

# Annual General Shareholders Meeting

Australia, November 2018

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# Forward looking statement

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Certain information set forth in this presentation contains “forward-looking statements” and “forward-looking information” under applicable securities laws. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements, which include management’s assessment of future plans and operations and are based on current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. Some of the forward-looking statements may be identified by words such as “forecasts”, “estimates”, “expects” “anticipates”, “believes”, “projects”, “plans”, “outlook”, “capacity” and similar expressions.

These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause the Company’s actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements.

These risks and uncertainties include, but are not limited to: risks that the presence of diamond development mining prospects mentioned nearby the Company's property are not indicative of the mineralization on the Company's property, the supply and demand for, deliveries of and the level and volatility of prices of rough diamonds, risks that the actual revenues will be less than projected; risks that the target production for the existing mining projects will be less than projected or expected; risks that production will not commence as projected due to delays to on governmental agency oversight or the timely completion of a JORC compliant report; technical problems; inability of management to secure sales or third party purchase contracts; currency and interest rate fluctuations; foreign exchange fluctuations on functional currency on ZAR/USD; various events which could disrupt operations, including labour stoppages and severe weather conditions; and management’s ability to anticipate and manage the foregoing factors and risks.

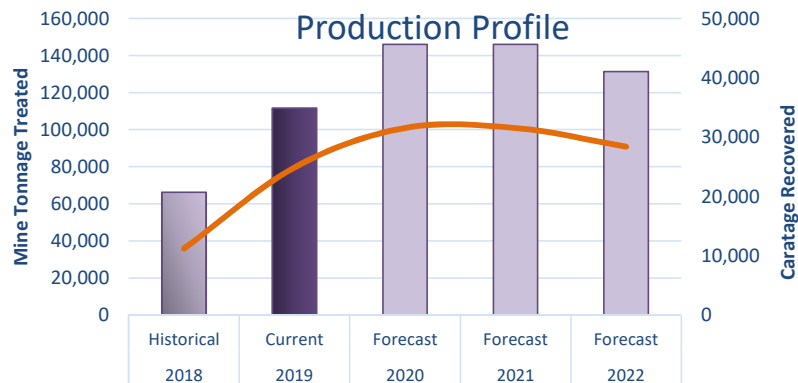
The forward-looking statements and information contained in this press release are based on certain assumptions regarding, among other things, future prices for diamonds; future currency and exchange rates; the Company’s ability to generate sufficient cash flow from operations and access capital markets to meet its future obligations; and the Company’s ability to retain qualified staff and equipment in a cost-efficient manner to meet its demand. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

The reader is cautioned not to place undue reliance on forward-looking statements. The Company does not undertake to update any of the forward-looking statements contained in this presentation unless required by law. The statements as to the Company’s capacity to achieve revenue are no assurance that it will achieve these levels of revenue.

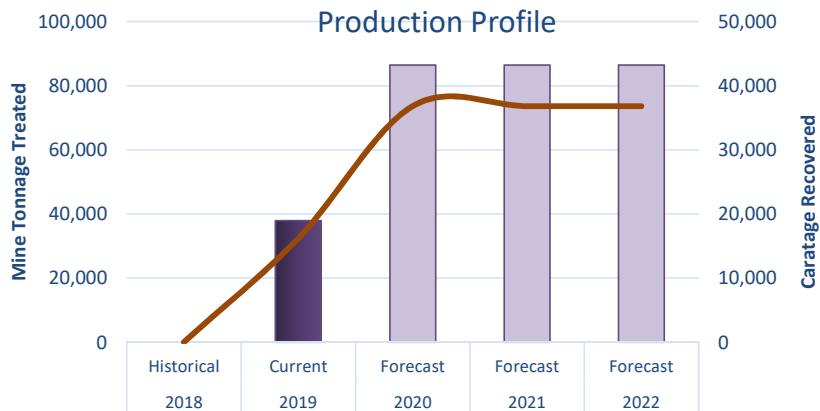
# Highlights



## Sedibeng Diamond Mine



## Star Diamond Mine



■ Tonnage Profile  
 — Carats Profile

\* Forecast supported per CPR , Dec 2017 Mine Plan

- ▲ Strong results at both Sedibeng and Star Diamond Mines with increase of mine tonnage hoisted and treated.
- ▲ Sedibeng plant processed 27,640 metric tonnes (mt) for the three months ending 30 October 2018; Moving forward the mine is expected to maintain processing at 9,000 tons per month reaching steady state production levels.
- ▲ Star Diamond Mine primary ore treated for the three months ending 30 October 2018 recorded tonnage of 4,881 mt tons and maintained a recovered grade pf 37.42 carats per hundred tons (cph). The break-even production mine rate of 3,000 mt is expected to be reached by November 2018 and the targeted steady state designed capacity of 5,000 tonnes to be reached by February 2019.
- ▲ Higher prices recorded as a result of stronger demand and the inclusion of more exceptional gem quality stones and larger stones support pricing achieved of US\$406 per carat (crt) at the last two tenders and a reserve pricing placing of US\$437 per crt at the upcoming December 2018 tender on Sedibeng production.
- ▲ Independent Competent Person’s Report on Bellsbank has confirmed the presence of a kimberlite pipe deposit, approximately 0.35ha in size with estimated grade of 10 to 30 cph. Processing of bulk sample material started in September 2018.

