

# Notice of Annual General Meeting

For the year ended 30 June 2014



PetraDiamonds

Notice is hereby given that the seventeenth Annual General Meeting ("AGM") of Petra Diamonds Limited (incorporated and registered in Bermuda under company registration number EC23123) (the "Company") will be held at 2:00pm GMT on 27 November 2014 in the Pine Room of the Atlantic Hotel, Le Mont de la Pulente, St Brelade, Jersey JE3 8HE for the purpose of considering and, if thought fit, passing the following resolutions:

## Statutory accounts

1. That the Financial Statements of the Company for the year ended 30 June 2014, together with the Reports of the Directors and Auditors, be received.

## Directors' Annual Remuneration Report

2. That the Directors' Annual Remuneration Report for the year ended 30 June 2014 be approved.

## Directors' Remuneration Policy

3. That the Directors' Remuneration Policy as contained in the 2014 Annual Report be approved.

## Re-appointment of auditors

4. That BDO LLP of 55 Baker Street, London W1U 7EU be re-appointed as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next AGM.

## Authorisation to set auditors' remuneration

5. That the Directors of the Company (the "Directors") be authorised to fix the remuneration of the auditors.

## Re-appointment of Directors

6. That Mr Adonis Pouroulis, who retires in accordance with the Company's Bye-Laws, be hereby re-appointed as a Director of the Company to hold office until the date on which his office is otherwise vacated.
7. That Mr Christoffel Johannes Dippenaar, who retires in accordance with the Company's Bye-Laws, be hereby re-appointed as a Director of the Company to hold office until the date on which his office is otherwise vacated.
8. That Mr David Gary Abery, who retires in accordance with the Company's Bye-Laws, be hereby re-appointed as a Director of the Company to hold office until the date on which his office is otherwise vacated.
9. That Mr James Murry Davidson, who retires in accordance with the Company's Bye-Laws, be hereby re-appointed as a Director of the Company to hold office until the date on which his office is otherwise vacated.
10. That Mr Anthony Carmel Lowrie, who retires in accordance with the Company's Bye-Laws, be hereby re-appointed as a Director of the Company to hold office until the date on which his office is otherwise vacated.
11. That Dr Patrick John Bartlett, who retires in accordance with the Company's Bye-Laws, be hereby re-appointed as a Director of the Company to hold office until the date on which his office is otherwise vacated.
12. That Mr Alexander Gordon Kelso Hamilton, who retires in accordance with the Company's Bye-Laws, be hereby re-appointed as a Director of the Company to hold office until the date on which his office is otherwise vacated.

## Authority to allot Relevant Securities

13. That the Directors be generally and unconditionally authorised, in accordance with Bye-Law 2.4 of the Company's Bye-Laws, to allot Relevant Securities (within the meaning of that Bye-Law) up to an aggregate nominal amount of £17,070,335

(being 170,703,349 ordinary shares) provided that this authority shall expire at the conclusion of the next AGM of the Company or, if earlier, 15 months from the date on which this resolution is passed unless such authority is revoked or varied by a resolution of the shareholders in a general meeting, save that the Company may, before such expiry, make offers or agreements which would or might require Relevant Securities to be allotted and the Directors may allot Relevant Securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

To consider, and if thought fit, pass the following resolution as a Special Resolution (as defined in the Company's Bye-Laws):

## Disapplication of pre-emption rights

14. That, subject to the passing of resolution 13, the Directors be granted general power to allot Equity Securities (within the meaning of Bye-Law 2.5(g) of the Company's Bye-Laws) for cash pursuant to the authority granted by resolution 13 as if Bye-Law 2.5(a) of the Company's Bye-Laws did not apply to such allotment, provided that this power shall be limited to:

- (a) the allotment of Equity Securities in connection with a rights issue or an offer of Equity Securities, or an invitation in respect of the same, open for a period fixed by the Directors:
  - i. to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
  - ii. to holders of other Equity Securities as required by the rights of those securities or as the Directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

