

15 December 2022

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

Operations and Corporate Update

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 operational and corporate activity.

Operations Update

Overview

The results of the two-month test to determine the realistic capacity of the Kareevlei plant, which commenced in mid-October and was carried out with the assistance of mining and processing specialists, confirmed that production of marginally below 90,000 tons per month is achievable which is in line with previous guidance. Of more importance is confirmation that the plant was not affected to any significant extent by wet weather experienced in October and November, provided that sufficient ore is available. Replacement of the grids and other components in the plant should increase throughput and improve reliability and quality (size) of diamond production.

Mining focused on the KV2 pit at Kareevlei. Ore mined was the highest in two years, however the strip ratio decreased to 1 from 4.30 YTD. This should increase with further development work to be undertaken on KV1 and KV3.

The mining and processing activities are being reviewed with the assistance of independent specialists and will be used in the planning and budget process currently in progress.

A detailed cost review identified opportunities to reduce costs, and these are being implemented, as are enhanced security and supervision, further detail on which is included below.

Production and Market

Diamond prices have reduced during the quarter, although this has been partially offset by higher production, albeit at a lower average grade. Development of KV1 is planned for the new year.

Recent production in October and November yielded an average grade of 4.4 cpht, with the largest stone of 10.2 carats. Historically, the Board has updated the market upon the discovery of large stones with an indicative initial valuation of over \$100,000. However, to reduce uncertainty about potential revenue and the value of tenders the Board has revised the Company policy regarding announcements of diamond stones and going forward will only announce stones which have realised in excess of \$50,000 on tender. There will be announcements for materially significant stones where appropriate.

The following significant stones were sold as part of the November tender:

Stone size - carats	\$/carat	Value \$
10.19	10,001.00	101,947.00
8.77	7,753.00	68,000.00
8.59	9,892.00	85,000.00

Security

Security throughout the mine site has been enhanced with the introduction of an independent contractor. During November an attempted heist of diamonds, which were being transported from the mine to Kimberley, was intercepted. There was no loss or injury to people, equipment or stock.

Outlook

The focus remains on improving the performance of the mine and the plant.

Adequate funding for the operations of both BlueRock Diamonds and Kareevlei Mining, and potential capital expenditure, is a priority and is being assessed in conjunction with the review of activities at the mine.

The Company expects to provide an update on production for the full year in Q1 2023.

Corporate Update

Loan note – M Poole and T Leslie

Further to the update given on 22 November 2022, the Company has not yet reached an agreement for the repayment of the loan note, which was due on 16 October 2022.

The Company will provide further updates as appropriate.

Kareevlei facility – Teichmann South Africa ('TSA')

Further to the update given on 22 November 2022, the indebtedness from the Company to TSA was approximately R55 million at the end of November 2022, R25 million in excess of the agreed facility limit of R30 million for the first six months from 15th August 2022, to reduce to R20 million thereafter. The last payment to TSA was in August 2022.

TSA has not exercised its rights in the event of breach and there are ongoing discussions with TSA to obtain further support to enable Kareevlei to continue operating.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ('MAR'). Upon the publication of this announcement via Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.

****ENDS****

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

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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 with a combined inferred resource of 10.4 million tonnes / 516,200 carats (February 2021); based on its planned production of 1 million tonnes per annum, this provides a minimum 10-year life of mine