



MEDIA RELEASE

For Immediate Release

De Beers officially opens two mines in Canada

Toronto, Ontario (July 24, 2008) – De Beers will officially open its first two mines in Canada this week by James K. Gowans, President of De Beers Canada, and Nicky Oppenheimer, Chairman of De Beers Group.

On July 25, the Snap Lake Mine, located approximately 220 km northeast of Yellowknife in the Northwest Territories, will be the first De Beers mine outside of southern Africa. The next day on July 26, the Victor Mine, located in northeastern Ontario, will officially launch and will be the first diamond mine in Ontario.

“Everyone has worked very hard to bring the Snap Lake and Victor Mines into production,” says Jim Gowans, President of De Beers Canada. “It has taken us several years and over \$1 billion to build each mine, and along the way, we have built strong relationships with local communities and upheld the highest environmental standards. I’m very proud of what we have accomplished.”

From exploration through production, the diamond industry is bringing employment and economic growth, training and education, and business opportunities for remote Aboriginal communities in Canada. Between Snap Lake and Victor Mines, over \$650 million dollars has been spent with aboriginal business. “De Beers contributes to sustainable communities and economies wherever we operate and we are proud of the relationships we have developed,” says Jim. “We believe that meaningful consultation is required to develop mutual trust and long-term cooperative relationships with Aboriginal communities.”

De Beers has signed a four Impact Benefit Agreements (IBA) for the Snap Lake Mine including the Yellowknife Dene First Nation (November 2005), the Tlicho Government (March 2006), the North Slave Metis Alliance (August 2006) and Lutsel K’e and Kache Dene First Nation (April 2007). The Victor Mine has signed three community agreements for the Victor Mine including an IBA with the Attawapiskat First Nation (November 2005), a Working Relationship Agreement with the Taykwa Tagamou Nation (May 2005), and an IBA with Moose Cree First Nation (September 2008).

De Beers is also committed to supporting the secondary diamond industry in Canada. As such, agreements have been reached with the Governments of the Northwest Territories and Ontario for De Beers to make available for sale ten percent (10%) of diamonds from the Snap Lake Mine and Victor Mines, by value, to provincially approved manufacturers who have successfully fulfilled the Diamond Trading Company’s client selection criteria.

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Background notes to editors:

Snap Lake Mine:

- The Snap Lake Mine located in the NWT is Canada's first fully underground diamond mine and De Beers first mine outside of southern Africa.
- The Snap Lake Mine will employ 560 people during production and will have an annual production rate of 1.4 million carats.
- The mine life is expected to be close to 20 years.
- The Snap Lake ore body is a 2.5 metre thick dyke that dips an average of 12-15° from the northwest shore down under the lake. It is unlike most diamond-bearing kimberlite deposits, which are shaped like pipes or carrots.
- Snap Lake is the only diamond mine in Canada's Northwest Territories (NWT) that has certified its environmental management systems to ISO 14001 standards before operations had started.

Victor Mine:

- The Victor Mine, located near Attawapiskat First Nation in northern Ontario, will be Ontario's first diamond mine.
- The Victor Mine will employ 400 people during production and will have an annual production rate of 600,000 carats.
- Victor is one of 18 kimberlite pipes discovered on the property, 16 of which are diamondiferous. The Victor kimberlite has a surface area of 15 hectares and consists of two pipes that coalesce at the surface: Victor Main and Victor Southwest.
- The mine will be open-pit with an expected life of 12 years and a total project life of 17 years.

De Beers Group:

- De Beers has three shareholders: Anglo American (45%), Central Holdings (40% - representing the Oppenheimer family) and the Government of the Republic of Botswana (15%).
- The De Beers Family of Companies is involved in most parts of the diamond value chain. This includes exploration on four continents, and mining in Canada, Botswana, Namibia, South Africa and Tanzania.
- At the end of 2007, De Beers employed about 20,000 people around the world.
- The De Beers Family of Companies produces about 40 percent of world production by value, and 45 per cent of rough diamond distribution.