

DIAMONDS

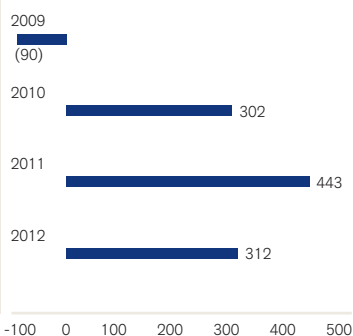
De Beers is the world's leading diamond company and generates about 35% of global rough diamond production, by value, from its operations in Botswana, South Africa, Namibia and Canada.

The largest diamond jewellery market is the US, followed by China, Japan and India.

FINANCIAL HIGHLIGHTS

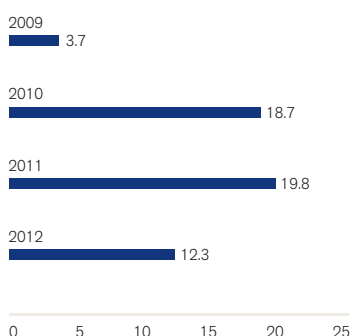
Underlying earnings

\$ m



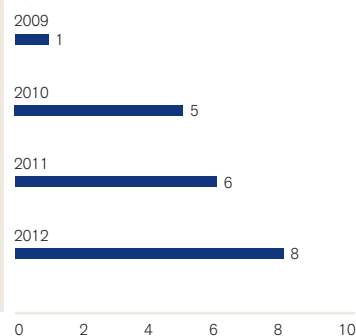
Operating margin

%



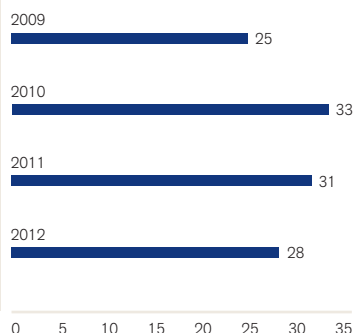
Share of Group underlying operating profit

%



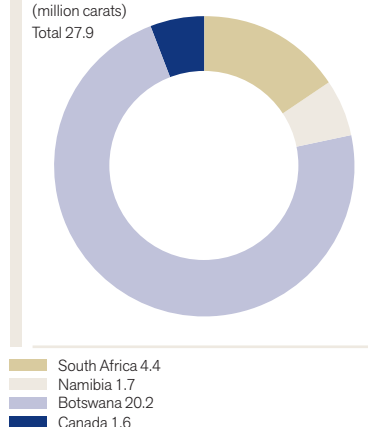
Diamonds recovered

(million carats)
100% basis



2012 De Beers mine production by region

(million carats)
Total 27.9



FINANCIAL DATA

\$ million	2012	2011	2010	2009
Turnover				
Subsidiaries	2,353	–	–	–
Joint ventures	–	–	–	–
Associates	1,675	3,320	2,644	1,728
Total turnover	4,028	3,320	2,644	1,728
EBITDA	711	794	666	215
Depreciation and amortisation	215	135	171	151
Operating profit before special items and remeasurements	496	659	495	64
Operating special items and remeasurements	(456)	(18)	(29)	(203)
Operating profit after special items and remeasurements	40	641	466	(139)
Net interest, tax and non-controlling interests	(184)	(216)	(193)	154
Total underlying earnings	312	443	302	(90)
Group's associate investment in De Beers⁽¹⁾	n/a	2,230	1,936	1,353

⁽¹⁾ Excludes outstanding loans owed by De Beers, including accrued interest, of \$301 million in 2011.

BUSINESS OVERVIEW

UNDERLYING OPERATING PROFIT (2011: \$659 m)

\$496 m

SHARE OF GROUP UNDERLYING OPERATING PROFIT

8%

UNDERLYING EBITDA (2011: \$794 m)

\$711 m

Key financial and non-financial performance indicators

	Year ended 31 Dec 2012		Year ended 31 Dec 2011	
	De Beers (100%)	Anglo American share ⁽¹⁾	De Beers (100%) ⁽²⁾	Anglo American share ⁽¹⁾
\$ million (unless otherwise stated)				
Underlying operating profit	815	496	1,491	659
Underlying EBITDA	1,075	711	1,763	794
Net operating assets	12,944	12,944		
Capital expenditure	249	94		
Share of Group underlying operating profit	n/a	8%		
Share of Group net operating assets	n/a	25%		
Group's associate investment in De Beers ⁽³⁾	n/a	n/a	n/a	2,230
Non-financial indicators				
	2012		2011	
Number of fatal injuries	3		7	
Lost-time injury frequency rate	0.13		0.15	

⁽¹⁾ Amounts based on the Group's 45% shareholding to 16 August 2012 and a 100% basis thereafter. Underlying earnings from 16 August 2012 excludes the 15% non-controlling interest.

⁽²⁾ Underlying operating profit and underlying EBITDA for 2011 on a 100% basis is provided for information.

⁽³⁾ Excludes outstanding loans owed by De Beers, including accrued interest of \$301 million in 2011.

De Beers is the world's leading diamond company. Together with its joint venture partners, De Beers produces approximately 35% of the world's rough diamonds, by value, and employs more than 23,000 people around the world.

In August 2012, Anglo American completed its acquisition of the 40% shareholding in De Beers, for a total cash consideration of \$5.2 billion, thereby increasing Anglo American's shareholding in De Beers to 85%. As a result of this increase in shareholding Anglo American accounts for De Beers as a subsidiary of the Group. The remaining interest is held by the Government of the Republic of Botswana (GRB).

De Beers operates across key parts of the diamond value chain, including exploration, production, the selling of rough diamonds, the marketing of polished diamonds through its proprietary diamond brand, Forevermark, and retail sales through De Beers Diamond Jewellers (DBDJ), a 50:50 joint venture with LVMH Moët Hennessy Louis Vuitton SA.

De Beers' mines are located in four countries: Botswana, Canada, Namibia and South Africa. All operations are open pit with the exception of Snap

Lake, an underground mine in Canada, and Namdeb Holdings' alluvial and marine mining operations in Namibia.

