27 July 2015 **LSE: PDL**

Petra Diamonds Limited
("Petra" or the "Company" or the "Group")

Trading Update for the Year ended 30 June 2015

FY 2016 Guidance Update

Petra Diamonds Limited announces its Trading Update (unaudited) for the year ended 30 June 2015 (the "Year" or "FY 2015"), ahead of its preliminary results for the Year ("Prelim Results") which will be released on 18 September 2015.

The Company also announces updated analyst guidance for the year to 30 June 2016 ("FY 2016") and high level guidance for the period thereafter to FY 2019.

HIGHLIGHTS

- FY 2015 production up 2% to 3.2 Mcts (FY 2014: 3.1 Mcts), in line with Company guidance.
- Expected FY 2016 production of 3.3 – 3.4 Mcts, an increase of 3 – 6% on FY 2015 production.
- Petra remains firmly on track to meet its target of ca. 5 Mcts pa by FY 2019.
- As previously reported, the Company is in a transitional period at present due to underground (ROM) production, especially at Cullinan, being reliant on mature, diluted mining areas. The measures introduced to manage the ROM grade at Cullinan have started to yield positive results, with a ROM grade of 23.1 cpht achieved for Q4 FY 2015, up from 20.9 cpht reported for Q3 FY 2015.
- FY 2015 revenue down 10% to US$425.0 million (FY 2014: US$471.8 million), mainly due to lower average diamond prices than in FY 2014, coupled with the impact on both grade and product mix resulting from the very mature nature of the current production areas (especially at Cullinan).
- Diamond prices on a like for like basis for FY 2016 are expected to remain consistent with prices achieved in H2 FY 2015, although increased average weighted diamond prices are expected for certain of Petra's operations due to an increased contribution of ROM versus tailings / other carats for FY 2016.
- Total FY 2015 costs remained in-line with expectations despite the ongoing inflationary pressures. Full year unit costs are in line with H1 FY 2015 reported costs.
- Total FY 2016 on-mine cash costs expected to increase by ca. 8% on FY 2015 for the South African operations and ca. 4% for Williamson in Tanzania, due to inflation increases, coupled with increased diamond production.
- FY 2015 Capex (excluding capitalised borrowing costs) for the South African operations of ZAR2,700 million (US$235.8 million) (FY 2014: ZAR2,003 million (US$193.0 million)).
- FY 2016 Capex of approximately ZAR3,450 million guided for the South African operations, which takes into account the new Cullinan plant expenditure of R950 million for FY 2016, not included in previous guidance.

- Cash at bank at Year end of US$166.2 million (30 June 2014: US$34.0 million); this figure excludes debtors from the June diamond tenders received shortly after Year end of US$57.6 million (30 June 2014: US$55.4 million). Net debt at 30 June 2015 of US$172.1 million (30 June 2014: US$124.9 million).
- Following the US$300 million notes issue Petra has a strong balance sheet, financial flexibility (undrawn facilities of US$255.1 million) and is fully funded to complete the planned expansions.

FY 2015 Production, Sales and Capex – Summary

	Unit	Year ended 30 June 2015	Year ended 30 June 2014	Variance
Production				
ROM diamonds	Carats	2,276,168	2,173,697	+5%
Tailings & other[3] diamonds	Carats	910,307	935,988	-3%
Total diamonds	**Carats**	**3,186,475**	**3,109,685**	**+2%**
Tonnages				
ROM tonnes	Mt	11.1	10.1	+10%
Tailings & other tonnes	Mt	6.0	5.7	+5%
Total tonnes	**Mt**	**17.1**	**15.7**	**+9%**
Sales				
Diamonds sold	Carats	3,168,650	3,131,830	+1%
Revenue	**US$M**	**425.0**	**471.8**	**-10%**
Capex				
Expansion	US$M	211.9	155.0	+37%
Sustaining	US$M	47.5	46.5	+2%
Borrowing Costs Capitalised	US$M	13.8	9.7	+42%
Total	**US$M**	**273.2**	**211.2**	**+30%**

Notes:

1. *Please refer to the Appendix for mine by mine production and sales data.*
2. *The combined table above includes results from the Helam mine, which was placed on care and maintenance in H2 FY 2015.*
3. *'Other' includes mining of the Ebenhaezer satellite kimberlite pipe at Koffiefontein and alluvial diamond mining at Williamson.*

Johan Dippenaar, CEO of Petra Diamonds, commented:
"*Despite the challenging operating conditions being experienced by Petra in this transitionary period, we have recorded further growth in production to 3.2 million carats in FY 2015, which represents record production for the Group. It is encouraging to see that measures to manage the grade profile at Cullinan have yielded successful results in the last quarter, and are expected to continue to assist until undiluted ore meaningfully contributes to our production profile from H2 FY 2016."*

"The required contracts have been entered into with respect to the construction of the new, modern processing plant at Cullinan, an exciting development at this world class mine. Additionally, our various expansion programmes remain on track to meet our long term target of ca. 5 million carats by FY 2019."

