

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document, you should consult a person authorised under the Financial Services and Markets Act 2000 (“FSMA”) who specialises in advising on the acquisition of shares and other securities.

This Document has been drawn up in accordance with the requirements of the ISDX Growth Market Rules for Issuers.

The Company and the Directors of BlueRock Diamonds plc, whose names appear on page 4, accept responsibility, individually and collectively, for the information contained in this Document. To the best of the knowledge and belief of the Company and its Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and there are no other facts which, if omitted, would effect the import of such information. The share capital of the Company is not presently listed or dealt in on any stock exchange. It is intended that an application will be made for all the Ordinary Shares to be traded through the ISDX Growth Market.

The ISDX Growth Market, which is operated by ICAP Securities & Derivatives Exchange Limited (“ISDX”), a recognised investment exchange, is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. It is not classified as a Regulated Market under EU financial services law and ISDX Growth Market securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in ISDX Growth Market securities and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities.

BlueRock Diamonds plc is required by ICAP Securities & Derivatives Exchange Limited to appoint an ISDX Corporate Adviser to apply on its behalf for admission to the ISDX Growth Market and must retain an ISDX Corporate Adviser at all times. The responsibilities and duties of an ISDX Corporate Adviser are set out in the ISDX Rules for Issuers.

It is emphasised that no application is being made or has been made for admission of the Ordinary Shares to the Official List of the United Kingdom Listing Authority or to trading on the AIM market of London Stock Exchange Plc.

In connection with this document and/or the Placing, no person is authorised to give any information or make any representations other than as contained in this document.

Application will be made for the entire issued share capital of the Company to be introduced to trading on the ISDX Growth Market. It is expected the Admission will take place on 7 March 2013.

The whole of this Document should be read and in particular your attention is drawn to Part II of this Document which sets out certain risk factors. All statements regarding the Company’s business, financial position and prospects should be viewed in light of such risk factors. The Company has no existing business record. This Document is not an offer to purchase shares in the Company.

BlueRock Diamonds plc

(Incorporated in England and Wales under the Companies Act 2006 with Registered Number 08248437)

Admission to trading on the ISDX Growth Market

Placing of 2,149,338 Ordinary Shares of 0.01p each at a price of 13p per share

**Corporate Adviser and Broker
SP Angel Corporate Finance LLP**

Share capital of the Company on Admission immediately following Placing

	<i>Issued</i>	
<i>Amount</i>	<i>Number</i>	
£1,279	12,789,338	

SP Angel Corporate Finance LLP, which is authorised and regulated in the United Kingdom by the FSA and is a member of the ISDX Growth Market, is the Company’s Corporate Adviser for the purposes of the Placing and the application for the Ordinary Shares to be admitted to trading on the ISDX Growth Market. SP Angel Corporate Finance LLP is acting for the Company and for no one else in relation to the arrangements proposed in this Document and will not be responsible for anyone other than the Company for providing the protections afforded to clients of such advisers or for providing advice in relation to the Placing.

The text of this Document should be read in its entirety. An investment in BlueRock Diamonds plc involves a high degree of risk and attention is drawn in particular to the section entitled “Risk Factors” in Part II of this Document. All statements regarding the Company’s business, financial position and prospects should be viewed in light of such Risk Factors. Prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.

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FORWARD-LOOKING STATEMENTS

This Document contains forward-looking statements. These statements relate to the Company's future prospects, developments and business strategies. Forward-looking statements are identified by their use of terms and phrases such as "believe", "could", "envisage", "estimate", "intend", "may", "plan", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These statements are primarily contained in Part I of this Document.

The forward-looking statements in this Document are based on current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. Certain risks to and uncertainties for the Company are specifically described in Part II of this Document headed "Risk Factors". If one or more of these risks or uncertainties materialises, or if underlying assumptions prove incorrect, the Company's actual results may vary materially from those expected, estimated or projected. Given these risks and uncertainties, potential investors should not place any reliance on forward-looking statements.

These forward-looking statements speak only as at the date of this Document. Neither the Directors nor the Company undertake any obligation to update forward-looking statements or Risk Factors other than as required by law, by the ISDX Growth Market Rules for Issuers or by the rules of any other securities regulatory authority, whether as a result of new information, future events or otherwise.

DIRECTORS, SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Paul John Beck Andries Thomas Markgraaff Jonathan Stuart Quirk Christiaan Breytenbach Visser	(Non Executive Chairman) (Non Executive Director) (Non Executive Director) (Executive Director)
Company Secretary	Christopher Robinson	
Registered Office	c/o McClure Naismith LLP Equitable House 47 King William Street London EC4R 9AF	
Corporate Adviser and Broker	SP Angel Corporate Finance LLP 35 – 39 Maddox Street London W1S 2PP	
Reporting Accountants	Grant Thornton UK LLP 30 Finsbury Square London EC2P 2YU	
Auditors	Grant Thornton UK LLP Grant Thornton House Melton Street London NW1 2EP	
Solicitors to the Company	McClure Naismith LLP Equitable House 47 King William Street London EC4R 9AF	
Solicitors to the Corporate Adviser	Pritchard Englefield 14 New Street London EC2M 4HE	
Registrars	Share Registrars Limited Suite E First Floor 9 Lion and Lamb Yard Farnham Surrey GU9 7LL	

DEFINITIONS

In this Document, where the context permits, the terms set out below shall have the following meanings:

“the Act”	Companies Act 2006 of the United Kingdom as the same may be amended from time to time;
“Admission Document” or “Document”	this document;
“Admission”	admission of the entire issued and to be issued share capital of the Company, to trading on the ISDX Growth Market and such admission becoming effective in accordance with the ISDX Rules;
“AIM”	the market of that name operated by the London Stock Exchange;
“Articles”	means the articles of association of the Company in effect as at the date of this document a summary of which is set out in Part IV of this Document;
“City Code”	the City Code on Takeovers and Mergers;
“Code”	the UK Corporate Governance Code prepared by the Financial Reporting Council as the same may be amended or varied;
“Company”	BlueRock Diamonds plc;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time, and any applicable rules made under those regulations;
“CREST”	the relevant system (as defined in the CREST Regulations) in accordance with which securities may be

held or transferred in uncertificated form, and in respect of which Euroclear is the Operator (as defined in the CREST Regulations);

“Directors” or “Board”

the directors of the Company at the date of this Document whose names are set out on page 4 of this Document;

“Existing Ordinary Shares”

the 10,640,000 Ordinary Shares in issue as at the date of this Document;

“Enlarged Share Capital”

the enlarged share capital of the Company immediately following Admission, comprising the Existing Ordinary Shares and the Placing Shares;

“Euroclear UK & Ireland”

Euroclear UK & Ireland Limited the operator of CREST;

“FSA”

the United Kingdom Financial Services Authority;

“FSMA”

the Financial Services and Markets Act 2000 of the United Kingdom (as amended);

“ISDX Rules”

the ISDX Growth Market Rules for Issuers containing application requirements for admission to the ISDX Growth Market; requirements as to the continuing obligations of ISDX Growth Market issuers once admitted; and guidance notes;

“the London Stock Exchange”

London Stock Exchange plc;

“Official List”

the list maintained by the UK Listing Authority in accordance with section 74(l) of FSMA for the purposes of Part VI of FSMA;

“Ordinary Shares”

ordinary shares of 0.01p each in the capital of the Company;

“Placing Agreement”	the conditional agreement dated 5 March 2013 between the Company (1); the Directors (2); and SP Angel (3) relating to the Placing, details of which are set out in paragraph 14 (k) of Part IV of this Document;
“Placing Price”	13p per Placing Share;
“Placing Shares”	the new Ordinary Shares which are the subject of the Placing;
“Placing”	the proposed conditional placing by SP Angel on behalf of the Company of the Placing Shares pursuant to the Placing Agreement;
“Placees”	those persons subscribing for or purchasing the Placing Shares in the Placing at the Placing Price;
“Shareholders”	holders of Ordinary Shares from time to time;
“SP Angel”	SP Angel Corporate Finance LLP, which is authorised and regulated by the FSA;
“UK Listing Authority”	the FSA, acting in its capacity as the competent authority for the purposes of Part VI of FSMA;
“uncertificated” or “in uncertificated form”	a share or other security recorded on the relevant register of the relevant company concerned as being held in uncertificated form in CREST and title to which, virtue of CREST Regulations, may be transferred by means of CREST;
“VAT”	means Value Added Tax; and
“£”	the lawful currency of the United Kingdom.

