



London  
Stock Exchange

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**PREMIUM**



The Finsch mine  
in South Africa

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

November 2014



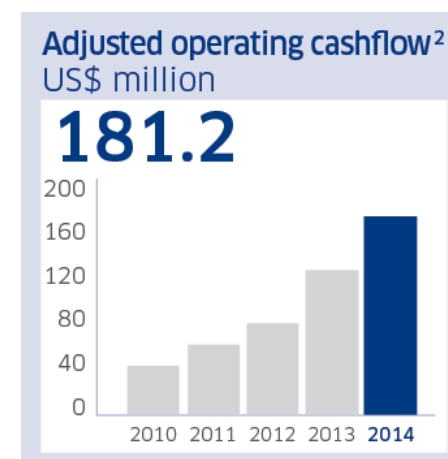
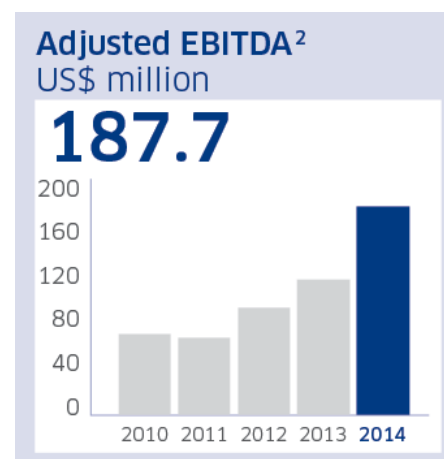
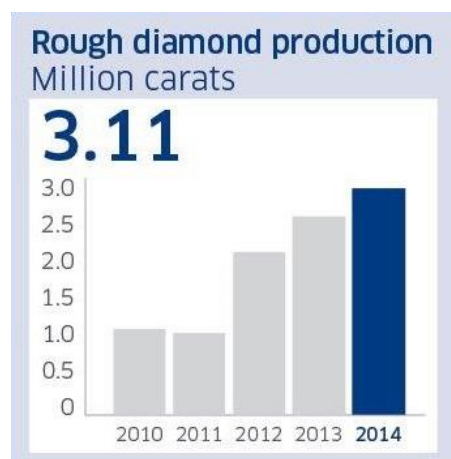
**Petra**Diamonds

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**LSE: PDL:** Constituent of FTSE 250; market capitalisation of ca. £978m / US\$1.5bn (as at 21 November 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\$1.2bn<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:** capex to be covered by operating cashflow from FY 2015; dividend policy to be announced soon

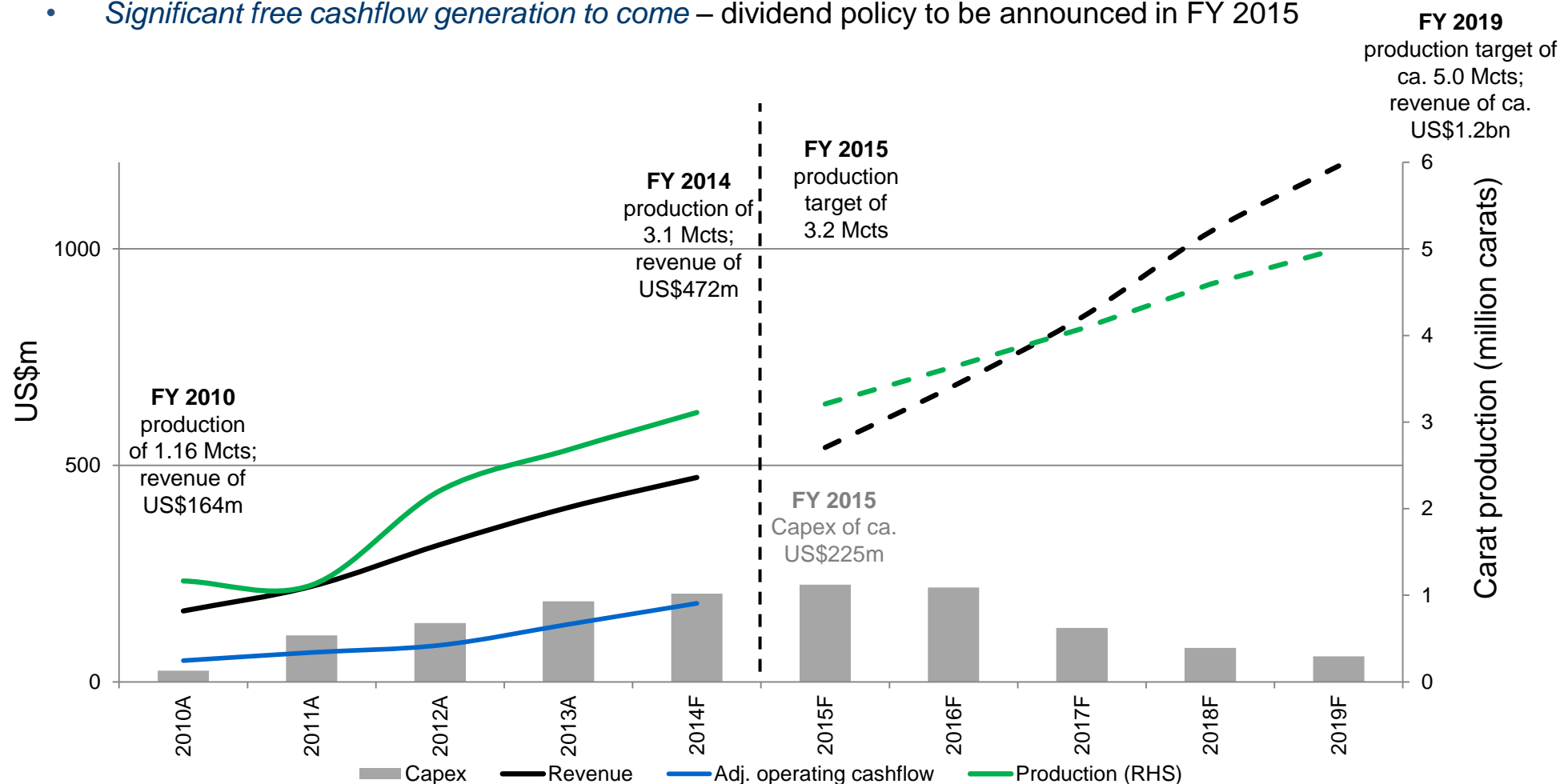


1. FY 2019 revenue forecast is a management estimate calculated using a 4% real price increase

2. Refer to preliminary results announcement dated 18 September 2014 for detailed notes explaining non IFRS adjusted disclosures

# Organic Growth Path to 5 Million Carats pa

- Significant free cashflow generation to come* – dividend policy to be announced in FY 2015

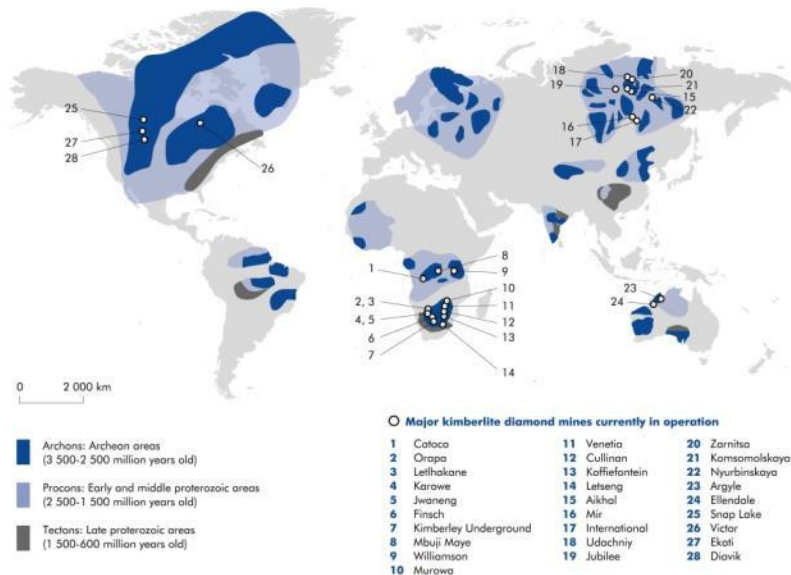


**Note:** All forecasts for Capex, revenue and production are management estimates. Capex is in nominal terms; diamond prices are calculated using a 4% real price increase.

# Favourable Market Outlook

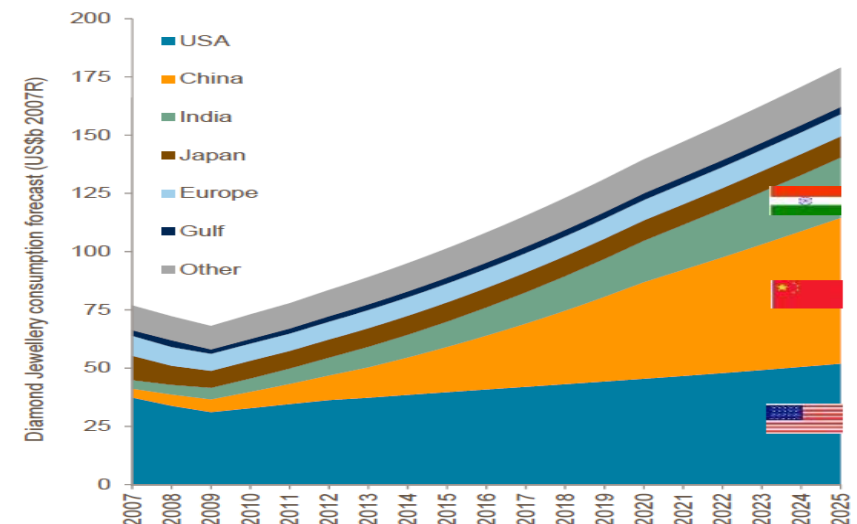
- *Limited supply:* only ~30 significant kimberlite mines in production; no major discoveries since 1990's
- *Major mines maturing:* past production peak; smaller footprints and some moving underground
- *Late cycle credentials:* demand driven by urbanisation, growing middle classes and continued recovery in US
- *Exciting demand growth:* consumption per capita in emerging regions still way below that of mature markets
- *Mass luxury:* China/India markets starting to follow US model of affordable diamond jewellery (\$200 to +\$2,000)

## Limited Supply – less than 30 significant kimberlite mines



Source: Petra Diamonds

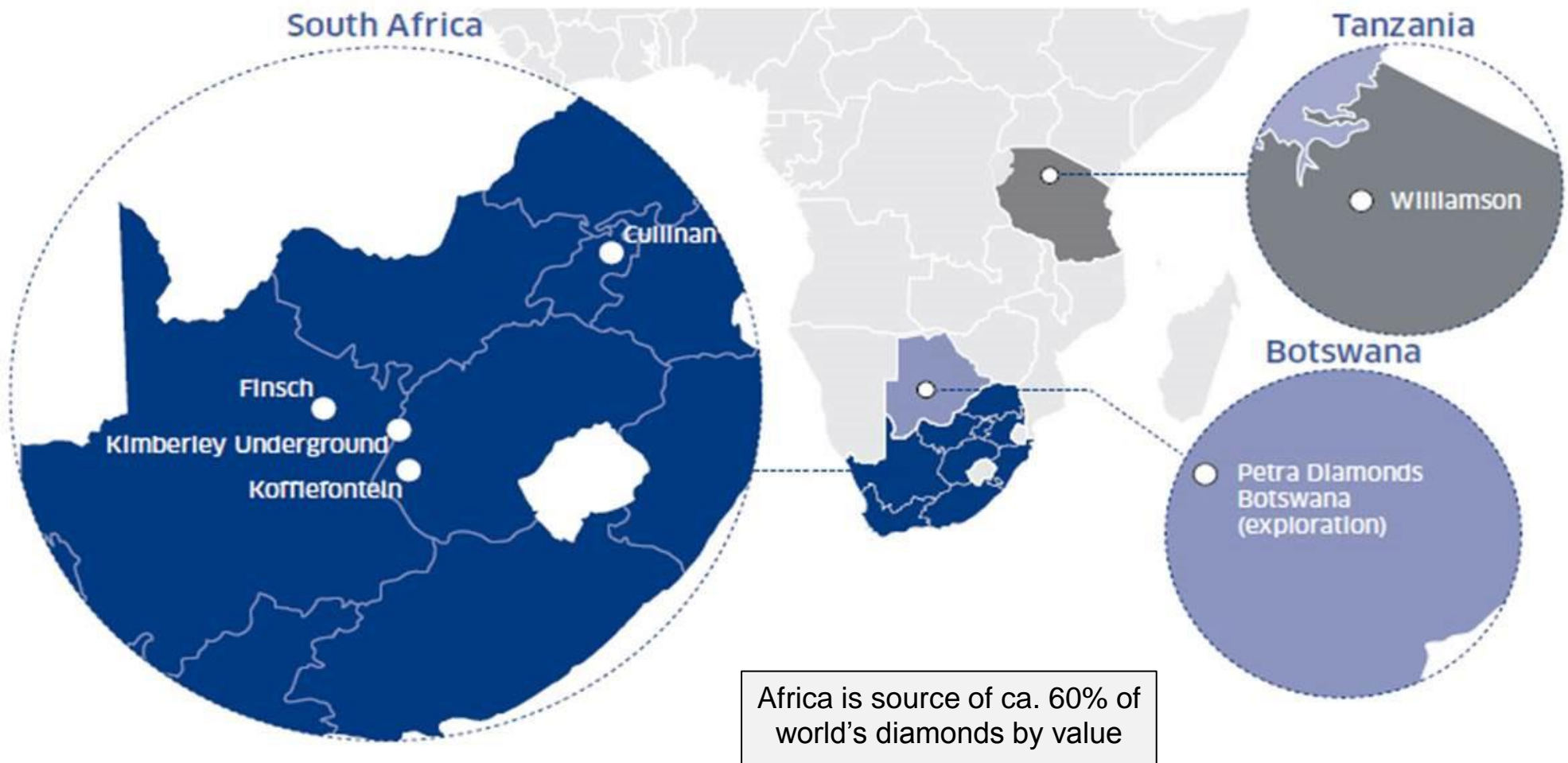
## Growing Demand – China to surpass US marketshare by 2025



