

# BENEFITS OF INVESTING IN COLORED DIAMONDS FROM DIAMOND INVESTMENT DEALERS

When investing in diamonds you need an advisor who has the depth and breadth of knowledge in **investment grade** diamonds. **Rare Diamond Investor** provides seamless access for savvy investors. We focus exclusively on natural fancy-colored diamonds and are staffed by experts in every facet of the diamond market. This level of experience and expertise not only gives us greater understanding of the diamond market, but also gives us access to a professional global network of investors, collectors and industry specialists including the most sought after gemologists and diamond cutters in the world.

At a time when other investments have suffered unparalleled chaos and uncertainty, natural fancy-colored diamonds have steadily

appreciated in value. Over the last decade, Argyle pink diamonds have consistently broken records on the global auction market, demonstrating the robust nature of the diamond market and the unceasing international demand. Christies auctions have surpassed records the last few years for both the most expensive investment grade diamonds and the highest price per carat. In April 2014, Christies auctioned top quality, fancy pink, blue and yellow diamonds with prices exceeding of \$1 to \$2 million per carat, leading **Christies to declare 2014 the year of the colored diamond**. Rahul Kadakia, Head of Christies New York, states,

*"A colorless D-grade diamond at auction will make about \$150,000 a carat, while a pink fancy-colored diamond will make \$1.5 million a carat, 10 times the price."*

He also stated, "This is where the market is. It keeps progressing as people realize how rare these stones are."



Traded as early as the fourth century B.C., natural fancy-colored diamonds have had a legacy of continuous capital appreciation. Over the 38 years of performance prices, fancy-colored diamonds have never declined at the dealer level. In fact, they have steadily increased by between 18% to 25% annually. According to Sothebys, “yellow diamonds have doubled in value every seven years. Reds, pinks and blues have seen the greatest appreciation, having quadrupled within the last decade!” In fact on November 16, 2010, a fancy intense 24.78 carat pink diamond sold for a record \$42.5 million, or \$1.69 million per carat at a Sothebys auction in Geneva, Switzerland. That was a world record for a jewel sold at an auction.

The classic criteria for colorless diamonds, such as cut proportions and clarity, are not as prominent when purchasing natural fancy-colored diamonds. **The most important quality for natural fancy-colored diamonds is saturation.** The more intense the color, the rarer, the more expensive the diamond. We deal only in investment grade diamonds which grade between fancy and fancy intense to provide the very best saturation qualities and investment growth. It is universally acknowledged that natural fancy-colored diamonds are the world’s most concentrated form of tangible value. Both diamonds and gold are extremely rare, mined natural resources. Diamonds are in fact, significantly rarer than gold. Natural fancy-colored diamonds are distinctively rarer.

The law of supply and demand historically drives the price of all commodities. Nowhere is this more

transparent than in fancy-colored diamonds. The diminishing supply of natural fancy-colored diamonds is intrinsically correlated to their sustained rise in prices.

## RARE DIAMOND INVESTOR OFFERS SOME OF THE WORLD’S FINEST FANCY-COLORED DIAMONDS

The global supply of such rarities is at an all-time low and experts predict that the long term trend will continue. The world’s most abundant diamond mine and the largest supplier of natural fancy-colored pink diamonds, the Argyle Mine is scheduled to close in

2018. There have been no recent major discoveries of fancy-colored diamonds, and industry savants predict that no major sources of supply are scheduled to come into production in the foreseeable future.

Natural fancy-colored diamonds are measured by the standard benchmarks of beauty, rarity, and capital appreciation. Only a handful of fancy-colored diamonds achieve the deeper most valuable hues described in the industry as “fancy” and “fancy intense”. This scarcity coupled with unprecedented worldwide demand has led to accelerated price increases in natural fancy-colored diamonds.

In turbulent times, astute investors look for new ways to preserve and grow their wealth, while offering non-correlated diversification to the volatile stock market. Many private and institutional investors have discovered natural fancy-colored diamonds. They provide highly profitable portable wealth preservation. Rare Diamond Investor offers some of the world’s finest fancy-colored diamonds at the best prices, anywhere.

## Rare pink diamonds provide investors Protection and Security

Rare pink diamonds from the Argyle mine in Australia are being bought up by high net worths across the world

High net worth individuals across the globe are ploughing their millions into rare colored diamonds as a stable, “safe haven” asset class. “People are loving them as an alternative investment,” said James Dunston, founder of Dunston Asset Management, a high-end diamond dealer in the U.K. that supplies stones to celebrities, athletes and investment bankers. “It’s a tangible, moveable asset, so you can carry your wealth in your pocket or on your finger. Pink diamonds in particular have increased dramatically in value over the past decade.”