In Botswana, De Beers' interests are held through Debswana Diamond Company, a 50:50 joint venture with the GRB. Debswana's operations include Jwaneng, the world's richest diamond mine; Orapa, the world's largest open-pit diamond mine; Letlhakane; and Damtshaa.

In South Africa, De Beers has a 74% interest in De Beers Consolidated Mines (DBCM), with the remaining 26% held by Ponahalo Holdings, which is a black economic empowerment consortium. DBCM's operations include Venetia, which produces about 70% of De Beers production from South Africa; Voorspoed, a source of large and exotic coloured diamonds; and Kimberley Mines, a tailings processing facility.

In Namibia, De Beers' interests are held through Namdeb Holdings (NH), a 50:50 joint venture with the Government of the Republic of Namibia (GRN). Diamonds are mined on land by Namdeb, and at sea by Debmarine Namibia, both of which are wholly owned by NH. Marine mining is performed by a fleet of five mining vessels.

BUSINESS OVERVIEW continued

In Canada, De Beers wholly owns its two mining operations; Victor, located in Northern Ontario; and Snap Lake, in the Northwest Territories. De Beers also has a 51% shareholding in a joint venture in Gahcho Kué, a project in the vicinity of Snap Lake. The project is at an advanced permitting stage. When operational, Gahcho Kué is expected to produce approximately 4.5 million carats per annum over a life of mine of 11 years.

De Beers sells rough diamonds through two distribution channels: over 90% is sold via long term contract sales to clients (known as Sightholders), with the remainder being sold via regular auctions.

De Beers is also an equal joint venture partner in DTC Botswana and in Namibia DTC with the GRB and GRN, respectively. The local companies facilitate local sales and beneficiation, and are intermediaries in the global selling function.

As part of its long term contract sales, De Beers sorts and values production into 14,000 price points. These diamonds are aggregated and sold to Sightholders at one of 10 Sights each year.

De Beers is a global leader in the use of innovative online systems to auction rough, uncut diamonds to small, mid-tier and large manufacturing, retailing and trading businesses.

De Beers participates at the polished end of the value chain through its proprietary diamond brand, Forevermark, and, at the retail end, through DBDJ.

Diamonds inscribed as Forevermark provide consumers with confidence that their diamonds are beautiful, rare and responsibly sourced. They are available in carefully selected, authorised jewellers in the major consumer markets around the world.

DBDJ's high-end retail stores are located in the most fashionable areas in the world, including New York, Beijing, Hong Kong, London, Paris, Tokyo and Dubai.

Element Six is the global leader in the design, development and production of synthetic diamond supermaterials for a range of applications. It comprises two businesses: Technologies which is wholly owned; and Abrasives, in which De Beers has a 60% interest (Umicore SA hold the remaining 40%).

OUR DIAMONDS OPERATIONS

Key

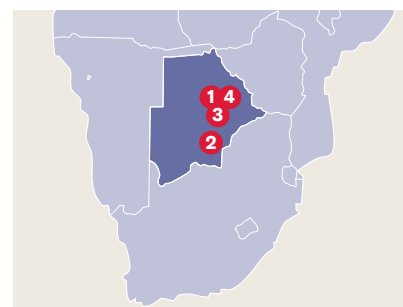
- Open cut
- Underground
- Other

Botswana

Debswana, a 50:50 partnership between De Beers and the Government of the Republic of Botswana, produced 20.2 million carats in 2012. Debswana operates two of the world's great diamond mines, Jwaneng and Orapa.

Debswana is consolidated on a 19.2% proportionate basis, reflecting economic interest.

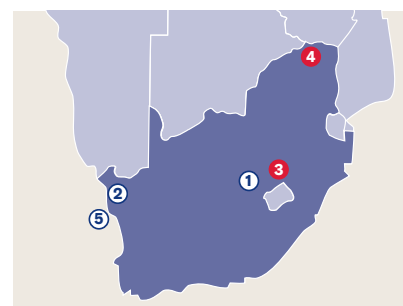
- ① 50% Orapa
- ② 50% Jwaneng
- ③ 50% Letlhakane
- ④ 50% Damtshaa



South Africa

De Beers Consolidated Mines (DBCM) has been an empowered South African company since 2006, with 26% owned by broad based black economic empowerment partner, Ponahalo Holdings. DBCM operates Venetia, Voorspoed and Kimberley tailings dumps, and is in the process of selling Namaqualand Mines and undertakes exploration on land and off the Atlantic coastline. In 2012, DBCM recovered 4.4 million carats.

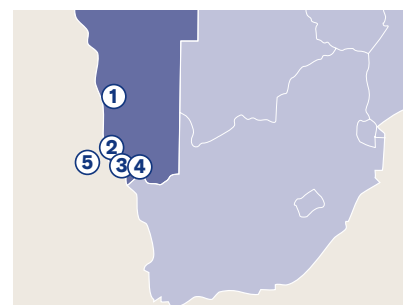
- ① 74% Kimberley
- ② 74% Namaqualand
- ③ 74% Voorspoed
- ④ 74% Venetia
- ⑤ 74% South African Sea Areas



Namibia

Namdeb Holdings (Pty) Limited, a 50:50 partnership between De Beers and the Government of the Republic of Namibia, has historically been a source of high value gemstones. Namdeb Holdings' core business is diamond exploration and mining along the south-western coast and inland areas of the Karas Region. Today, it is the acknowledged leader in the recovery of alluvial diamonds. In 2012 Namdeb's production was 1.7 million carats.

- ① 50% Alluvial contractors
- ② 50% Elizabeth Bay
- ③ 50% Mining Area 1
- ④ 50% Orange River
- ⑤ 50% Atlantic 1



OUR DIAMONDS OPERATIONS continued

Key

- Open cut
- Underground
- Other

Canada

Victor mine and Snap Lake mine in Canada are De Beers' first mining ventures outside of the African continent. Victor is located in the James Bay lowlands of northern Ontario, about 90 km west of the First Nation community of Attawapiskat. It is so remote that it can only be accessed by air or seasonal ice road. Snap Lake lies 220 km northeast of Yellowknife and is Canada's first completely underground diamond mine. Both mines were opened in 2008. De Beers Canada is also a joint venture partner with Mountain Province Diamonds in the Gahcho Kué Project in the Northwest Territories, currently in the permitting phase. Combined output for 2012 was 1.6 million carats.