Source: Rio Tinto

# Focus on Africa





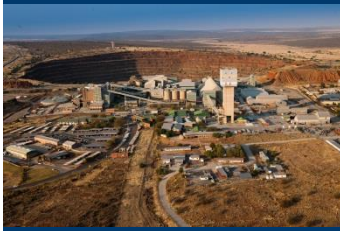
- *Diversified portfolio:* four producing mines in South Africa, one in Tanzania and exploration in Botswana
- *World-class resource:* +300 million carats (largest outside the majors) worth ~US\$58.3 billion<sup>1</sup>



1. FY 2014 average carat values used to calculate in situ values

# Petra Growth Path

Petra acquired five diamond mines from De Beers (four in South Africa, one in Tanzania):

July 2007	July 2008	February 2009	May 2010	September 2011
Koffiefontein	Cullinan	Williamson	Kimberley UG	Finsch
				
74% Petra <sup>1</sup> ; 26% BEE	74% <sup>1</sup> Petra; 26% BEE	75% Petra <sup>1</sup> ; 25% Government of Tanzania	74% Petra <sup>1</sup> ; 26% BEE	74% Petra <sup>1</sup> ; 26% BEE
Sub-level / Block Cave 12yr Mine Plan +20yr Potential Life	Block Cave 17yr Mine Plan +50yr Potential Life	Open Pit 20yr Mine Plan +50yr Potential Life	Block Cave 13yr Mine Plan +13yr Potential Life	Sub-level / Block Cave 17yr Mine Plan +25yr Potential Life

## The Petra Approach: Mine Management

- Focus on efficiencies and simplification of management structures
- Disciplined cost control, share services across mines, efficient central overhead
- Focus on 'value' as opposed to 'volume' production

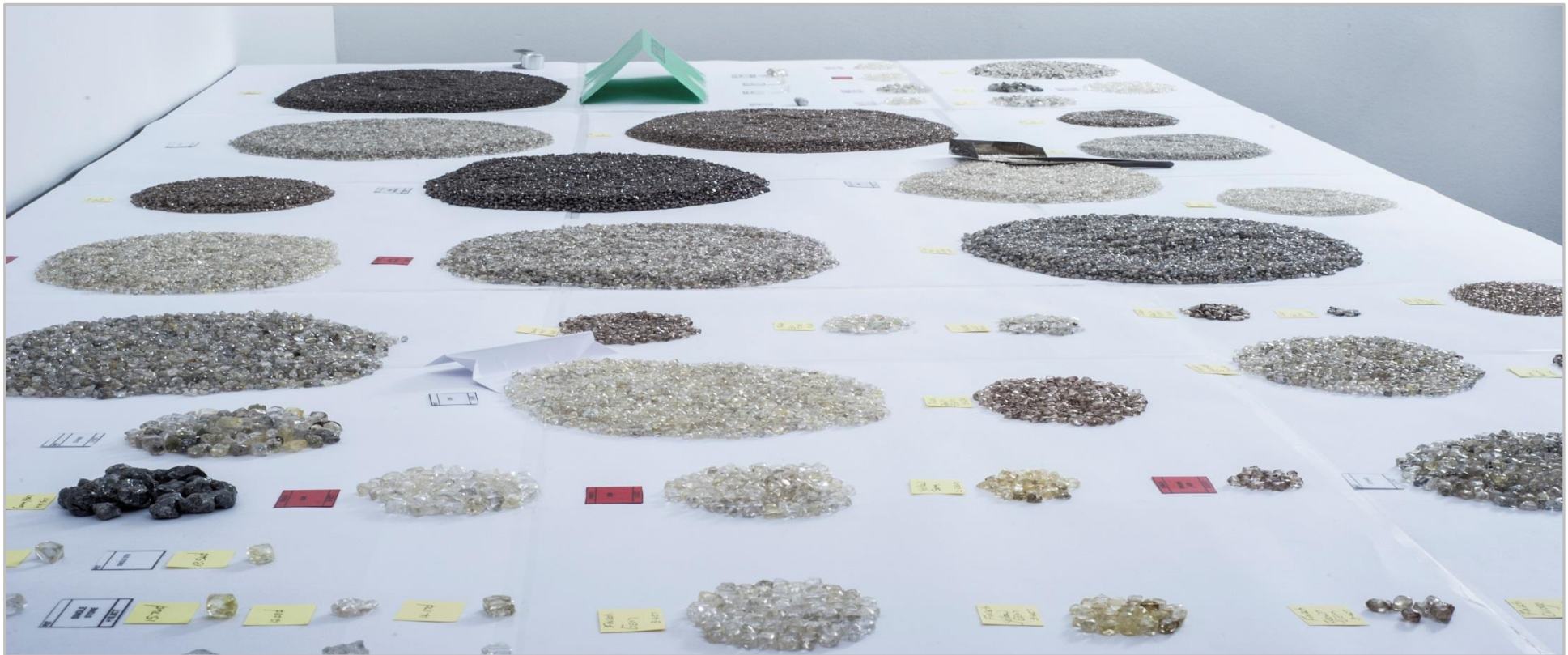
## The Petra Approach: Project Development

- Utilise in-house expertise/knowledge in design and execution of capital programmes
- Phased approach to achieve low capital intensity
- Make decisions, get started

1. See slide 30 for further disclosures re. Petra's effective interest in its mines

# Consistent Production Profile

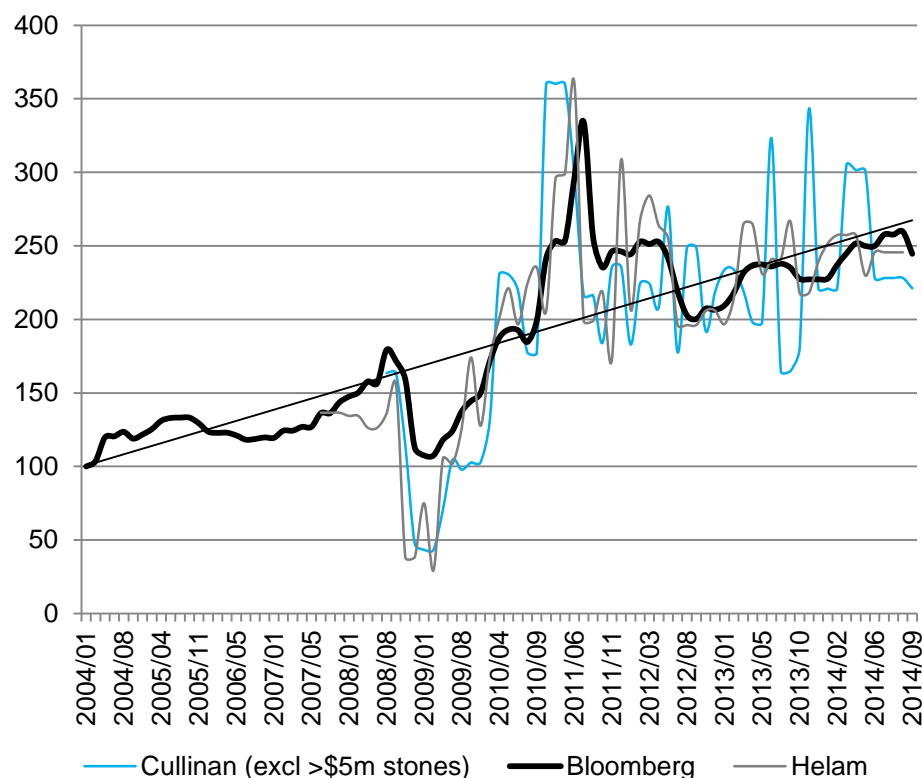
- Kimberlite production profile (diamond quality and size ranges) remains *highly constant* over time, resulting in *accuracy for diamond price forecasting*
- *Ever growing volumes* across the full diamond spectrum (from lowest to highest value)
- Growing trend for *mass luxury* supported by strong pricing performance in smaller / 2<sup>nd</sup> to 3<sup>rd</sup> quality goods



# Rough Diamond Pricing

- Bloomberg Rough Diamond Index shows a 7% real price per annum increase over 2004 to 2014

Rough Diamond Index



Petra – Rough Diamond Prices (US\$/ct)

Mine <sup>1</sup>	Actual (US\$/ct) Q1 FY 2015	Guidance (US\$/ct) FY 2015	Actual (US\$/ct) FY 2014
Finsch	90 <sup>1</sup>	108	99
Cullinan	293 <sup>2</sup>	152 <sup>3</sup>	185 <sup>2</sup>
Koffiefontein	503 <sup>4</sup>	654	542
Kimberley Underground	327	329	303
Williamson (ROM only)	352 <sup>5</sup>	295	307

- Excludes guidance for exceptional diamonds (stones above US\$5 million in value)
- Excluding exceptional stones, the average was US\$146 per carat
- Excluding exceptional stones, the average was US\$142 per carat
- Value impacted by production mix; expected increase in higher value ROM carats for remainder of FY 2015
- Value impacted by sale of 16ct pink diamond for US\$2.2 million

# 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**

507.55 carats rough  
**Cullinan, 2009**

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



## **The Golden Jubilee**

755.50ct rough, 545.65ct 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, 12ct polished  
**Cullinan, 2014**

**The Taylor Burton**  
240.80ct rough, 69.42ct polished  
**Cullinan, 1966**



# Exceptional Diamonds – Contribution to Petra

- Petra classifies 'exceptional diamonds' as *stones that sell for +US\$5 million* each
- Exceptional diamonds contributed on average US\$18 million pa from FY 2008 to FY 2014
- Higher average in last two years: US\$26 million pa from FY 2013 to FY 2014
- Company business model is not reliant on exceptional diamond recoveries

## FY 2014

- 126 carat white diamond sold for US\$8.5 million
- 29 carat blue diamond sold for US\$25.6 million