PLACING STATISTICS

Placing Price	13p
Number of Ordinary Shares in issue immediately prior to Admission	10,640,000
Number of Placing Shares	2,149,338
Number of Ordinary Shares in issue following the Placing and Admission	12,789,338
Market Capitalisation at the Placing Price on Admission	£1,662,614
Percentage of Enlarged Share Capital subject to the Placing	16.8%
Gross proceeds receivable by the Company pursuant to the Placing	£279,414
Estimated cash proceeds of the placing receivable by the Company (net of commissions and expenses)	£128,844

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document	7 March 2013
Admission and commencement of dealings on the ISDX Growth Market	7 March 2013
Settlement of Placing Shares through CREST	7 March 2013
Despatch of definitive share certificates in respect of the Placing Shares to placeses by no later than	21 March 2013

Note: All references to times in this timetable are to be London times and each of the times and dates may be subject to change.

PART I: INFORMATION ON THE COMPANY

Introduction

BlueRock Diamonds plc was incorporated in England and Wales on 11 October 2012 and has been established by the Directors to acquire or invest in under exploited diamond mines and diamondiferous tailings dumps in South Africa and sub Saharan Africa.

Investment Strategy

The Directors believe there are opportunities in the diamond development, mining and processing sector (“Diamond Mining Sector”) in South Africa.

De Beers, once the producer and distributor of 90% of the world’s rough diamonds, has sold the majority of its diamond mining assets in the Northern Cape and the Free State in particular (the “Kimberley Area”), and South Africa in general. As a result, the Diamond Mining Sector in South Africa is fragmented, dominated by medium and small operators, many of which are underfunded and unable to access sufficient capital to build operations and projects of sufficient critical mass to be sustainable in the long term.



Figure 1: Map of South Africa

The Directors intend to focus initially on the Kimberley Area. There are more than forty known deposits in and around the Kimberley Area. Of these, five can be classified as large kimberlite operations including mining of primary sources and tailings retreatment operations, all of which are producing and unlikely to be for sale in the near future. The remainder comprise of (i) medium to small kimberlite deposits and fissure mines, the majority of which are not currently in production, (ii) tailings retreatment operations and (iii) alluvial deposits which are in various stages of production. Many of the kimberlite and fissure deposits have tailings dumps (“Tailings”), which although mostly already retreated, still contain diamonds in sufficient quantities to justify retreating on a sustainable economic basis as technology continues to improve. In addition to the Tailings associated with individual deposits there are a number of dumps in the region which are owned by De Beers.

In the short term, the Company intends to take advantage of the opportunity that exists for new entrants with access to capital to secure and develop under exploited assets in South Africa, in particular:

- small to medium sized kimberlite and fissure mines that are currently underperforming or dormant; and
- Tailings or the right to exploit Tailings in order to reprocess the kimberlite ore to generate cash flow and establish an operational presence in South Africa.

Investment Criteria

The Company will seek to make investments in opportunities that have some or all the following criteria:

- Opportunities in the Diamond Mining Sector in South Africa
- Other opportunities in the Diamond Mining Sector and other mining sectors in South Africa and other countries in Sub Saharan Africa
- Opportunities offering the Company a role as an active investor either through control or full ownership of the asset or investment

Investment Prospects

The Directors are currently seeking suitable investment or acquisition targets and have had preliminary discussions with a number of parties, but have not at this stage entered into any commitment. Once a suitable opportunity has been identified, initial due diligence will be carried out by the Directors and suitable experienced third parties who will be contracted to provide legal, accounting and technical due diligence.

As the Company is an investment vehicle, any acquisition is likely to be considered a Reverse Takeover under the ISDX Rules and is expected to include the preparation and issuance of a circular to shareholders and an admission document in relation to the re-admission of the enlarged entity to trading on the ISDX Growth Market.

It is expected that the first acquisition will be funded through a further placing of shares.

The Company intends to implement its investment strategy within 12 months following its admission to the ISDX Growth Market. Pursuant to Paragraph 13 of Appendix 1, Part 1 of the ISDX Rules, if the Company has not made a material investment within one year following Admission, it will seek Shareholders' approval in respect of each subsequent year to continue to pursue its investment strategy or return its cash to Shareholders, and that such approval will be sought in each subsequent year if it has not yet made by then a material investment.

Directors

The Directors are responsible for the management and operation of the Company.

The Company intends, in order to keep overheads low, that the Directors shall receive no or nominal remuneration until such time as a substantial investment or acquisition has been made.

Paul John Beck *aged 67, Non Executive Chairman*

Paul Beck was born and went to school in South Africa. He is a member of a well known South African mining family and has experience in the real estate and natural resource sectors, in the UK, US and South Africa. He was a founding Director of Firstland Oil & Gas, which owned oil exploration assets in the Falklands and oil and gas producing wells in the US, and was Chairman of the company

when it listed on the London Stock Exchange. Mr Beck has undertaken projects with Black Economic Empowerment partners in South Africa, and has worked on tailings retreatment projects in the Region.

Andries (Andrè) Thomas Markgraaff *aged 56, Non Executive Director*

Andrè Markgraaff started his business career in 1987 following a successful career playing rugby and is now based in Kimberley and Stellenbosch, South Africa. He has been awarded Northern Cape Business Man of the year, and in 2005, he was awarded first place overall in the category "Northern Cape leaders and achievers – Outstanding service and contribution to the Northern Cape economy by a business person" by Professional Management Review (PMR), a business publication which issues annual awards for achievement in business in South Africa.

Jonathan Stuart Quirk *aged 61, Non Executive Director*

Jonathan Quirk is a Chartered Accountant who has worked in the financial services sector since 1974 for, among others, Morgan Grenfell and Deutsche Bank in their capital markets divisions. In 1997 he became a founding director of Cairnsea Investments Ltd, an investment company, where for the last 15 years he has specialised in investing in quoted and unquoted smaller companies, particularly in the financial and more recently the natural resources sector.

Christiaan (Riaan) Breytenbach Visser *aged 53, Executive Director*

Riaan Visser is a Chartered Accountant based in Kimberley. Riaan has been involved in diamond mining and tailings retreatment projects in the Kimberley area since 1995 and is currently CFO of Pikwane Diamonds (Pty) Ltd, which has various mining interests in South Africa including diamond, gold, iron ore, manganese and uranium assets. He is also CFO of Kimberley Consolidated Mines, formerly a Johannesburg Stock Exchange AltX listed company, where he was appointed by shareholders to wind down the business following suspension of trading of the company's shares.

He holds a Bachelor's Degree in Accounting Science from the University of South Africa and is a member of the South African Institute of Chartered Accountants.

Details of the Placing

The Company is proposing to issue to Placees 2,149,338 Placing Shares at 13 pence per Placing Share pursuant to the Placing to raise £279,414 before expenses. Applications have been received by Placees in respect of all of the Placing Shares.

The Placing, which has not been underwritten or guaranteed, is conditional on the Admission. The Placing Shares will rank, on issue, *pari passu* in all respects with the Existing Ordinary Shares of the Company including the right to receive all dividends and distributions paid or made in respect of the Ordinary Shares. The Placing Shares will be issued free from all liens, charges and encumbrances. The Placing Shares will represent 16.8 per cent of the Enlarged Share Capital.

For Placing Shares in uncertificated form, it is expected that the appropriate CREST accounts of Placees will be credited on or around 7 March 2013. In the case of Placees requesting Placing Shares in certificated form, it is expected that the certificates in respect of such Placing Shares will be despatched by post within fourteen days of the date of Admission.

Rationale for the Placing and Admission

The Placing will raise approximately £128,844 for the Company net of expenses. The proceeds of the Placing will be used by the Company to research, identify and carry out due diligence on potential acquisitions and investments and for working capital purposes.

The Directors believe that the benefits of admission to trading on the ISDX Growth Market quoted market will include:

- the ability to raise further funds in the future, to finance a proposed acquisition and/or to raise additional working and/or development capital once the acquisition has completed; and
- the ability to enter into negotiations with companies or vendors of assets, to whom the issue of publicly traded shares as full or partial consideration is potentially more attractive than the issue of shares in an equivalent, private company for which no such trading facility exists.

The Directors also believe that the Admission will heighten the Company's profile and broaden the Company's investor base.

Corporate Governance and Internal Controls

The Directors recognise the importance of sound corporate governance, and have established financial controls and reporting policies that are considered appropriate given the current size, stage of development, finances and structure of the Company. Following an acquisition in accordance with the investment strategy, these controls will be reviewed and adjusted accordingly. The Directors envisage that at such time, audit, remuneration and risk management committees will be established and the Company fully intends to observe the requirements of the Code to the extent that it is deemed appropriate following any such acquisition.

