

The Rough Diamond Guideline Price List from ADTEC (Pty) Ltd

The Rough Diamond Guideline Price List is available as a printable document in Adobe Acrobat (.pdf) format. The list comprises 16 pages of rough diamond prices, page 4 of which is shown below.

AFRICAN DIAMOND TRADING AND EXPLORATION COMPANY															
February 2000 - LARGE ROUGH DIAMONDS - GUIDELINE PRICE LIST - February 2000															
PRICE FOR 1.75 Ct ROUGH															
Rec W	Two Stones	Rec%	SAWABLE ONE				Rough 1.75 Ct								
0.88	0.42	0.46	50%	Top Stones			US\$	Per Ct	x10						
	VVS1 VS2	VS1	VS2	S11	S12	I1	I2	I3			I1-I2				
PRICE FOR 2.00 Ct ROUGH															
Rec W	Two Stones	Rec%	SAWABLE ONE				Rough 2.00 Ct								
1.00	0.50	0.50	50%	Top Stones			US\$	Per Ct	x10						
	VVS1 VS2	VS1	VS2	S11	S12	I1	I2	I3			I1-I2				
PRICE FOR 1.75 Ct ROUGH															
Rec W	Two Stones	Rec%	SAWABLE TWO				Rough 1.75 Ct								
0.82	0.41	0.41	47%	Stones & Shapes			US\$	Per Ct	x10			I1-I2			
	VVS1 VS2	VS1	VS2	S11	S12	I1	I2	I3			I1-I2				
PRICE FOR 2.00 Ct ROUGH															
Rec W	Two Stones	Rec%	SAWABLE TWO				Rough 2.00 Ct								
0.94	0.44	0.50	47%	Stones & Shapes			US\$	Per Ct	x10			I1-I2			
	VVS1 VS2	VS1	VS2	S11	S12	I1	I2	I3			I1-I2				
PRICE FOR 1.75 Ct ROUGH															
Rec W	One Stone	Rec%	MAKEABLE ONE				Rough 1.75 Ct								
0.70	0.70	40%	Irregulars & Shapes			US\$	Per Ct	x10							
	VVS1 VS2	VS1	VS2	S11	S12	I1	I2	I3			I1-I2				
PRICE FOR 2.00 Ct ROUGH															
Rec W	One Stone	Rec%	MAKEABLE ONE				Rough 2.00 Ct								
0.80	0.80	40%	Irregulars & Shapes			US\$	Per Ct	x10							
	VVS1 VS2	VS1	VS2	S11	S12	I1	I2	I3			I1-I2				
PRICE FOR 1.75 Ct ROUGH															
Rec W	One Stone	Rec%	MAKEABLE TWO				Rough 1.75 Ct								
0.61	0.61	35%	Cleavages			US\$	Per Ct	x10							
	VVS1 VS2	VS1	VS2	S11	S12	I1	I2	I3			I1-I2				
PRICE FOR 2.00 Ct ROUGH															
Rec W	One Stone	Rec%	MAKEABLE TWO				Rough 2.00 Ct								
0.70	0.70	35%	Cleavages			US\$	Per Ct	x10							
	VVS1 VS2	VS1	VS2	S11	S12	I1	I2	I3			I1-I2				
PRICE FOR 1.75 Ct ROUGH															
Rec W	One Stone	Rec%	FLATS				Rough 1.75 Ct								
0.49	0.49	28%	Flats & Macles			US\$	Per Ct	x10							
	VVS1 VS2	VS1	VS2	S11	S12	I1	I2	I3			I1-I2				
PRICE FOR 2.00 Ct ROUGH															
Rec W	One Stone	Rec%	FLATS				Rough 2.00 Ct								
0.58	0.58	28%	Flats & Macles			US\$	Per Ct	x10							
	VVS1 VS2	VS1	VS2	S11	S12	I1	I2	I3			I1-I2				

All prices in this list are based on polishing Round Brilliant Cut diamonds from the rough diamond and are reflected in tens of US Dollars per Carat.

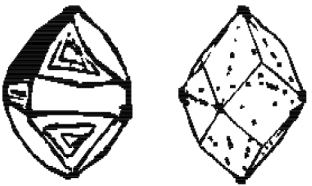
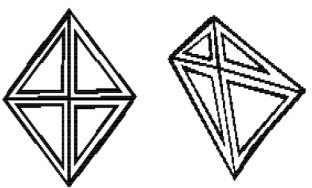



Prices reflected in this list may vary from prices paid in open market transactions. No guarantees (either expressed or implied) are made with regard to the prices contained in this list. In addition, ADTEC assumes no liability for the validity or accuracy of the figures which make up the list. Please address all subscription and other enquiries to:

http://www.adtec.co.za ADTEC (Pty) Ltd, PO Box 199, BASSONIA 2061 SOUTH AFRICA, WhatsApp: +27 81 898-7447 Fax: +27 86 645-2228 Email: adtec@adtec.co.za

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Each page is divided into two weight categories. The sample page above shows weights from 1.75ct to 1.99ct on the left and 2.00ct to 2.24ct on the right. The next page (not shown) has weights from 2.25ct to 2.49ct on the left.