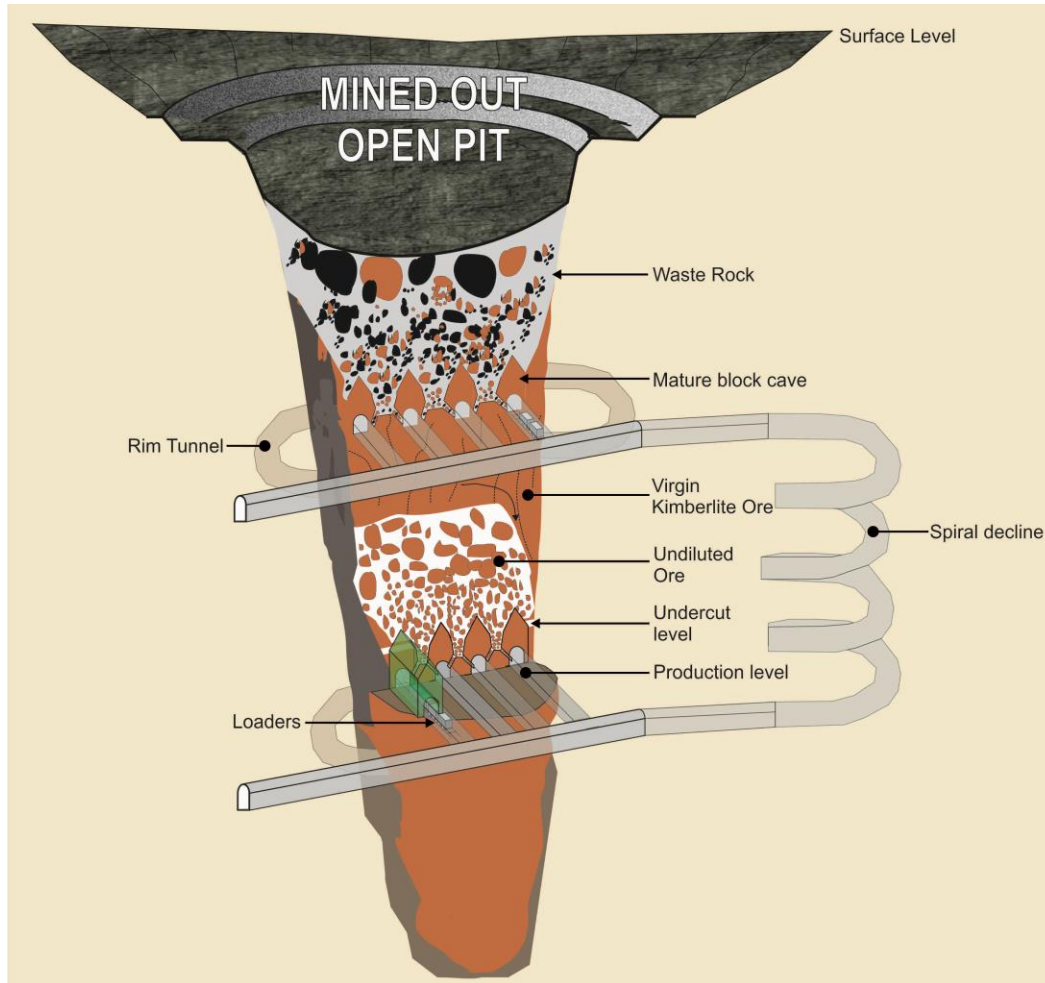


## H1 FY 2015

- 122 carat blue diamond valued at US\$27.6 million in a beneficiation agreement; Petra paid US\$23.5 million and retains a 15% share in polished proceeds
- 232 carat white diamond sold for US\$15.2 million



# Moving into Undiluted Ore



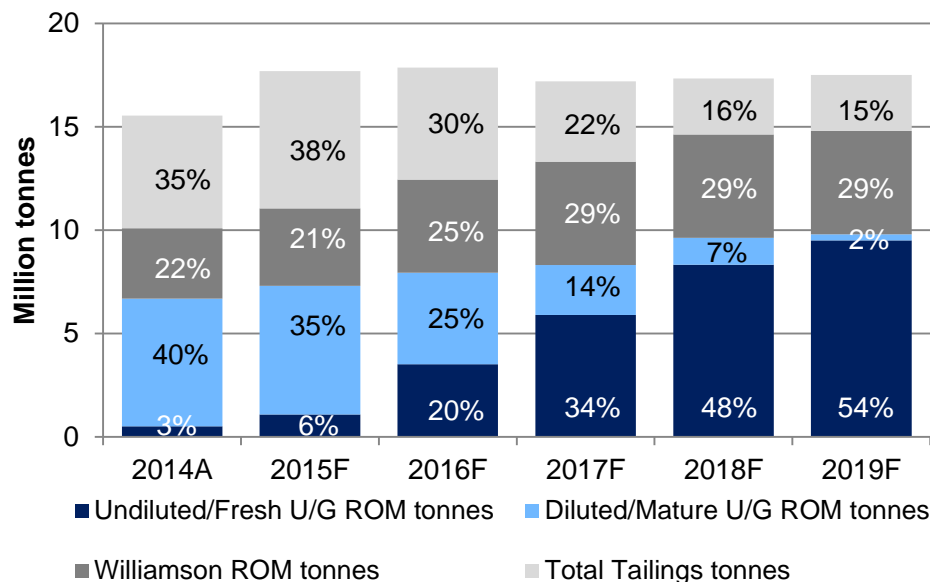
- Caving is a safe and proven mechanised mining method; provides access to higher volumes of ore than other methods
- Current underground mining taking place in diluted, mature caves nearing end of lives
- Expansion programmes to take next 'cut' by deepening and establishing new block/sub level caves in undiluted kimberlite
- Grades expected to rise significantly, increasing margin per tonne mined:
  - *Finsch* ca. 38 cpht to ca. 58 cpht<sup>1</sup>
  - *Cullinan* ca. 28 cpht to +50 cpht<sup>1</sup>
- Will reduce wear and tear on processing systems (waste rock is harder and more abrasive than kimberlite)

# Significant Margin Expansion

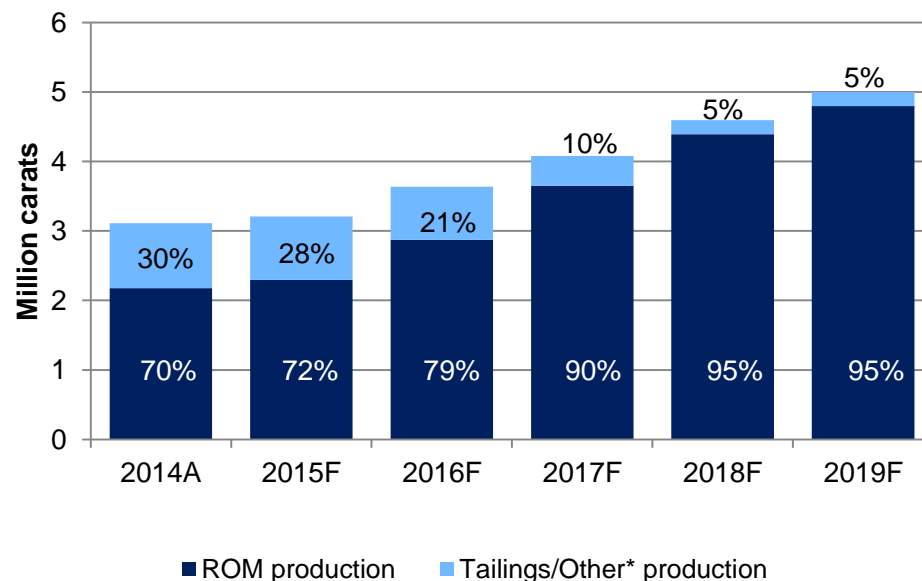
Operating *margins to gradually rise from ca. 40% to +50% by FY 2019*

- ROM grades expected to increase ca. 50% once expansion programmes open up undiluted ore blocks
- Higher value ROM carats in production mix expected to increase to ca. 95%
- Unit costs to be well managed due to simplified orehandling systems and other efficiencies

**Split of Petra's production profile from different ore sources**  
million tonnes mined



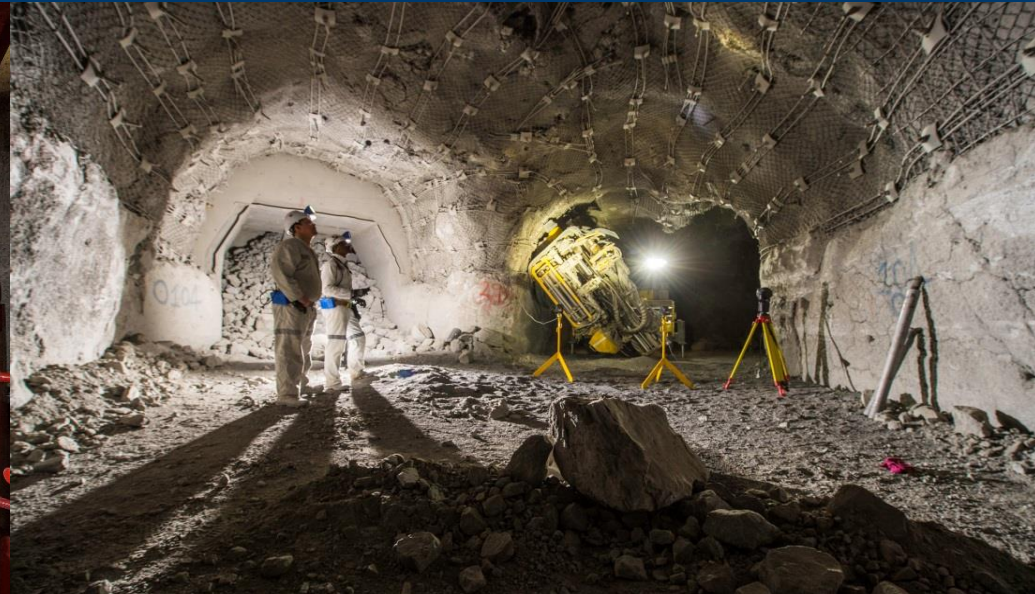
**Split of ROM (primary production) vs Tailings/Other\* (re-processing old dumps) – carats produced**



\* 'Other' includes Ebenhaezer tonnes from Koffiefontein and alluvials from Williamson

# Development Snapshot

## Underground development



## Optimising orehandling



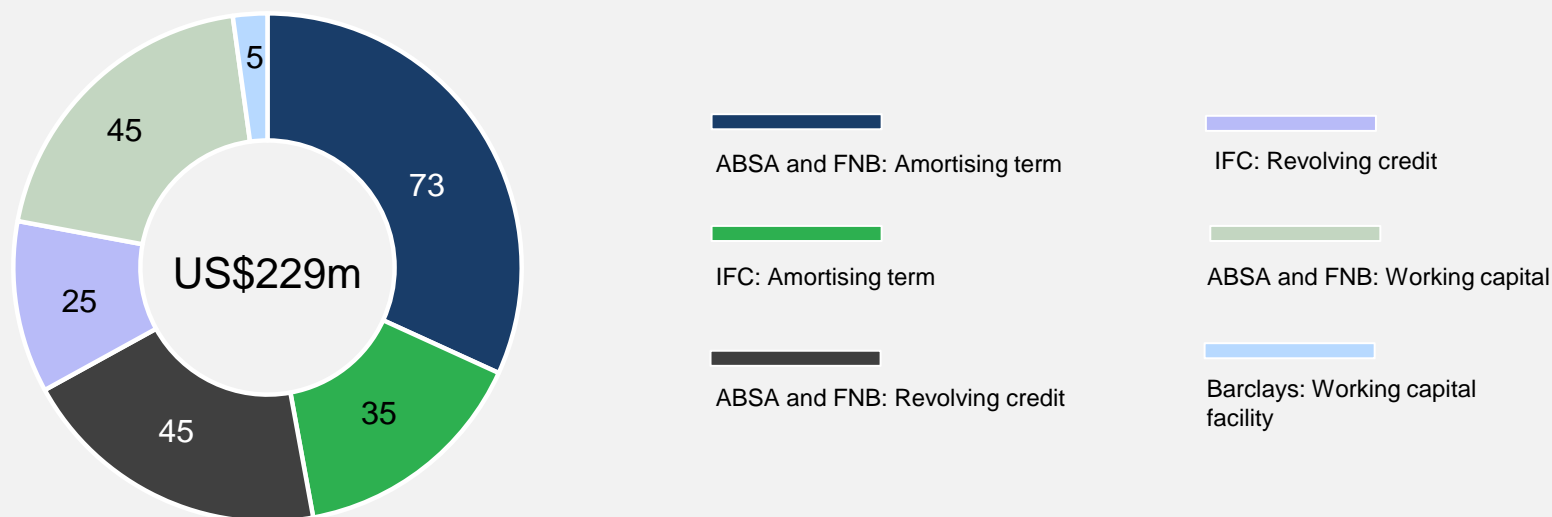
## Plant refinements



# Financial Overview

As at 30 September 2014 <sup>1</sup>	24 October 2014 <sup>1</sup>	25 November 2014 <sup>1</sup>
<ul style="list-style-type: none"> <li>Cash: US\$45.5 million; diamond debtors: US\$3.6 million; diamond inventories: US\$49.4 million</li> <li>Bank loans and borrowings: US\$154.8 million</li> <li>Net debt: US\$109.3 million</li> <li>Debt facilities undrawn (pre 24 Oct '14 increase in facilities); US\$29.1 million</li> <li>BEE loans due to Petra: US\$88.6 million</li> </ul>	<ul style="list-style-type: none"> <li>Petra announced increase in total Group debt and FX facilities of ca. US\$41.4 million to ca. US\$265 million (ca. US\$229 million debt facilities; ca. US\$36 million FX hedging lines)</li> <li>Reduced interest rates on debt and working capital</li> <li>See slide 38 for breakdown of each facility and interest rates</li> </ul>	<ul style="list-style-type: none"> <li>Petra announced refinancing of BEE partners in Cullinan and Finsch, whereby banks will directly finance the BEE partners in respect of their loans due to Petra of R1,078 million (US\$98.0 million)</li> <li>Pro forma (on Sep 2014 reported numbers) cash increased to US\$143.5 million (Sep 2014: US\$45.5 million) and net debt reduced to US\$11.3 million (Sep 2014: US\$109.3 million)</li> </ul>

