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**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**FOR IMMEDIATE RELEASE**

**26 June 2020**

**LSE: PDL**

**Petra Diamonds Limited**  
("Petra" or the "Company")

### **Strategic review – Formal sale process**

Since commencing the strategic review in relation to its capital structure options as announced on 27 March 2020, the Company has focused on exploring all options available to it in relation to its \$650 million outstanding 7.25% senior secured notes which are due for repayment on 1 May 2022. Pursuant to this strategic review and in order to assess all strategic options to maximise value to its stakeholders, the Board of Petra Diamonds Limited announces today that it has decided to seek offers for the Company, or for parts of the business or assets of the Petra Diamonds group (the "Group").

The Company is not in receipt of any offer for the Company or any parts of the Group's business or assets at the time of this announcement.

Parties with a potential interest in making a proposal should contact the Company's advisers, Rothschild & Co (contact details as set out below).

It is currently expected that any party interested in participating in the formal sale process will receive certain publicly available information on Petra as part of Phase One, following which interested parties shall be invited to submit their proposals to Rothschild & Co. Upon receipt of any proposals, the Company and its advisers will determine (at their sole discretion) whether to progress any interested parties into a formal Phase Two sale process. A formal sale process will require interested parties to enter into a confidentiality agreement with the Company on terms satisfactory to the Board of Petra and on the same terms, in all material respects, as other interested parties. Further announcements regarding the timing for any formal Phase Two sale process will be made when appropriate.

There can be no certainty that any offer will be made for Petra or for any parts of the business or assets of the Group, nor that any transaction will be executed, nor as to the terms of any such offer or transaction.

The Board of Petra reserves the right to alter or terminate this process at any time and in such an event, the Company will make an announcement as appropriate. The Board of Petra also reserves the right to reject any approach or terminate discussions with any interested party at any time.

The UK City Code on Takeovers and Mergers (the "Takeover Code") does not apply to Petra and any formal sale process would not be subject to the jurisdiction of, or regulated by, the UK Panel on Takeovers and Mergers. Petra has however incorporated certain takeover related provisions into the Company's Bye-laws and the Board of Petra would seek to apply the principles of the Takeover Code in relation to any offer for the Company.

The Company will continue to update all stakeholders on this process and other aspects of the strategic review as and when appropriate.

A copy of this announcement is also available on the Company's website at [www.petradiamonds.com](http://www.petradiamonds.com).

For further information, please contact:

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The information contained within this announcement is considered by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No.596/2014. Upon the publication of this announcement via a Regulatory Information Service, this inside information will be considered to be in the public domain.

The person responsible for arranging for the release of this announcement on behalf of the Company is Jacques Breytenbach, Finance Director.

### **About Petra Diamonds Limited**

Petra Diamonds is a leading independent diamond mining group and a consistent supplier of gem quality rough diamonds to the international market. The Company has a diversified portfolio incorporating interests in three underground producing mines in South Africa (Finsch, Cullinan and Koffiefontein) and one open pit producing mine in Tanzania (Williamson). Petra also conducts a limited exploration programme in Botswana and South Africa.

Petra's strategy is to focus on value rather than volume production by optimising recoveries from its high-quality asset base in order to maximise their efficiency and profitability. The Group has a significant resource base of ca. 250 million carats, which supports the potential

for long-life operations.

Petra conducts all operations according to the highest ethical standards and will only operate in countries which are members of the Kimberley Process. The Company aims to generate tangible value for each of its stakeholders, thereby contributing to the socio-economic development of its host countries and supporting long-term sustainable operations to the benefit of its employees, partners and communities.

Petra is quoted with a premium listing on the Main Market of the London Stock Exchange under the ticker 'PDL' and is a constituent of the FTSE4Good Index. The Company's US\$650 million loan notes due in 2022 are listed on the Global Exchange market of the Irish Stock Exchange. For more information, visit [www.petradiamonds.com](http://www.petradiamonds.com).

### **Important Notices**

This announcement contains statements about Petra Diamonds that are or may be forward looking statements. All statements other than statements of historical facts included in this announcement may be forward looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "goals", "should", "would", "could", "continue", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "hopes", "projects" or words or terms of similar substance or the negative thereof, are forward looking statements.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. Petra Diamonds disclaims any obligation to update any forward looking or other statements contained herein, except as required by applicable law or regulation.

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