Each weight category is divided into five shape categories – sawable 1, sawable 2, makeable 1, makeable 2 and flats.

Brief Description of Stone Shapes	
	<p>Sawable One represents a nicely rounded octahedron or a dodecahedron that will yield two polished stones, which will give a recovery weight of 50% or more.</p>
	<p>Sawable Two is a slightly irregular octahedron (sharp edged), or a dodecahedron (long), or a glassy octahedron, or a normal shaped octahedron with a gletz/spot near to the side which can normally be polished out, and will yield two polished stones, which will give a recovery weight of 46% or more, but less than 50%.</p>
	<p>Makeable One represents an irregular octa/dodecahedron (slightly flattened shaped stone) that has formed a natural table (two or three point), or a broken octahedron/dodecahedron (topped/four point) that will yield one polished stone with a recovery weight of 40% or more.</p>
	<p>Makeable Two represents a cleavage (broken piece) or a longish stone of less determinable shape that will yield one polished stone with a recovery weight of 35% or more, but less than 40%.</p>
	<p>Flats represents macles (a flatish triangular stone with a 'twinning' seam around the edge), chips (broken pieces) and flat stones which have sufficient depth to yield one polished stone with a recovery weight of 28% or more, but less than 35%.</p>

Below is a section of the table showing the sawable 1 portion of the page.



AFRICAN DIAMOND TRADING

- LARGE ROUGH DIAMONDS

February 2000

PRICE FOR 1.75 Ct ROUGH

Rec W	Two Stones		Rec%	SAWABLE ONE				Rough 1.75 Ct			Picture 1	Picture 2
	0.88	0.42		0.46	Top Stones				US\$	Per Ct		
	VVS1	VVS2	VS1	VS2	SI1	SI2	I1	I2	I3			
D	119	111	97	84	65	57	37	22	13	V-VS	VS-SI	I1-I2
E	111	103	92	78	62	54	34	20	11			
F	101	93	84	73	59	51	33	20	11	93	69	21
G	95	86	77	67	57	49	30	17	9			
H	78	73	65	59	51	45	28	17	9	75	59	18
I	64	60	56	52	44	39	24	14	8			
J	48	47	43	42	38	35	21	14	6	52	44	15
K	41	39	36	34	32	29	18	11	5			
L	36	34	31	29	26	24	14	8	3	35	30	10
M	27	25	22	22	20	18	10	5	1	24	21	5
	1	2	3	4	5	6	7	8	9	ADTEC AVG		

Layout of Rough Diamond Guideline Price List

1. Date of publication - updated every month
2. Banner indicating rough weight of diamond - used for rough weight from printed weight to just below next printed weight
3. Expected recovery weight - based on printed rough weight and expected recovery percentage
4. Expected stone number and weight - based on stone shape and recovery weight
5. Expected recovery percentage - based on shape and polishing averages
6. Stone name - based on shape and expected recovery
7. Rough weight of diamond - repeat of banner weight for each stone shape
8. Indicator of price factors - all prices are in US dollars per carat and must be multiplied by 10
9. Picture of stone shape - visual reminder
10. Row of expected purity/grade - VVS1 through I3
11. Column of expected colour - D through M
12. Grid of guideline price - price in US Dollars per carat divided by 10

Using the Guideline Price List

1. Weigh the rough diamond. This weight determines which page you need to refer to.
2. Find the page and section (left or right) where the actual weight is greater than or equal to the printed weight and less than the printed weight on the next weight category.

3. Determine the shape section to use by selecting :
 - a. The shape of the rough diamond,
 - b. The recovery percentage of the rough diamond, or
 - c. The recovery weight of the rough diamond.
4. Determine the colour and purity of the rough diamond.
5. From the grid, select the value where the colour row and purity column intersect.
6. Multiply this value by 10 giving you US\$/ct for the rough diamond.
7. Multiply the US\$/ct by the actual rough weight giving you the US\$ value of the rough diamond.

The following examples are based on the full page layout of the February 2000 price list shown above.

Example One

Weight: One stone 2.03ct. (Go to price for 2.00ct rough)

Colour: Color is H

Purity: The stone appears to be clean, so take it as a VS1 (Even when looking at a glassy octahedron, it is easy to miss VVS2 to VS1 impurities such as very small white flecks, internal graining and clouds that only become visible when the stone is in the process of being polished.)

Shape: Slightly irregular sharp octahedron. (Stone will not yield two 0.50ct. polished stones. So, we take it as a Sawable Two which will give us the right price for two stones; one of 0.42ct and one of 0.50ct.)

Therefore we have **1 x 2.03ct**, colour **H**, purity **VS1** and **Sawable Two** shape.

Now look at the second section under 2.00ct rough which is **Sawable Two**. Find where **VS1** purity meets with colour **H**. The price is shown as **71**. So, add a 0 (to multiply by 10) giving a price per carat of **US\$710**.

