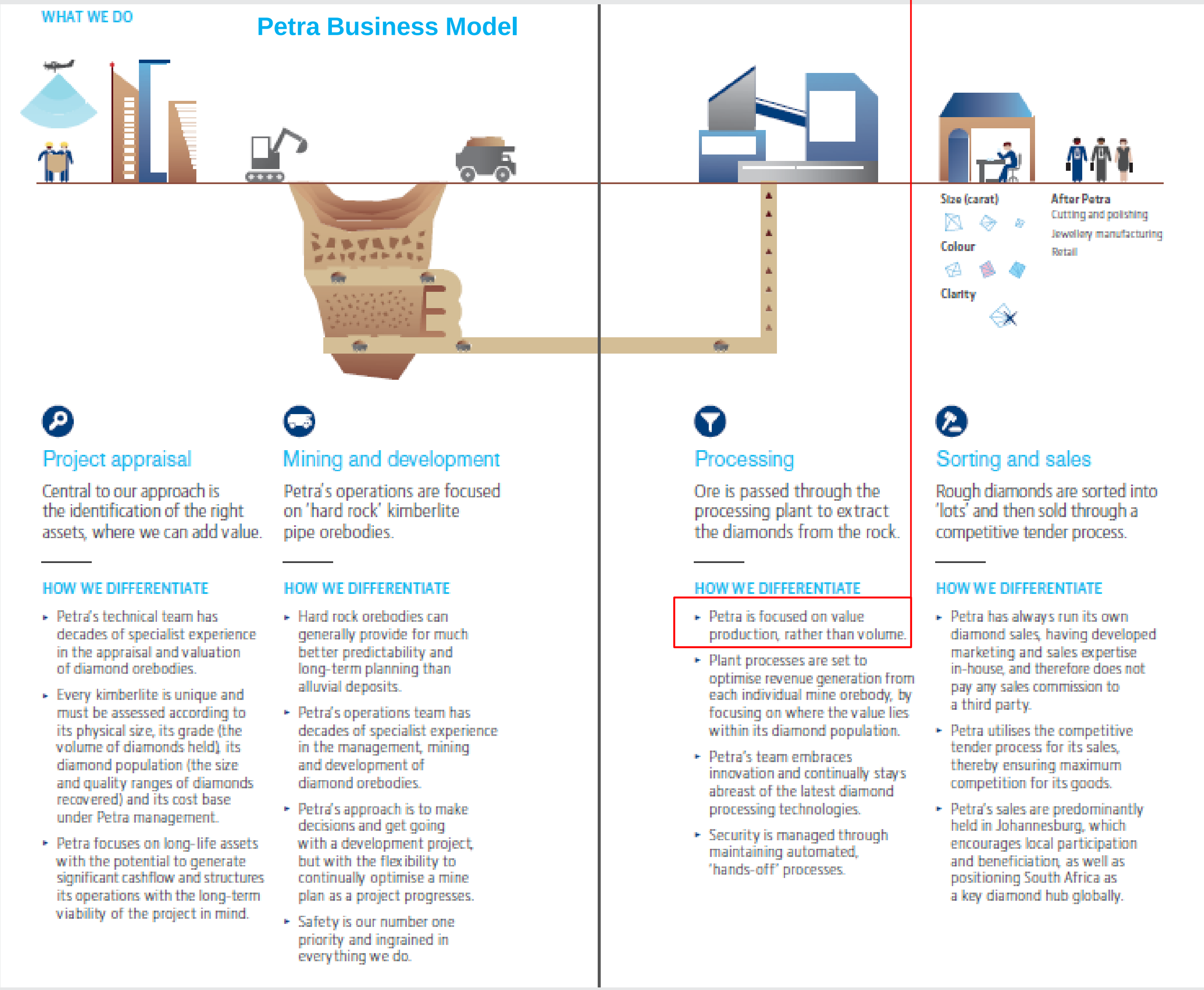
Driving VOLUME

- Carat growth to ca. 5.3 Mcts by FY 2019



LSE: PDL; market capitalisation of ca. £680 million / $880 million (as at 9 May 2017)

Core Objective to 'Focus on Value'



WHAT WE DO

Petra Business Model

Project appraisal

Central to our approach is the identification of the right assets, where we can add value.

HOW WE DIFFERENTIATE

- Petra's technical team has decades of specialist experience in the appraisal and valuation of diamond orebodies.
- Every kimberlite is unique and must be assessed according to its physical size, its grade (the volume of diamonds held), its diamond population (the size and quality ranges of diamonds recovered) and its cost base under Petra management.
- Petra focuses on long-life assets with the potential to generate significant cashflow and structures its operations with the long-term viability of the project in mind.

Mining and development

Petra's operations are focused on 'hard rock' kimberlite pipe orebodies.

HOW WE DIFFERENTIATE

- Hard rock orebodies can generally provide for much better predictability and long-term planning than alluvial deposits.
- Petra's operations team has decades of specialist experience in the management, mining and development of diamond orebodies.
- Petra's approach is to make decisions and get going with a development project, but with the flexibility to continually optimise a mine plan as a project progresses.
- Safety is our number one priority and ingrained in everything we do.

Processing

Ore is passed through the processing plant to extract the diamonds from the rock.

HOW WE DIFFERENTIATE

- Petra is focused on value production, rather than volume.
- Plant processes are set to optimise revenue generation from each individual mine orebody, by focusing on where the value lies within its diamond population.
- Petra's team embraces innovation and continually stays abreast of the latest diamond processing technologies.
- Security is managed through maintaining automated, 'hands-off' processes.

Sorting and sales

Rough diamonds are sorted into 'lots' and then sold through a competitive tender process.

HOW WE DIFFERENTIATE

- Petra has always run its own diamond sales, having developed marketing and sales expertise in-house, and therefore does not pay any sales commission to a third party.
- Petra utilises the competitive tender process for its sales, thereby ensuring maximum competition for its goods.
- Petra's sales are predominantly held in Johannesburg, which encourages local participation and beneficiation, as well as positioning South Africa as a key diamond hub globally.

HOW WE DIFFERENTIATE

- Petra is focused on value production, rather than volume.

- Diamonds are not homogenous – our mines produce 1 carat stones worth anything from $1 to +$1 million
- Each mine's kimberlite has a unique fingerprint in terms of its production profile - by size, quality and colour
- Plant processes are configured to capture the value within each unique production profile
- Important to maximise revenue and cashflow, NOT production volumes

Petra Production Profile - the Full Spectrum

- Petra is mining ever growing volumes across the full spectrum of diamond categories
- Company is not reliant on performance of one category
- Production profile of a kimberlite is highly consistent when the mine is in steady state production

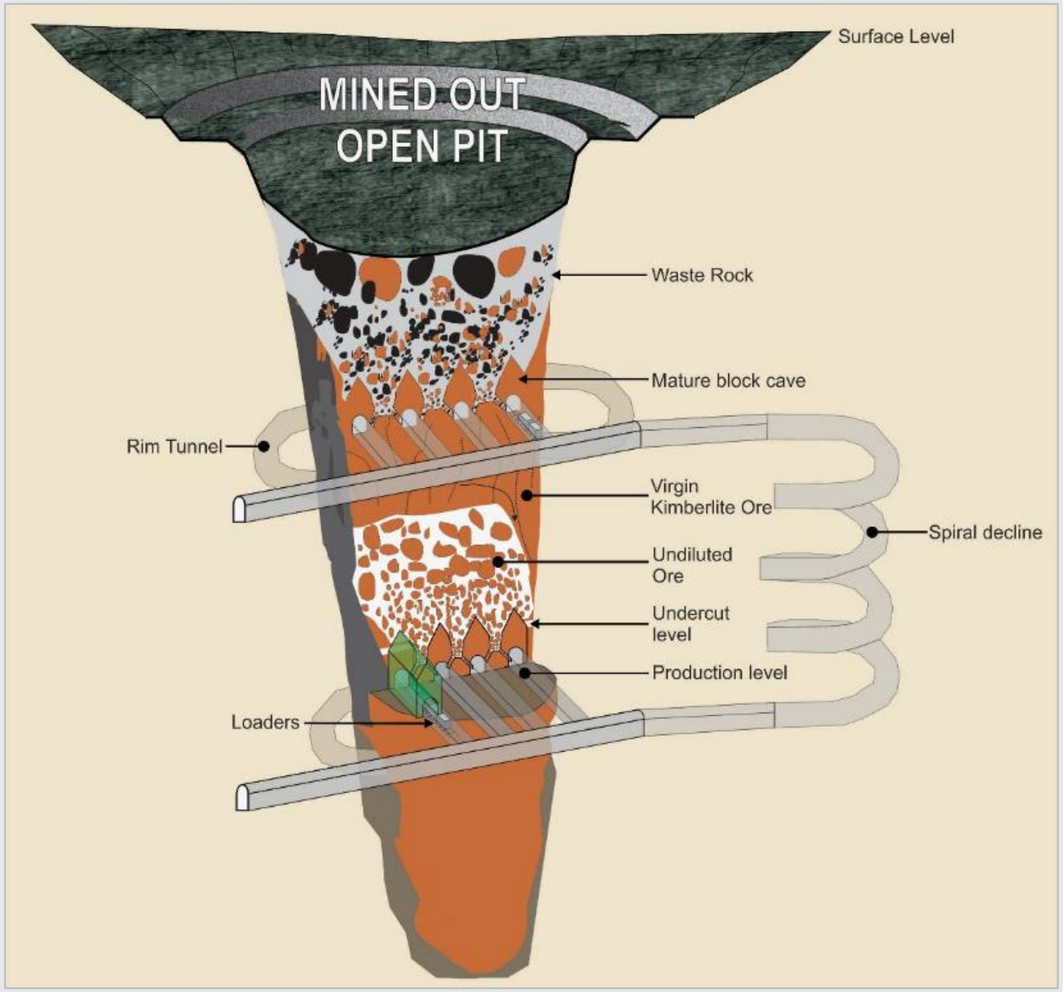
High volumes of lower quality and commercial goods at a typical tender layout

Smaller volumes of high quality but run-of-mine goods

Very rare Exceptionals: The Blue Moon and the Cullinan Heritage

Moving to Undiluted Ore

Petra Diamonds



- 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
- ROM grades expected to rise significantly, increasing margin per tonne mined:

  Finsch +25%: ca. 44 cpht to ca. 55 cpht[1]

  Cullinan +79%: ca. 28 cpht to ca. 50 cpht[1]

- Will reduce wear and tear on processing systems (waste rock is harder and more abrasive than kimberlite)