- 1 100% Snap Lake
- 2 100% Victor



United Kingdom/Ireland

De Beers Diamond Jewellers (DBDJ) is an independently managed jewellery retail joint venture with Moët Hennessy Louis Vuitton SA. Globally, the DBDJ network consists of 43 stores across 15 countries. The store network is now spread across the US (10), Europe (7), Middle East (3), East Asia (14) and Japan (9). Element Six (E6) is an industrial diamond supermaterials business, supplying diverse global markets such as oil and gas, mining, construction, automotive, aerospace, defence, electronics, semiconductor and general engineering. Part of the De Beers Group of Companies, E6 is an independently managed company with primary manufacturing facilities in Ireland, China, Germany, Sweden, South Africa and the UK.

- 1 Element Six (E6) (Ireland)
- 2 De Beers Diamond Jewellers
- 3 100% De Beers UK Ltd



INDUSTRY OVERVIEW

Around 60% of the world's diamonds, by value, originate from south and central Africa, with significant sources also found in Russia, Australia and Canada.

Most diamonds come from the mining of kimberlite deposits. Another important source of gem diamonds, however, has been secondary alluvial deposits formed by the weathering of primary kimberlites and the subsequent deposition of released diamonds in rivers and beach gravels.

Rough or uncut diamonds are broadly classified either as gem or industrial quality, with gem being overwhelmingly the larger of the two markets by value. The primary world market for gem diamonds is retail jewellery, where aspects such as size, colour, shape and clarity have a large impact on valuation.

Markets

Demand for diamond jewellery in the key markets of the US, China and Japan grew, albeit at a slower pace than in 2011, with demand from India remaining broadly flat. This, together with higher polished stock levels, resulted in a decline in polished prices particularly in the third quarter of the year. Although rough diamond prices remained broadly stable in the first half of 2012, a combination of weaker polished prices, high levels of cutting centre stock and tightening liquidity in the mid-stream, resulted in a price correction during the third quarter. By the end of 2012, rough diamond prices stabilised, reflecting a modest improvement in consumer demand during the holiday sales season in most major diamond jewellery markets.

Operating performance

Mining and manufacturing

De Beers' full-year production declined by 11% to 27.9 million carats (2011: 31.3 million carats). In light of prevailing diamond market trends, as well as operational challenges, the company's stated strategy of producing to demand has been maintained. Operations continue to focus on maintenance and waste stripping backlogs, while a number of factors impacted production at specific sites. At Debswana, this included the Jwaneng Mine slope failure in June. DBCM saw lower grades from Venetia, and production was also impacted by

the disposal of Finsch in September 2011. Canada's Snap Lake showed significant improvement during 2012 as work continues on optimising the mine to enable economic access to the promising, though challenging, orebody.

Debmarmine Namibia's *Grand Banks* mining vessel was re-commissioned in 2012 and Namdeb's Elizabeth Bay mining area was brought back into operation during the year.

Element Six experienced a challenging year, with weakness in a number of key end-markets, particularly in the second half of the year. In response, Element Six focused on cost containment and improved operational performance and made significant progress on a number of its strategic milestones, including improved customer service and innovation.

Sales

De Beers' total sales decreased to \$6.1 billion (100% basis), primarily as a result of diminished demand for rough diamonds, changing product requirements from Sightholders and reduced availability of some goods.

Brands

Forevermark continued to grow strongly in 2012, particularly in the core markets of China, Japan, India and the

US, and was launched in South Africa, Canada and the UAE. It is now available in more than 900 retail partners in 12 markets. Since the launch of Forevermark, more than 500,000 diamonds have been inscribed with a unique identification number showing that they have met the brand's high standards of quality, ethical integrity and provenance.

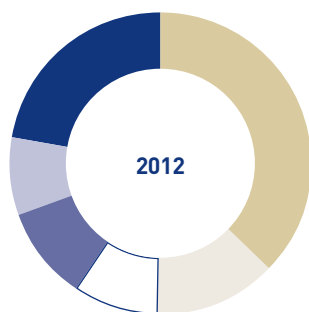
DBDJ faced the challenging market conditions experienced by most high-end jewellers in 2012, but continued to focus on expanding its store network in China, a market of significant opportunity for high-end jewellery brands. New stores were opened in Shanghai and Nanjing, giving DBDJ five stores in China, with an additional store scheduled to open in 2013. Franchise partners will open further stores in Kuala Lumpur, Baku and Vancouver in 2013. DBDJ currently has 43 stores in leading diamond consumer markets around the world.

Other

The agreement entered into by De Beers in the US in 2006 to settle all outstanding class actions against it became unconditional and effective in May. The \$295 million settlement, plus interest, held in escrow since 2006 is now being distributed in accordance with the court ordered plan.

Consumer demand forecasts

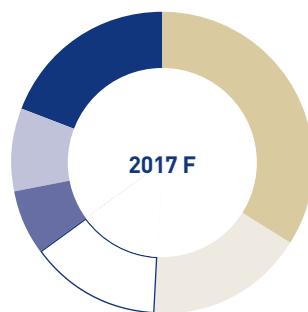
\$ Polished wholesale price



Source: De Beers

Consumer demand forecasts

\$ Polished wholesale price



Source: De Beers

Note: These figures provide estimates and forecasts of the size and growth of main diamond consumer markets based on pipeline and consumer research commissioned by De Beers Group Strategy. 2012 results are preliminary.

STRATEGY

De Beers' vision is to unlock the full economic value of its leadership position in the diamond industry.

De Beers is a demand-driven business, with a clear understanding that consumer desire is the overwhelming source of value for its diamonds.

With growth in demand for diamonds expected to outstrip production growth in the medium to long term, the company aims to maximise the value of every carat mined, sorted and sold. To achieve this objective, De Beers focuses on optimising the value of its mining assets, selling to selected leading diamantaires and offering consumers the integrity and confidence of its brands.

