



PAUL ZIMNISKY DIAMOND ANALYTIC'S
STATE OF THE DIAMOND MARKET
INDEPENDENT MONTHLY DATA AND ANALYSIS

Mid-March 2018

Annual Subscription Rate: \$800 C\$1000 £600 €700

What you should be watching:

- ◆ The De Beers sight ending March 2 produced \$555M which was in line with the comparable sale last year, and -10% versus 2016.
- ◆ ALROSA sold \$533M of rough in February which was an increase of 37% over 2017.
- ◆ De Beers is estimated to have raised prices at both sights so far this year and ALROSA has noted increased prices in "most categories" in January through February.
- ◆ Secondary market rough is said to be trading at a 5% premium to primary market.
- ◆ Fallout from the Modi/Choksi \$2B banking fraud has not yet had a noticeable impact on rough or polished diamond prices.
- ◆ Arrests of employees at Punjab National Bank, Gitanjali and Modi's companies continue through March as the fraud investigation progresses.
- ◆ Stock in Choksi's publically-traded Gitanjali Group is down 75% since news of the fraud broke in early-February through the first week of March, Punjab National Bank shares are down over 40% during the same period.
- ◆ Both Modi and Choksi are thought to have fled India, their whereabouts are unknown.
- ◆ De Beers provided production guidance of 34-36M carats in 2018, which compares to actual production of 33.5M carats in 2017.
- ◆ De Beers is estimated to be currently producing at 95% of production capacity.
- ◆ Rio Tinto cut its reserve base at Argyle resulting in a remaining life-of-mine of 2.5 years, which is down from a previous plan of 3-4 years with the potential for extension.

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- ◆ The government of Zimbabwe, via ZCDC, expects to significantly ramp up production at its Marange alluvial fields to 10M carats annually by 2022 with the integration of conglomerate mining.
- ◆ Lucara appointed a new CEO and acquired private diamond sales innovation company, Clara Diamond Solutions, for C\$29M in stock.
- ◆ Cyril Ramaphosa, the recently appointed South African president, appointed a new mining minister, Gwede Mantashe, who is expected to work with the mining industry to come to agreeable terms on the proposed Mining Charter III.
- ◆ S&P downgraded Eskom, South Africa's state-run power monopoly, to CCC+ and warns of default which could impact South African diamond producers.
- ◆ The Angolan government has offered the former president's daughter Isabel dos Santos' diamond exploration rights to new investors.
- ◆ New diamond-bearing kimberlites have been discovered in south-eastern Zimbabwe, potentially marking a continuation of the field that hosts the Murowa mine.



Short-term trends:

- ◆ Global natural diamond production is estimated to decrease by 3.3% to 147M carats in 2018, as top producers ALROSA and Rio Tinto are forecast to decrease production.
- ◆ Global consumer diamond demand is expected to grow at low-to-mid single digits in 2018 driven by a stable U.S. consumer environment, returning growth in China, and overall positive global macroeconomic tailwinds supporting global growth, financial markets and consumer sentiment.
- ◆ The Modi/Choksi fraud involving Punjab National Bank is estimated to exceed \$2B and is likely to impact financing availability to the midstream segment of industry and retail demand in India.
- ◆ Major Chinese jewelers are positive on current consumer demand in Greater China in recent quarters on the back of stronger same-store-sales, a general resumption of economic growth, positive consumer confidence, and a stronger yuan.
- ◆ Greater China retail proxy, Chow Tai Fook, has seen five consecutive fiscal quarters of same-store-sales growth in Mainland China, and four in Hong Kong/Macau, through year-end 2017.
- ◆ Chow Tai Fook net new-store-openings are at the highest level in recent years despite still being below levels 5-to-8 years ago.
- ◆ The largest U.S. jeweler, Signet Jewelers, is restructuring by selling its customer credit portfolio, closing underperforming mall-based stores, expanding at off-mall locations, integrating web and digital into sales strategies, focusing on brand equity building (rather than promotion), and making executive level changes.
- ◆ The U.S. dollar has been trending lower since late-spring 2017 against many major currencies which is supportive of non-U.S. diamond demand but has pressured operating costs of some miners.
- ◆ De Beers is making a significant investment in blockchain technology via a “diamond traceability platform.”
- ◆ ALROSA accounts for zero production from the Mir mine through 2020, after a flooding accident in summer-2017 halted production.
- ◆ The construction of ALROSA's Verkhne-Munskoye mine is on pace to be completed in 2018 with first full commercial production of 1.8M carats annually expected in 2020.

