25 February 2013 **LSE: PDL**

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

Interim results for the six months to 31 December 2012

Petra Diamonds Limited announces its interim results (unaudited) for the six months to 31 December 2012 ("the Period" or "H1 FY 2013"), following the publication of the Company's production and sales Trading Update on 29 January 2013.

Trading results (including comparative figures) have been adjusted to account for the Fissure Mines as assets held for sale. Therefore, the results do not include the Fissure Mines for the current or comparative figures (other than net loss after tax), such results being included within 'Loss from discontinued operations'.

HIGHLIGHTS

Financial

- Revenue[1 & 2] up 63% to US$151.7 million (H1 FY 2012: US$93.0 million).
- Profit from mining activity[3] up 26% to US$41.2 million (H1 FY 2012: US$32.8 million).
- Operating cashflow: US$25.3 million inflow (H1 FY 2012: US$3.6 million outflow).
- Adjusted EBITDA[4] up 20% to US$32.6 million (H1 FY 2012: US$27.1 million).
- Impairment charges of US$17.8 million relating to the Fissure Mines, classified as assets held for sale due to the disposal process underway.
- Net loss after tax of US$15.2 million (H1 FY 2012: US$26.7 million loss).
- Adjusted profit after tax[6]: US$11.5 million (H1 FY 2012: US$15.3 million).
- EPS[9]: 1.91 US$ cents loss (H1 FY 2012: 5.23 US$ cents loss); adjusted EPS[6 & 10]: 1.05 US$ cents (H1 FY 2012: 2.46 US$ cents).
- Cash at bank[11] at 31 December 2012 of US$38.2 million (H1 FY 2012: US$45.1 million) and diamond inventories at 31 December 2012 of ca. US$45.4 million (H1 FY 2012: ca. US$38.1 million).
- Loans and borrowings at 31 December 2012 of US$127.2 million, comprising bank loans and borrowings of US$124.2 million and utilisation of US$3.0 million of foreign exchange settlement lines (H1 FY 2012: US$67.9 million); facilities undrawn and available to the Group at 31 December 2012 of US$122.3 million.

Operations

- Production (including Fissure Mines) up 31% to 1,247,522 carats (H1 FY 2012: 953,553 carats).
- Rand (South Africa) and US$ (Tanzania) on-mine unit cash costs (per total tonne treated) remain well controlled; unit costs remain in line with prior year due to increased tonnages.
- Capital expenditure ("Capex") (including Fissure Mines) of US$92.1 million (H1 FY 2012: US$56.7 million), in line with planned capital expansion programmes.
- As noted in the 29 January 2013 Trading Update, the Company plans to introduce the Rail-Veyor® system at the Finsch mine. In addition to its key advantages over other ore-handling methods, the Rail-Veyor® system is expected to enable the Company to defer certain capital outflows and yield capital savings on the previously announced shaft sinking component of the Finsch expansion plan. Further details will follow when the Company's plans with regards to the project are finalised.

Exploration

- KX36 discovery – Botswana: ca. 285 carats recovered from +800 tonne bulk sample.
- Exploration of the surrounding area continues.

Corporate

- New debt facilities put in place in November 2012 with FirstRand Bank Limited (acting through Rand Merchant Bank and First National Bank divisions), Absa Corporate and Investment Banking ("Absa") and IFC. The new facilities increased the Group's debt and working capital facilities (at a 31 December 2012 rate of US$1:R8.45) by ca. US$111 million, from ca. US$138 million to ca. US$249.5 million.
- Petra and its BEE partners are currently conducting a sales process with regards to the Fissure Mines (Helam, Sedibeng and Star), which are no longer core to the Group's portfolio. The disposal process is progressing and the Company will provide a further update when appropriate.
- Director changes: Tony Lowrie appointed as Senior Independent Non-Executive Director in September 2012; Dr Omar Kamal stepped down as a Non-Executive Director in February 2013.

Health and Safety

- Group lost time injury frequency rate ("LTIFR") of 0.84 (H1 FY 2012: 0.91).
- Petra continues to strive for zero harm across all of its operations.

Outlook

- As per guidance, carat sales expected to be substantially higher in H2 than in H1 due to the seasonal timing of Petra tenders (five tenders are held in H2, as opposed to three tenders in H1); assuming no material softening in diamond prices, the Company therefore expects considerably higher revenues for H2 FY 2013.
- First tender of H2 achieved US$62.1 million achieved on the sale of 401,159 carats.
- The rough diamond market is expected to remain stable in H2, with the firmer trend confirmed at the Company's first tender of H2.

Johan Dippenaar, CEO of Petra, commented:
"Petra enters the second half of FY 2013 in a strong position to continue its robust long-term growth trajectory, with fully funded expansion programmes progressing as planned, well controlled costs and significantly higher sales expected in H2 due to seasonal tender timing. Our FY 2019 target of 5 million carats remains on track."

Analyst presentation and webcast
A presentation for analysts will be held at 9:30am GMT on 25 February 2013 at the offices of Buchanan, 107 Cheapside, London EC2V 6DN. A live webcast of the analyst presentation will be available on Petra's website at www.petradiamonds.com and on the following link: http://www1.axisto.co.uk/webcasting/investis/petra-diamonds/interim-results-2013/index.html.

A recording of the webcast will be available from 2:00pm GMT on 25 February 2013 on the website and on the same link.

SUMMARY OF RESULTS (unaudited)

	6 months to 31 December 2012 ("H1 FY 2013") US$ million	6 months to 31 December 2011 ("H1 FY 2012") US$ million	Year ended 30 June 2012 ("FY 2012") US$ million
Revenue[1&2]	151.7	93.0	299.2
Mining and processing costs	(112.0)	(61.5)	(198.3)
Other direct income	1.5	1.3	9.5
Profit from mining activity[3]	**41.2**	**32.8**	**110.4**
Exploration expense	(2.8)	(0.8)	(3.0)
Corporate overhead	(5.8)	(4.9)	(10.0)
Adjusted EBITDA[4]	**32.6**	**27.1**	**97.4**
Depreciation	(19.7)	(16.9)	(37.6)
Share based expense	(0.8)	(0.6)	(1.0)
Net finance income[5]	0.2	0.8	1.8
Tax (expense) / credit	(0.8)	4.9	(11.5)
Adjusted profit after tax[6]	**11.5**	**15.3**	**49.1**
Transaction costs	(0.6)	(2.7)	(3.1)
Net unrealised foreign exchange loss[7]	(1.1)	(35.7)	(38.6)
Loss from discontinued operations (net of tax)[8]	(25.0)	(3.6)	(9.5)
Net loss after tax	**(15.2)**	**(26.7)**	**(2.1)**
Basic loss per share – US$ cents[9]	**(1.91)**	**(5.23)**	**(0.48)**
Diluted loss per share – US$ cents[9]	(1.91)	(5.23)	(0.48)
Adjusted basic earnings per share – US$ cents[10]	**1.05**	**2.46**	**7.82**
Adjusted diluted earnings per share – US$ cents[10]	1.02	2.39	7.61
Cash at bank[11]	**38.2**	**45.1**	**47.3**

Notes:

1. Revenue and profit from mining activity in prior periods includes Finsch only from 14 September 2011 when the acquisition closed.
2. Revenue of US$151.7 million (H1 FY 2012: US$93.0 million) is US$4.6 million (H1 FY 2012: US$8.4 million) less than that published in the 29 January 2013 Trading Update (US$156.3 million) (H1 FY 2012: US$101.4 million), due to the reclassification of the Fissure Mines as assets held for sale now included in the loss from discontinued operations.
3. Stated before corporate overheads, exploration expenditure, depreciation, share-based expense, net finance income, unrealised foreign exchange losses, non-recurring transaction costs and loss from discontinued operations.
4. EBITDA (profit before interest, tax, depreciation and amortisation) disclosures are "adjusted EBITDA", being stated before share based expense, unrealised foreign exchange gains and losses, non-recurring transaction costs and loss from discontinued operations.
5. Net finance income of US$0.2 million (30 June 2012: US$1.8 million, and 31 December 2011: US$0.8 million) is comprised of the remaining income and expenses as disclosed in note 6 to the Condensed Consolidated Interim Financial Statements ("the Interims"), excluding unrealised foreign exchange movements.
6. Stated before non-recurring transaction costs, unrealised foreign exchange gains and losses and loss from discontinued operations.
7. Net unrealised foreign exchange losses are explained in the Financial Review section of this report.
8. Comparative figures have been amended to reflect the results from the Fissure Mines within the loss from discontinued operations (net of tax), as per the requirements of IFRS 5. Refer to note14 of the Interims.

9. Stated after non-controlling interests (representing BEE partners' interests) of US$5.5 million loss (30 June 2012: US$0.3 million profit, and 31 December 2011: US$0.5 million loss). Refer note 12 of the Interims.

10. Stated after non-controlling interests (representing BEE partners' interests) of US$5.5 million loss (30 June 2012: US$0.3 million profit, and 31 December 2011: US$0.5 million loss) and before unrealised foreign exchange movements and non-recurring transaction costs and loss from discontinued operations. Refer notes 5, 6 and 14 of the Interims.

11. Cash at bank comprises unrestricted cash and restricted cash balances of US$23.3 million and US$14.9 million (rehabilitation deposits) respectively (30 June 2012: US$31.3 million and US$16.0 million (rehabilitation deposits), and 31 December 2011: US$39.0 million and US$6.1 million (rehabilitation deposits)).

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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 eight producing mines: seven in South Africa (Finsch, Cullinan, Koffiefontein, Kimberley Underground, Helam, Sedibeng and Star) and one in Tanzania (Williamson). It also maintains an exploration programme in Botswana.

The Company is undertaking a disposal process in respect of the Helam, Sedibeng and Star mines (the Fissure Mines), which are no longer core to the Group's portfolio.

Petra offers an exceptional growth profile, with a core objective to steadily increase annual production to 5 million carats by FY 2019. The Group has a major 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

CEO'S REVIEW

The Period under review saw Petra continuing to deliver substantial growth, with both revenue and production up strongly on the corresponding period. Production for H2 is expected to show further growth and our revised full year production target for FY 2013 of 2.65 million carats is therefore expected to be circa 20% higher than that achieved for FY 2012.

Our longer term production growth will be driven by the transition from the mature mining blocks (where a high degree of grade dilution is recorded) to new mining areas, which will provide access to undiluted ore. Whilst in this transitional period, Petra plans to continue to deliver higher production levels in FYs 2013 and 2014, until the expansion plans start to open up the new mining areas from FY 2015 onwards. The Company will do this by developing new production areas which will provide additional 'gapfiller' tonnes, progressively ramping up production across all the operations and taking up to full capacity the major tailings operations at both Finsch and Cullinan.

DIAMOND MARKET

The diamond market performed as anticipated by Petra, being essentially flat for the majority of H1, before prices firmed towards the end of the Period. Petra expects the market to maintain this firmer trend for H2. The Company's first tender of H2 was well attended and recorded good results, with revenues of US$62.1 million achieved on the sale of 401,159 carats.

The fundamentals for the diamond market remain compelling, with supply constraints from the existing producers exacerbated by a lack of new discoveries over the last 15 years. Demand, on the other hand, continues to grow and is being driven by the emergence of new consumers in developing markets. The fastest growing new consumer regions for diamonds are China and India, though it is expected that other fast-growing emerging markets will in time also become significant consumers.

The diamond prices table below is as previously disclosed in the Company's Trading Update on 29 January 2013 and demonstrates that pricing in H1 was largely in line with guidance. The Fissure Mines have not been included in the table, given the sale process underway and the low materiality to the Group.

Mine	Actual[1] (US$/ct) H1 FY 2013	Management Guidance (US$/ct) FY 2013	Actual[1] (US$/ct) H1 FY 2012	Actual[1] (US$/ct) FY 2012
Finsch	122	129	129	138
Cullinan	134	129	128	128
Koffiefontein	435	475	426	487
Kimberley Underground	260	300	308	320
Williamson[2]	248	220	298	236

Notes:
1. All sales (both ROM and tailings/alluvials/Ebenhaezer) including specials (stones above US$1 million in value) were used to calculate the above average values.
2. Due to the break in ROM production at Williamson during FY 2011 and FY 2012, values are not directly comparable to results achieved in H1 FY 2013, as the H1 FY 2012 values reflect results related to the sale of alluvial stones.