## Debt Facilities million<sup>1</sup> (after increase in facilities in October 2014; excl. hedging)



1. Utilising an exchange rate of US\$1: R11.0

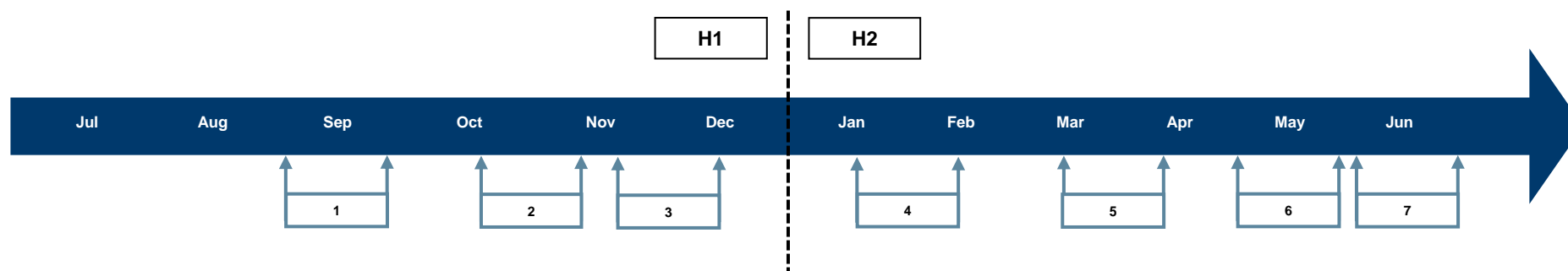
# Q1 FY 2015 – On track to meet Guidance

## Production and Sales Summary

	Unit	Q1 FY 2015	Q1 FY 2014 <sup>1</sup>	Variance	FY 2014 <sup>1</sup>
<b><u>Sales</u></b>					
Diamonds sold	Carats	532,250	589,233	-10%	3,134,706
Gross revenue	US\$M	100.8	65.1	+55%	472.6
<b><u>Production</u></b>					
ROM diamonds	Carats	600,499	577,161	+4%	2,174,835
Tailings and alluvial diamonds	Carats	233,245	239,574	-3%	935,988
Total diamonds	Carats	833,744	816,735	+2%	3,110,823

1. Comparative periods include results for the Sedibeng and Star mines which were sold in April 2014.

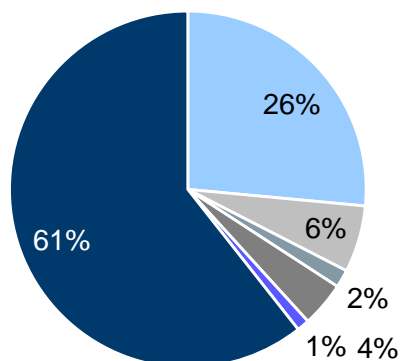
## Petra tender sales cycle – sales weighted to H2



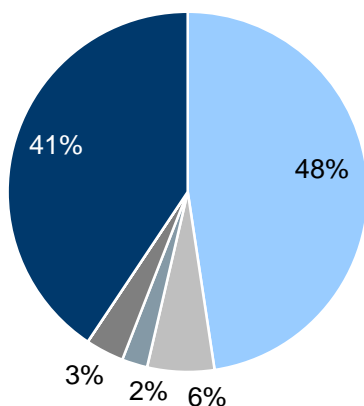
# Production and Revenue – FY 2014 vs FY 2019

## Gross Production

FY 2014 actual: 3.1 million carats<sup>1</sup>

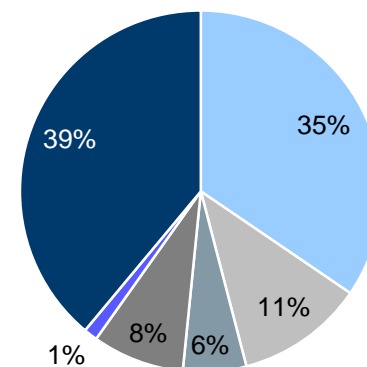


FY 2019: c.5 million carats<sup>2</sup>

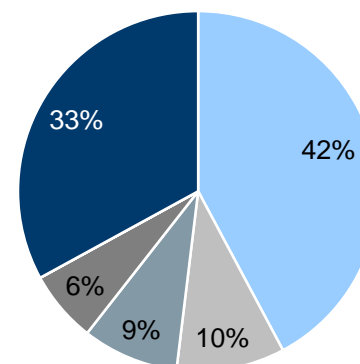


## Gross Revenue

FY 2014 actual: US\$471.8 million<sup>1</sup>



FY 2019: c.US\$1.2 billion<sup>2</sup>



1. Continued operations

2. FY 2019 figures are management estimates; revenue calculated using a 4% annual real price increase



- Organic growth to ca. 5 million carats based on existing portfolio
- Brownfield expansions of existing mines – lower mining risk and capex intensity
- Capex to be funded entirely from operating cashflow from FY 2015



- Petra expects firmer market conditions, underpinned by constrained supply and robust demand, to continue in FY 2015
- Positive long term outlook based on fundamentals
- 'Mass luxury' to drive market; affordable diamond jewellery for all budget ranges



- Total tonnage profile to remain relatively flat FY 2015 to FY 2019, but production to grow ca. 60%
- Group margins expected to go from ca. 40% (FY 2014) to +50% (FY 2019)
- Significant free cashflow generation

Commencement of dividends confirmed for FY 2015

# Sustainability Highlights

## Education

Koffiefontein supports local Reikaeletse Secondary School



## Training

Carpentry skills training taking place at Cullinan



## Environmental Initiatives

Biogas project in Tanzania



## Community Health

A nurse does her ward rounds at the Mwadui Hospital, owned and operated by Williamson



## Focus on Safety

Strategies, systems and awareness initiatives in place to keep our people safe



# PetraDiamonds

Dump Truck at Williamson



## Appendix

# Capital Structure

## Share Price (1 year) vs FTSE 250 & FTSE 350 Mining



1. T. Rowe Price holds 51,182,170 shares with voting rights attached to them, being 9.99% of Petra voting rights
2. Of this holding, 30,929,516 shares are held by M&G Investment Funds 3

## High Quality Share Register

(as at 21 November 2014)

	% ISC
Al Rajhi Holdings W.W.L.	12.9%
T. Rowe Price <sup>1</sup>	10.2%
JP Morgan Asset Management Holdings Inc.	7.8%
BlackRock Investment (UK) Limited	7.3%
Prudential plc group of companies <sup>2</sup>	6.1%
Directors	2.5%

## Listing

## LSE: PDL

Average daily trading volume (shares) – (last 12 mths)	1.2m
Shares in issue	512.1m
Free float	81.9%
Market cap @ 191p (21 November 2014)	£978m



**Adonis Pouroulis (43)**  
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 (56)**  
CEO

One of South Africa's most successful diamond entrepreneurs with +20 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 (51)**  
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 (68)**  
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 (71)**  
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 (68)**  
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 (68)**  
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



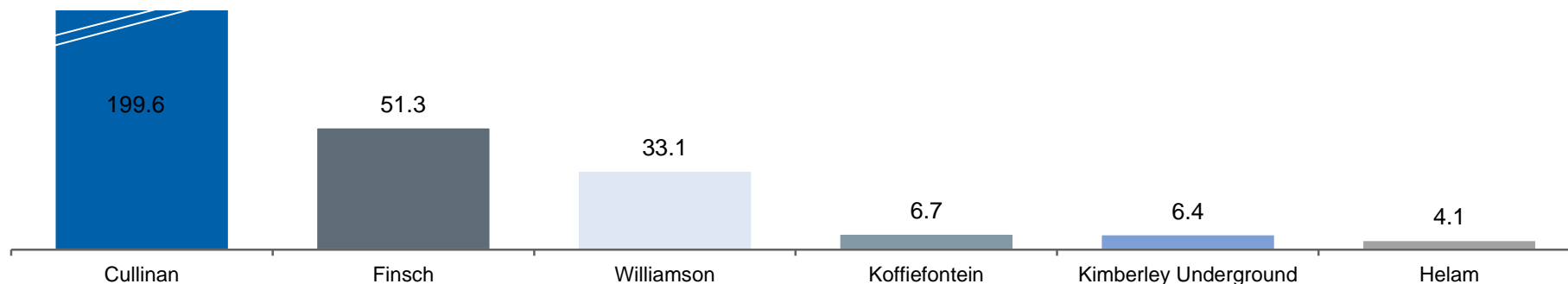
**Octavia Matloa (38)**  
Independent Non-Executive Director

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

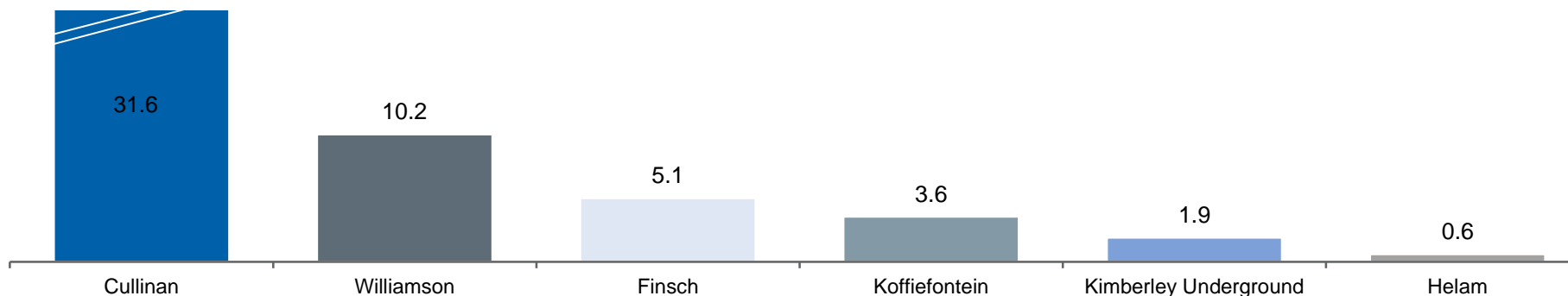
# 2014 Resource Statement (30 June 2014)

- World-class Resource base of *301.1 million carats worth ca. US\$58.3 billion*

Gross Resources (Mcts)



Gross In Situ Value (US\$bn)<sup>1</sup>

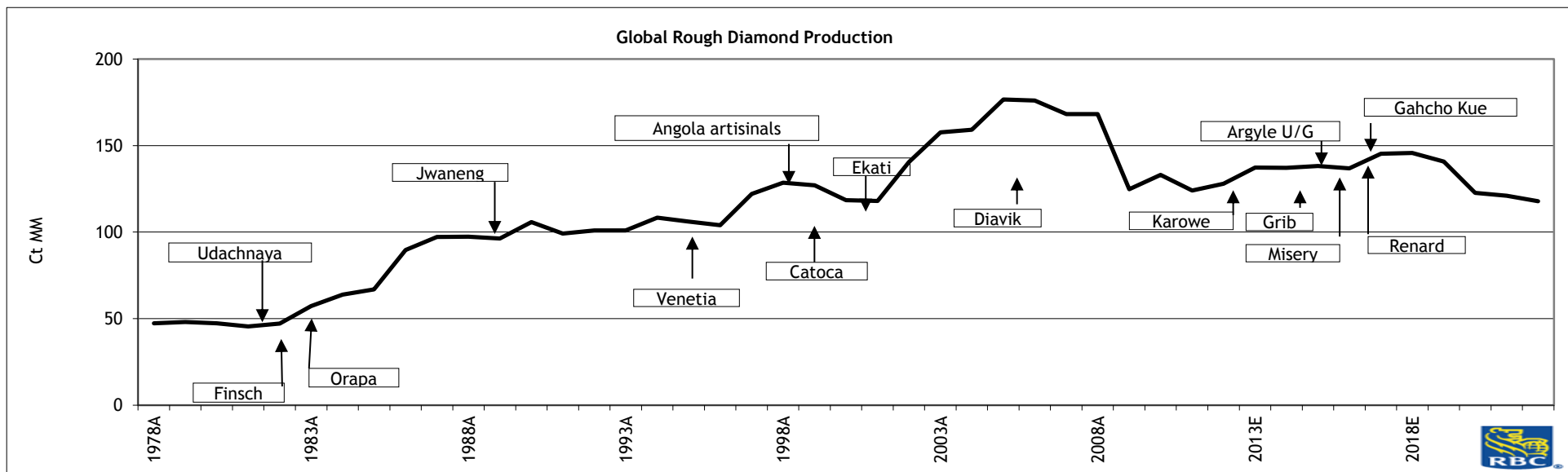


1. FY 2014 average carat values used to calculate in situ values

# Diamond Market - Falling Supply

- Production fell 27% from 2005 (177 Mcts) to 2013 (130 Mcts)
- Success rate for finding an economic diamondiferous kimberlite is estimated to be <1% (De Beers)
- No Tier 1 discoveries for 20 years, despite US\$ billions spent on exploration in 1990s
- Long lead times from discovery to production (7 – 14 years) and development can be costly

