



London  
Stock Exchange

**LISTED**

**PREMIUM**



**Petra**Diamonds

**Discover Petra – A Leading Independent Diamond Producer**

**10-11 June 2014**

# Important Notice

These Presentation Materials do not constitute or form part of any invitation, offer for sale or subscription or any solicitation for any offer to buy or subscribe for any securities in the Company nor shall they or any part of them form the basis of or be relied upon in any manner or for any purpose whatsoever.

These Presentation Materials must not be used or relied upon for the purpose of making any investment decision or engaging in an investment activity and any decision in connection with a purchase of shares in the Company must be made solely on the basis of the publicly available information. Accordingly, neither the Company nor its directors makes any representation or warranty in respect of the contents of the Presentation Materials.

The information contained in the Presentation Materials is subject to amendment, revision and updating in any way without notice or liability to any party. The presentation materials contain forward-looking statements which involve risk and uncertainties and actual results and developments may differ materially from those expressed or implied by these statements depending on a variety of factors. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information or opinions contained herein, which have not been independently verified.

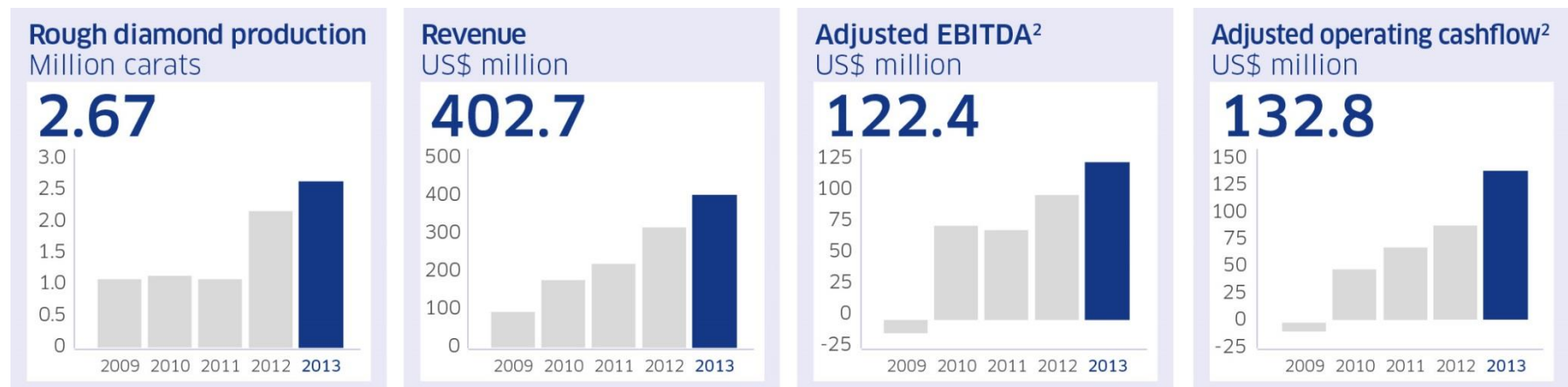
The delivery of these Presentation Materials shall not at any time or in any circumstance create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Company since the date of these Presentation Materials.

The Presentation Materials are confidential and being supplied to you for your own information and may not be reproduced, further distributed, passed on, or the contents otherwise divulged, directly or indirectly, to any other person (except the recipient's professional advisers) or published, in whole or in part, for any purpose whatsoever. The Presentation Materials may not be used for the purpose of an offer or solicitation to subscribe for securities by anyone in any jurisdiction.



*LSE: PDL:* Constituent of FTSE 250; market capitalisation of ca. £850m / US\$1.4bn (as at 30 April 2014)

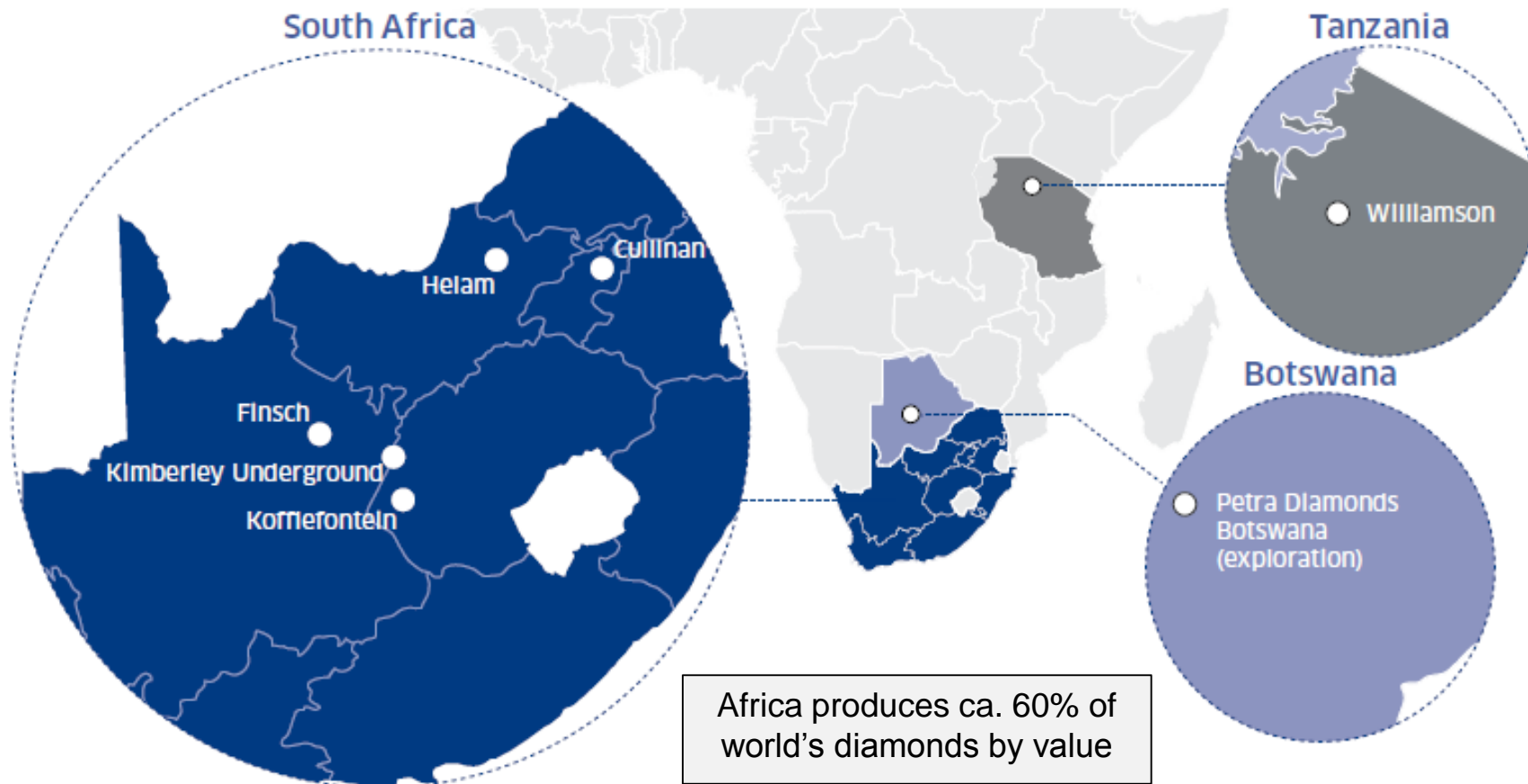
1. *Pure play diamond exposure:* uniquely poised to benefit from late cycle credentials and growing middle classes
2. *Quality management and assets:* consistent strategy, performance and track record
3. *Strong growth profile:* on track for 5m carats pa / ca. US\$1bn<sup>1</sup> revenue by FY 2019 – all brownfields expansion
4. *Significant margin expansion:* operating margin of +30% rising to +50% by FY 2019
5. *Fully financed:* undrawn debt facilities and sufficient operating cashflow to cover capex; dividend from FY 2016



1. FY 2019 revenue forecast is a management estimate calculated using a 4% real price increase; 2. see slide 21 for disclosures re. adjusted figures