In 2002, the average cost per carat of a pink diamond stood at \$200,000 U.S. according to Dunston. This year it topped \$1,000,000 U.S. “The majority of these increases have come over the last 5 years and is due to scarcity, high worldwide demand and the fact that the Argyle mine is due to close in 2018.”

Pink diamonds from the Argyle mine in Australia are in high demand. The mine’s owner Rio Tinto, has announced plans to close the site in 2018, driving up demand and the price of the gems.

“My business has gone mad with pink diamonds,” said Dunston. “They are being hoovered up, especially by the Chinese. I’m meeting with a group of 30 new investors on Monday and instead of buying a new house they’re putting their wealth into colored diamonds.”

One client has even put his children’s entire inheritance into the colored gems. “He spent \$4.5 million in one go,” said Dunston. “It’s where he plans to store his wealth.”

**According to Barclays Bank Wealth’s latest report on investment trends, 36% of the bank’s wealthy clients in the UK are holding more “treasure” assets today than five years ago. Pink diamonds is by far the most popular treasure asset type for wealthy individuals across all countries, with 70% of global respondents investing in this asset, followed by fine art and antiques.**

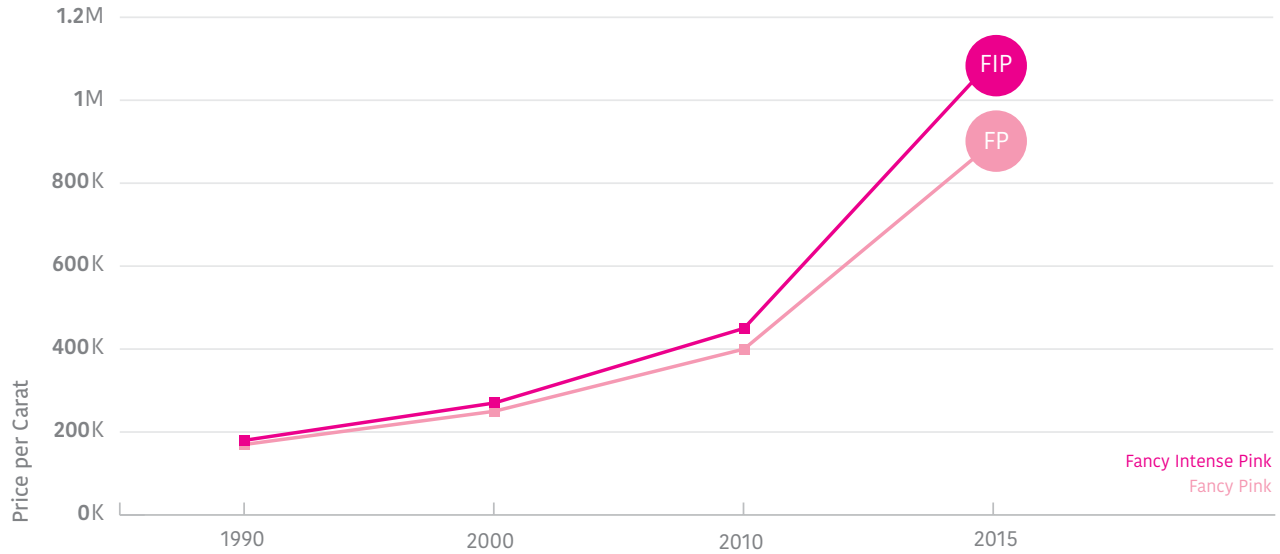
*Consistent performance, safety and scarcity are the main reasons pink diamonds are one of the most sought after assets for wealth preservation in the world today, said Dunston.*

**70%**  
OF GLOBAL  
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[ARE] INVESTING  
IN THIS ASSET

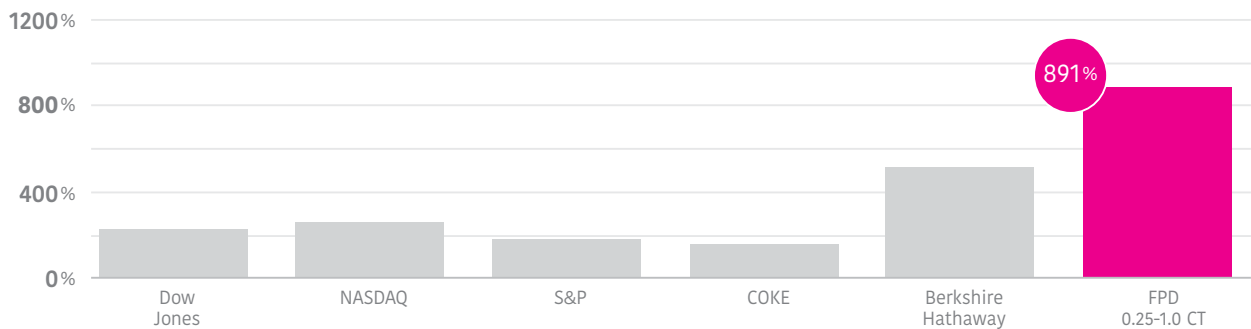
## Fancy Pink Investment Grade Diamonds

Diamonds have long been admired for their natural beauty and emotions they conjure, but Natural Fancy Pink Investment Grade Diamonds have also be-

