



DIAMONDS

Superkolong Diamond Operations – South Africa

Nine month production through 31 December 2015

Superkolong achieved the following ore processing and carat recovery numbers for the nine months.

Time period	Production (tons)	Carats Recovered
Q1 (end June)	716 274	32 244
Q2 (end Sept)	677 147	28 875
Q3 (end Dec)	552 413	26 567
9 months (end Dec)	1 945 834	87 686

- 29 030 carats were sold during third quarter at an average price of \$166.14.
- The quarter's sales included an excellent result achieved on the 128 carat light fancy yellow, which sold for \$2.33m (photo at right).
- Year to date, 79 717 carats have been sold at an average price of USD \$132 per carat – excluding the proceeds of the “Kimberley Purple” which was sold in April 2015.
- Production volumes in Q3 were lower due to the variation in material being treated and the December shutdown period, which accounted for 10 days of lost production.
- Year-to-date production volumes and operating costs are in line with budget expectations.



Letšeng Mine – Lesotho

Nine month production through 31 December 2015

Alluvial Ventures (AV) achieved the following ore processing and carat recovery numbers for the nine months.

Time period	Production (tons)	Carats Recovered
Q1 (end June)	215 366	1 664
Q2 (end Sept)	291 485	2 593
Q3 (end Dec)	285 144	2 846
9 months (end Dec)	791 995	7 103

- Third quarter production continued to show strong gains following the upgrade to the crushing circuit, with AV processing a record 105k tons in October 2015.
- The installation of the new tertiary crushing circuit began in October, behind schedule, due to supplier issues and is expected to be operational during Q4.
- AV is planning a major overhaul of its staff accommodations on site. This will require significant spend to be incurred in Q4. Completion is targeted for early in the new financial year.
- AV's two current plants continue to operate at good production levels.
- Six successful tenders have been held to date in the financial year.
- Year-to-date operating costs are in line with budget levels.

Kolo Mine – Lesotho

Progress over the past 4 months:

- Independent facilitator completed their study and interviews with related communities to establish concerns and identify a process to address those concerns.
- Interaction with Government of Lesotho Ministry of Mines remains positive and encouraging.
- Secured access to key perimeter properties to facilitate trial mining phase.
- Secured water extraction and storage permits.
- Secured work and residence permits for key technical personnel.

Objectives for the next 4 months:

- Establish suitable communication channels with community as per facilitation process.
- Establish suitable additional groundwater access point.
- Initiate social investment project – local school.
- Move trial mining plant to site.
- Complete site establishment, including accommodation, workshops, power generation, water reticulation, etc.
- Appoint contract crusher to treat ± 8 000 tons of hard kimberlite using two separate crushing circuits.
- Begin trial mining phase by end of April 2016.

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