

DEBSWANA DIAMOND COMPANY (PROPRIETARY) LIMITED

*Overview and introduction to Jwaneng
Albert Milton*

Overview: Debswana, a 50/50 joint venture between the GRB and De Beers comprises two of the world's most valuable diamond mines, Jwaneng and Orapa Regime

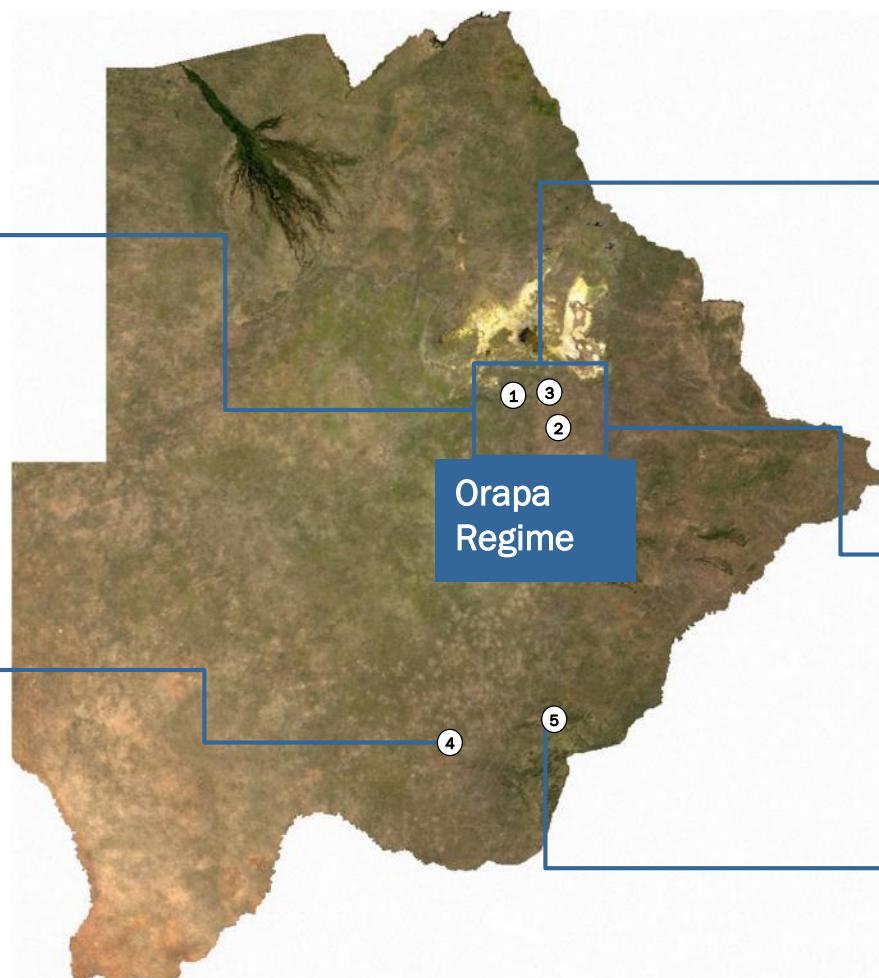
Orapa Mine
 c.2,300 employees
 c.2,000 contractors
 2015 production 9.9m carats
 Life of Mine 2029*
 Reserves 151.4M¢; 171.9Mt*
 Resources 365.0M¢; 370.0Mt*

Damtshaa Mine
 c.300 employees
 2015 production 0.2m carats
 Life of Mine 2032*
 Reserves 4.7M¢; 25.1Mt*
 Resources 6.1M¢; 23.3Mt*

Letlhakane Mine
 c.400 employees
 2015 production 0.5m carats
 Life of Mine 2040 (tailings)*
 Reserves 8.5M¢; 35.4Mt*
 Resources 21.1M¢; 76.2Mt*

**Debswana Corporate
 Centre (Gaborone)**

Jwaneng Mine
 c.2,000 employees
 c.3,000 contractors
 2015 production 9.8m carats
 Life of Mine 2035*
 Reserves 149.2M¢; 113.0Mt*
 Resources 224.0M¢; 250.9Mt*



Our company leadership live our values by setting the highest standards, encouraging innovation and pursuing brilliance in all areas, while creating a great place to work