CONFERENCE CALLS

Petra will host two conference calls today to discuss the FY 2015 Trading Update and FY 2016 Guidance with investors and analysts.

Detailed guidance documents can be downloaded from the 'Analyst Guidance' page of Petra's website at: www.petradiamonds.com/investors/analysts/analyst-guidance and a presentation regarding the new Cullinan plant has been uploaded to the Company's website:

https://www.petradiamonds.com/investors/presentations/. Participants on the calls are recommended to have these documents to hand.

First Call – 9:30am BST

From the UK (toll free): 0808 237 0040
From South Africa (toll free): 0800 222 290
From the rest of the world: +44 203 428 1542
Participant passcode: 77212192#

A replay of the conference call will be available on the following numbers from 12:00pm BST on 27 July 2015:

From UK (toll free): 0808 237 0026
From South Africa and the rest of the world: +44 203 426 2807
Playback passcode: 659118#

Second call – 4:00pm BST

This will be a Q&A call only to cater for international investors. Participants are therefore advised to listen to the replay of the earlier conference call in advance, as the main management commentary on the Trading Update and Guidance announcements will not be repeated.

From the United States (toll free): 1866 928 7517
From the rest of the world: +44 203 428 1542
From the UK (toll free): 0808 237 0040
From South Africa (toll free): 0800 222 290
Participant passcode: 75351997#

OPERATIONS

- Production rose 2% to 3.2 Mcts for FY 2015 (FY 2014: 3.1 Mcts) due to increases at Finsch, Kimberley Underground and Williamson, partially offset by reductions at Cullinan, Koffiefontein and Helam.
- Expected FY 2016 production of 3.3 – 3.4 Mcts, an increase of 3 – 6% on FY 2015, split as to ca. 1.5 Mcts in H1 FY 2016 and ca. 1.8 – 1.9 Mcts in H2 FY 2016.
- The Group's main expansion projects at Finsch and Cullinan continue to progress well, with the key project milestones delivered in line with expectations.
- Total Group and Operations Capex for the Year, including capitalised borrowing costs, are set out in the tables in the Appendix.
- Capex incurred by the operations for FY 2015 was ca. US$45 million above guidance for the Year, being mainly due to the timing of spend at both Finsch and Cullinan being brought forward due to certain aspects of the projects running ahead of schedule (ca. US$20 million), capital spent on the new Cullinan plant (ca. US$9 million), the Finsch bulk sampling plant (ca. US$7 million) and additional capital at Koffiefontein (ca. US$6 million).

Finsch

FY 2015 Results:

- Production increased 10% to 2,065,875 carats (FY 2014: 1,885,160 carats), mainly due to a 13% increase in ROM grade.
- The SLC project is progressing well, with the kimberlite development in three out of four levels of the SLC now complete and all associated support and engineering services on track. SLC production is expected to commence from the end of H1 FY 2016, when the first rings will be blasted.

Waste development yielded a total of 4,217 metres for FY 2015 (FY 2014: 4,055 metres), while raiseboring delivered 376 metres (FY 2014: 302 metres). Kimberlite development commenced, with 1,038 metres developed preparing the Block 5 SLC (FY 2014: nil metres).

Guidance:

- Guidance for Finsch remains unchanged with a ROM grade of 46 cpht expected for FY 2016 and ROM throughput of 3.0 Mt, which is expected to rise to 3.2 Mtpa by FY 2017 and 3.5 Mtpa from FY 2018 onwards. As the mine's underground production profile gradually changes from diluted to undiluted ore, the ROM grade is expected to increase to approximately 58 cpht from FY 2017 onwards.
- Treatment of the Pre 79 Tailings is planned at 2.4 Mt at a grade of 27 cpht for FY 2016 and 1.4 Mt at a grade of 24 cpht for FY 2017. Treatment of the Pre 79 tailings is expected to come to an end after FY 2017.
- The new Finsch bulk sampling plant has recently commenced sampling at the Finsch overburden dumps; more tonnes will need to be treated before the Company can take a view on larger scale treatment of these dumps.
- Capex for the period FY 2016 to FY 2019 remains largely in line with previous guidance.