# Quality Management and Assets

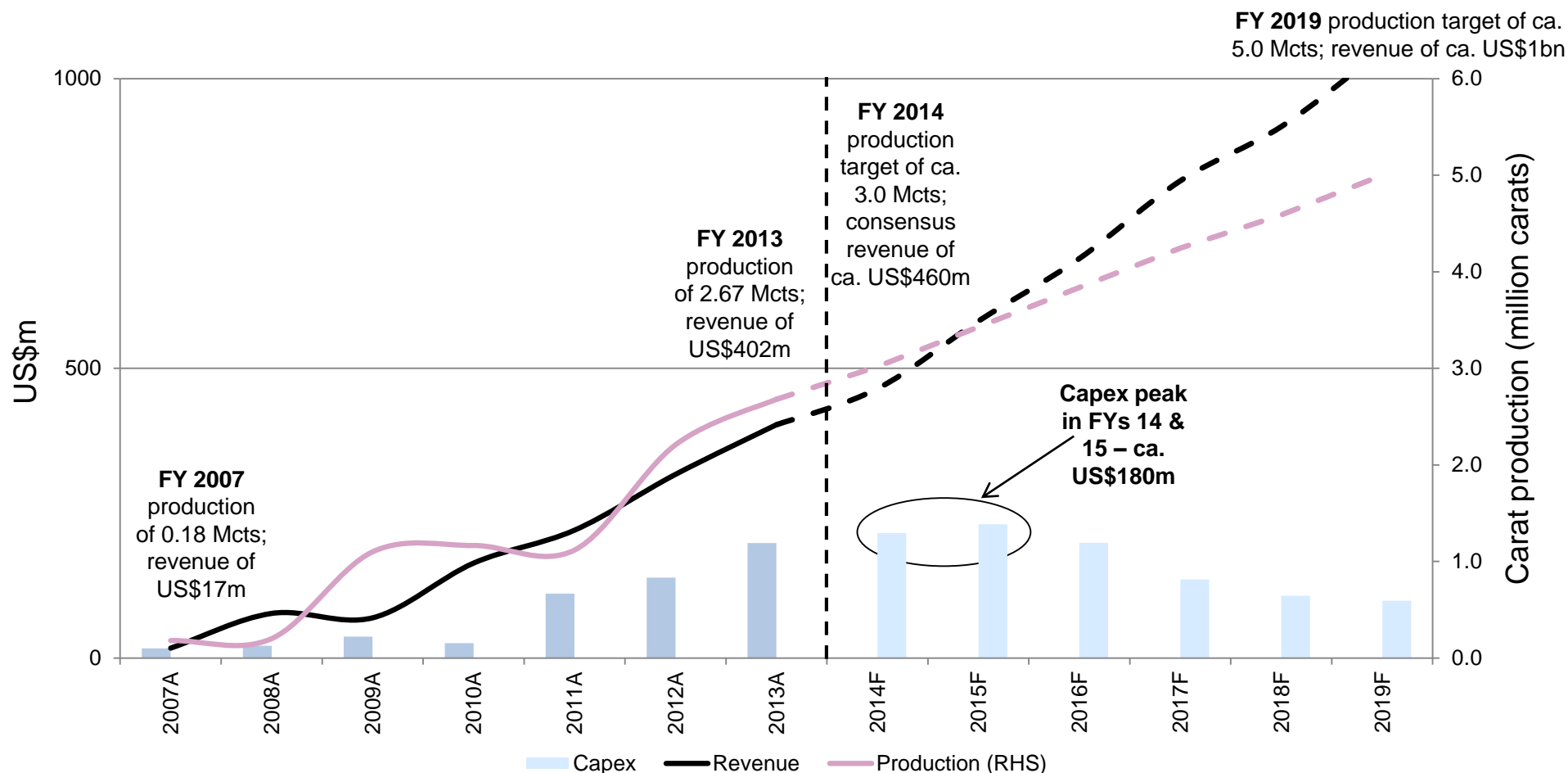
- *Diversified portfolio*: five producing mines in South Africa, one in Tanzania and exploration in Botswana
- *World-class resource*: +300 million carats (largest outside the majors) worth ~US\$55.0 billion<sup>1</sup> (at 30 June 2013), incl. one Tier 1 asset (Cullinan)



1. FY 2013 average carat values used to calculate in situ values

# Organic Growth Path to 5 Million Carats pa

- FY 2014 onwards – *operating cashflow to cover capital programme*



**Note:** All forecasts for Capex, revenue and production are management estimates. Capex is in nominal terms; diamond prices are calculated using a 4% real price increase.



