

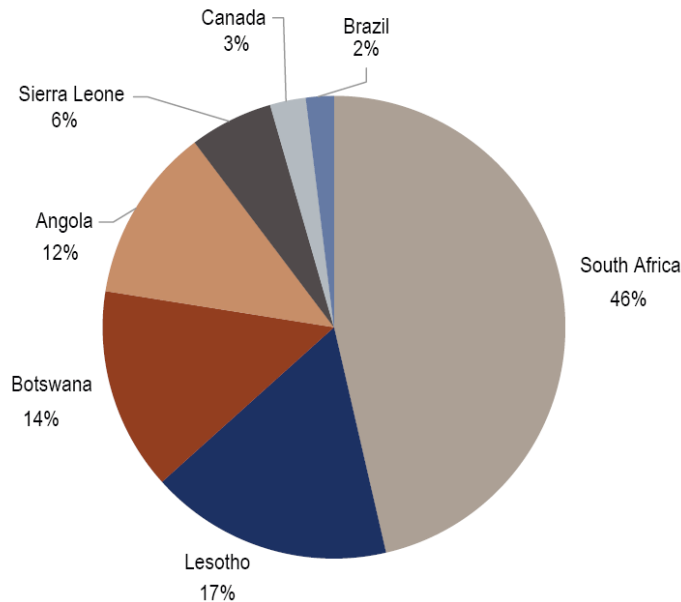


Metals Economics Group Strategic Report: Diamond Acquisitions Update

Value of diamond deals in 2009-10 increased by 125% over previous year

Halifax, Nova Scotia, July 14, 2010 – Metals Economics Group's (MEG) recent *Strategic Report* points to a 125% increase in total acquisition spending on diamonds—\$416 million in 2009-10 compared with \$185 million in 2008-09. A total of 136.5 million ct in resources changed hands in 2009-10—almost seven times the amount in 2008-09. Despite these year-on-year improvements and the diamond transaction total being well above historical averages, the total value of diamond transactions of at least \$1 million in 2009-10 has dropped significantly—60% lower than the \$1,038 million total in 2006-07, and 46% lower than 2007-08 total of \$770 million.

Value of Diamond Acquisitions by Country, 2009-10
(US\$416.1 million)



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The report shows that South Africa accounted for 46% of the total spent on diamond projects during the year in three transactions, compared with 3% of the total in 2008-09. Petra Diamonds's \$183.2 million purchase of a 37% interest in the late-stage Cullinan mine in Gauteng accounted for 95% of the total price paid for South African projects. Notably missing from the 2009-10 list are Australia and the DRC, which accounted for 7% and 6% of spending respectively in 2008-09, while Canada plummeted from 67% in 2008-09 to 3% in 2009-10.

MEG's *Strategic Report* provides informed, insightful analysis for mining industry planners, analysts, executives, and exploration managers. Published since 1982, the *Strategic Report* draws on MEG's wealth of knowledge and insight in a bimonthly compilation of timely, and informative analytical articles on critical supply-side issues facing the global mining industry. In addition to original research, articles are drawn from MEG's *MineSearch* project and company database, *Corporate Exploration Strategies*, *Reserves Replacement* studies, and *Acquisitions and Exploration Activity* services.

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About Metals Economics Group (www.metalseconomics.com)

Metals Economics Group (MEG) is the most trusted source of global mining information and analysis. We draw on three decades of comprehensive information and analysis, with an unsurpassed level of experience and historical data. To help our clients reach better decisions more quickly, we supply raw data and sophisticated analysis based on unbiased research and reporting. From worldwide exploration, development, and production to strategic planning and acquisitions activity—our databases and studies help you make confident decisions and, ultimately, improve results.

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