# Quarterly Results, Q1 FY2019



## Activity Summary

	Sedibeng	Star Diamond	Total*
Tonnes hoisted	22,613	3,828	26,441
Tonnes processed	25,129	3,057	28,186
Tonnes stockpiled	1,800	771	2,571
Carats produced in qtr	3,814	1,096	5,192
Actual Sales (Carats)	1,459.78	448.28	1,908
Actual Price/Carats (US\$)	\$481.37	\$163.55	\$406.70
Actual Sales (US\$)	\$702,694	\$73,316	\$776,007
Total Costs	\$ 1,795,444	\$806,128	\$2,601,572
Average costs per ton treated?	\$71.44	\$263.70	\$92.30
Carats in inventory	1,231	4,774	6,004
Carats in next Tender			3,284
Notional Pricing (US\$)			\$335
Indicative Inventory Value (US\$)			\$2,221,983

\* This reflects 100% output. FBX owns 74% of attributable output

## Quarterly Sales Comparative

	Q4 2018	Q1 2019	Variance
Actual Sales (Carats)	3,538	1,908	(1,630)
Actual Sales (US\$m)	\$1,199,382	\$776,007	(\$423,375)
Actual Price/Carats (US\$)	US\$338	US\$406.70	US\$68.70
Diamond Inventory (carats)	890	3,284	2,394
Indicative Inventory Value (US\$)	\$234,960	\$2,221,983	\$1,987,023

- ▲ The consolidated operating results in terms of tons hoisted from underground development activities has increased substantially although carat production continued to be restrained due to delay in commissioning of the new mining stopes at Sedibeng, and the unplanned intersection of a fissure roll at Star.
- ▲ The newly implemented mining method has shown encouraging results. An independent commissioned engineering report indicates that fissure width and strike are highly suitable for more mechanised mining technique.
- ▲ Star Diamond Mine started production late July 2018 and is expected to ramped-up to reach the targeted production steady state rate of 5,000 tonnes per month by the end of February 2019.
- ▲ Higher prices recorded as a result of stronger demand and the inclusion of more exceptional gem quality stones and larger stones.

## > 90% Gem quality with strong potential for exceptional stones



Sedibeng two day production sort parcel



36.1ct (Oct'18)



21,6 ct (July'18)



24.7ct (Sept'18)



14,6ct (Aug'18)

- ▲ Sedibeng Diamonds achieved an average **US\$407** per carat over the last three tenders.
- ▲ **Exceptional stones** recovered from Sedibeng during the year based on gem quality

**31.2 carat sold for US\$15,942 /crt**

**21.6 carat sold for US\$15,120 /crt**

**13. 1carat sold for US\$6,000 /crt**

# Bellsbank Kimberlite Pit - Bulk Sampling Program



- ⚠ An independent Competent Person's Report has confirmed the presence of a kimberlite pipe deposit, approximately 0.35ha in size with a fissure extension to the north and south, and with estimated grade of 10 to 30 cpht.
- ⚠ Blast hole drilling at Bellsbank has intersected uncalcretised kimberlite material at a depth of 27m below surface. Pit Phase 1 is designed to extract a minimum bulk sample of 100,000 tonnes of this fresh kimberlite material.
- ⚠ Extraction and processing of 3,348 mt of the Bellsbank bulk sample material till November utilising the recently completed, dual-purpose tailings and bulk sample processing plant at Sedibeng.
- ⚠ The biggest stone recovered from an earlier plant commissioning sample taken from shallower, calcretised Bellsbank material was 9.20 carats. The quality of the Bellsbank diamonds appears readily comparable with Sedibeng.



Mining activities in the Bellsbank Pit



Bulk Sample Pit at 27m



9.20 carat stone recovered



Bulk Sampling Plant

# Outlook

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- Targeted primary ore throughput of 10,000 tonnes per month at Sedibeng (current 8,000 tonnes) is expected to be reached by December 2018;
- Margins and reliability to improve at both mines with the introduction of new mining method;
- High probability of high value stones expected to be recovered at Sedibeng;
- Recent commissioning of the dual tailings and bulk sample plant allows the cost effective treatment of Bellsbank Pit material and available tailings material at Sedibeng Mine; and
- The Star mine recommenced processing activities and are forecasted to reach targeted primary ore throughput of 5,000 tonnes per month by February 2019, current 2,500 tonnes.

“We thank you for the opportunity”



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