come one the most highly sought after hard assets by investors of all stripes. Out of the entire family of fancy color diamonds, **Pink Diamonds are the second rarest color diamond** to be found. The low supply of these diamonds coupled with their popularity has significantly driven the prices of these stones up and up. Pink diamonds are often referred to as luxury items due to their extreme rarity, making them a great alternative addition for any investment portfolio.



### Fancy Pink Diamond 18 YEAR PERFORMANCE



Over the past 18 years, as indicated in the chart above, a Fancy Pink Diamond has outperformed other commodities by a very significant margin, further proof that pink diamonds are a rock solid choice for investors. Think pink when investing in diamonds.

Pink diamonds are discovered in a very small amount of mines throughout the globe. But by far, the most valuable source of pink diamonds is the Argyle Mine which operates in the remote East Kimberley region of Western Australia. The pink color of these stones from the Argyle Mine is so rare that diamond experts and jewelers can

identify an Argyle diamond by simply looking at the stone. Pink diamonds and in particular, the Argyle Pink Diamonds are considered by most to be the best choice when investing in diamonds and is recommended as the best type of diamond investment.

## What Determines the Value of a Pink Diamond?

### The Color

Unlike with other fancy color diamonds such as blue (Boron), green (radioactivity), yellow (Nitrogen) and violet (Hydrogen), the **direct cause**

of the main pink color in diamonds is still unknown. Based on evidence, what is known is that Fancy Color Pink Diamonds contain high pressure graining which results in a squeezed internal structure which some scientists believe is the source of the pink color. Because of this compression, **pink diamonds rarely possess a high clarity grade.** Typically, pink diamonds contain surface and internal graining lines, but this is expected and does not mean the diamond is lower quality or less valuable.

### Color Intensity

All diamonds are evaluated by the same four main characteristics of diamond quality: Clarity, Cut, Carat Weight and Color. However, for a Fancy Color Diamond, color is the most important characteristic of all, as opposed to colorless diamonds where all of the factors together determine the quality and value.

The color intensity of a pink diamond is categorized as either Faint, Very Light, Light, Fancy Light, Fancy, Fancy Intense, Fancy Vivid. “Fancy” in higher clarity grades such as VS are highly sought after. “Fancy Intense” in clarity grade of SI2 or higher have commanded record prices at auction. “Fancy Vivid” are near impossible to find in clarity grades above SI1.

### Think **Pink** When Investing

Fancy Color Pink diamonds are not only gorgeous stones, they’re statistical freaks of nature. For example in 2009, pink diamonds accounted for only 10,000 of the 160 million carats of rough diamonds mined that year. Driven by this rarity and an ever-increasing market demand led by China

and India, pink diamonds have a truly astounding track record of price appreciation. Natural pink diamonds are without a doubt the most sought after colored diamonds by investors, collectors and jewelers alike.

## Exceptional Pink to Red Diamonds: A Celebration of the 30<sup>th</sup> Argyle Diamond Tender



**OF ALL THE COLORS,  
PINK DIAMONDS  
ARE AMONG THE  
MOST ALLURING  
AND SOUGHT AFTER.**

### ABSTRACT

Over the past three decades, pink diamonds from Rio Tinto’s Argyle mine in Western Australia have been offered for sale at annual invitation-only events known as tenders. These diamonds from the mine’s annual production of rough, are cut and polished

at the company’s factory in Perth for the tenders.

These diamonds have all been graded by GIA. This article summarizes each year’s collection and presents some pertinent statistical information on color grade and description for this group of rare colored diamonds.

Diamonds are among the rarest and most valuable of all gems. It is estimated that they **make up just 0.01% of the world’s total production.** Such diamonds have been celebrated throughout history as defining treasures of nobility and prized possessions of the wealthy. Of all the colors, pink diamonds are among the most alluring and sought after. For much of history they were recovered only sporadically in India, Brazil, Indonesia, and southern Africa. Even rarer was the recovery of diamonds described as red or predominantly red, of which only a handful have ever been documented.

