

The New Cullinan Plant

27 July 2015



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.

Significantly Reduced Footprint



COMPARISON – CURRENT vs AG MILLING PLANT

	Current Plants (Main, DTP & OSP)	New AG Milling Plant
Throughput p.a.	2.8 Mt ROM 2.5 Mt Tailings	6.0Mt ROM capacity Initial feed: 4.0 Mt ROM 2.3 – 2.5 Mt Tailings
Total footprint	ca. 27 ha	ca. 4 ha

MAJOR EQUIPMENT INSTALLATIONS

Conveyors	151 belts (15 km)	22 belts (3 km)
Conveyor transfer points	179	32
Screens	88	22
Pumps	121	7
Crushers	18	4 (excl 2 mills)
Feeders	21	14
Substations	17	2
Electrical motors	589	84

IMPROVED ELECTRICITY EFFICIENCY

Power consumption	22.5 MW	25.0 MW
Power consumption per tonne	4.7	4.2 (12% improvement)

Current plant commissioned in 1947



Google Earth image of current Cullinan Plant

IMPROVED WATER CONSUMPTION

Consumption	Current Plants	New AG Milling Plant
m³ per tonne	3.5	1.2
		(66% improvement)

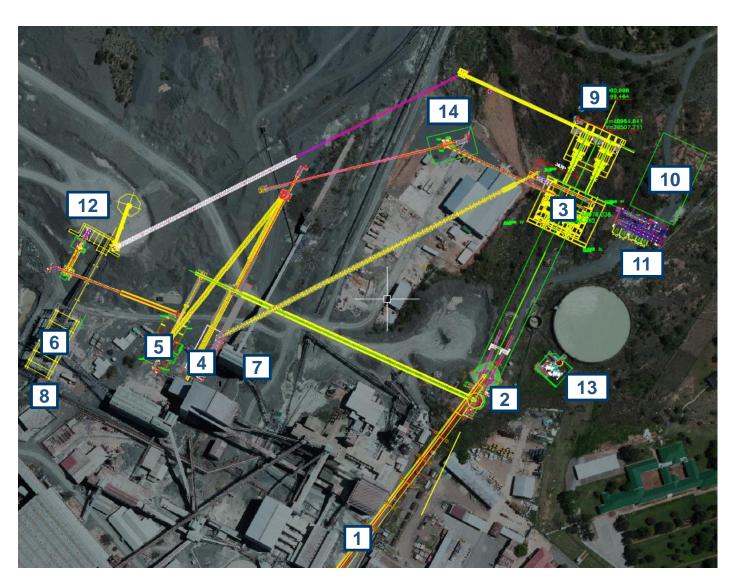
Benefits of New Plant



O(non morton de alone como mico	Construction cost of ca. ZAR1.65 billion (ca. US\$142.8 million)
Strong stand-alone economics	Payback of ca. 3 years and IRR of 25%
	Top-cut of 75mm (will cater for diamonds of +3,000 carats, such as the Cullinan diamond)
'Softer' liberation protecting	 +25mm material only exposed to AG milling (comminution via attrition, not crushing)
large diamonds from breakage	 -25mm material liberated through high pressure grinding rolls (HPGR); inter-particle crushing, thereby moving away from high impact cone crushing
	Increased liberation throughout total diamond spectrum
Increased grade	 +1mm unliberated kimberlite particles in tailings will reduce from current 60% to post-AG mill 40%
increaseu graue	 -1mm slimes will increase from current 40% to post-AG mill 60%
	• ca. 10% grade improvement;
	 6% saving in Maximum Demand costs following new 88KV take-off from Eskom
Energy savings	Gravity-feed slimes disposal 5
	12% increased energy efficiency per tonne
Enhanced security	 New Final Recovery Sorting machines: concentrate load reduction from 50 tph (3 Mtpa) to 25 tph (6 Mtpa)
	Total hands-off final recovery
	Improved liberation leading to reduced tonnes in circulation
	Only -12mm material will report to DMS
Lower opex	AG milling reducing need for step-wise crushing
	 Less reliance on labour (high level of automation) and reduction in equipment and maintenance
	• ca. R20 to R25 / tonne opex saving
Higher revenue per tonne	• ca. 6 – 8% increase in revenue per tonne