PROJECT PIPELINE – KEY PROJECTS

Jwaneng's Cut-8

Overall capex: \$3bn

Country

Botswana

Ownership

50%

Replacement production

approx. 10 million carats pa

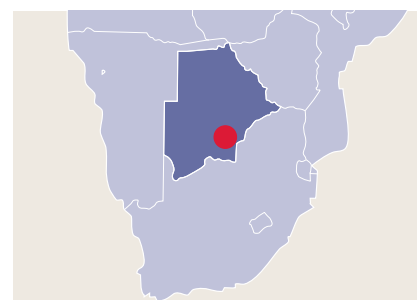
Full project capex

\$3bn

Full production

2018

The construction of the infrastructure at Jwaneng's Cut-8 project is largely complete. Cut-8 will provide access to approximately 95 million carats of mainly high quality diamonds in approximately 80 million tonnes mined (from Indicated (24%) and Inferred (76%) Resources), and extend the life of the world's richest diamond mine to at least 2028.



Venetia Underground Project

Overall capex: \$<3bn

Country

South Africa

Ownership

74%

Incremental production

approx. 4 million carats pa

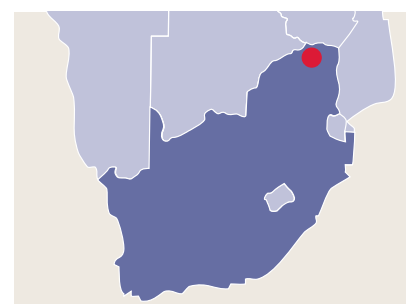
Full project capex

\$<3bn

Full production

2024

The Venetia Underground Project was approved by the De Beers and Anglo American Boards. Environmental authorisation was granted in July and the Environmental Management Plan was approved by the Department of Mineral Resources in October. The final outstanding regulatory clearances were obtained in February 2013 and the project will commence shortly. De Beers will invest approximately \$2 billion to build the new underground mine, which will extend the life of the resource beyond 2040 and replace the open pit as South Africa's largest diamond mine.



Gahcho Kué (unapproved)

Overall capex: TBD

Country

Canada

Ownership

51%

Incremental production

4.5 million carats pa

Full project capex

TBD

First production

TBD

Following the finalisation of the feasibility study in 2010, Gahcho Kué has received De Beers Board approval, subject to satisfactory completion of the permitting process and receipt of certain regulatory clearances. The Environmental Impact Statement was updated in April, and the final phase of the Environmental Impact Review by the Mackenzie Valley Environmental Impact Review Board is underway. Public hearings in Yellowknife and in local Aboriginal communities were held in December, and the review panel is scheduled to file its recommendation for Federal Ministerial Approval in 2013.



DIAMONDS RECOVERED

Botswana

Debswana (50% owned by De Beers)

Carats ('000)	2012	2011	2010	2009
Orapa	11,089	11,158	9,527	7,575
Letlhakane	764	1,091	1,221	1,066
Jwaneng	8,172	10,641	11,470	9,039
Damtshaa	191	–	–	54
Total	20,216	22,890	22,218	17,734

South Africa

De Beers Consolidated Mines (74% owned by De Beers)

Carats ('000)	2012	2011	2010	2009
Cullinan	–	–	–	–
Finsch Mine	–	938	1,583	1,426
Kimberley mines and contractors	755	778	823	397
Namaqualand mines and contractors	–	–	97	71
The Oaks	–	–	–	–
Venetia	3,066	3,147	4,288	2,204
Voorspoed	611	580	732	532
South African Sea Areas	–	–	33	167
Total	4,432	5,443	7,556	4,797

Namibia

Namdeb Holdings (50% owned by De Beers)

Carats ('000)	2012	2011	2010	2009
Namdeb	559	345	492	329
De Beers Marine Namibia	1,108	990	980	600
Total	1,667	1,335	1,472	929

Canada

Carats ('000)	2012	2011	2010	2009
Victor	690	779	826	696
Snap Lake	870	881	925	444
Total	1,560	1,660	1,751	1,140
Grand total	27,875	31,328	32,997	24,600

DIAMONDS

Diamond Reserve and Diamond Resource estimates as at 31 December 2012

DEBSWANA DIAMOND COMPANY

The Diamond Reserve and Diamond Resource estimates were compiled in accordance with The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (The SAMREC Code, 2007 Edition as amended July 2009). The figures reported represent 100% of the Diamond Reserves and Diamond Resources. Diamond Resources are quoted as inclusive of those used to calculate Diamond Reserves and must not be added to the Diamond Reserves. Rounding of figures may cause computational discrepancies. Debswana Diamond Company is a Joint Venture with the government of the Republic of Botswana.

Debswana – Operations DIAMOND RESERVES				Tonnes		Grade		Saleable Carats	
Attributable %	LOM	BCO (mm)	Classification	2012	2011	2012	2011	2012	2011
Damtsheaa (OP)⁽¹⁾	42.5	17	1.65	Mt	Mt	cpht	cpht	M€	M€
Kimberlite			Proved	–	–	–	–	–	–
			Probable	25.0	–	16.60	–	4.1	–
			Total	25.0	–	16.60	–	4.1	–
Jwaneng (OP)	42.5	20	1.47			cpht	cpht		
Kimberlite			Proved	–	–	–	–	–	–
			Probable	70.1	–	126.05	–	88.3	–
			Total	70.1	–	126.05	–	88.3	–
Letlhakane (OP)	42.5	4	1.65			cpht	cpht		
Kimberlite			Proved	–	–	–	–	–	–
			Probable	4.7	–	16.93	–	0.8	–
			Total	4.7	–	16.93	–	0.8	–
Orapa (OP)	42.5	21	1.65			cpht	cpht		
Kimberlite			Proved	–	–	–	–	–	–
			Probable	146.1	–	58.69	–	85.7	–
			Total	146.1	–	58.69	–	85.7	–
Debswana Diamond Company	42.5	multiple				cpht	cpht		
TOTAL			Proved	–	–	–	–	–	–
			Probable	245.8	–	72.81	–	179.0	–
			Total	245.8	–	72.81	–	179.0	–