- (b) the allotment (otherwise than in pursuance to sub-paragraph 14(a)) of Equity Securities up to an aggregate nominal value of £2,560,550,

provided that this authority shall expire at the conclusion of the next AGM of the Company or, if earlier, 15 months from the date on which this resolution is passed unless the authority is revoked or varied by a resolution of the shareholders in a general meeting, save that the Company may, before such expiry, make offers or agreements which would or might require Equity Securities to be allotted after such expiry and the Directors may allot Equity Securities in pursuance of any such offer or agreement as if Bye-Law 2.5(a) did not apply notwithstanding that the power conferred by this resolution has expired.

By order of the Board

**Adonis Pouroulis**  
Chairman

17 October 2014

Registered office: Clarendon House, 2 Church Street, Hamilton HM11, Bermuda

Company registration number: EC23123

Group management office: Elizabeth House, 9 Castle Street, St Helier, Jersey JE4 2QP

## Explanatory Notes

For the year ended 30 June 2014

These explanatory notes form part of the Notice of Annual General Meeting.

### Notes

#### Approval of the Directors' Annual Remuneration Report

##### Resolution 2:

The Company is providing shareholders with the opportunity to cast an advisory vote on the Directors' Annual Remuneration Report. You can find the full Directors' Annual Remuneration Report on pages 74 to 90 of the 2014 Annual Report. It gives details of the Directors' remuneration for the year ended 30 June 2014 and explains how the Company intends to apply the Directors' Remuneration Policy for the year ending 30 June 2015.

#### Approval of the Directors' Remuneration Policy

##### Resolution 3:

The Directors' Remuneration Policy sets out the Company's approach to all elements of the Directors' remuneration and, for UK companies, is required by statute to be approved by shareholders at least every three years. As a Bermuda incorporated company, the Company is not required to seek shareholder approval; however, as the Board of Directors remains committed to the highest standards of corporate governance, the Company is submitting the Directors' Remuneration Policy, as set out on pages 75 to 80 of the 2014 Annual Report, to shareholders for approval on an advisory basis.

#### Re-appointment of Directors

##### Resolutions 6 to 12 (inclusive):

In accordance with the UK Corporate Governance Code, the Company's Bye-Laws require all of the Directors to retire from office at the AGM and offer themselves for re-election. Separate resolutions will be proposed at the AGM to re-elect the Directors. Biographies of the Directors (the "Biographies") are included on pages 44 and 45 of the Company's 2014 Annual Report and on the Company's website: [www.petradiamonds.com/about-us/directors-and-company-secretary](http://www.petradiamonds.com/about-us/directors-and-company-secretary).

A shareholder may request an additional hard or electronic copy of the Biographies by making a written request to Cathy Malins, Petra Diamonds, 52-53 Conduit Street, London W1S 2YX, United Kingdom, or by emailing [cathy.malins@petradiamonds.com](mailto:cathy.malins@petradiamonds.com).

The Board has considered the individual skills, experience and attributes of each Director and considers that the composition of the Board is well balanced; it therefore recommends the re-appointment of each Director at the AGM. Following performance evaluation, the Directors' performance continues to be effective and they demonstrate commitment to their role.

The Directors of the Company believe that the re-election of each Director is in the best interests of the Company and unanimously recommend that the members vote in favour of each relevant resolution.

#### Authority to allot Relevant Securities

##### Resolution 13:

This resolution complies with guidance issued by the National Association of Pension Funds ("NAPF") and Investment Management Association ("IMA") and will, if passed, authorise the Directors to allot Relevant Securities up to a maximum nominal amount of £17,070,335, which represents approximately one-third of the Company's issued share capital as at 16 October 2014.

As at close of business on 16 October 2014, the Company did not hold any treasury shares.

The authority granted by this resolution will expire on the date of the next AGM of the Company or, if earlier, 15 months from the date on which this resolution is passed.