FINANCIAL RESULTS

Revenue

Revenue (adjusted for assets held for resale: the Fissure Mines) was up 63% to US$151.7 million (H1 FY 2012: US$93.0 million) due to increased production, predominantly from Finsch, Williamson and Kimberley Underground.

Gross revenue for the Period was US$156.3 million, but due to reclassification of the Fissure Mines as discontinued activities as a result of the sale process, revenue recorded by the Fissure Mines for the Period of US$4.6 million was not included in revenue for the Period but is included in the loss from discontinued operations of US$25.0 million. Comparative figures have been similarly reclassified.

Mining and processing costs

Overall, mining and processing costs (before depreciation) increased by 82% compared to H1 FY 2012. For the South African operations, these costs increased in Rand terms by approximately 71%, mainly due to the full H1 FY 2013 contribution of Finsch. This Rand increase was partially offset by a weakening Rand against the US Dollar (averaging R8.46 versus H1 FY 2012 R7.60), resulting in a 54% increase in US Dollar terms. The balance of the mining and processing cost increase (28%) mainly relates to Williamson's ramp up in production.

In South Africa, Rand on-mine unit cash costs per tonne treated remained relatively flat in comparison to those achieved in FY 2012, with inflationary pressures (including above-inflation electricity and wage increases) offset by increased tonnages. However, weighted average unit operating costs per tonne treated were circa 14% higher compared to FY 2013 guidance in Rand terms, with the cost variance being ascribed to:

- below planned volumes (tonnages) coupled with the high fixed cost nature of operating expenses (circa 10%);
- once off labour costs to limit the production impact during the labour disruptions experienced (circa 2%); and
- additional operational costs incurred, predominantly on required modifications at the Kimberley Underground plants (circa 2%).

Mining profit

Profit on mining activity was up 26% to US$41.2 million (H1 FY 2012: US$32.8 million), reflecting the introduction of Finsch into the Group for a full six months (H1 FY 2012: from 14 September 2011), offset by the effects of the lower Cullinan grade and labour disruptions at the Group's South African operations (as previously reported).

Exploration

Petra maintained its highly focused and cost-effective exploration programme in Botswana. The exploration expenditure for the Period of US$2.8 million (H1 FY 2012: US$0.8 million) reflected Petra's increased activity with regards to the evaluation of KX36 and the surrounding area. Please refer to the Exploration section of this report for details.

Corporate overheads

Corporate overheads increased to US$5.8 million for the Period (H1 FY 2012: US$4.9 million), appropriately reflecting the increasing size of the Group. Tight control of these costs is of key importance to management, in line with the broader cost control procedures in place across the Group.

Adjusted EBITDA

Adjusted EBITDA, being on mine profit less exploration and corporate overheads as covered above, increased by 20% to US$32.6 million (H1 FY 2013: US$27.1 million), again primarily due to the full six months' contribution from Finsch, offset by the lower than planned Group production levels.

Depreciation

During the Period, management revised its estimates regarding the extractable tonnes (reserves plus certain resources) over which mining assets are depreciated, as part of an ongoing assessment of how the Group's unit of production policy is applied. Accordingly, management now includes what are reasonably considered to be extractable tonnes, post current mining plans, in calculating overall units of production. Further details are provided in note 2 of the Interims.

The revision to the estimates has resulted in a reduction in depreciation of circa US$2 million for the Period, compared to the guided depreciation charge of US$50 million (at R8/US$) for full year FY 2013. Revised guidance for future years will be issued in early FY 2014.

Net finance income

The Group generated net finance income of US$0.2 million (H1 FY 2012: US$0.8 million), being interest received on cash balances, net interest receivable from the BEE partners' loans and realised foreign exchange gains. This was partially offset by interest payable on the Williamson portion (other interest and fees are capitalised, refer below) of the Group's debt facilities, the Group's working capital facility, and the unwinding of the present value adjustment for rehabilitation costs.

As noted when the Company published its FY 2013 guidance on 15 August 2012, the majority of interest and fees associated with the Company's bank debt are capitalised, as the bank debt is incurred to finance the capital expansion programme in the Company's operations. Capex guidance provided in August 2012 (as noted at the time) was on a cash basis, and did not include the capitalised fees and interest.

Transaction costs

Transaction costs of US$0.6 million (H1 FY 2012: US$2.7 million) comprise costs incurred in respect of the Fissure Mines sale process and bank and professional fees associated with the Group's refinancing in H1 FY 2013.

Net unrealised foreign exchange loss

During the Period, the Group incurred net unrealised foreign exchange losses of US$1.1 million (H1 FY 2012: US$35.7 million), the majority of which are due to unrealised foreign exchange movements on the retranslation of foreign subsidiary intercompany loans to US$ as a result of the movement in R/US$ rate from R8.16 at the start of the Period to close at R8.45 at the end of the Period.

In prior periods, foreign exchange movements on retranslation of Rand denominated loans (not classified as 'permanent as equity' under IFRS) by companies in the Group which did not have a Rand functional currency were recognised in the Income Statement, creating volatility within the Group's results and uncertainty with regards to expected earnings, especially against the background of a volatile Rand.

The Company undertook a review of the Group's internal funding arrangements and with effect from 1 July 2012, the Group reorganised its inter Group funding arrangements and restructured its treasury structure; this has removed from the Income Statement the significant foreign exchange translation exposure as the Rand loans are now held between entities with a Rand functional currency.

Disposal of the Fissure Mines

Petra's strategy is the development of its core assets and the successful roll-out of its stated capital expansion programmes. In order to focus on the delivery of this strategy, the Company announced on 31 July 2012 that it had, in conjunction with its BEE partners, decided to undertake a sale process in respect of its non-core fissure mine operations, comprising the Helam, Sedibeng and Star mines in South Africa (the "Fissure Mines"). On reclassification of the Fissure Mines as assets held for sale in the results during the Period, the Group has recognised an impairment provision of US$17.8 million for the Fissure Mines as a unit, being management's re-measurement to fair value less costs to sell the discontinued Fissure Mines.

The H1 FY 2013 trading loss recorded in respect of the Fissure Mines of US$7.2 million is included under ‘Loss from discontinued operations’, rather than in the on-mine trading results, as the assets are held for sale. The impairment of the Fissure Mines of US$17.8 million following the Company’s decision to dispose of the Fissure Mines, contributes to a total loss from discontinued operations (Fissure Mines only) of US$25.0 million.

The disposal process is ongoing and the Company will provide an update with regards to any sale agreements entered into when it is in a position to do so.

Group loss
A net loss after tax of US$15.2 million was recorded for the Period (H1 FY 2012: loss of US$26.7 million). These results were significantly impacted by the US$17.8 million impairment of the Fissure Mines noted above.

Cash and debt
As at 31 December 2012, Petra had cash at bank of US$38.2 million (H1 FY 2012: US$45.1 million) and diamond inventories of ca. US$45.4 million (H1 FY 2012: ca. US$38.1 million). Of the cash balance at Period end, US$10.3 million is held by Petra’s reinsurers as security deposits on the Group’s cell captive insurance structure (with regards to the Group’s environmental guarantees), and US$4.6 million is held by Petra’s bankers as security for other environmental rehabilitation bonds lodged by the bankers with the South African Department of Mineral Resources; the balance of US$23.3 million is unrestricted cash.

On 19 November 2012, Petra finalised new debt facilities with FirstRand Bank Limited (acting through Rand Merchant Bank and First National Bank divisions), Absa and IFC. The new facilities increased the Group’s debt and working capital facilities (at a 31 December 2012 rate of US$1:R8.45) by ca. US$111 million, from ca. US$138 million to ca. US$249.5 million.

As at 31 December 2012, Petra had drawn-down US$124.2 million of the new debt facilities and utilised US$3.0 million of the foreign exchange settlement lines; and the gross balance of US$122.3 million is available for further draw-down by the Company. Details of the debt facilities terms and payment schedules were provided in the Company’s announcement dated 13 November 2012 and are repeated in note 7.

Other than trade and other payables of US$22.4 million (H1 FY 2012: US$23.9 million), the remaining liabilities on the balance sheet comprise provisions for various rehabilitation liabilities, accounting for amounts owing due to the financing of the minorities in Cullinan and Finsch, employee related provisions, deferred tax and liabilities associated with the Fissure Mines classified as held for sale.

Cashflow
The net cash generated by the Group in operating activities for the Period was US$25.3 million (H1 FY 2012: US$3.6 million cash utilised). The Company expects operating cashflow to strengthen significantly in H2 FY 2013, in line with an increased number of sales tenders in the second half and increased production.

Capex
Capex of US$92.1 million (H1 FY 2012: US$56.7 million) was within management expectations and in accordance with the roll out of the Group’s expansion programmes.

The below table provides a breakdown of Group Capex.

Capex[1]		**H1 FY 2013**	**H1 FY 2012**	**FY 2012**
Finsch	US$M	20.8	1.4	12.0
Cullinan	US$M	44.6	21.1	54.4
Koffiefontein	US$M	10.1	4.8	11.5
Kimberley Underground	US$M	16.4	2.5	21.0
Williamson	US$M	4.7	17.5	22.2
Fissure Mines	US$M	1.9	1.6	5.8

Subtotal – Capex incurred at operations	US$M	98.5	48.9	126.9
Petra internal projects division[2] – net Capex under construction / invoiced to operations	US$M	(7.0)	7.6	11.1
Corporate / exploration	US$M	0.6	0.2	0.8
Total Group Capex	US$M	**92.1[3]**	**56.7**	**138.8**

Notes:

1. 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's guidance is to assume that the majority of interest and financing fees will be capitalised and not expensed through the Income Statement.
2. 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 project is completed and delivered. During the Period, Petra internal projects invoiced US$22.5 million (H1 FY 2012: US$0.8 million) to operations and incurred US$15.5 million (H1 FY 2012: US$8.4 million) on further project spend.
3. Capex for the Period included US$10.0 million (H1 FY 2012: US$3.1 million) of capitalised borrowing costs, which is also included in the applicable mine by mine tables above.

Earnings per share

The basic loss per share of 1.91 US$ cents (H1 FY 2012: 5.23 US$ cents loss) was largely due to the US$17.8 million impairment of the Fissure Mines.

The adjusted basic earnings per share was 1.05 US$ cents (H1 FY 2012: 2.46 US$ cents), after adding back unrealised foreign exchange, non-recurring transaction costs and the loss from discontinued operations.

OPERATIONS

Petra provided an operational update in its Trading Update announced on 29 January 2013. A summary of this review is below and new information is included where appropriate.

Combined operations (on a gross basis, including the Fissure Mines):

	Unit	H1 FY 2013	H1 FY 2012	Variance	FY 2012
Sales					
Revenue[1]	**US$M**	**156.3**	**101.4**	**+54%**	**316.9**
Diamonds sold	Carats	1,066,662	678,772	+57%	2,084,429
Production					
Total tonnes treated	**Tonnes**	**7,253,437**	**4,226,848**	**+72%**	**10,367,722**
ROM diamonds[2]	Carats	995,521	817,161	+22%	1,872,120
Tailings & alluvial diamonds	Carats	252,001	136,392	+85%	336,742
Total diamonds	**Carats**	**1,247,522**	**953,553**	**+31%**	**2,208,862**
Capex					
Expansion	US$m	69.8	46.0	+52%	108.8
Sustaining	US$m	22.3	10.7	+108%	30.0
Total	**US$m**	**92.1**	**56.7**	**+62%**	**138.8**

Notes:

1. Revenue is gross for all Petra operations, including the Fissure Mines. Reported revenue in the Summary of Results and Income Statement of US$151.7 million (H1 FY 2012 US$93.0 million) is US$4.6 million (H1 FY 2012 US$8.4 million) less than the table above, due to the reclassification of the Fissure Mines as assets held for sale. The revenue recorded in respect of the Fissure Mines for the Period is included in the loss from discontinued operations.

2. ROM: run-of-mine (excludes tailings, alluvials and production from the satellite Ebenhaezer open pit at Koffiefontein).

Petra generated gross H1 revenue of US$156.3 million (including the Fissure Mines) on the sale of 1,066,662 carats. Five stones exceeding US$1 million each were sold, yielding US$8.0 million in sales revenues. Carat sales were lower than carats produced due to the timing of Petra's tenders; as usual, Petra held three tenders in H1 (equating to five months production) and will hold five tenders in H2 (equating to seven months production).

H1 FY 2013 production increased 31% to 1,247,522 carats (H1 FY 2012: 953,553 carats), primarily due to Finsch being part of the portfolio for the full six months, Williamson's start-up post the commissioning of the rebuilt plant and Kimberley Underground's continued ramp-up to full production, offset by the issues covered below.