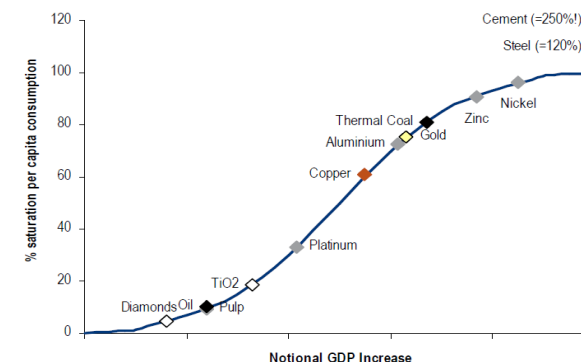
## Global diamond supply: historical and forecast production



# Diamond Market – Growing Demand

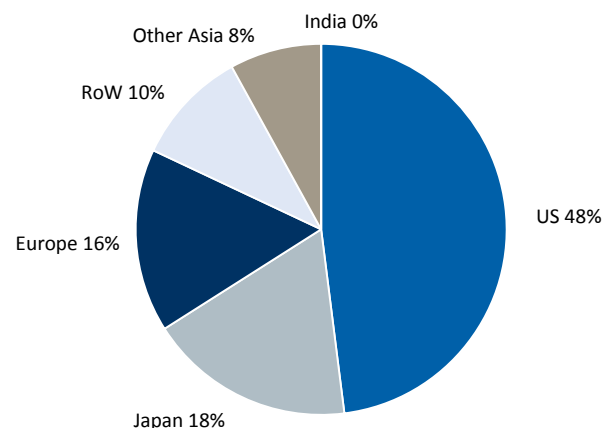
- Demand growth driven by ‘mass luxury’ – affordable diamond jewellery for the middle classes (\$200 to +\$2,000)
- Ca. 3 billion people to join the middle classes over the next 20 years (E&Y: ‘Hitting the Sweet Spot’)
- BY 2030, ca. 1 billion people in China could be middle class
- 2013: Global diamond jewellery sales +3%: US\$79 billion

## Per capita consumption of key commodities: China relative to the US “steady state”

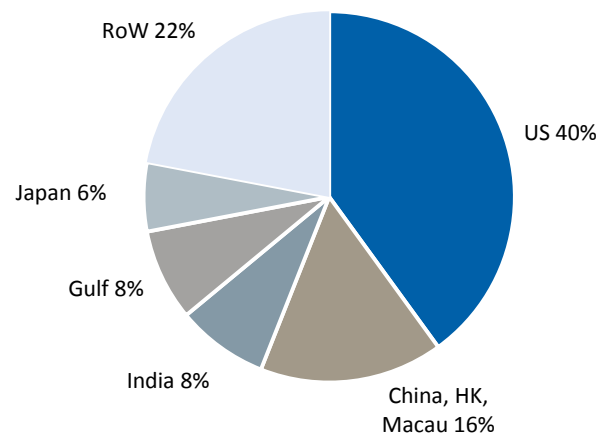


Source: BofA Merrill Lynch Global Metals and Mining Research

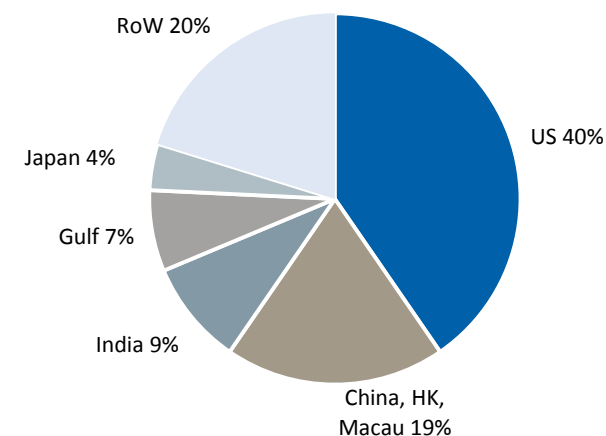
## World diamond jewellery sales 2000



## World diamond jewellery sales 2013



## World diamond jewellery sales 2018E



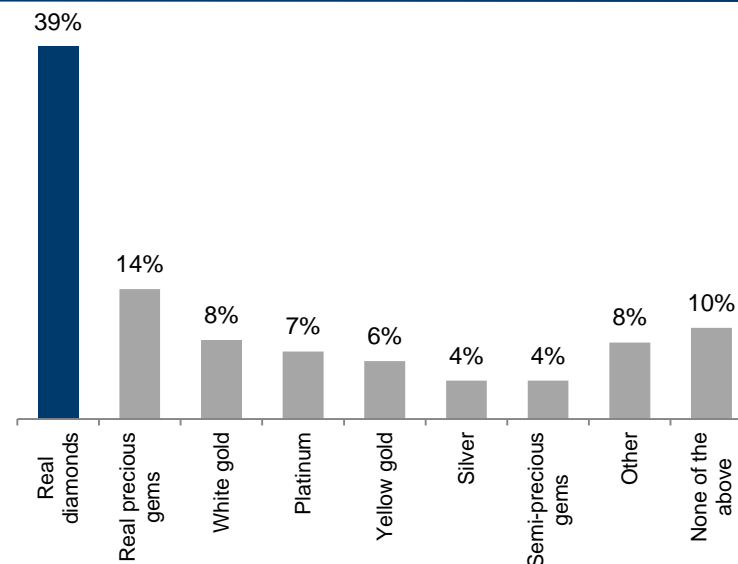
# Diamond Market – US (+7% Growth in 2013)

- Total US retail sales of diamond jewellery reached pre-2009 downturn levels in 2013
- Polished diamond content in jewellery increased 20% from 2008

## US bridal market (De Beers research):

- 79% of couples buy a diamond engagement ring; 17% of women buy another diamond jewellery piece at engagement ( 5% 10 years ago)
- Average cost of diamond engagement ring has increased from \$2,500 in 2003 to \$3,700 in 2013
- Older, more affluent brides; increasing number of remarriages
- Rebound in marriages expected post recession

## Most desired fine jewellery to receive (% of women), 2013



## Strong diamond buying tradition in the US Diamonds are accessible to consumers at all levels

## Best Sellers under \$500

Find the *perfect ring* for your budget.

Shop all Best Sellers under \$500 ▶



Engagement Rings ▶



Bridal Sets ▶



Wedding Bands ▶

Source: Walmart website

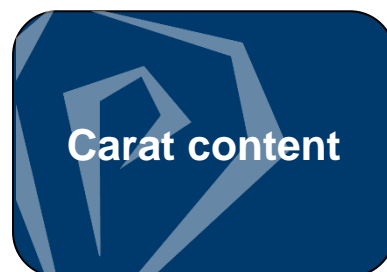
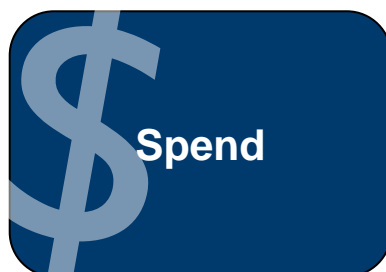


**+40%**

over 10 yrs



**+60%**



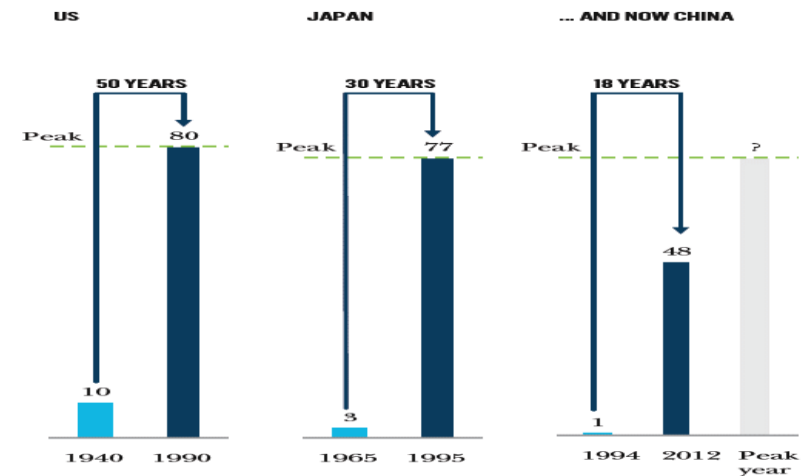
# Diamond Market – China (+14% Growth in 2013)

## Chinese Demand (De Beers research)

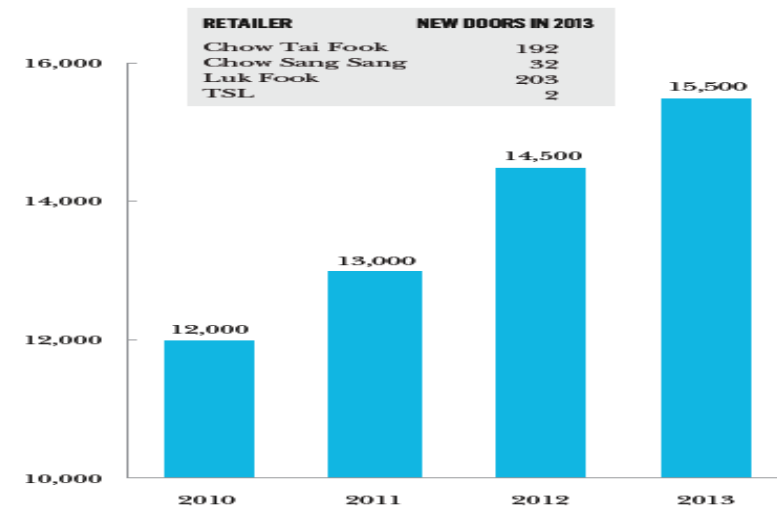
- Share of diamonds sold in jewellery to Chinese consumers grew from 3% in 2003 to 21% in 2013
- Average prices jumped 32% from 2003 to 2013 to +RMB8,000 (ca. US\$1,300); average carats per piece rose from 0.18 to 0.25
- Fine jewellery is the object/experience most desired by urban women in China
- Diamond jewellery ownership is 20% in top urban cities vs. ca.70% in US
- Custom of giving diamond bridal jewellery continues to grow (see top RH chart)
- Retailers' confidence in Chinese diamond jewellery market demonstrated by 29% expansion in stores offering diamond jewellery from 2010 to 2013



## Penetration of bridal diamond jewellery (%)



## Diamond jewellery retail expansion in China (approx. no. doors)



Source: De Beers (September 2014)

# Coloured Diamonds Continue to Break Records



*20 November 2014:*  
The Zoe Diamond, a 9.75ct fancy vivid blue pear-shaped diamond achieved **US\$32.6 million** or ca. **US\$3.3 million** per carat, a new world record per carat. The diamond was purchased by a private Hong Kong buyer at Sotheby's New York.



*7 October 2014:*  
A 8.4ct fancy vivid purple-pink, internally flawless diamond sold for **US\$17.8 million**, or ca. **US\$2.1 million** per carat, at Sotheby's Hong Kong sale, a new world record price for a fancy vivid pink diamond.



*13 May 2014:*  
The 14.8ct orange diamond, which sold for over **US\$35.5 million**, or ca. **US\$2.4 million** per carat, a world record price for a fancy vivid orange diamond.