## Focused Exploration in Botswana

10-11 June 2014

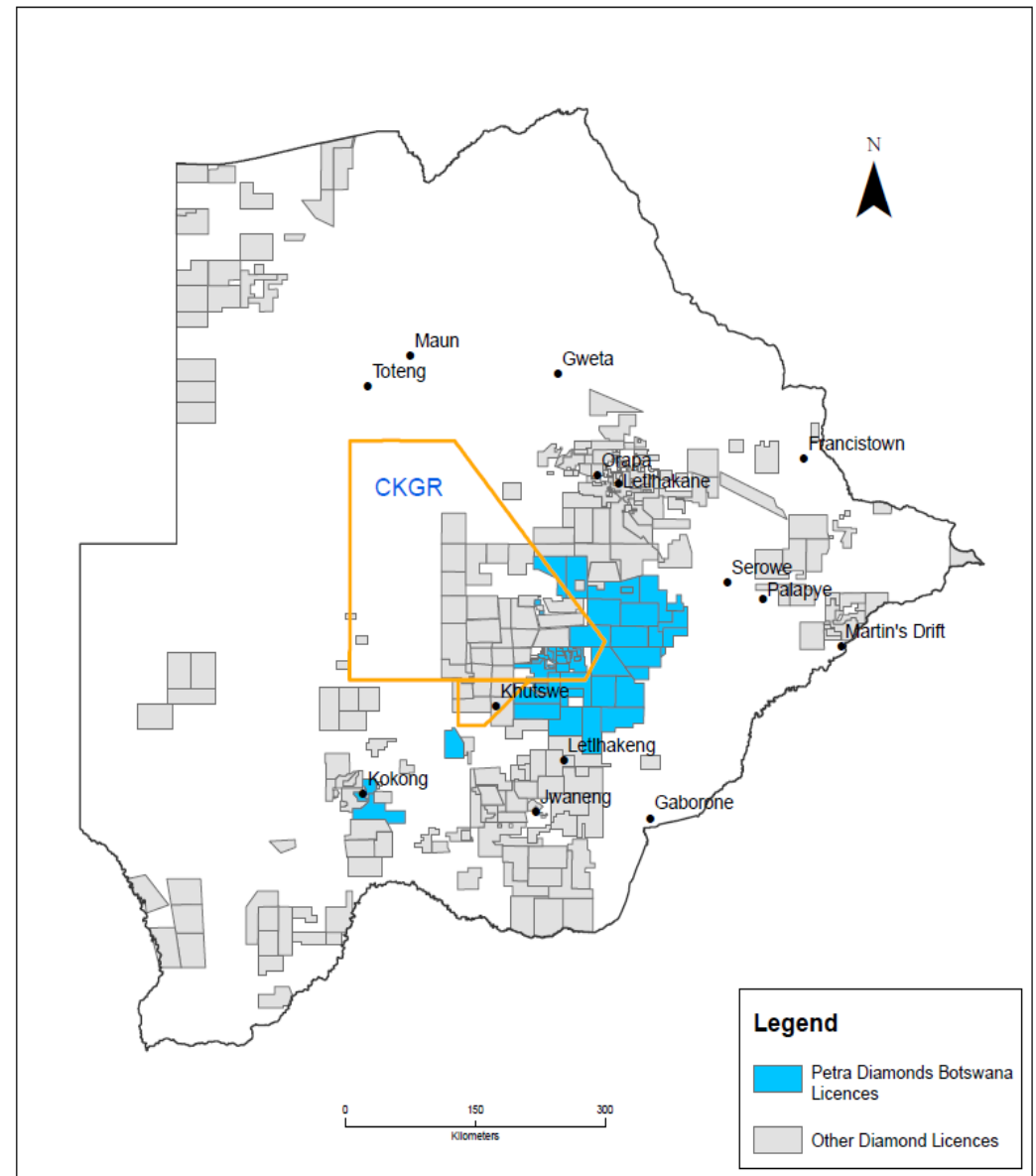


**Petra**Diamonds

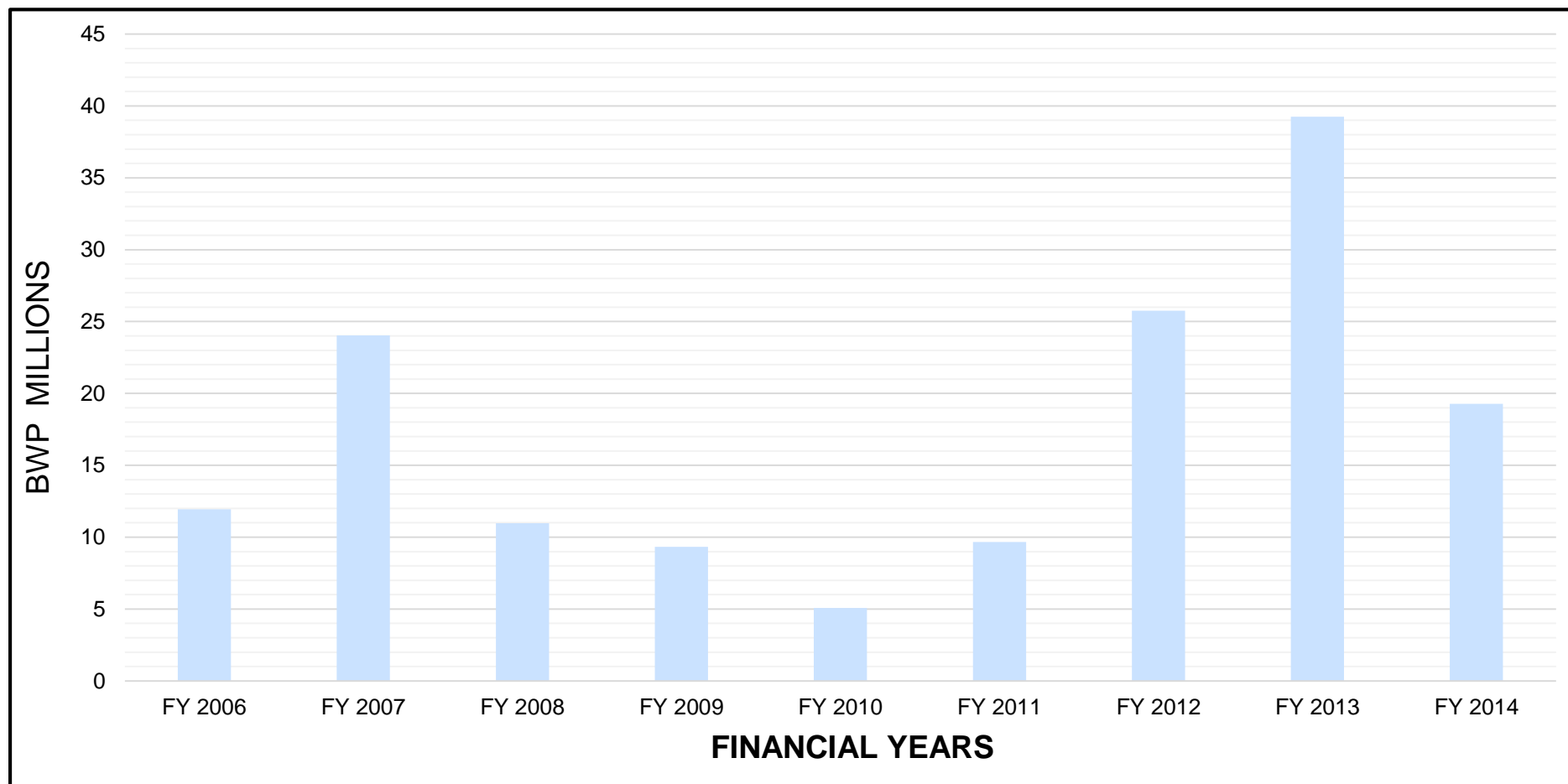
| BOTSWANA

# Focus On Botswana

- Africa's premier mining jurisdiction - 25<sup>th</sup> in the world according to latest Fraser Institute Annual Survey of Mining Companies
- Largest diamond producer by value
- Transparent land tenure system
- Stable politically and attractive fiscal regime
- Superb diamond exploration potential
- Petra operates a highly focused and cost effective exploration programme



# Total Expenditure in BWP



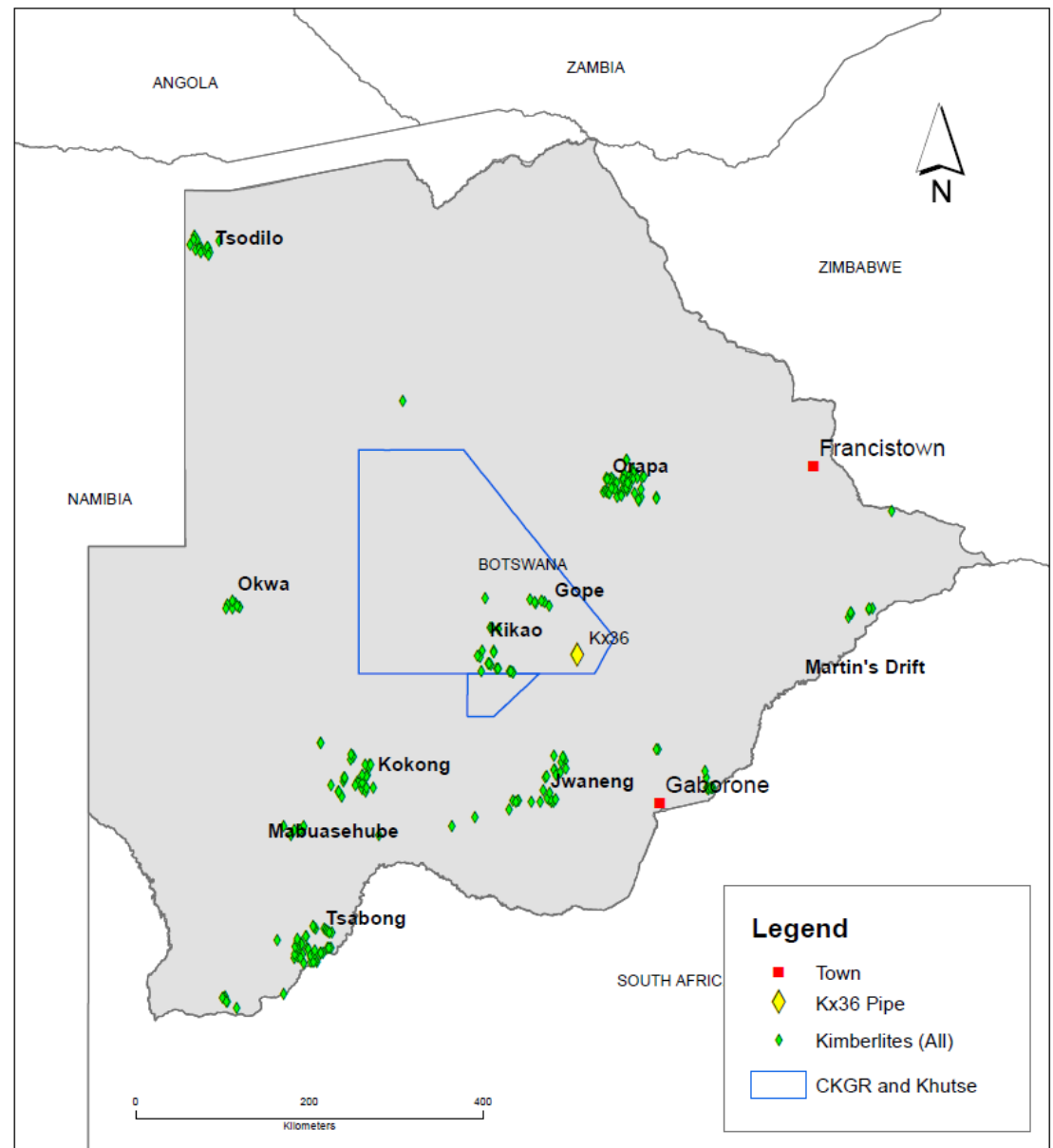
## Note:

- Kalahari Diamonds purchase price: US\$22 million / ~ BWP 120 million
- Total expenditure to date ~ BWP 275 million



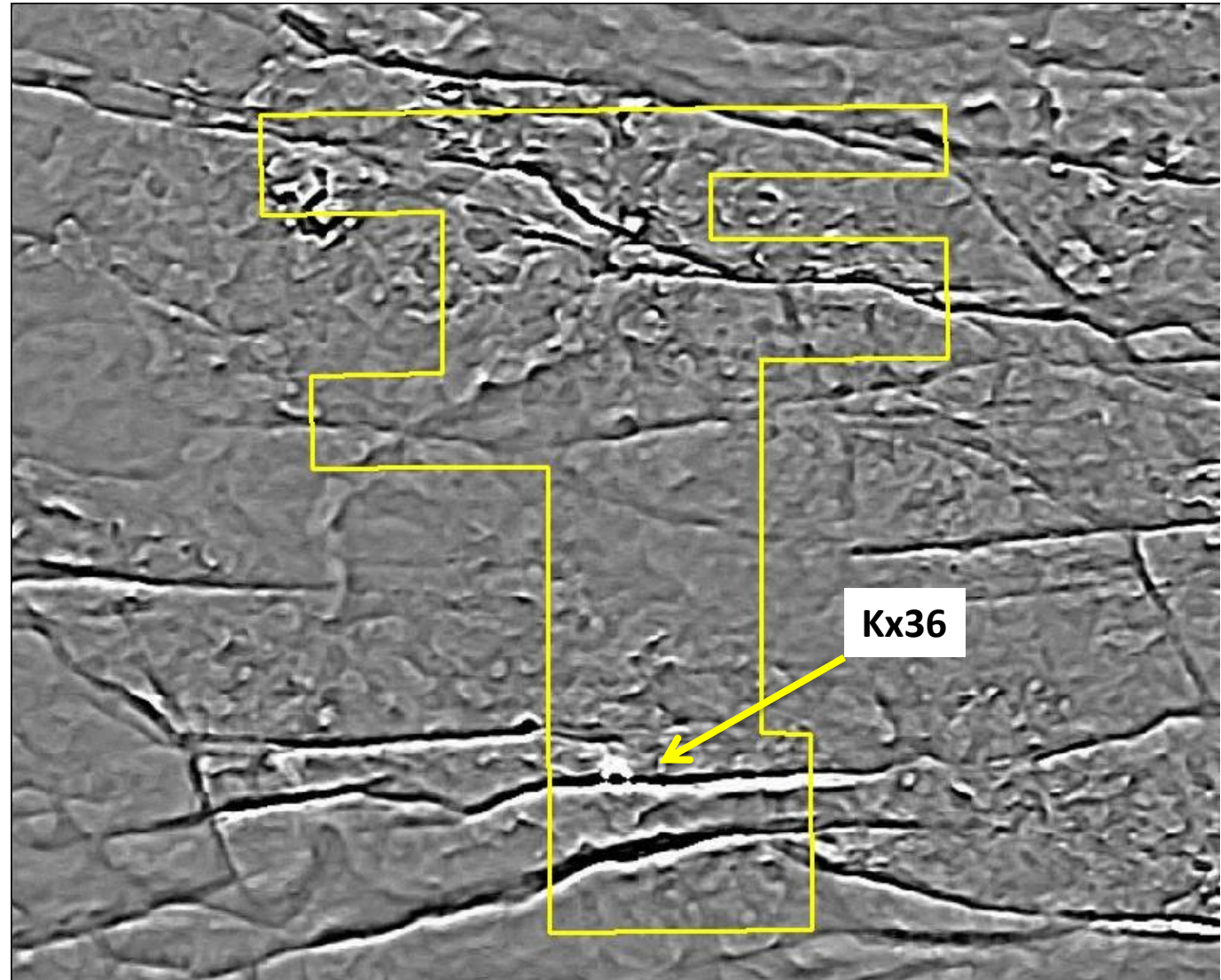
# KX36 Project Location & Regional Geology

- CKGR areas covered by variable thickness (30-120m) of Kalahari Group sediments
- The Pre-Kalahari comprises of the Karoo basalts and the Karoo sedimentary sequence
- The basalt is heavily faulted, with variable thicknesses, thus making the area structurally complex
- The above lead to variability in the interpretation of results



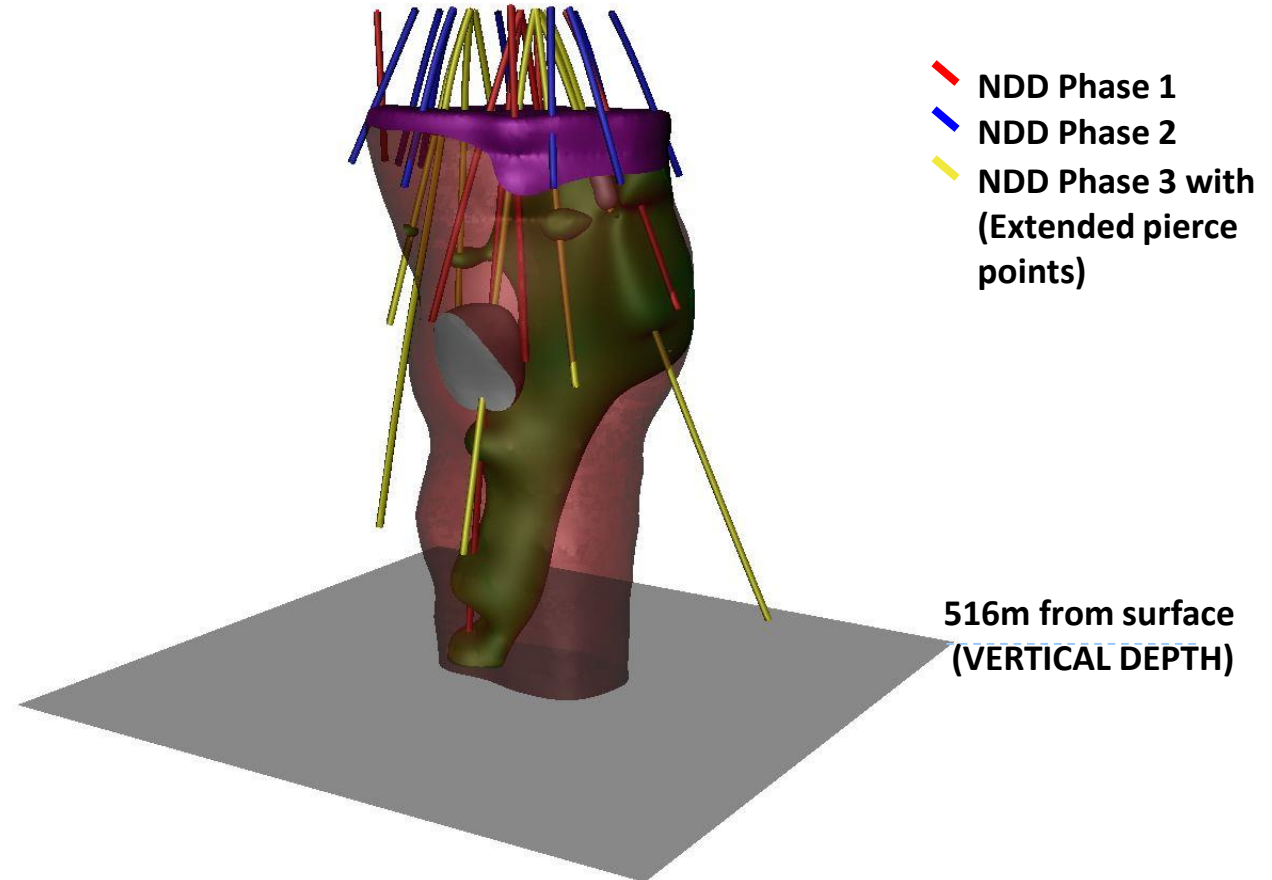
# KX36 License Area - PL 224/2007

- Karoo Basalts overlain by ~ 60m of Kalahari sand, and a further 20m of calcrete and silcrete
- KX36 pipe has a ~5Ha sub-circular sub-crop
- Deepest borehole intersection 516m below surface (open ended at depth)




