



Petra Diamonds Limited

2018 Resource Statement

Petra Diamonds Limited (“Petra” or the “Company” or the “Group”) manages one of the world’s largest diamond Resources of 290 million carats (“Mcts”). This major Resource implies that the potential mine lives of Petra’s core assets could be considerably longer than the current mine plans in place at each operation, or could support significantly higher production rates.

Gross Resources

As at 30 June 2018, the Group’s gross Diamond Resources (inclusive of Reserves) decreased 4.8% to 290.48 Mcts (30 June 2017: 304.97 Mcts), due to depletion by mining activity at all operations and the pending disposal of Petra’s interest in KEM JV. A new Resource estimation exercise for Cullinan is currently in progress.

Gross Reserves

The Group’s gross Diamond Reserves decreased 16.1% to 42.92 Mcts (30 June 2017: 51.13 Mcts) due to depletions at all operations, the exclusion of the KEM JV Reserves, and a reduction in the recovered grade in the Cullinan Life Of Mine (“LOM”) planning, as a result of the revised grade guidance issued at the time of the H1 FY 2018 Trading Update.

The following table summarises the gross Reserves and Resources status of the combined Petra Group operations as at 30 June 2018.

Category	Gross		
	Tonnes (millions)	Grade (cpht)	Contained Diamonds (Mcts)
Reserves			
Proved	-	-	-
Probable	93.9	45.7	42.92
Sub-total	93.9	45.7	42.92
Resources			
Measured	0.2	263.9	0.60
Indicated	396.1	52.9	209.50
Inferred	1,308.6	6.1	80.38
Sub-total	1,704.9	17.0	290.48

Finsch

Category	Gross		
	Tonnes (millions)	Grade (cpht)	Contained Diamonds (Mcts)
Reserves			
Proved	-	-	-
Probable	41.1	57.7	23.74
Sub-total	41.1	57.7	23.74
Resources			
Measured	-	-	-
Indicated	34.3	69.2	23.75
Inferred	36.0	53.4	19.19
Sub-total	70.3	61.1	42.94

1. Resource bottom cut-off: 1.0mm.
2. Reserve bottom cut-off: 1.0mm.
3. Block 4 Remnants recalibrated to June 2018 pit scans.
4. Block 5 Resource stated as in situ.
5. Block 5 Reserves are based on PCSLC and PCBC simulations, depleted for SLC development tonnes.
6. US\$/ct values of 105-110 for ROM, based on FY 2018 sales values and production size frequency distributions.

Cullinan

Category	Gross		
	Tonnes (millions)	Grade (cpht)	Contained Diamonds (Mcts)
Reserves			
Proved	-	-	-
Probable	46.8	39.9	18.67
Sub-total	46.8	39.9	18.67
Resources			
Measured	-	-	-
Indicated	246.0	70.3	173.01
Inferred	170.6	10.1	17.26
Sub-total	416.5	45.7	190.28

1. Resource bottom cut-off: 1.0mm.
2. Reserve bottom cut-off: 1.0mm.
3. B-Cut resource tonnes and grade are based on block cave depletion modelling and include external waste.
4. C-Cut Resource stated as in-situ.
5. Reserves based on PCBC simulations on C-Cut phase 1, BB1E, AUC, and Mine2-4D schedules for CC1E and other remaining pillar retreats.
6. Factorised grades and carats are derived from a calculated Plant Recovery Factor ("PRF") for the new plant. These factors account for the efficiency of sieving (bottom cut-off), diamond liberation and recovery in the ore treatment process.
7. The PRF has been revised since plant commissioning in FY 2018, based on the actual operating parameters and recovered grades of the new plant.
8. A new Resource estimate is currently in progress for Cullinan.
9. US\$/ct values of 115-125 for ROM, excluding exceptional stones, and 60-65 for tailings, based on FY 2018 sales values and production size frequency distributions.