  Post FY 2019, the expansion capital required for the Block 5 Block Cave is guided at ca. ZAR250 million per annum (FY 2016 money terms) to be incurred over the five year period from FY 2020 to FY 2024, with the new block cave contributing 3.5 Mtpa from FY 2023 / FY 2024 up to FY 2030 at an average recovered grade of ca. 60 cpht.

Cullinan

FY 2015 Results:

- Production decreased 11% to 729,496 carats (FY 2014: 823,619 carats) due to the declining ROM grade as a result of predominantly mining from mature and highly diluted production areas, coupled with the impact of high density development waste material, with no separate waste handling facilities available.

  The previously announced mitigating measures to access higher grade production areas yielded successful results in Q4 FY 2015, with an increased ROM grade of 23.1 cpht achieved for the quarter, up from 20.9 cpht in Q3 FY 2015.
- The C-Cut Phase 1 project is progressing well with the first rings in the undercut having been blasted in June 2015, the deepening of the men and material shaft completed and the deepening of the ore shaft on track.

  C-Cut Phase 1 waste development yielded a total of 4,282 metres for FY 2015 (FY 2014: 5,597 metres), while raiseboring delivered 614 metres (FY 2014: 854 metres). Kimberlite development to prepare the new block cave yielded 2,285 metres (FY 2014: 72 metres).

Guidance:

- Due to the advanced status of Cullinan's expansion programme, together with the initiatives to access production from undiluted mining areas on the BA5 645mL, BA5 673mL and BB1E 763mL, FY 2016 is expected to see the majority of ROM tonnes being sourced from undiluted areas from H2 onwards. The C-Cut Phase 1 development work is transitioning from waste tunnelling in the host rock to tunnelling and undercut level development into the kimberlite, thereby delivering undiluted kimberlite tonnes, which is expected to lead to a further improvement in the ROM grade profile during H2 FY 2016.

  ROM grade is expected to increase to ca. 31 cpht (annual average) in FY 2016 (H1: ca. 25 cpht / H2: ca. 36 cpht) in line with the increased contributions from undiluted production areas. ROM grade is expected to increase further to ca. 38 cpht by FY 2017, ca. 50 cpht by FY 2018 and to ca. 55 cpht by FY 2019, when Cullinan's C-Cut Phase 1 block cave is in full production. The increase in expected grades for FY 2018 and FY 2019 compared to previous guidance is due to increased diamond liberation associated with the new Cullinan plant.

- Due to the declining ROM grade experienced during FY 2015, management has carefully re-assessed the short term Cullinan mine plan with the focus on maximising the mine's economics until production shifts to a higher percentage of undiluted ore. The revised plan is based on a shift in approach to focus on grade control as opposed to maximising volumes, and therefore FY 2016 ROM tonnes treated are guided at ca. 2.3 Mt, down from previous guidance of 2.9 Mt. This is only a short term reduction in tonnages; as the C-Cut Phase 1 project starts ramping up, the longer-term plan to increase ROM tonnes treated to 4.0 Mtpa by FY 2019 remains in place.
- FY 2016 tailings treatment is planned at 2.3 Mt, down from previous guidance of 2.7 Mt. A section of the tailings treatment facilities, with a capacity of ca. 0.7 Mtpa, will be decommissioned to commence construction of the new Cullinan plant. Tailings treatment is expected to continue at 2.3 – 2.5 Mtpa from FY 2017 onwards.

  Tailings grades of 4 – 5 cpht are expected in FY 2016 and FY 2017, increasing to approximately 7 – 8 cpht from FY 2017 onwards, again due to increased diamond liberation associated with the new Cullinan plant.
- FY 2016 ROM unit cost guidance has increased from previous guidance due to the planned reduction in ROM tonnes treated and the fixed nature of mining costs, after which it is expected to return to previously guided levels, enhanced by ore treatment cost benefits associated with the new Cullinan plant as noted below.
- FY 2016 expansion Capex for Cullinan is guided at ZAR2,050 million, a ZAR970 million increase from previous guidance in comparable FY 2016 money terms, of which ZAR950 million is attributable to the new Cullinan plant. FY 2017 Capex associated with the new plant is guided at ZAR600 million.

