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### Third Quarter Highlights

Total revenue to September 30th was \$195.0 million or \$634 per carat. Third large stone tender held in Q4 adds \$46.4 million for year to date proceeds of \$241.4 million

#### > Operational and cost discipline:

- > Third quarter proceeds of \$634 per carat were achieved at a cost of \$123 per carat. Margin \$511 per carat
- > Year to date cash operating cost per tonne of ore processed was \$26.63 per tonne
- EBITDA was \$125.8m (2013: \$70.2m)

#### > Strong operational performance

- > Ore and waste mined and were in excess of forecast
- Milled throughput and carats recovered were in line with forecast

#### > Increasing cash balance:

Cash balance at the end of the quarter was \$133.1m excluding the October tender proceeds from the third large stone tender of \$46.4 million. Tax payments to be made in Q4 2014 and Q1 2015

#### Dividends paid

The Company announced the record date for its second regular dividend payment of the year along with a special dividend of CA\$.04 per share. The total dividend paid by the Company in 2014 will be CA\$.08 per share.

#### Botswana Prospecting Licenses

The Company was awarded two precious stone prospecting licenses within the Orapa Kimberlite field in close proximity to the Company's Karowe mine. A bulk sample plant has been ordered and the Company expects to commence work programs on the two prospecting licenses in 2015.

# 2014 Operational Review - Karowe

Production Information	Year to date Q3 2014	Year to date Q3 2013	Quarter Q3 2014	Quarter Q3 2013
Ore processed (tonnes)	1,854,825	1,741,474	509,283	647,304
Ore mined (tonnes)	2,570,082	3,025,578	1,003,312	898,501
Waste mined (tonnes)	7,793,033	3,799,311	2,624,067	1,430,105
Plant feed grade (carats per hundred tonnes)	17.1	18.6	20.8	17.6
Carats recovered (carats)	316,341	324,690	106,162	113,882

# 2014 Karowe Financial Highlights

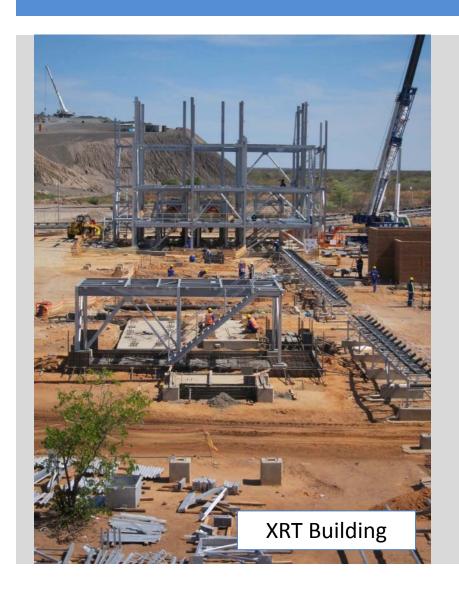
USD millions	Year to date Sept 2014	Year to date Sept 2013	Quarter Q3 2014	Quarter Q3 2013
Revenues	195.0	121.8	91.3	42.1
Royalty expenses	19.5	12.2	9.1	4.2
Operating expenses	37.9	30.0	14.1	8.4
Administration/sales and marketing/exploration	11.8	9.4	3.4	3.1
EBITDA	125.8	70.2	64.7	26.4
EBITDA margin (%)	65%	58%	71%	63%
Adjusted Earnings per share	0.19	0.12	0.11	0.04
Adjusted Earnings per share  Operating Margin and Cost of Production (US\$)	0.19 Year to date Sept 2014	O.12 Year to date Sept 2013	0.11 Quarter Q3 2014	0.04 Quarter Q3 2013
	Year to date	Year to date	Quarter Q3	Quarter Q3
Operating Margin and Cost of Production (US\$)	Year to date Sept 2014	Year to date Sept 2013	Quarter Q3 2014	Quarter Q3 2013
Operating Margin and Cost of Production (US\$)  Average per carat sold	Year to date Sept 2014 634	Year to date Sept 2013	Quarter Q3 2014 791	<b>Quarter Q3 2013</b> 550

	Outlook 2014 Revised	Outlook 2014 (June 2014 guidance)
Revenues	Meet or exceed high end of previous guidance	240-250
Sales (thousand carats)	No change	400 - 420
Tonnes of ore processed (million tonnes)	No change	2.2 - 2.4
Ore mined (million tonnes)	No change	3 - 3.5
Waste mined (million tonnes)	No change	10 - 11
Operating cash costs per tonne ore processed (dollars)	No change	\$31 - \$33
Plant upgrade capital expenditure (US\$ million)	No change	To \$55
Sustaining capex (US\$ million)	to \$5.0	\$3.5

### 2014 Plant Upgrade

- > Forecast expenditure up to \$55m. Expenditures to end of September were \$21m
- Project on target to be complete during Q2 2015
- > Steel strike in South Africa
  - > Steel strike resulted in a six week project delay
  - ➤ No impact forecast on production in 2014 or 2015
- > Project is progressing:
  - > Construction underway and meeting planned schedule
  - Operational/project interface working well, and three project tie-ins executed on time with no production losses

## 2014 Plant Upgrade Images







# 2014 Plant Upgrade Images



# 2014 Plant Upgrade Images