Balisi Bonyongo
MD



Albert Milton
GM
Jwaneng Mine



Lynette
Armstrong
CFO



Bokani
Motlhabani
GM
OLDLM



Esther
Kanaimba- Senai
Head of CA



Bonny
Thebenyane
Head of
Secretarial &
Legal



Ntosi Mosetlhe
Head of HR



Keith Blanchard
Head of Tech
Services



Lephimotwe
Boyce Sebetela
Head of Strategy
and BI

Jwaneng Mine management is committed to making Jwaneng the world's leading diamond mine in every respect



Albert Milton
GM



Sed Serumola
Snr Ore
Processing
Manager



Rory
Greyvensteyn
Snr Manager
Mining-Projects



Philip Lisindi
Snr Finance
Manager



Tshepang
Mazwigwila
Snr HR Manager



Dr Mwamba
Nsebola
Hospital
Superintendent



Kean McCallum
Snr MRM
Manager



Thatayaone
Keitumetse
Snr Security
Manager



Neville Pollard
Snr Engineering
Manager

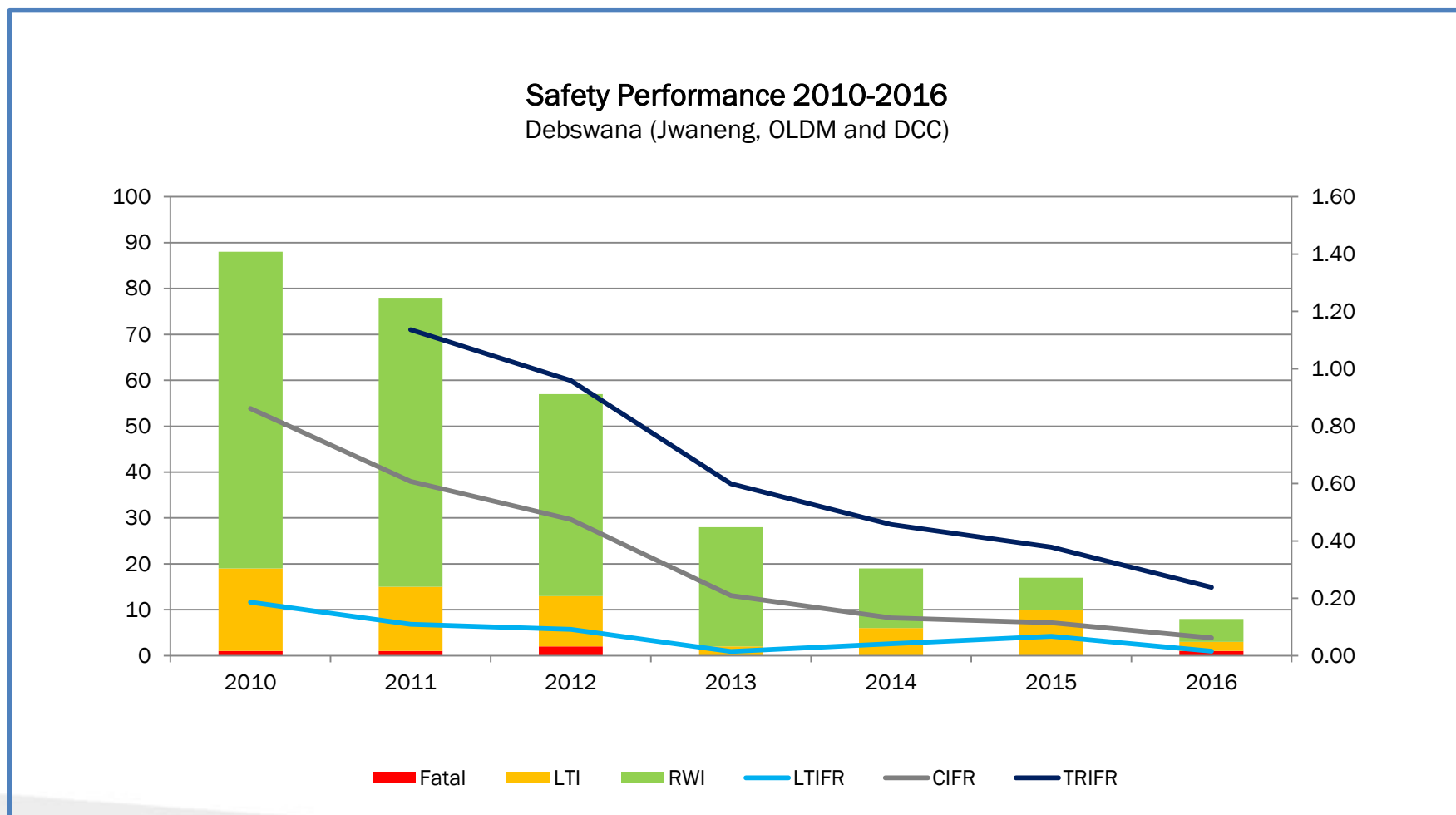


Tumelo
Ntlhayakgosi
Snr S&SD
Manager

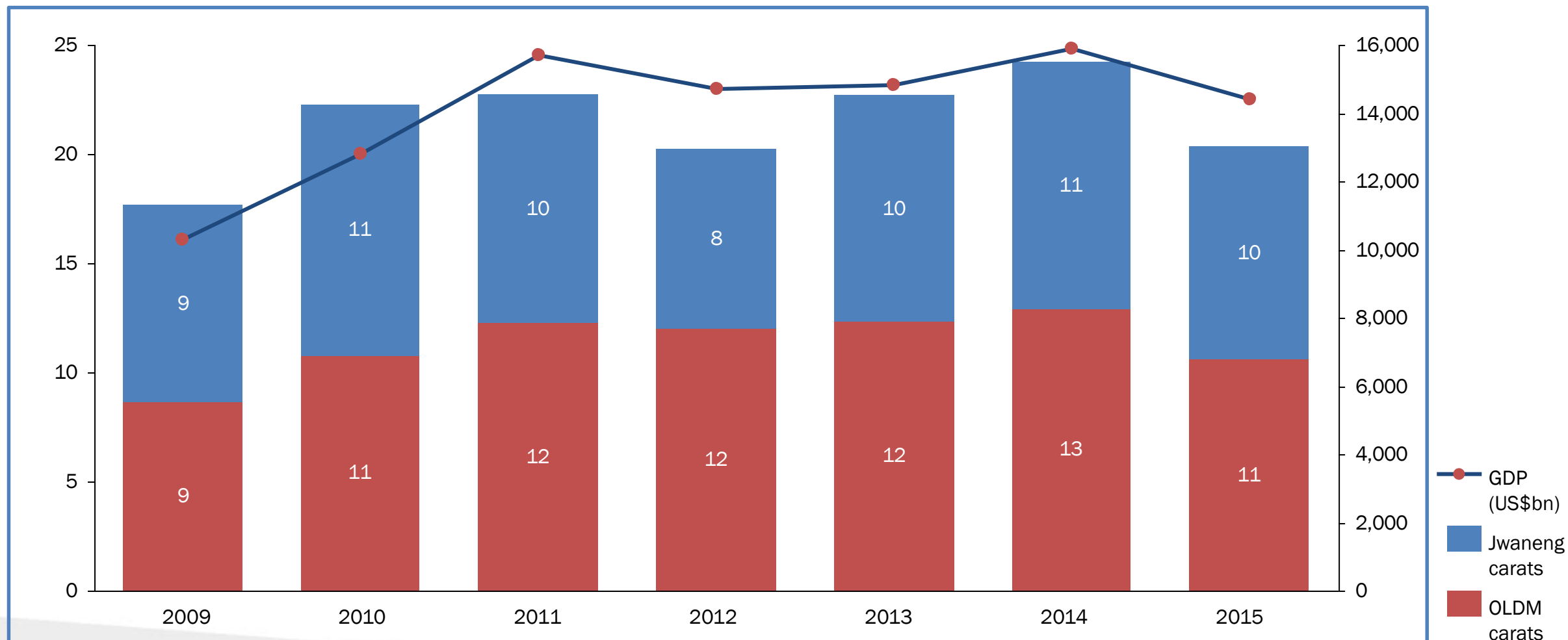


Koolatotse
Koolatotse
Snr Mining
Manager

Safety: our focus is to achieve zero harm at our operations through our behaviour-based programmes and focus on critical controls



