

# PRECIOUS MINERALS - DIAMONDS

## Batla Minerals SA

Batla Minerals, through its subsidiaries El Nino Mining and Alluvial Ventures, is a specialist contract miner with a proven track record in the field of processing minerals and tailings dumps on behalf of holders of mining rights. We have 18+ years of experience in contract mining with DeBeers, Gem Diamonds and similar companies and understand the intricacies that such relationships demand.

Batla Minerals is currently providing contract mining services in Lesotho. Two mining assets in the Northern Cape Province, SA, are currently in 'care and maintenance': Asapi 1058 and Boesmanland (Pty) Ltd.

### ALLUVIAL VENTURES - LESOTHO

**Summary:** Alluvial Ventures (wholly owned subsidiary) is currently providing contract mining for Gem Diamonds at their Letšeng mine. In early 2011, Alluvial Ventures expanded operations to include a new kimberlite crushing plant, based on a recently negotiated three-year contract with Letšeng.

The contract structure provides for Alluvial Ventures to independently mine and operate, and to earn an agreed-upon percentage from the sale of diamonds.

AV's production capacity averages 100 000 metric tons of kimberlite per month.

Saleable product	Diamonds
Mining methodology	Open cast
Status	Active operations
Owner of rights	Mining lease issued to Letšeng Diamonds, owned by Gem Diamonds

### STORM MOUNTAIN (KAO PIPE) - LESOTHO

**Summary:** Storm Mountain is the largest diamondiferous pipe in Lesotho, and the fourth largest in Southern Africa at 19.8 hectares. Mine development is planned in two phases to minimize risk. The company expects to ramp up production to 7-10 million tons/year.

The total resources include 173 million metric tons of kimberlite, containing an estimated 12.4 million carats. Life of mine is projected in excess of 40 years.

Phase I (2010-2014) will develop the K6 quarry portion of the pipe. Commercial production of this section is planned for September 2011. Planning and the feasibility study for Phase 2 is expected to begin 2012-2013.

Saleable product	Diamonds
Mining methodology	Open cast
Status	Ramping up to commercial production
Owner of rights	Storm Mountain Diamonds

### LOCATION OF ACTIVE DIAMOND OPERATIONS

