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**FOREVER RARE**

Natural Color Diamonds

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# WHO WE ARE

Forever Rare are buyers, sellers and brokers of rare, conflict-free, natural color diamonds. We are not directly affiliated with any gemological laboratories or diamond mines. This means that we are in the best position to acquire and broker diamonds from a variety of sources at the best prices and the best overall quality, to ensure you, as a client of Forever Rare, receive the optimum opportunities and options for your portfolio.

We utilize our staff's many years of professional experience in the diamond industry along with our knowledge of the breadth of offerings on the market to best maximize our clients returns on their acquisitions.

## **BUILDING A PORTFOLIO**

As in any investment category, choice of product varies widely, and can greatly affect the level of returns that one can expect. Purchasing larger carat weights or particular cuts of diamonds will not always offer the best returns. It is important to know what's on the market, what particulars are trending better than others, and to know when to buy, hold, or sell.

## **ACCESS TO THE RAREST DIAMONDS**

Through our long-standing business relationships in the diamond industry, we have access to the finest quality natural color diamonds that are available on the market, with a special selection of the world's top quality pink diamonds, straight from Australia's Argyle Mine.



## **QUALITY CONTROL**

Like any industry, we are subject to those who would put false or artificially created diamonds into the market. To combat this, we utilize the best labs and appraisers to provide us with the most accurate diamond reports available on all our products. We maintain an "arm's

length” relationship with every lab, to ensure no bias or partiality exists in the evaluation of our clients’ diamonds.

## **LOGISTICS, SHIPPING & INSURANCE**

Every diamond we sell is physically delivered directly to our clients, at our expense, via insured express delivery services (barring any geographical or delivery constraints), to enable all of our clients the opportunity to examine the aesthetic beauty that are these earthly treasures. On those occasions where our clients do not wish to receive delivery of their diamonds, they are kept in safekeeping at a highly secure off-site facility operated by First Canadian Depository ([www.fcd.ca](http://www.fcd.ca)) which is owned by INKAS Group of Companies with insurance coverage by various Lloyd’s Underwriters.

Our clients may view their diamond acquisitions either at our offices in Toronto, the Canadian Diamond Bourse in Toronto or at the various diamond bourses located in various parts of the world upon 72 hours

notice or less, to provide adequate time for security measures to be taken. In-person pick-up is also available at our offices, however again, a notice period is required and the client must provide proper identification.



## **STRUCTURING YOUR ACQUISITION**

Your portfolio is entirely tailored towards your net worth and the size of your traditional investments. Initially our clients typically “dip their toe” at a range of CAD \$5,000 to CAD \$10,000 (or equivalent foreign currency) or more, for what we call “stepping stones”. These diamonds will offer the ability to trade more

frequently and provide a comfort level within this market.

## **ONGOING MANAGEMENT AND COMMUNICATION**

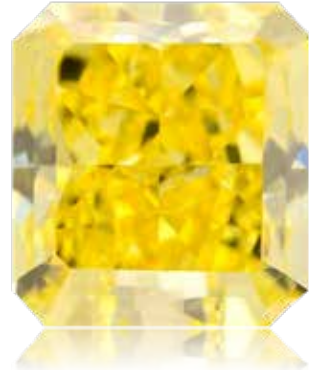
We presently employ a staff of twenty (20) well trained and dedicated professionals to assist each and every one of our valued clients. Our services include: regular communications through market newsletters, an actively updated information based e-commerce website, and a dedicated diamond trader who will be in touch with you on a regular basis to discuss with you the latest news and trends in natural color diamonds, as well as the status of your existing portfolio. Whenever new and potentially high return diamonds enter the market, your diamond broker will be in immediate contact with you to ensure you have the opportunity to “strike while the iron is hot”.

# THE NATURAL COLOR DIAMOND MARKET

Natural color diamonds are the most concentrated form of wealth on the planet: we call them earthly treasures. Natural color diamonds have been appreciating at an average annual rate of between 10% to 25% since 1980. If history repeats itself it is anticipated that prices for investment quality natural color diamonds have the potential for further dramatic increases going forward.

Of every 10,000 carats of brilliant, white flawless diamonds mined (which are themselves extremely valuable), just one (1) carat of color diamonds is found in nature.

Though natural color diamonds have appreciated historically, we have witnessed price increases for pink diamonds (especially those emanating from the Argyle Mine), to be appreciating even more



significantly within the past five years.

In fact, the prices for all quality natural color diamonds - the yellows, reds, greens and blues (all called fancies) - are showing steady increases.

Why the increases? Simply stated.... demand has outstripped supply. Investors and collectors alike have become even more motivated as buyers because of the economic turmoil which has gripped the world economy. There is virtually no other place to safeguard your disposable income.

The stock markets have gone from upheaval to buoyancy and many experts believe that a significant correction is

probable in the foreseeable future.

Gold prices, once a haven for the world's money in times of turmoil, have dropped precipitously, and no one can accurately predict when the bottom will be reached.

Real estate and housing prices are at an all-time high and many experts opine that the bubble may burst and that prices will fall.

Even the United States government is trillions of dollars in debt and is printing paper money by the ton. The banks are paying its depositors meager interest rates which don't even correspond to increases in the consumer price index for goods and

services.

As a result, the demand and the prices for quality natural color diamonds have increased in direct proportion to the decrease in the value of many traditional investments.

Therefore, quality natural color diamonds, especially the pinks, yellows, blues and reds, have always been and will continue to be (now more than ever), a sound and prudent investment.

Diamonds are portable, marketable and liquid in every corner of the world. You can sell them worldwide, and in our opinion, their value shall

increase over the medium to long term.

During times of war, insurrection and political upheaval, natural color diamonds have always been coveted by investors as a safe-haven and a hedge against inflation. One has only to read the newspaper or watch BBC News or CNN to realize that with international economic uncertainty, terrorism fears, potential inflation or deflation....these times are now.

As global economies slowly recovered from the collapse of the market in 2008, during which time the prices of color diamonds had been appreciating, they will without question be that much more valuable going forward. There is no better time in history to make acquisitions of color diamonds.



# REASONS TO ACQUIRE NATURAL COLOR DIAMONDS

- Natural color diamonds at the wholesale level have never decreased in value over the last 40 years;
- Based on diminishing world supply and continued demand emanating from the traditional buyers in the world's wealthiest economies, coupled with dramatic increased demand from emerging markets in China, India, Russia and Latin America, it is generally regarded by experts that significant price increases shall continue in the medium to long term;



- A hard physical asset that diversifies one's portfolio securely and which is not affected by volatile market movements;



- The Rio Tinto Argyle Diamond mine located in Western Australia, which produces and supplies 90 - 95% of the world's pink diamonds is scheduled to close;
- No new mines producing natural fancy color diamonds have been discovered and the cost of bringing one into production would cost billions of dollars assuming all environmental and regulatory issues have been resolved prior thereto;
- Color diamonds are undoubtedly the most concentrated form of wealth on the planet;
- There is complete privacy in owning natural color diamonds unlike real estate, stocks and bonds;



- Unlike equities, bonds, gold, silver, platinum... natural color diamonds are not tied or correlated to a global economy;
- Natural color diamonds are portable and the safest and most discrete way to transport wealth in the world, especially in times of political uncertainty, wars or civil unrest;
- The value and rarity of natural color diamonds is recognized globally and can be sold in any currency;



- A hedge against global economic instability and the very real threat of serious currency devaluation and inflation;

- Wealth preservation and asset diversification;
- Natural color diamonds are not tied to a globally priced market (unlike their colorless counterparts);
- An aesthetically pleasing hard asset commodity that can be worn and adored while appreciating in value;
- A core holding that can be positioned as part of a succession (legacy) plan.