Debswana – Operations DIAMOND RESOURCES			BCO (mm)	Classification	Tonnes	Grade	Carats	
Attributable %					2012	2011	2012	2011
Damtsheaa (OP) ⁽¹⁾	42.5	1.65			Mt	Mt	cpht	cpht
Kimberlite			Measured	–	–	–	–	–
			Indicated	29.3	–	21.46	–	6.3
			Measured and Indicated	29.3	–	21.46	–	6.3
			Inferred	20.5	–	23.60	–	4.8
Jwaneng (OP) ⁽²⁾	42.5	1.47					cpht	cpht
Kimberlite			Measured	–	–	–	–	–
			Indicated	70.1	–	120.35	–	84.3
			Measured and Indicated	70.1	–	120.35	–	84.3
			Inferred	259.9	–	103.55	–	269.1
Letlhakane (OP) ⁽³⁾	42.5	1.65					cpht	cpht
Kimberlite			Measured	–	–	–	–	–
			Indicated	27.4	–	28.62	–	7.8
			Measured and Indicated	27.4	–	28.62	–	7.8
			Inferred	8.3	–	27.17	–	2.2
Orapa (OP) ⁽⁴⁾	42.5	1.65					cpht	cpht
Kimberlite			Measured	–	–	–	–	–
			Indicated	167.3	–	71.20	–	119.1
			Measured and Indicated	167.3	–	71.20	–	119.1
			Inferred	349.8	–	72.48	–	253.5
Debswana Diamond Company	42.5	multiple					cpht	cpht
TOTAL			Measured	–	–	–	–	–
			Indicated	294.1	–	74.00	–	217.6
			Measured and Indicated	294.1	–	74.00	–	217.6
			Inferred	638.5	–	82.97	–	529.7

DIAMOND RESOURCES INCLUDE DIAMOND RESERVES

Mining method: OP = Open Pit, UG = Underground.

LOM = Life of Mine (years) is based on scheduled Probable Reserves including Indicated and some Inferred Resources considered for Life of Mine planning.

Unless stated otherwise tonnage is quoted as dry metric tonnes. Estimates of Diamond Reserve tonnes reflect the tonnage to be treated.

Reported Diamond Reserves/Resources are based on a Bottom Cut Off (BCO) which refers to the bottom screen size aperture and varies between 1.00mm and 3.00mm (nominal square mesh).

Grade is quoted as carats per hundred metric tonnes (cpht).

Due to the uncertainty that may be attached to some Inferred Mineral Resources, it cannot be assumed that all or part of an Inferred Mineral Resource will necessarily be upgraded to an Indicated or Measured Resource after continued exploration.

⁽¹⁾ **Damtsheaa:** Higher grade Inferred Resources from the B/K 12 Kimberlite is mined for the first five years before including Probable Reserves from BK/9. The B/K 9 and B/K 12 Stockpile Inferred Resource estimates at 1.65mm BCO consisting of 2.0 Mt, 13.10 cpht, 0.3 M€, are excluded from the table.

⁽²⁾ **Jwaneng:** The Jwaneng Resource Extension Project scheduled to conclude in 2014 is expected to increase the resource confidence at depth and upgrade a significant portion of Inferred Resources to Indicated. The D/K2 Stockpile Inferred Mineral Resource estimates at 1.47mm BCO, consisting of 8.5 Mt, 46.74 cpht, 4.0 M€ as well as the Tailings Inferred Mineral Resource estimates at 1.47mm BCO, consisting of 36.9 Mt, 45.90 cpht, 17.0 M€, are excluded from the table.

⁽³⁾ **Letlhakane:** Mining studies are underway to investigate the conversion of resources to reserves at depth. D/K1 and DK/2 Stockpile Inferred Resource estimates at 1.65mm BCO, consisting of 4.2 Mt, 18.34 cpht, 0.8 M€ as well as the Tailings Inferred Mineral Resource estimates at 1.72mm BCO, consisting of 77.7 Mt, 16.00 cpht, 12.4 M€, are excluded from the table.

⁽⁴⁾ **Orapa:** The A/K1 Stockpile Inferred Resource estimates at 1.65mm BCO, consisting of 12.4 Mt, 45.39 cpht, 5.6 M€ as well as the Tailings Inferred Mineral Resource estimates at 1.47mm BCO, consisting of 155.4 Mt, 52.83 cpht, 82.1 M€, are excluded from the table.

Audits related to the generation of the Ore Reserve and Mineral Resource estimates were carried out by independent consultants during 2012 at the following operations: Jwaneng and Orapa.

DIAMONDS

Diamond Reserve and Diamond Resource estimates as at 31 December 2012

DE BEERS CONSOLIDATED MINES

The Diamond Reserve and Diamond Resource estimates were compiled in accordance with The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (The SAMREC Code, 2007 Edition as amended July 2009). The figures reported represent 100% of the Diamond Reserves and Diamond Resources. Diamond Resources are quoted as inclusive of those used to calculate Diamond Reserves and must not be added to the Diamond Reserves. Rounding of figures may cause computational discrepancies. De Beers Consolidated Mines is a Joint Venture with Ponahalo Investments (Pty) Ltd.

De Beers Consolidated Mines – Operations				Tonnes		Grade		Saleable Carats	
DIAMOND RESERVES	Attributable %	LOM	BCO (mm)	Classification	2012	2011	2012	2011	2012
Venetia (OP)	62.9	9	1.00		Mt	Mt	cpht	cpht	M€
Kimberlite				Proved	–	–	–	–	–
				Probable	33.6	–	97.50	–	32.8
				Total	33.6	–	97.50	–	32.8
Venetia (UG) ⁽¹⁾	62.9	27	1.00				cpht	cpht	
Kimberlite				Proved	–	–	–	–	–
				Probable	91.4	–	76.53	–	70.0
				Total	91.4	–	76.53	–	70.0
De Beers Consolidated Mines	62.9		1.00				cpht	cpht	
TOTAL				Proved	–	–	–	–	–
				Probable	125.0	–	82.17	–	102.7
				Total	125.0	–	82.17	–	102.7