The Directors have no present intention to exercise this authority.

#### Disapplication of pre-emption rights

##### Resolution 14:

This resolution will, if passed, give the Directors power, pursuant to the authority granted by resolution 13, to allot Equity Securities for cash:

- » in relation to pre-emptive offers or rights issues and offers to holders of other equity securities if required by the rights of those securities or as the Directors otherwise consider necessary, up to a maximum nominal amount of £17,070,335, which represents approximately one-third of the Company's issued share capital as at 16 October 2014; and
- » in any other case, up to a maximum nominal amount of £2,560,550, which represents approximately 5% of the Company's issued ordinary shares as at 16 October 2014. In compliance with the guidelines issued by the Pre-emption Group, IMA and NAPF, the Directors will ensure that, other than in relation to a rights issue, no more than 7.5% of the issued ordinary shares will be allotted for cash on a non pre-emptive basis over a rolling three-year period unless shareholders have been notified and consulted in advance.

This resolution complies with relevant guidance issued by the Pre-emption Group, IMA and NAPF.

The power granted by this resolution will expire on the date of the next AGM or, if earlier, 15 months from the date on which this resolution is passed.

The Directors have no present intention to exercise this authority.

#### Recommendation

The Directors consider that the resolutions set out in the Notice of Annual General Meeting are in the best interests of the Company and shareholders as a whole and recommend that shareholders vote in favour of them. Each Director who holds ordinary shares in the Company intends to vote in favour of the resolutions in respect of his own holdings.

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## Further information

A member entitled to attend and vote at the above meeting or any adjournment thereof may appoint one or more proxies to attend and vote in their stead on a show of hands or on a poll. A proxy need not be a member of the Company. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf in respect of different shares.

It is intended that voting on all resolutions at the AGM will be conducted on a poll, rather than a show of hands. A poll reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting, which is increasingly being adopted by a number of listed companies.

To be valid, the Form of Proxy must be lodged with the Company's UK branch registrars, Capita Asset Services, PXS, 34 Beckenham Road, Beckenham BR3 4TU, United Kingdom, (together with the original or notarially certified copy of any power of attorney or other power under which it is executed (if any)) not less than 48 hours before the time appointed for the AGM or any adjournment thereof.

A member entitled to attend and vote at the above meeting may also vote online by following the instructions at the online shareholder portal at [www.capitashareportal.com](http://www.capitashareportal.com).

Only those members entered on the register of members of the Company at 5:00pm GMT on 25 November 2014 shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after 5:00pm GMT on 25 November 2014 shall be disregarded in determining the rights of any person to attend or vote at the meeting.

Depositary Interest holders who are CREST members and who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) of the meeting by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("Euroclear") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Company's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt

will be taken to be the time (as determined by the time-stamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Any holders of Depositary Interests in the Company who cannot give voting instructions via CREST should instruct Capita IRG Trustees Limited to vote in respect of the holder's interest using the Form of Direction enclosed. The completed Form of Direction must be received by Capita Asset Services, PXS, 34 Beckenham Road, Beckenham BR3 4TU, United Kingdom (together with the original or notarially certified copy of any power of attorney or other power under which it is executed (if any)) not later than 72 hours before the time appointed for the AGM or any adjournment thereof.

The total issued share capital of the Company as at 16 October 2014 (being the latest practicable day before the date of this document) is 512,110,048 ordinary shares, none of which are held in treasury. Therefore the total number of voting rights in the Company as at 16 October 2014 is 512,110,048.

The following documents will be available for inspection at the Company's Group Management Office at Elizabeth House, 9 Castle Street, St Helier, Jersey JE4 2QP from the date of this Notice until the time of the AGM and at the AGM venue itself for at least 15 minutes prior to the AGM until the end of the AGM:

- » copies of the service contracts of the Executive Directors of the Company; and
- » copies of the letters of appointment of the Non-Executive Directors of the Company.



## **Petra**Diamonds

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