As announced in the Company's H1 Trading Update on 29 January 2013, production for the Period was impacted by the following two factors:

- Certain of the South African operations (Finsch, Cullinan, Koffiefontein and Kimberley Underground) were affected by brief work stoppages during October 2012; although these disruptions were not as significant as those experienced in the platinum and other sectors, productivity was nevertheless adversely affected in the periods leading up to and following the labour disruptions. Production levels have now normalised and labour relations are stable.

- As previously reported, the management of ROM grades, specifically at Finsch and Cullinan, remains a challenge due to the mature nature and dilution of the current mining areas. As a result, volatility in recovered ROM grades at these two operations can be expected until such time as new mining areas have been accessed and deliver undiluted ore to the production profile from FY 2015 onwards. Petra is managing this issue by developing access to undiluted 'gapfiller' tonnes which can be drawn whilst the expansion plans progress, as outlined in the sections on Finsch and Cullinan below.

Due to the reasons above, Petra revised its previous FY 2013 production guidance down approximately 7% from circa 2.85 million carats ("Mcts") to circa 2.65 Mcts; however, the medium term outlook of achieving continued production growth until the development plans deliver production from the new mining areas remains firmly intact. Petra's production target of 5 Mcts per annum by FY 2019 remains in place.

Finsch – South Africa

	Unit	H1 FY 2013	H1 FY 2012[1]	Variance	FY 2012
Sales					
Revenue	US$M	65.9	28.3	+133%	136.9
Diamonds sold	Carats	540,728	219,408	+146%	989,101
Average price per carat	US$	122	129	-5%	138
ROM Production					
Tonnes treated	Tonnes	1,387,067	790,715	+75%	2,260,842
Diamonds produced	Carats	434,726	305,215	+42%	832,396
Grade	Cpht	31.3	38.6	-19%	36.8
Tailings Production					
Tonnes treated	Tonnes	1,247,190	642,090	+94%	1,600,170
Diamonds produced	Carats	207,928	109,348	+90%	272,222
Grade	Cpht	16.7	17.0	-2%	17.0

Total Production					
Tonnes treated	Tonnes	2,634,257	1,432,805	+84%	3,861,012
Diamonds produced	Carats	642,654	414,563	+55%	1,104,618
Costs					
On-mine cash cost per total tonne treated	ZAR	139	138	1%	134
Capex					
Expansion Capex	US$M	14.8	0.7	n/a	8.7
Sustaining Capex	US$M	6.0	0.7	n/a	3.3
Total Capex	US$M	20.8	1.4	n/a	12.0

Note:

1. The acquisition of Finsch completed on 14 September 2011 and results for H1 FY 2012 therefore represent the 3.5 months to 31 December 2011.

Production:

Petra and its BEE partners acquired the Finsch mine on 14 September 2011 and results for H1 FY 2013 are therefore not directly comparable to H1 FY 2012, as these results represented the 3.5 months to 31 December 2011.

ROM production and grade were both in line with expectations. The reduction in ROM grade to 31.3 cpht, as previously advised, is due to the dilution of the Block 4 production areas. Block 4 is a very mature cave and the grade is therefore expected to steadily decline as it nears the end of its life. Petra will manage this by supplementing production from Block 4 with additional undiluted tonnages from other areas:

- from FY 2014 – production will be supplemented by tonnes from the Block 4 pillars; and
- from the end of FY 2014 through to FY 2015 – production will be supplemented by the tonnage build up from the 710 to 780 level sub level cave ("SLC").

The Company's guidance that ROM grade at Finsch overall will be ca. 30 cpht in FY 2013, rising gradually to ca. 47 cpht by FY 2017 is unchanged.

Tailings throughput at Finsch reached the intended levels of production for FY 2013 (ca. 2.8 million tonnes per annum ("Mtpa") annualised). The tailings grade of 16.7 cpht was marginally lower than anticipated due to scalping of oversize material during the ramp-up phase to cope with throughput build-up while plant modifications were undertaken. These modifications, to achieve Petra's objective of recovery of the full value-spectrum of diamonds, will continue for at least another 12 months.

Sales:

The average value per carat achieved at Finsch was US$122 (H1 FY 2012: US$129), versus Company guidance of US$129 per carat. The bottom cut at Finsch is being managed towards 1mm to capture the high quality smaller stones specific to this orebody; the higher volume of smaller diamonds therefore impacts the average value per carat.

Costs:

The on-mine unit cash cost per total tonne treated of R139 remained flat year-on-year, however above guidance due to marginally lower production and additional labour costs incurred.

Capex:

Capex increased significantly to US$20.8 million for the Period (H1 FY 2012: US$1.4 million) further to the ramp-up of the expansion project and associated underground development.

Development Programme:
Petra is implementing an expansion programme to lift production from ca. 1.4 million carats per annum ("Mctpa") to a steady state production of 1.9 Mctpa (combined ROM and tailings) by FY 2018. Block cave mining is currently taking place in Block 4 of the Finsch orebody at a depth of 630 metres. Block 4 will come to the end of its economic life in FY 2014 and Petra is therefore implementing a development plan to open up new mining areas, below the current Block 4 operations.

Production levels from underground will be maintained during the transition from the Block 4 cave to the Block 5 cave by developing an intermediate SLC from 710 metre level ("mL") to 780 mL across approximately two thirds of the footprint of Block 5. Development of the declines and access tunnels is progressing in line with expectations.

In its H1 Trading Update of 29 January 2013, Petra announced that it is at an advanced stage of adopting a change in the ore-handling system to transfer the SLC material to the existing loading and hoisting infrastructure on 650 mL by implementation of the Rail-Veyor® system, a technology successfully implemented at other mining industry operations. Further details of the revised schedule and capital estimates will follow once the amended plan has been finalised. It is expected to enable the Company to defer capital outflows and yield capital savings on the previously announced shaft sinking programme.

Underground production is supplemented by tailings retreatment. Finsch is currently treating the pre-1979 TMR (tailings from mining operations pre-1979). The pre-1979 TMR is expected to be treated at a rate of approximately 3.5 Mtpa and a grade of approximately 18 cpht until depleted in FY 2015. Thereafter, the post-1979 TD (tailings from mining operations post-1979), which carry a lower grade of approximately 10 cpht, remain available for treatment. It is expected that tailings production will cease in FY 2020.

Cullinan – South Africa

	Unit	H1 FY 2013	H1 FY 2012	Variance	FY 2012
Sales					
Revenue	US$M	48.7	48.6	0%	112.0
Diamonds sold	Carats	363,833	379,894	-4%	876,384
Average price per carat	US$	134	128	+5%	128
ROM Production					
Tonnes treated	Tonnes	1,282,009	1,225,117	+5%	2,504,137
Diamonds produced	Carats	384,146	426,757	-10%	833,285
Grade	Cpht	30.0	34.8	-14%	33.3
Tailings Production					
Tonnes treated	Tonnes	568,929	370,344	+54%	668,534
Diamonds produced	Carats	24,618	17,283	+42%	34,495
Grade	Cpht	4.3	4.7	-9%	5.2
Total Production					
Tonnes treated	Tonnes	1,850,938	1,595,461	+16%	3,172,671
Diamonds produced	Carats	408,764	444,040	-8%	867,780
Costs					
On-mine cash cost per total tonne treated	ZAR	169	173	-2%	177
Capex					
Expansion Capex	US$M	39.3	18.1	+117%	46.9
Sustaining Capex	US$M	5.3	3.0	+77%	7.5
Total Capex	US$M	44.6	21.1	+111%	54.4

Production:
At Cullinan, as expected further ROM grade volatility was experienced during the latter part of H1 FY 2013, with an average of 30.0 cpht recorded for the Period. Petra continues to manage the volatile ROM grade in the current working areas by maximising ROM tonnages mined and treated (up 5% versus H1 FY 2012) and by developing access to tonnages from other production areas across the orebody, whilst the development for the new block cave progresses.

Petra continues to ramp up the tailings operation at Cullinan, with tonnages up 54% to 568,929 tonnes. The commissioning phase of the new modular dense media separation tailings plant has progressed. The ramp-up of this plant will continue during the next quarter and once fully operational, management expects the initial commissioning grade of 4.3 cpht to rise to a steady state production grade of 6.5 to 7.5 cpht.

Sales:
The average value per carat of US$134 was in line with guidance for FY 2013. The highest value stones sold by Petra during the Period were both from Cullinan: a 68.6 carat white stone which sold for US$3.45 million and a 39.9 carat rough stone which yielded a 13.2 carat high quality white polished stone (manufactured by Petra) and was sold for US$1.48 million.

Costs:
The on-mine unit cash cost per total tonne treated of R169 is marginally down year-on-year, however it exceeds guidance mainly due to the below plan tailings throughput for H1 coupled with the once off labour costs incurred. A reduction in unit costs is expected for H2 due to increased tailings production.

Capex:
Capex increased to US$44.6 million (H1 FY 2012: US$21.1 million) for the Period as shaft deepening preparation work commenced, following the award of the shaft deepening contract to Murray & Roberts Cementation.

Development Programme:
Petra is implementing an expansion programme at Cullinan to lift production to 2.4 Mctpa (2.0 Mctpa ROM and 0.4 Mctpa tailings) by FY 2019.

The development of the underground declines and access tunnels, as well as the shaft preparation work, is progressing in line with expectations. As previously reported, ROM grade at Cullinan will remain a challenge whilst production continues to be from the mature areas of the mine (due to the significant dilution of the ore drawn in these older production zones). However, from FY 2016 the grade is expected to start to increase gradually, eventually rising to ca. 50 cpht by FY 2019, once only undiluted ore is being mined and treated.

The tailings programme is on track to reach targeted throughput of 4 Mtpa by FY 2015.

Koffiefontein – South Africa

	Unit	H1 FY 2013	H1 FY 2012	Variance	FY 2012
Sales					
Revenue	US$M	7.3	6.5	+12%	18.9
Diamonds sold	Carats	16,800	15,196	+11%	38,798
Average price per carat	US$	435	426	+2%	487
ROM Production					
Tonnes treated	Tonnes	89,710	285,466	-69%	498,412
Diamonds produced	Carats	6,194	14,364	-57%	24,569
Grade	Cpht	6.9	5.1	+35%	4.9

Tailings / Ebenhaezer Production					
Tonnes treated	Tonnes	698,800	474,124	+47%	967,538
Diamonds produced	Carats	12,335	7,174	+72%	15,548
Grade	Cpht	1.8	1.5	+20%	1.6
Total Production					
Tonnes treated	Tonnes	788,510	759,590	+4%	1,465,950
Diamonds produced	Carats	18,529	21,538	-14%	40,117
Costs					
On-mine cash cost per total tonne treated	ZAR	129	118	+9%	125
Capex					
Expansion Capex	US$M	5.3	3.0	+77%	6.1
Sustaining Capex	US$M	4.8	1.8	+167%	5.4
Total Capex	US$M	10.1	4.8	+110%	11.5

Production:
At Koffiefontein, ROM production was below expectations due to ongoing caving restrictions in the 52 Recovery Level area. However, the improved ROM grade of 6.9 cpht, up 35% on H1 FY 2012 (5.1 cpht), was maintained throughout the Period and should improve further depending on the ability to extract more tonnes from the higher grade 52 Recovery Level. Underground production from the Koffiefontein main pipe is expected to be subdued until the development programme delivers production from the new mining areas towards the latter half of FY 2014.

ROM tonnages continue to be supplemented by increased production from surface resources (the satellite Ebenhaezer open pit and tailings). Waste stripping at the Ebenhaezer pit, as well as the enlargement of the Ebenhaezer receiving section at the treatment plant, was completed during the Period, which will allow mining of this resource to be ramped up during H2.

Sales:
An average value per carat of US$435 was lower than Company guidance of US$475 for FY 2013 due to a higher than expected contribution of tailings versus ROM production.

Costs:
The on-mine unit cash cost per total tonne treated of R129 increased by 9% year-on-year mainly due to inflation and additional labour costs, coupled with below plan production as noted above.

Capex:
Capex for the Period of US$10.1 million was primarily focused on underground development and purchasing of plant, mining and surface equipment.

Development Programme:
Petra's expansion plan at Koffiefontein will take production to circa 100,000 carats by FY 2016 (90,000 carats ROM and 10,000 carats tailings). The Company's objective is again to establish new production levels in order to provide access to undiluted ore. Once this has been achieved, Petra expects the overall ROM grade at Koffiefontein to improve to circa 8 cpht.