Lock-in Arrangements

The Directors have each undertaken to the Company and SP Angel that, in accordance with paragraph 22 of Appendix 1 of the ISDX Rules, they will not (and will procure, insofar as they are able, that any person with whom they are connected for the purposes of section 252 of the Act does not) dispose of any interest in the Company's securities for a period of 12 months from the date of Admission.

In addition, sixteen founding shareholders (excluding the Directors) representing 83.9% of the Existing Ordinary Shares, have undertaken to the Company and to SP Angel that they will not dispose of any interest in these shares for a period of 12 months from Admission without the approval of the Company and SP Angel. Founding shareholders that acquire further shares ("Additional Shares") in the Placing or in the market following the Placing have no restriction on the disposal of such Additional Shares.

Share Dealing Code

The Company has adopted a share dealing code for Directors under the same terms as the Model Code on Directors dealings in securities, published from time to time by the UK Listing Authority.

Admission to the ISDX Growth Market

The share capital of the Company is not currently listed or dealt on any stock exchange. An application will be made for the Company's issued Ordinary Shares to be traded on the ISDX Growth Market. Dealings in the Ordinary Shares are expected to commence on or around 7 March 2013. The ISDX Growth Market is a market operated by ICAP Securities & Derivatives Exchange Limited and is not part of the London Stock Exchange. It is emphasised that no application is being made for admission of the Ordinary Shares to trading on AIM or on the Official List.

Any individual wishing to buy or sell ISDX Growth Market shares must trade through a stockbroker (who is regulated by the FSA) as the market is unable to deal directly with the public.

SP Angel has been appointed as the Company's corporate adviser and broker in relation to the Admission and the Placing. Further details on SP Angel's engagement can be found in Part IV of this Document.

Dividend Policy

The Company has not yet commenced trading and the Directors consider it inappropriate to indicate the likely level of any future dividends until the Company's business has been established and developed.

Settlement and CREST

The Company's Articles of Association permit the Company to issue shares in uncertificated form. CREST is a paperless settlement system enabling securities to be evidenced other than by certificate and transferred other than by written instrument in accordance with the CREST regulations. Application has been made for the Ordinary Shares to be admitted to CREST.

Taxation

The issue of Ordinary Shares will not rank as a qualifying investment for the purposes of the Enterprise Investment Scheme and will not be a "qualifying holding" for purposes of investment by Venture Capital Trusts.

Information regarding taxation in relation to the Admission is set out in paragraph 10 of Part IV of this Document. If you are in any doubt as to your tax position you should consult your own professional adviser immediately.

Risk Factors

Your attention is drawn to the risk factors set out in Part II of this Document. Potential investors should carefully consider the risks described in Part II before making a decision to invest in the Company.

PART II: RISK FACTORS

An investment in the Ordinary Shares of the Company involves a high degree of risk. Prospective investors should carefully consider all of the information in this Document, including but not limited to the following general and business specific Risk Factors, before deciding whether to invest in the Company. The risk factors set out below do not necessarily form an exhaustive list of risks that may be faced by the Company and are not set out in any particular order of priority. Potential investors should also consider additional risk factors relevant to their particular circumstances.

If any of the events described in the following risk factors actually occur, the Company's business, financial conditions, results or future operations could be adversely affected. In such a case, the price of the Company's Ordinary Shares could decline and investors may lose all or part of their investment. Additional risks and uncertainties not presently known to the Directors, or which the Directors currently deem immaterial, may also have an adverse effect upon the Company.

General risks

The success of the Company depends largely upon the expertise of the current directors and their ability to make one or more acquisitions in line with the Company's strategy and recruit suitably experienced local management. The loss of one or other of the Directors could have an adverse effect on the Company. The Company's future success will also depend, inter alia, on its future Directors and local management. The recruitment of suitable skilled Directors and local management and retention of their services cannot be guaranteed.

The Company does not have an established operating history. The Company has not earned revenue or profits to date and there is no guarantee that it will do so in the future.

Financing risks

Whilst the Directors are of the opinion that the Company has enough funds for working capital purposes for a period of 12 months following the date of Admission, it is likely the Company will need to raise further funds in the future, either to complete a proposed investment or to raise additional working or development capital, either through debt or the issuance of new equity. There is no guarantee that the prevailing market conditions at such time will allow for a fundraising or that new investors will be prepared to subscribe for Ordinary Shares.

Exploration and mining risks

The exploration for and development of kimberlite deposits involves a high degree of risk and significant uncertainties and the Company's operations, once an acquisition has been made, will be subject to all of the hazards and risks normally encountered in such activities. Few properties that are explored are ultimately developed into producing mines.

Whilst the Company intends to acquire diamond assets that have previously been worked commercially, there can be no guarantee that the property's current mineral deposits contain economically recoverable volumes of resources. Pilot or test conditions and results reported in feasibility studies and or other reports may not be representative of the overall mining asset. The risks associated with mining, in particular underground mining, are significant and include unusual geological formations, landslides, rock falls, exceptional climatic conditions such as flooding or storms. Any one of these or other risks could result in damage to life or property, damage to or destruction of the Company's facilities, environmental damage, pollution and or legal liabilities that could have a material adverse impact on the Company's business, operations and financial performance. Although the Company will take precautions to minimise risk, not all hazards and risks can be eliminated.

As part of its investment strategy, the Company intends to acquire and treat kimberlite tailings. Such tailings have on the whole already been treated once or more, and whilst the technology and treatment methods have progressed in the interim, it is possible that the quantities and grades of diamonds indicated by bulk sampling or other evidence may not be representative of the entire resource and that economic recovery of diamonds may not be possible.

Competition risks

The diamond sector is a competitive market and other players in the market may have better financial means or other resources resulting in them being in a more favourable position than the Company to compete for and make acquisitions. The Directors give no assurances that the Company will be able to compete effectively in this market.

Volatility of prices

Historically, diamond prices have been volatile and are affected by numerous factors which the Company is unable to control or predict, including world production levels, international economic trends, industrial and consumer demand, currency exchange fluctuations, speculative activity and political events.

The profitability of future mining operations is directly related to the prevailing diamond price; a significant and prolonged decline in the diamond price may result in it not being economically feasible to continue operations. The Company may also be required, in response to a decline in the diamond price, to write down the value of the resource which may have an adverse effect on the future earnings and profitability of the Company.

Political and economic risks

There can be no guarantee that there will be continued political stability in South Africa. Political instability or changes in South Africa may adversely affect the ability of the Company to make an acquisition, or having made an acquisition, adversely affect the operation and finances of the Company.

The proposed exploration and extraction activities of the Company in South Africa are subject to laws covering prospecting, development, production, environmental protection, local development, taxation and other areas. Whilst the Directors intend that the Company will carry out its activities in accordance with all applicable laws, rules and regulations, it is possible that new laws, rules or regulations may be enacted or that the interpretation of current laws, rules or regulations may change, either of which may limit the ability of the Company to operate.

The Company's activities and profitability may be adversely affected by economic or political factors outside its control. Historically, South Africa has suffered from political unrest, a fluctuating exchange rate, high rates of inflation and high interest rates. The Company may be affected by these or other factors including but not limited to, worsening of economic and/or market conditions, changes to regulation governing mining and/or foreign investment, the imposition of additional taxes and charges, cancellation, amendment or suspension of licenses, expropriation of mining or prospecting rights, war, terrorism and insurrection. Any one of these factors may affect the operations of the Company.

It is the Company's strategy to consider acquisitions outside South Africa. In the event that the Company makes any such acquisition outside South Africa, the Company will be subject to the political, economic, legal and regulatory risks prevailing at the time of the acquisition and following any such acquisition.

Currency risk

Currency fluctuations may affect the Company's cash flow as diamonds are usually sold in US dollars. Much of the Company's costs are likely to be denominated in other currencies such as South African Rand and Pound Sterling. Fluctuations in exchange rates between currencies may cause fluctuations in the Company's results which are not necessarily related to the underlying operations of the Company. In addition, the country still operates exchange control restrictions regarding inflows and outflows of currency.

Acquisitions

The value of the Company's Ordinary Shares will to a large extent be dependent on the Company's ability to identify and make suitable acquisitions in a reasonable timeframe and the success of those acquisitions. The Company intends to carry out appropriate due diligence on any potential acquisition, which may include financial, legal and technical due diligence, however any acquisition carries an inherent risk which may therefore affect the value of the Ordinary Shares.

Black Economic Empowerment risk

The Company may acquire a mining asset which is subject to the Black Economic Empowerment (“BEE”) programme. The BEE programme was launched by the South African government to redress the inequalities of apartheid and under this programme, it is a requirement that any mining asset to be acquired by the Company will be at least 26% owned by a BEE partner. There is a risk that the BEE partner may not meet its obligations to the Company, which may cause the Company to incur unforeseen additional costs or losses, although the BEE ownership will be at the local operating company level.