*14 May 2014:*  
The Winston Blue, a pear-shaped blue 13.2ct diamond, sold for ca. **US\$23.8 million**, or ca. **US\$1.8 million** per carat. It is the largest flawless vivid blue diamond in the world.

These rare natural treasures are akin to priceless works of art

# FY 2014 – Summary of Results

	FY 2014 (US\$m)	FY 2013 (US\$m)
Revenue <sup>1</sup>	471.8	392.5
Adjusted mining and processing costs <sup>1</sup>	(277.4)	(254.8)
Other direct income	6.7	6.1
<b>Profit from mining activities<sup>1</sup></b>	<b>201.1</b>	<b>143.8</b>
Exploration expense	(2.8)	(4.8)
Corporate overhead	(10.6)	(11.4)
<b>Adjusted EBITDA<sup>1</sup></b>	<b>187.7</b>	<b>127.6</b>
Depreciation	(41.7)	(42.3)
Share-based expense	(4.2)	(3.3)
Net finance expense	(7.1)	(3.3)
Tax expense	(41.0)	(25.1)
<b>Adjusted net profit after tax<sup>1</sup></b>	<b>93.7</b>	<b>53.6</b>
Impairment charges <sup>1</sup>	(13.9)	-
Net unrealised foreign exchange gains / (losses)	3.6	(4.7)
Loss on discontinued operations, net of tax <sup>1</sup>	(15.9)	(21.0)
<b>Net profit after tax – Group</b>	<b>67.5</b>	<b>27.9</b>
<b>Basic EPS from continuing and discontinued operations – US\$ cents</b>	<b>9.69</b>	<b>6.30</b>
<b>Basic EPS from continuing operations – US\$ cents</b>	<b>12.80</b>	<b>10.43</b>
<b>Adjusted basic EPS from continuing operations – US\$ cents<sup>1</sup></b>	<b>14.82</b>	<b>11.34</b>

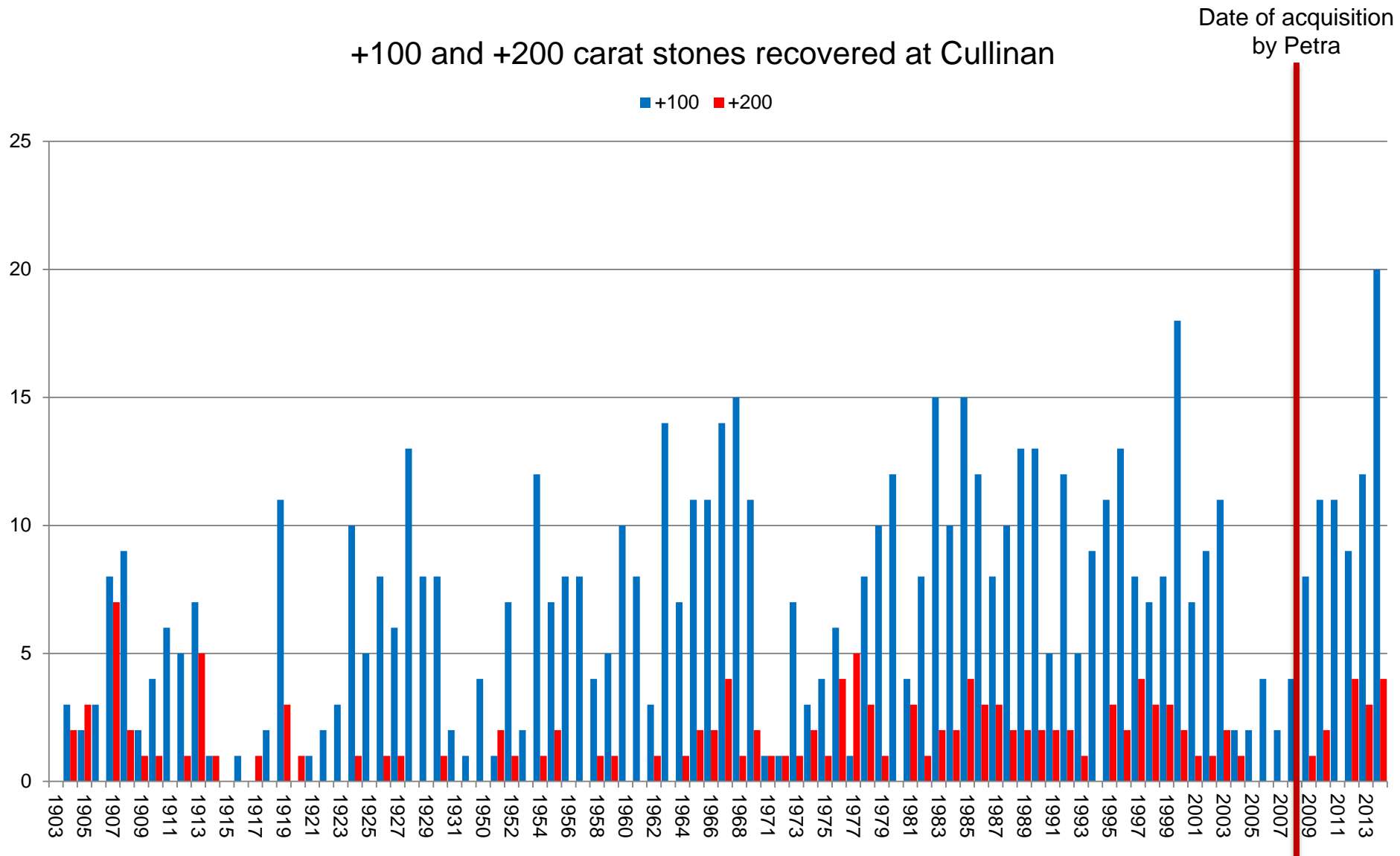
1. Refer to preliminary results announcement dated 18 September 2014 for detailed notes explaining non IFRS adjusted disclosures

# FY 2014 – Operations Results

Operation	Finsch (74% <sup>1</sup> Petra; 26% BEE)		Cullinan (74% <sup>1</sup> Petra; 26% BEE)		Koffiefontein (74% <sup>1</sup> & <sup>2</sup> Petra; 26% BEE)		Kimberley UG (74% <sup>1</sup> Petra; 26% BEE)		Williamson (75% Petra; 25% Government of Tanzania)	
	FY 2014	FY 2013	FY 2014	FY 2013	FY 2014	FY 2013	FY 2014	FY 2013	FY 2014	FY 2013
<b><u>ROM Production</u></b>										
Tonnes treated (t)	<b>2,910,195</b>	2,609,935	<b>2,546,383</b>	2,595,004	<b>245,833</b>	239,161	<b>908,498</b>	804,725	<b>3,405,524</b>	2,730,133
Grade (cpht)	<b>38.1</b>	34.1	<b>27.8</b>	30.7	<b>7.1</b>	6.0	<b>14.0</b>	14.3	<b>5.2</b>	5.5
Diamonds recovered (carats)	<b>1,109,022</b>	890,360	<b>706,728</b>	795,370	<b>17,502</b>	14,356	<b>126,917</b>	115,400	<b>178,379</b>	150,342
<b><u>Total Production</u></b>										
Tonnes treated (t)	<b>5,578,473</b>	5,210,546	<b>4,695,954</b>	4,080,893	<b>677,666</b>	1,481,521	<b>908,498</b>	804,725	<b>3,810,690</b>	3,115,319
Diamonds recovered (carats)	<b>1,885,160</b>	1,412,465	<b>823,619</b>	868,975	<b>50,375</b>	34,800	<b>126,917</b>	115,400	<b>188,465</b>	164,376
<b><u>Sales</u></b>										
Diamonds sold (carats)	<b>1,856,939</b>	1,336,418	<b>881,343</b>	816,611	<b>49,250</b>	35,168	<b>127,729</b>	113,383	<b>178,171</b>	165,324
Average price per carat (US\$)	<b>99</b>	120	<b>185</b>	163	<b>542</b>	471	<b>303</b>	295	<b>303</b>	254
Revenue (US\$M)	<b>183.7</b>	160.6	<b>162.8</b>	133.0	<b>26.7</b>	16.6	<b>38.8</b>	33.4	<b>53.9</b>	41.9
<b><u>On-mine cash cost per tonne treated</u></b>	<b>R146</b>	R139	<b>R154</b>	R158	<b>R293</b>	R136	<b>R301</b>	R265	<b>11</b>	12
<b><u>Total Capex</u></b>	<b>67.8</b>	48.6	<b>93.1</b>	89.0	<b>30.7</b>	20.4	<b>10.1</b>	21.6	<b>8.9</b>	11.7

<sup>1</sup> 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>; <sup>2</sup> Petra has an interest in Re Teng Diamonds (Pty) Ltd, the BEE partner for the Koffiefontein mine

# Cullinan – Historical Large Diamond Records

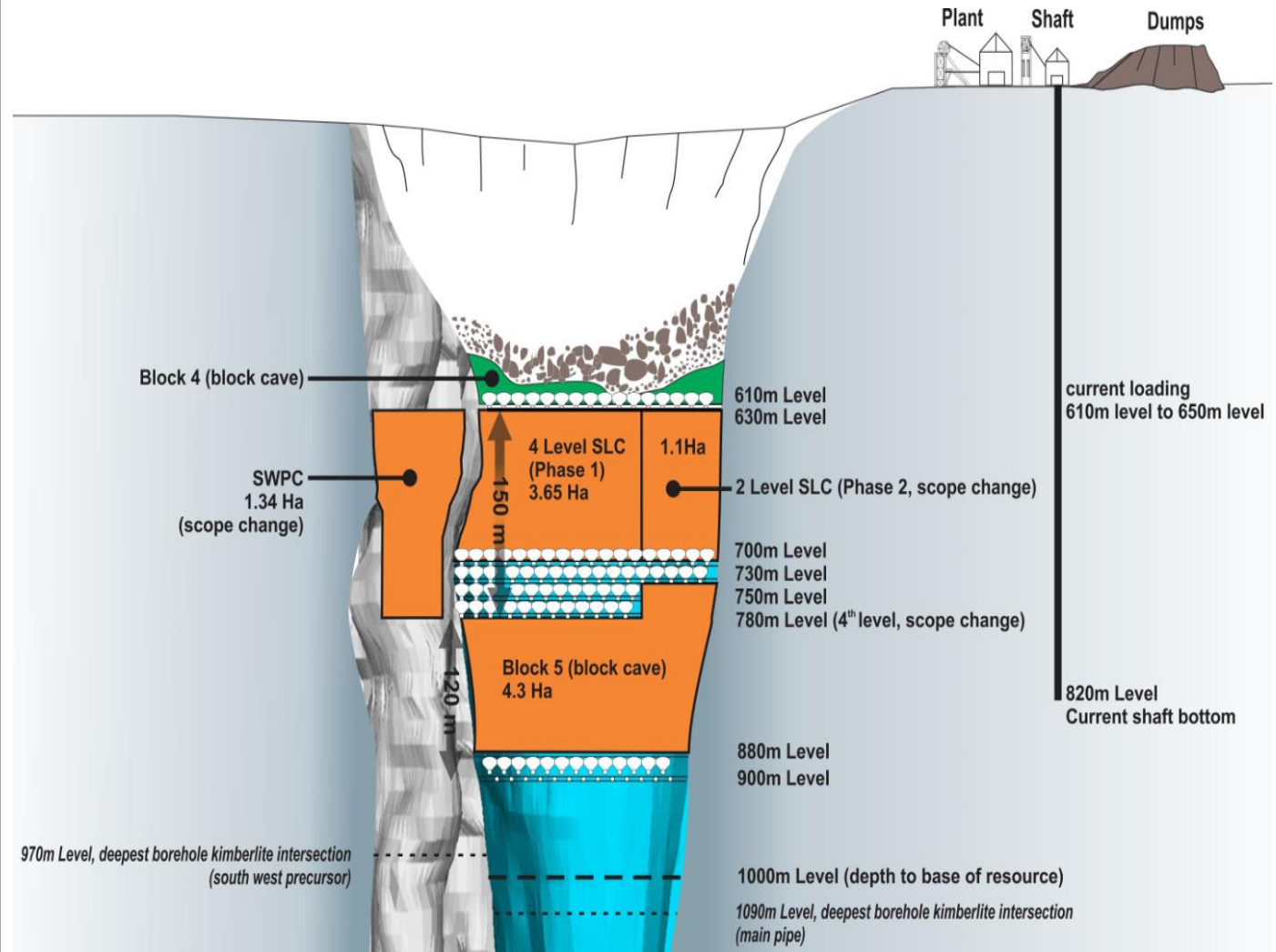


# Finsch – Development Programme

## Expansion Plan – to take production to c.2.0 Mtpa by FY 2017

- Mining currently taking place in Block 4 at 630m – **FY 2014**
- Development of SLC over 4 levels from 700m to 780m; first production – from **FY 2015**
- Dedicated conveyor ore-handling infrastructure (to transfer SLC ore to existing infrastructure at 650m) – from **FY 2016**
- Mining of South West Precursor from 630m to 780m – from **FY 2016 (SCOPE CHANGE)**
- Decommissioning of Block 4 automated ore-handling system – **FY 2017**
- Production ramping up to steady state 3.5 Mtpa – **FY 2018 (previously FY 2021)**
- Pre 79 Tailings treated to **FY 2017**
- Block 5 Block Cave at 900m – **FY 2024**