Petra is developing a SLC between 560 and 600 mL. It is expected that this plan will be executed within the original timetable and Capex forecasts.

Kimberley Underground – South Africa

	Unit	H1 FY 2013	H1 FY 2012	Variance	FY 2012
Sales					
Revenue	US$M	11.9	8.1	+47%	19.8
Diamonds sold	Carats	45,776	26,395	+73%	61,895
Average price per carat	US$	260	308	-16%	320
Total Production (all ROM)					
Tonnes treated	Tonnes	424,054	287,187	+48%	587,065
Diamonds produced	Carats	59,304	34,751	+71%	68,422
Grade	Cpht	14.0	12.1	+16%	11.7
Costs					
On-mine cash cost per total tonne treated[1]	ZAR	245	208	+18%	295
Capex					
Expansion Capex	US$M	13.7	-	+100%	15.4
Sustaining Capex	US$M	2.7	2.5	+8%	5.6
Total Capex	US$M	16.4	2.5	+556%	21.0

Note:

1. On-mine cash costs exclude costs assigned to ROM stockpiles.

Production:
The Kimberley Underground operation comprises three kimberlite pipe mines: Bultfontein and Dutoitspan (serviced by Joint Shaft and the Joint Shaft plant) and Wesselton (serviced by the Wesselton Shaft and the newly commissioned Wesselton plant).

Production from underground is steadily increasing to planned levels, with the initial plant commissioning set-backs having now been resolved. Treatment has stabilised and is exceeding the 3,000 tonnes per day ("tpd") (750,000 tonnes per annum ("tpa")) level and is planned to steadily increase to the intended levels of 4,000 tpd (1 million tpa). ROM stockpiles of over 500,000 tonnes are available for treatment until underground production delivers at plant treatment rates from FY 2015 onwards, as previously guided. Recovered grades increased to 14.0 cpht during the Period, a level which is expected to be maintained going forward.

Sales:
Revenue was up 47% for the Period, reflecting the increased production, but slightly offset by the average value per carat of US$260, which was lower than guidance of US$300. Higher volumes of smaller diamonds are being recovered due to the commissioning of the scrubber section in the Joint Shaft plant. However, Petra remains very encouraged by the high value of the Kimberley Underground goods.

Costs:
The on-mine unit cash cost per total tonne treated of R245 increased by 18% on H1 FY 2012 mainly due to additional labour costs and costs associated with plant modifications at Joint Shaft and the ramp up of production at Wesselton plant.

Capex:
Capex of US$16.4 million for the Period was mainly due to the construction and commissioning of the Wesselton plant and underground development work.

Development Programme:
The mine plan at Kimberley Underground is expected to maintain production at an annual average steady state of ca. 135,000 ctpa.

Williamson – Tanzania

	Unit	H1 FY 2013	H1 FY 2012	Variance	FY 2012
Sales					
Revenue	US$M	17.9	1.5	n/a	11.6
Diamonds sold	Carats	72,172	5,044	n/a	49,153
Average price per carat	US$	248	298	n/a	236
ROM Production[1]					
Tonnes treated	Tonnes	1,282,459	-	n/a	826,699
Diamonds produced	Carats	72,790	-	n/a	42,855
Grade	Cpht	5.7	-	n/a	5.2
Alluvial Production					
Tonnes treated	Tonnes	182,515	59,774	+205%	278,328
Diamonds produced	Carats	7,120	2,587	+175%	14,195
Grade	Cpht	3.9	4.3	-9%	5.1
Total Production					
Tonnes treated	Tonnes	1,464,974	59,774	n/a	1,105,027
Diamonds produced	Carats	79,910	2,587	n/a	57,050
Costs					
On-mine cash cost per total tonne treated[2]	US$	12	n/a	n/a	18
Capex					
Expansion Capex	US$M	3.7	16.6	-78%	20.6
Sustaining Capex	US$M	1.0	0.9	+11%	1.6
Total Capex	US$M	4.7	17.5	-73%	22.2

Notes:
1. ROM production operations only recommenced in Q4 FY 2012 due to the prior development programme that was underway at Williamson.
2. On-mine cash costs exclude costs assigned to ROM stockpiles.

Production
At Williamson, commissioning of the rebuilt treatment plant was completed and the plant is now running at planned levels of throughput (2.5 Mtpa). ROM grade of 5.7 cpht achieved during the Period was slightly above guidance of 5.5 cpht. Ongoing refinements to the plant process flow will steadily increase the capacity to over 3 Mtpa from early FY 2014 and eventually to 3.6 Mtpa over the next two years.

Sales
The average value per carat of US$248 was above Company guidance of US$220 and reflects the high quality of Williamson goods.

Costs
The on-mine unit cash cost per total tonne treated of US$12 is in line with management's expectations.

Development Programme:
Petra's current mine plan at Williamson is to ramp up ROM production from ca. 2.5 Mt in FY 2013 to ca. 3.6 Mt by FY 2016, when a recrush system will be introduced into the plant circuit.

The mine's Phase 2 expansion project, which was initially planned to take the mine to 10 Mtpa, is currently on hold, though Petra continues to consider approaches to further significantly increase production beyond 3.6 Mtpa. An expansion plan above this level will be dependent upon appropriate electricity and water supply, as well as the results recorded from treatment by the rebuilt plant of main pit material over the medium term. The Company will update the market in due course when its internal studies are completed.

EXPLORATION

Petra's exploration programme is focused in Botswana, which offers an exceptional basis for diamond exploration in that it ranks highly with regards to prospectivity, has a low risk profile and an attractive fiscal regime. During the Period, Petra was allocated further prospecting licences in the country, meaning that the Company's total area under exploration increased significantly to 21,519 km^2.

The evaluation of the KX36 kimberlite discovery continued throughout the Period. The main focus was on the initial analyses of all micro/macrodiamond results and the petrographic and mineral chemistry data obtained to date from the +800 tonnes of kimberlite and calcrete processed from the mini bulk sample. The results have now been integrated into an updated 3D (Gemcom) geological model, which currently points to a decrease in volumes from that previously estimated (28 Mt to 34 Mt) to between 26 Mt and 32 Mt of kimberlite to a vertical depth of 516 metres below surface.

The final processing of the KX36 bulk sample material was completed on 14 February 2013, with a total of ca. 285 carats recovered (total carat figure is subject to diamond acidisation and re-weighing). The diamonds recovered included three stones of approximately 5 carats, two of which were of gem quality. Diamond breakage from the drilling process has been noted on a significant number of stones recovered and still needs to be quantified. Results obtained from both the first and final pass treatment and concentration of sampled material are currently being modelled in conjunction with the microdiamond, diamond breakage and petrography study information, in order to arrive at an initial diamond grade estimate.

The programme's focus has now shifted to the surrounding area, based on the premise that KX36 might be one of several kimberlites within a new kimberlite field (given that kimberlites generally occur in clusters). A high resolution regional deflation sampling programme covering kimberlite KX36 and immediate surrounds is progressing well. To date, 3,173 deflation samples have been collected and despatched for analysis. Initial results are positive and several provisional kimberlitic indicators have been recovered; such data indicates that sampling should be extended to the north and to the southwest as a priority.

Following positive results obtained from several test ground electromagnetic ("EM") surveys conducted over kimberlite KX36, a decision was taken to deploy an airborne EM survey in the KX36 region. At Period end, all contract negotiations and the final survey design had been finalised (~3,900 line km in total to be flown) having taken cognisance of the available budget and all regional soil sampling and magnetic/gravity results obtained to date. Survey commencement is scheduled for end February 2013. Preliminary data will become available shortly after survey completion.

HEALTH AND SAFETY

Petra's LTIFR for the Period was 0.84 (H1 FY 2012: 0.91). The health and safety of employees is Petra's top priority and the Company's ongoing initiatives will endeavour to continue to drive improvements in its LTIFR, in line with its policy of zero harm.

CORPORATE AND GOVERNANCE

Board changes
On 12 September 2012, Petra appointed Tony Lowrie to its Board of Directors as Senior Independent Non-Executive Director, addressing a key requirement of corporate governance best practice. Mr Lowrie is also a member of the Company's Audit, Remuneration and Nomination Committees. Mr Lowrie has brought a wealth of relevant expertise to the Petra Board, having an association of over 35 years with the equities business and being currently a non-executive director of Kenmare Resources plc, also a FTSE 250 mining company.

On 4 February 2013, Dr Omar Kamal stepped down as a Non-Executive Director from the Petra Board. Dr Kamal is a senior executive with the Al Rajhi Group of companies ("Al Rajhi") and has served on the Petra Board since February 2010 as a representative of Al Rajhi, Petra's largest shareholder with 13.1% of the Company's issued share capital. Since Dr Kamal's appointment to Petra, the Company has grown significantly and has expanded its Board with the appointment of three independent Non-Executive Directors. Given the development and expansion of the Board, Dr Kamal decided to step down from Petra.

Disposal of the Fissure Mines
On 31 July 2012, Petra announced that it had commenced a disposal process in respect of its fissure mine operations, namely the Helam, Sedibeng and Star mines in South Africa and that it had appointed QuestCo (Pty) Limited to manage the tender process. The process has progressed according to timetable and the Company will provide a detailed update with regards to any sale agreements entered into as and when the process reaches that stage. No further detail on timing of offers under consideration will be made at this time, due to the nature of the bidding process.

As noted in the Financial Review section, the Company has accounted for the Fissure Mines as assets held for sale / discontinued operations.

Increase in effective interests in South African operations
The Company announced on 28 February 2012 that it had entered into an agreement with Sirius Resources Fund 1 Limited ("Sirius"), an offshore resources investment fund and related party to the Group, to acquire Sirius's 49.24% interest in Nelesco 651 (Pty) Ltd ("Nelesco"). Nelesco owns 100% of the shares of Sedibeng Mining (Pty) Ltd ("Sedibeng Mining").

Sedibeng Mining is one of Petra's South African empowerment partners, with varying interests in all of Petra's South African operations, as set out below:

Mine	**Sedibeng Mining's interest (%)**
Cullinan	6.16
Finsch	17.01
Koffiefontein	15.0
Kimberley Underground	26.0
Helam	26.0
Sedibeng JV	17.85
Star	26

The transaction to acquire the 49.24% interest in Nelesco has now completed and, with effect from 1 January 2013, Petra's effective interest in each of its South African operations increased. The total consideration (all cash) paid by Petra for the acquisition of the 49.24% holding in Nelesco was US$17.8 million; the Company paid US$17.2 million of this total to Sirius in prior periods, and the balance of US$0.6 million has now been settled.

PRINCIPAL BUSINESS RISKS

The Group is exposed to a number of risks and uncertainties which could have a material impact on its long-term development, and performance and management of these risks is an integral part of the management of the Group.

An overview of the key risks which could affect the Group's operational and financial performance was included in the Company's 2012 Annual Report, which can be accessed at www.petradiamonds.com. These may impact the Group over the medium to long term; however the following key risks have been identified which may impact the Group over the next six months. Risks relating to labour unrest and ROM grade volatility have been included within these Interims, in addition to the disclosure in the 2012 Annual Report.

Short term demand and prices (Market and Price Risk)
The stability of financial markets and the corresponding effect on consumer demand impacts the Group and the diamond industry as a whole. Whilst the medium to long term fundamentals of the diamond market remain intact, with demand forecast to significantly outpace supply, in the short term the prevailing climate of global economic uncertainty may cause some volatility in rough diamond pricing.

Although diamond prices are influenced by numerous factors beyond the Company's control, the Group's management closely monitors developments in the international diamond market (across the pipeline from the rough market to the retail consumer market) to be in a position to react in a timely manner to changes in rough diamond prices and demand.

Exchange Rates (Currency Risk)
With Petra's operations mainly in South Africa, but diamond sales based in US Dollars, the volatility and movement in the Rand is a significant factor to the Group. Also, the Group undertakes transactions in a number of different currencies. Fluctuations in these currencies can have a significant impact on the Group's performance.

In order to mitigate currency risk, the Group continually monitors the movement of the Rand against the US Dollar and takes expert advice from its bankers in this regard. It is the Group's policy to hedge a portion of future US dollar sales revenue when weakness in the Rand deems it appropriate. Such contracts are generally short term in nature. Management seeks to mitigate other transaction risks by matching assets and liabilities in the same currency and where appropriate hedging material exposure.