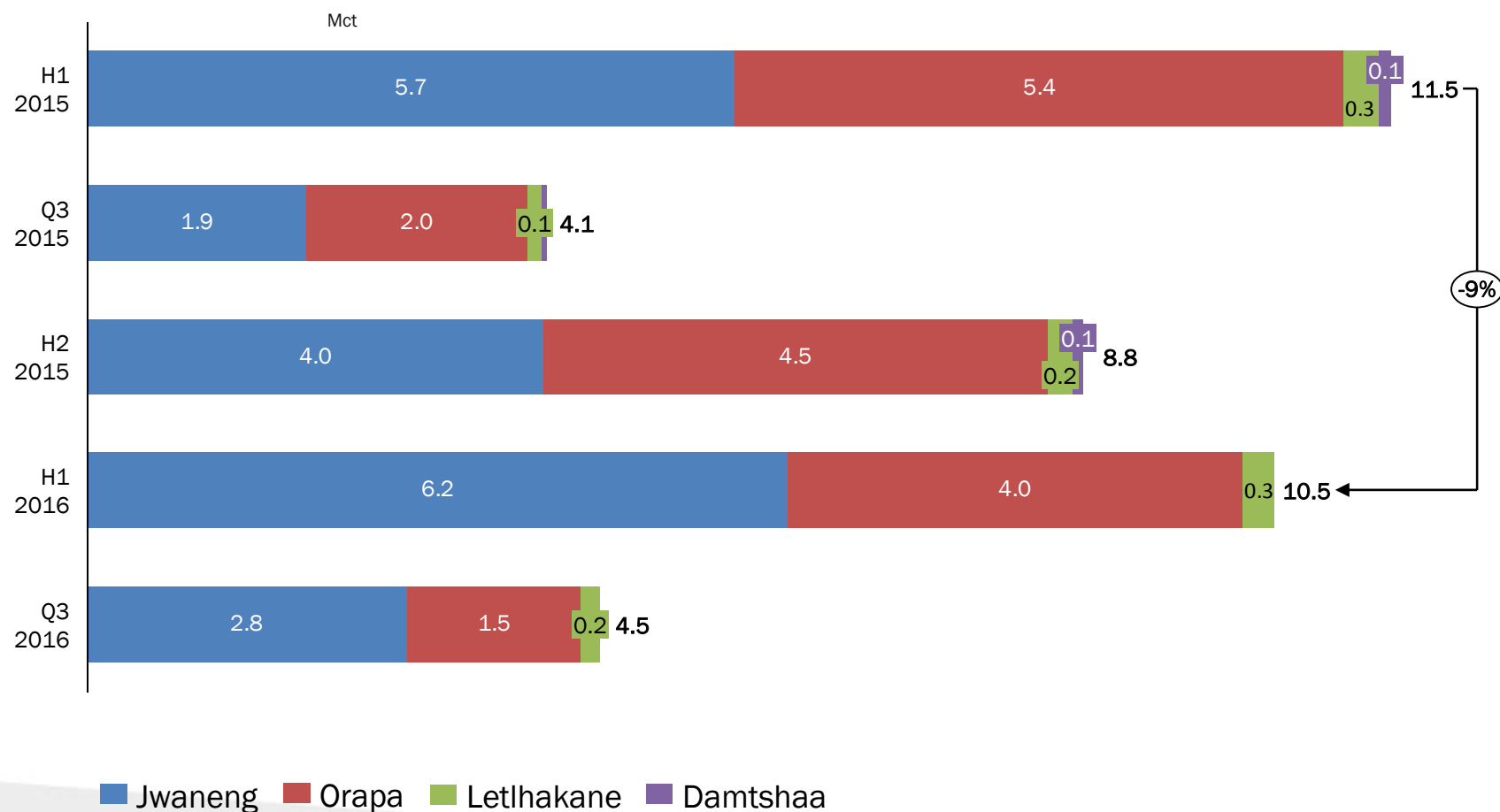
Meeting shareholder and customer needs: Debswana continues to improve its efficiency and is delivering strong shareholder returns. Debswana's performance is crucial for the GRB, as the Botswana economy relies on diamond revenues