Insurance risk

The Directors may maintain insurance against losses and liabilities resulting from the operations of the Company, however it may not be possible to insure against all possible risks, or the cost of such insurance may be prohibitive relative to the perceived risks identified. Thus, no assurance can be given that the Company will be able to obtain adequate insurance cover and losses may occur for uninsurable or uninsured risks or in amounts in excess of existing insurance. The occurrence of an event not insured or not fully insured may have a material adverse impact on the activities and profitability of the Company.

Litigation risk

Whilst the Company has not been involved in any legal proceedings to date, the Directors cannot preclude litigation, with or without merit, from being brought against the Company. Any litigation brought against the Company may have an adverse effect on its financial situation, results and/or operations.

Market risks

The Ordinary Shares are not listed or traded on a stock exchange. The ISDX Growth Market, which is operated by ICAP Securities & Derivatives Exchange Limited a recognised investment exchange, is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. It is not classified as a Regulated Market under EU financial services law and ISDX Growth Market securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in ISDX Growth Market securities and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser authorised under the FSMA who specialises in advising on the acquisition of shares and other securities.

Notwithstanding the fact that an application will be made for the Ordinary Shares to be quoted through the ISDX Growth Market, this should not be taken as implying that there will be a liquid market in the Ordinary Shares. An investment in the Ordinary Shares may thus be difficult to realise and the value of the Ordinary Shares may go down as well as up. Investors may therefore realise less than their original investment or bear a loss of their entire investment. It is emphasised that no application is being made or has been made for admission of the Ordinary Shares to the Official List or to trading on the AIM market of London Stock Exchange Plc or on the ISDX Main Board.

Any changes to the ISDX Growth Market trading environment including but not limited to the ISDX Rules, could affect the ability of the Company to maintain its quotation on the ISDX Growth Market.

Past performance is no indication of future performance. Prospective investors should be aware that the value of Ordinary Shares in the Company may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company’s net assets or operations. The share prices of public companies are often subject to significant fluctuations. In particular, the market for shares in smaller public companies is less liquid than for larger public companies. Consequently, the Company’s share price may be subject to greater fluctuation and the Ordinary Shares may be difficult to sell or may not realise the amount originally paid. The Ordinary Shares are intended for capital growth and therefore may not be suitable as a short-term investment. Investors may therefore not realise their original investment at all, or within the time-frame they had originally anticipated.

Conditions in the wider stock market and global or regional economy may affect the ultimate value of the Company’s share price regardless of future operating performance.

Continued membership of the ISDX Growth Market is entirely at the discretion of the ICAP Securities & Derivatives Exchange Limited.

Investment in the Company's Ordinary Shares may not be suitable for all recipients of this document and involves a high degree of risk. Prospective investors are strongly advised to consult an independent financial adviser authorised under the Financial Services and Markets Act 2000. There can be no guarantee that the value of an investment in the Company will increase and investors may therefore realise less than, or lose all of, their investment. Prospective investors should consider carefully whether investment in the Company is suitable for them in light of the risk factors, their personal circumstances and the financial resources available to them.

PART III: FINANCIAL INFORMATION ON THE COMPANY

III. A. ACCOUNTANT'S REPORT ON THE COMPANY'S HISTORICAL FINANCIAL INFORMATION FOR THE PERIOD FROM INCORPORATION TO 19 DECEMBER 2012

The Directors
BlueRock Diamonds plc
c/o McClure Naismith LLP
Equitable House
47 King William Street
London
EC4R 9AF

7 March 2013

Dear Sirs

BlueRock Diamonds plc ("the Company")

We report on the historical financial information of the Company for the period from incorporation to 19 December 2012 set out in Part III.B of this ISDX admission document (the "Company Historical Financial Information"). The Company Historical Financial Information has been prepared for inclusion in the ISDX admission document of the Company dated 7 March 2013 (the "Admission Document") on the basis of the accounting policies set out in notes 2 and 3 of the Company Historical Financial Information.

This report is required by Paragraph 26 of Appendix 1 to the ISDX Growth Market Rules for Issuers and is given for the purpose of complying with that regulation and for no other purpose.

Responsibilities

Save for any responsibility arising under Paragraph 26 of Appendix 1 to the ISDX Growth Market Rules for Issuers to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Paragraph 26 of Appendix 1 to the ISDX Growth Market Rules for Issuers, consenting to its inclusion in the Admission Document.

As described in note 2 of the Company Historical Financial Information, the directors of the Company are responsible for preparing the Company Historical Financial Information on the basis of preparation set out in note 2 to the Company Historical Financial Information and in accordance with International Financial Reporting Standards.

It is our responsibility to form an opinion on the Company Historical Financial Information as to whether the Company Historical Financial Information gives a true and fair view, for the purposes of the Admission Document, and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the Company Historical Financial Information. It also included an assessment of the significant estimates and judgements made by those responsible for the preparation of the Company Historical Financial Information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Company Historical Financial Information is free from material misstatement, whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the Company Historical Financial Information gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of the Company as at the date stated and of its results, cash flows and changes in equity for the period then ended in accordance with the basis of preparation set out in note 2 to the Company Historical Financial Information and in accordance with International Financial Reporting Standards as described in notes 2 and 3 to the Company Historical Financial information.

Declaration

For the purposes of Paragraph 26 of Appendix 1 to the ISDX Growth Market Rules for Issuers we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Paragraph 26 of Appendix 1 to the ISDX Growth Market Rules for Issuers.

Yours faithfully

GRANT THORNTON UK LLP

**III.B. HISTORICAL FINANCIAL INFORMATION FOR THE PERIOD FROM INCORPORATION TO
19 DECEMBER 2012**

Statement of Comprehensive Income for the period 11 October 2012 to 19 December 2012

	£ '000
Other expenses	<u>(75)</u>
Operating loss and loss before tax for the period	(75)
Taxation	<u>-</u>
Loss for the period	<u><u>(75)</u></u>

There were no other items of other comprehensive income during the period.

Statement of Changes in Equity for the period 11 October 2012 to 19 December 2012

	Share capital	Share premium	Retained earnings /(losses)	Total equity
	£ '000	£ '000	£'000	£' 000
At 11 October 2012	-	-	-	-
Issue of ordinary share capital in the period (note 4)	1	150	-	151
Transactions with owners	1	150	-	151
Loss and total comprehensive income for the period	-	-	(75)	(75)
At 19 December 2012	<u>1</u>	<u>150</u>	<u>(75)</u>	<u>76</u>

Statement of Financial Position as at 19 December 2012

		£ '000
Current assets		
Cash and cash equivalents	(Note 3b)	<u>151</u>
Current liabilities		
Trade and other payables	(Note 5)	<u>(75)</u>
Total net assets		<u><u>76</u></u>
Equity		
Share capital	(Note 4)	1
Share premium	(Note 4)	150
Retained loss		<u>(75)</u>
Total equity		<u><u>76</u></u>

Statement of Cash Flows for the period 11 October 2012 to 19 December 2012

	£ '000
Operating activities	
Loss before tax for the period	(75)
Increase in trade and other payables	75
Net cash inflow from operating activities	<u>-</u>
Financing activities	
Proceeds from issue of share capital (Note 4)	151
Net cash inflow from financing activities	<u>151</u>
Net increase in cash and cash equivalents	151
Cash and cash equivalents at beginning of period	<u>-</u>
Cash and cash equivalents at end of period	<u><u>151</u></u>

Notes to the Historical Financial Information

1. General information

The Company was incorporated as BlueRock Diamonds plc and registered in England and Wales on 11 October 2012 as a public limited company, limited by shares.

The registered number of the Company is 8248437 and the Company's registered office is Equitable House, 47 King William Street, London, EC4R 9AF.

During the period from incorporation to 19 December 2012 the Company commenced its search for suitable investment and/or acquisition targets and held preliminary discussions with a number of parties. However as at the date of this Admission Document, the Company had not entered into any commitments with respect to any investments or acquisitions.

2. Basis of preparation

The Company's directors are responsible for the preparation of this Historical Financial Information.

This Historical Financial Information of the Company has been prepared for the sole purpose of publication within this Admission Document. It has been prepared in accordance with the requirements of the ISDX Rules for Issuers published by ICAP Securities and Derivatives Exchange Limited and in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). The Historical Financial Information does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

The Historical Financial Information has been prepared on a going concern basis and under the historical cost convention.

3. Accounting policies

(a) Use of Accounting Estimates and Judgements

The Directors consider that in the proper preparation of this Historical Financial Information there were no critical nor significant areas which required the use of accounting estimates and exercise of judgement by management while applying the Company's accounting policies.