Koffiefontein

Category	Gross		
	Tonnes (millions)	Grade (cpht)	Contained Diamonds (Mcts)
Reserves			
Proved	-	-	-
Probable	6.0	8.4	0.51
Sub-total	6.0	8.4	0.51
Resources			
Measured	-	-	-
Indicated	27.5	5.4	1.48
Inferred	126.7	3.3	4.22
Sub-total	154.2	3.7	5.69

1. Resource bottom cut-off (Koffiefontein underground and Ebenhaezer): 1.15mm.
2. Resource bottom cut-off (Eskom tailings): 1.0mm.
3. Reserve bottom cut-off: 1.15mm.
4. Koffiefontein 56L – 60L SLC Reserves are based on Min 2-4D schedules.
5. US\$/ct values of 525-550 for ROM, based on FY 2018 sales values and production size frequency distributions.

Williamson

Category	Gross		
	Tonnes (millions)	Grade (cpht)	Contained Diamonds (Mcts)
Reserves			
Proved	-	-	-
Probable	-	-	-
Sub-total	-	-	-
Resources			
Measured	-	-	-
Indicated	69.9	5.2	3.62
Inferred	967.9	3.6	35.13
Sub-total	1,037.7	3.7	38.74

1. Resource bottom cut-off: 1.15mm.
2. Changes to Resource figures due to mining depletions only.
3. US\$/ct values of 240-270 for ROM, based on FY 2018 sales values and production size frequency distributions.

Helam

Category	Gross		
	Tonnes (millions)	Grade (cpht)	Contained Diamonds (Mcts)
Reserves			
Proved	-	-	-
Probable	-	-	-
Sub-total	-	-	-
Resources			
Measured	0.2	263.9	0.60
Indicated	0.5	266.4	1.32
Inferred	0.8	268.8	2.17
Sub-total	1.5	267.3	4.09

1. Resource bottom cut-off: 1.0mm
2. Measured Resources are classified as one level below current workings, or where a block is bounded above and below by current workings.
3. Indicated Resources are classified as two levels below measured Resources.
4. Inferred Resources are classified as three levels below Indicated Resources or inaccessible mined out areas, or as extensions along strike from existing Resource blocks where exploration information allows.
5. The Helam mine is currently on care and maintenance; no Resource changes noted above and no Reserves declared as there are no plans to restart production in the short term.
6. US\$/ct values of 115-120 for ROM , based on sales values and production size frequency distributions for FY 2014 adjusted to current pricing.

KX36

Category	Gross		
	Tonnes (millions)	Grade (cpht)	Contained Diamonds (Mcts)
Reserves			
Proved	-	-	-
Probable	-	-	-
Sub-total	-	-	-
Resources			
Measured	-	-	-
Indicated	17.9	35.3	6.32
Inferred	6.8	35.7	2.41
Sub-total	24.7	35.4	8.73

1. Resource bottom cut-off: 1.15mm
2. Resource estimation based on >10,000m of core drilling and >5,000m of large diameter reverse circulation sample drilling. Resource estimate used a dataset of 1,046 carats recovered from 235 samples. Modelled diamond value of US\$65/ct, based on size frequency distribution of large diameter drill sampling.

General notes on reporting criteria

1. Resources are reported inclusive of Reserves.
2. Tonnes are reported as millions; contained diamonds are reported per million carats (“Mcts”).
3. Tonnes are metric tonnes, and are rounded to the nearest 100,000 tonnes; carats are rounded to the nearest 10,000 carats; rounding off of numbers may result in minor computational discrepancies.
4. Resource tonnages and grades are reported exclusive of external waste, unless where otherwise stated.
5. Reserve tonnages and grades are reported inclusive of external waste, mining and geological losses and plant modifying factors; reserve carats will generally be less than resource carats on conversion and this has been taken into account in the applicable statements.
6. Reserves and Resources have been reported in accordance with the South African code for the reporting of mineral reserves and mineral resources (SAMREC 2016).
7. The Petra 2018 annual Resource Statement as shown above is based on information compiled internally within the Petra Group. All Reserves and Resources have been independently reviewed and verified by John Kilham, Pr. Sci. Nat. (reg. No. 400018/07), a competent person with 38 years' relevant experience in the diamond mining industry, who was appointed as an independent consultant by the Company for this purpose.