Labour unrest in South Africa
As previously announced, certain of the Company's South African operations (Finsch, Cullinan, Koffiefontein and Kimberley Underground) were affected by brief work stoppages during October 2012. Although these disruptions were not as significant as those experienced in the platinum and other sectors, productivity was nevertheless adversely affected in the periods leading up to and following the labour disruptions.

Whilst labour relations are currently stable and production levels have normalised, there remains the potential for further unrest in the short term. Petra remains very focused on managing labour relations and on maintaining open and effective communication channels with the appropriate union representatives at its operations.

ROM grade volatility
As explained above, the management of ROM grades, specifically at Finsch and Cullinan, remains a challenge due to the mature nature and dilution of the current mining areas. As a result, volatility in recovered ROM grades at these two operations can be expected until such time as new mining areas have been accessed and deliver undiluted ore to the production profile from FY 2015 onwards. Petra is managing this issue by developing access to undiluted 'gapfiller' tonnes which can be drawn whilst the expansion plans progress, as outlined in the sections on Finsch and Cullinan above.

OUTLOOK

H1 recorded a further step change in production and revenue for the Group. Our longer term target of 5 million carats by FY 2019 remains firmly in place and this exceptional growth profile will be achieved solely on organic growth.

Johan Dippenaar
CEO
25 February 2013

Note
1. The following exchange rates have been used for this announcement: average for the Period US$1:R8.46; 31 December 2012 US$1: R8.45.

PETRA DIAMONDS LIMITED
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2012

US$ million	Notes	**(Unaudited) 1 July 2012- 31 December 2012**	(Unaudited) 1 July 2011- 31 December 2011	(Audited)[1] Year ended 30 June 2012
Revenue		**151.7**	93.0	299.2
Mining and processing costs		**(131.6)**	(78.4)	(236.2)
Other direct income		**1.5**	1.3	9.5
Exploration expenditure		**(2.8)**	(0.8)	(3.1)
Corporate expenditure	5	**(7.3)**	(8.2)	(13.7)
Total costs		**(140.2)**	(86.1)	(243.5)
Other financial income		**7.9**	9.4	18.8
Other financial expense		**(7.7)**	(8.6)	(17.0)
Unrealised foreign exchange loss		**(1.1)**	(35.7)	(38.6)
Financial income	6	**7.9**	9.4	18.8
Financial expense	6	**(8.8)**	(44.3)	(55.6)
Profit / (loss) before tax		**10.6**	(28.0)	18.9
Income tax (expense) / credit		**(0.8)**	4.9	(11.5)
Profit / (loss) for the period from continuing operations		**9.8**	(23.1)	7.4
Loss from discontinued operations (net of tax)	14	**(25.0)**	(3.6)	(9.5)
Loss for the period		**(15.2)**	(26.7)	(2.1)
Attributable to:				
Equity holders of the parent company		**(9.7)**	(26.2)	(2.4)
Non-controlling interest		**(5.5)**	(0.5)	0.3
		(15.2)	(26.7)	(2.1)
Profit / (loss) per share attributable to the equity holders of the parent during the period:				
From continuing operations				
Basic profit / (loss) per share – US$ cents	12	**1.80**	(4.61)	1.34
Diluted profit / (loss) per share – US$ cents	12	**1.76**	(4.61)	1.30
From continuing and discontinued operations				
Basic loss per share – US$ cents	12	**(1.91)**	(5.23)	(0.48)
Diluted loss per share – US$ cents	12	**(1.91)**	(5.23)	(0.48)

Comparative results have been amended to reflect the results of the Fissure Mines within the loss from discontinued operations (net of tax) as per the requirements of IFRS 5, refer to note 14.

[1] The year ended 30 June 2012 figures are audited except for the classification of discontinued operations detailed in note 14.

PETRA DIAMONDS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2012

US$ million	**(Unaudited) 1 July 2012- 31 December 2012**	(Unaudited) 1 July 2011- 31 December 2011	(Audited) Year ended 30 June 2012
Loss for the period	**(15.2)**	(26.7)	(2.1)
Exchange differences recognised on translation of share-based payment reserve	**0.9**	0.4	0.2
Exchange differences on translation of foreign operations	**(23.0)**	(36.1)	(34.4)
Exchange differences on non-controlling interest	**(1.1)**	(4.5)	(4.9)
Valuation loss on available for sale financial assets	**-**	(0.2)	(0.2)
Total comprehensive income and expense for the period	**(38.4)**	(67.1)	(41.4)

Total comprehensive income and expense attributable to:			
Equity holders of the parent company	**(31.8)**	(62.1)	(36.8)
Non-controlling interest	**(6.6)**	(5.0)	(4.6)
	(38.4)	(67.1)	(41.4)

Comparative results have been amended to reflect the results of the Fissure Mines within the loss from discontinued operations (net of tax) as per the requirements of IFRS 5, refer to note 14.

PETRA DIAMONDS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2012

(Unaudited) US$ million	Share capital	Share premium account	Foreign currency translation reserve	Share-based payment reserve	Other reserves	Retained losses	Attributable to the parent	Non-controlling interest	Total
Six month period ending 31 December 2012:									
At 1 July 2012	85.7	651.1	(45.1)	10.3	(0.7)	(63.7)	637.6	27.4	665.0
Loss for the period	-	-	-	-	-	(9.7)	(9.7)	(5.5)	(15.2)
Other comprehensive (expense) / income	-	-	(23.0)	0.9	-	-	(22.1)	(1.1)	(23.2)
Transfer between reserves for exercise of employee options and third party warrants	-	-	-	(0.3)	-	0.3	-	-	-
Equity settled share based payments	-	-	-	0.8	-	-	0.8	-	0.8
Allotments during the period:									
- Share options exercised	0.2	0.8	-	-	-	-	1.0	-	1.0
- Warrants exercised	0.4	2.7	-	-	-	-	3.1	-	3.1
At 31 December 2012	86.3	654.6	(68.1)	11.7	(0.7)	(73.1)	610.7	20.8	631.5

PETRA DIAMONDS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2012

(Unaudited) US$ million	Share capital	Share premium account	Foreign currency translation reserve	Share-based payment reserve	Other reserves	Retained losses	Attributable to the parent	Non-controlling interest	Total
Six month period ending 31 December 2011:									
At 1 July 2011	84.8	645.6	(10.7)	9.7	(0.5)	(61.9)	667.0	32.0	699.0
Loss for the period	-	-	-	-	-	(26.2)	(26.2)	(0.5)	(26.7)
Other comprehensive (expense) / income	-	-	(36.1)	0.4	(0.2)	-	(35.9)	(4.5)	(40.4)
Transfer between reserves for exercise of employee options and third party warrants	-	-	-	(0.4)	-	0.4	-	-	-
Equity settled share based payments	-	-	-	0.6	-	-	0.6	-	0.6
Allotments during the period:									
- Warrants exercised	0.2	1.5	-	-	-	-	1.7	-	1.7
At 31 December 2011	85.0	647.1	(46.8)	10.3	(0.7)	(87.7)	607.2	27.0	634.2

PETRA DIAMONDS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2012

(Audited) US$ million	Share capital	Share premium account	Foreign currency translation reserve	Share-based payment reserve	Other reserves	Retained losses	Attributable to the parent	Non-controlling interest	Total
12 month period ending 30 June 2012:									
At 1 July 2011	84.8	645.6	(10.7)	9.7	(0.5)	(61.9)	667.0	32.0	699.0
(Loss) / profit for the year	-	-	-	-	-	(2.4)	(2.4)	0.3	(2.1)
Other comprehensive income	-	-	(34.4)	0.2	(0.2)	-	(34.4)	(4.9)	(39.3)
Transfer between reserves for exercise of options and warrants	-	-	-	(0.6)	-	0.6	-	-	-
Equity settled share based payments	-	-	-	1.0	-	-	1.0	-	1.0
Allotments during the period:									
- Share options exercised	0.4	1.1	-	-	-	-	1.5	-	1.5
- Warrants exercised	0.5	4.4	-	-	-	-	4.9	-	4.9
At 30 June 2012	85.7	651.1	(45.1)	10.3	(0.7)	(63.7)	637.6	27.4	665.0

PETRA DIAMONDS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2012

US$ million	Note	**(Unaudited) 31 December 2012**	(Unaudited) 31 December 2011	(Audited)[1] 30 June 2012
ASSETS				
Non-current assets				
Property, plant and equipment		**755.1**	683.6	740.5
Available for sale financial assets		**0.2**	0.2	0.2
Deferred tax asset[2]		**11.1**	5.9	9.3
Loans and other receivables		**90.9**	84.5	89.6
Total non-current assets		**857.3**	774.2	839.6
Current assets				
Inventories		**65.6**	63.6	47.8
Trade and other receivables		**37.9**	52.1	56.5
Cash and cash equivalents – unrestricted		**23.3**	39.0	31.3
Cash and cash equivalents - restricted		**14.9**	6.1	16.0
Total current assets		**141.7**	160.8	151.6
Non-current assets classified as held for sale	14	**25.8**	-	-
Total assets		**1 024.8**	935.0	991.2
EQUITY AND LIABILITIES				
Equity				
Share capital		**86.3**	85.0	85.7
Share premium account		**654.6**	647.1	651.1
Foreign currency translation reserve		**(68.1)**	(46.8)	(45.1)
Share-based payment reserve		**11.7**	10.3	10.3
Other reserves		**(0.7)**	(0.7)	(0.7)
Retained loss		**(73.1)**	(87.7)	(63.7)
Attributable to equity holders of the parent company		**610.7**	607.2	637.6
Non-controlling interest		**20.8**	27.0	27.4
Total equity		**631.5**	634.2	665.0
Liabilities				
Non-current liabilities				
Loans and borrowings	7	**102.2**	67.9	46.9
Trade and other payables		**67.5**	63.5	66.6
Provisions		**82.9**	84.6	85.0
Deferred tax liabilities		**55.7**	35.9	54.4
Total non-current liabilities		**308.3**	251.9	252.9
Current liabilities				
Loans and borrowings	7	**22.0**	6.0	22.1
Trade and other payables		**52.8**	40.7	49.0
Provisions		**2.2**	2.2	2.2
Total current liabilities		**77.0**	48.9	73.3
Liabilities directly associated with non-current assets classified as held for sale	14	**8.0**	-	-
Total liabilities		**393.3**	300.8	326.2
Total equity and liabilities		**1 024.8**	935.0	991.2

[1] The year ended 30 June 2012 figures are audited except for the classification of discontinued operations detailed in note 14.

[2] The 31 December 2011 deferred tax has been reclassified to show the deferred tax asset separately from the deferred tax liability to provide greater comparability to the 2012 audited condensed statement of financial position. There has been no effect on profit or equity from this reclassification. Accordingly no statement of financial position at 30 June 2011 has been presented. There was a deferred tax asset at 30 June 2011 of US$5.1 million.