(b) Cash and cash equivalents

Cash and cash equivalents consist of highly liquid instruments, such as bank deposits, certificates of deposit, time deposits, treasury notes and other money market instruments, which generally have maturities of less than three months.

(c) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(d) Equity and reserves

Shares are classified as equity where there is no obligation to transfer cash and other assets. The Company's capital is represented by Ordinary Shares of £0.0001 par value and share premium. Each Ordinary Share carries one vote and is entitled to dividends when declared. The relevant movements on capital will be shown in the statement of changes in equity.

Share capital represents the nominal value of shares that have been issued. Share premium includes any premiums received on the issue of share capital. Any transaction costs directly associated with the issuing of shares are deducted from share premium.

The other component of equity is retained losses. Retained losses include all current and prior period retained losses/profits.

(e) Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service on an accruals basis.

(f) Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

(g) Trade and other payables

Trade and other payables are not interest bearing and are recognised initially at fair value. Subsequently they are carried at amortised cost.

4. Called up share capital and share premium account

On incorporation, three Ordinary shares of £0.0001 par value were issued, one Ordinary Share to each of the three Directors in office on incorporation, being Paul Beck, Jonathan Quirk and Paul Munday. These Ordinary Shares are fully paid.

On 8 November 2012, 8,339,997 Ordinary Shares of £0.0001 par value were issued to certain investors (including Directors) and are fully paid.

On 18 December 2012, 1,500,000 Ordinary Shares of £0.0001 par value were issued at £0.10 (a premium of £0.0999) to certain investors and are fully paid.

5. Trade and other payables

	19 December 2012
	£ '000
Accrued expenses	<u>75</u>
	<u><u>75</u></u>

The accrued expenses related primarily to obligated costs in respect of research into potential investment and/or acquisition targets (including the cost of related business trips to South Africa), and legal and other professional costs related to the proposed Admission.

6. Directors' remuneration

None of the Company's Directors received, or were entitled to receive, any remuneration from the Company for their services during the period from incorporation to 19 December 2012.

7. Subsequent events

Subsequent to 19 December 2012, on 8 January 2013, 800,000 Ordinary Shares of £0.0001 par value were issued at £0.10 (a premium of £0.0999) to certain investors (including 300,000 Ordinary Shares to New Park Properties (Pty) Limited, which is related to the Company by virtue of a common director in Andries Thomas Markgraaff) and are fully paid.

No other events requiring disclosure have occurred subsequent to 19 December 2012, being the date to which this Historical Financial Information has been prepared.

PART IV: ADDITIONAL INFORMATION

1 The Directors whose names are set out on page 4 and whose business addresses are all the Company's registered office, accept responsibility, individually and collectively, for the information contained in this Document. To the best of the knowledge of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Document is in accordance with the facts and does not omit anything likely to affect its import.

2 The Directors and their respective positions are:

Paul John Beck *Non Executive Chairman*

Jonathan Stuart Quirk *Non Executive Director*

Andries Thomas Markgraaff *Non Executive Director*

Christiaan Breytenbach Visser *Executive Director*

3 Incorporation and Registration

3.1 The Company was incorporated in England and Wales, with registration number 08248437 on 11 October 2012 as a public limited company under the Companies Act 2006. The liability of the members of the Company is limited.

3.2 The registered office of the Company is at c/o McClure Naismith, Equitable House, 47 King William Street, London EC4R 9AF.

3.3 The principal place of business of the Company is at 7th Floor, 39 St James Street, SW1A 1JD. The telephone number is 020 7408 1067.

3.4 At the date of this Document the Company is not a member of a group of companies and does not have any subsidiaries.

4 Share Capital

4.1 As at the date of this Document the authorised share capital of the Company is £1,000,000 divided into 10,000,000,000 Ordinary Shares.

4.2 On 6 November 2012 a written resolution of the shareholders in the Company was passed granting the directors the power to allot equity securities for cash as if section 561(1) of the Companies Act 2006 did not apply subject to an allotment limit of an aggregate nominal value of £1,500. The resolution disapplies any rights of pre-emption any shareholder might hold in accordance with their existing shareholding in the Company. The power granted by this resolution will expire on 1 June 2013 or, if earlier, the conclusion of the Company's next annual general meeting.

4.3 3 Ordinary Shares were allotted on incorporation (11 October 2012) as follows:

Shareholder	Number of Ordinary Shares
Jonathan Stuart Quirk	1 Ordinary Share
Paul John Beck	1 Ordinary Share
Paul Munday	1 Ordinary Share

4.4 On 8 November 2012, 8,339,997 Ordinary Shares were allotted as follows:

Shareholder	Number of Ordinary Shares
Alexander Catto	485,500
Alice Bordini	400,000
Arc Securities BVI Ltd	250,000
Cainsea Investments Limited	50,000
Christiaan Breytenbach Visser	200,000
David Abromowitz	832,000
Front Square Securities Limited	160,000
Glazewood Ventures Limited	400,000
Janita June Bellamy	250,000
Jonathan Stuart Quirk	485,499
Michael Conitzer	144,000
Mirlem IP (Pty) Ltd	199,999
New Park Properties (Pty) Ltd	300,000
Paul John Beck	1,022,999
Safarando Holdings Limited	200,000
Sedor Investment Holdings Limited	1,900,000
Wildcrest Global Inc.	1,060,000

4.5 On 18 December 2012, 1,500,000 Ordinary Shares were allotted as follows:

Shareholder	Number of Ordinary Shares
Mark Poole	500,000
Sarah Leslie	1,000,000

4.6 On 8 January 2013, 800,000 Ordinary Shares were allotted as follows:

Shareholder	Number of Ordinary Shares
Mark Poole	500,000
New Park Properties (Pty) Ltd	300,000

4.7 Since incorporation there have been no allotments of shares in the capital for the Company save for those allotments detailed at paragraphs 4.3 to 4.6 above.

4.8 The Company has not issued any convertible securities, exchangeable securities or securities with warrants.

5 Administration and Management

5.1 Save as set out in paragraph 5 of Part IV of this Document, as at the date of this Document none of the Directors had any interest in any of the share capital of the Company.

5.2 As at the date of this Document and during the five years immediately preceding the date of this Document, the Directors held the following other directorships or were members of the following partnerships:

Director	Current Directorships	Past Directorships
Paul John Beck	BlueRock Diamonds Limited BlueRock Diamonds plc Front Square Securities Limited Hampshire House 12 Hyde Park Place Management Limited Segar Properties (Hyde Park) Limited Strathearn House (Freehold) Limited	Old River Diamonds Limited
Jonathan Stuart Quirk	Blackdown Sporting Estates Limited Bluerock Diamonds Limited BlueRock Diamonds plc Cairnsea Investments Ltd Tri-star Resources plc	Campden Partners Ltd Hayward Group Limited ILEX Asset Management (UK) LLP (partner) Longaevus Limited Metropolitan Safe Deposits Limited Mount Street Advisory Services Limited Mount Street Investment Management Limited

		Payday Loan 4U Ltd The River Barle Fishing Club Ltd Trivelles Management Limited
Andries Thomas Markgraaff	Afriland Property Solutions (Pty) Ltd Afriland Investments (Pty) Ltd Afrileisure (Pty) Ltd Anlar Beleggings CC Andre en Larry Eiendomme CC ATM Group (Pty) Ltd ATM Property Projects CC BlueRock Diamonds plc Broadway Business Centre (Pty) Ltd Carlande (Pty) Ltd Carmelo Investments 164 (Pty) Ltd Chanbe Game Lodge CC Empire Earth Investments 22 (Pty) Ltd Grammar Financial Services (Pty) Ltd I E Eiendomme CC Kalahari Aviation (Pty) Ltd Kalahari Care (Pty) Ltd Kalahari Commercial Solutions (Pty) Ltd Kalahari Golf and Jag (Pty) Ltd Kalahari Land and Cattle Company (Pty) Ltd Kalahari Lifestyle (Pty) Ltd Kalahari Motlakase (Pty) Ltd Kalahari Shopping Centre (Pty) Ltd New Park Properties (Pty) Ltd Outfox Netball CC PZK Beleggings 3000 CC Sideling Hill (Pty) Ltd Southern Fissures (Pty) Ltd Tredek Property Developers (Pty) Ltd Tswelelelo (Pty) Ltd Yenza Trading 508 CC	Arcy Eiendomme CC Griqualand West Rugby Griqualand West Rugby Stadium Inglewood Estates CC
Christiaan Breytenbach Visser	African Compass Trading 523 CC Bedford Avenue Trading Co (Pty) Ltd BlueRock Diamonds plc	N/A

	CB Visser (CA) SA Channal Mining (Pty) Ltd Enzel 167 CC Fibreglass Marketing CC Fynbosland Mining CC Kimberley Consolidated Mining Ltd Kleinkor Sewentien (Pty) Ltd Lexian Holdings (Pty) Ltd Swanvest 286 (Pty) Ltd Winsbeslis Negentien (Pty) Ltd	
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5.3 Jonathan Quirk was a director of Advanced Visual Security plc which appointed an administrative receiver on 9 October 1998. There was a deficiency to creditors of £78,595.42.