- ◆ De Beers is building a new \$142M offshore mining vessel to grow its Namibian offshore operations.
- ◆ Recent political changes in Angola and Zimbabwe have led to optimism of a more transparent and investible diamond industry in the two nations.
- ◆ ALROSA made a foray into generic diamond marketing in Russia in December 2017 “aimed at educating consumers and creating a culture and tradition of diamond jewelry consumption.”
- ◆ Non-governmental organization, IMPACT (previously Partnership Africa Canada), left conflict diamond prevention scheme, Kimberly Process in December 2017, in protest after proposed reforms, including widening the scope of the scheme beyond conflict diamonds, were not adopted.
- ◆ U.S.-based lab-diamond producer Diamond Foundry is opening a “megafactory” in H2 2018 that will have an estimated production capacity of 1M carats.



Long-term trends:

- ◆ Major miners continue to be expected to curtail supply to market if necessary to restore supply/demand balance.
- ◆ Legacy mines Argyle, Victor and Voorspoed, as well as De Beers' alluvial mines in Namibia, are approaching end-of-life and are expected to be closed within the next five years.
- ◆ Production at ALROSA's largest mine, Jubilee, is set to decrease from an estimated 10M carats in 2017 to 5M carats by 2020 as the mine experiences regular depletion.
- ◆ The Luaxe project in Angola has the potential to be a top-five largest-producing-mine in the world, as one of only two new mines globally in development with an estimated annual production capacity in excess of 1M carats (the other is ALROSA's Verkhne-Munskoye).
- ◆ ZCDC, Zimbabwe's government-run diamond unit, has plans to ramp production to 10M carats annually by 2022 at the recently nationalized Marange operations as a foray is made into conglomerate mining supported by a \$400M investment program over the next five years.
- ◆ With the closure of the Argyle mine in 2020 the industry is set to face at least a two-year supply gap until commercial production commences at Luaxe and/or production at Marange is ramped-up.
- ◆ Both De Beers' and ALROSA's have been reducing excess inventory levels since 2015.
- ◆ Canada and Angola arguably remain the two most prospective jurisdictions for grassroots diamond exploration.
- ◆ Midstream segment consolidation continues as manufacturing margins tighten and more stringent business practice requirements force out smaller, less-sophisticated companies.
- ◆ Implementation of a new currency regime and tax policy in India is forcing midstream companies to be more transparent.
- ◆ India's Surat Diamond Bourse, expected to be completed as early as 2020, will further fragment global diamond trading.
- ◆ Polished manufacturers and wholesalers are facing pressure from retailers to offer more goods on memo (i.e. consignment versus outright sale).

- ◆ The U.S. retail market continues to be the foundation of global diamond demand, representing almost 50% of the market.
- ◆ Middle-class population growth in Mainland China and India continue to be the strongest driver of global diamond demand growth, albeit the rate of new jewelry store openings in Mainland China has been slowing relative to earlier this decade.
- ◆ China's government has taken steps to incentivize more consumer consumption domestically.
- ◆ China's appetite for diamonds appears to be evolving towards less-expensive, lower-quality varieties which is similar to that in the U.S.
- ◆ India is the diamond industry's third largest and fastest growing consumer market in part driven by population growth which is approaching that of China at 1.32B people.
- ◆ Generic diamond marketing is returning via the Diamond Producers Association with a focus on new consumer generations and non-bridal diamond demand in the U.S, China, and India.
- ◆ Consumer demand for branded jewelry is increasing and transparently-sourced diamonds with a "mine-to-market" story are growing in popularity.
- ◆ Declining marriage rates in developed markets is impacting bridal diamond demand, but self-purchases by women are on the rise.
- ◆ A trend of retail "omni-channel" strategies is growing as customers prefer researching diamonds online first before buying in store.
- ◆ Lab-created diamond quality advancement and supply growth poses a legitimate competitive threat to the natural diamond jewelry market, although current gem-quality lab-created production is still relatively small compared to natural diamond output at an estimated <3% of combined supply by value.
- ◆ Most capital being invested in the development of lab-created diamonds appears to be aimed at producing consistent, high-quality product economically, fit for scalable use in high-tech application, not necessarily jewelry.



