

Paragon Diamonds Ltd

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Paragon Diamonds eyes revenues of US\$160mIn from two Lesotho mines

Paragon Diamonds (LON:PDG) has confirmed it will fast-track its mines at Lemphane and Mothae in Lesotho into production this year.

At full operational capacity (within the next three years) Paragon expects to be a 5MIn tonne per year producer of in excess of 100,000 exceptional carats with average values exceeding US\$1,500/carat at current prices.

This could generate combined annual revenue of approximately US\$160mIn and combined profit of approximately US\$97mIn, said the company.

In the first year when both mines are in full production, Paragon expects combined revenues of approximately US\$36mIn.

Once in production, executive chairman Philip Falzon Sant Maduca said Paragon will have "a first class platform from which to operate and build a fully vertically integrated diamond company."

Mothae's acquisition remains subject to government approval, though the company had previously reported a constructive meeting with the Lesotho Minister of Mining on 22 June.

For the year to end December 2014, Paragon posted a loss of £13.4mIn (£1.3mIn).

Shares rose 1% to 5.56p.

Share Information

Code: PRG

Listing: AIM

Sector: Diamonds & gemstones

Website: www.paragondiamonds.com

Company Synopsis:

Paragon Diamonds is an AIM quoted diamond production and distribution company, focused on producing high value and top quality diamonds and complimenting this with value enhancing sales activities all the way through manufacturing and on to wholesale and retail distribution. The Company is advancing its flagship large stone/ high value Lemphane Kimberlite project in Lesotho towards production in 2015.

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