Jonathan Quirk was a director of Masterpack DSK Limited which was put into administration on 29 April 1999. Preferential creditors received 100p in the pound and unsecured creditors received 68p in the pound. There was no return to shareholders.

Save as disclosed in this Document none of the above Directors has

- any unspent convictions in relation to indictable offences (other than an offence under road traffic legislation in respect of which a custodial sentence was not imposed);
- had any bankruptcy order made against him or entered into any voluntary arrangements;
- been a director of a company which has been placed in receivership, insolvent liquidation, administration, been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;
- been a partner in any partnership which has been placed in insolvent liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- been the owner of any assets or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- been publicly incriminated or sanctioned by any statutory or regulatory authority (including recognised professional bodies); or
- been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a Company.

The interests of the Directors including interest of those persons connected with them within the meaning of Section 252 of the Act in the share capital of the Company on 6 March 2013 being the last practicable date prior to the date of this Document) and as those interests are expected to be on Admission, all of which are beneficial unless otherwise stated, are set out below:

Name		No. of Ordinary Shares	Percentage of issued share capital as at the date of this Document	Number of ordinary shares in the Enlarged Share Capital	Percentage of the Enlarged Share Capital
Jonathan Stuart Quirk		535,500	5.0%	535,500	4.2%
<i>of which:</i>	Jonathan Stuart Quirk	373,500	3.5%	373,500	2.9%
	Jonathan Stuart Quirk (SIPP)	112,000	1.1%	112,000	0.9%
	Cairnsea Investments Ltd	50,000	0.5%	50,000	0.4%
Christiaan Breytenbach Visser		200,000	1.9%	200,000	1.6%
<i>of which:</i>	Christiaan Breytenbach Visser	200,000	1.9%	200,000	1.6%
Paul John Beck		1,183,000	11.1%	1,183,000	9.2%
<i>of which:</i>	Paul John Beck	1,023,000	9.6%	1,023,000	8.0%
	Front Square Securities Limited	160,000	1.5%	160,000	1.3%
Andries Thomas Markgraaff		600,000	5.6%	600,000	4.7%
<i>of which:</i>	New Park Properties (Pty) Limited	600,000	5.6%	600,000	4.7%

- 5.4 Paul John Beck, a director of the Company, is also a director of Front Square Securities Limited, a shareholder of the Company. Mr Beck and his family own an 100% interest in Front Square Securities Limited.
- 5.5 Jonathan Stuart Quirk, a director of the Company, is a director of Cairnsea Investments Ltd (“Cairnsea”), a shareholder of the Company. Mr Quirk is also a shareholder of Cairnsea, and owns less than 3% of Cairnsea.
- 5.6 Andries Thomas Markgraaff, a director of the Company, is also a director of New Park Properties (Pty) Limited, a shareholder of the Company. Mr Markgraaff owns an 100% interest in New Park Properties (Pty) Limited.

6 Directors' Letters of Appointment and Emoluments

- 6.1 On 18 December 2012, Paul John Beck entered into a letter of appointment with the Company under the terms of which he agreed to act as a Non-executive Chairman of the Company. There will be no remuneration payable under this agreement and the agreement runs for 1 year from Admission and is terminable thereafter by 3 months' notice on either side. There will be no benefits payable upon termination of the appointment.
- 6.2 On 18 December 2012, Jonathan Stuart Quirk entered into a letter of appointment with the Company under the terms of which he agreed to act as a non-executive director of the Company. There will be no remuneration payable under this agreement and the agreement runs for 1 year from Admission and is terminable thereafter by 3 months' notice on either side. There will be no benefits payable upon termination of the appointment.
- 6.3 On 11 January 2013, Andries Thomas Markgraaff entered into a letter of appointment with the Company under the terms of which he agreed to act as a non-executive director of the Company. There will be no remuneration payable under this agreement and the agreement runs for 1 year from Admission and is terminable thereafter by 3 months' notice on either side. There will be no benefits payable upon termination of the appointment.
- 6.4 Christiaan Breytenbach Visser entered into a contract for services with the Company under the terms of which he agreed to act as an executive director of the Company. The remuneration payable under this agreement is £1 per annum. The agreement runs for 1 year with a commencement date of 26 November 2012 and is terminable by 3 months' notice on either side. There will be no benefits payable upon termination of the agreement.

Save as disclosed in paragraphs above, there are no service contracts, existing or proposed, between any Director and the Company.

- 6.5 It is estimated that under arrangements currently in force, the aggregate remuneration and benefits in kind to be paid to the Directors for the financial period ending 31 December 2013 will be £1 on the basis that their letters of appointment do not provide for any remuneration additional to this amount or other fees to be paid in this period.

7 Trend Information

Save as set out in Part II of this Document, the Company has no information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year.

8 Memorandum and Articles of Association

The Company is not subject to any regulations set out in any statutory instrument or other subordinate legislation concerning companies, including the Model Articles contained in Schedule 3 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229). The Articles of the company are summarised below as follows:

8.1 **Directors' General Authority**

- 8.1.1 Subject to the Articles and to the applicable provisions for the time being of the Act, the Directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.
- 8.1.2 The Directors may revoke any delegation in whole or part or all fixed terms and conditions.

8.2 **Directors Powers and responsibilities**

Directors may delegate any of the powers which are conferred under the Articles to:

- 8.2.1 Such persons or committees;
- 8.2.2 By such means including by Power of Attorney;
- 8.2.3 To such an extent;
- 8.2.4 In relation to such matters or territories; and
- 8.2.5 On any such terms and conditions as they think fit.
- 8.2.6 If the Directors so specify any such delegation may authorise further delegation of the Director's powers by any person to whom they are delegated.

8.3 **Decision making by Directors**

- 8.3.1 Directors are to take decisions collectively.
- 8.3.2 The general rule about decision making by Directors is that any decision of the Directors must be taken as a majority decision at a meeting or as a Director's written resolution in accordance with the Articles.
- 8.3.3 Subject to the Company's Articles, each Director participating in a Director's meeting has one vote.

8.4 **Quorum for Director's meetings**

- 8.4.1 At a Director's meeting unless a quorum is participating, no proposal is to be voted on except a proposal to call another meeting.
- 8.4.2 Subject to the Company's Articles, the quorum for the transaction of business at a meeting of Directors may be fixed from time to time by decision of the Directors but it must never be less than two Directors and unless otherwise fixed, it is two.
- 8.4.3 For the purpose of any meeting or part of a meeting held pursuant to Article 18 (Director's conflict of interest) to authorise a Director's conflict, if there is only one non-conflicted Director in office in addition to the conflicted Director, the quorum for such meeting (or part of a meeting) shall be one non-conflicted Director.

8.5 **Appointment of Directors**

Number of Directors

- 8.5.1 Unless it is otherwise determined by an ordinary resolution, the number of Directors in the company shall not be subject to any maximum but shall not be less than two.
- 8.5.2 Directors can be appointed as a Director by ordinary resolution or by decision of the Directors.

8.5.3 Where, as a result of death or bankruptcy the Company has no members or Directors the transmittee of the last member to have died or to have had a bankruptcy order made against them has the right by notice in writing to appoint a person who is willing to act and is permitted to do so to be a Director.

8.6 Decision making by members and organisation of general meetings

Subject to the provisions of the Act, Annual General Meetings shall be held at such a time and place as the Directors may determine. All general meetings, other than the annual general meetings shall be called general meetings. The Directors can call general meetings and on the requisition of members, may proceed to convene a general meeting in accordance with the Act if there are not any UK Directors to call a general meeting. Any Directors or the members that requisition the meeting may call a general meeting.

8.7 Notice of General Meetings

Notice of Annual General Meetings must be issued at least 21 clear days and in the case of a General Meeting at least 14 clear days. General Meetings can be called by shorter notice if it is so agreed. In the case of an Annual General Meeting all members are entitled to attend and vote at that General Meeting and in the case of any other General Meeting a majority in numbers of the members having a right to attend and vote. That being a majority together holding no less than 95% in nominal value of the shares at the meeting giving that right.