Supply overview:

When Rio Tinto published its annual report on March 2, it reflected a reduced reserve base of 38.5M carats for the Argyle mine. At current production rates the updated reserve translates into only 2.5 years of remaining production at the mine, which is down from a previous plan of 3-4 years with the potential for extension. The change is significant considering that Argyle is the world's largest production contributor on a volume basis, having produced 17.1M carats last year.

When Argyle production concludes sometime in 2020, the industry will be faced with a pending supply gap between then and whenever Endiama and its partner ALROSA commence commercial production at their Luaxe development project in Angola. ALROSA has indicated that first commercial production at Luaxe could be as early as 2022, but actual production potential has still not officially been determined. Initial estimates point to annual production as high as 10-12M carats annually, but on the low-end, Luaxe's annual production rate could be similar to that of the neighboring Catoca mine, which produces 6.7M carats a year. The mines are only 20km from each other and the quality of Luaxe diamonds are said to be very similar to that of Catoca, but Luaxe ore is said to be of higher grade.

Outside of Luaxe, there is currently only one other project in development that will significantly impact supply on a global scale: Verkhne-Munskoe. ALROSA's Verkhne-Munskoe mine in Russia will begin commissioning later this year and will ramp up to 1.8M carats

of production annually by 2020. Verkhne-Munskoe will offset some of the company's production lost following the accident at the Mir mine last summer. Mir produced 2.8M carats last year prior to the accident and 3.2M carats in 2016. The company is currently accounting for zero production from Mir through 2020, but is considering potential options to rebuild the mine, which would require significant capital expenditure, potentially exceeding \$100M.

At around the same time Luaxe will be commencing production, the government of Zimbabwe, via ZCDC, expects to significantly ramp up production at its Marange alluvial fields with the integration of conglomerate mining. The Zimbabwe government recently injected \$80M (plus an additional \$35M facility) into the project which is being used to fund a processing plant, mobile crushers, earth moving equipment and drill rigs. ZCDC has said the funding is part of a plan to invest a total of \$400M over the next five years across the Marange "diamond mining value chain." The government has said that production will ramp-up to 10M carats per year by 2022, which compares to estimated production of 3.4M carats this year and only 2.1M carats in 2017.

The Marange fields produced as much as 17M carats annually as recently as 2013, representing a noteworthy contribution to global diamond production volume. However, in recent years most of the easy-to-mine loose gravel has been depleted. Marange diamonds tend to be lower in quality as many are small, greenish-brown in color, and are coated.

Demand overview:

The first week in February news broke that Indian jewelry magnets Nirav Modi and Mehul Choksi were being investigated by India's Central Bureau of Investigation for using fraudulent Punjab National Bank letters of undertaking. The men allegedly bribed bank officials to provide guarantees which were then used to advance money to overseas shell companies controlled by them.

Modi, who comes from a long-line of diamond and jewelry businessman, founded Firestar Diamonds in 1999, a diamond trading and jewelry manufacturing company. He quickly grew Firestar to a multi-million-dollar international company through acquisition and in 2010 opened a line of high-end name stake stores with locations spanning New York, London and Singapore.

Choksi is Modi's uncle and is an executive and large shareholder of Gitanjali Group, a publically traded Indian jeweler with an international presence. Gitanjali had revenue approaching \$2B as recently as last year and is India's largest jeweler with a market share of about 50%.