The situation changed dramatically in the mid-1980s with the emergence of the Argyle mine, located in a remote region of Western Australia. Argyle Diamonds Ltd. was formed by the parent company CRA Ltd., later Rio Tinto Ltd., to develop the mine and market the product. This mine became one of the world's largest sources of diamonds, including a small production of valuable pink to red stones. This limited but consistent supply has intensified interest in these colored diamonds.

The late 1970s and 1980s were a pivotal time in the world of colored diamonds. Through a confluence of events—including the Argyle mine coming on line—colored diamonds gained much greater publicity and desirability than ever before. The late 1970s witnessed a period of unprecedented experimentation in diamond cutting. This proved beneficial to colored diamonds, as many of the proportion sets that were developed served to maximize face-up color appearance. Auction sales and museum exhibitions also drove interest, drawing widespread media coverage. For ex-

ample, Christie's New York sold the Hancock Red for almost US\$1 million per carat in 1987. Andre Gumuchian's Spectrum Collection and Eddy Elzas's Rainbow Collection were also shown at the American Museum of Natural History in New York during these years.

With its high yield of colored diamonds, Argyle joined in this mix of activity by developing innovative advertising and marketing campaigns. These efforts, while bringing attention to their brown "champagne" and "cognac" as well as rare pink diamonds, also heightened awareness of colored diamonds overall.

#### ARGYLE DIAMOND MINE

The Argyle mine is in the East Kimberley region of Western Australia, 500 km (340 mi) southwest of Darwin and more than 2,200 km (1,400 mi) north-east of Perth. Systematic exploration began in 1969, following the discovery of a few alluvial diamonds in the area, but another decade of careful fieldwork passed before geologists recognized the host rock as a diamond-bearing lamproite



PINK DIAMONDS  
ACCOUNTED FOR  
ONLY **10,000** OF  
THE **160 MILLION**  
CARATS OF ROUGH  
DIAMONDS MINED  
IN 2009.

pipe. Several more years were required to develop the site, and the mine became fully operational in late 1985. Over the next 25 years, mining was carried out from a large open pit. In the early years of the 21<sup>st</sup> century, recognition of the finite economic lifetime of this open pit led to feasibility studies of underground mining operations, which began in 2013.

This decision has been made to end the life of the mine in 2018, with expected production of up to 20 million carats per year over the life of the underground mine. The output is dominated by near-colorless to brown diamonds, but from the beginning there has been a small but consistent supply of pinks, comprising less than 0.001% of the mine's total annual production. This deposit supplies the best and most highly sought after pink diamonds in the marketplace, and no other source is known to produce pink diamonds of anywhere near the quality of Argyle.

#### ARGYLE TENDERS

The autumn of 2014 marked the 30<sup>th</sup> Argyle pink diamond tender. Each year has witnessed increasing participation and competition among investors and collectors and dealers alike for the opportunity to place sealed bids on these select goods. While most of the diamonds tendered over the years have been pink and purplish pink, a few reds (and even other colors such as blue, violet, orange, and yellow) are occasionally offered.

**The first tender, consisting of 33 diamonds, took place in Antwerp in 1985.** The following year, Geneva was added as a viewing venue. As interest in these events has grown, previews have been held in New York, Hong Kong, London, Perth, and Tokyo. The number of venues continues to change over the years, as does the number of diamonds on view—some tenders have included 70 or more.

Argyle's tender process only adds to the excitement that surrounds these diamonds. The list of invitees is not made public. Those who bid are provided limited-edition catalogs highlighting key information on each diamond. While they have ample time to review the data from the catalog, an invitation to view allows a time slot of approximately one hour in which to make bidding decisions. Despite this time constraint, the participants are seasoned professionals who know the range of pink diamond color appearances and how they relate to value. In any given city, the site remains unknown until just before the viewings. When setting up to show 30 to 80 pink diamonds in one location, security is crucial.

Upon arrival, the observer finds the diamonds displayed in small individual sealed cases. Weight and color grade are noted on each case. Loupe and other intricate equipment are supplied, but many experts bring their own. In some instances, they bring samples for comparison. As is typical in many diamond offices, desk lamps with fluorescent lights are available as well as daylight. While this arrangement does not represent the standard used in a laboratory, most dealers are comfortable with it as it resembles their own office conditions.

Following the viewing, participants make decisions about individual stones or, in some instances, the entire lot. Argyle does not publish the winning bidders or final prices; when reported in the press, it is at the discretion of the buyer.

While GIA has graded all the tender stones, the refinement of its color grading system for colored diamonds in 1995 allowed a more detailed, boundary-distinct color language for these pink diamonds than ever before. With the addition of grades such as Fancy, Fancy Intense, and Fancy Vivid, the tender diamonds were better

recognized for their uniqueness and rich color appearances. Interest in Argyle pink diamonds certainly expands beyond the activity surrounding tenders. Over the past five years, GIA's laboratory has produced custom monograph reports for exceptional diamonds, colored gemstones, pearls, and jewelry pieces.