# Delineation Drilling & 3-D Geological Modelling

- ~6000m of drilling completed, with extended pierce points for country rock geotechnical assessment
- Type 1 modified kimberlite (Skinner)
- Magmatic and transitional facies identified
- Facies identification supported by downhole geophysics
- 28-34 Mt to ~516m; deposit open at depth

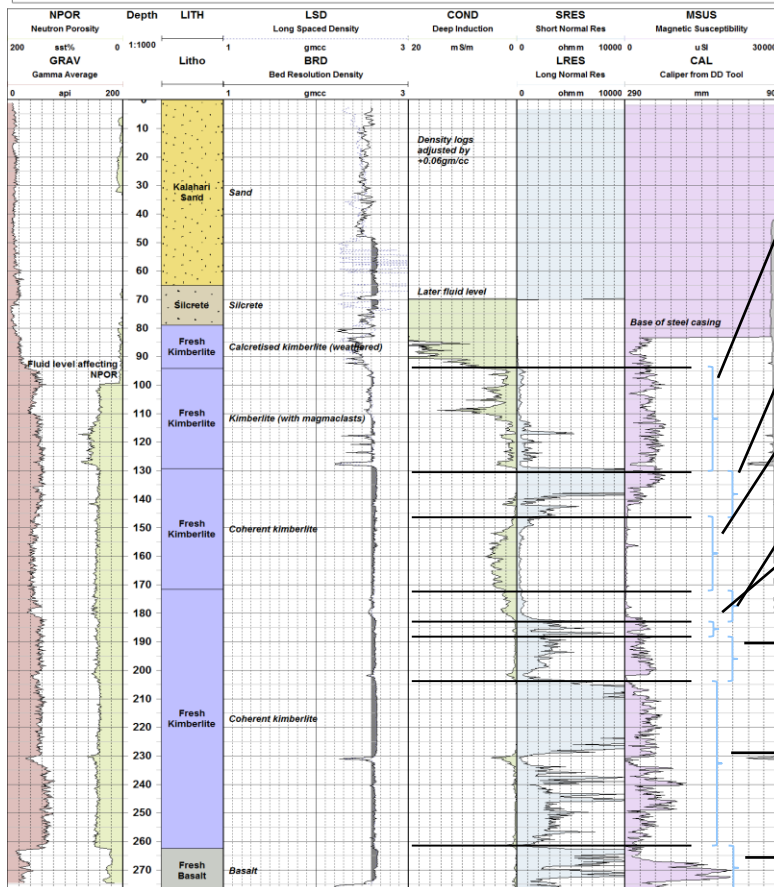


# Downhole Geophysical Logging Results

 <b>DIGITAL SURVEYING</b>		<b>GEOPHYSICAL LITHOLOGY LOG</b>		<b>KX36/H20</b>
COMPANY: PETRA DIAMONDS BOREHOLE: KX36/H20 PROSPECT: COUNTRY: BOTSWANA		LOG DATE: 13/07/2013 LOCATION: CONTRACTOR: DIGITAL SURVEYING LOGGING UNIT:		Log Analyst: <b>WIRELINE WORKSHOP</b>
RUN NUMBER: 016	PROCESSED BY: M MAFRI	PERMANENT DATUM: GL	FLUID LEVEL: 190M	SONDE NO:
DEPTH DRILLER:	RECORDED BY: TS MATSOMANE	LOGGER MEAS FROM: GL	CASINO SIZE:	CALIBRATION DATE:
DEPTH LOGGER: 276M	RECORDED BY: CJ ARDERNE	DRILLER MEAS FROM: GL	CASINO DEPTH:	
COMMENTS 1: NO TEMPERATURE LOG RUN. COMMENTS 2: DENSITY LOG ADJUSTED. COMMENTS 3:				

- **Black1 Coherent Kimberlite**  
Relatively Magnetic, Conductive
- **Black2 Coherent Kimberlite**  
Relatively Magnetic, Resistive
- **Green Coherent Kimberlite**  
Virtually Non-Magnetic, Relatively Conductive

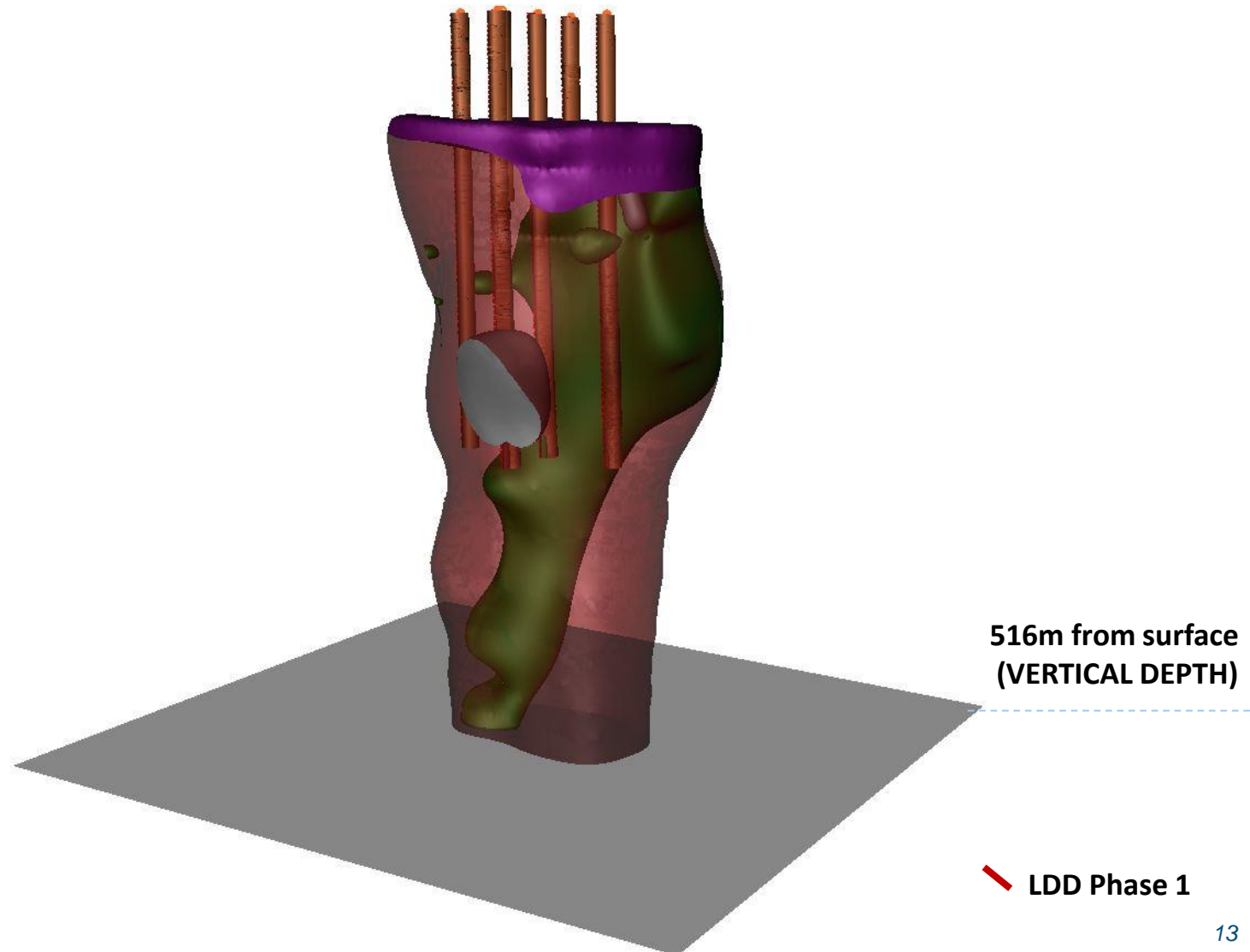
Depth from (m)	Depth to (m)	Unit / "Facies" Interpretation	Description of rock
79.92	92.25		Extremely altered calcretised kimberlite. Sample XRD5 taken at 86.2m for secondary mineralogy studies.
92.25	128.70	<b>Black1 Coherent Kimberlite</b>	Extremely altered kimberlite with a black matrix. The kimberlite is highly macrocrystic with large red and brown olivines up to 24mm in size. The core is intensely veined with close spaced subhorizontal thin calcite veins.
128.70	147.44	<b>Black2 Coherent Kimberlite</b>	Black, very hard, competent and fresh kimberlite with fresh to pale brown olivines that reach 16mm in size. Sample Pet41 taken at 130.94m for petrographic study.
147.44	171.60	<b>Green Coherent Kimberlite</b>	There is a gradational change to a kimberlite with a green matrix. This kimberlite is highly macrocrystic with abundant brown olivine macrocrysts that are cm-sized. The core is very competent and there is almost no secondary veining. Sample Pet42 taken at 152.14m for petrographic study. Petrography corresponds with logging.
171.60	182.14	<b>Black2 Coherent Kimberlite</b>	Back to the black matrix kimberlite with brown olivines. The rock is coarsely macrocrystic with cm-sized olivines.
182.14	191.14	<b>Black2 Coherent Kimberlite</b>	Same kimberlite but more competent with lesser veining.
191.14	202.00	<b>Black2 Coherent Kimberlite</b>	Same kimberlite with dark matrix and brown olivine macrocrysts. This interval is intensely fractured and the core broken along 50° to 60° angled cracks. Basalt Xc's reach 11cm in size and basement 2.5cm. Sample Pet43 taken at 190.90m for petrographic study. Petrography corresponds with logging.
202.00	262.30	<b>Black2 Coherent Kimberlite</b>	More competent unfractured black kimberlite with particularly fresh to brown altered olivine macrocrysts. The kimberlite is highly macrocrystic with cm-sized olivines. Sample Pet44 taken at 245.00m for petrographic study. Petrography corresponds with logging.
262.30	278.14	Basalt wall rock	Basalt wall rock. The basalt is totally solid with no sign of brecciation. EOH.