8.8 Attendance and speaking at General Meetings

Any person is able to exercise the right to speak in a General Meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting. A person can exercise the right to vote at a General Meeting when that person is able to vote during the meeting on resolutions put to the vote at the meeting and when that person's vote can be taken in to account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

8.9 Quorum for General Meeting

No business shall be transacted at any meeting unless a quorum is present at the time when such business is transacted. Two qualifying persons whom are entitled to vote upon the business to be transacted shall be a quorum provided that if the company has only a single member, the quorum shall be one such qualifying person.

No business other than the appointment of the Chairman of the meeting is to be transacted at a General Meeting if the persons attending it do not constitute a quorum.

8.10 Voting at General Meetings

8.10.1 A resolution put to the vote of a General Meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Company's Articles. On a show of hands, every member who is present in person or (if a corporation) is present by a duly authorised representative shall have one vote.

8.10.2 The company shall not be entitled to exercise any voting rights whether on a show of hands or on a poll in respect of any shares held by it as treasury shares.

8.10.3 Members are entitled to appoint another person as his proxy to exercise all or any rights to attend and to speak and vote at a General Meeting or General

Meetings. A member may appoint more than one proxy in relation to a meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member.

8.11 **Shares and Distributions**

Issue of Shares

8.11.1 Directors shall only allot shares in the company where they are authorised to do so.

8.11.2 Subject to provisions of the Company's Articles and to any directions which may be given by the Company in a General Meeting, the Directors are generally and unconditionally authorised for the purposes of Section 551 of the Act to exercise any power of the company to do the following:

8.11.2.1 Offer or allot to grant rights;

8.11.2.2 subscribe for or to convert any security into; and

8.11.2.3 otherwise create, deal in or dispose of:

any shares in the company to any person at any time and subject to any terms and conditions as the Directors think proper.

8.11.3 The Directors authority to allot shall be limited to a maximum nominal value of £1,000,000 and shall only apply insofar as the company has not renewed, waived, or revoked by ordinary resolution; and

8.11.4 may only be exercised for a period of 5 years commencing on the date on which the company is incorporated or the Company's Articles are adopted whichever is the later, save that the Director's may make an offer or agreement which would or might require shares to be allotted after the expiry of such authority (and the Directors may allot shares in pursuance of an offer or agreement as if such authority had not expired).

8.12 **Powers to issue different classes of share**

Subject to the Articles, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution and if no such resolution has been passed, then as far as the resolution does not make specific provision as the Directors can determine, the Company may issue shares which are to be redeemed or are liable to be redeemed in the option of the company or the holder and the Directors may determine the terms, conditions and manner of redemption of any such shares.

8.13 **Variation of Class Rights**

Whenever the capital of the Company is divided into different classes of shares, the special rates attached to any class may only be varied or abrogated either whilst the Company is a going concern or in contemplation of a winding up in such a manner as may be provided by such rights or in the absence of any such provision with the consent of the holders of the issued shares of that class given in accordance with Articles.

8.13.1 The consent of the holders of a class of shares may be given by a special resolution passed at a separate general meeting of the holders of the issued shares of that class; or

8.13.2 In writing, in any form signed by or on behalf of the holders of three quarters in nominal value of the issued shares of that class,
but not otherwise.

8.14 **Deemed Variation**

Subject to the terms of issue of all rights attached to any shares, the rights or privileges attached to any class of shares shall be deemed not to be varied or abrogated by the creation or issue of any new shares ranking pari passu in all respects (save as to the date from which such new shares shall rank for dividend) with or subsequent to those already issued or by the reduction of the capital paid up on such shares or by the purchase or redemption by the company of its own shares in accordance with the provisions of the Act and the Articles.

8.15 **Interest in Shares**

Company not bound by less than absolute interest.

Except as is required by law, no person is to be recognised by the company as holding any share upon any trust and accept as otherwise required by law or the Company's Articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

8.16 **Share Warrants**

8.16.1 The Directors may issue a share warrant in respect of any fully paid share.

8.16.2 Share warrants must be:

8.16.2.1 issued in such form; and

8.16.2.2 executed in such manner

as the Director's decide.

8.17 **Partly paid shares**

8.17.1 The Company has a lien over every share which is partly paid for any part of:

8.17.1.1 that shares' nominal value; and

8.17.1.2 any premium at which it was issued,

which has not been paid to the Company and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it.

8.17.2 The Company's lien over a share:

8.17.2.1 takes priority over any third parties' interest in that share; and

8.17.2.2 extends to any dividend or other money payable by the Company in respect of that share and the proceeds of sale of that share.

8.17.3 The Directors may at any time decide that share which is or would otherwise be subject to the Company's lien shall not be subject to it either wholly or in part.

8.18 **Transfer and Transmission of Shares**

Shares in the Company may be transferred by instrument of transfer in any usual form or any other form which is approved by the Directors and it must be executed by or on behalf of the transferor and if any of the shares are partly paid, the transferee. The Company may retain any instrument of transfer which is registered and the transferor remains the holder of a certificated share until the transferee's name is entered in the Register of Members as a holder of it.

8.19 Distributions

Procedure for declaring a dividend

8.19.1 The Company may by ordinary resolution declare dividends and the Directors may decide to pay interim dividends. Payment of dividends and other distributions are payable in respect of a share. It must be paid by one of the following means:

- 8.19.1.1 transfer to a bank or building society account specified by the distribution recipient in writing;
- 8.19.1.2 by sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address or to an address specified by that recipient in writing;
- 8.19.1.3 sending a cheque made payable to such person by post to such person at such an address as the distribution recipient has specified in writing; or
- 8.19.1.4 any other means of payment as the Directors agree with the distribution recipient in writing.

9 Major shareholders

9.1 The major shareholders in the Company on Admission will be:

Name of Shareholder	Percentage held of the Company upon Admission (%)
Alexander Catto	3.8%
Alice Bordini	3.1%
David Abromowitz	6.5%
Glazewood Ventures Limited	3.1%
Jonathan Stuart Quirk	3.8%
Mark Poole	7.8%
New Park Properties (Pty) Limited	4.7%
Paul John Beck	9.3%
Sarah Leslie	7.8%
Sedor Investment Holdings Limited	14.9%
Vidacos Nominees Limited	12.3%
Wildcrest Global Inc	8.3%

9.2 Save as disclosed in paragraph 9.1 above, as at the date of this Document, the Directors are not aware of any interest (within the meaning of Part 6 of FSMA and Part 43 of the Act) which will, immediately following Admission, represent 3% or more

of the issued share capital of the Company or which directly or indirectly, jointly or severally exercises or could exercise control of the Company.

10 Taxation

The following paragraphs include advice received by the Directors about the tax position of shareholders who are resident or ordinarily resident in the UK for tax purposes and who hold their Ordinary Shares as investments and not as an asset of a financial trade. The statements below are intended only as a general guide and do not constitute advice to any shareholder on his or her personal tax position and may not apply to certain classes of investor (such as dealers or UK insurance companies). This summary is based on existing tax legislation and current HMRC practice.

Any person who is in any doubt as to his tax position, whether in the United Kingdom or in any other jurisdiction in which he may be liable to tax, and any person subject to tax in any other jurisdiction should consult, and rely upon, the advice of his own professional adviser in respect of the tax consequences of an investment in the Ordinary Shares.

10.1 Taxation of Dividends

Under current United Kingdom tax legislation, the dividend paid by the Company to its Shareholders is generally not subject to any withholding tax. The dividend is therefore paid to the Shareholders with no tax deducted by the Company.

For UK tax resident individuals the dividends received will be treated as income and taxed at the top slice of that income. The dividends have attached a tax credit equal to 1/9th of the amount received. For the tax year 2012/13, basic rate tax payers are liable to pay tax at a rate of 10.0 per cent. of the gross dividend (this is equal to the dividend received plus the 1/9th tax credit). The tax due is offset by the attached tax credit leaving no further tax liability.

Higher rate tax payers are liable to pay tax at a rate of 32.5 per cent. on that part of the gross dividend falling above the higher rate limit and an additional rate taxpayer a tax rate of 42.5 per cent. (reducing to 37.5 per cent. in 2013/14) on that part of the gross dividend falling above the additional rate limit. In both cases the 1/9th tax credit is available and will reduce the tax due.

10.2 Taxation on chargeable gains

If an individual Shareholder who is resident and ordinarily resident for tax purposes in the United Kingdom disposes of some or all of his Ordinary Shares, such a disposal may give rise to a chargeable gain or an allowable loss for the purposes of capital gains tax. In computing a chargeable gain, the Shareholder should be entitled to deduct from the disposal proceeds the cost to him of acquiring the Ordinary Shares as well as utilising any available exemptions, allowances or reliefs. Capital gains tax is charged at a rate of 18 per cent. on gains up to the unused basic rate band and a flat rate of 28 per cent. thereafter. United Kingdom resident corporate Shareholders may be subject to corporation tax on chargeable gains.