Over the years, several authors have described the gemological characteristics of pink diamonds from the Argyle mine detailing the exquisite quality of the pink diamonds discovered in Western Australia during the mine's years of operation. Particularly noted was the Argyle mine's dramatic impact on the world market: In 1986, one year after the mine became fully operational, Australia was the largest source of diamonds.

## Pink Diamond Tender Overview

The summaries noted below are based on Argyle press materials highlighting the tenders (1985 to 2014).

**1985:** The inaugural tender offered 33 diamonds with a total weight of 18.03 carats. Never had such a large group of pink diamonds been assembled for sale, a noteworthy preview of things to come.

**1986:** This collection of 56 stones totaling 32 carats in One of them, a 0.32 ct emerald cut, was noted to be the finest purplish-pink diamond Argyle had ever offered. The other, a 2.11 ct cushion cut, was said to be remarkable not only for its size but also its deep color and fine VS clarity. According to Argyle, the prices achieved at this sale were thought to be strong, considering this was only the second tender.

## THE LATE 1970s AND 1980s WERE A PIVOTAL TIME IN THE WORLD OF COLORED DIAMONDS.

**1987:** With 83 diamonds weighing a combined 59.65 carats, this tender nearly doubled the total weight from the preceding year. The overall quality of the goods was also markedly improved. One memorable 0.50 ct diamond appeared to be so saturated that it bordered on red, eclipsing all other Argyle pink diamonds seen up to that point.

**1988:** The fourth tender set new standards for size, color, and quality, featuring 53 diamonds with a combined weight of 64.08 carats. The average stone size was 7% larger, including 26 diamonds over

one carat and three diamonds over two carats. Highly saturated colors were also found in a 0.66 ct diamond and a 1.00 ct round.

**1989:** Although Argyle's fifth tender offered fewer diamonds, the average carat weight rose 26% over the prior year: 67 diamonds were offered at 64.38 total carats, for an average weight of 1.04 ct. This tender included two stones over three carats. One, a 3.16 ct round, boasted a saturation previously found only in much smaller diamonds. The second, a 3.20 ct kite-shaped diamond described as lilac-colored, was notable for its size and exquisite saturation. Another memorable pink was a 1.04 ct round, described by Argyle as "the single finest example of color, size, make, and clarity, striking the most ideal balance, that ever had, or possibly ever will, come out of Australia."

In April 1989, a separate auction of Argyle pink diamonds was held at Christie's New York. Argyle chose this method of sale - a first for a mine - hoping to reach a new audience of private buyers. The auction featured 16 unmounted pink diamonds ranging from 0.41 to 3.14 ct. At this time, the "end grade" for pinks in GIA's system was



Fancy. Therefore, diamonds with the greatest depth of color were all described as Fancy, with others noted as Light or Fancy Light. Color descriptions included pink, purplish pink, brownish pink, brown-pink, and pink-brown.

**1990:** In the first tender of the 1990s, 36 diamonds totaling 40.93 carats were offered. The average weight remained above one carat, but this tender was a departure from previous years in that no stones over two carats were offered. Nevertheless, record bids for this smaller collection reflected the continued emphasis on quality.

**1991:** The seventh tender consisted of 47 gems weighing a total of 40.15 carats: 43 pinks, three blues, and one Fancy grayish greenish yellow diamond. The entire collection was sold to a single buyer, Robert Mouawad of Geneva.

**1992:** The 1992 tender began with a preview in Tokyo. Fifty diamonds with a total weight of 43.39 carats were offered for sale. A record number of bidders demonstrated the continuing demand for Argyle's unique diamonds. Winning bids went to 15 clients from countries including the United States, the UK, Belgium, Switzerland, Japan, and Italy.

**1993:** Strong competition characterized this tender, which saw the entire collection sold again to Robert Mouawad. This time, Mouawad announced that he paid more than US\$2.25 million to purchase the 46-diamond selection, totaling 41.48 carats.

**1994:** The entire collection of 47 diamonds, weighing a total of 45.17 carats, was sold to an international consortium. Argyle reported that the per-carat price surpassed that of all previous

tenders but did not disclose the amount of the sale. More than 35% of the 1994 tender diamonds were above one carat. These included two Fancy pink diamonds weighing more than three carats, a 3.00 ct round brilliant and a 3.04 ct emerald cut. For the first time, the tender collection was viewed in Hong Kong and Singapore.