# Large Diameter Drilling

- LDD : 1,675m, ~800 tonnes treated
- 286 carats recovered
- LDD grades were not in line with modelled grade from micro diamonds
- Diamond breakage generally high at 23-29%



# Salient KX36 Results to Date

- Micro diamond modelled grade of undiluted kimberlite: 75 to 180 cpht
- LDD recovered grade: 32 cpht, not taking into account diamond breakage
- Two 5ct gem diamonds recovered in 280 carats
- Additional bulk sampling planned to better define grade and diamond value
- Overall project expenditure of BWP 41.5m to date; further considerable expenditure will be required to increase confidence levels

LDD004: 5.12 ct



LDD004: 4.97 ct

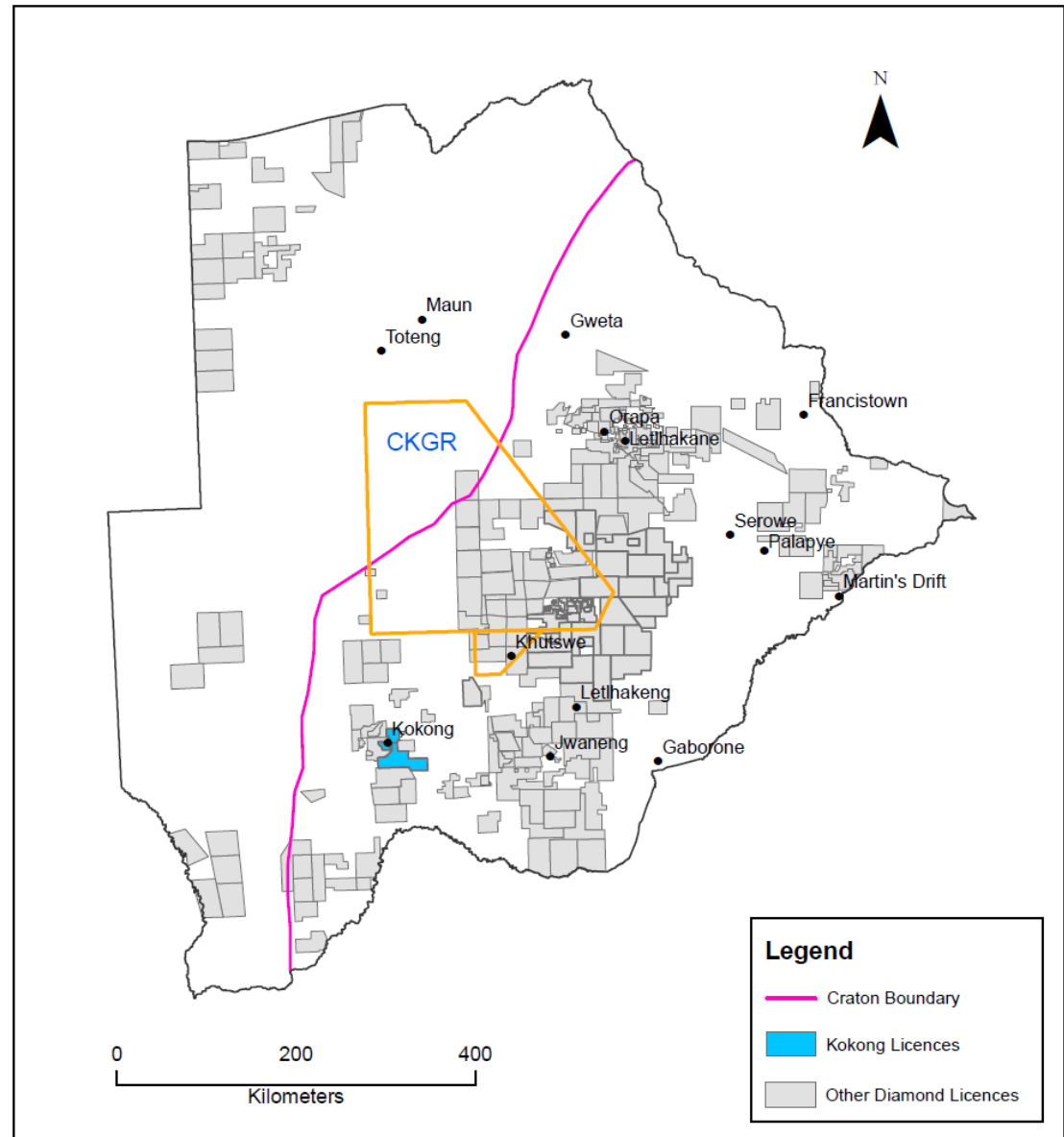


LDD004: 1.21 ct