# CONTRACT

... shall be deemed to have accepted the terms and conditions of this Agreement and as a VOLUNTEER.

The consideration for all services (and goods if any) provided by the Contractor under this Agreement and agrees to meet all milestones set forth on Exhibit A ("Exhibit A") shall be paid by the Company as follows:

... shall not exceed \$ \_\_\_\_\_

... must be itemized and accompanied by the Contractor's invoice with the Company's name and clearly indicate the nature of the services provided.

For: \_\_\_\_\_  
signature required

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Authorized \_\_\_\_\_  
Date: \_\_\_\_\_

# PRICE MATCH GUARANTEE

We unconditionally guarantee that our prices for natural color diamonds are the least expensive anywhere. If you are seriously considering an acquisition of one or more of these earthly treasures, and you can provide us with a bona fide written offer/confirmation from one or



more of our competitors that they can offer you a comparable diamond(s) at a price which is less than ours, we agree to sell you our diamond(s) at our competitors' price(s), less five percent (5%). We shall not be undersold.

For the purposes of clarity, a comparable diamond shall be defined as a natural color diamond (non-synthetic) exhibiting similar characteristics (the "4 C's"), which include color saturation (Fancy Light, Fancy, Fancy Intense, Fancy Deep, or Fancy Vivid), carat weight, cut, and

clarity of the natural color diamond(s) that is comparable to that which we are offering, evidenced by a Gemological Institute of America (GIA) Report.

No two natural color diamonds are exactly alike. However, if our competitors' diamond(s) is/are similar, and the disparity is minor in all aspects, we shall at our sole and unfettered discretion honor our guarantee without debate.

Our interest is to provide you with the best quality natural color diamonds at the lowest possible price and to capture your business as a client...forever.



# OUR INDUSTRY LEADING REMARKETING PROGRAM

Natural color diamonds have historically doubled in value every four (4) to six (6) years at the wholesale level. As we warrant and represent that our prices are the least expensive anywhere, we offer a straightforward, no-nonsense re-market-



ing program that is not offered by any of our competitors.

Every diamantaire, jeweler, dealer and broker in natural color diamonds is in the business of selling diamonds. They are not in the business of re-purchasing their clients' diamonds unless they are repurchasing them at a steep discount from the original price, nor are they in the business of re-marketing their clients' diamonds. Their primary interest is to sell

their own inventory and not necessarily those of their customers, because their profit margins are higher.

If a client has paid a retail price for their diamond(s), the re-marketing strategy becomes that much more problematic because the potential appreciation of those diamonds does not equate to a 4 to 6 year hold. Potentially, it could take a significantly longer time line well beyond 4 to 6 years for those diamonds to reach their original price or market value. In reality, the market value of any diamond is determined by what a willing buyer dealing at arm's length will offer to a motivated seller.

We have a totally different outlook; namely, we encourage our clients to come back to us in 4 years or more at



their discretion, to allow us the opportunity to assist them in the re-marketing of the diamonds that they have purchased from our company because had they purchased their diamonds from us, they would have paid well below the prices offered by our competitors.



How do we do this? Firstly, natural color diamonds that are acquired for investment purposes and not necessarily for aesthetic reasons, are



medium to long-term investments. If you are considering the acquisition of natural color diamonds for investment purposes only with a short-term horizon, we dissuade you from making any investment in natural color diamonds.

However, should you have a longer-term horizon and you acquire quality natural color diamonds, history has shown that appreciation of 10% to 25% or more per annum is not uncommon.

On this basis, we agree to re-market our clients' natural color diamonds on or after the fourth anniversary date of their acquisitions by listing our clients' diamonds on our website at a price which is reflective of the appreciated value of the diamond(s), if any. The price so determined shall be in accordance with the market price of similar natural color diamonds offered for sale at the time of listing. Our clients' natural color diamonds shall only be listed for resale at a market price agreed to in writing by the client and our company. Our company agrees to take commercially reasonable efforts in attempting to



sell our clients' diamond(s) on the same basis that we offer our own inventory for sale.

In other words, the general public (potential buyer) has the same opportunity to purchase your diamond(s) as they would our own inventory.

In addition, we have established a network of international diamond brokers whose sole function is to offer natural color diamonds for sale, whether the diamonds so offered are part of our inventory or the whole or any part of your natural color diamond portfolio. Once a sale price has been agreed upon, your diamond(s) will be prominently displayed on our website (as if it were our own inventory). In

the event your diamond(s) are sold at the agreed sale price so established, once settlement is completed, we shall transfer funds to you forthwith.

We shall have the discretion to offer your diamond(s) for sale at a price greater than the market price so established (the "mark-up price") in order to compensate us for our re-marketing costs. For the purposes of clarity only, we provide the following hypothetical:

A client purchases a natural color diamond from us on August 1, 2015 for \$10,000. On or after July 31, 2019, the client authorizes us to sell and we agree to sell his/her/its diamond for \$20,000. We determine that the diamond has a value of



\$21,000. The diamond is sold. The client receives \$20,000, and our company earns \$1,000.

Why do we list the market price at \$21,000 using this hypothetical? As we deliver all of our diamonds to our clients at the time of purchase with delivery and in-transit insurance costs borne by us, on re-marketing we must arrange for the re-delivery of the diamond and GIA Certification back to us (courier and in-transit insurance costs to be borne by us a second time). Thereafter we may have to re-photograph the diamond if applicable, and post the diamond and its certification on our website. If the diamond is sold through our network of brokers, our costs associated with salary and administrative costs must be

considered. We also have costs associated with the settlement of payment to you (by bank-to-bank wire transfer) and the delivery and in-transit costs necessitated by a sale to a third party buyer.

In essence, if a sale is completed, our client could potentially receive a considerable profit on the transaction and our mark-up price will not necessarily become an impediment to a successfully completed re-marketing transaction.

Our re-marketing program is available only to the clients of Forever Rare.

Our company is owned and operated by experienced natural color dia-



mond specialists who are acutely aware of the wholesale prices of natural color diamonds globally. We are also cognizant of the fact that persons (entities) could potentially present us with a written offer/confirmation from one or more of our competitors which is mala fides, and which may have been created to deceive



us to activate our price match guarantee as hereinbefore expressed. If in our unfettered discretion we believe this to be the case, we expressly reserve the right to refuse to transact business with any person (entity) who provides us with false or misleading documentation which if otherwise (bona fide) would encourage us to honor our price match guarantee without debate.

We shall only sell our natural color diamonds to our competitors at the

stated price(s) on our website and our price match guarantee shall not apply to our competitors, their officers and/or directors (if any), their employees or agents, and any person or entity associated or affiliated with our competitors, their officers, and/or directors (if any), their employees, agents (directly or indirectly), or with any person or entity that has a non-arm's length relationship with our competitor(s). The purpose of the preceding paragraph is to bring to the attention of the public the fact that our prices for natural color diamonds are the least expensive anywhere with or without our price match guarantee, and that we are concerned that our competitors could potentially (directly or indirectly) provide us with written offers/confirmations which are not bona fide, in an attempt to undermine and take undue, unfair and unscrupulous measures to acquire the whole or any part of our inventory at prices which are below our stated and published prices.