[1] Management expectations

Petra's Growth Path – Delivering Volume, Value and Free Cashflow

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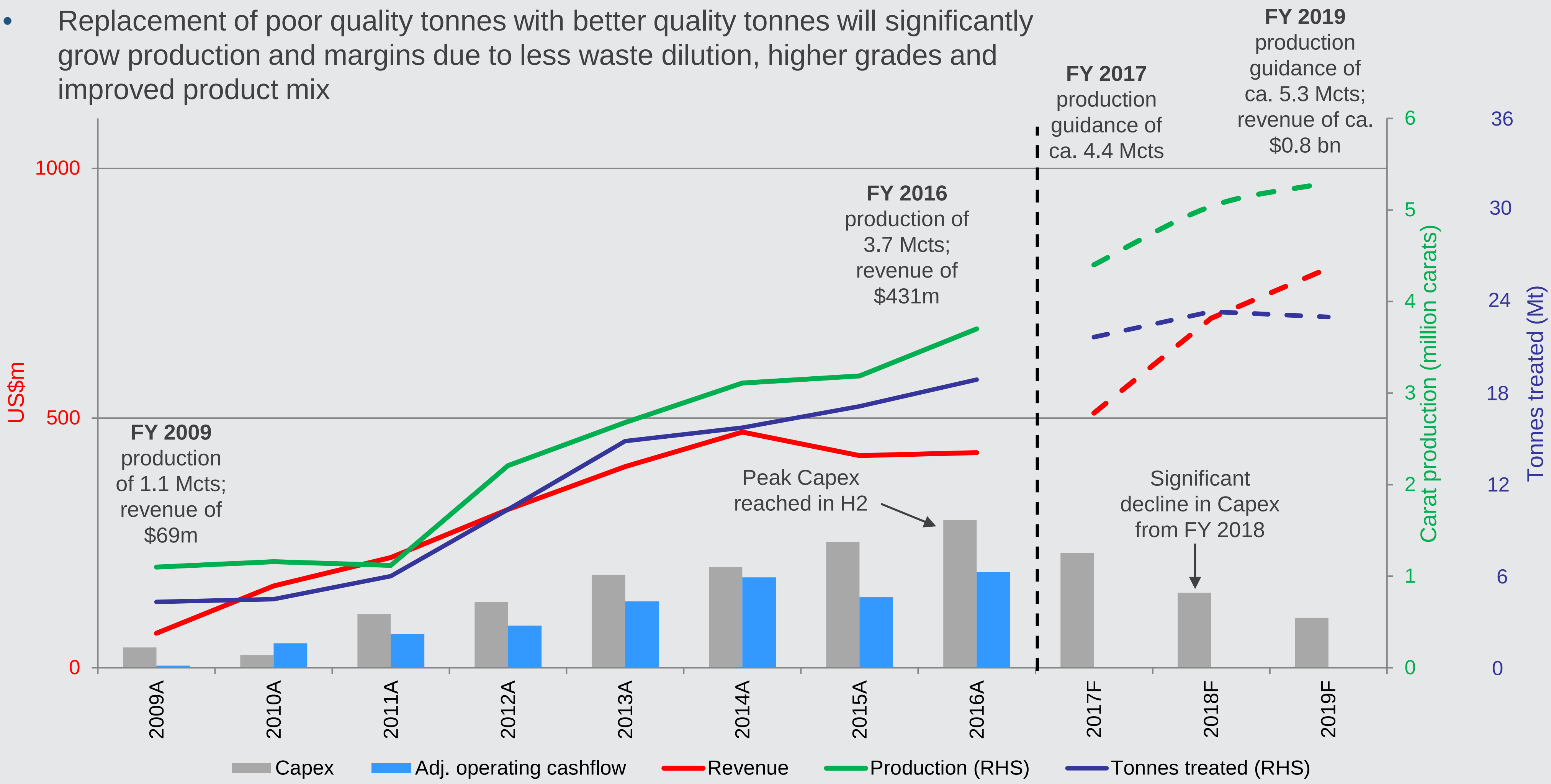
- Petra to maintain a fairly flat tonnage profile from FY 2017 onwards
- Replacement of poor quality tonnes with better quality tonnes will significantly grow production and margins due to less waste dilution, higher grades and improved product mix



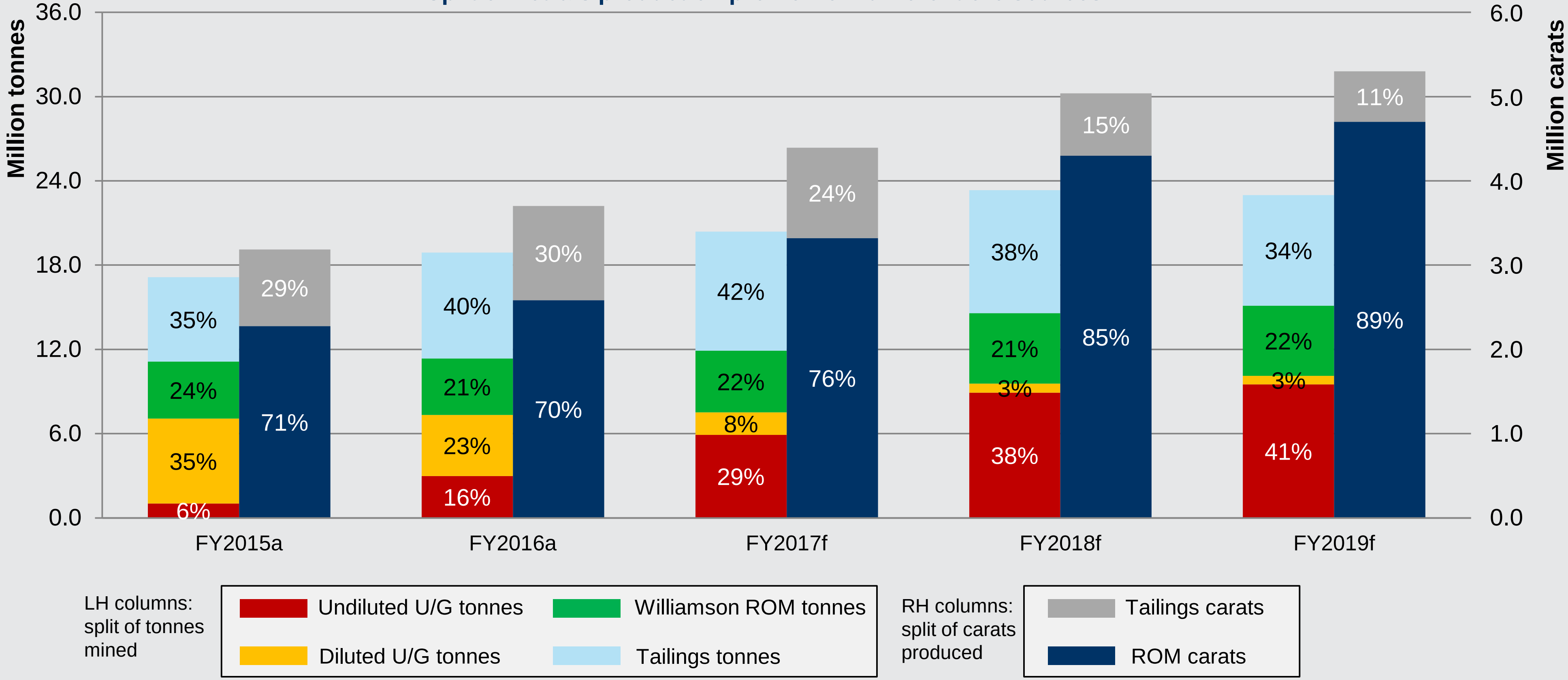
1. All forecasts for Capex, revenue and production are management estimates; Capex is in nominal terms; diamond prices are calculated using a 4% pa real price increase
2. Capex, production, adj. operating cashflow and revenue relating to KEM JV stated at 75.9% Petra attributable terms

Growth and Margin Expansion

Adjusted EBITDA margin expected to rise from ca. 38% in FY 2016 to +50% by FY 2019

- Increase in ROM grades together with an increase in tonnage throughput (mainly due to Kimberley Mines transaction) to lead to ca. 43% growth in production
- Lower value tailings carat production to reduce from 30% in FY 2016 to 11% of carat production by FY 2019

Split of Petra's production profile from different ore sources[1]

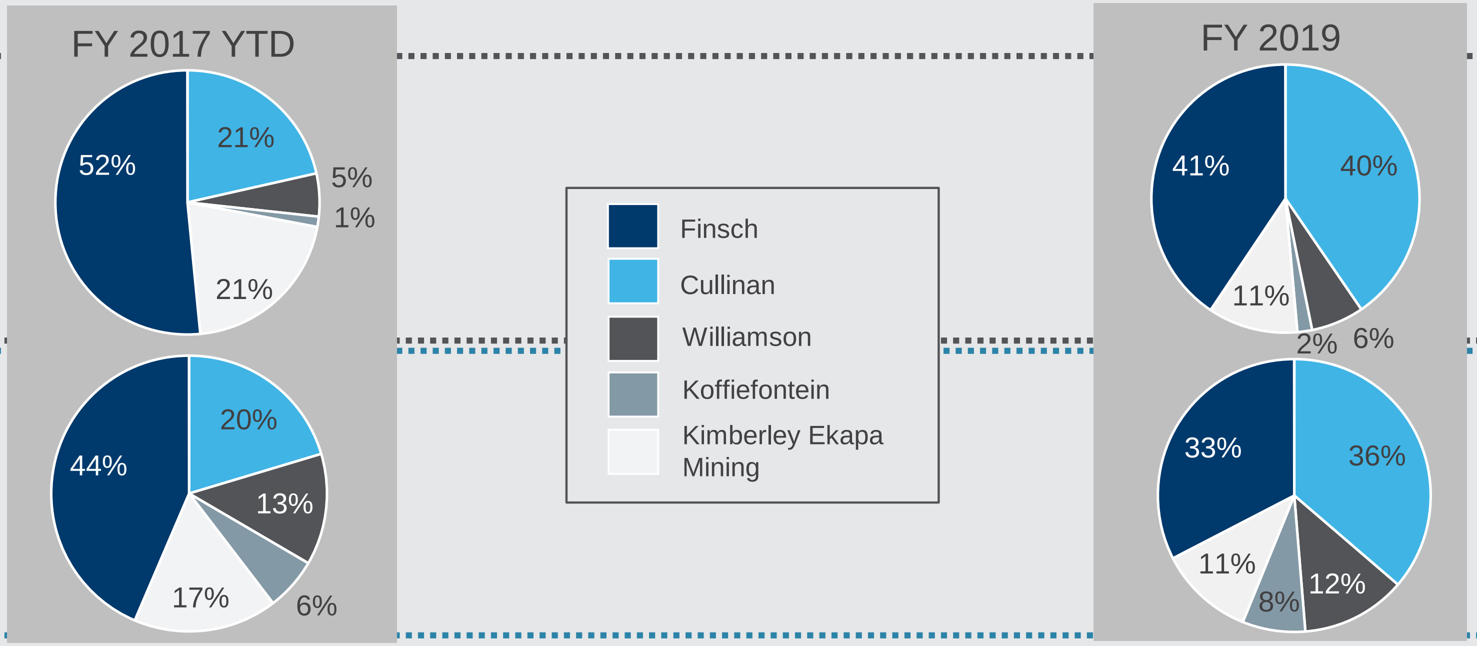


1. Production relating to KEM JV stated at 75.9% Petra attributable terms

FY 2017 YTD (9 months to 31 March 2017)

Production by mine

Revenue by mine



Production and expansion programmes on track

- FY 2017 YTD production +15% to 3.0 Mcts; on track for guidance of ca. 4.4 Mcts for full year
- SLC at Finsch expected to deliver ca. 0.9 Mt and new Cullinan C-Cut block cave expected to deliver ca. 1 Mt in FY 2017; new Cullinan plant expected to be fully commissioned by Year end

Robust Balance Sheet[1]

- 31 March 2017: net debt of $508.4 million, cash of $66.2 million, diamond debtors of $37.9 million and bank facilities available of $6.0 million
- 12 April 2017: $650 million Notes Issue: debt maturity extended to 2022 and cash position significantly strengthened

[1] (see slides 38, 39, 40 for more information)

Diamond Market – Overview

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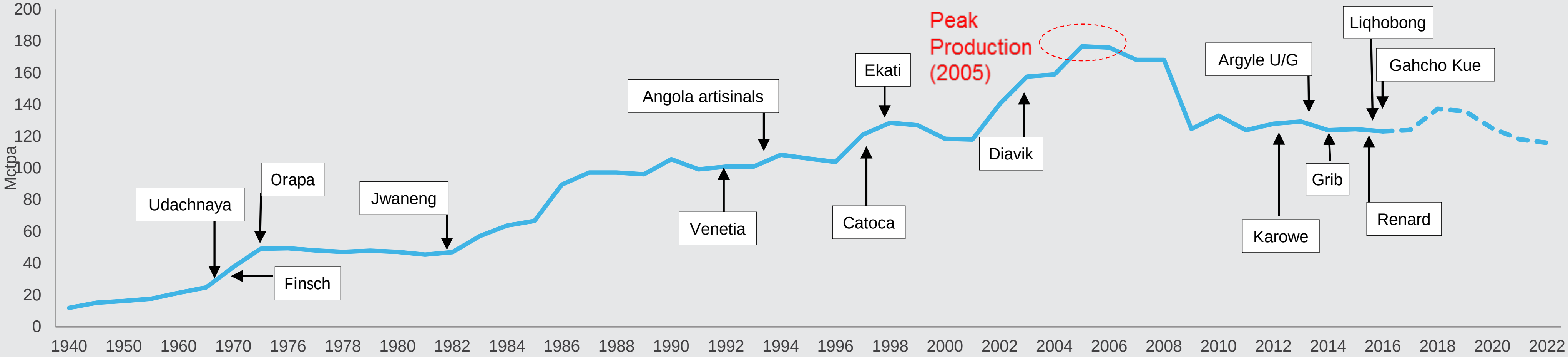
Supply