Therefore, you could pay **\$710 x 2.03ct = \$1,441 for the stone**.

Example Two:-

Weight: One stone 2.05ct.

Colour : Color is G

Purity: Very small white spot in center, so take it as a VS2

Shape: Flattened irregular octahedron with a underdeveloped three point face and therefore a perfect example for a Makeable One. Because it will not be sawn the small white spot will remain in the polished stone.

Therefore we have **1 x 2.05ct**, colour **G**, purity **VS2** and **Makeable One** shape.

Now look at the third section under 2.00ct rough which is **Makeable One**. Find where **VS2** purity meets with colour **G**. The price is shown as 95. Multiply by 10 giving a price per carat of **US\$950**.

Therefore, you could pay **\$950 x 2.05ct. = \$1,948 for the stone**.

Example Three

Weight: One stone 1.97ct.

Colour: Colour is I

Purity: Small black spot on the sawing line. (Can be worked (polished) out .We take it as clean, i.e.

VS1).

Shape: A well rounded octahedron and therefore a **Sawable One**.

Therefore we have **1 x 1.97ct**, colour **I**, purity **VS1** and **Sawable One** shape.

Go to the first section under 2.00ct rough which is **Sawable One**. Find where **VS1** purity meets with colour **I**. The price per carat is **\$680**.

Therefore, you could pay **\$680 x 1.97ct = \$1,340 for the stone**.

Example Four

Weight: One stone 2.09ct.

Colour: Colour is F

Purity: A third of the stone is gletzed

Shape: Broken flat piece and therefore a Flat.

Therefore we have **1 x 2.09ct**, colour **F**, purity **I2** and **Flats** shape.

Go to the fifth section under 2.00ct rough which is **Flats**. Find where **I2** purity meets with colour **F**. The price per carat is **\$110**.

Therefore, you could pay **\$110 x 2.09ct = \$230 for the stone**.

Example Five

Weight: One stone 1.86ct.

Colour: Colour is I

Purity: One side will come clean (VS1) and the other side will be SI1

Shape: Very good dodecahedron which *could* yield two 0.50ct polished stones, *if* the absolute optimal return is achieved. This represents a weight recovery of 54%. Most buyers would, however, plainly prefer to take the stone at the closest weight group which is a **1.75ct Sawable One**.

This will give you \$500 per carat, (VS1 @ \$560 + SI1 @ \$440, divided by 2 = \$500).

Therefore, you could pay **\$500 x 1.86ct = \$930 for the stone**.

We will now show you how you can use the list if you are buying a single stone and need to pay the maximum, in order to get the rough. Forget about the initial rough weight for the moment. Look at the polish information blocks, and find the weight recovery block that coincides with what you think the stone can yield, when carefully measured. In this case it is 2 x 0.50ct. **This time, we will take it on the 2.00ct list as a Sawable One.**

Once again, you take the following information:-

1 x 1.86ct. of colour **I**, one side will come clean (**VS1**) and the other side will be **SI1**. It is taken as a **Sawable One** stone.

Now look at the first section under 2.00ct. rough which is **Sawable One**. First, find where **VS1** purity meets with colour **I**. The price per carat is \$680. Secondly, find where **SI1** purity meets with colour **I**. The price per carat is \$570. This will give you \$625 per carat, (VS1 @ \$680 + SI1 @ \$570, divided by 2 = \$625).

Therefore, you could pay **\$625 x 1.86ct = \$1,163 for the stone**.

You can go one step further in this case, and multiply the price per carat of **\$625 by 2.00ct** which allows you to pay **\$1,250** for the stone. The reason is, the stone can yield 54% weight recovery, which is **the same as a 2.00ct rough Sawable One** stone on the list, which can give a recovery of 50% (two 50 pointer polished stones.)

The reverse will apply for a weaker stone. For example, a 2.04ct, colour **I**, purity **SI1**, octahedron in the rough that has surface gletzes and/or the shape is so long that the stone will only recover 2 x 0.40ct round polished stones.

Look at the information blocks for smaller stones until you find the equivalent polish, i.e. two 40 pointers. You will find this under the **1.75ct** rough section for **Sawable Two** (0.41+0.41) on the list. The price per carat is \$390.

Therefore, you could pay **\$390 x 1.75ct = \$683 for the stone.**

Note: We only paid for a 1.75ct stone and not a 2.04ct stone. Therefore, the price per carat when taking the full weight of 2.04ct. was only \$335 per carat. ($\$683 \div 2.04\text{ct} = \335 .)

All Things Being Relative

Remember, you should only pay for a rough stone, a price which is relative to the value of the polished stone (or stones) which can be recovered from it.

Therefore, the ADTEC Rough Diamond Guideline Price List already has the *industry average discount* for polish, the *industry average cutting cost* and the *industry average profit margin* for rough diamonds built into it.

These factors, together with the information blocks of expected recovery weights, allow you to be completely flexible in the price you pay for your rough. This means the list is not a 'dead' or 'passive' list, but is very much 'alive' and 'active'. Thus, the list will provide great benefits to both rough dealers and polishers.