On February 14, state-run Punjab National Bank disclosed that the amount of money tied to the scheme could approach the equivalent of \$2B. Days later the Indian government said they believed that both Modi and Choksi had fled the country. Around the same time, the Central Bureau of Investigation arrested multiple Punjab National Bank employees and a

high-level employee of Modi, and began seizing possessions from Modi's home and office and commenced a search at Choksi's Gitanjali Group. On February 27, several of Modi's companies filed for bankruptcy protection.

Arrests of employees at Punjab National Bank, Gitanjali and Modi's companies continue through March as the investigation progresses. Stock in Choksi's publically-traded Gitanjali Group is down 75% since the news broke through the first week of March (with the fall limited by circuit breakers) and Punjab National Bank shares are down over 40% during the same period.

Despite industry-wide concerns related the fraud, ranging from tightened credit availability to the manufacturing industry and related liquidity issues to negative publicity impacting retail demand, the diamond market has not yet seen a noticeable impact on rough or polished prices through the first week of March. Year-to-date, rough prices are up 1.4%¹ and polished prices are up 2.6%².

Demand at De Beers' sight ending on March 2 was in line with the comparable sale last year, coming in at \$555M. Factoring in price changes relative to the assortments offered, it appears that on average De Beers raised prices slightly on a like-for-like basis. The company noted a continuation of good demand across categories, and positive early signs of Chinese New Year demand, the Chinese market's primary holiday season for diamond purchases.

¹ Rough diamond price change is based on the Zimnisky Global Rough Diamond Price Index. More information can be found at www.roughdiamondindex.com.

² Polished diamond price is based on data gathered via sampling of online retailers, specifically round, 0.5-1.5 carat, near-colorless, VS-clarity, VG-cut diamonds.

ALROSA has also recently seen strong demand for rough, with February sales coming in at \$533M, a significant 37% increase year-over-year. The company commented that core markets (e.g. the U.S. and China) have been strong year-to-date with prices higher in most categories.



Company update: (Note: P-Producer, E-Explorer/developer, R-Retailer)

P - De Beers (85% Anglo American, LSE: AAL, 15% Gov't of Botswana): On February 22 De Beers provided 2018 production guidance of 34-36M carats which compares to actual production of 33.5M carats in 2017 and 23.7M carats in 2016. The year-over-year production boost is likely to come from the company's Jwaneng mine in Botswana which produced 11.9M carats worth \$2.3B in 2017, which by itself represented 17% of all global diamond supply by value last year. The mine, which is estimated to produce 13.5M carats worth \$2.7B this year, has an estimated resource of over 350M carats and a remaining mine-life of 25 years. De Beers is also expected to see incremental production from its Damtshaa mine, also in Botswana, which the company took off of care-and-maintenance late last year. Damtshaa produced 221k carats in 2015, its last full-year of production, and 303k carats in 2014. With the company-wide production ramp-up, De Beers is now producing at an estimated 95% of production capacity, which compares to 91% last year and only 80% in 2016. On February 22, De Beers also (for the first time in the company's history) provided longer-term production guidance of 32M carats for both 2019 and 2020, with the drop-off in 2019 primarily attributed declining open pit production at Venetia and Victor reaching end of mine life.

P - Lucara Diamond Corp (TSX: LUC): On February 25 Lucara announced that Eira Thomas would be taking over for William Lamb as CEO effective immediately. The same day the company also announced the acquisi-

tion of privately-held Clara Diamond Solutions for C\$29M in stock. Clara is a diamond sales innovation company that utilizes cloud and blockchain technologies to sell rough directly to manufactures on an à la carte basis. According to Lucara, the system will be used to sell some of the company's >1-carat sized rough, not including fancies and specials. During a trial with \$6M of Lucara rough, the study showed 18-23% improvement in diamond price achieved. Shares of Lucara are currently trading just off of a two-year low as investor enthusiasm for the company has cooled in recent years following a longer than anticipated ramp-up of the company's new mining contractor and the need to move more waste rock than initially thought to gain full access to cut-2 of the south lobe portion of the Karowe ore body. The south lobe was the source of the record-breaking "Lesedi" and "Constellation" diamonds recovered in 2015. The company's 2018 production guidance is 270-290k carats with up to 85% of production expected to come from south lobe ore. The Karowe mine in Botswana commenced production in 2012 and is Lucara's sole producing asset.