- Supply constraints*:* Global rough diamond production rose 2% to 127 Mcts worth $13.9bn in 2015 (average $109/ct)
- 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 2016/2017 not large enough to counter declines from world's major producers
- World supply expected to decline slowly after 2020

Demand

- US recovery*:* economy continues to improve; very strong diamond buying culture (ca. 45% of world demand); retail demand 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 ($200 to + $2,000)

Global Diamond Supply: Historical & Forecast Rough Production



Source: Kimberley Process Statistics / RBC Capital Markets

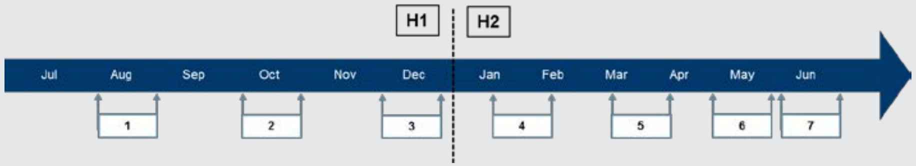
Diamond Market – Overview

PetraDiamonds

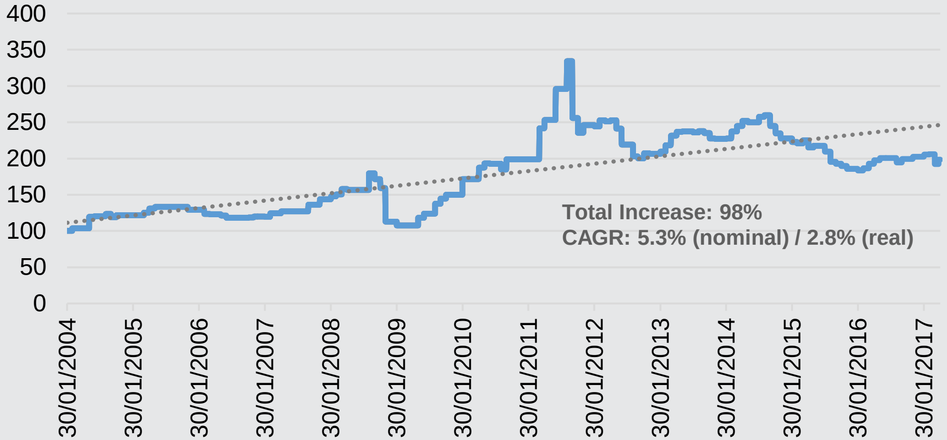
FY 2017 Market Conditions

- Rough diamond prices flat in H1 (Jul to Dec 2016), then up ca. 2% for Q3 FY 2017 (Jan to Mar 2017) on a like for like basis
- Petra conservatively guiding for flat diamond pricing for FY 2017, but improved product mix expected for Finsch, Cullinan and Koffiefontein (less tailings contribution and ever-increasing volumes of ore from undiluted areas)

Petra Sales Timing – FY 2017



Rough Diamond Index (Jan 2004 to Apr 2017)



Outlook

- Signs of stabilisation in rough diamond market evident with steady demand across all size ranges, including goods which were previously impacted by Indian demonetisation
- Further evidence of improving retail demand, with some encouraging trends in Mainland China, as well as narrowing declines in Hong Kong and Macau
- DPA launched new iconic industry marketing platform: “Real is Rare – Real is a Diamond”; advertising commenced in US in Oct 2016; will launch in India in early autumn 2017 and in China by mid 2018

Petra – Rough Diamond Prices (US$/ct)

	Actual[1] Q3 FY 2017	Actual[1] 9m to 31/3/17	Guidance[2] FY 2017	Actual[1] FY 2016
Finsch	99	98	100-105	89
Cullinan	98	115[3]	105-115	126[4]
Koffiefontein	652	535	520-550	462
Kimberley Ekapa Mining	94	94	125-130	132[5]
Williamson	236	278[6]	220-230	384[7]

1. All sales (both ROM and tailings) including exceptional diamonds were used to calculate the average values
2. Weighted average (ROM and tailings), Excluding Exceptional Diamonds
3. Excluding Exceptional Diamonds, the average value per carat was $106
4. Excluding Exceptional Diamonds, the average value per carat was $109
5. The average value per carat for FY 2016 reflects the dilutive impact of combining tailings and ROM sales from H2 FY 2016 onwards
6. Excluding Exceptional Diamonds, the average value per carat was $247
7. Excluding Exceptional Diamonds, the average value per carat was $238

Appendix

Sustainability

Health and Safety

- Petra's mining method and operations are inherently safe but there is an ever present risk of accidents
- Intensification of safety initiatives and new control procedures put in place as a result of the fatalities experienced in FY 2017; renewed focus on safety; Petra striving for zero harm
- Improving LTIFR (0.23 for Q3 FY 2017); Finsch won two MineSAFE Awards

Stable Employee Labour Relations

- FY 2017 is last year of 3 year wage agreement
- Restructure of Group BEE holdings – Itumeleng Petra Diamonds Employee Trust (IPDET) now holds 12% in each SA operation

Training and Development

- $5.8m spent on training & development programmes in FY 2016

Environment – continued focus on efficiencies

- All expansion programmes designed for improvements in energy, water and carbon emitted per tonne
- Petra shortlisted by Carbon Disclosure Project for 'Best year on year change in performance' for FTSE 350 companies'

Cullinan hosts a careers day for local students

Annual CEO Tour of Operations – presentation on Petra's strategic direction and opportunity for employees to have direct access and Q&A

Capital Structure

Share Price (1 year to 9 May 2017) vs FTSE 250 & FTSE 350 Mining

As at 9 May 2017	Number of voting rights	% ISC
BlackRock, Inc.	80,723,260	15.2%
T. Rowe Price	51,958,815	9.8%
Directors	21,062,590	4.0%

Listing	LSE: PDL
Average daily trading volume (shares) – (LTM)	3.0m
Shares in issue	530.2m
Free float	93.7%
Market cap @ 128p (9 May 2017)	£680m / $880m

The Petra Board & Senior Management

PetraDiamonds

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
- 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 listed diamond company

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

Jacques Breytenbach
Chief Financial Officer

- Assumed role in June 2016, having held position of Finance Manager – Operations at Petra since 2006
- Leads financial management of Petra and is responsible for financing, treasury, financial controls, reporting, legal, investor relations, compliance and corporate governance

Koos Visser
Chief Operating Officer

- Assumed role in June 2016, having been Group Operations Manager at Petra since 2005
- Previous broad industry experience includes Utilities and Technical Services Manager at Impala Platinum

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, Kenmare Resources, J. D. Wetherspoon plc and several quoted Asian closed end funds
- Currently 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

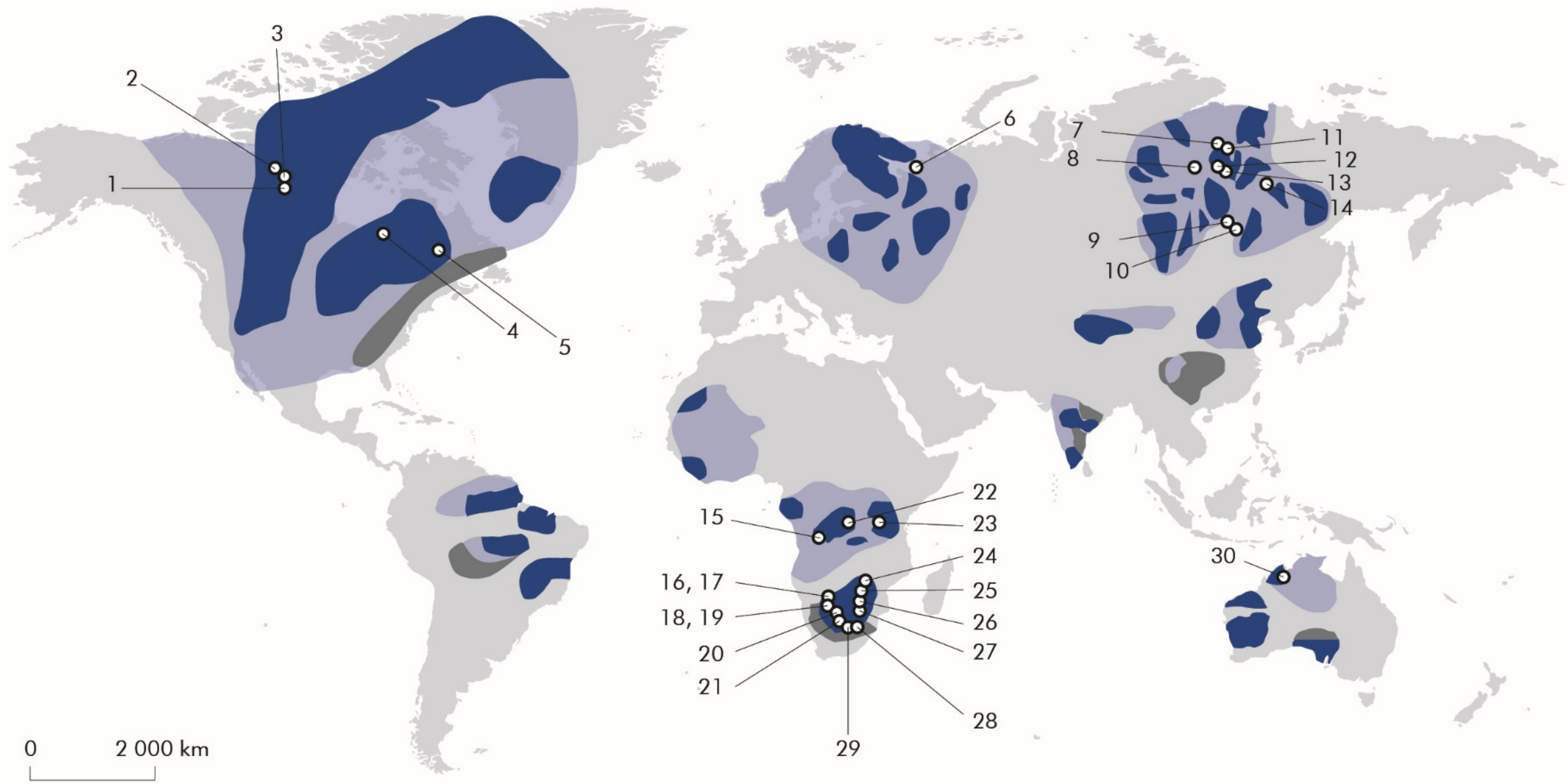
Gordon Hamilton
Independent Non-Executive Director