Schematic of new AG Milling Plant

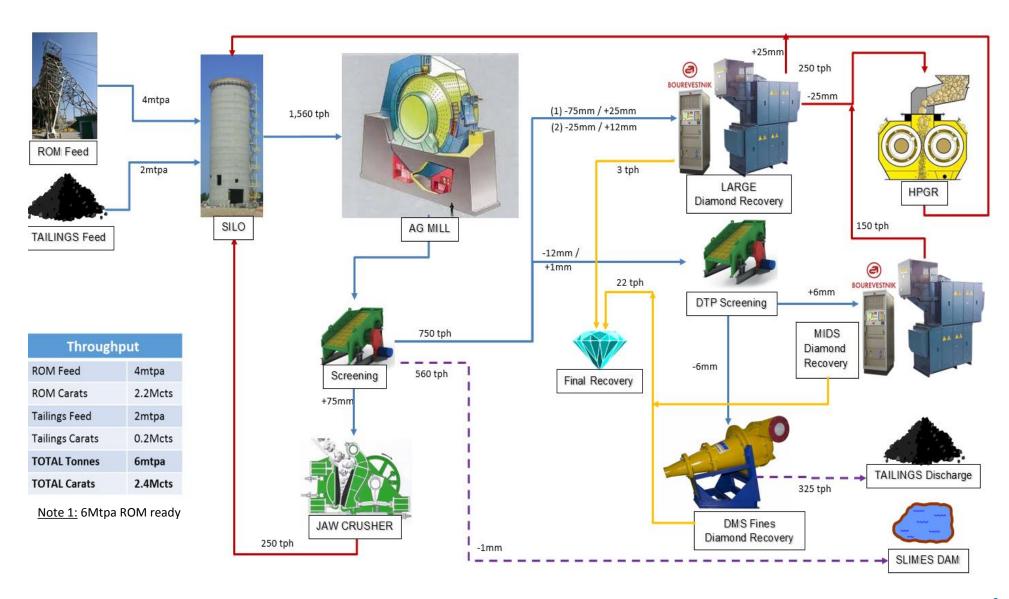




- 1. ROM Feed
- ROM Silo and Return Silo
- 3. Mill Section
- 4. XRL Recovery
- 5. HPGR Crusher
- 6. DMS Plant
- 7. Final Recovery
- 8. Tailings Disposal
- 9. Slimes Disposal
- 10. New Eskom Substation
- 11. MV Substation
- 12. Re-mined Material
- 13. Pump Station
- 14. Jaw Crusher

Simplified Process Flow Diagram



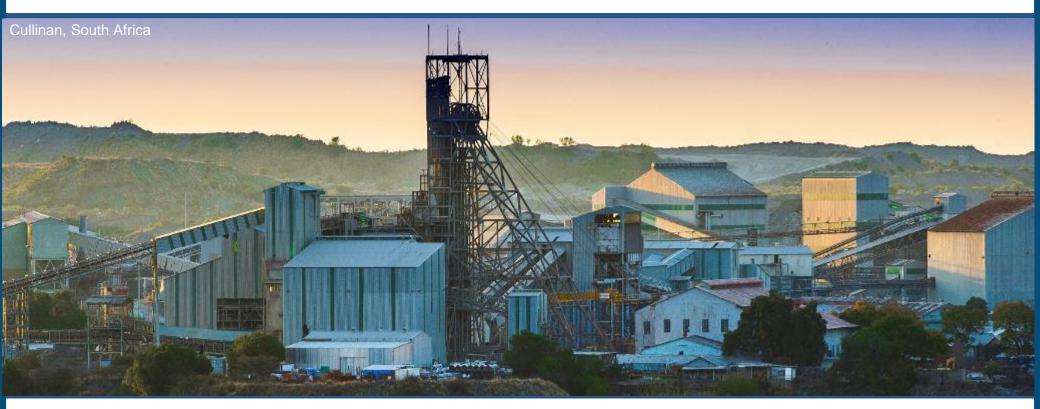


Development Schedule



Date	Milestone	Capex timing
FY 2015 • Q4	 MDM Engineering contracted to deliver the plant Earthworks commenced All major long lead items ordered 	ZAR 106m (actual)
FY 2016Ongoing	 Construction phase 	ca. ZAR 950m (guidance)
FY 2017H1H2	 Construction complete Commissioning complete Plant expected to be fully operational 	ca. ZAR 600 m (guidance)
FY 2020 • Q4	Expected payback date	