If you require clarification of any aspect of our price match guarantee and/or re-marketing program, we encourage you to contact one of our service representatives by telephone, email or fax.

# DIAMOND & JEWELLERY AUCTION PROGRAM

In addition to listing our clients' diamond property on our website, we also provide in-house auction services.

Typically we conduct auctions not less than twice and up to four times annually depending upon the quantity of diamonds and/or jewelry incorporating diamonds, which are presented by clients for auction.



Our auction(s) are conducted at our showroom facilities where we occupy 7,500 square feet of commercial space in conjunction with several other diamond dealers in the famous Technicolor Building in downtown Toronto and more recently our auctions were conducted at various trade show venues outside of our facilities such as the MoneyShow

held annually at the Metro Convention Centre in Toronto which attracts over 3,000 individuals over a two day period. We have also conducted two (2) auctions each at the Ritz Carlton Hotel in Hong Kong in concert with reputable auction companies.

The property offered at auction represents items of loose cut and polished diamonds and/or jewelry incorporating same, which are owned exclusively by our clients. We do not include any of our own inventory as we have a policy that we shall not compete for the sale of property at auction with those of our own clients who wish to remarket their property.

To enter one or more of our auctions, our clients must first execute a written consignment agreement, a draft copy of which is available upon request. Under







the terms of the said agreement the client must determine an estimated price range from a minimum to a maximum amount that they would be prepared to accept at auction. In addition, the client must determine a reserve bid, being the lowest price that the client would accept from a successful bidder at auction.

The auction(s) in question are conducted as silent auctions whereby those in attendance can place written bids for item(s) of property displayed. Once the auction is concluded, bids are opened by staff of Forever Rare. In the event a bid or competing bids are equal to or greater than the reserve bid, the highest bid shall be deemed as the winning bid and staff shall advise

the successful bidder forthwith that they have won the bid and settlement arrangements (payment) are concluded.

In the event a bid or competing bids are obtained for an item(s) of property at auction which is less than the reserve bid, we shall contact our client as soon as reasonably possible to obtain their acceptance



or rejection of the highest bid (if any). If the client agrees to accept the highest bid, which is less than the reserve bid, the successful bidder is informed that they have won the bid and settlement (payment) is arranged.

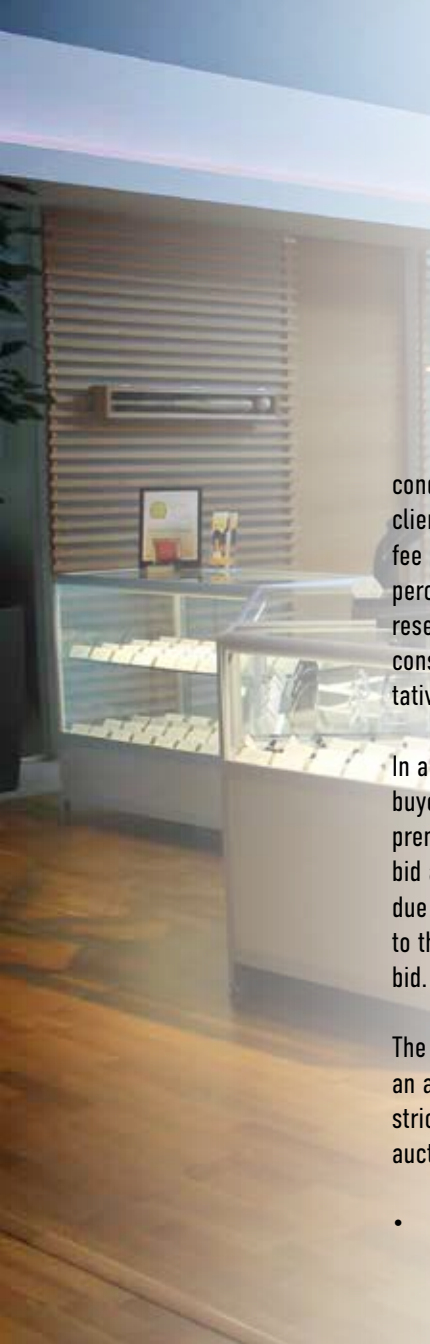
The rationale in allowing client(s)

the opportunity to consider a bid that is less than the reserve bid is to ensure the bid(s) that are relatively close to the reserve bid are not dismissed without first providing the selling client the opportunity to consider the viability of the bid.

Of course, a client who has delivered their property for sale at our Forever Rare auction has the right not to accept any bid(s), which is less than the reserve bid at their sole and unfettered discretion. Reciprocally, we do not warrant, represent or guarantee that any item of property entered at auction will be sold.

In order to offset and defray many of the costs to Forever Rare in





conducting an auction(s) on behalf of its clients, Forever Rare charges a one-time fee ranging from five percent (5%) to ten percent (10%) of the reserve bid. The reserve bid is determined by the client in consultation with their account representative.

In addition, Forever Rare charges a buyer's premium (not a client/seller's premium) of 10% of the amount of the bid accepted by our client/seller which is due and payable by the buyer in addition to the price determined as the successful bid.

The costs associated with conducting an auction are considerable. Without restricting the generality of the foregoing, auction costs include:

- Advertising in the local media

(newspapers) and online;

- Arranging for delivery and in-transit insurance on the property of the client to be entered at auction;
- Creation and maintenance of an online site displaying our clients' property available at auction;
- Discussions and finalization of the terms and conditions contained in our standard consignment agreement including a determination of estimated price ranges (minimum and maximum) and reserve bids;



- Storage (vaulting) and insurance respecting our clients property prior, during and subsequent to the auction event;

- Security (not less than two armed security guards);
- Staffing (not less than ten (10) staff members) for the purpose of displaying clients' property prior to and during the auction event;
- Catering services (food and champagne for those in attendance);
- Arranging settlement (payment) by the buyer and payment to the client/seller.
- To prepare an item of property for auction requires not less than a three (3) month pre-auction preparatory period.

The auction services provided by Forever Rare are available to its clients only.

If you are a client (only) and are interested in viewing a copy of our draft consignment agreement and/or you require clarification regarding any material aspect of our auction process, please contact your account representative at your convenience.





# CUSTOM DESIGNED JEWELLERY

The overwhelming majority of the world's supply of cut and polished diamonds are ultimately incorporated and showcased into finished pieces of luxury jewelry.

Thereafter the jewelry is marketed globally through upscale retailers, auction houses or through private sales to end users (consumers) seeking quality of design and fabrication. This process enhances the value and aesthetic beauty of the diamond(s) so incorporated.

By incorporating one or more rare natural color diamonds into a unique and aesthetically desirable jewelry creation, the value of the finished product is increased and the ability to showcase the diamonds for sale to a third party buyer is enhanced.

At Forever Rare, we design and manufacture custom

(one-of-a-kind) jewelry creations to showcase the beauty of our clients' natural color diamonds.

According to the Diamond Industry Report, prepared by Bain & Company, Inc., global retail sales of jewelry incorporating diamonds for the year 2018 was approximately USD \$75 billion and it is estimated that this figure will increase by 6% per year to 2022 due to the expansive wealth and buying patterns which have emerged in China, India, Russia and Latin America. In creating a custom designed jewelry creation, our clients provide us with their budget, and are thereafter provided with one or more design renderings for their selection. Depending on the design selected in consultation with their respective account representatives, the jewelry piece is crafted in either 14 karat or 18 karat gold (white,

yellow or rosé) or platinum incorporating our client's natural color diamond(s). Depending on our client's budget, various additional white diamonds can be included, all of which are SI to VS clarity or better. One must appreciate that natural color diamonds are similar to snowflakes... each is unique and no two are exactly alike. This also holds true for our custom-made jewelry; each piece is unique and one-of-a-kind.