- 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

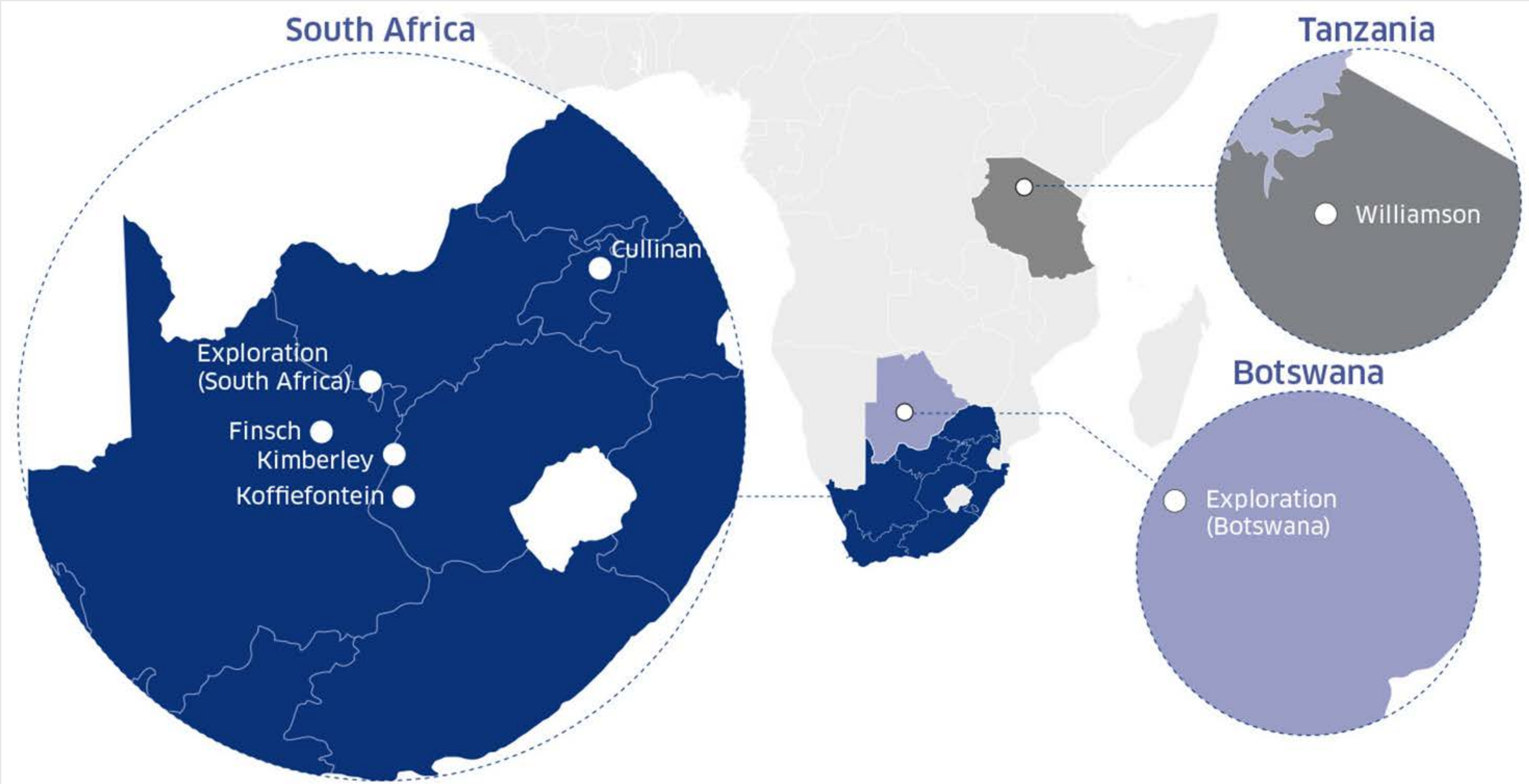


- Archons: Archean areas (3 500-2 500 million years old)
- Protons: Early and middle proterozoic areas (2 500-1 500 million years old)
- Tectons: Late proterozoic areas (1 500-600 million years old)

Major kimberlite diamond mines currently in operation

1	Gahcho Kue	**11**	Zarnitsa	**21**	Kimberley Underground
2	Ekati	**12**	Komsomolskaya	**22**	Mbuji Maye
3	Diavik	**13**	Aikhal	**23**	Williamson
4	Victor	**14**	Nyurbinskaya	**24**	Murowa
5	Renard	**15**	Catoca	**25**	Venetia
6	Grib	**16**	Orapa	**26**	Cullinan
7	Udachny	**17**	Letlhakane	**27**	Koffiefontein
8	Jubilee	**18**	Karowe	**28**	Letseng
9	Mir	**19**	Jwaneng	**29**	Liqhobong
10	International	**20**	Finsch	**30**	Argyle

Focus on Africa



- Five producing mines (four in South Africa and one in Tanzania), plus exploration in Botswana and South Africa
- Diversified portfolio is key to managing production risk across the Group

An Exceptional Growth Plan

July 2007

Koffiefontein

70% Petra[1]; 30% BEE

Sub-level / Block Cave
Mine Plan to 2027
+20yr Potential Life

July 2008

Cullinan

74%[1] Petra; 26% BEE

Block Cave
Mine Plan to 2030
+50yr Potential Life

February 2009

Williamson

75% Petra[1]; 25% Government of Tanzania

Open Pit
Mine Plan to 2033
+50yr Potential Life

September 2011

Finsch

74% Petra[1]; 26% BEE

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

May 2010 / Jan 2016

KEM JV

49.9% Petra; 50.1% Ekapa
Block Cave / Tailings Operations
Mine Plan to 2035
+20yr Potential Life

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

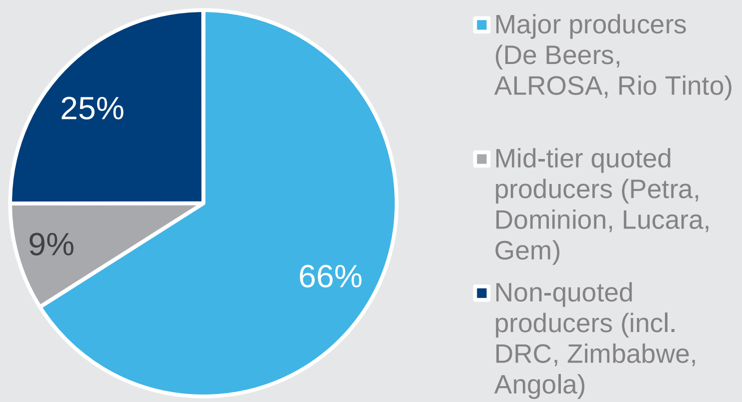
Petra approach:

- 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

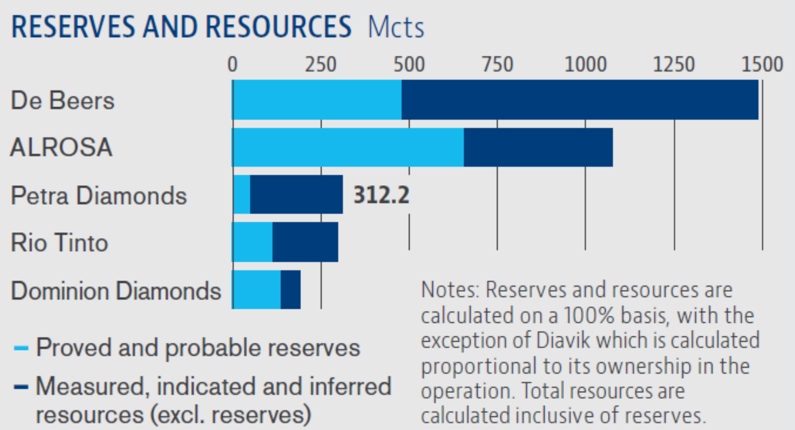
1. Refer to 'FY 2017 Analyst Guidance – Explanatory Notes', section 'Effective Interest in Mines' at https://www.petradiamonds.com/investors/analysts/analyst-guidance for further disclosures re. Petra's effective interest in its mines

Petra's Place in the Market: One of the World's Largest Diamond Resources

- Based on FY 2016 production, Petra accounted for:
  - 2.9% of world supply by volume
  - 3.1% by value
- World-class resource of 312.2 Mcts, ranking 3rd by size
- Long potential mine lives, in particular Cullinan and Williamson: potential for 50+ yrs
- Major diamond producers:
  - De Beers (Anglo American)
  - Alrosa
  - Rio Tinto
- Mid-tier peer group:
  - Petra Diamonds
  - Dominion Diamond
  - Lucara Diamond
  - Gem Diamonds



World Diamond Production by Value



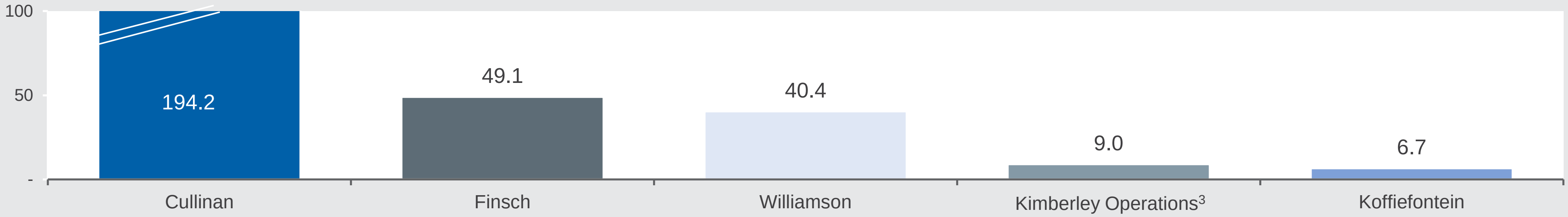
Reserves and Resources (Mcts)

2016 Resource Statement (30 June 2016)

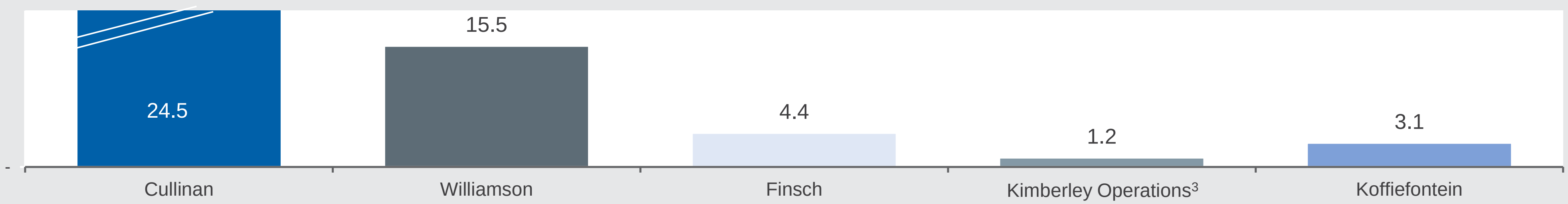
PetraDiamonds

World-class Resource base of 312.2 million carats[1] worth ca. $48.6 billion[2]

Gross Resources *(Mcts)*



Gross In Situ Value *(US$bn)*[2]



1. The total Group Resource includes 4.1 Mcts for the Helam mine in South Africa (now on care and maintenance) and 8.7 Mcts for the KX36 exploration project in Botswana
2. The estimated Resource value uses FY 2016 average carat values to calculate the in situ values of the Cullinan, Finsch, Williamson, Koffiefontein and Kimberley Operations; the values for Helam and KX36 have not been included in this estimate value
3. Reflects Petra's effective interest at 30 June 2016, being 100% of KUM's resources, and 49.9% of Kimberley Mines Resources

Exceptional Diamonds

- Petra classifies ‘Exceptional Diamonds’ as stones that sell for +$5 million each
- Exceptional Diamonds contributed on average $23 million pa from FY 2009 to FY 2016
- Average increased to ca. $36 million pa in FY 2014 to FY 2016
- FY 2017 YTD: revenue of $10.9 million from Exceptional Diamonds (a 138.57 carat white stone from Cullinan for $5.7 million and a 10.64 carat pink stone from Williamson for $5.2 million)

Exceptional Diamond Sales – FY 2016

Williamson

23 carat Williamson pink sold for $10 million in December 2015

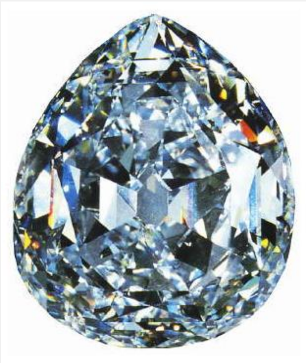
32 carat Williamson pink sold for $15 million in March 2016

Cullinan

Petra’s 15% share in sale of 24 carat Cullinan Dream was $5 million in June 2016

121 carat Cullinan white sold for $6 million in June 2016

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
29.6ct rough,12.0ct polished
Cullinan, 2014