E - Peregrine Diamonds (TSX: PGD): On February 15, Peregrine announced that the company's 2017 drill program added 11.4M inferred carats to the company's 100%-owned Chidliak diamond project in northern Canada. Chidliak hosts 74 kimberlites of which the CH-6 and CH-7 hold an inferred resource of 18M and 4M carats, respectively. Prior to the increased resource, a preliminary economic assessment completed in 2016 gave Chidliak a

10-year mine life (using a 11.6M carat resource) with 1.2M carats of annual production and an average diamond price ranging from \$153-178 a carat. A revised economic assessment is expected later this year. On a July 10, 2017 analyst call, management mentioned that the company had been in late-stage discussions with a strategic partner but a deal was not finalized. Peregrine previously has had arrangements with majors to jointly advance Chidliak including **BHP Billiton (ASX: BHP)** and **De Beers Canada**, but the former parted ways in 2011 upon exiting the diamond business and the latter did not elect a partnership option when parent **Anglo American (LSE: AAL)** cut its company-wide exploration budget in 2013.

E - North Arrow Minerals (TSX-V: NAR): On February 28, North Arrow released results from a C\$2M 210 tonne mini-bulk sample collected in July 2017 from the company's 100%-owned Naujaat project in Nunavut, Canada. 1,991 diamonds were recovered weighing a total of 64 carats, with three notable diamonds recovered weighing 5.25, 2.09 and 1.06 carats, respectively. Yellow diamonds represented approximately 10% of the sample. The Naujaat project (previously referred to as Qilalugaq) has an inferred resource of over 26M carats. Last fall, North Arrow announced the discovery of a diamond bearing kimberlite at its 100%-owned Mel project which is approximately 200km northeast of Naujaat. The company has plans to set up a Mel exploration camp and drill the property in May of this year. On March 5, North Arrow also announced that it has commenced an exploration drilling program at the company's 100%-owned Loki project in the

Northwest Territories. Loki is approximately 25-30km from the world-class Ekati and Diavik mines.

E - Dunnedin Ventures (TSX-V: DVI):

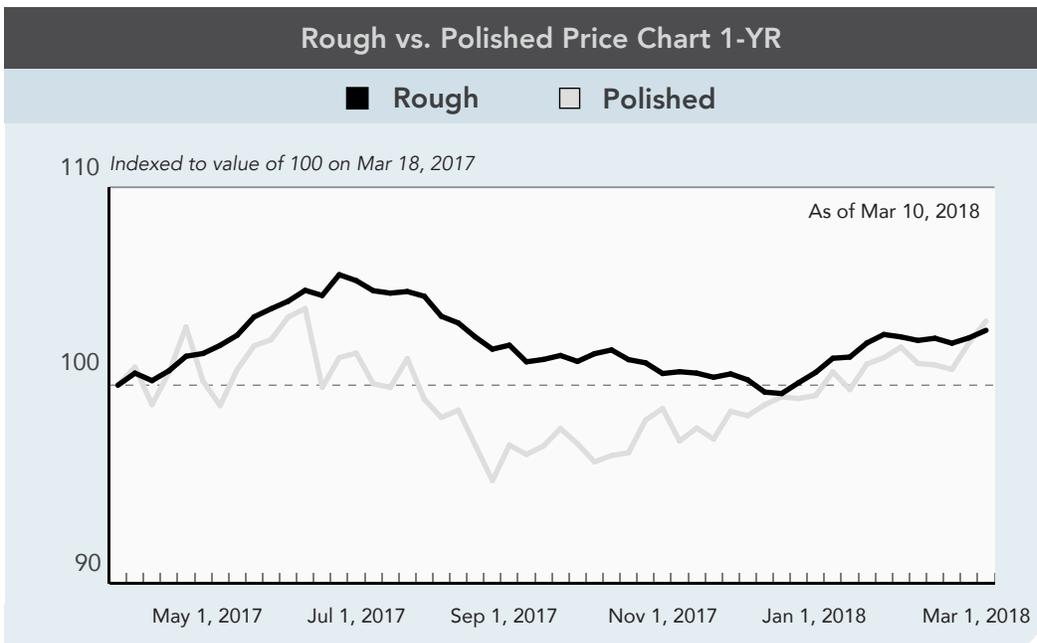
Dunnedin is on track to commence the company's first drill program in March at its 100%-owned Kahuna project in Canada's Nunavut territory following two years of sampling and analysis. The project currently hosts two diamondiferous kimberlite dikes and has an existing 4M carat inferred resource but is open at depth and has the potential to yield up to an estimated 10-20M carats. The C\$1.5-2.0M drill program is expected to run through late-May and will test 10-15 high-priority kimberlite targets with sample results expected by late summer. The Kahuna property is approximately 30-40km from **Agnico Eagle's (TSX: AEM)** Meliadine gold project which is expected to commence commercial production next summer and eventually produce upwards of 400k oz of gold annually. In January, Dunnedin spun-out the gold rights of the Kahuna property into Solstice Gold -one share of Solstice was distributed for every three shares of Dunnedin. Kahuna was held by **Shear Diamonds (defunct)** before they left the project behind in 2010 to focus on resurrecting the dormant Jericho diamond mine, which never materialized. Dunnedin acquired the project in 2014 from property vendors.