Our account representatives and design team can fulfill virtually any request for a custom designed jewelry creation incorporating our client's natural color diamonds.

Our design service is gratis to the clients of Forever Rare and custom design renderings in advance of fabrication are available for rings, earrings, bracelets, pendants, necklaces and brooches.

# RARITY DEFINED ARGYLE PINK DIAMONDS

The Argyle Diamond Mine, owned and operated by Rio Tinto, has been an active open pit mine for over 30 years, but grew into an underground mine after a 2001 proposal to expand operations to extend the life of the mine.



The open pit closed in 2012, and the underground pit became fully functional in 2013.

Most pink diamonds drawn from the mine are less than 0.10 carats, however the largest rough diamond from the Argyle Diamond Mine weighed in at a whopping 42.6 carats (found in 1991).

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;
- The demand for pink diamonds worldwide has increased dramatically, as a consequence of the wealth created in China, Russia, India and South America with Japan 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 closure;
- 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

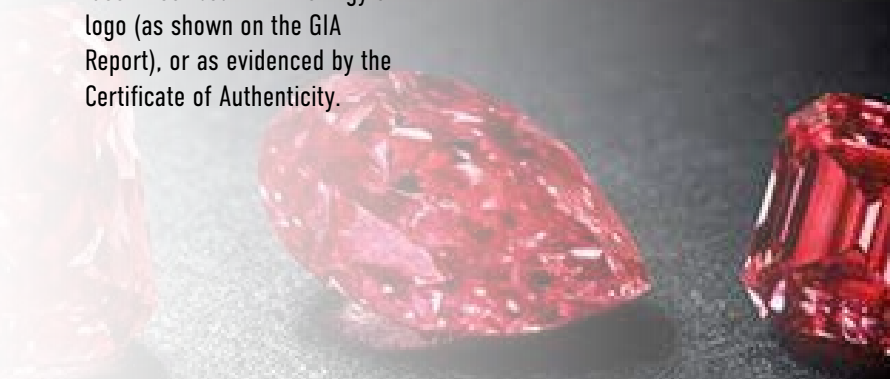


pink diamonds would fit in the palm of your hand;

- There have been no new discoveries of diamond mines producing pink diamonds since the formation of the Argyle Mine more than 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 \$400,000 to \$600,000 or more depending on the color saturation and quality of the stone;
- Forever Rare offers Argyle pink diamonds at the most competitive pricing in North America notwithstanding the limited supply available globally;
- Argyle pink diamonds have a unique aesthetic beauty based upon their saturation of color which differentiates an Argyle pink from the limited quanti-

ties of pink diamonds which emanate from South Africa and South America;

- 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.



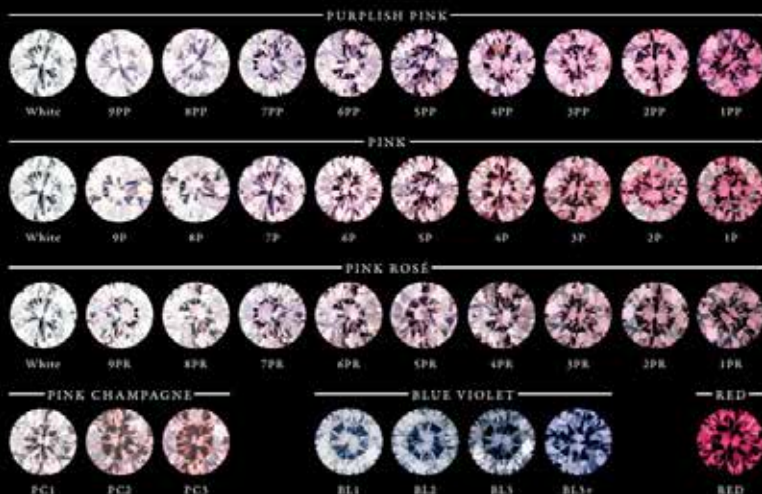
The three attributes used to determine the colour grading of a coloured diamond:

**HUE** is the dominant colour of the diamond. Sometimes there are modifying colours or tints that affect hue. For example, a diamond with a pink hue may have a purplish tint.

**SATURATION** is the strength or purity of the hue. Hue saturation in pink diamonds can range from light pink to intense, and at the strongest saturation, vivid.

**TONE** is the amount of lightness or darkness in the diamond. The range of tone extends from light to dark.

**Argyle Pink**  
DIAMONDS



As each Argyle pink diamond is unique, the images shown are a representation of a range only and colour will vary within the categories.



“Diamond prices have increased an average of 15% per year since 1959. And the values of these precious stones are not directly linked to the stock or bond markets. Therefore, diamonds are a good hedge for investors looking to protect against inflation risk and interest rate risk.”

FTMDAILY.COM



# FANCY COLOR DIAMOND RESEARCH FOUNDATION



History has shown and we reiterate that investment quality natural color diamonds have been appreciating at the rate of 10% to 25% per year or more over the last 40 years depending upon the quality of the diamond. In some cases this appreciation is even more dramatic - especially in the case of pink and blue diamonds.

According to a recent index prepared by the Fancy Color Research Foundation, an independent non-profit organization formed to promote fair trade, ethics and transparency in the fancy color diamond industry, fancy color diamonds, across pinks, yellows, and blues, have increased in value by 167% on average since January 2005. This suggests that natural color diamonds have outperformed other leading assets in a similar period. For example, the

Dow Jones industrial index has increased 58%, Standard & Poor's 500 has increased 63% and London UK residential real estate has increased 82.1% over the same period. The published report states further that the index shows that pink diamonds have exhibited the greatest growth in value, up by 360% in the last nine years, with blue diamonds showing less dramatic, but equally consistent growth of 161% by value.



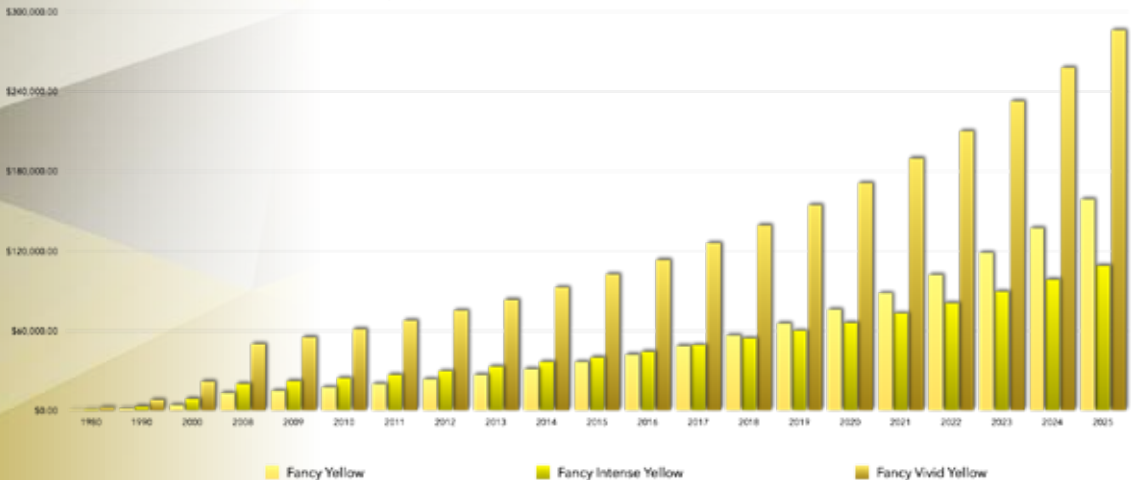
# PRICE TRACKING CHARTS HISTORICAL AND FUTURE

At Forever Rare, our outstanding relationships with the mandated representatives of the world's premiere producing mines coupled with senior management's cumulative decades of experience in the natural color diamond industry, provides our clients with the comfort level to move confidently into this most intriguing and potentially lucrative alternative asset class. The following are price tracking charts of natural color diamonds over the last 30+ years:

# HISTORICAL AND FUTURE YELLOW DIAMONDS CHART



Source: Auction (1980) :: Originally Sold for (FY) \$500/ct. (FIY) \$1,000/ct. (FVY) \$2,000/ct. \*price derived from auction sale price

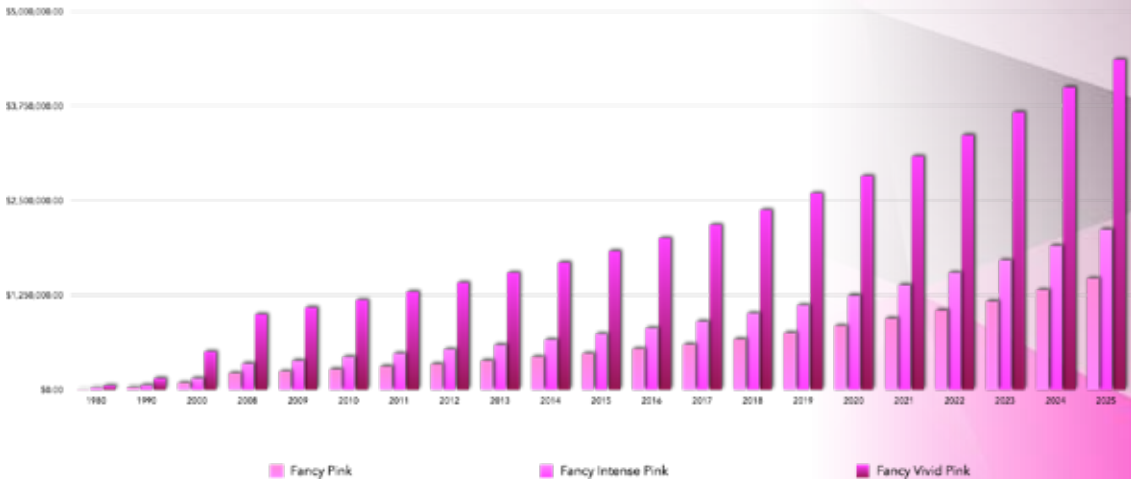


\* Dollar figures and projections depicted in the charts above (hereinafter called "forward-looking price expectations") are based upon pricing for natural color diamonds which have been sold at auction or through private sale. Pricing and the projections extrapolated therefrom have been derived from reliable and independent sources though Forever Rare cannot independently verify the pricing as expressed or the projections derived therefrom.

# HISTORICAL AND FUTURE PINK DIAMONDS CHART



Source: Private Sale (1980) :: Originally Sold for (FP) \$10,000/ct. (FIP) \$20,000/ct. (FVP) \$50,000/ct. \*price derived from private sale price

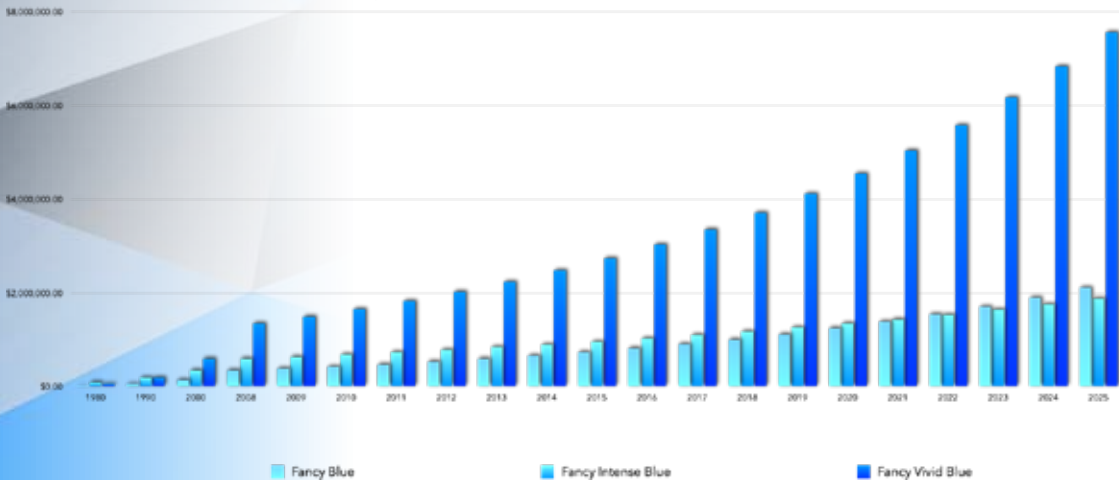


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# HISTORICAL AND FUTURE BLUE DIAMONDS CHART



Source: Auction (1980) :: Originally Sold for (FB) \$20,000/ct. (FIB) \$100,000/ct. (FVFB) \$60,000/ct. \*price derived from auction sale price

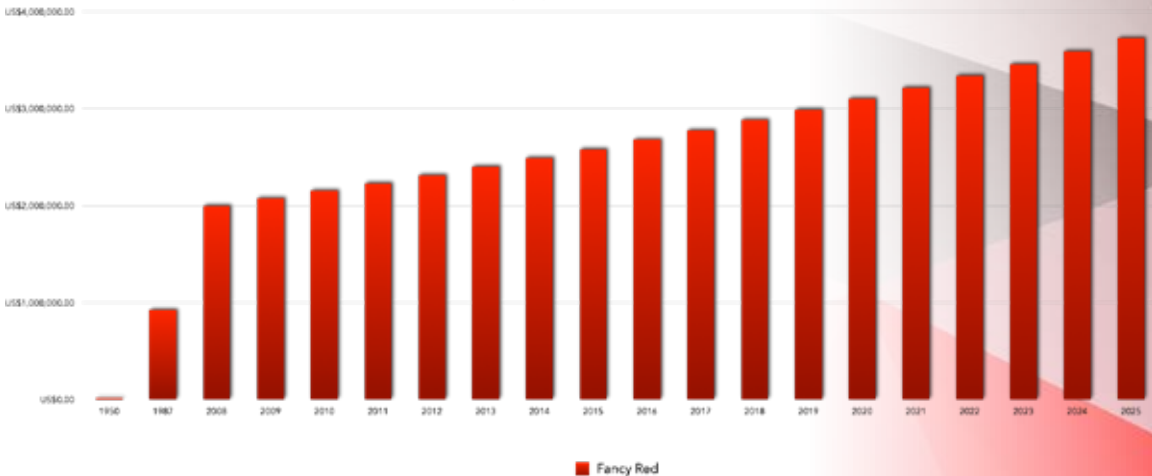


\* Dollar figures and projections depicted in the charts above (hereinafter called "forward-looking price expectations") are based upon pricing for natural color diamonds which have been sold at auction or through private sale. Pricing and the projections extrapolated therefrom have been derived from reliable and independent sources though Forever Rare cannot independently verify the pricing as expressed or the projections derived therefrom.