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

The Most Highly Concentrated Form of Wealth

Petra Diamonds

Examples of recent polished diamond sales at auction (all blues originally from Cullinan)

The 14.62ct Oppenheimer Blue diamond

Sold for $57.7m
$3.9m per carat,
18 May 2016

The 12.03ct Blue Moon of Josephine diamond

Sold for $48.4m
$4.0m per carat,
12 November 2015

The 24.18ct Cullinan Dream diamond

Sold for $25.4m
$1.1m per carat,
9 June 2016

The 59.6ct Pink Star diamond

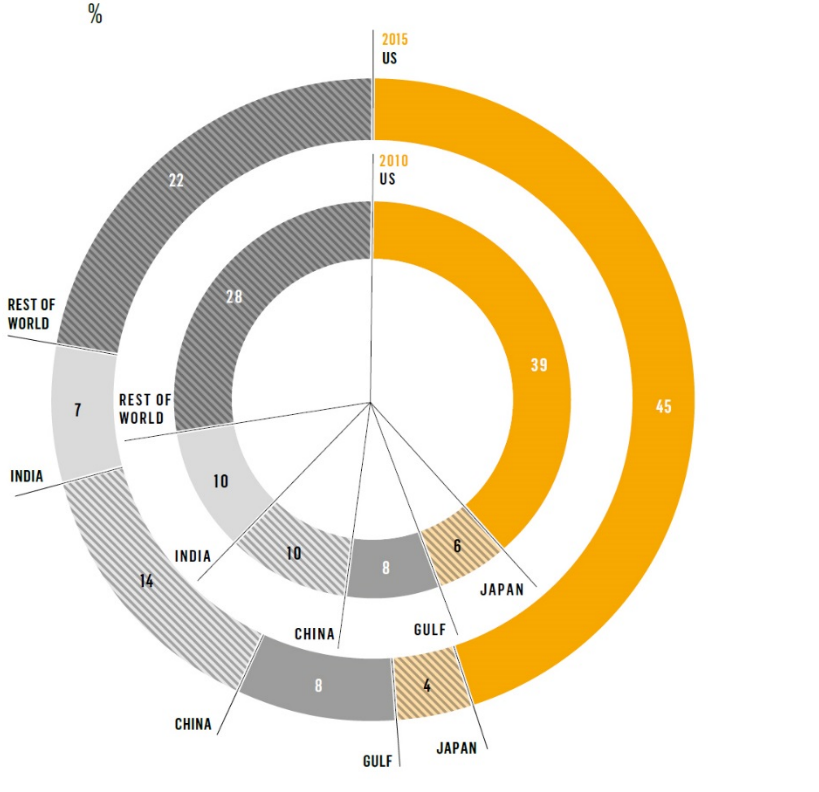
Sold for $71.2m
$1.2m per carat,
4 April 2017

The Diamond Market in 2015

- Global diamond jewellery sales +2% in local currency but -2% in US$: ca. $79 billion

Share of World Polished Diamond Consumption in Value (US$ PWP)

FIG. 6: SHARE OF POLISHED DIAMOND DEMAND BY VALUE (POLISHED WHOLESALE PRICES IN US$ TERMS): TOP FIVE GEOGRAPHIES AND REST OF WORLD



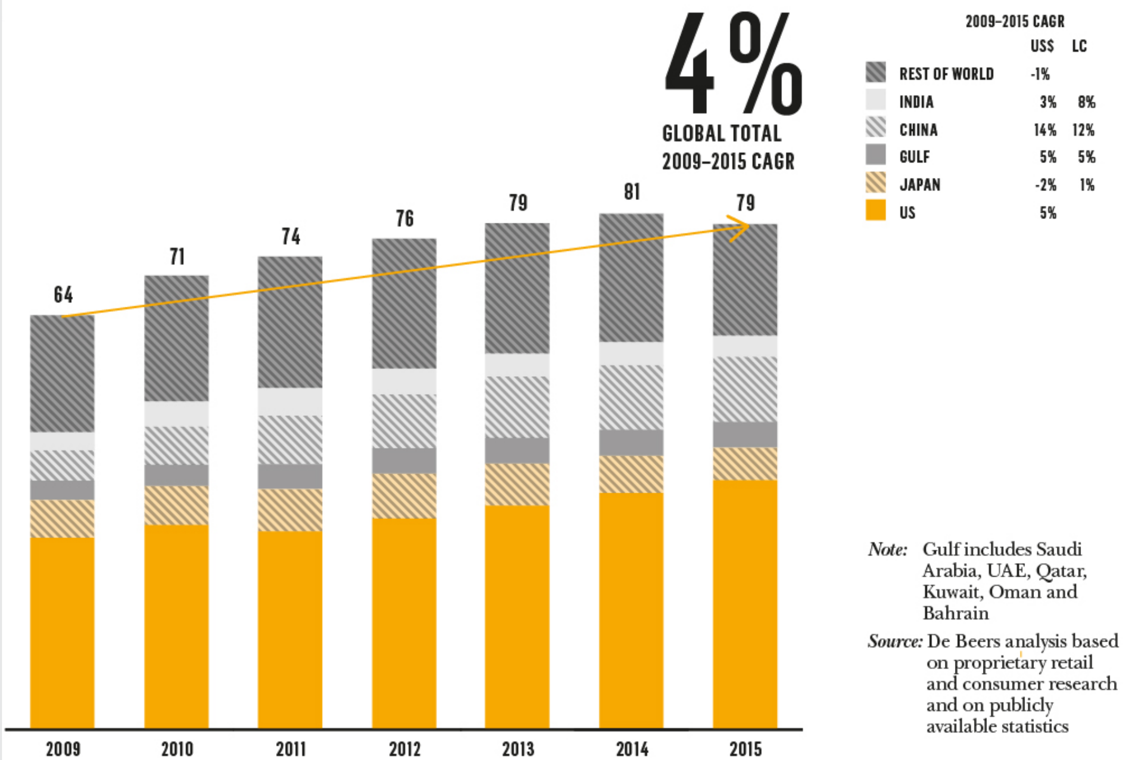
Note Gulf includes Saudi Arabia, UAE, Qatar, Kuwait, Oman and Bahrain

Source: De Beers analysis based on proprietary retail and consumer research and on publicly available statistics

Diamond Jewellery Value, Growth by Geography (US$bn)

FIG. 4: DIAMOND JEWELLERY VALUE: GLOBAL GROWTH BY MAIN GEOGRAPHY

US$ BILLION (NOMINAL) AND GROWTH IN %

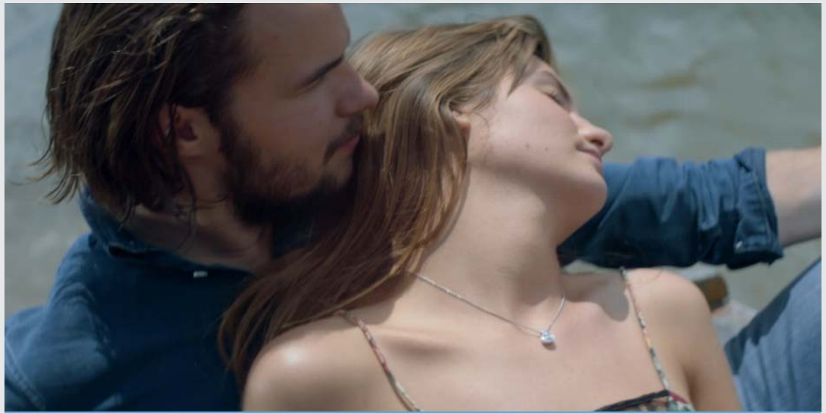


Note: Gulf includes Saudi Arabia, UAE, Qatar, Kuwait, Oman and Bahrain

Source: De Beers analysis based on proprietary retail and consumer research and on publicly available statistics

DPA Advertising Campaign: Wild and Kind

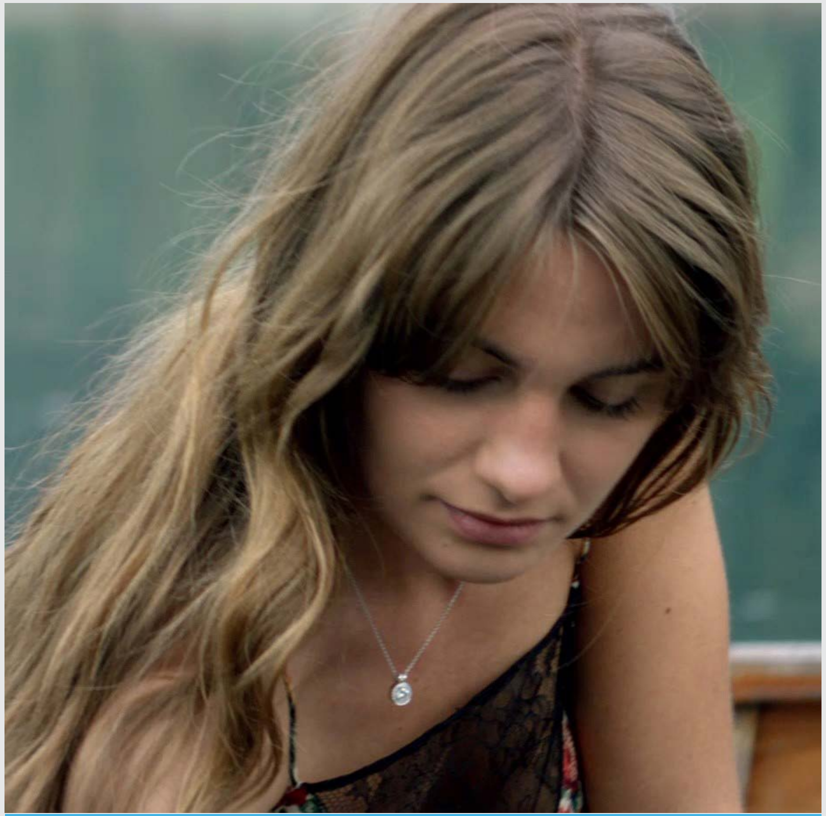
- Diamond Producers Association aims to encourage best practice and sustainability across the industry and to protect the integrity of the diamond
- 'Real is Rare. Real is a diamond' communication platform based on research into US millennial generation mind set and speaks to desire for authentic emotional connections
- First campaign launched in October 2016; future campaigns planned to target important new markets such as China and India
- Petra taking active role in sustaining consumer demand over the long term as a founder member of DPA



Campaign launched in October 2016

"The opportunity exists for diamonds to represent the rare, precious and real connections that Millennials crave."