E - Lithoquest Diamonds (TSX-V: LDI): A newcomer to the junior diamond exploration scene, Lithoquest Diamonds has plans to spend C\$1.5-2.0M on its North Kimberley project in western Australia in 2018. Kimberlite in-

indicator minerals on the property are believed to provide evidence of a diamond bearing kimberlite cluster. Lithoquest has a goal of drilling 2-3 targets this year hoping to confirm kimberlite, and if so, get an initial estimate of the size and possibly find a presence of diamonds. If diamonds are found a bulk sample could be planned by late-2018 or early-2019. The project is approximately 250km from Argyle and over 500km from Ellendale, Australia's two largest diamond mines, however, Argyle and Ellendale are lamproite ore bodies and there is no assumed geological relationship to the North Kimberley kimberlite project. Argyle has a remaining mine-life of only 2.5 years (see "Supply overview" section above) and mining at Ellendale ceased in May 2015 due to depletion. Ellendale was known for producing approximately 50% of the world's fancy yellow diamonds and supplied **Tiffany & Co's (NYSE: TIF)** subsidiary, Laurelton Diamonds.



Diamond prices:



Rough vs. Polished Price Change in Percent Comparison

	1 Month	3 Month	6 Month	52 Week	YTD '18
Rough	0.38%	3.14%	1.45%	2.77%	1.39%
Polished	2.11%	4.26%	6.50%	3.24%	2.55%

Figures represent percent change in price for period.

Note: Rough diamond price proxy is the Zimnisky Global Rough Diamond Price Index. More information can be found at www.roughdiamondindex.com. Polished diamond price is based on data gathered via sampling of online retailers, specifically round, 0.5-1.5 carat, near-colorless, VS-clarity, VG-cut diamonds.



Rough sales:

Rough Diamond Sales by Industry Leaders						
	De Beers			ALROSA		
	In US\$M	YoY Chg	2YoY Chg	In US\$M	YoY Chg	2YoY Chg
2014	6,390	N/A	N/A	4,909	N/A	N/A
2015	3,468	-46%	N/A	3,437	-30%	N/A
2016	5,587	61%	-13%	4,381	26%	-11%
2017	5,300	-5%	53%	4,259	-3%	24%
<u>2018</u>						
Jan	665	-9% ¹	22%	505	38%	N/A
Feb		No Sale		542	35%	N/A
Mar	555	0%	-10%	TBD	TBD	TBD
YTD	1,227	-4.3%	5.6%	1,046	36%	N/A

¹De Beers' January 2018 sale not comparable to 2017, see explanation below.