# HISTORICAL AND FUTURE RED DIAMONDS CHART



Source: Private Sale (1950) = Originally Sold for (FR) \$20,000/ct. \*price derived from private sale price



Fancy Red

\* Dollar figures and projections depicted in the charts above (hereinafter called "forward-looking price expectations") are based upon pricing for natural color diamonds which have been sold at auction or through private sale. Pricing and the projections extrapolated therefrom have been derived from reliable and independent sources though Forever Rare cannot independently verify the pricing as expressed or the projections derived therefrom.





The image features a pair of safety glasses with a clear lens. On the lens, the text "30X21MM" is visible. Below the glasses, a small, clear diamond is placed on a blue surface. The background is a dark blue color with white outlines of various diamond shapes. The text "THE FOUR C'S OF NATURAL COLOR DIAMONDS" is written vertically on the left side of the image.

THE FOUR C'S OF  
**NATURAL COLOR DIAMONDS**

# DIAMOND EDUCATION THE FOUR C'S: CUT

The value of a rare diamond is determined via a universal grading system known in the diamond industry as “the Four C’s”.

Cut, carat weight, clarity and color are the four traditional and primary determining factors in confirming the authenticity of a diamond, color or otherwise, as well as assisting appraisers in determining value.

The most crucial of the Four C’s for generating the “sparkle” or light performance of a diamond is the cut. In an ideal diamond cut, light should be reflected through the body of the diamond and back out through the top, or table, of the stone. In lesser quality pieces, or more shallow cuts, light will leak out through the bottom of the diamond. This dramatically affects our perception of the beauty of the diamond, and can affect, in natural color diamonds, how deeply the color of the stone can be visualized.



**RADIANT**



**CUSHION**



**PEAR**



**EMERALD**



**TRILLION**



**PRINCESS**



**ROUND**



**OVAL**

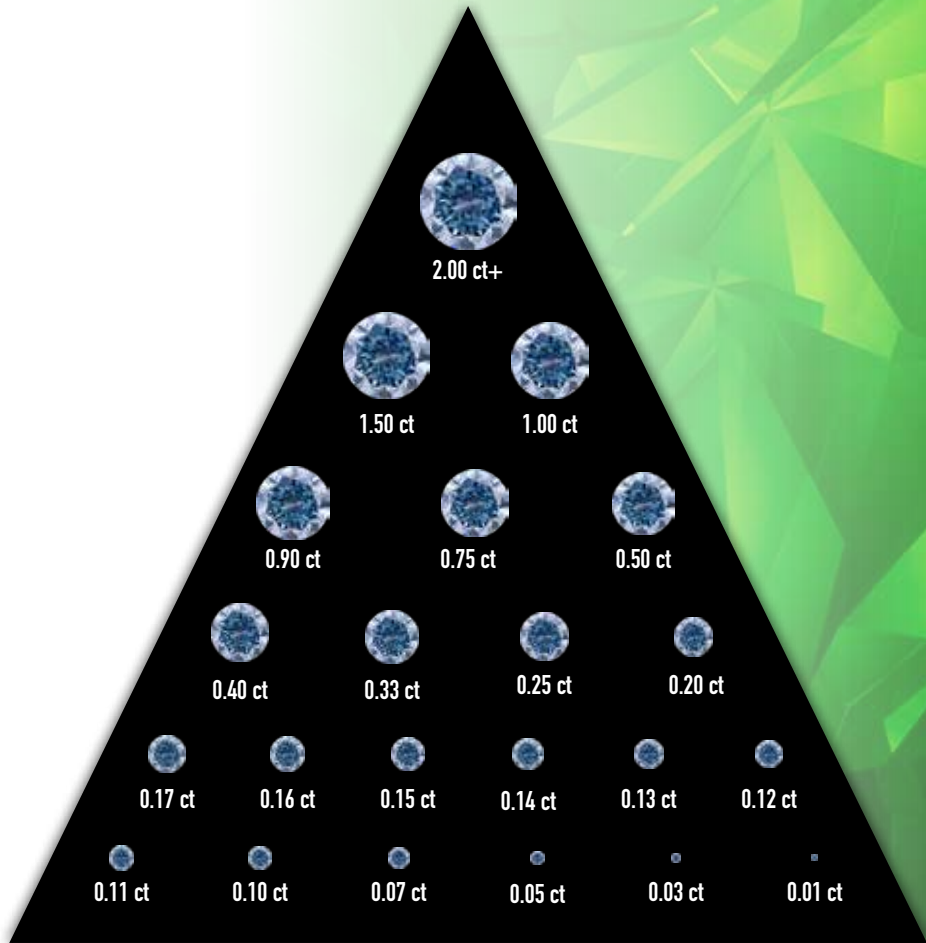


**HEART**



**MARQUISE**

# DIAMOND EDUCATION THE FOUR C'S: CARAT



Not to Scale

Carat weight is simply the measure of a diamond's weight, but may not necessarily be indicative of a diamond's size. A diamond's size is generally judged by the carat weight in combination with the measure of the top of the diamond (the table), as this is the view of a stone when set in jewelry.

# DIAMOND EDUCATION

# THE FOUR C'S: CLARITY



INTERNALLY FLAWLESS  
(FL/IF)  
PURE



VVS-1/VVS-2  
VERY VERY SLIGHT  
INCLUSIONS



VS-1/VS-2  
VERY SLIGHT  
INCLUSIONS



SI-1/SI-2/SI-3  
SLIGHT  
INCLUSIONS



I-1/I-2/I-3  
INCLUDED

Diamond clarity relates to the number of “blemishes” or “inclusions” that are visible outside and inside the body of a diamond. In natural color diamonds, lower clarity stones often possess deeper color tones than those with better clarity, and many gemologists and experts believe that this has little effect on the appearance of a natural color diamond. Better clarity grades are applied to diamonds with fewer or smaller imperfections, often not visible to the naked eye.

# DIAMOND EDUCATION

# THE FOUR C'S: COLOR



In white diamonds, being “colorless” is ideal. However, at the opposite end of the color scale are “Fancy” color diamonds, which possess a rarity and uniqueness that gives them their own value scale. This scale includes: Light, Fancy Light, Fancy, Fancy Intense, Fancy Deep and Fancy Vivid.

Color in natural fancy color diamonds occurs in a variety of ways. Natural phenomena present in the ground during the formation of color diamonds, such as trace elements of nitrogen or radiation, have a determining effect on the color of the diamond. Inclusions in the diamonds can in fact enhance the depth of color in fancy color diamonds, creating higher value, unlike their colorless counterparts.

# DIAMOND EDUCATION DIAMOND ANATOMY

There are a few other terms that may appear on certifications and appraisals for natural fancy color diamonds. Here are a few brief explanations:

**Diameter:** The width of the diamond as measured through the girdle.

**Table:** The large, flat top facet of a diamond; a key factor in ideal cut diamonds.

**Crown:** The upper portion of a cut gemstone, above the girdle.

**Girdle:** The narrow rim of a diamond that separates the crown from the pavilion. It

is the largest diameter component in any part of the stone.

**Pavilion:** The lower portion of the diamond, below the girdle. It is sometimes referred to as the base.

**Culet:** The tiny facet on the pointed bottom of the pavilion, which is the portion of a cut gem below the girdle.

**Depth:** The depth of a stone measured from the table to the culet; a key factor in determining "fine cut" diamonds.

**Facet:** A plane, polished surface on a diamond or other gemstone.



**TABLE**



**CROWN**



**CULET**



**GIRDLE**



**PAVILION**

“Move over gold bugs!  
Futures traders in precious  
assets may have a new  
best friend: Diamonds.”