Jean-Marc Lieberherr, DPA CEO



DPA's new generic marketing campaign for diamonds

H1 FY 2017 – Summary of Results

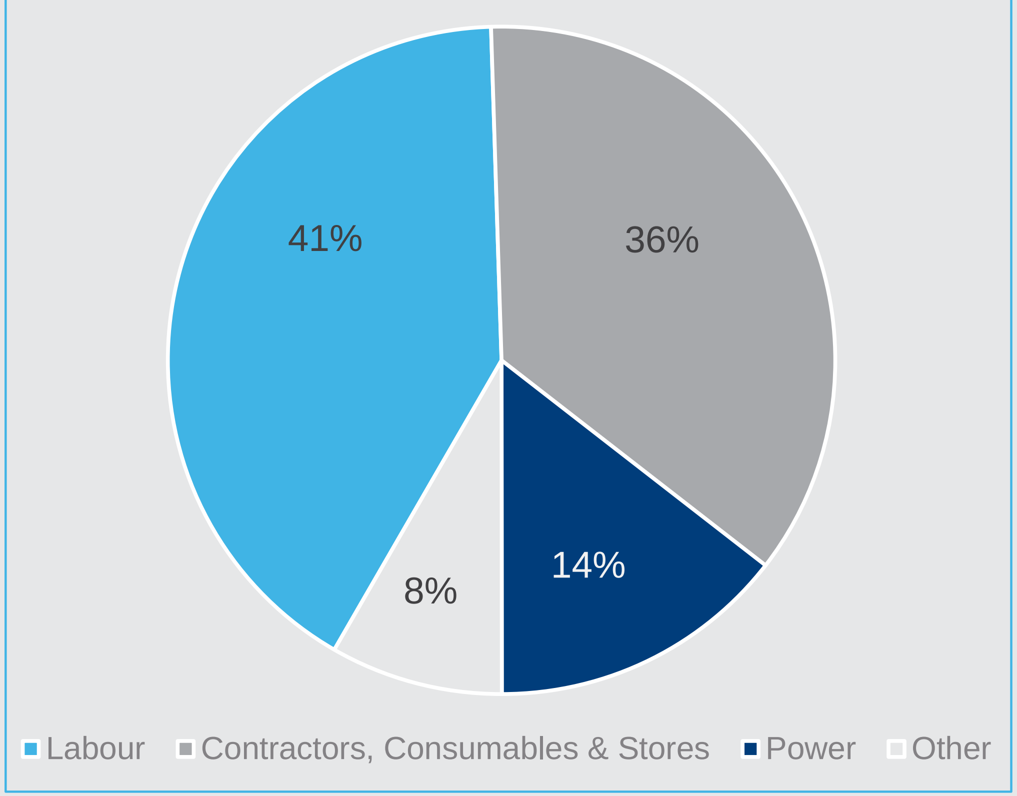
	6 months to 31 December 2016 ("H1 FY 2017")	6 months to 31 December 2015 ("H1 FY 2016")	Year ended 30 June 2016 ("FY 2016")
	US$ million	US$ million	US$ million
Revenue	**228.5**	154.0	430.9
Adjusted mining and processing costs	**(137.7)**	(99.6)	(257.7)
Other direct income	**1.4**	0.7	2.8
Profit from mining activity	**92.2**	55.1	176.0
Exploration expense	**(0.3)**	(1.9)	(2.7)
Corporate overhead	**(4.8)**	(4.7)	(9.0)
Adjusted EBITDA	**87.1**	48.5	164.3
Kimberley Ekapa Mining JV fair value adjustment	**4.1**	—	—
Depreciation	**(28.6)**	(24.2)	(51.8)
Share-based expense	**(2.1)**	(2.4)	(4.1)
Net finance expense	**(15.9)**	(13.3)	(36.2)
Tax expense	**(16.4)**	(2.3)	(8.6)
Adjusted net profit after tax	**28.2**	6.3	63.6
Net unrealised foreign exchange gain / (losses)	**7.0**	(8.5)	3.2
Net profit / (loss) after tax	**35.2**	(2.2)	66.8
Earnings per share attributable to equity holders of the Company – US$ cents			
Basic profit / (loss) per share – from continuing operations	**5.27**	(0.72)	10.38

1. Refer to interim results announcement dated 20 February 2017 for detailed notes explaining non IFRS adjusted disclosures

H1 FY 2017 Operating Costs

- Petra's focus on cost control helped maintain on-mine cash operating costs in line with expectations, despite ongoing inflationary pressures
- On-mine cash cost increased 17%, mainly due to:
  - Increased volumes treated, predominantly due to the establishment of the KEM JV and the associated increase in tailings production (12% increase)
  - inflationary increases, including the impact of electricity and labour costs (7% increase)
- positively offset by:
  - the effect of translating South African operations' ZAR denominated costs at weaker ZAR/USD exchange rates (2% decrease)

H1 FY 2017 On-mine cash cost breakdown (SA operations)



FY 2017 YTD (9 months to 31 March 2017)

PetraDiamonds

	Unit	Q3 FY 2017	Q3 FY 2016	Variance	9m to 31/3/17	9m to 31/3/16	Variance
SALES							
Revenue	US$m	**119.1**	**120.5**	**-1%**	**347.6**	**274.4**	**+27%**
Diamonds sold	Carats	1,069,886	937,526	+14%	2,979,999	2,240,568	+33%
PRODUCTION							
ROM diamonds	Carats	760,916	646,850	+18%	2,092,531	1,890,556	+11%
Tailings & other[1] diamonds	Carats	238,852	349,055	-32%	922,325	734,752	+26%
Total diamonds	**Carats**	**999,768**	**995,905**	**0%**	**3,014,856**	**2,625,308**	**+15%**

Production and expansion programmes on track

- FY 2017 production guidance of ca. 4.4 Mcts; FY 2019 target of ca. 5.3 Mcts remains on track
- SLC at Finsch to deliver ca. 0.9 Mt and new Cullinan C-Cut block cave to deliver ca. 1 Mt in FY 2017
- New Cullinan plant expected to be fully commissioned by Year end
- Declining Capex trend: Peak Capex period passed (H2 FY 2016)
- Expected to become free cashflow positive by end FY 2017

1. 'Other' includes mining of alluvial diamond mining at Williamson

Q3 FY 2017 Operational Results

	Finsch		Cullinan		Koffiefontein		Kimberley Ekapa Mining[2]		Williamson	
	Q3 FY 2017	Q3 FY 2016	**Q3 FY 2017**	Q3 FY 2016	**Q3 FY 2017**	Q3 FY 2016	**Q3 FY 2017**	Q3 FY 2016	**Q3 FY 2017**	Q3 FY 2016
SALES										
Revenue (US$M)	**52.1**	53.1	**24.8**	21.3	**6.7**	7.5	**20.5**	14.1	**14.8**	24.2
Diamonds sold (carats)	**527,782**	579,772	**251,391**	217,134	**10,315**	17,623	**217,761**	85,301	**62,572**	37,665
Average price per carat (US$)	**99**	92	**98**	98	**652**	424	**94**	165	**236**	642
ROM PRODUCTION										
Tonnes treated (t)	**864,148**	860,333	**553,481**	568,101	**183,790**	183,366	**134,304**	198,348	**778,633**	1,051,325
Diamonds recovered (carats)	**468,429**	381,266	**212,545**	173,061	**13,184**	13,537	**18,842**	24,109	**47,916**	53,445
Grade (cpht)	**54.2**	44.3	**38.4**	30.5	**7.2**	7.4	**14.0**	12.2	**6.2**	5.1
TAILINGS PRODUCTION[3]										
Tonnes treated (t)	**344,135**	517,173	**177,653**	235,667	**-**	108,677	**1,516,186**	1,434,497	**110,787**	95,098
Diamonds recovered (carats)	**54,086**	148,871	**14,978**	17,268	**-**	2,839	**166,302**	178,721	**3,486**	2,787
Grade (cpht)	**15.7**	28.8	**8.4**	7.3	**-**	2.6	**11.0**	12.5	**3.1**	2.9
TOTAL PRODUCTION										
Tonnes treated (t)	**1,208,283**	1,377,506	**731,134**	803,768	**183,790**	292,043	**1,650,490**	1,632,845	**889,420**	1,146,423
Diamonds recovered (carats)	**522,515**	530,138	**227,523**	190,329	**13,184**	16,376	**185,144**	202,830	**51,402**	56,232

1. The Company is not able to precisely measure the ROM / tailings grade split because ore from both sources is processed through the same plant; the Company therefore back-calculates the grade with reference to resource grades
2. Data for Q3 FY 2017 and Q3 FY 2016 in the table above represent Petra's 75.9% attributable share in the KEM JV
3. This covers alluvial production for Williamson

Finsch – Development Programme

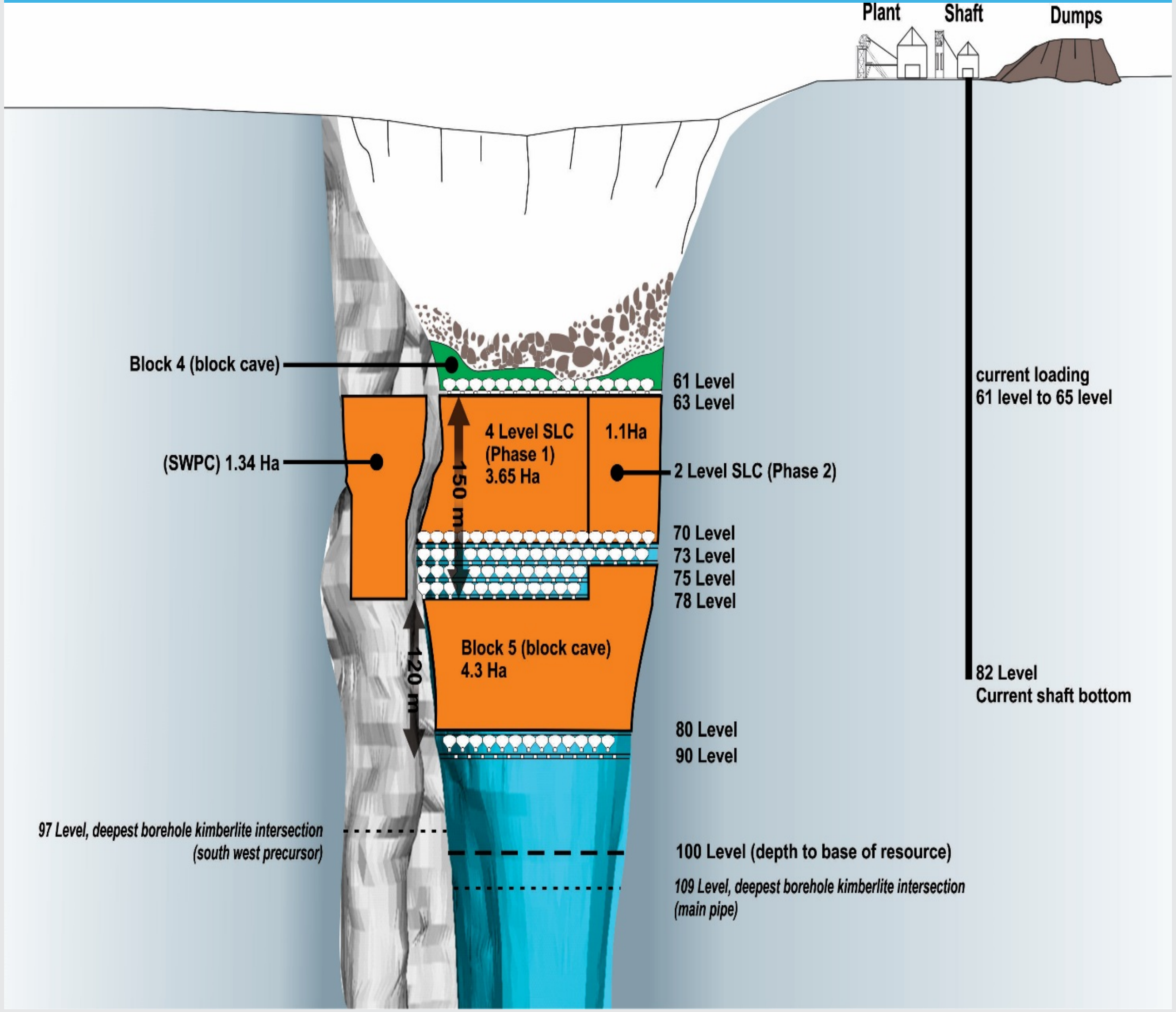
Expansion Plan

- **Expansion plan to take production to ca. 2.0 Mctpa (ROM) by FY 2018**
- Sub level cave
  - tunnelling in host rock complete
  - 6/11 tunnels in production – 1st level
- New Block 5 Block Cave to be installed at 900m

Key Milestones

- Production from SLC – **from H2 FY 2016**; ca. 0.9 Mt ROM from SLC expected **in FY 2017**
- Dedicated ore-handling infrastructure (to transfer SLC ore to existing infrastructure at 650m) – **end FY 2016**
- Mining of South West Precursor from 630m to 780m – **H1 FY 2017**
- Decommissioning of Block 4 automated ore-handling system – **end 2017**
- Pre 79 Tailings treated – **end FY 2017**
- Steady state ROM production – **FY 2018**
- Mining of overburden dumps – **continue to FY 2019/FY 2020**
- Block 5 Block Cave at 900m – **FY 2024**

FY 2016 Development: Waste: 2,484 metres; Raiseboring: 99 metres; Kimberlite: 2,969 metres



