

31 March 2022

BlueRock Diamonds PLC ('BlueRock' or the 'Company')
Placing to Raise £2.1 million &
Operational 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, is pleased to announce the raising of gross proceeds totalling £2.1 million via a placing of 6,000,000 new ordinary shares of 5 pence each in the Company (the "Placing Shares") at a price of 35 pence per Placing Share (the "Placing Price") (the "Placing").

The net proceeds of the Placing will be used to provide additional working capital to the Company in order to:

- a)** Implement its upgraded mining plan to ensure consistent supply of quality ore to the processing plant - optimising the throughput of the new 1 million tonne plant, while maximising the economic life of the mine;
- b)** Pay its mining contractor, Teichmann SA Limited ("TSA"), in order to accommodate the impact of the two operation shutdowns experienced in Q4 2021. This balance to TSA stands at approximately £1 million.

In addition to the Placing, the CEO of the Company's principal operating subsidiary, Meiring Burger, a Consultant acting as Project Manager on the Company's expansion project, Phillip Mills and the Company's expansion project contractor, BinVic (Pty) Limited ("BinVic"), have agreed to settle an aggregate of £579,514 in funds due to them, by way of a subscription for 1,655,753 ordinary shares (the "Subscription Shares") at the Placing Price (the "Subscription").

The Placing Price represents a discount of approximately 34.6% to the closing mid-market price of BlueRock shares on 30 March 2022.

Upgraded mining plan

Following the significant increase in the Company's Diamond Resource announced in February 2021 which, inter alia, increased the economic depth of KV1 and KV2 (Main Opencast Pit) pipes materially and after a review of the mining plan by Kareevlei's new CEO, Meiring Burger, the Board has decided to concentrate its resources on providing consistent supply of quality ore in terms of both the short term objectives and the life of mine plan. This, in turn, requires a large increase in the waste mining over the next 18 months in the main pit and the opening up the largest pipe, KV3. The Company expects the bulk of this waste mining increase to be funded from cash flow, as it expects to be operating on a consistently cashflow positive basis by Q3 2022, with the throughput at its new plant

increasing to the projected 85,000 tonnes per month. The funds raised will support the increased mining activity over the months ahead.

Payment to TSA

Following the two unscheduled operational shutdowns towards the end of 2021, the Board has been carefully managing its working capital position and has been seeking to agree formal terms for extended credit provided by TSA and/or the wider Teichmann Group. With the Company unable to agree an extended payment schedule with TSA (as it had previously), and while the Teichmann Group had offered potential funding alternatives, ultimately, the Board decided it would be in the best interests of all shareholders if the opportunity to fund the Company's working capital needs was extended to a wider investor base.

Current trading

Diamond prices remain buoyant amid a fast-changing diamond market following recent geopolitical events and Russian trade sanctions. BlueRock's average sale prices for the first two months of 2022 increased to around USD 600 per carat, compared to the average of USD460 per carat in 2021 - marking a 30% rise. Following the implementation of sanctions on Russia and the anticipated impact on the rough diamond supply chain, prices have increased further and the Company achieved an impressive price of over USD1,000 per carat in the March 2022 tender. While it is difficult to know if, or how long, the March pricing will persist, it is the Board's view that even prior to the impact of the current geopolitical issues, there has been a step change in diamond pricing. The Board is not currently seeking to alter pricing guidance for the year from the current \$450 per carat but, will keep it under review.

Production results in Q1 have been positive, notwithstanding challenging operational conditions with significantly higher than normal rains, at a time when management has been focussed on simultaneously ramping up production and introducing improvements in a new processing plant. Production during Q1 has been materially better than in Q1 2021. The Company expects to provide a detailed update on the Q1 results in early April, as part of its usual quarterly production reporting.

Mike Houston, Executive Chairman said, "The board is delighted to have concluded the Placing, which will provide working capital for Bluerock's diamond business as it moves into a transformative growth phase, aiming to double carat production to 36,000-43,000 carats in 2022. It is particularly pleasing to have the support of key contractors and management in the capital raise.

"With the 1Mtpa processing plant upgrade completed and seasonal heavy rains beginning to subside, the Company looks forward to maximising production throughput and delivering the optimised mining plan.

"The diamond market is in a dynamic phase with significant short-term opportunities for Kareevlei's quality diamonds but importantly it is anticipated that the supply of quality rough diamonds will remain tight in the mid-term.