PETRA DIAMONDS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2012

US$ million	**(Unaudited) 1 July 2012- 31 December 2012**	(Unaudited) 1 July 2011- 31 December 2011	(Audited) 1 July 2011- 30 June 2012
(Loss) / profit before taxation for the period	**(14.9)**	(31.8)	8.4
Depreciation of property plant and equipment – exploration	**-**	-	0.1
Depreciation of property plant and equipment – mining	**19.6**	18.6	40.7
Depreciation of property plant and equipment – other	**0.1**	0.1	0.2
Re-measurement to fair value less costs to sell of discontinued fissure mines	**17.8**	-	-
Transaction and acquisition costs	**-**	-	3.1
Profit on sale of property plant and equipment	**-**	-	(0.1)
Increase / (decrease) in provisions	**0.2**	(0.7)	(0.7)
Present value adjustment of rehabilitation provision – change in assumptions	**-**	-	(4.8)
Other finance income	**(8.3)**	(9.6)	(19.1)
Other finance expense	**7.8**	8.8	17.3
Unrealised foreign exchange loss	**1.1**	35.7	38.6
Share based payment provision	**0.8**	0.6	1.0
Operating profit before working capital changes	**24.2**	21.7	84.7
Decrease in trade and other receivables	**18.1**	7.5	4.5
Increase / (decrease) in trade and other payables	**5.5**	(3.2)	4.3
Increase in inventories	**(21.2)**	(27.3)	(11.6)
Cash generated from / (utilised in) operations	**26.6**	(1.3)	81.9
Finance expense	**(1.3)**	(2.3)	(2.0)
Net cash generated from / (utilised in) operating activities	**25.3**	(3.6)	79.9
Cashflows from investing activities			
Proceeds from sale of property, plant and equipment	**-**	1.6	1.4
Acquisition of assets at Finsch net of cash	**-**	(192.0)	(192.0)
Acquisition costs for the purchase of Finsch assets	**-**	(0.4)	(0.4)
Deposits paid for increased working interest in the Group's South African operations	**-**	(10.0)	(11.2)
Finance income	**0.2**	1.2	1.8
Additions to property, plant and equipment	**(86.2)**	(56.7)	(135.5)
Transfer from restricted cash deposits	**0.5**	221.9	212.0
Net cash utilised in investing activities	**(85.5)**	(34.4)	(123.9)

PETRA DIAMONDS LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2012

US$ million	**(Unaudited) 1 July 2012- 31 December 2012**	(Unaudited) 1 July 2011- 31 December 2011	(Audited) 1 July 2011- 30 June 2012
Cashflows from financing activities			
Proceeds from the issuance of share capital	**4.1**	1.7	6.4
Transaction costs of admission to the Main Market of the London Stock Exchange	**-**	(2.3)	(2.7)
Increase in non-current borrowings	**46.5**	-	-
Increase in current borrowings	**16.4**	-	-
Repayment of current borrowings	**(9.4)**	(14.0)	(20.0)
Net cash generated from / (utilised in) financing activities	**57.6**	(14.6)	(16.3)
Net decrease in cash and cash equivalents	**(2.6)**	(52.6)	(60.3)
Cash and cash equivalents at beginning of the period	**31.3**	96.9	96.9
Effect of exchange rate fluctuations on cash held	**(5.4)**	(5.3)	(5.3)
Cash and cash equivalents at end of the period	**23.3**	39.0	31.3

[1]The cashflows specific to the discontinued operations (net of tax) are disclosed in note 14.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2012

1. GENERAL INFORMATION

Petra Diamonds Limited (the "Company"), a limited liability company listed on the Main Market of the London Stock Exchange, is registered in Bermuda with its Group management office domiciled in Jersey. The condensed consolidated interim financial statements of the Company for the six month period ended 31 December 2012 comprise the Company and its subsidiaries (together referred to as the "Group").

2. ACCOUNTING POLICIES

The interim results, which are unaudited, have been prepared in accordance with the requirements of International Accounting Standard 34. This condensed interim report does not include all the notes of the type normally included in an annual financial report. This condensed report is to be read in conjunction with the Annual Report for the year ended 30 June 2012, and any public announcements made by the Group during the interim reporting period. The annual financial report for the year ended 30 June 2012 was prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRSs") and the accounting policies applied in this condensed interim report are consistent with the polices applied in the annual financial report for the year ended 30 June 2012 unless otherwise noted.

Basis of preparation

After a review of the Group's operations, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the unaudited condensed interim financial statements.

The unaudited condensed consolidated interim financial statements for the six months ended 31 December 2012 do not constitute statutory accounts and have been drawn up using accounting policies and presentation expected to be adopted in the Group's full financial statements for the year ended 30 June 2012, which are not expected to be significantly different to those set out in note 1 to the Group's audited financial statements for the year ended 30 June 2012.

The financial information for the year ended 30 June 2012 has been extracted from the statutory accounts for that period except for the effect of the discontinued operations and held for sale asset presentation adjustments detailed in note 14. The auditors' report for the year ended 30 June 2012 was unqualified and did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report.

The financial information for the six months ended 31 December 2011 has been extracted from the unaudited interim results released to 31 December 2011.

Changes in accounting policies:
In the current financial period, the Group has adopted the new standards, amendments to standards and interpretations applicable from 1 July 2012 but none have had a material impact on the Group's reporting. Those that apply to the Group from 1 July 2012 are as follows:

IAS 12	Amendment – Deferred Tax: Recovery of Underlying Assets	1 January 2012
IAS 1	Amendment – Presentation of Items of Other Comprehensive Income	1 July 2012

Critical assumptions and judgements:

The preparation of the condensed consolidated interim financial statements requires management to make estimates and judgements and form assumptions that affect the reported amounts of the assets and liabilities, reported revenue and costs during the periods presented therein, and the disclosure of contingent liabilities at the date of the interim financial statements. Estimates and judgements are continually evaluated and based on management's historical experience and other factors, including future expectations and events that are believed to be reasonable. The estimates and assumptions and judgements that have a significant risk of causing a material adjustment to the financial results of the Group in future reporting periods are discussed below:

Judgements:

Life of mine and ore reserves and resources

There are numerous risks inherent in estimating ore reserves and the associated life of a mine. Therefore management must make a number of assumptions in making those estimates, including assumptions as to exchange rates, rough diamond and other commodity prices, recovery and production rates. Any such estimates and assumptions may change as new information becomes available. Changes in exchange rates, commodity prices, recovery and production rates may change the economic viability of ore reserves and may ultimately result in the restatement of the ore reserves and potential impairment to the carrying value of the mining assets and life of mine. The determination of the life of mine and ore reserves and resources also impacts the depreciation of mining assets depreciated on a unit of production basis.

Impairment reviews and re-measurement of assets classified as held for sale

Whilst conducting impairment reviews of its assets, the Group exercises judgement in making assumptions about future rough diamond prices, ore reserves, rehabilitation costs, feasibility studies, future development and production costs. Changes in estimates used can result in significant changes to the condensed consolidated interim financial statements. The Group prepares value in use impairment models and assesses mining assets for impairment. The carrying value of the Kimberley Underground assets is sensitive to rough diamond prices, production and the assessment of additional orebodies, including development of the North West Corner section of the Bultfontein orebody currently classified as a resource.

The carrying value of assets at Helam, Sedibeng and Star, considered on the basis of classification as assets held for sale, are carried at the lower of carrying value and fair value less cost to sell, as detailed in note 14. The assessment of fair value less cost to sell has been considered by the Board and represents a key judgement, based on internal valuation models, discounts for market pricing and progress of the current sale process.

Taxation judgement

The Group has received a number of historical tax claims in respect of its mining operations, relating to the period prior to the operations being acquired by the Group. Judgement is applied by management, having consulted with local tax advisors, on the probability of payments being made to settle the claims. Where the claim is considered probable the Group has raised the provision in respect of the claim.

Capitalisation of borrowing costs

The Group capitalises effective interest costs (inclusive of fees) to property, plant and equipment when the loans are considered to have been drawn down for the purpose of funding the Group's capital development programmes.

Assumptions and estimates:

Provision for rehabilitation

Significant estimates and assumptions are made in determining the amount attributable to rehabilitation provisions. These deal with uncertainties such as the legal and regulatory framework, timing and future costs. In determining the amount attributable to rehabilitation provisions, management used a discount rate range of 7.66% - 8.93%, current life of mine plans and mine works programmes of 10 to 50 years and an inflation rate range of 5.6% - 6.9%. The Group estimates the cost of rehabilitation with reference to approved environmental plans filed with the local authorities. Changes to estimates are recognised when such plans are approved given uncertainties which may exist until the point of approval.

Deferred tax

Judgement is applied in making assumptions about future taxable income, including diamond prices, production, rehabilitation costs and expenditure to determine the extent to which the Group recognises deferred tax assets. The Statement of Financial Position includes deferred tax assets of US$11.1 million (30 June 2012: US$9.3 million and 31 December 2011: US$5.9 million) and utilisation is over three years at Kimberley Underground in line with the current business plan following the commissioning of the Wesselton plant.

Inventory and inventory stockpile

Judgement is applied in making assumptions about the value of inventories and inventory stockpiles, including diamond prices, production grade and expenditure to determine the extent to which the Group values inventory and inventory stockpiles.

Depreciation

During the current reporting period management has reassessed the estimates made as part of its unit of production accounting policy, noting that the units of production policy itself remains unchanged. The Group depreciates assets according to the relevant sections of the orebody over which they will be utilised. A key estimate involves determination of future production units assigned to on-mine shared infrastructure, which is an ongoing assessment given the mining plan and development projects. Shared infrastructure is defined as common infrastructure enabling ore extraction, treatment and related support services, not utilised in specific mining areas. The Group has reviewed the extractable tonnes included within the calculations and now includes extractable tonnes post the current mining plans (representing reserves and certain resources). This is considered to reflect the current estimate of the full extended life of mine and useful life of the shared infrastructure assets.

3. DIVIDENDS

No dividends were proposed or paid during the Period.

4. SEGMENTAL INFORMATION

Segment information is presented in respect of the Group's operating and geographical segments:

Mining – the extraction and sale of rough diamonds from mining operations in South Africa and Tanzania.

Exploration – exploration activities in Botswana.

Segments are based on the Group's management and internal reporting structure. Management reviews the Group's performance by reviewing the results of the mining activities in South Africa and Tanzania, reviewing the results of exploration activities in Botswana and reviewing the corporate administration expenses in Jersey. Each segment derives, or aims to derive, its revenue from diamond mining and diamond sales, except for the corporate and administration cost centre.

Segment results, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. Segment results are calculated after charging direct mining costs, depreciation and other income and expenses. Unallocated items comprise mainly interest-earning assets and revenue, interest-bearing borrowings and expenses and corporate assets and expenses. Segment capital expenditure is the total cost incurred during the Period to acquire segment assets that are expected to be used for more than one period. Eliminations comprise transactions between Group companies that are cancelled on consolidation. The results are not materially affected by seasonal variations. Revenues are generated from tenders held in South Africa and Antwerp for external customers from various countries, the ultimate customers of which are not known to the Group.

4. **SEGMENTAL INFORMATION (continued)**

Operating segments	**South Africa – Mining activities**					**Tanzania - Mining activities**	**Botswana**	**Jersey**		
US$ million	**Cullinan**	**Finsch**	**Koffiefontein**	**Kimberley Underground**	**Fissure Mines**	**Williamson**	**Exploration**	**Corporate administration**	**Inter-segment**	**Consolidated**
(6 month period ended 31 December 2012)	1 July 2012 - 31 December 2012	1 July 2012 - 31 December 2012	1 July 2012 - 31 December 2012	1 July 2012 - 31 December 2012	1 July 2012 - 31 December 2012	1 July 2012 - 31 December 2012	1 July 2012 - 31 December 2012	1 July 2012 - 31 December 2012	1 July 2012 - 31 December 2012	1 July 2012 - 31 December 2012
Revenue	48.7	65.9	7.3	11.9	4.6	17.9	-	-	-	156.3
Segment result	8.8	19.2	(5.4)	(1.7)	(6.7)	(2.5)	(2.8)	(7.3)	1.2	2.8
Other direct income	0.1	0.8	0.2	0.1	0.1	0.2	-	-	-	1.5
Operating profit / (loss)[1]	8.9	20.0	(5.2)	(1.6)	(6.6)	(2.3)	(2.8)	(7.3)	1.2	4.3
Re-measurement to fair value less costs to sell of discontinued fissure mines					(17.8)					(17.8)
Other financial income										7.9
Other financial expense										(7.7)
Unrealised foreign exchange loss										(1.1)
Income tax expense										(0.8)
Non-controlling interest										5.5
Loss attributable to equity holders of the parent company										(9.7)
Segment assets	440.1	243.4	73.0	92.4	95.3	121.0	1.1	1 949.4	(1 990.9)	1 024.8
Segment liabilities	261.4	191.6	63.9	122.5	149.9	242.0	29.6	914.4	(1 582.0)	393.3
Capital expenditure	44.6	20.8	10.1	16.4	17.4	4.7	-	0.6	(22.5)	92.1

Capital expenditure at the Fissure Mines includes work-in-progress of US$15.5 million (30 June 2012: US$11.1 million and 31 December 2011: US$8.4 million) in respect of the manufacture of plant and equipment for other mines within the Group. Other income in respect of the Fissure Mines includes US$31.8 million (30 June 2012: US$38.4 million and 31 December 2011: US$21.5

million) of revenue and US$32.8 million (30 June 2012: US$39.4 million and 31 December 2011: US$21.9 million) of costs in respect of the projects division at Helam for the manufacture of plant and equipment for other mines within the Group. Segment assets and liabilities include inter-company receivables and payables which are eliminated on consolidation.

[1]Operating profit is equivalent to revenue of US$151.7 million less total costs of US$140.2 million less the loss from discontinued operations (net of tax) of US$7.2 million (before impairment) as disclosed in the Consolidated Income Statement and note 14.