**4,055 development metres and 302 raiseboring metres in FY 2014**

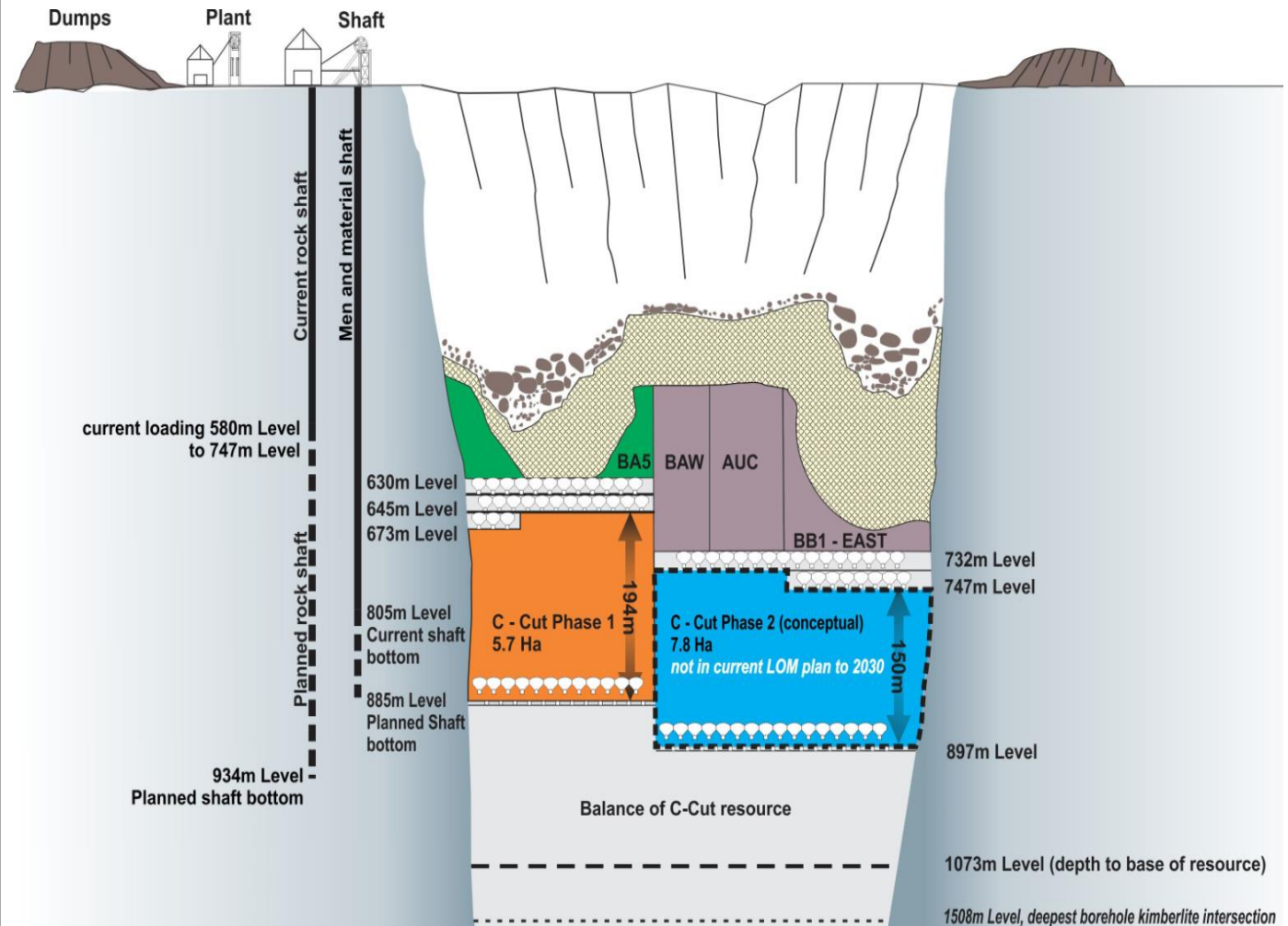


# Cullinan – Development Programme

**Expansion Plan – to take production to c. 2.2 Mctpa by FY 2019 (2.0 Mctpa ROM & 0.2 Mctpa tailings)**

- Commenced rehabilitation of BA5 areas at 645m to create access to undiluted ore – **FY 2013**
- Development of declines, access tunnels and shaft deepening on track – **FY 2014**
- Tailings ramp up to steady state 2.7 Mtpa – **FY 2015**
- New production levels to be established at 839m and shaft to 930m to be commissioned – end **FY 2016**
- 880m ore-handling system, allowing for future ramp-ups to utilise full C-Cut footprint – end **FY 2016**
- Initial production from new C-Cut cave – **FY 2016**
- Upgrading and streamlining of plant facilities in order to handle increased tonnes – from **FY 2015 to FY 2019**

**5,669 development metres and 854 raiseboring metres in FY 2014**

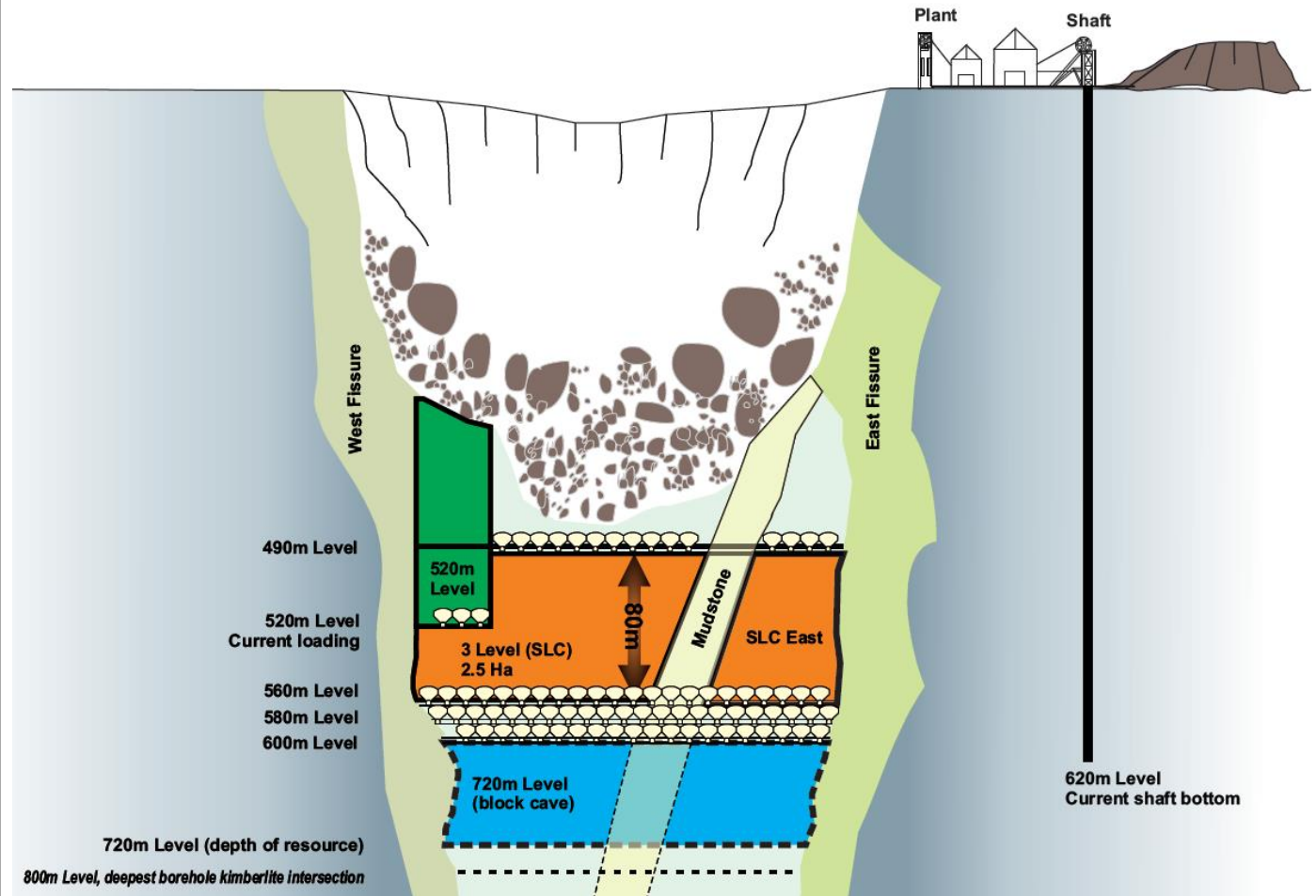


# Koffiefontein – Development Programme

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

- ROM production supplemented by ore from Ebenhaezer open pit (~5ha) – **FY 2015 to FY 2016**
- Installation of SLC from 560m to 600m – **FY 2014 to FY 2016 SCOPE CHANGE**
- SLC tunnel infrastructure underway and ore-handling conveyor installation in final commissioning – **FY 2014**
- Ramp up ROM production to 1.1 Mt by **FY 2017**

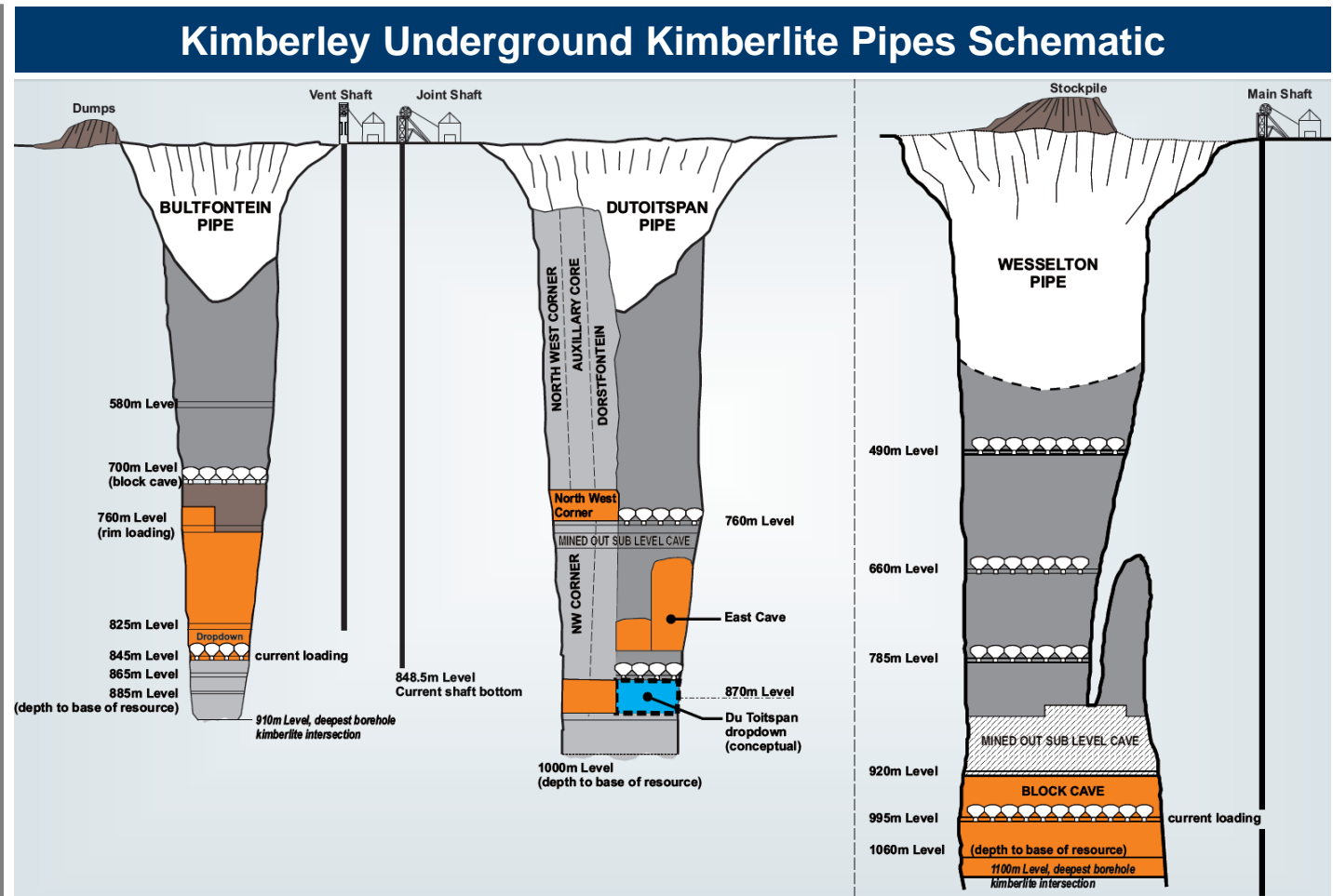
## Koffiefontein Kimberlite Pipe Schematic