**1995:** This tender featured the most pink diamonds over one carat since 1990. Its 47 diamonds weighing 45.22 carats total brought more than US\$4.5 million, over US\$100,000 per carat. Seven fancy-color diamond dealers from Asia and Europe purchased the collection. Showings in Tokyo, Hong Kong, and Geneva brought unprecedented levels of publicity to the tender, and 17 leading dealers and jewelers placed more than 180 bids for individual diamonds. Noted highlights included a 1.05 ct Fancy Intense purplish pink round brilliant and three heart shapes weighing 0.34, 0.38, and 0.40 ct, as well as the collection's largest diamond, a 2.80 ct Fancy pink emerald cut.

**1996:** Two new venues were added this year: Perth and London. The 47.82 carat collection of 47 stones featured the largest polished pink diamond ever tendered by Argyle up to that point, a 3.66 ct Fancy Intense pink-purple cushion cut. The second-largest diamond at this tender was a 3.06 ct Fancy Intense pink emerald cut. Prior to 1996, only six pink diamonds in the three-carat-plus category had ever been offered by Argyle.

**1997:** Featuring 59 diamonds totaling 58.64 carats, the 1997 tender set a new record for total sale price. Although Argyle also reported a new record per-carat price for the 55 pink diamonds offered, neither figure was made public. Almost half the

**1998: NEW YORK IS NOW A VIEWING LOCATION. THIS EDITION INCLUDED 63 DIAMONDS (58.20 CT.)**

diamonds (27) were one carat or larger. The most outstanding offering was a 1.78 ct oval, the largest Fancy purplish red diamond ever graded by GIA at the time. Other significant stones were a 1.41 ct Fancy Intense purple-pink with VVS clarity (pinks with such high clarity grades are extremely rare), a 1.01 ct Fancy Deep pink round brilliant, and a 2.82 ct Fancy Intense purplish pink round brilliant (the tender's largest diamond). A viewing was conducted in Sydney for the first time, in response to growing demand for fancy-color diamonds in the Australian market.

**1998:** This year saw the introduction of New York as a viewing location. This edition included 63 diamonds, ranging from 0.24 to 3.15 ct, with a total weight of 58.20 carats. Lot 62, a .66 ct heart-shaped diamond, truly captured the soul of the tender with its Fancy Intense pink hue. Almost a quarter of the diamonds received a Fancy Intense classification from GIA, the most since the revision of the fancy-color grading system in 1995.

**1999:** For the 15<sup>th</sup> tender, 51 diamonds with a total weight of 52.61 carats were presented, in sizes ranging from 0.30 to 2.76 ct. A highlight of this tender was its largest diamond, a stunning 2.76 ct Fancy Intense purplish pink oval brilliant. This sale also included the first Argyle diamond graded by GIA as Fancy red, a 0.73 ct emerald cut.

**2000:** To start the new millennium, Argyle assembled 47 diamonds totaling 46.43 carats. With a size range from 0.50 to 2.10 ct, the tender included 22 diamonds of at least one carat. Five of the diamonds were Fancy Vivid; the two largest of these, both graded as Fancy Vivid purplish pink, were a 1.66 ct oval and a 1.75 ct princess cut.

**2001:** Of the 41 diamonds featured, 17 were larger than one carat. One highlight of the tender was an impressive 4.15 ct Fancy Intense purplish pink radiant, the first stone over four carats to appear in an Argyle tender. The collection had a total weight of 41.92 carats.

**2002:** Of the 43 diamonds offered at this tender, nearly half were graded by GIA as either Fancy Vivid purplish pink or Fancy Intense purplish pink, with an additional three Fancy purplish reds. The colors represented an impressive palette, ranging from Fancy Vivid purplish pink to Fancy Deep gray-violet. Two highlights of this tender were a magnificent 2.14 ct round brilliant Fancy Intense purplish pink and a rare Fancy purplish red 1.00 ct oval. The total weight of the lots was 40.13 carats, with sizes ranging from 0.40 to 2.52 ct. **2003:** This stunning collection was comprised of 48 pink diamonds weighing a total of 45.60 carats. Two of these are considered among the finest from any tender: a 2.06 ct round brilliant graded as Fancy Vivid purplish pink and a 2.04 ct radiant graded as Fancy Vivid purple-pink. This tender, with sizes ranging from 0.49 to 2.07 ct, also featured the second-ever Fancy red diamond, a 0.54 ct oval.

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**2004:** For the 20<sup>th</sup> edition, Argyle unveiled an impressive selection of 60 pink diamonds totaling 55.53 carats. This sale featured an extraordinarily rare 1.00 ct Fancy red radiant-cut diamond, only the third Fancy red ever tendered. There were four stones larger than two carats, most notably a 2.31 ct Fancy Vivid purplish pink cushion cut. The collection also featured two diamonds graded as Fancy purplish red: a 0.52 ct lozenge cut and a 0.69 ct emerald cut.