Note: De Beers figures on a consolidated basis, i.e. sales net to company. ALROSA figures also include polished sales, however polished sales by the company represent <3% of total sales. De Beers' January 2018 sale was not comparable to 2017 as goods from the last sale of 2016, in which deferral was allowed following India's demonetization, were purchased in January of 2017, and thus inflated the figures.

Rough Inventory:

5-YR Inventory Analysis of Industry Leaders						
	De Beers			ALROSA		
	Production	Sales	Inv. Chg	Production	Sales	Inv. Chg
2013	31.2	29.8	+1.4	36.9	38.0	-1.1
2014	32.6	34.4	-1.8	36.2	39.6	-3.4
2015	28.7	20.6	+8.1	38.3	30.0	+8.3
2016	27.3	32.0	-4.7	37.4	40.0	-2.6
2017	33.5	35.1	-1.6	39.6	41.2	-1.6
Total	153.2	151.9	+1.3	188.4	188.8	-0.4

Figures in millions of carats.

Note: All figures in millions of carats. A negative "Inv Chg" figure indicates an inventory draw; a positive figure indicates an inventory build. De Beers figures on a 100% basis, i.e. non-consolidated, except for Gahcho Kué, where De Beers' production and sales figures represent 51% of gross mine production.

Supply/demand forecast:

Global Diamond Supply/Demand Forecast					
	Rough		Polished ¹		Price
	Supply	Growth	Demand	Growth	Growth ²
	In nom. US\$B	In real terms	In real US\$B	In real terms	In real terms
2016A	14.3	-	22.3	-	-8.1%
2017A	15.5	6.2%	22.9	2.9%	2.9%
2018	15.6	-0.8%	23.7	3.1%	3.8%
2019	15.6	-0.6%	24.3	2.8%	3.4%
2020	15.8	0.1%	25.0	2.7%	2.5%

¹Based on polished diamond content sold at retail level.
²Implied rough diamond price growth, see explanation below.

Note: All figures in real terms tied to 2016 dollars except for the first column. "Rough Supply" figures presented in nominal terms and only include natural diamond production, however "Rough Growth" figures include a factor for growth in lab-created production and growth in recycled diamond supply, presented in real terms. "Polished Demand" figures based on real global jewelry and watch demand estimate assuming approximately 90% of jewelry and watch market is represented by jewelry, 50% of jewelry is diamond jewelry, and 28-30% of diamond jewelry is polished diamond content. Industrial-grade natural diamond demand represents <1% of "Polished Demand" figure. "Polished Growth" is based on GDP growth estimates of diamond industry's primary markets. "Price Growth" is implied real rough diamond price growth; 2016 and 2017 figures are actual real rough diamond price changes based on the Zimnisky Global Rough Diamond Price Index (more information can be found at www.roughdiamondindex.com). Supply and demand of synthetically created industrial-grade diamonds not included above. 2016 Global jewelry and watch market demand according to U.S. Bureau of Economic Analysis and Census. Analysis assumes that the U.S. represents an estimated 50% of global jewelry and watch demand. Inflation and GDP growth estimates based on OECD projections. **The upstream diamond industry is an oligopoly and major miners produce according to changing market conditions which is not accounted for in above forecasts.

What was happening this time last year:

- ◆ Signs of returning customer demand following India's demonetization led ALROSA to increase production and sales guidance for 2017.
- ◆ De Beers' reduced customer allocations as beneficiation to government partners was increased, particularly in Namibia.
- ◆ India was beginning the process of transitioning to a more centralized goods and service tax regime, which would impact Indian diamond manufacturers.
- ◆ Supply from three new mines, Gahcho Kué, Renard and Liqhobong, was beginning to hit the market.
- ◆ ALROSA began providing details on the Luaxe project in Angola, implying the largest undeveloped diamond project in the world.
- ◆ The Diamond Producers Association announced plans to increase its marketing budget.

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