



MEDIA RELEASE

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WINDHOEK, NAMIBIA

NAMIBIA AND DE BEERS SIGN MILESTONE 10-YEAR ROUGH DIAMOND SALES AGREEMENT

Longest ever sales agreement between the partners

The Government of the Republic of Namibia and The De Beers Group of Companies today signed a new 10-year sales agreement for the sorting, valuing and sales of Namdeb Holdings¹ diamonds. The sales agreement is the longest ever signed between the two partners.

Namibia will see a significant increase in rough diamonds made available for beneficiation as a result of the agreement, with US\$430 million² of rough diamonds being offered annually to Namibia Diamond Trading Company (NDTC)³ customers. As part of the agreement, all Namdeb Holdings' Special Stones⁴ will be made available for sale in Namibia.

In addition, the agreement provides for 15 per cent of Namdeb Holdings' run-of-mine production per annum to be made available to a Government-owned independent sales company called Namib Desert Diamonds Pty Ltd.

The agreement builds on the socio-economic contribution the partnership has made to Namibia since it was formally established in 1994. Namdeb Holdings is one of Namibia's largest taxpayers and the country's biggest foreign exchange generator, contributing more than one in every five Namibian dollars of foreign earnings.

¹ Namdeb Holdings is a 50:50 joint venture between the Government of the Republic of Namibia and De Beers and is the parent company for Namdeb (land) and Debmarine Namibia (marine) production

² This figure is index-linked to price so that volumes do not decrease relative to any price increases

³ NDTC is a 50:50 joint venture between the Government of the Republic of Namibia and De Beers to sort and value production from Namdeb Holdings

⁴ Typically, very large or unusual stones

Obeth Kandjoze, Namibia's Minister of Mines and Energy, said: "This new agreement cements Namibia's position as an important international diamond player and will provide further stimulus to advance our downstream industry. De Beers and Namibia have a longstanding and successful partnership and I am pleased we will continue working together for the benefit of Namibia and the diamond industry."

Philippe Mellier, CEO, De Beers Group said "This sales agreement – the longest ever between Namibia and De Beers – not only secures long-term supply for De Beers, but also ensures that Namibia's diamonds will continue to play a key role in national socio-economic development long into the future. Diamonds can have a powerful and transformative effect on a country's prospects when effectively managed and I commend our partners in Government for their vision regarding the role of diamonds in national development."

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ABOUT THE DE BEERS GROUP OF COMPANIES

De Beers is a member of the Anglo American group. Established in 1888, De Beers is the world's leading diamond company with unrivalled expertise in the exploration, mining and marketing of diamonds. Together with its joint venture partners, De Beers employs more than 20,000 people (directly and as contractors) across the diamond pipeline, and is the world's largest diamond producer by value, with mining operations in Botswana, Canada, Namibia and South Africa. As part of the company's operating philosophy, the people of De Beers are committed to *Living up to Diamonds* by making a lasting contribution to the communities in which they live and work, and transforming natural resources into shared national wealth. For further information about De Beers visit www.debeersgroup.com.