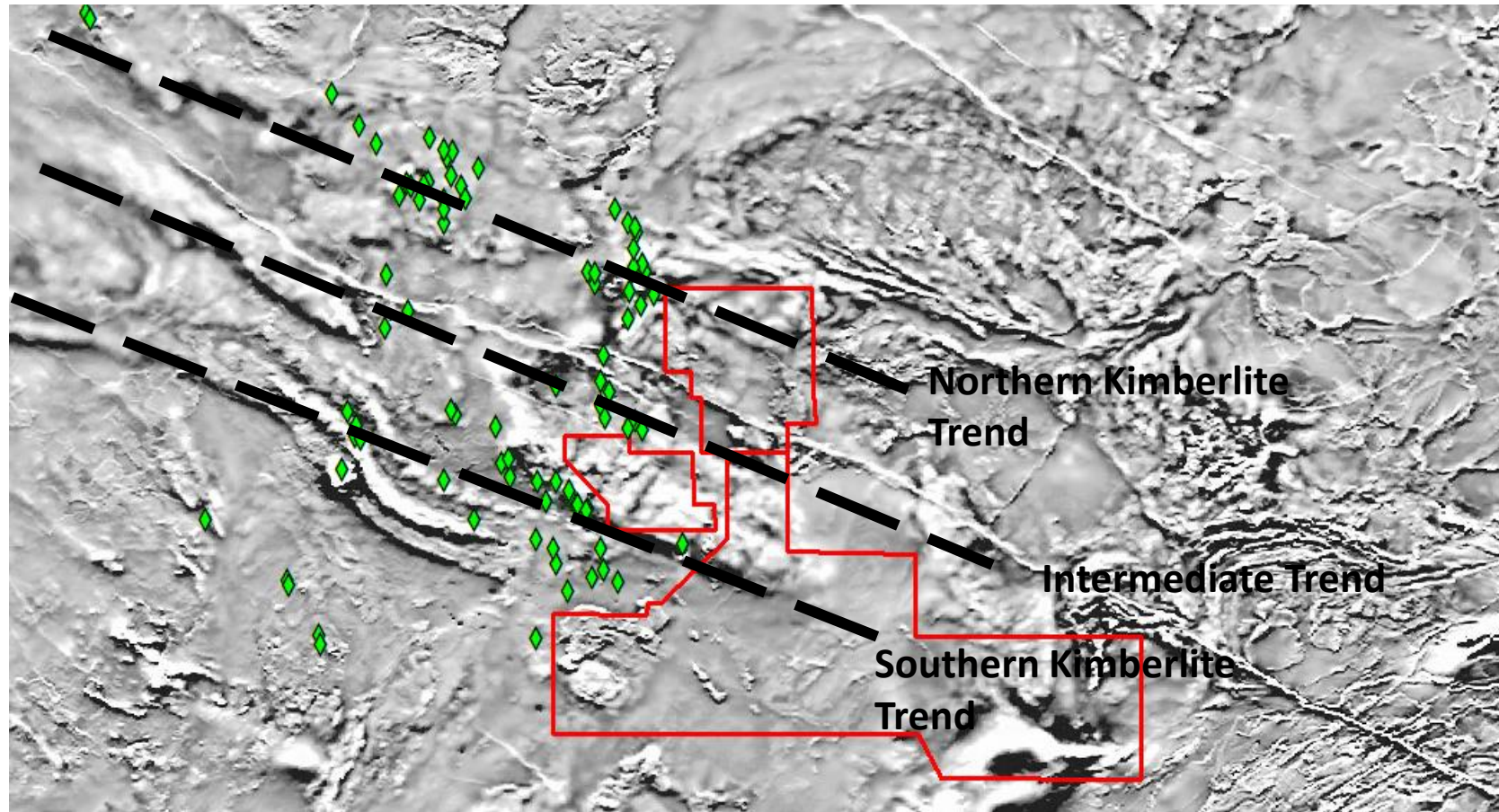


# Kokong Project Location

- Petra PL's straddle both Kgalagadi and Southern Districts
- Kokong kimberlite field lies to the west of Kokong Village
- Project area lies on the Kaapvaal craton some 60km east of the Kheis Mobile belt (~2.0-1.8 Ga)



# Kokong Kimberlite Field

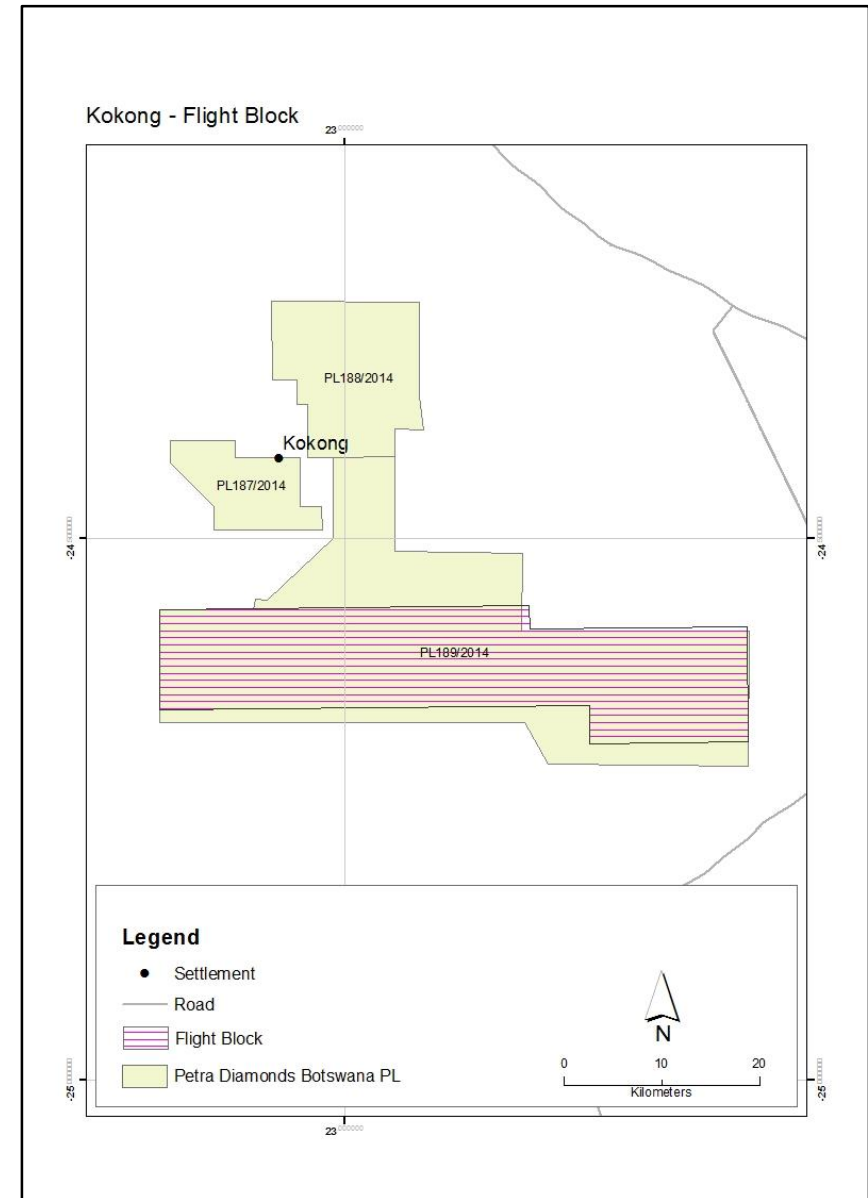


- 76 Known kimberlites, average size 38 ha (large); several diamondiferous; upper Cretaceous age
- Most with preserved craters, and beneath 80-120m Kalahari cover
- Structurally controlled field; clusters with a ~NW orientation, equal number of positive and negative magnetic signatures (RTZ Report)
- Diamond potential increases eastwards with lower geothermal gradient