De Beers Consolidated Mines – Operations				Tonnes		Grade		Carats	
DIAMOND RESOURCES	Attributable %		BCO (mm)	Classification	2012	2011	2012	2011	2012
Kimberley (OC) ⁽²⁾	62.9		1.15		Mt	Mt	cpht	cpht	M€
Tailings				Measured	–	–	–	–	–
				Indicated	–	–	–	–	–
				Measured and Indicated	–	–	–	–	–
				Inferred	38.2	–	12.16	–	4.7
Namaqualand (OC) ⁽³⁾	62.9		multiple ⁽³⁾				cpht	cpht	
Beach and Fluvial Placers				Measured	–	–	–	–	–
				Indicated	19.3	–	10.87	–	2.1
				Measured and Indicated	19.3	–	10.87	–	2.1
				Inferred	70.8	–	4.79	–	3.4
Venetia (OP) ⁽⁴⁾	62.9		1.00				cpht	cpht	
Kimberlite				Measured	–	–	–	–	–
				Indicated	34.2	–	103.46	–	35.4
				Measured and Indicated	34.2	–	103.46	–	35.4
				Inferred	29.6	–	18.12	–	5.4
Venetia (UG)	62.9		1.00				cpht	cpht	
Kimberlite				Measured	–	–	–	–	–
				Indicated	109.9	–	86.93	–	95.5
				Measured and Indicated	109.9	–	86.93	–	95.5
				Inferred	70.1	–	88.10	–	61.8
Voorspoed (OP) ⁽⁵⁾	62.9		1.47				cpht	cpht	
Kimberlite				Measured	–	–	–	–	–
				Indicated	–	–	–	–	–
				Measured and Indicated	–	–	–	–	–
				Inferred	37.9	–	21.58	–	8.2
De Beers Consolidated Mines	62.9		multiple				cpht	cpht	
TOTAL				Measured	–	–	–	–	–
				Indicated	163.3	–	81.40	–	133.0
				Measured and Indicated	163.3	–	81.40	–	133.0
				Inferred	246.7	–	33.79	–	83.4

DIAMOND RESOURCES INCLUDE DIAMOND RESERVES

Mining method: OP = Open Pit, UG = Underground.

LOM = Life of Mine (years) is based on scheduled Probable Reserves including Indicated and some Inferred Resources considered for Life of Mine planning.

Unless stated otherwise tonnage is quoted as dry metric tonnes. Estimates of Diamond Reserve tonnes reflect the tonnage to be treated.

Reported Diamond Reserves/Resources are based on a Bottom Cut Off (BCO) which refers to the bottom screen size aperture and varies between 1.00mm and 3.00mm (nominal square mesh).

Grade is quoted as carats per hundred metric tonnes (cpht).

Due to the uncertainty that may be attached to some Inferred Mineral Resources, it cannot be assumed that all or part of an Inferred Mineral Resource will necessarily be upgraded to an Indicated or Measured Resource after continued exploration.

⁽¹⁾ Venetia (UG): The LOM is stated as 27 years which reflects the extent of the current Mining Right at Venetia.

⁽²⁾ Kimberley: Kimberley Mines Central Treatment Plant (CTP) was initially established to treat ore from both tailings resources and underground mines. Subsequent to the conclusion of the sale of the underground operations to Petra Diamonds in May 2010, only tailings resources from various locations are being treated.

⁽³⁾ Namaqualand: Bottom screen cut off details for Indicated and Inferred Resource estimates are as follows:

1.00 mm BCO: Indicated: 5.3 Mt, 20.86 cpht, 1.1 M€; Inferred: 28.7 Mt, 7.56 cpht, 2.2 M€;

1.15 mm BCO: Indicated: 13.9 Mt, 7.04 cpht, 1.0 M€; Inferred: 41.6 Mt, 2.26 cpht, 0.9 M€

1.47 mm BCO: Indicated: 0.2 Mt, 13.03 cpht, 20 k€. Inferred: 0.5 Mt, 60.22 cpht, 0.3 M€.

The sale of the Namaqualand Mines to the Trans Hex Group is in progress and expected to conclude in 2013.

⁽⁴⁾ Venetia (OP): The Old Recovery Tailings Inferred Resource estimate at 1.00mm BCO, consisting of 0.1 Mt, 3844.62 cpht, 2.5 M€ is excluded from the table.

⁽⁵⁾ Voorspoed: The Mining License was approved on 10 October 2006 and construction commenced in the same month after the mine being dormant for 9 decades. Mining is entirely based on Inferred Resources due to the uncertainty associated with current geoscientific knowledge. Studies are in progress to improve resource confidence and upgrade some Inferred Resources to Indicated Resources.

Audits related to the generation of the Ore Reserve and Mineral Resource estimates were carried out by independent consultants during 2012 at the following operations: Venetia (OP) and Voorspoed.

DIAMONDS

Diamond Reserve and Diamond Resource estimates as at 31 December 2012

NAMDEB HOLDINGS

The Diamond Reserve and Diamond Resource estimates were compiled in accordance with The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (The SAMREC Code, 2007 Edition as amended July 2009). The figures reported represent 100% of the Diamond Reserves and Diamond Resources. Diamond Resources are quoted as inclusive of those used to calculate Diamond Reserves and must not be added to the Diamond Reserves. Rounding of figures may cause computational discrepancies. Namdeb Holdings is a Joint Venture with the government of the Republic of Namibia.