* Data Source: Debswana and World bank

Production: In 2015 Debswana reduced production in line with demand

Production down 9% in H1 2016 with planned reductions at Orapa (plant 1 on partial care and maintenance) and Damtshaa (on care and maintenance)



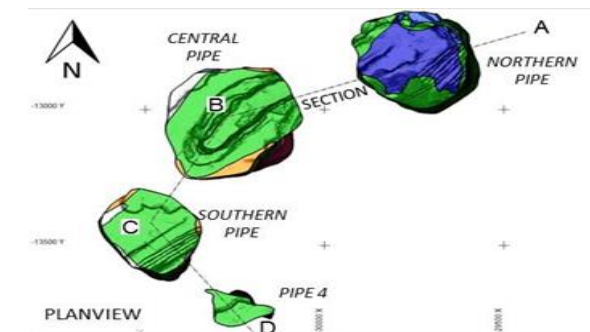
Jwaneng Mine Resource: nicknamed the “Prince of mines”, Jwaneng Mine has one of the richest kimberlite ore bodies, by value, in the world

- Three main pipes (Centre, North and South)
- Life of mine 2035*
 - Open pit reserves 149.2M¢ from 113Mt of ore, grade 132.0cpht⁽¹⁾
 - Open pit resource 207.5M¢ from 187.5Mt of ore, grade 110.7cpht⁽¹⁾
 - Cut-6/7 and 8
 - Cut-8 accounts for 93M¢ from 84Mt of ore
 - Tailings 16.5M¢ from 35.8Mt of ore
- Average revenue per carat H1 2016 US\$196/¢ (100% of SSV)
- Average cash cost per carat recovered H1 2016 US\$19/¢⁽²⁾
- Anglo American operating model launched at Jwaneng in September 2016
- Potential life extension projects post Cut-8 to extend life of mine to well beyond 2040



Jwaneng Mine Pit

- 1.4km width
- 2km length
- ≈410m deep



(1) Cpht = carats per hundred tonnes of ore

(2) Total cash cost per carat recovered (\$/ct). This represents the total production and operating costs before operating special items (excluding depreciation and capex), divided by carats recovered

*Based on the Anglo American Ore Reserves and Mineral Resources Report 2015

Cash Containment: By focusing on operational efficiencies and other cost containment opportunities, management has saved US\$60 million (100% basis) YTD October 2016, of which US\$42 million is from Jwaneng



Operating model

Improved scheduling and resourcing of planned activities resulting in improved operational stability and efficiency

- YTD pula/tonne cost moved 10% favourable to target
- YTD production cash costs 10% favourable to target

