

Rockwell unveils 80 000 ct/y high-value gem plan as it makes JSE debut

By: Matthew Hill

Published: 30 Nov 07 - 13:10

Gem-miner Rockwell Diamonds, which debuted on the JSE on Friday, has set an ambitious target of more than doubling its current production to as much as 80 000 ct/y by 2011, CEO Dr **John Bristow** said.

The company, which compared its high-value diamonds to those that **Clifford Elphick's** Gem Diamonds mined at Letseng in Lesotho, currently produced from 24 000 ct/y to 30 000 ct/y at its Northern Cape alluvial operations - Letseng has consistently produced high-value diamonds since Gem bought it last year, including the 493-ct 'Letseng Legacy', it found in November.

"At \$1 500/ct to \$1 600/ct, that makes for very good cash flow for this business," Bristow said in an interview with *Mining Weekly Online* at the bourse, noting that the vast majority of the company's diamonds were larger than two carats.

He said that the company would achieve these growth targets through expanding its existing operations, as well as through acquisitions.

Rockwell was particularly interested in the stretch of the Orange river between Douglas and Prieska, Bristow noted.

The firm was trading at R4,40 a share by Friday afternoon.

BENEFICIATION DEAL INKED WITH BENNY STEINMETZ

Recently, Rockwell also inked an agreement with the **Benny Steinmetz** group to cut and polish some of the bigger stones that it produced.

"Currently, we sell rough diamonds, but we are increasingly looking at, on a very selective basis, going further into the beneficiating end," stated Bristow.

He said that Rockwell fully supported the South African government's beneficiation drive, and had begun cutting and polishing some of its smaller diamonds in the country.

Rockwell is based in Canada, where it also had a listing on the venture market of the TSX. Bristow said that it had applied to have its listing upgraded to the main board, which he believed would occur in "the next several weeks".

The company raised R100-million through private placements prior to its JSE listing.