**2005:** With 60 diamonds totaling 58.81 carats, this collection featured an extraordinary number of red hues, as well as nine diamonds designated as Fancy Intense. There were also 27 diamonds larger than one carat, and four greater than two carats. Another notable event that year was the formal registering of the Argyle Participation Agreement, signed by both Argyle and the traditional owners of the land. This agreement acknowledged the indigenous owners as the mining lease custodians, recognizing Argyle's right to mine while also laying the foundation for a shared commitment to employment, education, and business development in East Kimberley.

**2006:** This tender featured the largest gathering of pink diamonds in well over a decade, consisting of 65 diamonds weighing a total of 61.43

carats. Thirteen received the Fancy color grade. Rounding out this splendid collection were three radiant cuts, each weighing exactly 2.03 ct, graded as Fancy Deep pink, Fancy Intense pink, and Fancy Intense purplish pink. Also in 2006, Argyle announced that an underground mine would be constructed below the existing open pit. At the time it was estimated that underground operations would extend the life of the mine to 2018.

**2007:** The 2007 tender was viewed in only three locations: Perth, Hong Kong, and New York, half the number of venues seen in the previous three years. Many of the 65 stones had a deeper, more vivid color than in years before. With 62.20 carats total, the tender offered several highlights, including a rare Fancy Dark gray-violet diamond, a 0.77 ct shield cut. The selection also featured 22 stones with a Fancy grade and 15 others graded as Fancy Intense. Other featured diamonds included a 1.51 ct octagonal Fancy Deep pink, an octagonal 2.02 ct Fancy Deep pink, and a 1.74 ct oval-shaped Fancy purplish red.

**A ONE CARAT PINK  
DIAMOND AVAILABLE  
FOR SALE IN 1980 FOR  
\$10,000 NOW SELLS FOR  
BETWEEN \$850,000 TO  
OVER \$1,000,000.**



**2008:** This tender was comprised of 64 lots weighing a total of 62.46 carats. It included a number of highly sought-after rounds and two notable diamonds: a 1.01 ct round Fancy purplish red (the Argyle Aphrodite) and a 1.41 ct Fancy Deep gray-violet octagon (the Argyle Ocean Seer). For the first time in seven years, the collection also included a heart-shaped diamond, a .33 ct Fancy Intense purplish pink.

**2009:** Titled “Grand Passions,” the 25<sup>th</sup> tender comprised 43 stones and a total weight of 34.74 carats. One of the four hearts offered, a .61 ct Fancy Intense pink, was the most valuable heart-shaped pink diamond ever to come from the Argyle mine exuding passion, romance, and warmth. Also highlighted were the Argyle Shalimar, a 1.25 ct Fancy Vivid purplish pink round, and the Argyle Scarlett, a 1.10 ct Fancy red oval. For this tender, Argyle produced a magnificent two-volume oversized catalog. The first volume showed all 43 stones, while the second gave background on the Argyle mine and its pink diamonds, including many beautiful illustrations. The collection also had its first-ever viewing in India. Mumbai had established itself as the manufacturing center for champagne-colored Argyle diamonds, and the tenders had seen an enthusiastic response from Indian diamantaires.

**2010:** Showcased for the first time in mainland China (Shanghai and Beijing), the 2010 “Earth Magic” tender comprised 55 diamonds totaling 46.42 carats. A 2.02 ct round Fancy Vivid purplish pink named the Argyle Mystra intrigued bidders

with its depth of color. Argyle used the move into new tender locations to educate potential collectors through its publication of Rare and Collectable. This book, which accompanied the tender catalog and was distributed through authorized partners, examined the rarity of Argyle pink diamonds relative to global supply, capturing their allure and value.

**2011:** This year’s theme was hearts and flowers. For the first time, matching pairs of stones was presented. As each Argyle diamond is unique, matching colors and cuts is exceptionally rare. The Argyle Semper Suite, consisting of three Fancy Intense pink heart-shaped diamonds (0.58, 0.60, and 1.31 ct) was rarer still. Also shown was the Argyle Alanya, a 1.06 ct Fancy Vivid purplish pink oval named after one of the world’s rarest tulip species. Fifty-five diamonds appeared in the 2011 tender, with a total weight of 47.61 carats.

