22 January 2019

BlueRock Diamonds PLC ('BlueRock' or the 'Company')

Update to Kareevlei Cluster Inferred Mineral Resource

BlueRock Diamonds PLC, the AIM listed diamond producer, which owns and operates the Kareevlei Diamond Mine ('Kareevlei') in the Kimberley region of South Africa, announces that an updated report on the diamond mineral resource for the Kareevlei kimberlite cluster has been prepared by Z Star Mineral Resource Consultants (Pty) Ltd ('Z Star'). The full report will shortly be made available on the Company's website http://www.bluerockdiamonds.co.uk/.

At the request of the Board, Z Star has updated its 2013 Inferred level of confidence diamond mineral resource for the Kareevlei kimberlite cluster (KV1, KV2 and KV3 pipes). Since the publication of the 2013 report, BlueRock has commenced mining the KV2 pipe and KV1 pipe and conducted geological delineation drilling and bulk sampling on KV5 pipe. The additional information acquired from the mining and exploration programmes has resulted in an Inferred mineral resource update as at November 2018.

The primary changes to the mineral resource are:

- The addition of a portion of the KV5 pipe to the mineral resource;
- Amendments to the KV2 and KV3 geological models; and
- The depletion of the mined portion of the KV2 resource.

The net effect of these changes to the Kareevlei kimberlite cluster mineral resource (at a strict 1mm bottom cut-off) is a

- 3.0% reduction in tonnes taking into account tonnes already mined;
- 2.2% increase in carats; and
- 5.4% increase in grade.

The updated mineral resource, prepared in accordance with the SAMREC code at a strict 1mm bottom cut-off is summarised in the table below.

Kareevlei Kimberlite Cluster							
Category	**Gross**			**Net Attributable**			**Operator**
Mineral Reserves	Tonnes (Millions)	Grade (cpht)	Contained Carats	Tonnes (Millions)	Grade (cpht)	Contained Carats	
Proved	-	-	-	-	-	-	
Probable	-	-	-	-	-	-	
Subtotal	-	-	-	-	-	-	
Mineral Resources	Tonnes (Millions)	Grade (cpht)	Contained Carats	Tonnes (Millions)	Grade (cpht)	Contained Carats	
Measured	-	-	-	-	-	-	
Indicated	-	-	-	-	-	-	
Inferred	7.74	4.7	367,000	7.74	4.7	367,000	Kareevlei Mining (Pty) Ltd

Subtotal	7.74	4.7	367,000	7.74	4.7	367,000	
Total	7.74	4.7	367,000	7.74	4.7	367,000	

The original 2013 mineral resource is compared to the End November 2018 update in the table below.

Estimate	Pipe	Classification	Volume (m^3)	SG (t/m^3)	Tonnes	Carats (+1mm)	Grade (cpht +1mm)
End November 2018	KVW01	Inferred	605 800	2.58	1 561 400	97 000	6.2
	KVW02		734 000	2.60	1 909 700	86 600	4.5
	KVW03		1 461 600	2.48	3 629 200	152 000	4.2
	KVW05		253 400	2.54	644 300	31 400	4.9
End November 2018 Total			**3 054 800**	**2.54**	**7 744 600**	**367 000**	**4.7**
2013	KVW01	Inferred	632 000	2.52	1 594 000	101 000	6.3
	KVW02		947 000	2.60	2 461 000	111 000	4.5
	KVW03		1 581 000	2.49	3 929 000	147 000	3.7
2013 Total			**3 160 000**	**2.53**	**7 984 000**	**359 000**	**4.5**

The last Kareevlei revenue estimate of US$232 per carat was conducted in September 2015. The Kareevlei production plant was modified in March 2017 and modelled revenues that are aligned with the efficiency of this plant have been estimated at US$323/carat and US$411/carat for the KV1, KV2, KV3 and KV5 pipes respectively. It should be noted that the production SFD is coarser than that of the original, limited sampling SFD which the mineral resource grade is based on (as indicated by the increased US$/carat modelled). Investigations are ongoing to ascertain the reasons for this discrepancy and to identify the impact.

Adam Waugh, BlueRock's CEO commented, "Since operations began in 2014 we have only mined 3% of our Inferred resource and we now have 2.2% more carats than was initially reported in the 2013 estimate. This demonstrates the extremely early stage nature of operations at Kareevlei and the significant upside that remains at our five known kimberlite pipes. KV5 now forms part of our Inferred Resource Statement and our trial mining last year showed that this pipe produces larger, higher value diamonds with an initial estimate of US$411 per carat, so we look forward to unlocking the further value going forward."

Market Abuse Regulation (MAR) Disclosure - Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

The information in this announcement has been reviewed by Dr. John Andrew Grills of Z Star Mineral Resource Consultants (Pty) Ltd, a recognised Competent Person for diamonds (B. Sc. Ph.D., Pri. Sci. Nat. 400426/04) Dr. John Andrew Grills consents to the inclusion of the Mineral Resource information in the form and context in which it appears.