Namdeb Holdings – Operations (Terrestrial)				Tonnes		Grade		Saleable Carats	
DIAMOND RESERVES	Attributable %	LOM	BCO (mm)	Classification	2012	2011	2012	2011	2012
Elizabeth Bay (OC)	42.5	7	1.40		kt	kt	cpht	cpht	k¢
Aeolian and Marine				Proved	–	–	–	–	–
				Probable	1,808	–	12.78	–	231
				Total	1,808	–	12.78	–	231
Mining Area 1 (OC)	42.5	7	2.00				cpht	cpht	
Beaches				Proved	–	–	–	–	–
				Probable	1,023	–	7.26	–	74
				Total	1,023	–	7.26	–	74
Orange River (OC)⁽¹⁾	42.5	7	3.00				cpht	cpht	
Fluvial Placers				Proved	–	–	–	–	–
				Probable	34,994	–	1.03	–	359
				Total	34,994	–	1.03	–	359
Namdeb Holdings (Terrestrial)	42.5	multiple					cpht	cpht	
TOTAL				Proved	–	–	–	–	–
				Probable	37,825	–	1.76	–	664
				Total	37,825	–	1.76	–	664

Namdeb Holdings – Operations (Offshore)				Area		Grade		Saleable Carats	
DIAMOND RESERVES	Attributable %	LOM	BCO (mm)	Classification	2012	2011	2012	2011	2012
Atlantic 1 (MM)⁽²⁾	42.5	15	1.47		k m ²	k m ²	cpm ²	cpm ²	k¢
Marine Placer				Proved	–	–	–	–	–
				Probable	57,033	–	0.09	–	4,935
				Total	57,033	–	0.09	–	4,935

Namdeb Holdings – Operations (Terrestrial)				Tonnes		Grade		Carats	
DIAMOND RESOURCES	Attributable %	BCO (mm)	Classification	2012	2011	2012	2011	2012	2011
Bogenfels (OC)⁽³⁾	42.5	multiple ⁽²⁾		kt	kt	cpht	cpht	k¢	k¢
Pocket Beach and Deflation			Measured	–	–	–	–	–	–
			Indicated	–	–	–	–	–	–
			Measured and Indicated	–	–	–	–	–	–
			Inferred	10,955	–	6.75	–	740	–
Douglas Bay (OC)	42.5	1.40				cpht	cpht		
Aeolian and Deflation			Measured	–	–	–	–	–	–
			Indicated	1,502	–	7.39	–	111	–
			Measured and Indicated	1,502	–	7.39	–	111	–
			Inferred	1,959	–	2.40	–	47	–
Elizabeth Bay (OC)	42.5	1.40				cpht	cpht		
Aeolian, Marine and Deflation			Measured	–	–	–	–	–	–
			Indicated	4,718	–	11.62	–	548	–
			Measured and Indicated	4,718	–	11.62	–	548	–
			Inferred	54,034	–	4.12	–	2,224	–
Mining Area 1 (OC)⁽⁴⁾	42.5	2.00				cpht	cpht		
Beaches			Measured	–	–	–	–	–	–
			Indicated	17,597	–	1.01	–	178	–
			Measured and Indicated	17,597	–	1.01	–	178	–
			Inferred	281,564	–	1.09	–	3,082	–
Orange River (OC)	42.5	3.00				cpht	cpht		
Fluvial Placers			Measured	–	–	–	–	–	–
			Indicated	109,725	–	0.50	–	544	–
			Measured and Indicated	109,725	–	0.50	–	544	–
			Inferred	44,997	–	0.35	–	157	–
Namdeb Holdings (Terrestrial)	42.5	multiple				cpht	cpht		
TOTAL			Measured	–	–	–	–	–	–
			Indicated	133,542	–	1.03	–	1,381	–
			Measured and Indicated	133,542	–	1.03	–	1,381	–
			Inferred	393,509	–	1.59	–	6,250	–

DIAMOND RESOURCES INCLUDE DIAMOND RESERVES

Footnotes appear at the end of the section.

DIAMONDS

Diamond Reserve and Diamond Resource estimates as at 31 December 2012

Namdeb Holdings – Operations (Offshore)		BCO	Classification	Area		Grade		Carats
DIAMOND RESOURCES	Attributable %	(mm)		2012	2011	2012	2011	2012
Atlantic 1 (MM) ⁽²⁾	42.5	1.47		k m ²	k m ²	cpm ²	cpm ²	k¢
Marine			Measured	–	–	–	–	–
			Indicated	114,190	–	0.09	–	10,773
			Measured and Indicated	114,190	–	0.09	–	10,773
			Inferred	1,028,119	–	0.09	–	89,637
Midwater (MM)⁽⁵⁾	42.5	2.00				cpm ²	cpm ²	
Aeolian, Fluvial and Marine			Measured	–	–	–	–	–
			Indicated	1,339	–	0.25	–	330
			Measured and Indicated	1,339	–	0.25	–	330
			Inferred	11,336	–	0.09	–	1,031
Namdeb Holdings (Offshore)	42.5	multiple				cpm ²	cpm ²	
TOTAL			Measured	–	–	–	–	–
			Indicated	115,529	–	0.10	–	11,103
			Measured and Indicated	115,529	–	0.10	–	11,103
			Inferred	1,039,455	–	0.09	–	90,668

DIAMOND RESOURCES INCLUDE DIAMOND RESERVES

Mining method: OC = Open Cast, MM = Marine Mining.

LOM = Life of Mine (years) is based on scheduled Probable Reserves including Indicated and some Inferred Resources considered for Life of Mine planning.

Unless stated otherwise tonnage is quoted as dry metric tonnes. Estimates of Diamond Reserve tonnes reflect the tonnage to be treated.

Reported Diamond Reserves/Resources are based on a Bottom Cut Off (BCO) which refers to the bottom screen size aperture and varies between 1.00mm and 3.00mm (nominal square mesh). Grade is quoted as carats per hundred metric tonnes (cpht) or as carats per square meter (cpm²). k m² = thousand square metres.

Due to the uncertainty that may be attached to some Inferred Mineral Resources, it cannot be assumed that all or part of an Inferred Mineral Resource will necessarily be upgraded to an Indicated or Measured Resource after continued exploration.

⁽¹⁾ **Orange River:** The mining transition from Daberas to Sendelingsdrif will be completed within the next 3 years.

⁽²⁾ **Atlantic 1:** Due to the high costs associated with resource development, Indicated Resources are developed on an annual basis, resulting in a 24 month rolling reserve.

⁽³⁾ **Bogenfels:** Bottom screen cut off details for Inferred Resource estimates are as follows:

1.40 mm BCO: Inferred: 7,910 kt, 6.47 cpht, 510 k¢;

2.00 mm BCO: Inferred: 3,040 kt, 7.50 cpht, 230 k¢.