Finsch Development Snapshot

Long hole drilling, 70 Level SLC kimberlite

Tipping blasted ore through rockbreaker

Access development tunnel

UG conveyor used to transport broken ore

Installation of the Apron Feeder Bulkhead

The new bulk sample plant

Cullinan – Development Programme

PetraDiamonds

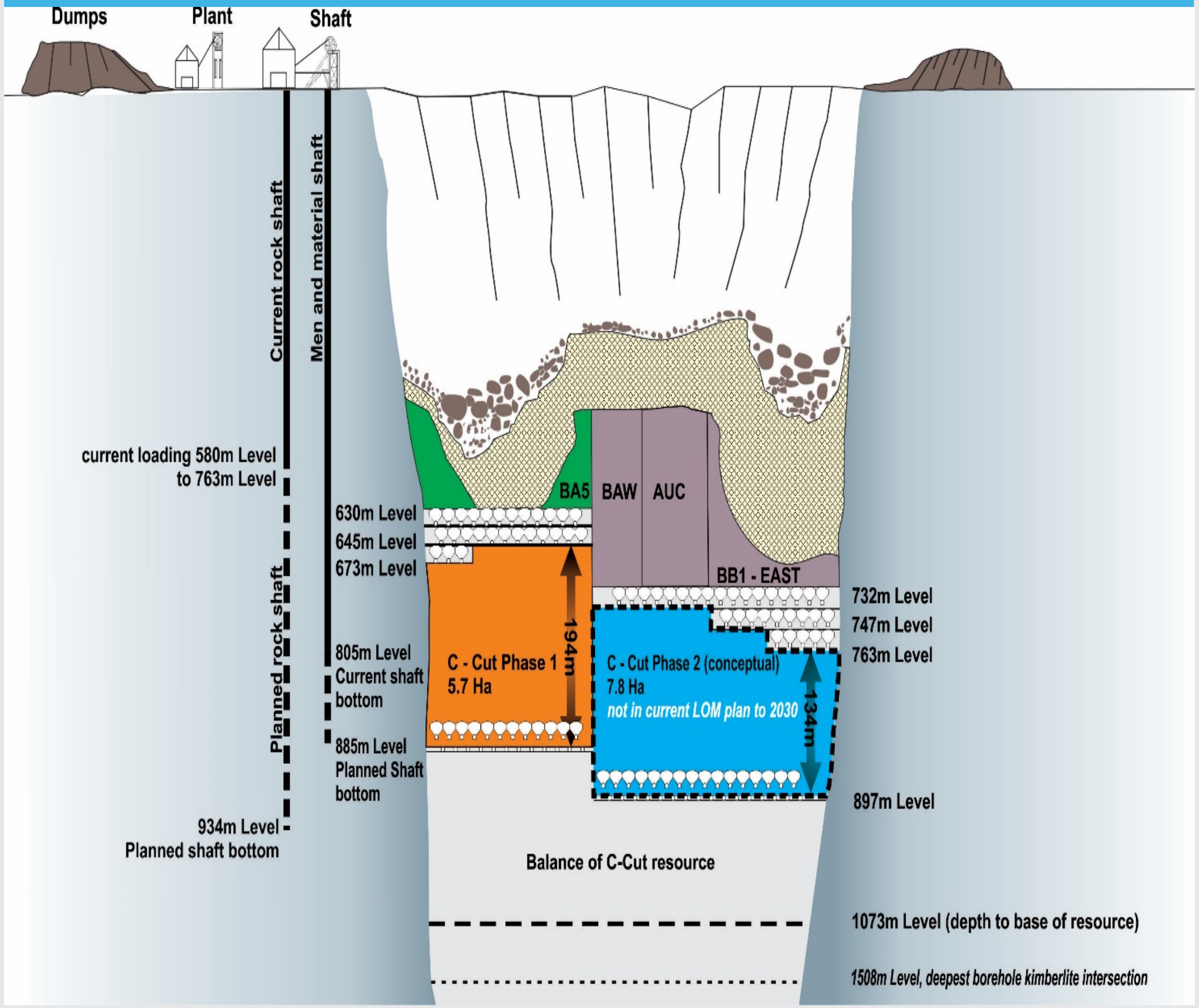
Expansion Plan

- **Expansion plan to take production to ca. 2.2 Mcts by FY 2019 (2.0 ROM & 0.2 tailings)**
- 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 Milestones

- New production levels established at 839m and shaft to 930m 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**; ca. 1 Mt ROM from new block cave **in FY 2017**
- Ore shaft completed and commissioned – **H1 FY 2017**
- New Cullinan plant operational – **end FY 2017**
- Steady state ROM production (4 Mtpa) – **FY 2019**

FY 2016 Development: Waste: 1,911 metres; Raiseboring: 838 metres; Kimberlite: 2,837 metres



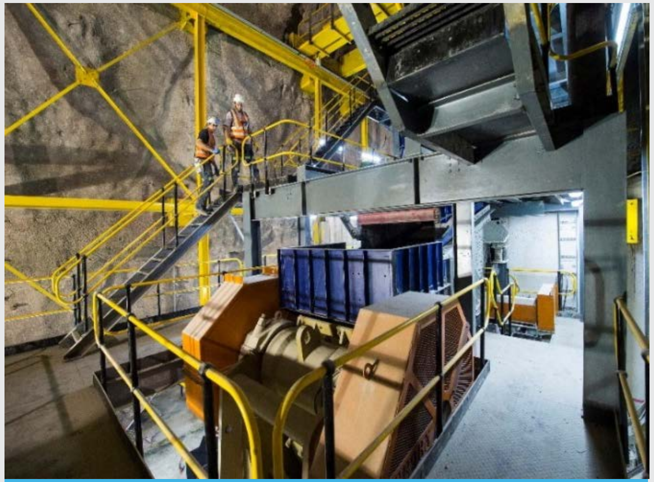
Cullinan Development Snapshot

Rock breaker south extraction

Long hole drilling draw point

North production conveyor 2

Conveyor Planning



Crusher installation

Silo loading Box

Cullinan Mill Plant Project


Run of Mine Silo & Recycle Silo


Main Sub Station


Recovery & HPGR & XRL Buildings


Mill plant, mill basis and DMS feed area


Jaw Crusher installation

- Increase in diamond liberation and gentler process likely to result in less breakage
- Saving of ca. ZAR20 – 25/t in processing costs
- Strong standalone economics
  - Payback of ca. 3 years
  - IRR of 25%
- New plant expected to be fully operational by end FY 2017

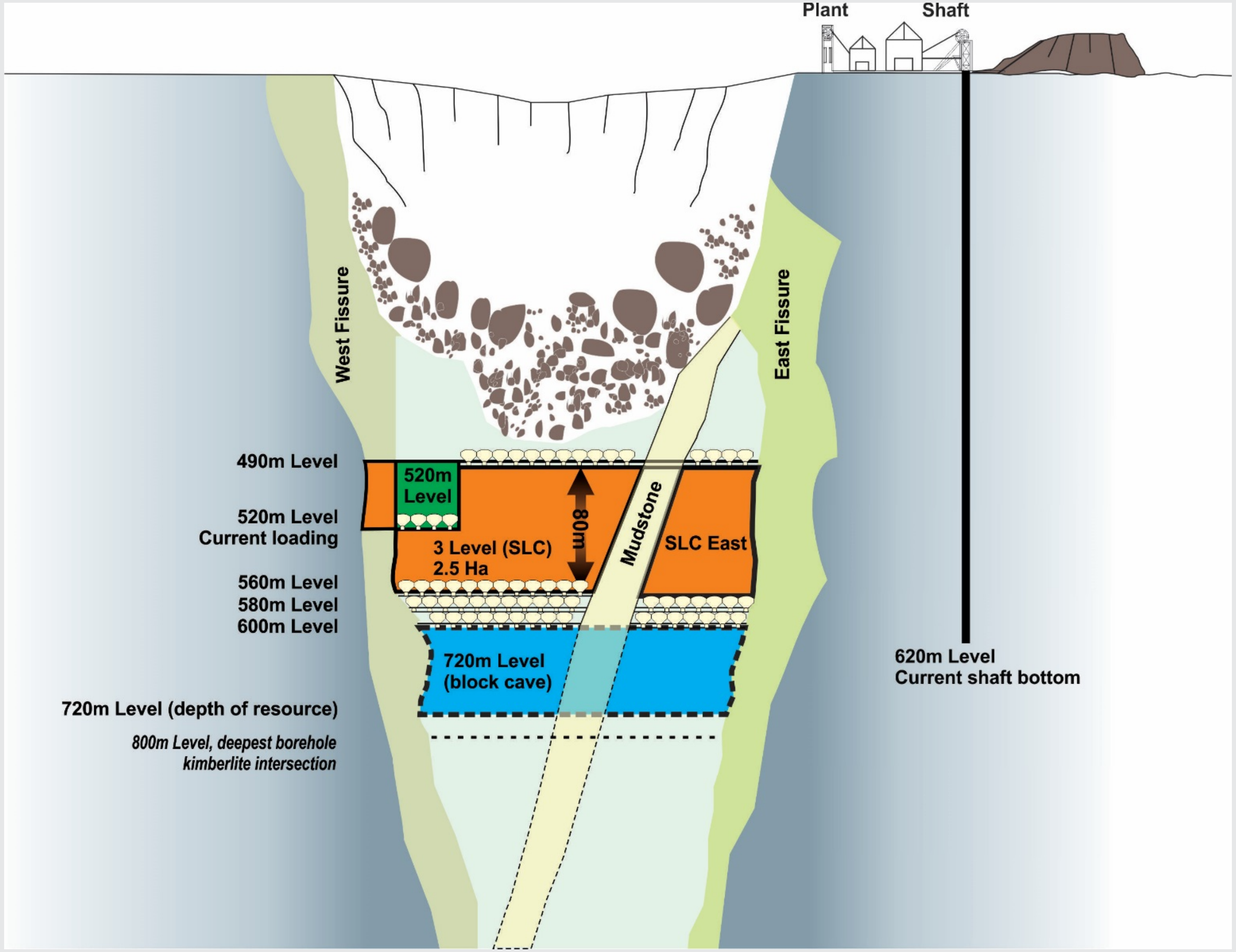
Koffiefontein – Development Programme

Expansion Plan

Expansion Plan – to take production to ca. 90,000 ctpa by FY 2018

- 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**
- 52L Western Fissure came into production to supplement ore from SLC Phase 1 on 56L – **FY 2016**
- Ramp up ROM production to 1.1 Mt – **FY 2018**