"The Company appreciates the support of existing and new investors for the Placing, which was achieved despite share market uncertainty, and is a vindication of our growth strategy and future potential."

"Our revenue forecasts of USD 16-19 million for the current year reflects the possible growth this year and demonstrates the value that could be generated amid a changing diamond market and rising price environment."

BinVic

BinVic has agreed that its costs, totalling £510,704, will be settled through the issue of Shares at the Placing Price. The Company appreciates Binvic's continued support.

Following Admission BinVic will hold 2,682,487 shares in the Company representing approximately 12.3%.

Meiring Burger

Meiring Burger, as a Director of the Company's principal operating subsidiary, Kareevlei Mining, is considered to be a "related party" as defined under the AIM Rules and, accordingly, his participation in the Subscription representing 72,637 shares constitutes a related party transaction for the purposes of Rule 13 of the AIM Rules.

The Directors independent of the Subscription, being the full board, consider, having consulted with the Company's Nominated Adviser, SP Angel Corporate Finance LLP, that the terms of Meiring Burger's participation in the Subscription, is fair and reasonable insofar as the shareholders of the Company are concerned.

Phillip Mills

Phillip Mills, a Consultant acting as Project Manager on the Company's expansion project, has agreed that the costs of £43,386 will be settled through the issue of Shares at the Placing Price.

Production Guidance

The Company has refined its guidance to 2022 as follows:

	Actual: 2021	Outlook: 2022	Outlook: 2023
Tonnes processed ('000)	516	900-950	1,000

Carats produced	23,497	36,000-43,000	43,000
Grade	4.55	4.0 to 4.5	4.3
Value Per Carat (USD)	470	450	450
Revenue (USDm)	10.8	16 to 19	19

Impact on CLN conversion price

Following the Placing and Subscription, the conversion price of the Company's existing Convertible Loan Note with Company Non-Executive Director, Tim Leslie, and, Mark Poole, will be adjusted to 72 pence, in accordance with its terms.

Admission to Trading on AIM and Total Voting Rights

Application will be made for the Placing Shares and the Subscription Shares, which will rank pari passu, with the existing Ordinary Shares, to be admitted to trading on AIM ("Admission"). It is expected that Admission will become effective, and dealings will commence on or around 5 April 2022.

Following the issue of the Placing Shares and the Subscription Shares, the issued share capital of the Company will consist of 21,776,755 Ordinary Shares. No shares were held in treasury at the date of this announcement. The total current voting rights in the Company are therefore 21,776,755.

The above total current voting rights number is the figure, which may be used by shareholders as the denominator for the calculation, by which they will determine if they are required to notify their interest in, or a change to their interest in the Company.

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 BRD'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 Diamond 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.

RESPONSIBILITIES AND PERSONS CLOSELY ASSOCIATED WITH THEM

1.	Details of the person discharging managerial responsibilities/person closely associated	
a)	Name:	Meiring Burger
2.	Reason for the notification	
a)	Position/status:	CEO, Kareevlei Mining
b)	Initial notification/Amendment:	Initial notification
3.	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	
a)	Name:	BlueRock Diamonds plc
b)	LEI:	213800LVSJ2RNI3SSN92
4.	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted	
a)	Description of the financial instrument, type of instrument: Identification code:	Ordinary shares of 5 pence each GB00BKKJK954
b)	Nature of the transaction:	Subscription for Shares

c)	Price(s) and volume(s):	: <table border="1" data-bbox="810 259 1206 398"> <thead> <tr> <th data-bbox="818 259 983 327">Price(s)</th> <th data-bbox="986 259 1198 327">Volume(s)</th> </tr> </thead> <tbody> <tr> <td data-bbox="818 331 983 398">35p</td> <td data-bbox="986 331 1198 398">72,637</td> </tr> </tbody> </table>	Price(s)	Volume(s)	35p	72,637
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d)	Aggregated information: Aggregated volume: Price:	<table border="1" data-bbox="810 898 1206 1037"> <thead> <tr> <th data-bbox="818 898 983 965">Price(s)</th> <th data-bbox="986 898 1198 965">Volume(s)</th> </tr> </thead> <tbody> <tr> <td data-bbox="818 969 983 1037">35p</td> <td data-bbox="986 969 1198 1037">72,637</td> </tr> </tbody> </table>	Price(s)	Volume(s)	35p	72,637
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35p	72,637					
e)	Date of the transaction:	31 March 2022				
f)	Place of the transaction:	Outside a trading venue				