Operational efficiency

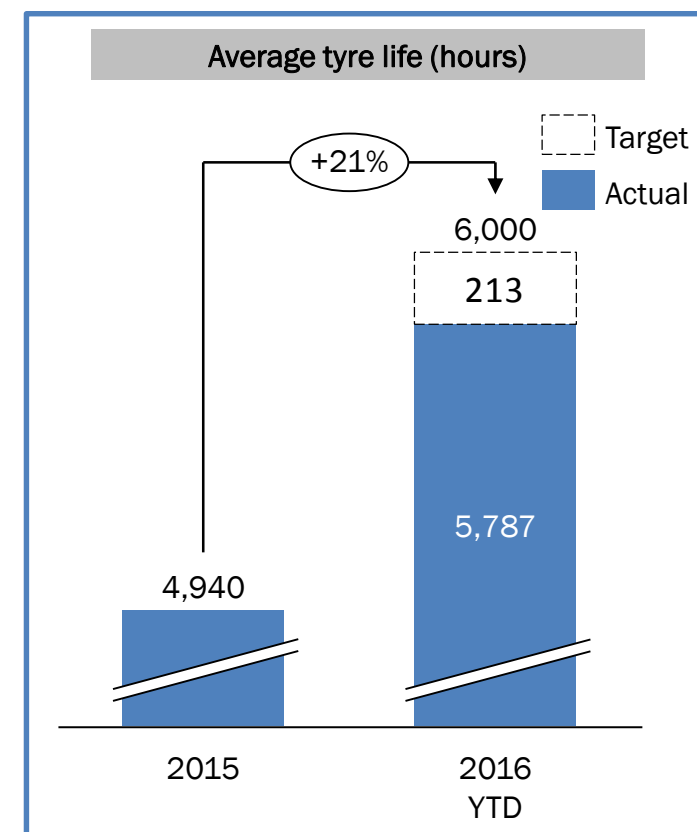
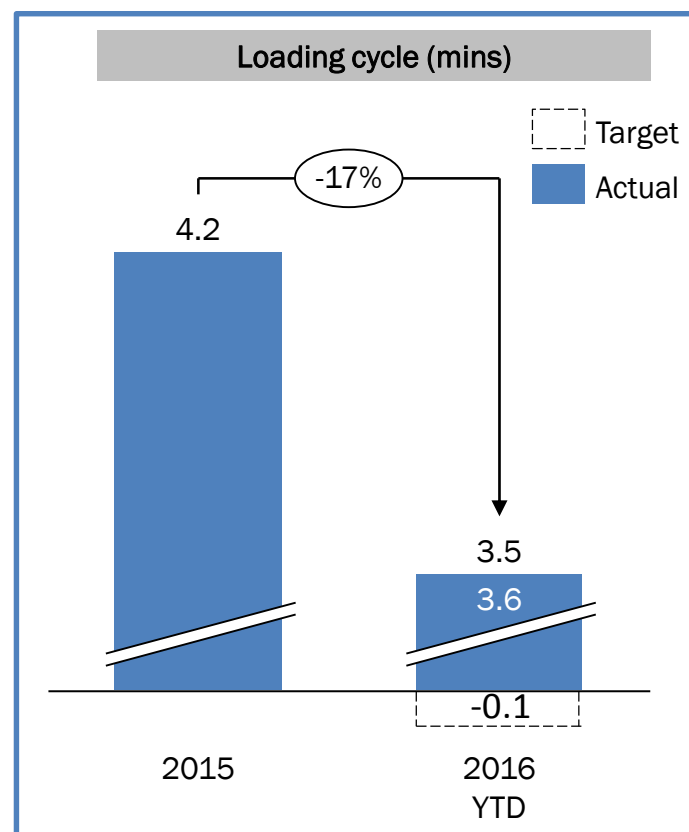
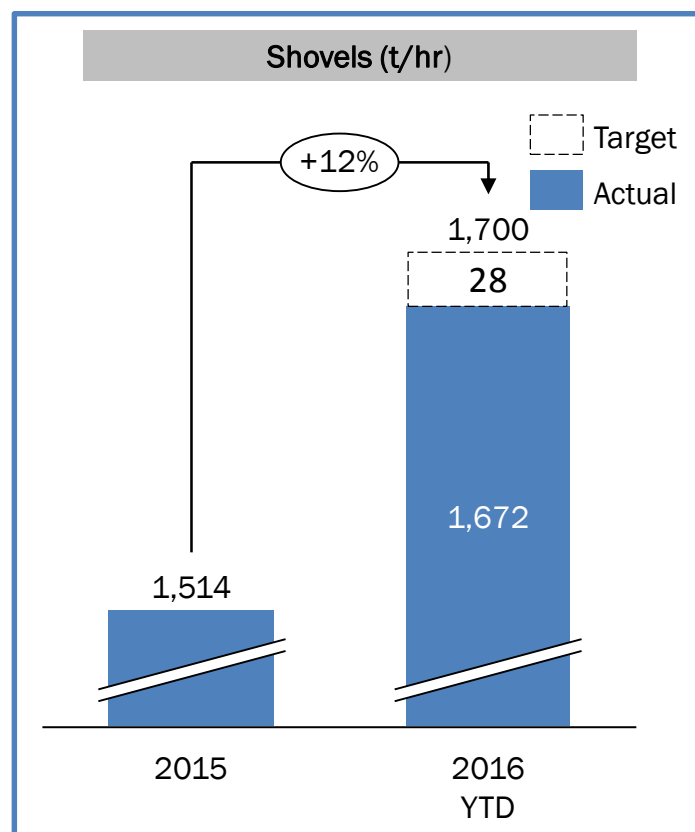
Improved pit conditions and standards

- Tyre life 17% improvement versus 2015
- Shovel t/h 10% improvement versus 2015
- Truck ton-km/hr 10% improvement versus 2015