**2012:** Inspired by Queen Elizabeth II’s Diamond Jubilee, Argyle showcased its 2012 collection in a unique exhibition at Kensington Palace in London. The queen’s association with pink diamonds dated back to 1947, when she and Prince Phillip were given a 54.5 ct rough pink crystal from the Williamson (or Mwadui) mine in Tanzania as a wedding present. The diamond, now known as the Williamson Pink, was cut in 1948 and set as a 23.6 ct round brilliant into a flower spray brooch by Cartier in 1953. Those attending the Kensington Palace exhibition were granted the unusual privilege of viewing a selection from this very pri-

THE ARGYLE  
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vate collection of rare stones. Of the 70 diamonds in the 2012 tender, which totaled 42.79 carats, 40 were on display in this special exhibition. A notable stone from the tender was the Argyle Siren, a 1.32 ct Fancy Vivid purplish pink square radiant cut.

**2013:** The 2013 tender was known as the “Red Edition” for its three Fancy reds weighing 0.20, 0.58, and 1.56 ct, all round brilliants. Sixty-four diamonds were showcased that year, ranging from 0.20 to 2.53 ct, with a total weight of 54.99 carats. Two significant records were broken. The Argyle Phoenix, a 1.56 ct Fancy red, brought in the highest per-carat price for any diamond from the mine. The Argyle Dauphine, a 2.51 ct Fancy Deep pink radiant cut, achieved the highest overall price paid for an Argyle diamond. According to Argyle, this was also a world record for a Fancy Deep pink tender diamond.

**2014:** To celebrate the 30<sup>th</sup> tender, and in keeping with that year’s bird theme, a limited-edition set of diamond-encrusted feather pendants was created with over one carat of pavé-set Argyle pinks. The tender comprised 54 pink diamonds totaling 41.64 carats. The featured diamond of the collection was the 1.21 ct radiant-cut Fancy red Argyle Cardinal, named after the North American bird known for its bright color. This tender also included four red diamonds. To date, there have only been 13 red diamonds in the history of the tender. Two other exceptional diamonds were, a .39 ct Fancy Intense purplish pink oval cut, and a .27 ct Fancy Intense purplish-pink emerald cut. The 2014 sale achieved the highest average price per carat since the tender’s inception.

## CONCLUSION

For centuries, pink diamonds have been cherished as true rarities of nature, and their great beauty has made them sought-after possessions. **For the past 30 years, Australia’s Argyle mine has been the only consistent source of this gem material.** Through Argyle’s effort to market these and other colored diamonds from the mine, the industry and public have gained much greater awareness of these fascinating gems. This article presented an overview of 30 years of tender diamonds.

## Argyle Pink Diamonds

The Argyle Diamond Mine provides 90-95 % of the world’s pink diamonds, offering the vast majority of the worldwide supply of a very rare and valuable commodity. With the mine’s planned closure in 2018, this already rare supply will go scarce.

The demand for Argyle pinks has increased dramatically thanks to the increased economic growth of India and China in addition to the already existing demands of the United States.

In more than 30 years of mining at the Argyle Mine, no other pink diamond sources have been found anywhere in the world, and none are likely, thanks to the exorbitant costs involved in new mining.

Argyle Pink diamonds are accompanied with either Gemological Institute of America (GIA Reports and/or Certificates of Authenticity from Rio Tinto, and all Argyle Pinks cut and polished after 2005 are laser inscribed with the Argyle logo (as shown on the GIA Report), or as evidenced by the Certificate of Authenticity.

There are a number of reasons to acquire Argyle pink diamonds:

- The Rio Tinto Argyle Mine produces 90% to 95% of the world's pink diamonds;
- The mine is scheduled for closure in 2018;
- The demand for pink diamonds worldwide has increased dramatically, as a consequence of the wealth created in China and India (the former, being the largest consumer of pink diamonds, next to the United States);
- The annual supply of pink diamonds is diminishing even more dramatically as the working life of the mine is edging closer to 2018;
- The Argyle Mine has been in existence since 1985 producing in excess of 30 million carats of diamonds per annum, of which less than 0.001% are pink diamonds, and only a portion of these are cut and polished and considered investment grade. To put this in perspective, a year's supply of cut and polished Argyle pink diamonds would fit in the palm of your hand;
- There have been no new discoveries of diamond mines producing pink diamonds since the formation of the Argyle Mine almost 30 years ago, and none are anticipated due to the high cost of bringing a mine into production (in excess of one billion dollars), and the regulatory and environmental hurdles which are inherent in creating one;
- A one (1) carat pink diamond available for sale in 1980 for \$10,000 now sells for between \$850,000 to over \$1,000,000 depending on the color saturation and quality of the stone;
- Argyle pink diamonds have a unique aesthetic beauty based upon their saturation of color which differentiates an Argyle pink from the limited quantities of pink diamonds which emanate from South Africa and South America.



Pink diamonds are by far the most popular treasure asset type for wealthy individuals across all countries, with 70% of global respondents investing in this asset, followed by fine art and antiques.