Koffiefontein Kimberlite Pipe Schematic



Kimberley Underground – Development Programme

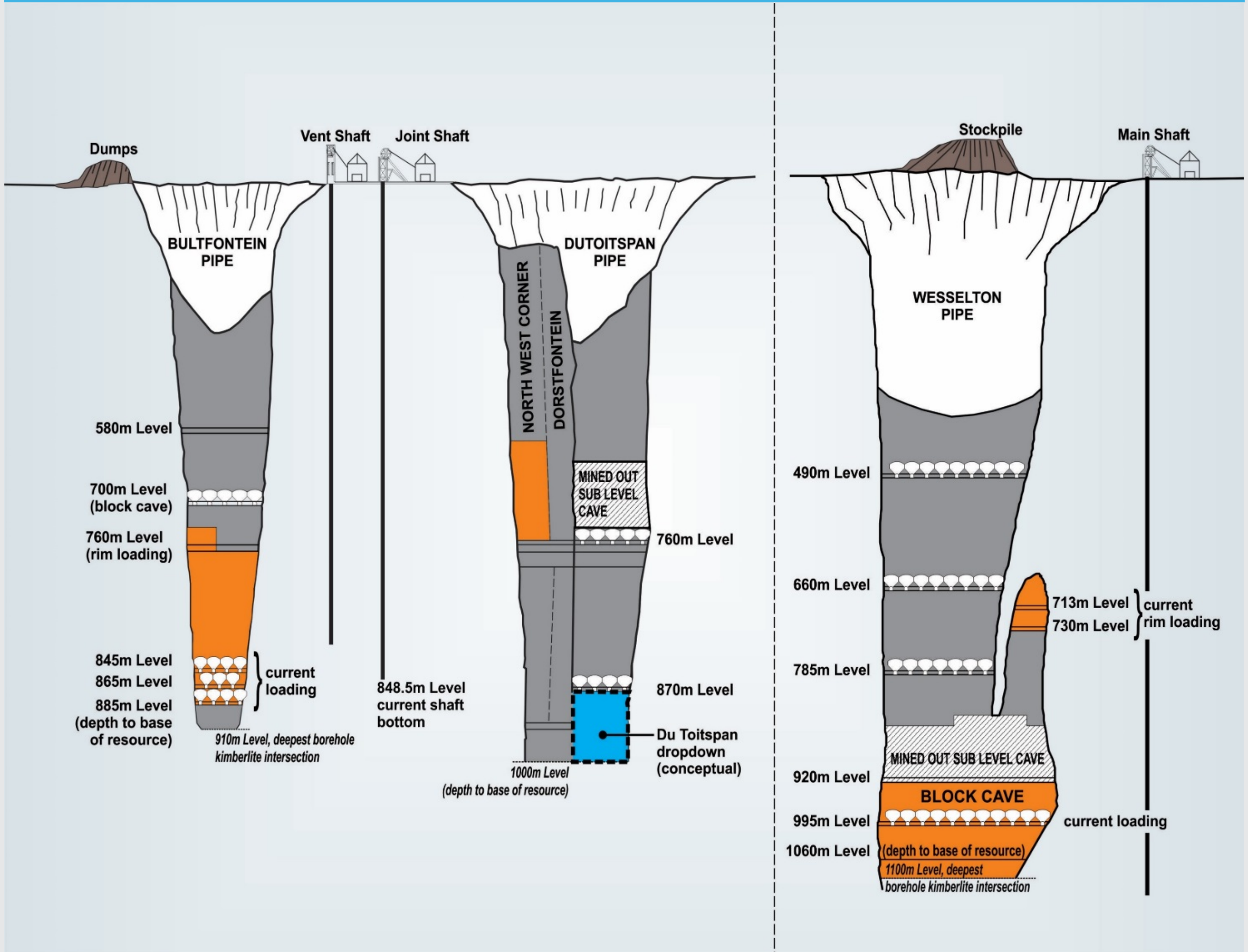
PetraDiamonds

Expansion Plan

Expansion Plan – planned underground production of ca. 215,000 ctpa from FY 2019

- Underground ore to be treated at Central Treatment Plant – **from FY 2017**
- Planned grade of 13 – 14 cpht – **from FY 2018**
- ROM tonnes ramping up from 1.2 Mt planned in FY 2016 to ca. 1.6 Mtpa – **from FY 2019**
- Underground development at Wesselton and Dutoitspan to extend mine life

Kimberley Underground Kimberlite Pipes Schematic



Williamson – Development Programme

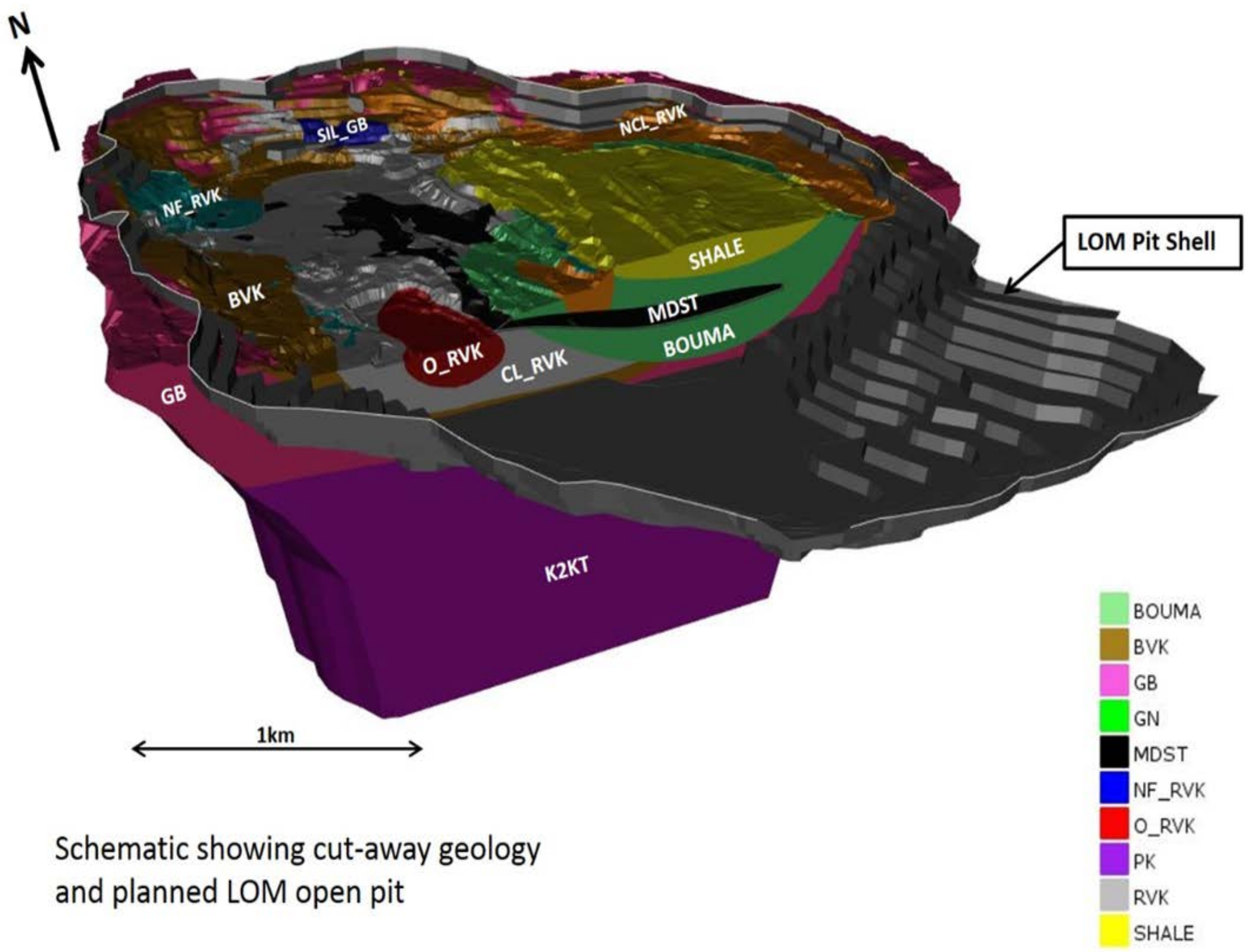
PetraDiamonds

Expansion Plan

Expansion Plan – to take production to ca. 325,000 ctpa by FY 2018

- Plant modifications (additional crusher circuit, 2 autogenous mills) commenced – **FY 2016**
- Commissioning of crusher – **FY 2016**
- Commissioning of autogenous mills – **H1 FY 2017**
- ROM throughput planned at 4.6 Mt – **FY 2017**
- Ramp up of ROM throughput to ca. 5 Mtpa (at ca. 6.5 – 7 cpht) by **FY 2018**

Williamson Kimberlite Pipe Schematic



Schematic showing cut-away geology and planned LOM open pit

Robust Financial Position

	Unit	31 Mar 2017	31 Dec 2016	30 June 2016
Closing exchange rate used for conversion		*R13.49:US$1*	*R13.73:US$1*	*R14.68:US$1*
Cash at bank	US$m	66.2	49.0	48.7
US$ loan notes (including accrued interest)	US$m	308.2	302.1	302.0
Bank loans and borrowings	US$m	266.4	210.5	131.5
Net debt	US$m	508.4	463.6	384.8
Bank facilities undrawn and available	US$m	6.0	57.1	110.0
Diamond inventories	Carats US$m	602,891 49.3	673,031 56.6	549,620 43.6
Diamond debtors	US$m	37.9	1.9	63.4

12 April 2017: $650 million Notes Issue & Simplification of Debt Structure – see slides 39 and 40 for more information

Debt Facilities

- US$650 million 7.25% senior secured second lien notes issued April 2017, net proceeds used to:
  - refinance existing US$300 million 8.25% notes;
  - repay amounts outstanding under certain existing senior facilities (certain of which have been cancelled); and
  - for general corporate purposes
- New capital structure provides additional financial flexibility due to:
  - extended debt maturity profile
  - increased liquidity position
- Simplification of bank facilities from five previously to two (ZAR1 billion RCF and ZAR500 million WCF)

Lender	Type	Size ZARM	Size US$M[1]	Interest Rate	Repayment
Absa & Nedbank	ZAR Revolving credit facility	1,000	77	1M JIBAR + 5.0%	Repayable Oct 2021
Absa & RMB (FNB)	ZAR Working capital facility	500	38	SA Prime – 1.0%	Subject to annual renewal
Bond holders	Second lien secured bond notes	-	650	7.25%	May 2022

1. US$m equivalent, exchange rate US$1:ZAR13.00

Bank Debt Facilities – Covenants

PetraDiamonds

	Maintenance Covenants			Distribution Covenants		
Covenant	30 Jun 2017	31 Dec 2017	30 Jun 2018 onwards	30 Jun 2017	31 Dec 2017	30 Jun 2018 onwards
Net Debt[1] to EBITDA	2.8x	2.8x	2.5x	2.0x	2.0x	2.0x
EBITDA to Net Finance Charges	3.5x	3.85x	4.0x	6.0x	6.0x	6.0x
Net Senior Debt[2] to Book Equity[3]	0.4x	0.4x	0.4x	0.3x	0.3x	0.3x

1. Consolidated net debt is loans and borrowings, less cash, less diamond debtors
2. Consolidated Net Senior Debt means at any time the Consolidated Gross Debt (excluding any second lien and other subordinated debt)
3. Book Equity is Equity excluding accounting reserves

Capex Profile – FY 2017 to FY 2019

Operation	Financial Year	2017	2018	2019
Finsch	ROM tonnes treated (Mt)	3.6	3.8	3.8
	Tailings tonnes treated (Mt)	1.3	-	-
	Expansion Capex (ZARm)	692	428	225
	Sustaining Capex (ZARm)	116	105	97
Cullinan	ROM tonnes treated (Mt)	2.8	3.6	4.0
	Tailings tonnes treated (Mt)	0.3	2.4	2.4
	Expansion Capex (ZARm)	1366	376	124
	Sustaining Capex (ZARm)	82	89	92
Koffiefontein	ROM tonnes treated (Mt)	1.1	1.1	1.1
	Expansion Capex (ZARm)	152	89	43
	Sustaining Capex (ZARm)	29	35	35
KEM JV	ROM tonnes treated (Mt)	1.2	1.4	1.6
(100% terms)	Tailings tonnes treated (Mt)	8.6	8.4	7.2
	Expansion Capex (ZARm)	419	493	381
	Sustaining Capex (ZARm)	76	84	77
PETRA	Expansion Capex (ZARm)	2629	1386	774
(SA Operations)	Sustaining Capex (ZARm)	303	313	301

Williamson	ROM tonnes treated (Mt)	4.6	5.0	5.0
	Alluvial tonnes treated (Mt)	0.4	-	-
	Expansion Capex (USDm)	5	5	4
	Sustaining Capex (USDm)	3	4	4

PETRA	ROM tonnes treated (Mt)	13.3	14.9	15.5
(All Operations)	Tailings / other tonnes treated (Mt)	10.7	10.8	9.6
	Expansion Capex (USDm)	193	104	59
	Sustaining Capex (USDm)	25	26	25

1. All Capex numbers are stated in FY 2017 money terms (ZAR14:U$1 where applicable)
2. Depreciation on mining assets for FY 2017 guided at ca. $70 – 75 million at ZAR14:$1
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. Finsch: Block 5 Block Cave expansion capital (post FY 2019) is guided at ca. $25-30 million (FY 2017 money terms), to be incurred over the five year period FY 2020 to FY 2024

Thank You

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