⁽⁴⁾ **Mining Area 1:** Incremental Inferred Resource development is dependent on operations and dredging creating beach accretion for drilling and sampling. Beach accretion is a process through which an existing beach is built seaward to extend into areas previously submerged by sea water. The accretion is accomplished by sand buildup derived from current mining activities.

The Overburden Stockpile Inferred Resource estimates at 2.00mm BCO, consisting of 24,750 kt, 0.41 cpht, 100 k¢ and the DMS Tailings Inferred Resource estimates at 2.00mm BCO, consisting of 6,6830 kt, 1.10 cpht, 740 k¢, as well as the Recovery Tailings Inferred Resource estimates at 1.40mm BCO, consisting of 340 kt, 13.26 cpht, 50 k¢, are excluded from the table.

⁽⁵⁾ **Midwater:** That part of the offshore component of the Diamond Area No. 1 (DA1) mining license covered by water depths of 30m and more below mean sea-level.

Audits related to the generation of the Ore Reserve and Mineral Resource estimates were carried out by independent consultants during 2012 at the following operations: Elizabeth Bay and Atlantic 1.

DIAMONDS

Diamond Reserve and Diamond Resource estimates as at 31 December 2012

DE BEERS CANADA

The Diamond Reserve and Diamond Resource estimates were compiled in accordance with Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects (NI 43-101). The figures reported represent 100% of the Diamond Reserves and Diamond Resources. Diamond Resources are quoted as inclusive of those used to calculate Diamond Reserves and must not be added to the Diamond Reserves. Rounding of figures may cause computational discrepancies.

De Beers Canada – Operations				Tonnes		Grade		Saleable Carats	
DIAMOND RESERVES	Attributable %	LOM	BCO (mm)	Classification	2012	2011	2012	2011	2012
Snap Lake (UG)⁽¹⁾	85.0	18	1.14		Mt	Mt	cpht	cpht	Mc
Kimberlite				Proved	–	–	–	–	–
				Probable	1.6	–	123.07	–	2.0
				Total	1.6	–	123.07	–	2.0
Victor (OP)	85.0	6	1.50				cpht	cpht	
Kimberlite				Proved	–	–	–	–	–
				Probable	12.1	–	19.42	–	2.3
				Total	12.1	–	19.42	–	2.3
De Beers Canada Inc.	85.0	multiple					cpht	cpht	
TOTAL				Proved	–	–	–	–	–
				Probable	13.7	–	31.68	–	4.3
				Total	13.7	–	31.68	–	4.3

De Beers Canada – Operations				Tonnes		Grade		Carats	
DIAMOND RESOURCES	Attributable %		BCO (mm)	Classification	2012	2011	2012	2011	2012
Snap Lake (UG)⁽¹⁾	85.0		1.14		Mt	Mt	cpht	cpht	Mc
Kimberlite				Measured	–	–	–	–	–
				Indicated	2.5	–	189.27	–	4.7
				Measured and Indicated	2.5	–	189.27	–	4.7
				Inferred	23.1	–	176.54	–	40.9
Victor (OP)	85.0		1.50				cpht	cpht	
Kimberlite				Measured	–	–	–	–	–
				Indicated	12.9	–	19.34	–	2.5
				Measured and Indicated	12.9	–	19.34	–	2.5
				Inferred	17.9	–	22.17	–	4.0
De Beers Canada Inc.	85.0	multiple					cpht	cpht	
TOTAL				Measured	–	–	–	–	–
				Indicated	15.4	–	46.87	–	7.2
				Measured and Indicated	15.4	–	46.87	–	7.2
				Inferred	41.1	–	109.16	–	44.8

DIAMOND RESOURCES INCLUDE DIAMOND RESERVES

De Beers Canada – Projects				Tonnes		Grade		Saleable Carats	
DIAMOND RESERVES	Attributable %	LOM	BCO (mm)	Classification	2012	2011	2012	2011	2012
Gahcho Kué (OP)⁽²⁾	43.4	11	1.00		Mt	Mt	cpht	cpht	Mc
Kimberlite				Proved	–	–	–	–	–
				Probable	31.0	–	153.71	–	47.6
				Total	31.0	–	153.71	–	47.6

De Beers Canada – Projects				Tonnes		Grade		Carats	
DIAMOND RESOURCES	Attributable %		BCO (mm)	Classification	2012	2011	2012	2011	2012
Gahcho Kué (OP)⁽²⁾	43.4		1.00		Mt	Mt	cpht	cpht	Mc
Kimberlite				Measured	–	–	–	–	–
				Indicated	30.2	–	163.87	–	49.6
				Measured and Indicated	30.2	–	163.87	–	49.6
				Inferred	6.0	–	168.86	–	10.1

DIAMOND RESOURCES INCLUDE DIAMOND RESERVES

Mining method: OP = Open Pit, UG = Underground.

LOM = Life of Mine (years) is based on scheduled Probable Reserves including Indicated and some Inferred Resources considered for Life of Mine planning.

Unless stated otherwise tonnage is quoted as dry metric tonnes. Estimates of Diamond Reserve tonnes reflect the tonnage to be treated.

Reported Diamond Reserves/Resources are based on a Bottom Cut Off (BCO) which refers to the bottom screen size aperture and varies between 1.00mm and 3.00mm (nominal square mesh).

Grade is quoted as carats per hundred metric tonnes (cpht).

Due to the uncertainty that may be attached to some Inferred Mineral Resources, it cannot be assumed that all or part of an Inferred Mineral Resource will necessarily be upgraded to an Indicated or Measured Resource after continued exploration.

⁽¹⁾ **Snap Lake:** Due to the high costs associated with resource development, Indicated Resources are continuously developed from underground infrastructure ahead of the mining face, resulting in an 18 month rolling reserve.

⁽²⁾ **Gahcho Kué:** The project approval is subject to the successful conclusion of permitting and regulatory approvals. Gahcho Kué is a Joint Venture between De Beers Canada Inc. and Mountain Province Diamonds Inc.

Audits related to the generation of the Ore Reserve and Mineral Resource estimates were carried out by independent consultants during 2012 at the following operations: Snap Lake and Victor.