4. SEGMENTAL INFORMATION (continued)

Operating segments	South Africa – Mining activities					Tanzania - Mining activities	Botswana	Jersey		
US$ million	Cullinan	Finsch	Koffiefontein	Kimberley Underground	Fissure Mines	Williamson	Exploration	Corporate administration	Inter-segment	Consolidated
(6 month period ended 31 December 2011)	1 July 2011 - 31 December 2011	1 July 2011 - 31 December 2011	1 July 2011 - 31 December 2011	1 July 2011 - 31 December 2011	1 July 2011 - 31 December 2011	1 July 2011 - 31 December 2011	1 July 2011 - 31 December 2011	1 July 2011 - 31 December 2011	1 July 2011 - 31 December 2011	1 July 2011 - 31 December 2011
Revenue	48.6	28.3	6.5	8.1	8.4	1.5	-	-	-	101.4
Segment result	6.7	9.1	(5.8)	(1.2)	(4.9)	(3.5)	(0.8)	(8.2)	10.5	1.9
Other direct income	0.8	0.3	0.2	0.2	(0.3)	0.2	-	-	-	1.4
Operating profit / (loss)[1]	7.5	9.4	(5.6)	(1.0)	(5.2)	(3.3)	(0.8)	(8.2)	10.5	3.3
Other financial income										9.4
Other financial expense										(8.6)
Unrealised foreign exchange loss										(35.7)
Income tax credit										4.9
Non-controlling interest										0.5
Loss attributable to equity holders of the parent company										(26.2)
Segment assets	425.6	236.4	39.7	79.6	100.2	101.4	0.5	1 055.2	(1 103.6)	935.0
Segment liabilities	188.0	230.1	21.5	85.7	131.5	211.5	23.8	436.8	(1 028.1)	300.8
Capital expenditure	21.1	1.4	4.8	2.5	9.2	17.5	-	0.2	-	56.7

[1] Operating profit is equivalent to revenue of US$93.0 million less total costs of US$86.1 million less the loss from discontinued operations (net of tax) of US$3.6 million as disclosed in the Consolidated Income Statement.

4. SEGMENTAL INFORMATION (continued)

Operating segments	South Africa – Mining activities					Tanzania - Mining activities	Botswana	Jersey		
US$ million	Cullinan	Finsch	Koffiefontein	Kimberley Underground	Fissure Mines	Williamson	Exploration	Corporate administration	Inter-segment	Consolidated
(full year ended 30 June 2012)	2012	2012	2012	2012	2012	2012	2012	2012	2012	2012
Revenue	112.0	136.9	18.9	19.8	17.7	11.6	-	-	-	316.9
Segment result	25.1	60.2	(6.7)	(6.1)	(9.7)	(9.1)	(3.1)	(13.7)	0.3	37.2
Other direct income	4.2	1.2	0.7	3.1	(0.5)	0.3	-	-	-	9.0
Operating profit / (loss)[1]	29.3	61.4	(6.0)	(3.0)	(10.2)	(8.8)	(3.1)	(13.7)	0.3	46.2
Other financial income										18.8
Other financial expense										(17.0)
Unrealised foreign exchange loss										(38.6)
Income tax credit										(11.5)
Non-controlling interest										(0.3)
Loss attributable to equity holders of the parent company										(2.4)
Segment assets	379.1	234.4	49.6	89.3	110.3	108.1	13.7	1 154.1	(1 147.4)	991.2
Segment liabilities	200.9	199.8	33.3	107.3	137.7	225.9	35.2	452.8	(1 066.7)	326.2
Capital expenditure	54.4	12.0	11.5	21.0	16.9	22.2	0.5	0.3	-	138.8

[1] Operating profit is equivalent to revenue of US$299.2 million less total costs of US$243.5 million less the loss from discontinued operations (net of tax) of US$9.5 million as disclosed in the Consolidated Income Statement.

US$ million	**1 July 2012 - 31 December 2012**	1 July 2011 - 31 December 2011	1 July 2011 - 30 June 2012
5. CORPORATE EXPENDITURE			
Auditors' remuneration			
- Audit services[1]	**0.6**	0.5	0.5
- Non-audit services	**-**	-	0.1
Depreciation of property, plant and equipment	**0.1**	0.1	0.2
Operating lease rentals – buildings	**0.5**	0.3	0.6
Staff costs	**2.9**	2.6	5.2
Other charges	**1.8**	1.5	3.6
Transaction costs [2]	**0.6**	2.7	3.1
Share-based expense			
- Directors	**0.7**	0.2	0.3
- Senior Management	**0.1**	0.3	0.1
	7.3	8.2	13.7

[1]Audit services in the current period refer to the FY 2012 audit.
[2]Transaction costs comprise those costs incurred for the proposed Fissure Mines disposal together with other costs associated with the Group's refinancing. In the prior periods, transaction costs comprised Finsch acquisition costs (US$0.4 million) and costs related to the admission to the Main Market of the London Stock Exchange (US$2.7 million). The costs in respect of admission to the Main Market include US$0.7 million paid to the auditors for non audit services.

US$ million	**1 July 2012 - 31 December 2012**	1 July 2011 - 31 December 2011	1 July 2011 - 30 June 2012
6. FINANCING (EXPENSE) / INCOME			
Net interest expense on bank loans and overdrafts	**(1.3)**	(0.9)	(1.4)
Gross interest expense on bank loans and overdrafts	**(11.3)**	(4.0)	(7.7)
Interest expense on bank loans and overdrafts capitalised	**10.0**	3.1	6.3
Other debt finance costs	**(4.5)**	(5.2)	(9.8)
Unwinding of present value adjustment for rehabilitation costs	**(1.9)**	(2.4)	(5.6)
Realised foreign exchange losses on the settlement of forward exchange contracts	**-**	(0.1)	(0.2)
Unrealised foreign exchange losses[1]	**(1.1)**	(35.7)	(38.6)
Financial expense	**(8.8)**	(44.3)	(55.6)
Realised foreign exchange gains	**3.8**	4.1	7.5
Interest received on loans and other receivables	**3.9**	4.2	9.7
Interest received bank deposits	**0.2**	1.1	1.6
Financial income	**7.9**	9.4	18.8
	(0.9)	(34.9)	(36.8)

[1]In prior periods, foreign exchange movements on retranslation of Rand denominated loans, not classified as permanent as equity under IFRS, by companies in the Group which did not have a Rand functional currency were recognised in the Condensed Consolidated Income Statement. Effective 1 July 2012, the Group reorganised its intra-Group funding arrangements and restructured its treasury structure, which has removed the significant foreign exchange translation exposure; as the Rand loans are now held between entities with Rand functional currencies.

7. LOANS AND BORROWINGS

New debt facilities

On 16 November 2012 the Company entered into agreements with FirstRand Bank Limited (acting through its Rand Merchant Bank ("RMB") and First National Bank ("FNB") divisions), Absa Corporate and Investment Banking ("Absa") (a division of Absa Bank Limited and a member of Barclays) and the International Finance Corporation ("IFC") (a member of the World Bank Group) with regards to new Group debt facilities. These new facilities replace all of the Group's previous bank debt and working capital facilities.

The facilities comprise of, an amortising term facility ("ATF") of R800 million (US$94.8 million) and US$35 million, a revolving credit facility ("RCF") of R300 million (US$35.5 million) and US$25 million and a working capital facility ("WCF") of R500 million (US$59.2 million).

The ATF is available for draw-down up to December 2013. The ATF interest rates are JIBAR (ZAR facility)/LIBOR(US$ facility) plus 4.0% margin. The ATF is repayable in five semi-annual payments commencing March 2016, with the final payment due in March 2018.

The RCF is available for draw-down up to August 2018. The RCF interest rates are JIBAR (ZAR facility)/LIBOR(US$ facility) plus 5.5% margin. The RCF is repayable by September 2018.

The WCF is subject to annual review. The WCF bears interest at the South African prime lending rate less 0.5%.

The facilities are secured on the Group's interests in Finsch, Cullinan, Koffiefontein, Kimberley Underground and Williamson. No warrants have been issued in connection with the new debt facilities.

At 31 December 2012, the Group had undrawn debt facilities of US$122.3 million.

8. SHARES AND WARRANTS ISSUED

Allotments during the Period were in respect of the exercise of warrants over 2,100,000 ordinary shares by IFC and the exercise of share options over 1,410,283 ordinary shares by employees and Directors.

On 18 December 2012, the Executive Directors of the Company were granted a total of 196,911 deferred awards over ordinary shares in the Company. The awards represent 25% of the total bonus in respect of performance for the financial year ended 30 June 2012. The awards vest on 30 June 2014 and vesting is subject to continued employment.

On 20 December 2012, the Executive Directors of the Company were granted a total of 1,198,268 performance based share awards under the 2012 Performance Share Plan ("2012 PSP"). These awards under the 2012 PSP are subject to performance conditions based on: (i) absolute total shareholder return (25%) (ii) relative total shareholder return against industry peers (25%) (iii) carat production (25%) and (iv) targets linked to delivery of the expansion programmes at the Company's various operations (25%). Vesting will be based on performance measured over the period 1 July 2012 to 30 June 2015. .

Further details with regards to the Group's share plans are provided in the Company's 2012 Annual Report.

9. PROPERTY, PLANT AND EQUIPMENT

The net movement in property, plant and equipment for the Period is US$14.6 million (30 June 2012: US$239.1 million and 31 December 2011: US$182.2 million). This is primarily as a result of increases in property, plant and equipment from capital expenditure of US$92.1 million (30 June 2012: US$138.8 million and 31 December 2011: US$56.7 million), the fair value of assets purchased on the acquisition of Finsch of US$nil (30 June 2012: US$222.8 million and 31 December 2011: US$220.9 million), which are off-set by the movement in the US$/ZAR foreign exchange rate resulting in a foreign exchange decrease on Rand based assets of US$18.2 million (30 June 2012: US$80.7 million decrease and 31 December 2011: US$75.1 million decrease), depreciation of US$19.7 million (30 June 2012: US$41.0 million and 31 December 2011: US$18.7 million), transfer of the Fissure Mines' assets to assets classified as held for sale of US$38.3 million (gross of impairment) and assets of US$1.3 million (30 June 2012: US$0.8 million and 31 December 2011: US$1.6 million) disposed of during the Period.

10. CAPITAL COMMITMENTS

As at 31 December 2012, the Company has committed to future capital expenditure totalling US$31.2 million (30 June 2012: US$28.5 million and 31 December 2011: US$22.1 million). Finsch, Cullinan and Williamson account for US$27.3 million of the future capital commitments and Koffiefontein, Kimberley Underground and the Fissure Mines account for the remaining US$3.9 million.

11. RELATED PARTY TRANSACTIONS

During the Period, a subsidiary of the Company paid US$0.9 million (R7.2 million) (30 June 2012: US$2.7 million (R22.7 million) and 31 December 2011: US$1.1 million (R8.5 million)) to Zeren (Pty) Ltd ("Zeren") in respect of an exclusivity agreement covering specialised plant and equipment. The cumulative amount paid to Zeren is US$9.5 million (R77.8 million) (30 June 2012: US$8.6 million (R70.6 million) and 31 December 2011: US$7.0 million (R56.9 million)) and is shown under property, plant and equipment in the Consolidated Statement of Financial Position. The equipment was supplied to a subsidiary of the Company at Zeren's cost and, given its specialised nature, on an exclusive basis. Mr Dippenaar, Mr Davidson and Mr Abery are all Directors of the Company and are also directors and shareholders of Zeren.

Umnotho weSizwe Group (Pty) Ltd ("Umnotho"), one of Petra's BEE partners, holds a 36% interest in the Cullinan mine BEE holding company, Thembinkosi Mining Investments (Pty) Ltd ("Thembinkosi"). The Group has a non-current receivable due from Thembinkosi of US$30.4 million (30 June 2012: US$29.6 million and 31 December 2011: US$26.8 million) and a non-current payable due to Thembinkosi of US$26.8 million (30 June 2012: US$26.6 million and 31 December 2011: US$25.6 million). Included in net finance expense, the Company has finance income due from Thembinkosi of US$1.8 million (30 June 2012: US$3.2 million and 31 December 2011: US$1.8 million) and finance expense payable to Thembinkosi of US$1.1 million (30 June 2012: US$2.4 million and 31 December 2011: US$1.5 million). These sums arise due to the funding that the Group has provided to Thembinkosi to finance its interests in the Cullinan mine. Mr Abery is a director of Umnotho. Mr Pouroulis and Mr Abery are beneficiaries of a trust that is a shareholder in Umnotho.