New Cullinan Plant:

- As previously announced, Petra is constructing a new modern processing plant at Cullinan. The project is being executed by MDM Engineering, bulk earthworks have commenced on site and all long lead time items have been ordered. The plant is scheduled to be fully operational by the end of FY 2017. ZAR106 million was spent on the new plant during FY 2015, being mainly payments in respect of long lead time items.
- Benefits associated with the new Cullinan plant include[1]:
    - Increased revenue per tonne of 6 – 8% due to:
        - an increase of ca. 10% in grades (ROM and tailings) due to increased diamond liberation across the spectrum;
        - improved recoveries of larger, high-value stones. The new plant will utilise gentler processing methods (comminution via attrition) instead of extensive crushing, which is expected to reduce diamond breakage and increase revenue from larger / exceptional diamonds (the top-cut of 75mm will cater for diamonds of +3,000 carats, such as the Cullinan diamond); and
        - a saving of ZAR20 – ZAR25 per tonne in processing costs. Operating cost savings will be due to increased energy efficiency, improved water consumption, reduced circulation and reduction in maintenance requirements.
    - Payback of approximately three years.
    - Project IRR of 25%.

[1] These benefits are based on detailed studies, which included simulations and other test work.

Koffiefontein

FY 2015 Results:

- Production decreased 10% to 45,384 carats (FY 2014: 50,375 carats), due to the depletion of higher grade recovery tailings (treated in FY 2014), partially offset by an increase in ROM production from the 52 Level mining area and the commencement of production from the 56 Level SLC in Q4 FY 2015.

  Previously reported problems with regards to the civil groundworks of the 62 Level crusher have been addressed.

- Waste development delivered a total of 1,133 metres for FY 2015 (FY 2014: 1,511 metres), while raiseboring delivered 143 metres (FY 2014: 135 metres). Kimberlite development continued and delivered 1,734 metres (FY 2014: 532 metres), with production commencing from the first tunnels of the newly established SLC on 56 Level. Additional Capex was incurred associated with the acceleration of the 60mL SLC development.

Guidance:

- ROM throughput is planned at 1 Mt for FY 2016 and 1.1 Mtpa from FY 2017 onwards, in line with previous guidance. During FY 2016 a new production area, the 52L Western Fissure, will come into production to supplement ore mined from SLC Phase 1 on 56 L. ROM grade is guided at ca. 9 cpht. The increase in contribution from undiluted underground ROM production has the potential to increase recovery of the larger and more valuable stones (including Type II diamonds) for which Koffiefontein is well known.
- Expansion Capex for FY 2016 is guided at ca. ZAR250 million, an increase of ca. ZAR120 million from previous guidance, mainly due to Capex to be spent to access the 52L Western Fissure mining area and additional underground fleet requirements to enhance production flexibility.

Kimberley Underground

FY 2015 Results:

- Production increased 8% to 137,226 carats (FY 2014: 126,917 carats), with planned steady state treatment being reached for the Year of 1.2 Mt (FY 2014: 908,498 tonnes). This was partially offset by an 18% reduction in ROM grade due to increased throughput of the lower grade surface resources, sourced from the east blow pipe and tailings.

Guidance:

- As per previous guidance, 1.2 Mtpa ROM is planned from FY 2016 onwards at a grade of 13 – 15 cpht.
- FY 2016 expansion Capex is guided at ca. ZAR150 million, an increase of approximately ZAR90 million from previous guidance mainly due to scope refinement of underground development at the Joint Shaft, thereby extending the lives of the Bultfontein and Dutoitspan pipes, to match the life of Wesselton.

Williamson

FY 2015 Results:

- Production increased 7% to 202,265 carats (FY 2014: 188,465 carats), mainly due to the increase in ROM tonnes treated.

Guidance:

- ROM throughput is planned at 3.8 Mt during FY 2016, lower than previous guidance of 4.5 Mt due to downtime associated with plant modifications, as outlined below.
- A decision was taken by management in FY 2015 to carry out plant modifications at Williamson in order to improve throughput and diamond liberation. This is a particularly relevant strategy at this lower grade operation and the modifications are planned to enable

the mine to reach throughput of 5 Mtpa by FY 2018 at a grade of ca. 7 cpht (previously guided ca. 6 cpht). Such an increase in ROM grade, partially offset by a finer diamond size population, is expected to yield a 7 – 10% increase in revenue per tonne.