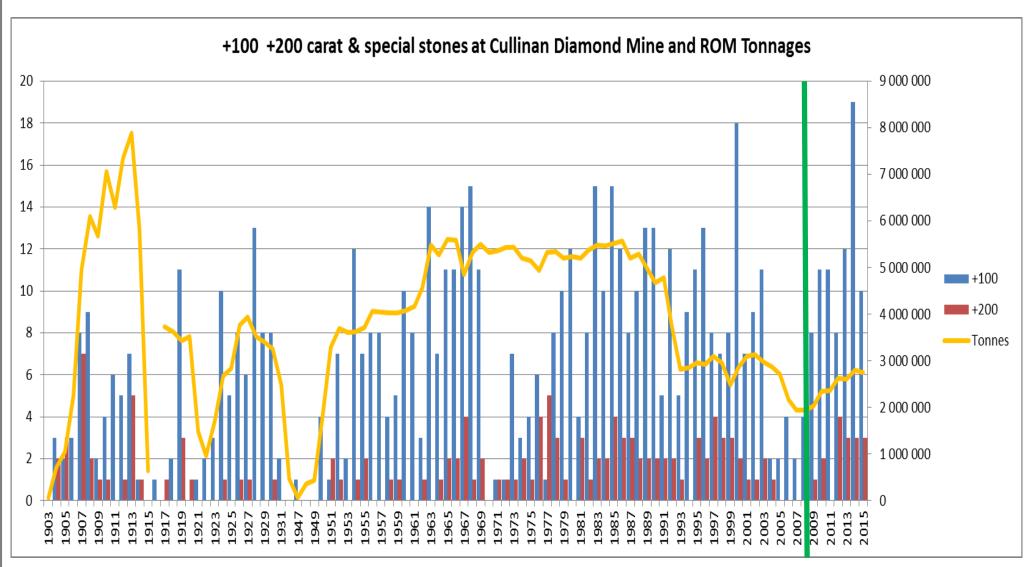




Appendix

Cullinan – History of Large Diamond Recoveries





Iconic Diamonds from Cullinan



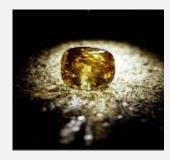


The Greater Star of Africa
Largest polished yield from the Cullinan at 530ct; sits in the Royal Sceptre 1905



The Cullinan Heritage 507.55 carats rough 2009





The Golden Jubilee 755.50ct rough, 545.65ct polished 1986



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





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



The Blue Moon 29.6ct rough,12ct polished 2014

The Taylor Burton 240.80ct rough, 69.42ct polished 1966

The Centenary

599.10ct rough,

273.85ct polished

1986



Energy efficiencies & Power consumption



- 12% increased energy efficiency per tonne:
 - Average 5% efficiency improvement: use of IE3 Top Premium motors, enabling an almost constant efficiency in the 75-100% load range
 - Ca. 15% energy usage saving: all conveyor drives and pumps will be controlled with VSD, in conjunction with the IE3 motor
 - All lighting will be LED energy efficient
 - All MCCs will be equipped with Multi Step Low Voltage Power Factor Correction units, significantly enhancing ability to manage current load and reducing risk of managing Medium Voltage units
 - Efficient control of load/torque required: mills will be powered with Medium voltage VSD drive motor combination
- Gravity-feed slimes disposal reducing need to pump slimes

Glossary



•	AG Milling	Autogenous Milling: a method of comminution using attrition to enable the self-grinding of ore: a rotating drum throws larger rocks of ore in a cascading motion which causes impact breakage of larger rocks and compressive grinding of finer particles
•	Comminution	The reduction of solid materials from one average particle size to a smaller average particle size via crushing or grinding
•	DMS	Dense media separation: a gravity separation process using a solid/liquid suspension, which works to separate diamond using its high specific gravity of 3.5 (as opposed to host rock specific gravity of 2.5)
•	DTP	Dump Treatment Plant
•	HPGR	High pressure grinding rolls: a modern energy-efficient comminution technology in which the material is exposed to very high pressure for just a short time, in order to quickly form fine material that can be fed directly to a ball mill
•	LED	Light emitting diode
•	MCC	Motor Control Centres
•	NMD	Notified Maximum Demand
•	OSP	Optical sort plant
•	ROM	Run-of-mine (i.e. production from the primary orebody)
•	VSD	Variable speed drives