# Kimberley Underground – Development Programme

Expansion Plan – planned production of ca. 170,000 ctpa from FY 2015

- Construction and commissioning of plants at both Joint Shaft and Wesselton Shaft – completed in **FY 2013**
- ROM stockpile of ca. 244 Kt at Wesselton to be treated in **FY 2015** and **FY 2016**
- Planned ROM tonnes treated of ca. 1.2 Mtpa – from **FY 2015**
- Sampling programme to extend mine life – in progress

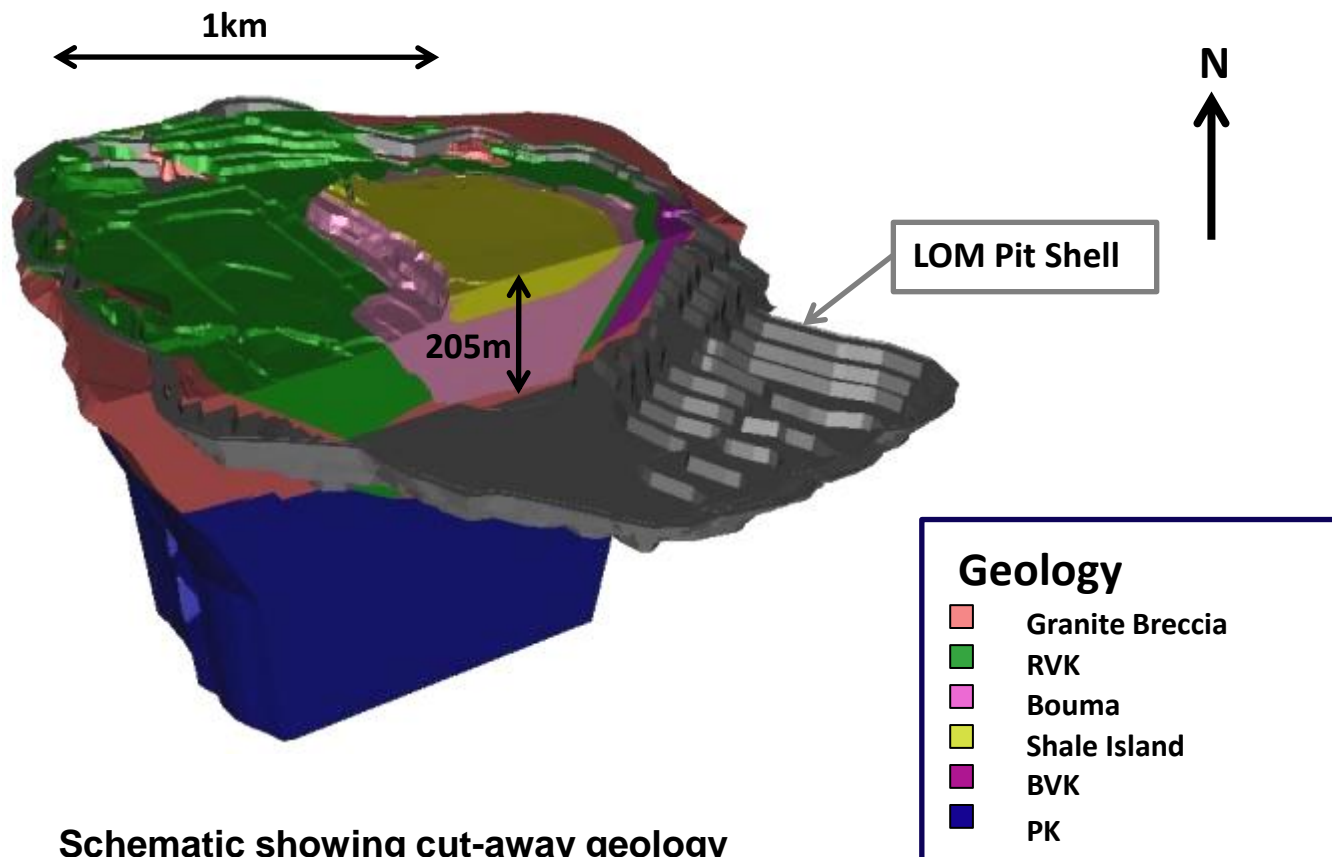


# Williamson – Development Programme

**Expansion Plan – to take production to c. 300,000 ctpa by FY 2017**

- Re-crush circuit in plant, plus other plant design efficiencies, allowing for increased throughput – from **FY 2014**
- Successful ramp-up of production to 3.4 Mt – **FY 2014**
- ROM stockpile (~440,000t containing +30,000 carats), established due to the pit-shaping operations to be treated – up to **FY 2016**
- Ramp up of ROM production to c. 5 Mtpa (300,000 cts) by **FY 2017**

## Williamson Kimberlite Pipe Schematic

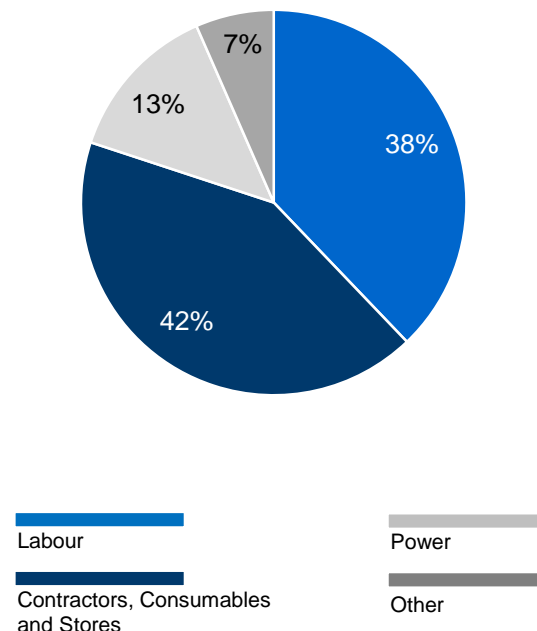


**Schematic showing cut-away geology and planned open pit**

# FY 2014 – Operating Costs

- On-mine cash costs decreased by 1%
- South Africa inflationary pressures (electricity and labour: +8%), offset by higher tonnages (+4%), tight cost control, combined with the positive impact of a weaker Rand (-13%)
- September 2014: 3 year labour agreement reached with NUM for 10% per annum; results in average wage increase for Group of ca. 8.2% in FY 2015

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



Cost per tonne treated performance at Finsch and Cullinan

		FY 2012	FY 2013	FY 2014	FY 2015 (Guidance)
Finsch	ZAR	134	139	146	158
Cullinan	ZAR	177	158	154	138

# Debt Facilities

## Bank loans and borrowing (excl FX lines) after increases in facilities during Oct 2014

Lender	Type	Size US\$M	Interest Rate	Repayment
Absa & RMB (FNB)	Amortising term facility	71	JIBAR + 3.5%	5 semi-annual payments from Mar 2016
IFC	Amortising term facility	35	LIBOR + 4.0%	5 semi-annual payments from Mar 2016
Absa & RMB (FNB)	Revolving credit facility	44	JIBAR + 5.0%	Repayable Sep 2018
IFC	Revolving credit facility	25	LIBOR + 5.5%	Repayable Sep 2018
Absa & RMB (FNB)	Working capital facility	44	SA Prime – 1.0%	Subject to annual renewal
Barclays	Working capital facility	5	1.25%	Subject to annual renewal

# Capex Profile

Financial Year		2014A	2015F	2016F	2017F	2018F	2019F
<b>Finsch</b>	ROM tonnes treated (Mt)	2.9	2.8	3.0	3.3	3.5	3.5
	Tailings tonnes treated (Mt)	2.7	2.6	2.3	1.0	-	-
	Expansion Capex (ZARm)	527	619	623	494	331	148
	Sustaining Capex (ZARm)	128	120	86	78	75	74
<b>Cullinan</b>	ROM tonnes treated (Mt)	2.5	2.7	2.9	3.1	3.6	4.0
	Tailings tonnes treated (Mt)	2.1	2.7	2.7	2.7	2.7	2.7
	Expansion Capex (ZARm)	740	959	996	333	118	99
	Sustaining Capex (ZARm)	152	70	76	75	79	78
<b>Koffiefontein</b>	ROM tonnes treated (Mt)	0.2	0.7	1.0	1.1	1.1	1.1
	Surface tonnes treated (Mt)	0.4	0.8	0.3	-	-	-
	Expansion Capex (ZARm)	258	198	120	37	-	-
	Sustaining Capex (ZARm)	58	51	32	32	34	35
<b>Kimberley Underground</b>	ROM tonnes treated (Mt)	0.9	1.2	1.2	1.2	1.2	1.2
	Expansion Capex (ZARm)	61	123	58	37	-	-
	Sustaining Capex (ZARm)	44	41	34	34	34	33
<b>PETRA (SA Operations)</b>	<b>Expansion Capex (ZARm)</b>	<b>1,586</b>	<b>1,899</b>	<b>1,798</b>	<b>901</b>	<b>449</b>	<b>247</b>
	<b>Sustaining Capex (ZARm)</b>	<b>382</b>	<b>282</b>	<b>227</b>	<b>218</b>	<b>221</b>	<b>220</b>
<b>Williamson</b>	ROM tonnes treated (Mt)	3.4	3.7	4.5	5.0	5.0	5.0
	Alluvial tonnes treated (Mt)	0.4	0.4	-	-	-	-
	Expansion Capex (USDm)	3	7	7	-	-	-
	Sustaining Capex (USDm)	7	6	6	6	5	5
<b>PETRA (All Operations)</b>	ROM tonnes treated (Mt)	<b>10.0</b>	<b>11.2</b>	<b>12.6</b>	<b>13.6</b>	<b>14.4</b>	<b>14.8</b>
	Tailings/other tonnes treated	<b>5.7</b>	<b>6.5</b>	<b>5.3</b>	<b>3.7</b>	<b>2.7</b>	<b>2.7</b>
	<b>Total tonnes treated (Mt)</b>	<b>15.7</b>	<b>17.7</b>	<b>17.9</b>	<b>17.3</b>	<b>17.1</b>	<b>17.5</b>

1. All Capex numbers are stated in FY 2015 money terms (except for FY 2014 actuals).
2. Depreciation on mining assets for FY 2014 guided at c. US\$40 million (at a R10.3/US\$1 exchange rate).
3. As in prior guidance, capital estimates above do not include any capitalised borrowing costs. Guidance is to assume 90% of borrowing costs are to be capitalised.
4. The Block 5 Block Cave expansion capital (post FY 2019) is guided at c. ZAR260 million p.a. (FY 2015 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.

# South Africa and Tanzania

	South Africa	Tanzania
Corporate tax	28%	30%
Diamond royalty	Formula based on profitability of mining operation; 0.5% up to 7% of turnover	5% of turnover
Rough diamond export levy	5%, certain exemptions apply; Petra sells all SA goods in Joburg	n/a
State Diamond Trader	Petra offers 10% of SA production to the SDT; Petra values the goods internally and then agrees market price with Government Diamond Valuator	n/a
Black economic empowerment	Petra's SA operations are all fully compliant with BEE legislation (26% ownership)	n/a
New Order Mining Rights	Petra holds new order mining rights for all its operations, excluding in relation to the Fissure Mines, where old order mining rights are held	n/a



# PetraDiamonds



Open pit mining at Williamson

**Further enquiries:**

Petra Diamonds

Cathy Malins

[cathy.malins@petradiamonds.com](mailto:cathy.malins@petradiamonds.com)

+44 20 7494 8203

[www.petradiamonds.com](http://www.petradiamonds.com)