#### MARKET WATCH



# RARE AND FAMOUS DIAMONDS



## PINK STAR

The 59.60 carat Fancy Vivid “Pink Star” diamond sold at auction for \$83,000,000 in November 2013.



## VIVID BLUE AND PINK RING

Sotheby's sold a 6.01 carat Fancy Vivid Blue and Pink diamond ring for \$10,100,000 at a Hong Kong auction.



## GRAFF PINK

The Graff Pink is a 24.78 carat emerald cut Fancy Intense Pink diamond. It was purchased at Sotheby's in 2010 by London jeweler Laurence Graff, who paid \$46,158,674 - the highest price ever bid for a jewel at auction at that time.





## PRINCIE DIAMOND

The Princie Diamond is an approximately 34.65 carat cushion cut Fancy Intense Pink diamond discovered 300 years ago in India's Golconda mines. In April 2013 it sold for nearly \$40,000,000 at auction by Christie's New York.



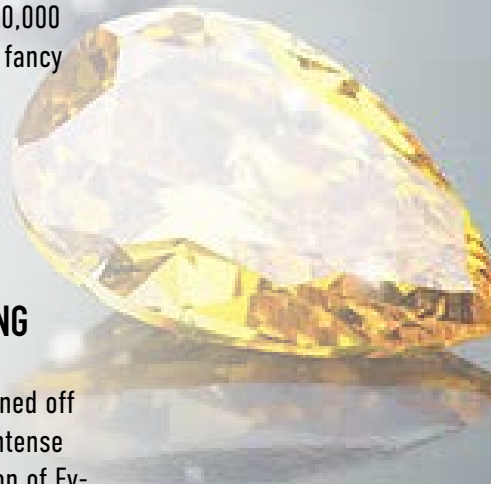
## MANDARIN ORANGE

Mandarin Orange, a 4.19 carat Fancy Vivid Orange diamond ring, sold for \$2,900,000 which was the highest price for any fancy vivid orange diamond at auction.



## FANCY INTENSE PINK RING

In December 2012, Sotheby's auctioned off this magnificent 6.54 carat, Fancy Intense Pink diamond ring from the collection of Evylyn H. Lauder. The ring sold for \$8,594,500.





## **THE OCEAN DREAM**

The Ocean Dream Diamond - a 5.50 carat Fancy Vivid Blue-Green diamond sold for \$8,633,798 at a Christie's auction in New York in 2014.



## **THE WINSTON BLUE**

The Winston Blue Diamond, a 13.22 carat Fancy Vivid Blue Flawless - sold for \$23,700,000 at Sotheby's in 2014.



## **THE GRAFF VIVID YELLOW**

The Graff Vivid Yellow, is a 100.09 Fancy Vivid Yellow Diamond set in a ring by Graff sold for \$16,300,000 in May 2014 at auction by Sotheby's.



## ZOE DIAMOND

The Zoe Diamond is a 9.75 carat Fancy Vivid Blue diamond that sold for \$32,645,000 at a Sotheby's auction in November 2014.



## VIVID PURPLE PINK FLAWLESS

At Sotheby's Hong Kong in October 2014, this 8.41 carat Fancy Vivid Purple Pink Flawless Diamond sold for nearly \$17.8 million.



## OPPENHEIMER BLUE DIAMOND

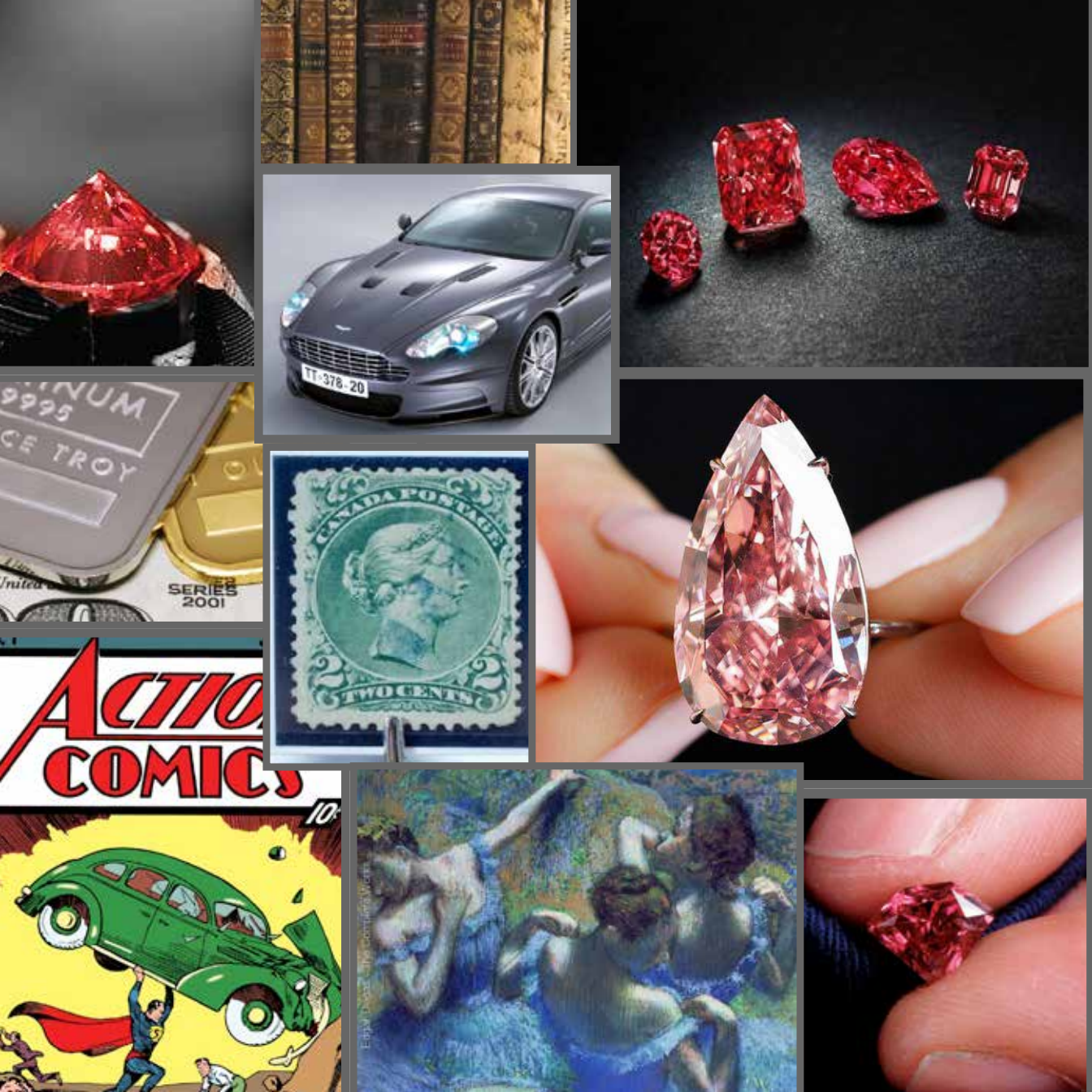
This magnificent jewel sold at the Christie's Geneva auction held in May 2016 for an incredible \$57.6 million.