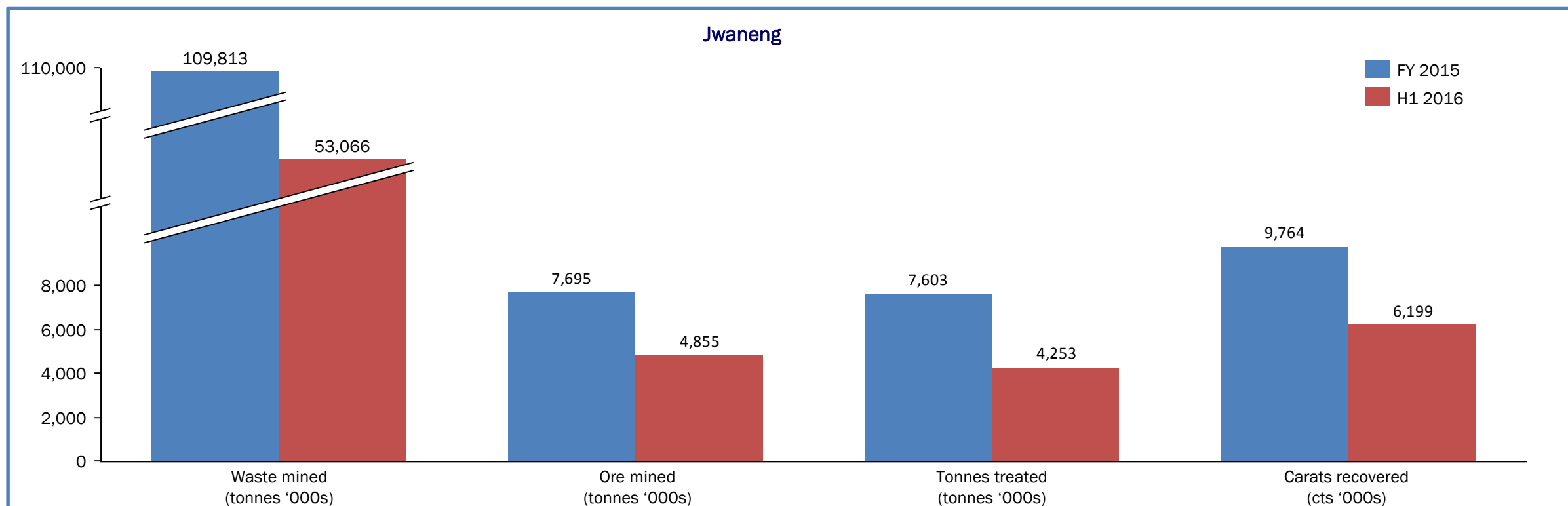
Total opex savings YTD

- Efficiency improvements – US\$11 million
- Cut-9 waste dump redesign – US\$14 million
- Cut-8 schedule optimisation – US\$5 million
- Cut-8 North east corner rates – US\$4 million
- Cut-8 contractor management (tyres) – US\$8 million