The plant enhancements will include the introduction of an additional crusher circuit and two autogenous mills, with construction commencing in FY 2016 and commissioning of the crusher planned for FY 2016 and installation and commissioning of the two autogenous mills planned for H1 FY 2017. Total Capex is guided at US$20 million for FY 2016.

- FY 2016 unit cost guidance has increased from previous guidance due to the reduction in ROM tonnes treated and the fixed nature of mining costs, whereafter it is expected to return to previously guided levels.

REVENUE AND DIAMOND MARKET

FY 2015:

- Gross Group revenue for FY 2015 decreased 10% to US$425.0 million (FY 2014: US$471.8 million) due to lower pricing (down ca. 10% on a like for like basis) achieved for the Year, as well as the negative impact on ROM grade and product mix of operating in the heavily diluted old mining areas (particularly at Cullinan).
- Carats sold for the Year increased 1% to 3,168,650 (FY 2014: 3,131,830).

Diamond Prices Table - Actuals:

Mine	Actual US$/ct[1] H1 FY 2015	Actual US$/ct[1] H2 FY 2015	Actual US$/ct[1] FY 2015	Actual US$/ct[1] FY 2014
Finsch	85	93	90	99
Cullinan	247[2]	115	174[3]	185[4]
Koffiefontein	389	385	386	542
Kimberley Underground	321	289	302	303
Williamson	352	251	298	303

Notes:

1. *All sales (both ROM and tailings) including 'exceptional' diamonds (stones above US$5 million in value) were used to calculate the above average values.*
2. *Excluding exceptional diamonds, the average value for H1 FY 2015 was US$124 per carat.*
3. *Excluding exceptional diamonds, the average value for FY 2015 was US$119 per carat.*
4. *Excluding exceptional diamonds, the average value for FY 2014 was US$146 per carat.*

- The rough diamond market experienced challenging conditions in FY 2015, with pricing achieved by Petra down ca. 10% on a like for like basis. In the short term, the market continues to face headwinds due to various factors, including the limited liquidity currently available in the downstream pipeline, the impact of the strong US Dollar, and a slowdown in retail demand in China. However retail demand remains stable in the major US market and is still registering growth in other emerging markets, though at lower levels than previously.
- Expectations of a positive longer-term outlook for the rough diamond market are underpinned by continued growth in demand from developed and emerging markets, set against constrained supply due to the limited number of significant diamond mines worldwide.

Guidance:

- Although Petra is expecting flat diamond pricing in FY 2016 as compared to H2 2015, given the higher contribution of ROM carats versus tailings, Petra expects a higher weighted average price for FY 2016.

Additionally, weighted average prices at Koffiefontein are expected to be significantly higher than FY 2015 prices, due to the expected increase in the mine's ROM carats (which are very high value in comparison to the world average), which will be weighted towards H2 FY 2016.

It should be noted that price variability may be witnessed from tender to tender due to specific parcel make-up and, especially at Cullinan, variability in the mix of diamonds recovered from the diluted ore (as reported during H2 FY 2015). Also, uncertain market conditions are expected over the short term, which may result in deviations from the guided prices below.

Diamond Prices Table - Guidance:

Mine	Guidance ROM FY 2016 (US$/ct)	Guidance Tailings / Other FY 2016 (US$/ct)	Guidance Weighted Average[2] FY 2016 (US$/ct)
Finsch	110	60	94
Cullinan	135	65	126
Koffiefontein	600	320	570
Kimberley Underground	327	N/A	327
Williamson	310	190	303

Notes:

1. Guidance above is based on expected weighted average prices for full year FY 2016; all sales (both ROM and tailings) were used to calculate the above average values excluding exceptional diamonds, which are classified by Petra as stones with a sales value greater than US$5 million per stone and tend to be mainly recovered from the Cullinan mine.
2. Exceptional stones added an average of ca. US$21 million per annum to revenues over the last seven years (2008 being the date at which Petra took over the Cullinan mine). Over the last two years, this average has increased to ca. US$36 million per annum.

HEALTH AND SAFETY

- Group LTIFR for the Year was 0.29, in line with the 0.32 achieved in FY 2014.
- It is with deep regret that Petra reports a fatality which occurred post Period end at the Tailings Treatment Plant at Cullinan. The incident was equipment related and happened whilst maintenance work was being conducted. The Company and its management team express their sincere condolences to the family and friends of the deceased.
- The Company remains committed to achieving a zero harm work environment.