# “A PICTURE IS WORTH A THOUSAND WORDS”

A COLLAGE OF RARE AND VALUABLE HARD ASSET INVESTMENTS



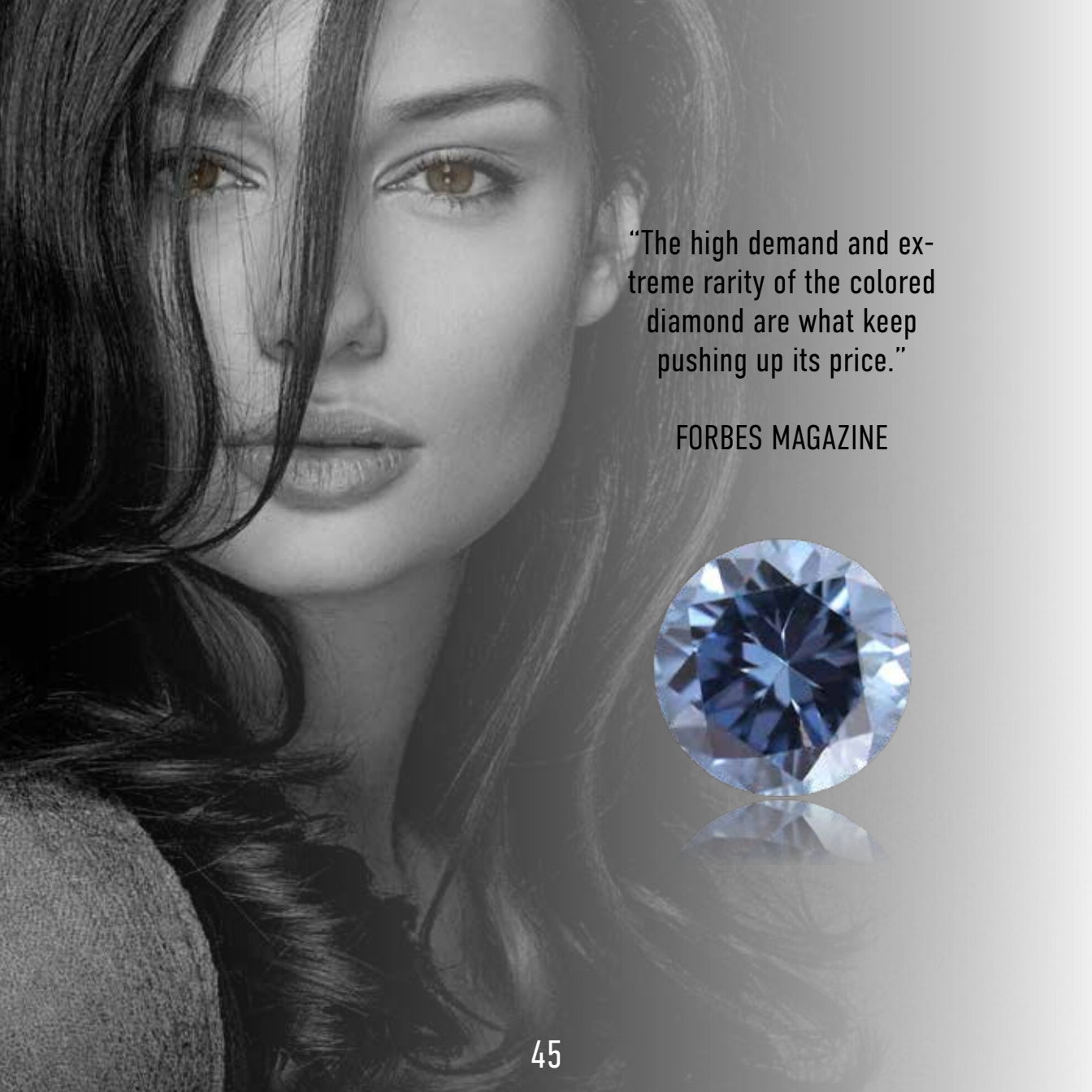


# NATURAL COLOR A SPLASH



# DIAMONDS OF COLOR





“The high demand and extreme rarity of the colored diamond are what keep pushing up its price.”

FORBES MAGAZINE





“The portability of diamonds is more favorable than that of gold or silver. A diamond investor can carry a million dollar portfolio in his shirt pocket.

FTMDAILY.COM



# DIAMOND ACQUISITIONS TERMS & CONDITIONS

## Purchase

Written confirmation of orders will be issued together with an invoice prior to payment. Upon receipt of full payment into our bank account, we will provide a receipt of funds, as well as confirmation of delivery arrangements of the invoiced diamond(s).

## Payment

All payments are due upon receipt of invoice unless agreed to prior to sale. We reserve the right to cancel unpaid orders at any time after their due date.

We accept payment through all the major credit cards, including Visa, MasterCard and American Express, bank-to-bank wire transfers, and business and/or personal cheques.

## Certification of Diamond

All original certificates, where available, will be provided to the client in their original form upon delivery of their diamond, or as soon as possible thereafter.

## Argyle Diamonds

Argyle Diamonds are often accompanied with a unique Certificate of Authenticity issued by the mine. A Gemological Insti-



tute of America (GIA) diamond grading report shall be furnished in the absence of an Argyle certificate, the originals of which will be provided upon delivery of the acquired diamond.

## Storage

Where requested, diamonds can be held in safekeeping in a secure, off-site location.

## Delivery

Diamonds are delivered to our clients within 10-14 business days upon receipt of full payment.

All of our diamonds shall be shipped to our clients via secure delivery service fully insured to any physical address requested (post office boxes excluded). The client's signature, or the signature of an authorized third party, is required on all deliveries with proper identification in order for the diamond to be released.

On transactions exceeding \$250,000 we retain Brink's as our agent in effecting insured deliveries.

## Price

All prices including taxes (if applicable) are quoted in Canadian dollars unless stated otherwise. All invoices shall be paid and settled in Canadian dollars unless agreed prior to sale.

## Money-Back Guarantee

In the event that a resolution to any dissatisfaction with a Forever Rare product cannot be found to completely satisfy you, we offer a 30 calendar day money back guarantee from date of delivery offering a full refund, less any extraordinary expenses of handling, shipping, insurance, taxes, bank transaction fees and any costs to us associated in re-classifying our product, if necessary. With respect to loose diamonds only. We do not offer a money back guarantee on custom designed jewellery.

In the event a client requests that their diamond(s) and/or jewelry are to be held in safekeeping, our

money-back guarantee expires 30 calendar days from the date of payment.









**Forever Rare Color Diamonds Ltd.**  
**49 Ontario Street, Suite 704**  
**Toronto, ON | M5A 2V1 | Canada**

**Email:** [info@forever-rare.com](mailto:info@forever-rare.com)

**Web:** [www.Forever-Rare.com](http://www.Forever-Rare.com)

**Tel:** 416-363-5825

**Fax:** 416-352-1572

Forever Rare is the registered trade name of Forever Rare Color Diamonds Ltd. a private corporation proudly and duly incorporated in the Province of Ontario

**Disclaimer:**

Forever Rare Color Diamonds Ltd. carrying on business as Forever Rare, is not an investment advisor nor is it licensed to provide investment advice. We strongly recommend that our clients obtain independent advice if they are seeking to invest in diamonds as part of an investment strategy. Natural color diamonds have been subject to upward price movements historically. Forever Rare cannot guarantee nor does it expressly warrant or represent that upward price movements of natural color diamonds which have occurred historically will continue in the future.