10.3 Stamp Duty and Stamp Duty Reserve Tax

No stamp duty or stamp duty reserve tax ("SDRT") will generally be payable on the issue by the Company of the Ordinary Shares.

Transfers of Ordinary Shares for value will give rise to a liability to ad valorem stamp duty or SDRT at the rate of 0.5 per cent. of the consideration (in the case of stamp duty, rounded up to the nearest £5 and subject to an exemption where the

consideration payable is less than £1,000 and the transaction is not part of a larger transaction).

No stamp duty or SDRT should arise on the transfer of the Ordinary Shares to CREST for conversion into uncertificated form, unless the transfer is for consideration. Transfers under the CREST system for paperless transfers of shares will generally be liable to SDRT at the rate of 0.5 per cent. of the consideration. CREST is obliged to collect SDRT from the transferee in relation to transfers settled through the CREST system.

11 **Mandatory Bids, Squeeze-Out And Sell-Out Rules Relating To The Ordinary Shares**

11.1 **Mandatory bid**

The City Code applies to the Company. Under the City Code, where:

(a) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which he is already interested, and in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company; or

(b) any person who, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested;

such person shall, except in limited circumstances, be obliged to extend offers, on the basis set out in Rules 9.3, 9.4 and 9.5 of the City Code, to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights. Offers for different classes of equity share capital must be comparable; the Panel should be consulted in advance in such cases.

11.2 **Squeeze-out**

Under sections 979 to 982 of the Act, if an offeror were to acquire 90 per cent. of the Ordinary Shares it could then compulsorily acquire the remaining 10 per cent. It would do so by sending a notice to outstanding Shareholders telling them that it will compulsorily acquire their shares, provided that no such notice may be served after the end of: (a) the period of three months beginning with the day after the last day on which the offer can be accepted; or (b) if earlier, and the offer is not one to which section 943(1) of the Act applies, the period of six months beginning with the date of the offer.

Six weeks following service of the notice, the offeror must send a copy of it to the Company together with the consideration for the Ordinary Shares to which the notice relates, and an instrument of transfer executed on behalf of the outstanding Shareholder(s) by a person appointed by the offeror.

The Company will hold the consideration on trust for the outstanding Shareholders.

11.3 **Sell-out**

Sections 983 to 985 of the Act also give minority Shareholders in the Company a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer relating to all the Ordinary Shares is made at any time before the end of the period within which the offer could be accepted and the offeror held or

had agreed to acquire not less than 90 per cent of the Ordinary Shares, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares.

The offeror is required to give any Shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period, or, if longer a period of three months from the date of the notice.

If a Shareholder exercises his/her rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

12 **Working Capital**

In the opinion of the Directors, having made due and careful enquiry, the Company has adequate working capital which shall be sufficient for a period of 12 months following Admission.

13 **Litigation**

Since incorporation the Company has not been and is not engaged in any governmental, legal or arbitration proceedings.

14 **Material Contracts**

The following material contracts, not being a contract entered into in the ordinary course of business, have been entered into by the Company and are, or may be material

- (a) a letter of engagement entered into on 8 January 2013 between the Company and SP Angel pursuant to which SP Angel agreed to act as the Company's corporate advisor in connection with the Admission.
- (b) a letter of engagement between the Company and McClure Naismith LLP dated 7 December 2012 pursuant to which McClure Naismith LLP agreed to act as the Company's legal adviser as to English law in connection with the Admission.
- (c) a letter of engagement between the Company and Grant Thornton LLP dated 8 November 2012 pursuant to which Grant Thornton LLP agreed to act as the Company's reporting accountant in connection with the Admission.
- (d) a letter of engagement between the Company and Grant Thornton LLP dated 10 December 2012 pursuant to which Grant Thornton LLP agreed to act as the Company's auditor.
- (e) a lock-in agreement dated 13 December 2012 entered into among Jonathan Quirk, the Company and SP Angel under which Jonathan Quirk undertook not to sell any of his Ordinary Shares save in accordance with the terms of that agreement within the period of 12 months from the date on which Admission occurs.
- (f) a lock-in agreement dated 18 December 2012 entered into among Andries Thomas Markgraaff, the Company and SP Angel under which Andries Markgraaff undertook not to sell any of his Ordinary Shares save in accordance with the terms of that agreement within the period of 12 months from the date on which Admission occurs.

- (g) a lock-in agreement dated 18 December 2012 entered into among Paul Beck, the Company and SP Angel under which Paul Beck undertook not to sell any of his Ordinary Shares save in accordance with the terms of that agreement within the period of 12 months from the date on which Admission occurs.
- (h) a lock-in agreement dated 10 January 2013 entered into among Christiaan Visser, the Company and SP Angel under which Christiaan Visser undertook not to sell any of his Ordinary Shares save in accordance with the terms of that agreement within the period of 12 months from the date on which Admission occurs.
- (i) lock-in agreements between each of the undernoted shareholders in the Company, the Company and SP Angel pursuant to which each of these Shareholders have undertaken not to sell any of their Existing Ordinary Shares save in accordance with the terms of that agreement within the period of 12 months from the date on which Admission occurs:
- Alexander Catto
 - Alice Bordini
 - Arc Securities BVI Ltd
 - Cairnsea Investments Limited
 - David Abromowitz
 - Front Square Securities Limited
 - Glazewood Ventures Limited
 - Janita June Bellamy
 - Mark Poole
 - Michael Conitzer
 - Mirlem IP (Pty) Ltd
 - New Park Properties (Pty) Ltd
 - Safarando Holdings Limited
 - Sarah Leslie
 - Sedor Investment Holdings Limited
 - Wildcrest Global Inc.
- (j) a corporate adviser and broker agreement entered into on 28 January 2013 between the Company, the Directors and SP Angel in relation to the provision of corporate adviser and broker services to be provided by SP Angel to the Company;
- (k) the Placing Agreement:
- (i) Under the Placing Agreement dated 5 March 2013, SP Angel has agreed as agent for the Company to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price.
- (ii) The Placing Agreement contains representations, warranties and indemnities given by the Company, and representations and warranties given by the Directors to SP Angel as to the accuracy of the information contained in this document and other matters relating to the Company and its business.

- (l) The Registrars Agreement dated 5 December 2012 between the Company and Share Registrars Limited appointing Share Registrars Limited from 15 January 2013 to provide share registration services.

15 Significant Changes

There has been no significant change in the financial or trading position of the Company since 19 December 2012, being the date to which the most recent published financial information is made up.

16 General

- 16.1 The total costs and expenses at the start of trading on the ISDX Growth Market payable by the Company are estimated to amount to £128,464 (excluding VAT).
- 16.2 The accounting reference date of the Company is 31 December.
- 16.3 Save as set out herein, the Company is not dependent on patents or other intellectual property rights, licenses or particular contracts which are of fundamental importance to its business.
- 16.4 The financial information in this Document does not comprise statutory accounts for the purpose of Section 434 of the Act.
- 16.5 Except as disclosed in this Document and for the advisers named on page 4 of this Document, no person has received, directly or indirectly, from the Company during the twelve months preceding the date of this Document fees in excess of £10,000 (however satisfied), in respect of services provided to the Company during the period of twelve months prior to publication of the admission document.
- 16.6 Except as disclosed in this Document, there are no significant investments in progress by the Company.
- 16.7 Except as disclosed in this Document, no exceptional factors have influenced the Company's activities.
- 16.8 Grant Thornton UK LLP has given and has not withdrawn its written consent to the issue of this Document with the inclusion herein of its accountants report on the Company's historical financial information as set out in Part III.A and references thereto and to its name in the form and context in which they appear. Grant Thornton UK LLP's responsibility for its accountant's report appearing in Part III.A is as set out in that accountant's report.
- 16.9 SP Angel has given and not withdrawn its written consent to the inclusion in this Document of references to its name in the form and context in which it appears.

17 Documents Available for Inspection

Copies of the following documents will be available for inspection during usual business hours on any weekday (Saturdays and public holidays excepted) at the offices of SP Angel Corporate Finance LLP, 35 - 39 Maddox Street, London, W1S 2PP, United Kingdom:

- 17.1 the memorandum and articles of association of the Company;

17.2 the accountant's report reproduced in Part III.A of this Document; and

17.3 the letters of consent referred to in paragraphs of section 16 above.

Copies of this Document will be available free of charge to the public during normal business hours on any weekday (Saturdays and public holidays excepted) from the offices of SP Angel at 35 – 39 Maddox Street, London, W1S 2PP, United Kingdom and shall remain available for at least one month after the date of the start of the trading on the ISDX Growth Market.

7 March 2013