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Petra Diamonds Ld  
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**Immediate Release**

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**Petra Diamonds Limited**

**Sale of 58 and 53 carat Cullinan white diamonds and Group tender update**

Petra Diamonds Limited ("Petra" or "the Company" or "the Group") announces that the two Cullinan white diamonds of 58 and 53 carats were sold in early November for US\$2.8 million. The strong prices achieved bode well for the values that could be realised from the exceptional 507 and 168 carat white diamonds, which were recovered in the same production series at the Cullinan mine in September this year.

Petra also announces an update with regards to the Group's tender prices for the last four months (since financial year end in June 2009), a period which has seen a consistent strengthening in rough diamond prices, especially at Cullinan, Koffiefontein and Williamson.

**Highlights:**

- The Company is very encouraged by the excellent prices achieved for the 58.49 and 53.31 carat white diamonds, which sold for US\$1.82m and US\$0.96m respectively
- Petra continues to assess the route to market for the 507.55 carat diamond in order to maximise revenues; expert analysis so far indicates that this stone is of exceptional colour and clarity
- The 168.00 carat diamond will be sold on tender soon and the Company will announce the value realised in due course
- Diamond prices realised at Petra's tenders have continued to strengthen since the financial year end; the most recent tenders in October (Williamson) and early November (South African production) saw particularly strong prices
- Petra has sold a number of 'special' diamonds from the Cullinan and Koffiefontein mines in the last four months (with detail on these sales set out in the table below)

**Johan Dippenaar, Petra's CEO, commented:**

"The rough diamond market has improved significantly in recent months, as evidenced by the strengthening of prices we have witnessed since early 2009. Our recent tenders have been particularly successful and this positive price environment bodes well for the sale of the exceptional 168 carat white Cullinan diamond, as well as for the overall earnings of our operations as we continue to increase Group production."

### Tender update

The rough diamond prices (average US\$ price per carat including 'specials') achieved over the last four months for each of Petra's operations are listed below:

	Latest tenders (Oct / Nov 2009)	Tenders for July to November 2009	FY2009 (year to June 2009)
<b>Cullinan</b>	125 <sup>1</sup>	74	66
<b>Koffiefontein</b>	796 <sup>2</sup>	378	252
<b>Williamson</b>	176	140	126
<b>Fissures</b>	160 <sup>3</sup>	150	186

### Notes:

<sup>1</sup> Includes US\$2.8m for the 58 and 53 carat diamonds; US\$89 per carat without these stones

<sup>2</sup> Includes US\$1m for a 34 carat white diamond; US\$494 per carat without this stone. Whilst the Company has seen increases in the prices achieved for Koffiefontein goods against the comparative periods, the very high increase in values since June 2009 is also partly due to the production returning to normal after resolving most of the technical issues reported in the Company's preliminary results of 19 September 2009

<sup>3</sup> Lower average due to the mix of the fissure production

### Sale of 'special' diamonds

Petra has sold a number of 'specials' over the last four months, as set out in the table below, including several small blue diamonds from Cullinan. These 'specials' deliver further upside to the Group over the usual run-of-mine production upon which Petra prudently bases its forward mine plans.

	Weight (carats)	Selling price (US\$)	Average price per carat (US\$)	Colour	Form
<b>Cullinan</b>	58.49	1,818,600	31,092	White	Rough
	53.31	960,600	18,019	White	Rough
	156.03	580,000	3,717	Brown	Rough
	93.04	560,000	6,019	Top light brown	Rough
	26.20	538,999	20,572	White	Rough
	23.06	529,920	22,980	White	Rough
	6.70	510,000	76,119	Blue	Rough
	3.37	208,230	61,789	Blue	Polished (6 stones)
	2.54	166,102	65,394	Blue	Rough
<b>Koffiefontein</b>	34.05	1,000,000	29,369	White	Rough
	19.59	270,888	13,828	White	Rough

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**About Petra Diamonds**

Petra Diamonds is a leading supplier of rough diamonds. A number of acquisitions have established Petra as one of the world's largest independent diamond groups by resources, with a total resource base of 262 million carats. Petra increased its annual production fivefold in the year to June 2009 to over 1 million carats and the Company's objective is to continue to increase supply and develop its stature as a world-class diamond group.

In South Africa, Petra has interests in five producing mines - Cullinan, Koffiefontein, Helam, Sedibeng and Star - and has also agreed to acquire, from De Beers, the Kimberley Underground mines (this acquisition is expected to complete imminently). In Tanzania, Petra has an interest in the Williamson mine. These mines are noted for the production of valuable diamonds, but in particular the Cullinan mine is famed as the source of the largest rough gem diamond ever found. More recently an internally flawless, fancy vivid blue diamond of 7.03 carats from the Cullinan mine sold for US\$9.4 million in May 2009, the highest price per carat ever paid for any gemstone sold at auction, and a white diamond of over 507 carats was recovered in September 2009.

Petra conducts all its operations according to the highest ethical standards, and will only work in countries which are members of the Kimberley Process.

The Company is quoted on the AIM market of the London Stock Exchange (AIM: PDL).

[www.petradiamonds.com](http://www.petradiamonds.com)

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