

MEDIA RELEASE

31 JULY 2018

JOHANNESBURG, SOUTH AFRICA

DE BEERS GROUP TO PROCEED WITH CLOSURE OF VOORSPOED MINE

*Decision to close mine follows comprehensive process to seek a suitable
new operator*

De Beers Group today announced that the De Beers Consolidated Mines Proprietary Limited (DBCM) Board has taken the decision to proceed with the responsible closure and rehabilitation of Voorspoed Mine in the Free State Province. This decision follows an extensive, transparent and comprehensive disposal process, which involved a rigorous due diligence exercise on the bidders to acquire the mine.

The disposal process was unsuccessful in identifying a suitable operator that met the specified criteria and therefore the responsible closure process will now be initiated in accordance with the company's values and with due consideration of employees and host communities.

Phillip Barton, DBCM CEO, said: "Our priority throughout the disposal process has always been the safety and wellbeing of our employees at Voorspoed Mine and we were committed to ensuring that any potential future operator would not only have the required technical and financial capability, but also values that are aligned with those of DBCM. Unfortunately, we have not been able to identify a bidder that met the necessary criteria and so we have reluctantly taken the decision to close the operation, in a responsible manner, as it is no longer economically viable for DBCM to operate the mine. We do not underestimate the impact this will have on Voorspoed Mine's employees and we have put in place appropriate support structures.

"When we opened the mine on 4 November 2008, the expected operating Life of Mine was approximately 10 years. With a young workforce, the mine has been managed and operated in an exemplary manner, of significance being the safety achievements in 2017 for the 'Best Safety Performance in Class' and 'Best Improved Safety Performance' for no Lost Time Injuries between 1 October 2014 and 14 June 2018 and no Medical Treatment Cases since 16 June 2015."

De Beers Group is committed to ensuring that it embarks on the closure process in consultation with its key stakeholders – employees, the union, host communities and the Department of Mineral Resources (DMR) – in a transparent and responsible manner, while continuing to uphold the highest safety standards at the mine until its closure at the end of this year.

DE BEERS

GROUP OF COMPANIES

Upon engagement with the DMR through the office of the Director General on 30 July 2018, the issue of job losses in the mining sector and mines being placed on care and maintenance was raised. The Director General requested that DBCM runs its closure process in parallel with a separate process through which the DMR will seek to identify and propose an operator capable of purchasing Voorspoed Mine (Proposed Operator).

DBCM confirms that it is in principle not opposed to the DMR's request of embarking on a process to identify a Proposed Operator within a 30-day period commencing on 1 August 2018 and ending on 31 August 2018. DBCM will engage further with the DMR in relation to the proposal in order to understand and finalise the basis upon which it will be undertaken.

In its South African portfolio, De Beers Group also operates the Venetia Mine in Limpopo Province and is currently making its largest ever investment in South Africa with a US\$2 billion project to take the mine underground and extend its operating life into the 2040's.

- ends -

CONTACT

De Beers Group press office
Tel +44 (0) 20 7430 3434
pressoffice@debeersgroup.com

De Beers Consolidated Mines
Jackie Mapiloko, Corporate Communications Manager
Tel +27 (0) 11 374 7173
Mob +27 (0) 83 436 8197
jackie.mapiloko@debeersgroup.com

ABOUT DE BEERS GROUP

De Beers Group is a member of the Anglo American plc group. Established in 1888, De Beers Group is the world's leading diamond company with expertise in the exploration, mining and marketing of diamonds. Together with its joint venture partners, De Beers Group employs more than 20,000 people 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 Group are committed to '[Building Forever](#)' 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 Group, visit www.debeersgroup.com.

