

10 August 2018

**BlueRock Diamonds PLC ('BlueRock' or the 'Company')**  
**Update on Claims by a Former Company Director**  
**and Shareholder Conference Call**

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 an update on the court process instigated by the Company's former CEO, Riaan Visser.

Kareevlei Mining (Pty) Ltd, the Company's main operating subsidiary, has reached an agreement with Mr. Visser that his application for the liquidation of Kareevlei Mining (Pty) Ltd be removed from the court roll, subject to security being provided for the full amount of his alleged claim which amounts to approximately £230,000 (the 'Security'). Accordingly, the provisional liquidation hearing scheduled for 10 August 2018 will not proceed. The Security is expected to be in place on or around Monday 13 August 2018. The Company has taken this prudent action on the advice of its lawyers because, whilst the Board was confident that, had the hearing proceeded, it would have been successful, it is impossible to be entirely confident of success in this or indeed any other court process.

The alleged claims remain disputed and the applicants may initiate ordinary course recovery proceedings. Such proceedings, if initiated, are likely to last for a period of around 18 months. BlueRock's legal advice remains that Mr Visser's claim is without merit. The Security will remain held in escrow with BlueRock's legal advisers until such time that either Mr Visser fails to initiate recovery proceedings within the yet to be agreed time frame, or the final determination of any such proceedings.

Certain of the Company's Directors have agreed non-binding heads of terms to lend BlueRock the full amount of the Security (the 'Loan'). The Loan will only be available to satisfy any final determination of any further claim that Mr Visser brings and the heads of terms provide for: a term of up to three years, but repayable in full or in part at any time; an arrangement fee of 5% of the loan principal; interest payable of 11% per annum on the loan principal payable quarterly; and a repayment premium at an amount equal to 2% of the loan principal per month the loan is outstanding, payable on repayment of the Loan in full or in part to be satisfied half in cash and half in shares at the mid-market price at the time of the relevant repayment. It will be the Board's intention to repay the Loan as soon as practicable. A further announcement in respect of this proposed related party Loan will be made in due course upon the finalisation of the relevant documentation.

**Adam Waugh, CEO, commented,** "I am delighted that we have removed the possibility, however remote, that the application for a provisional winding up would be granted. If Mr Visser decides to pursue his claim further it will be dealt with in the course of a normal recovery process and we remain confident, based on legal advice, that his case is without merit."

## Shareholder conference call

BlueRock will be hosting a shareholder conference call on Tuesday 14 August 2018, at 12.00pm (BST).

Shareholders are invited to submit questions via email in advance of the call, which management will aim to respond to during the call. Questions should be sent to St Brides Partners at [shareholderenquiries@stbridespartners.co.uk](mailto:shareholderenquiries@stbridespartners.co.uk), which will be compiling the questions on behalf of the Company.

To participate in the conference call, please dial +44 (0) 20 3003 2701 and enter the participant pin 6740929# when prompted to do so. Please note that all lines will be muted except for BlueRock's management team.

The management team will strive to answer as many questions as possible during the call, however it should be noted that no material new information regarding the Company will be provided during the call. The Company plans to make a recording of the call available on its website.

If you have any problems accessing the call, please contact St Brides Partners Ltd on [shareholderenquiries@stbridespartners.co.uk](mailto:shareholderenquiries@stbridespartners.co.uk) or call +44 (0) 20 7236 1177.

*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.*

**\*\*ENDS\*\***

For further information, please visit BRD's website [www.bluerockdiamonds.co.uk](http://www.bluerockdiamonds.co.uk) or contact:

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