FINANCIAL

- A summary of the Group's current cash, diamond inventories, debtors, borrowings and net debt is set out below.

	Unit	30 June 2015	30 June 2014
Exchange rate used for conversion		*R12.16/US$1*	*R10.63/US$1*
Cash at bank	US$m	166.2	34.0
Diamond inventories	US$m Carats	33.5 339,489	27.0 321,948
Diamond debtors	US$m	57.6	55.4

US$ loan notes (issued May 2015) (including US$3.3 million accrued interest)	US$m	303.3	n/a
Bank loans and borrowings	US$m	35.0	158.9
Net debt	US$m	172.1	124.9
Bank facilities undrawn and available	US$m	255.1	37.5

CORPORATE

- In May 2015, the Company completed the issue of US$300 million senior secured second lien notes due 2020, with a coupon of 8.25% (the "Notes"). The proceeds from the Notes were used to repay (without cancelling) amounts outstanding under the Company's existing debt facilities (except the US$35 million amortising facility with the IFC) as well as to pay fees and expenses associated with the Notes. The balance of the funds from the Notes issue will, together with future drawdowns from the Company's debt facilities, fund the construction of the new processing plant at Cullinan and be used for general corporate purposes.

Notes

1. *The following exchange rates have been used for this announcement: average for the Year US$1: R11.4494; closing rate as at 30 June 2015 US$1:ZAR12.1649.*
2. *The following definitions have been used in this announcement:*
    a. *ct: carat*
    b. *cpht: carats per hundred tonnes*
    c. *Mctpa: million carats per annum*
    d. *Mcts: million carats*
    e. *mL: metre level*
    f. *Mt: million tonnes*
    g. *Mtpa: million tonnes per annum*
    h. *ROM: run-of-mine, i.e. relating to production from the primary orebody*
    i. *SLC: sub-level cave, a variation of block caving*

~ Ends ~

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About Petra Diamonds Limited
Petra Diamonds is a leading independent diamond mining group and an increasingly important supplier of rough diamonds to the international market. The Company has interests in five producing mines: four in South Africa (Finsch, Cullinan, Koffiefontein and Kimberley Underground) and one in Tanzania (Williamson). It also maintains an exploration programme in Botswana.

Petra has a core objective to steadily increase annual production to 5 million carats by FY 2019. The Group has a significant resource base in excess of 300 million carats.

Petra conducts all operations according to the highest ethical standards and will only operate in countries which are members of the Kimberley Process. Petra is quoted with a premium listing on the Main Market of the London Stock Exchange under the ticker 'PDL' and is a member of the FTSE 250. For more information, visit the Company's website at www.petradiamonds.com.

APPENDIX

FY 2015 MINE BY MINE PRODUCTION TABLES

Finsch – South Africa

	Unit	H2 FY 2015	H1 FY 2015	FY 2015	FY 2014	Variance
Sales						
Revenue	US$M	108.1	77.3	185.4	183.7	+1%
Diamonds sold	Carats	1,161,719	906,214	2,067,933	1,856,939	+11%
Average price per carat	US$	93	85	90	99	-9%
ROM Production						
Tonnes treated	Tonnes	1,485,930	1,530,455	3,016,385	2,910,195	+4%
Diamonds produced	Carats	647,847	651,068	1,298,914	1,109,022	+17%
Grade[1]	Cpht	43.6	42.5	43.1	38.1	+13%
Tailings Production						
Tonnes treated	Tonnes	1,440,227	1,216,244	2,656,471	2,668,278	0%
Diamonds produced	Carats	404,911	362,049	766,960	776,138	-1%
Grade[1]	Cpht	28.1	29.8	28.9	29.1	-1%
Total Production						
Tonnes treated	Tonnes	2,926,157	2,746,699	5,672,856	5,578,473	+2%
Diamonds produced	Carats	1,052,758	1,013,117	2,065,875	1,885,160	+10%
Capex						
Expansion Capex	US$M	36.5	28.4	64.9	50.7	+28%
Sustaining Capex	US$M	8.0	8.1	16.1	12.3	+31%
Borrowing Costs Capitalised	US$M	3.4	3.0	6.4	4.8	+33%
Total Capex	US$M	47.9	39.5	87.4	67.8	+29%

