



25 August 2023

LSE: PDL

Sales results for Tender 1 FY 2024

First tender of FY 2024 yields US\$79.3 million in sales

Richard Duffy, Chief Executive Officer of Petra Diamonds (Petra), said:

“Petra’s first tender of FY 2024 yielded US\$79.3 million from 696.2kcts sold. We saw very strong attendance at the Tender although demand was more muted than we had expected in exiting the summer holiday period. Average prices for both Cullinan Mine and Finsch benefited from an improved product mix, while like-for-like¹ prices declined by 4.3% compared to our most recent tender, Tender 5 of FY 2023, which closed in May 2023.

The expected seasonal improvement in demand was evident for higher quality +10.8ct stones with solid prices realised, including US\$82,630 per carat for a 20.9 ct yellow diamond from Cullinan Mine that sold for US\$1.7m. This was offset by slower demand for 2-10 carat size ranges with like-for-like prices down by c. 14% compared to Tender 5. Demand in smaller categories remains resilient, with like-for-like prices increasing between 1-2%.

Macro-economic uncertainties around prevailing high interest and inflation rates have resulted in a more cautious approach from the mid-stream towards holding inventory. Indications are that these rates have now peaked and will start to decline, providing support to our view of improved demand in the medium-term as a result of the structural supply deficit. Although demand for lab grown goods increased, this was coupled with further price depreciation that continues to substantially differentiate this market segment from our unique and rare natural diamonds that provide enduring benefit in celebrating life’s most significant moments.

As we enter a seasonally stronger period which includes Diwali, Thanksgiving, Christmas and the Chinese New Year, we remain optimistic that jewellery demand will improve and provide some support to prices over the balance of the calendar year.”

Sales

Overall, 696,194 carats were sold for a total of US\$79.3 million from Petra’s South African operations during Tender 1 of FY 2024. No Exceptional Stones² were sold as part of Tender 1. This cycle included goods deferred for sale following an earlier decision to defer the majority of Tender 6 in June 2023, as well as the 75.9kcts of goods withdrawn from our May tender (Tender 5), with prices for these goods remaining largely flat compared to the bids received in May 2023.

No sales for either Koffiefontein or Williamson were recorded in this cycle. Following the restart of operations at Williamson in July 2023, Petra is planning a first sale of Williamson goods during September 2023.

Rough diamond sales results for the respective periods are set out below:

Tender 1 FY24 Aug-23	Tender 5 FY23 May-23	Variance T1 FY24 vs T5 FY23	Tender 1 FY23 Sep-22	FY 2023 12 months to 30 June 2023
----------------------------	----------------------------	--------------------------------------	----------------------------	--

¹ Like-for-like refers to the change in realised prices between tenders and excludes revenue from all single stones and Exceptional Stones, while normalising for the product mix impact

² Petra classifies "Exceptional Stones" as rough diamonds which sell for US\$5 million or more each

Diamonds sold (carats)	696,194	468,817	49%	520 011	2,339,675
Sales (US\$ million)	79.3	42.1	88%	102.9	328.4
Average price (US\$/ct)	114	90 ¹	27%	198	140
Revenue from Exceptional Stones (US\$ million)	0.0	5.6	-100%	0.0	12.6

Note 1: As announced in May 2023, Petra estimated the overall realised price for Tender 5 FY 2023 to be between US\$105 and US\$115 per carat including withdrawn parcels, based on bids received and reserve prices for the withheld parcels.

Mine by mine average prices for the respective periods are set out in the table below:

US\$/carat	Tender 1 FY24 Aug-23	Tender 5 FY23¹ May-23	Tender 1 FY23 Sep-22	FY 2023 12 months to 30 June 2023
Cullinan Mine ¹	113	99	212	139
Finsch	116	81	132	110
Williamson ¹	n/a	n/a	383	452
Koffiefontein	n/a	n/a	297	280

Note 1: Where applicable, prices for both Cullinan Mine and Williamson include proceeds from the sale of Exceptional Stones.

Note 2: As announced in May 2023, Petra estimated the overall realised price for Tender 5 FY 2023, including withdrawn parcels, to be between US\$110 and US\$115 per carat for Cullinan Mine, and between US\$105 and US\$110 per carat for Finsch.

Like-for-like prices

Like-for-like rough diamond prices declined by 4.3% on Tender 5 FY 2023, resulting from a 14% decrease in prices of 2 to 10.8 carat diamonds and a 1-2% increase in diamonds smaller than 2ct.

Product mix

The balance of price movements is attributable to product mix, with both Cullinan Mine and Finsch benefiting from improved overall quality compared to Tender 5 FY2023, after normalising for the withdrawn parcels, partly offset by the lack of Exceptional Stones in this period compared to US\$5.6 million sold as part of Tender 5 FY 2023. Tender 1 FY 2023, which closed in September 2022, included an unusually high contribution of high-value stones at Cullinan Mine, resulting in the average price of US\$212 per carat for that tender, with the overall average price of US\$139 per carat for FY 2023.

For further information, please contact:

Petra Diamonds, London

Patrick Pittaway
Julia Stone

Telephone: +44 20 7494 8203

investorrelations@petradiamonds.com

Camarco (Financial PR)

Gordon Poole
Owen Roberts
Elfie Kent

Telephone: +44 20 3757 4980

petradiamonds@camarco.co.uk

About Petra Diamonds Limited

Petra Diamonds is a leading independent diamond mining group and a supplier of gem quality rough diamonds to the international market. The Company's portfolio incorporates interests in three underground mines in South Africa (Finsch, Cullinan Mine and Koffiefontein) and one open pit mine in Tanzania (Williamson).

Petra's strategy is to focus on value rather than volume production by optimising recoveries from its high-quality asset base in order to maximise their efficiency and profitability. The Group has a significant resource base which supports the potential for long-life operations.

Petra strives to conduct all operations according to the highest ethical standards and only operates in countries which are members of the Kimberley Process. The Company aims to generate tangible value for each of its stakeholders, thereby contributing to the socio-economic development of its host countries and supporting long-term sustainable operations to the benefit of its employees, partners and communities.

Petra is quoted with a premium listing on the Main Market of the London Stock Exchange under the ticker 'PDL'. The Company's loan notes due in 2026 are listed on the Irish Stock Exchange and admitted to trading on the Global Exchange Market. For more information, visit www.petradiamonds.com.