Jwaneng efficiency improvements

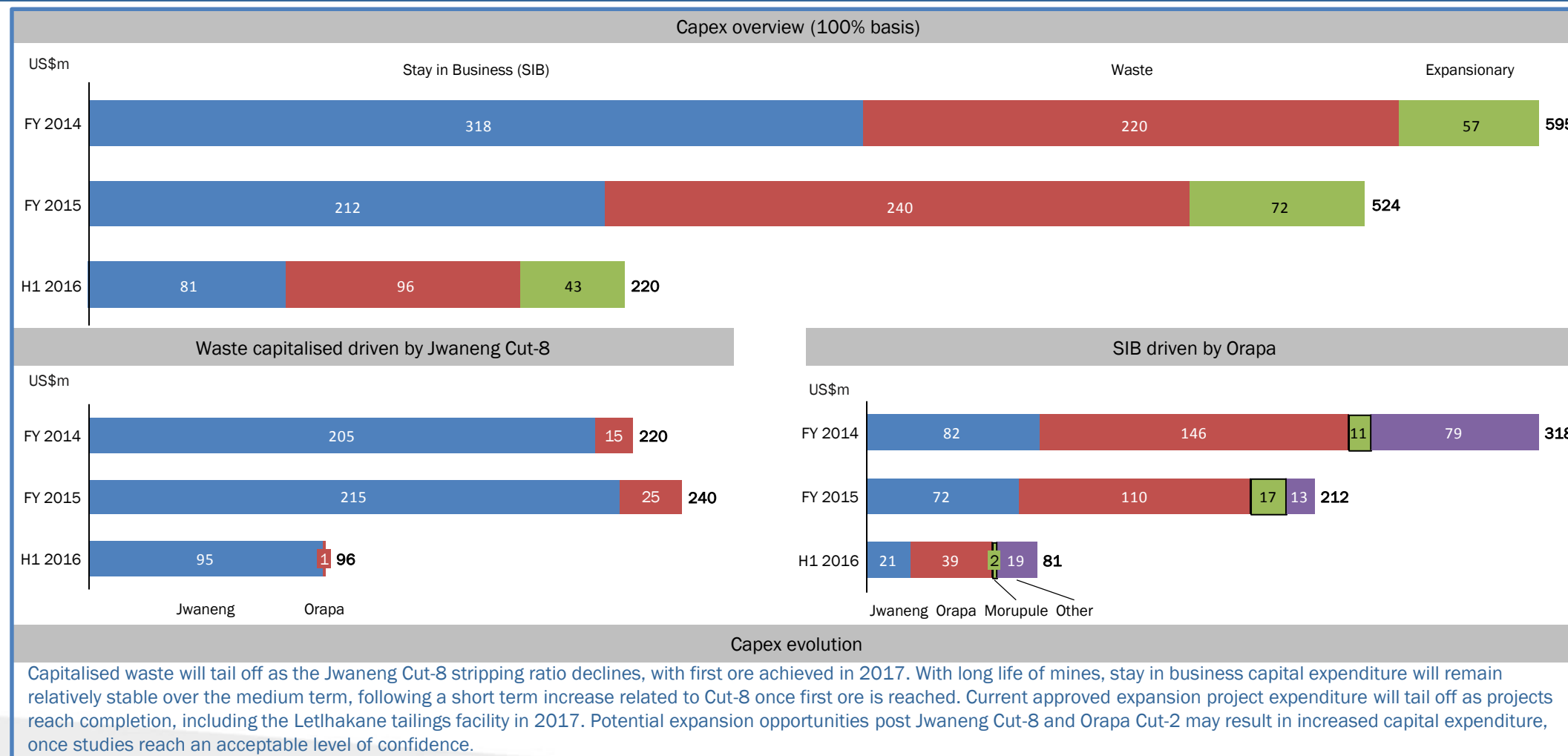


Jwaneng Cut-8 approaching first ore in 2017



- Cut-8: ~80% of the 500 million tonnes of waste stripping required to expose first ore (in 2017) has been mined
- Jwaneng tailings plant commissioned in 2014, increasing flexibility

Investing in the future: development for future production through waste capitalisation forms a major part of capital expenditure, primarily at Jwaneng



Production flexibility: Tailings Processing Plants provide ability to respond effectively to market conditions at lower cost



Jwaneng Modular Tailings Plant

- Commissioned in 2014
- A total of US\$103m (100% basis) worth of CAPEX incurred in the development of the plant
- Processes old tailings deposited between 1982 and 1992
- Processes up to 2 million tonnes, recovering up to 900,000 carats per annum
- Offers flexibility to increase or reduce production to respond to changes in the market
- Payback period = 3-4 years (from first capital)



Letlhakane Modular Tailings Plant

- Funding for construction approved in Nov 2014
- A total of US\$236m worth of CAPEX will be incurred in the development of the plant
- Construction started in Q1 2015 and will be commissioned by end of Q2 2017
- Recovers diamonds from tailings through the use of new and improved recovery technologies
- Capacity of up to 800,000 carats per annum
- Extends the life of the mine by 20 years
- Payback period = 2-3 years (from first capital)

Your tour: Following the diamonds

Open pit



Main treatment plant



Recrush plant



Diamond Trading Company Botswana



Aquarium



Tailings dumps and slimes dams



Orapa, Letlhakane and
Damtshaa Mines Sources