Note:
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.*

Cullinan – South Africa

	Unit	H2 FY 2015	H1 FY 2015	FY 2015	FY 2014	Variance
Sales						
Revenue	US$M	44.5	77.7	122.2	162.8	-25%
Diamonds sold	Carats	385,939	314,957	700,896	881,343	-20%
Average price per carat	US$	115	247	174[1]	185[2]	-6%
ROM Production						
Tonnes treated	Tonnes	1,265,687	1,247,317	2,513,004	2,546,383	-1%
Diamonds produced	Carats	278,223	333,770	611,993	706,728	-13%
Grade	Cpht	22.0	26.8	24.4	27.8	-12%
Tailings Production						
Tonnes treated	Tonnes	1,245,938	1,212,368	2,458,306	2,149,571	+14%
Diamonds produced	Carats	59,875	57,628	117,503	116,891	+1%
Grade	Cpht	4.8	4.8	4.8	5.4	-11%
Total Production						
Tonnes treated	Tonnes	2,511,625	2,459,685	4,971,310	4,695,954	+6%
Diamonds produced	Carats	338,098	391,398	729,496	823,619	-11%
Capex						
Expansion Capex	US$M	57.5	47.0	104.5	73.5	+42%
Sustaining Capex	US$M	5.4	3.4	8.8	14.7	-40%
Borrowing Costs Capitalised	US$M	3.8	3.6	7.4	4.9	+51%
Total Capex	US$M	66.7	54.0	120.7	93.1	+30%

Notes:
1. *Excluding exceptional diamonds, the average value for FY 2015 was US$119 per carat.*
2. *Excluding exceptional diamonds, the average value for FY 2014 was US$146 per carat.*

Koffiefontein – South Africa

	Unit	H2 FY 2015	H1 FY 2015	FY 2015	FY 2014	Variance
Sales						
Revenue	US$M	10.7	7.1	17.8	26.7	-33%
Diamonds sold	Carats	27,818	18,215	46,033	49,250	-7%
Average price per carat	US$	385	389	386	542	-29%
ROM Production						
Tonnes treated	Tonnes	209,581	132,202	341,783	245,833	+39%
Diamonds produced	Carats	18,048	9,709	27,756	17,502	+59%
Grade	Cpht	8.6	7.3	8.1	7.1	+14%
Tailings / Ebenhaezer Production						
Tonnes treated	Tonnes	194,279	329,965	524,244	431,833	+21%
Diamonds produced	Carats	7,661	9,967	17,628	32,873	-46%
Grade	Cpht	3.9	3.0	3.4	7.6	-55%

Total Production						
Tonnes treated	Tonnes	403,860	462,167	866,027	677,666	+28%
Diamonds produced	Carats	25,709	19,676	45,384	50,375	-10%
Capex						
Expansion Capex	US$M	11.3	12.3	23.6	25.1	-6%
Sustaining Capex	US$M	2.5	1.2	3.7	5.6	-34%
Total Capex	US$M	13.8	13.5	27.3	30.7	-11%

Kimberley Underground – South Africa

	Unit	H2 FY 2015	H1 FY 2015	FY 2015	FY 2014	Variance
Sales						
Revenue	US$M	23.6	18.1	41.8	38.8	+8%
Diamonds sold	Carats	81,582	56,470	138,052	127,729	+8%
Average price per carat	US$	289	321	302	303	0%
Total Production (all ROM)						
Tonnes treated	Tonnes	617,508	578,761	1,196,269	908,498	+32%
Diamonds produced	Carats	65,215	72,012	137,226	126,917	+8%
Grade	Cpht	10.6	12.4	11.5	14.0	-18%
Capex						
Expansion Capex	US$M	6.0	4.5	10.5	5.8	+81%
Sustaining Capex	US$M	2.0	1.4	3.4	4.3	-21%
Total Capex	US$M	8.0	5.9	13.9	10.1	+38%