Glossary of terms used in this announcement and/or the updated reserves report

Auger	A drilling methodology that incorporates a helical drilling tool to remove sample material.
Breccia	A rock type composed of sharp angled fragments embedded in a fine-grained matrix.
Bromoform	A heavy liquid that can be used to separate diamonds from concentrate.
Calcrete	A calcium-rich hardened layer formed as a result of climatic fluctuations in arid and semi-arid regions.
Carat	A measure of diamond mass that is equal to 0.2g.
Concentrate	The residual product of heavy particles separated by a density media separation (DMS) process.
cpht	A measure of diamond grade in carats per hundred tonnes.
Craton	Portions of the old continental crust (>2.5billion years old) that host the vast majority of the economically viable diamondiferous kimberlite pipes.
c/m^3	A measure of diamond grade in carats per metre cubed.
Datamine™	A brand of software that facilitates the modelling of geological deposits in three dimensions.
Diatreme	A rock type characterised by fragmented volcaniclastic kimberlite and xenoliths ripped from margins of the vent on the magmas rise to the surface through the earth's crust.
Dolomite	A term used to describe the calcium magnesium carbonate rich rock, dolostone.
DMS	A machine that utilises a dense media in a cyclone to separate heavier concentrate from lighter particles.
Expected Production Grade	The grade recovered by the production plant when the mineral resource is mined.
Ferro-Silicon	A powdered alloy of iron and silicon that can be used as a dense media to separate heavy and light particles.
Final Recovery	The section of a diamond treatment plant that separates the diamonds from the concentrate
Flowsort™	A brand of X-ray fluorescence machine that identifies and separates fluorescing particles, including diamonds, from the concentrate.
Grade	in economic geology, the term is used to express the relative quantity of an ore in a rock or unconsolidated sediment mass; in diamond exploration it is commonly expressed as carats per hundred tonnes (cpht) or carats per cubic metre (c/m3)
Grease Table	An apparatus for concentrating diamonds as they repel water and readily adhere to grease.
Hypabyssal	A rock type formed by the crystallization of hot, volatile- rich kimberlite magma that exhibits an intrusive appearance.
Inferred Mineral Resource	that part of a mineral resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from

	locations such as outcrops, trenches, pits, workings and drill holes which may be of limited or uncertain quality and reliability
Kelly Bar	A drilling rod that transfers torque from the rotary drive to the drilling bit.
Kimberlite	A type of potassic volcanic rock typically found as pipe structures that may contain diamonds.
Mudstone	A fine-grained sedimentary rock.
Percussion	A drilling methodology that involves repeatedly raising and lowering a drilling bit to impact and break material to create a sample for removal from the drill hole.
Pleitz	A brand of jig that pulsates and separates heavier concentrate from lighter particles.
Pyroclastic	A term that means to form by or involve fragmentation as a result of volcanic action.
Proterozoic	A geological eon that represents the earth's past (2.5 billion to 570 million years ago).
RPEEE	Reasonable prospects of eventual economic extraction: a term used in the SAMREC code to test whether a mineral resource exists and can be declared.
SAMREC	The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves.
Scubber	A portion of a diamond treatment plant that breaks down and removes fine clay material from the ore.
Shale	A rock of laminated structure formed by the consolidation of clay or argillaceous material.
SFD	Size Frequency Distribution - the cumulative frequency of particulate material above a range of specified size cut- offs.
Tracers	Particles that simulate the density of diamonds and are used to calibrate a DMS unit.
Trommel	A portion of a diamond treatment plant that screens and removes coarse particles above a specific cut-off size.
Tricone	A three-headed drilling bit.
Tuff	A type of rock consisting of consolidated volcanic ash ejected from vents during a volcanic eruption.
t/m^3	A measure of density in tonnes per metre cubed.
Xenolith	A rock fragment foreign to the igneous mass in which it occurs.

****ENDS****

For further information, please visit BRD's website www.bluerockdiamonds.co.uk or contact:

BlueRock Diamonds PLC Adam Waugh, CEO David Facey, FD	 awaugh@bluerockdiamonds.co.uk dfacey@bluerockdiamonds.co.uk
SP Angel (NOMAD and Broker) Stuart Gledhill / Caroline Rowe	 Tel: +44 (0)20 3470 0470
SVS Securities plc (Joint Broker) Tom Curran	 Tel: +44 (0)20 3700 0100

Turner Pope Investments (Joint Broker) Lewis Jones/Andy Thacker	Tel: +44 (0) 20 3621 4120
St Brides Partners Ltd (Financial PR) Lottie Wadham / Juliet Earl	Tel: +44 (0)20 7236 1177

Notes to editors:

BlueRock Diamonds is an AIM-listed diamond producer which operates the Kareevlei Diamond Mine near Kimberley in South Africa which produces diamonds of exceptional quality and ranks in the top ten in the world in terms of average value per carat. The Kareevlei licence area covers 3,000 hectares and hosts five known diamondiferous kimberlite pipes. As at November 2018, it was estimated that the remaining Inferred Mineral Resource from the four kimberlite pipes (KV1, KV2, KV3 and KV5) represents a potential inground number of carats of 367,000.