As detailed in note 15, effective 1 January 2013, the Company completed the acquisition of 49.24% of Nelesco 651 (Pty) Ltd from Sirius Resource Fund 1 Ltd ("Sirius"); Sedibeng Mining (Pty) Ltd ("Sedibeng"), one of Petra's BEE partners, is 100% owned by Nelesco. Sedibeng holds direct interests in the Kimberley Underground, Helam, and Star mines and indirect interests in Finsch, Cullinan, Koffiefontein and Sedibeng JV both directly and indirectly through its shareholding in Thembinkosi, Senahka Diamonds Investments (Pty) Ltd, Re-Teng Diamonds (Pty) Ltd and Autumn Star Investment Holdings (Pty) Ltd. The Group has a non-current receivable due from Sedibeng of US$16.8 million (30 June 2012: US$16.7 million and 31 December 2011: US$15.7 million) and a noncurrent payable due to Sedibeng of US$2.7 million (30 June 2012: US$2.8 million and 31 December 2011: US$2.4 million) in respect of funding provided to the BEE partner to finance the acquisition of its interest in the mines. These sums arise due to the funding that the Group has provided to Sedibeng to finance its interests in the Koffiefontein, Kimberley Underground, and Sedibeng JV mines. Mr Pouroulis is a director of Sirius Investment Management LP, which provides investment advisory services to Sirius. Details of the transaction with Sirius are presented in note 15.

12. EARNINGS PER SHARE

	Continuing operations 31 December 2012 US$	**Discontinued operations 31 December 2012 US$**	**Total 31 December 2012 US$**	Continuing operations 31 December 2011 US$	Discontinued operations 31 December 2011 US$	Total 31 December 2011 US$	Continuing operations 30 June 2012 US$	Discontinued operations 30 June 2012 US$	Total 30 June 2012 US$
Numerator									
Profit / (loss) for the Period	**9,134,037**	**(18,833,421)**	**(9,699,384)**	(23,057,748)	(3,072,018)	(26,129,766)	6,717,908	(9,127,428)	(2,409,520)
Denominator									
	Shares	**Shares**	**Shares**	Shares	Shares	Shares	Shares	Shares	Shares
Weighted average number of ordinary shares used in basic EPS									
As at 1 July	**505,654,430**	**505,654,430**	**505,654,430**	499,874,009	499,874,009	499,874,009	499,874,009	499,874,009	499,874,009
Effect of shares issued during the Period	**962,982**	**962,982**	**962,982**	182,519	182,519	182,519	2,013,545	2,013,545	2,013,545
As at 31 December	**506,617,412**	**506,617,412**	**506,617,412**	500,056,528	500,056,528	500,056,528	501,887,554	501,887,554	501,887,554
	Shares	**Shares**	**Shares**	Shares	Shares	Shares	Shares	Shares	Shares
Dilutive effect of potential ordinary shares	**11,681,050**	**-**	**-**	-	-	-	14,411,634	-	14,411,634
Weighted average number of ordinary shares in issue used in diluted EPS	**518,298,462**	**506,617,412**	**506,617,412**	500,056,528	500,056,528	500,056,528	516,299,188	501,887,554	516,299,188
	US$ cents	**US$ cents**	**US$ cents**	US$ cents	US$ cents	US$ cents	US$ cents	US$ cents	US$ cents
Basic profit / (loss) per share – US$ cents	**1.80**	**(3.72)**	**(1.91)**	(4.61)	(0.61)	(5.23)	1.34	(1.82)	(0.48)
Diluted profit / (loss) per share – US$ cents	**1.76**	**(3.72)**	**(1.91)**	(4.61)	(0.61)	(5.23)	1.30	(1.82)	(0.48)

Due to the Group's loss for the Period, the diluted loss per share is the same as the basic loss per share. The total number of potentially dilutive ordinary shares in respect of employee share options and warrants is 11,681,050 (30 June 2012: 14,411,634 and 31 December 2011: 14,142,126). These potentially dilutive ordinary shares may have a dilutive effect on future earnings per share.

13. ADJUSTED EARNINGS PER SHARE

In order to show results from operating activities on a consistent basis, an adjusted earnings per share is presented which excludes certain items as set out below. It is emphasised that the adjusted earnings per share is a non-GAAP measure. The Petra Board considers the adjusted earnings per share to better reflect the underlying performance of the Group. The Company's definition of adjusted earnings per share may not be comparable to other similarly titled measures reported by other companies.

	Continuing operations 31 December 2012 US$	**Discontinued operations 31 December 2012 US$**	**Total 31 December 2012 US$**	Continuing operations 31 December 2011 US$	Discontinued operations 31 December 2011 US$	Total 31 December 2011 US$	Continuing operations 30 June 2012 US$	Discontinued operations 30 June 2012 US$	Total 30 June 2012 US$
Numerator									
Profit / (loss) for the Period	**9,134,037**	**(18,833,421)**	**(9,699,384)**	(23,057,748)	(3,072,018)	(26,129,766)	6,717,908	(9,127,428)	(2,409,520)
Adjustments:									
Net unrealised foreign exchange loss	**1,245,768**	**-**	**1,245,768**	35,699,397	-	35,699,397	38,604,888	-	38,604,888
Transaction costs (note 5)	**619,465**	**-**	**619,465**	2,743,484	-	2,743,484	3,070,563	-	3,070,563
Re-measurement to fair value less costs to sell of discontinued fissure mines[1]	**-**	**13,172,000**	**13,172,000**	-	-	-	-	-	-
Adjusted profit / loss for the Period	**10,999,270**	**(5,661,421)**	**5,337,849**	15,385,133	(3,072,018)	12,313,115	48,393,359	(9,127,428)	39,265,931
Denominator									
	Shares	**Shares**	**Shares**	Shares	Shares	Shares	Shares	Shares	Shares
Weighted average number of ordinary shares used in basic EPS									
As at 1 July	**505,654,430**	**505,654,430**	**505,654,430**	499,874,009	499,874,009	499,874,009	499,874,009	499,874,009	499,874,009
Effect of shares issued during the Period	**962,982**	**962,982**	**962,982**	182,519	182,519	182,519	2,013,545	2,013,545	2,013,545

As at 31 December	**506,617,412**	**506,617,412**	**506,617,412**	500,056,528	500,056,528	500,056,528	501,887,554	501,887,554	501,887,554
	Shares	**Shares**	**Shares**	Shares	Shares	Shares	Shares	Shares	Shares
Dilutive effect of potential ordinary shares	**11,681,050**	**-**	**11,681,050**	14,142,126	-	14,142,126	14,411,634	-	14,411,634
Weighted average number of ordinary shares in issue used in diluted EPS	**518,298,462**	**506,617,412**	**518,298,462**	514,198,654	500,056,528	514,198,654	516,299,188	501,887,554	516,299,188
	US$ cents	**US$ cents**	**US$ cents**	US$ cents	US$ cents	US$ cents	US$ cents	US$ cents	US$ cents
Adjusted basic profit / (loss) per share – US$ cents	**2.17**	**(1.11)**	**1.05**	3.08	(0.61)	2.46	9.64	(1.82)	7.82
Adjusted diluted profit / (loss) per share – US$ cents	**2.12**	**(1.11)**	**1.02**	3.00	(0.61)	2.39	9.37	(1.82)	7.61

[1]The re-measurement to fair value less costs to sell of discontinued fissure mines represents that portion attributable to the equity holders of the parent.

14. DISCONTINUED OPERATIONS

Disposal of Fissure Mines

On 31 July 2012, the Company announced that it had, in conjunction with its BEE partners, decided to undertake a sale process in respect of its fissure mine operations, comprising the Helam, Sedibeng and Star mines in South Africa (the "Fissure Mines"). On initial reclassification of the Fissure Mines as held for sale in the results for the Period ended 31 December 2012, the Group recognised impairment provisions of US$17.8 million, being management's re-measurement to fair value less costs to sell the discontinued Fissure Mines, allocated to property, plant and equipment. The Fissure Mines form a single operating segment for the purposes of the Group's segmental reporting, as disclosed in note 4. The results of the discontinued operations included in the Condensed Consolidated Income Statement and the cashflows from discontinued operations included in the Condensed Consolidated Statement of Cashflows are set out below.

US$ million	**1 July 2012 - 31 December 2012**	1 July 2011 - 31 December 2011	1 July 2011 - 30 June 2012
a) Net assets :			
Property, plant and equipment (net of re-measurement)	20.5		
Long term advances	0.2		
Trade and other receivables	0.6		
Inventories	3.4		
Cash	1.1		
Non-current assets classified as held for sale	25.8		
Interest bearing borrowings	(3.0)		
Rehabilitation provision	(3.4)		
Deferred tax liabilities	-		
Trade and other payables	(1.6)		
Liabilities directly associated with non-current assets classified as held for sale	(8.0)		
Net assets	17.8		
b) Result of discontinued operations:			
Revenue	4.6	8.4	17.7
Cost of sales	(12.6)	(12.2)	(28.2)
Gross loss	(8.0)	(3.8)	(10.5)
Re-measurement to fair value less costs to sell of discontinued fissure mines[1]	(17.8)	-	-
Finance income	0.4	0.2	0.3
Finance costs	(0.1)	(0.2)	(0.3)
Loss before taxation	(25.5)	(3.8)	(10.5)
Income tax credit	0.5	0.2	1.0
Net loss for the year	(25.0)	(3.6)	(9.5)
Attributable to:			
- Equity holders of the parent	(18.8)	(3.1)	(9.1)
- Non-controlling interest	(6.2)	(0.5)	(0.4)
	(25.0)	(3.6)	(9.5)
Basic loss per share (US$ cents)	(3.72)	(0.61)	(1.82)

Dilutive loss per share (US$ cents)	(3.72)	(0.61)	(1.82)

[1] The re-measurement of fair value less cost to sell has been based on internal valuation models, discounts for market pricing and progress of the current sale process.

c) The cashflow statement includes the following amounts relating to discontinued operations:	**1 July 2012 - 31 December 2012**	1 July 2011 - 31 December 2011	1 July 2011 - 30 June 2012
Operating activities	(6.1)	(2.6)	(8.3)
Investing activities	(2.0)	(1.3)	(2.8)
Financing activities	7.6	4.7	11.4
Net cash (utilised in) / generated from discontinued operations	(0.5)	0.8	0.3

15. POST BALANCE SHEET EVENT

Acquisition of 49.24% in Nelesco (Pty) Ltd

The Company announced on 28 February 2012 that it had entered into an agreement with Sirius Resources Fund 1 Limited ("Sirius"), an offshore resources investment fund and related party (as detailed in note 11) to the Group, to acquire Sirius's 49.24% interest in Nelesco 651 (Pty) Ltd ("Nelesco"). Nelesco owns 100% of the shares of Sedibeng Mining (Pty) Ltd ("Sedibeng Mining"); this shareholding is the sole asset of Nelesco.

The transaction to acquire the 49.24% interest in Nelesco has now completed with effect from 1 January 2013. Sedibeng Mining's interests in each of Petra's South African operations are set out below.

Mine	**Sedibeng Mining's interest (%)**
Cullinan	6.16
Finsch	17.01
Koffiefontein	15.0
Kimberley Underground	26.0
Helam	26.0
Sedibeng JV	17.85
Star	26

The total consideration (all cash) paid by Petra was US$17.8 million; the Company paid US$17.2 million of this total to Sirius in prior periods (reflected under trade and other receivables in the Consolidated Statement of Financial Position), During the Period, the Company received an advance from Nelesco of US$6.6 million, being the Company's portion of a dividend due to Sirius, which has been offset against the US$17.2 million reflected under trade and other receivables in the Consolidated Statement of Financial Position. The balance of US$0.6 million was settled on 19 February 2013.

On 31 January 2013, Sedibeng Mining acquired an additional interest in Sedibeng JV by acquiring 100% of Bokone Properties (Pty) Ltd's 18% shareholding in Autumn Star Investment Holdings (Pty) Ltd ("Autumn Star"), Autumn Star owns 100% of Dancarl Diamonds (Pty) Ltd), which holds a 42.5% interest in Sedibeng JV, thereby increasing Sedibeng Mining's effective interest in the Sedibeng JV to 25.5%.

RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge:

(a) the Condensed Financial Statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*, and give a true and fair view of the assets, liabilities, financial position and profit of the Group; and

(b) the Interim Management Report includes a fair review of the information required by FSA's Disclosure and Transparency Rules (DTR 4.2.7 R and 4.2.8 R).

By order of the Board

Johan Dippenaar
CEO

David Abery
Finance Director