Williamson – Tanzania

	Unit	H2 FY 2015	H1 FY 2015	FY 2015	FY 2014	Variance
Sales						
Revenue	US$M	27.6	34.6	62.1	53.9	+15%
Diamonds sold	Carats	110,080	98,270	208,351	178,171	+17%
Average price per carat	US$	251	352	298	303	-2%
ROM Production						
Tonnes treated	Tonnes	2,054,558	2,002,080	4,056,638	3,405,524	+19%
Diamonds produced	Carats	98,542	95,506	194,048	178,379	+9%
Grade	Cpht	4.8	4.8	4.8	5.2	-8%
Alluvial Production						
Tonnes treated	Tonnes	199,354	170,052	369,406	405,166	-9%
Diamonds produced	Carats	4,774	3,443	8,216	10,086	-19%
Grade	Cpht	2.4	2.0	2.2	2.5	-12%
Total Production						
Tonnes treated	Tonnes	2,253,912	2,172,132	4,426,044	3,810,690	+16%
Diamonds produced	Carats	103,316	98,949	202,265	188,465	+7%

Capex						
Expansion Capex	US$M	6.7	1.6	8.3	2.4	+246%
Sustaining Capex	US$M	3.6	4.3	7.9	6.5	+22%
Total Capex	US$M	10.3	5.9	16.2	8.9	+82%

KEY FY 2016 OPERATING AND CAPEX ASSUMPTIONS

The table below sets out management's guidance in respect of the key operating parameters for FY 2016. It is important to note that whilst Petra is in this transitional period (as it gradually migrates from the mature, diluted production areas at Finsch, Cullinan and Koffiefontein to fresh undiluted ore), these numbers should be taken as a guide, with the likelihood of some variability during FY 2016. This is specifically the case with regards to grade variability in the short term (especially at Cullinan), until the transition to undiluted ore have been completed.

	Unit	Finsch	Cullinan	Koffiefontein	Kimberley Underground	Williamson
ROM tonnes						
Tonnes treated	Mt	3.0	2.3	1.0	1.2	3.8
Grade	Cpht	46	31	9	14	5
Operating cost	ZAR/t	277	305	270	255	US$14
Tailings/other tonnes						
Tonnes treated	Mt	2.4	2.3	0.3	N/A	0.4
Grade	Cpht	27	4.5	2.4	N/A	2.5
Operating cost	ZAR/t	45	45	80	N/A	N/A
Total production						
Tonnes treated	Mt	5.4	4.6	1.4	1.2	4.2
Operating cost	ZAR/t	173	173	230	255	US$12.6
Capex						
Expansion Capex	ZARm	700	2,050	250	150	US$17m
Sustaining Capex	ZARm	100	90	60	50	US$3m
Total Capex	ZARm	800	2,140	310	200	US$20m

Notes:

1. For detail on the figures above, please download the document 'Analyst Guidance – Detailed' available from the Company's website at: http://www.petradiamonds.com/investors/analysts/analyst-guidance**.**
2. Grades stated are recovered grades with appropriate dilution and plant modification factors already applied.
3. All Capex numbers in this announcement exclude capitalised borrowing costs, in line with previous guidance.
4. An inflation increase of 8% in ZAR terms has been applied to update all Capex from FY 2015 money terms to FY 2016 money terms. All Capex changes are therefore given in inflation adjusted comparable FY 2016 money terms.

CAPEX RECONCILIATION

Capex	Unit	FY 2015	FY 2014
Finsch	US$M	87.4	67.8
Cullinan	US$M	120.7	93.1
Koffiefontein	US$M	27.3	30.7
Kimberley Underground	US$M	13.9	10.1
Williamson	US$M	16.2	8.9
Helam	US$M	0.3	1.0
Subtotal – Capex incurred by operations	US$M	265.8	211.6
Petra internal projects division – Capex under construction / invoiced to operations	US$M	0.2	(2.5)
Corporate / exploration	US$M	7.2	2.1
Total Group Capex	US$M	**273.2**	**211.2**

Notes:

1. *Petra operates an internal projects / construction division and although this division's spend is reported in the Group's total Capex, it is policy not to account for it on a specific mine's Capex until the work completed is invoiced to the relevant operation.*
2. *Capex for the Period includes US$13.8 million (FY 2014: US$9.7 million) of capitalised borrowing costs, which is also included in the applicable mine by mine tables above.*
3. *Petra's annual Capex guidance is cash based and excludes capitalised borrowing costs. Given that the majority of Petra's debt funding is in relation to its expansion and development programmes, Petra guidance is to assume that the majority of interest and financing fees will be capitalised for the duration of the project phases and not expensed through the income statement.*
4. *Group Capex includes US$0.2 million for the Year (FY 2014: US$0.3 million), which was incurred by the Group's internal projects facility. Therefore the mine by mine tables plus the internal projects Capex will add together to make the Capex total in the relevant sections above.*