# Kokong Exploration Programme

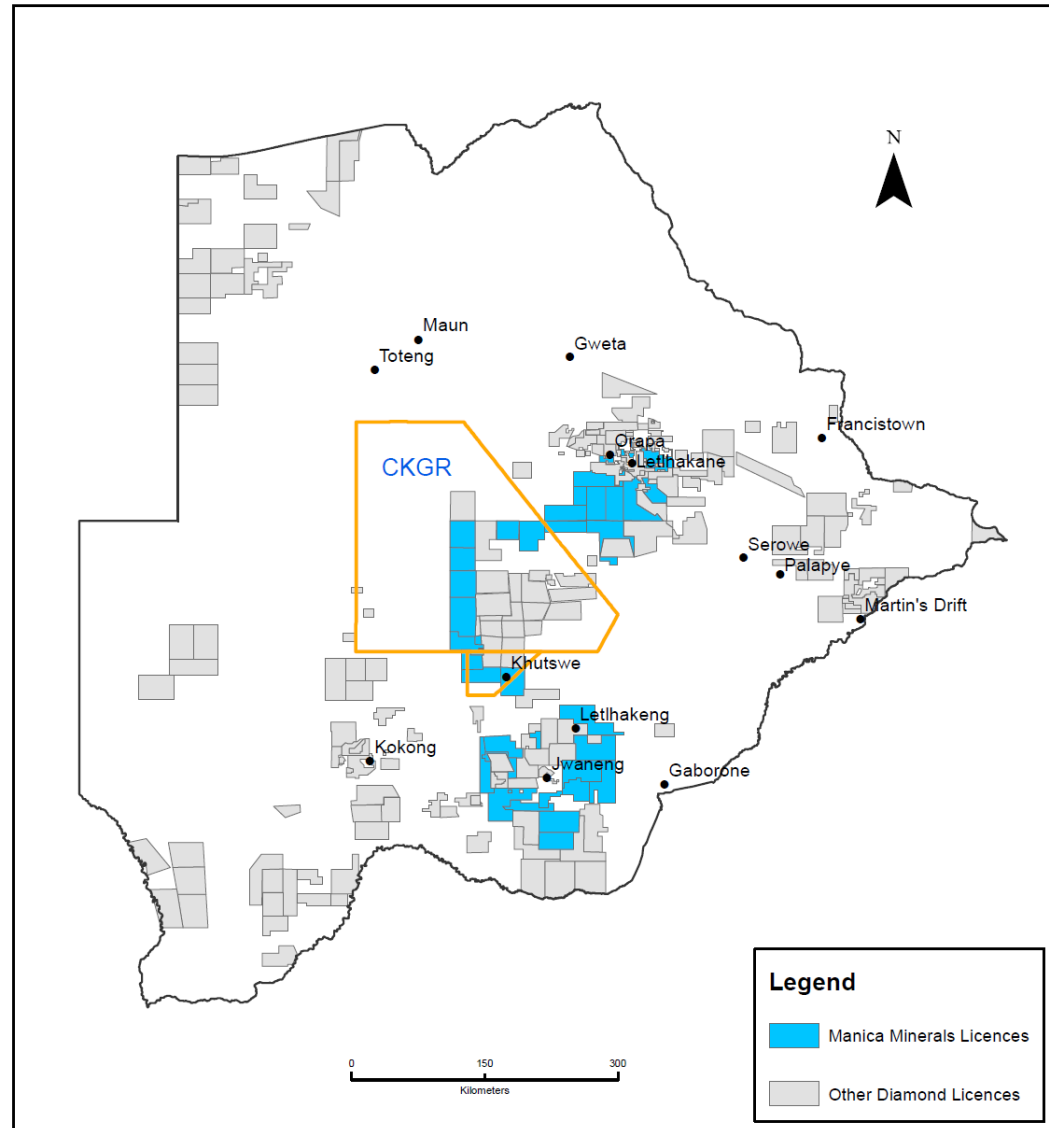
- Hi-res Xcalibur magnetic gradiometer survey in progress over the Kokong licences
  - Flight line spacing: 100m
  - Total line-km: ~ 6,353 km
  - Nominal ground clearance: 15m
- Geophysical ground follow-up
- KIM sampling
- Percussion drilling on positive results



# Manica Minerals Ltd Diamond Exploration JV

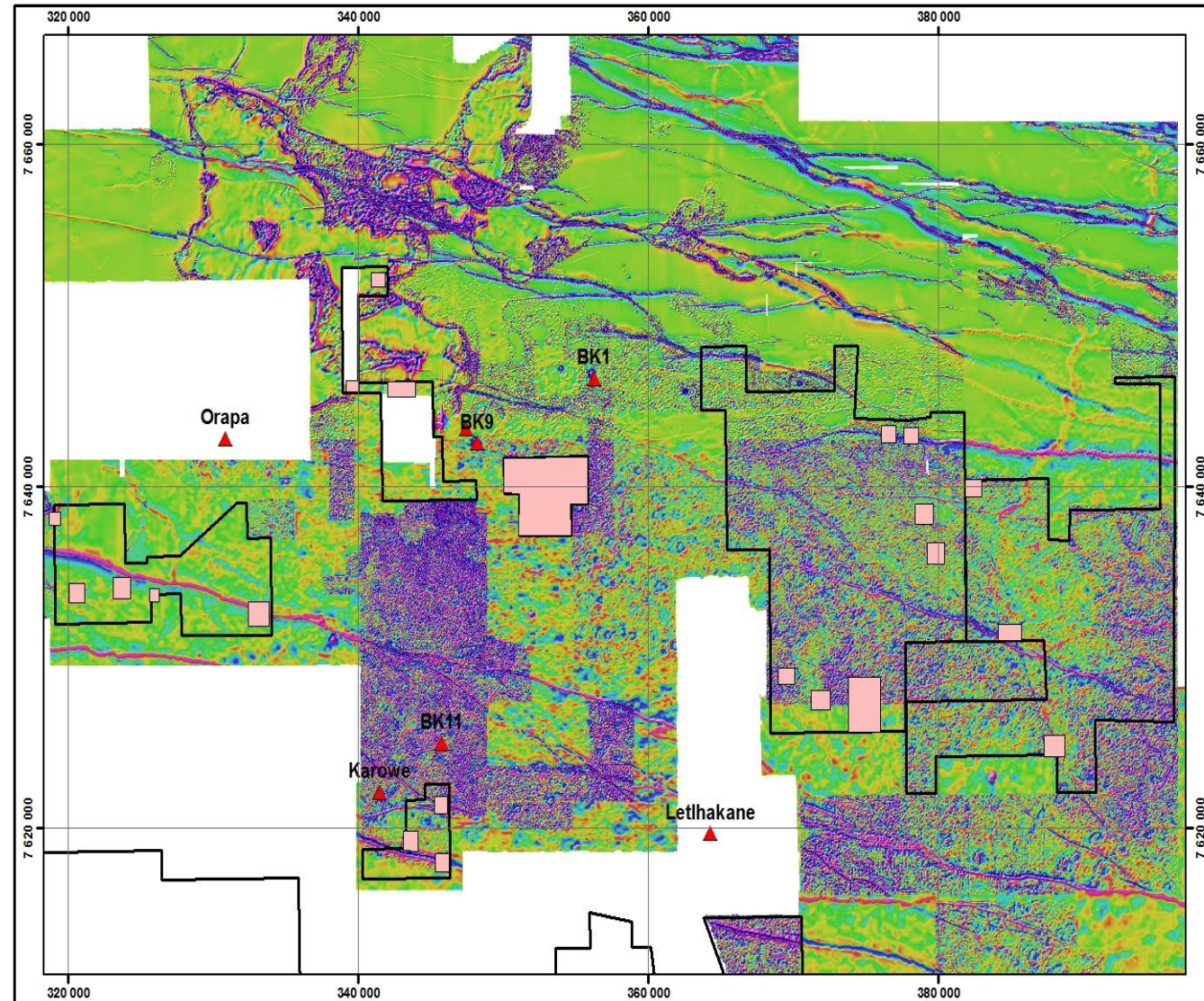
Manica Minerals Licences

- Petra has entered into a co-operation agreement in Botswana (Jan 2014) with Manica Minerals, led by Dr. J.J Gurney
- The JV exploration is fully funded by Petra Diamonds
- The Agreement will combine the extensive exploration experience of both parties
- Manica landholdings grouped into four project areas
  - Orapa North
  - Orapa South
  - Gope West
  - Jwaneng



# Exploration Programme

- Historical data compilation and review
- Acquisition of ~ 1,250 line-km of hi-res ground magnetics over 10 known kimberlites in the Orapa area and several new targets (completed), with Xcalibur hi-res magnetic gradiometer data acquisition to follow in selected areas (in process)
- KIM sampling and RC drilling of selected kimberlites to commence shortly
- Petra's expenditure to date ~ BWP 2.2m; year II budget is ~ BWP 7.0m







**Thank You**



**Petra**Diamonds

| BOTSWANA