

Note: References to "\$" in this announcement refer to US dollars.

18 January 2018

BlueRock Diamonds PLC

("BlueRock" or the "Company" or "BRD")

Update and Key Performance Indicators

BlueRock Diamonds plc, the AIM listed diamond mining company, which owns and operates the Kareevlei Diamond Mine in the Kimberley region of South Africa ("Kareevlei") announces an update on progress and sets out its historic key performance indicators.

Production

Production of run of mine material from the Company's developed K2 pipe recommenced through the processing circuit on 8 January 2018 after the three-week Christmas break.

During the Christmas break, the Company made a number of planned modifications to the crushing circuit designed to improve the method of feeding ore to the crushers. These changes have now been tested and the crushing circuit has been back in full production from Monday 15 January.

As noted previously, the Company expects to provide an update in respect of the January, February and March tenders and production since November 2017 at the end of March.

Pipe K5

Pipe K5 is a previously undeveloped pipe at Kareevlei and is not included in the Inferred Resource Statement. A limited bulk sample of 7,500 tonnes of kimberlite, taken from 5m to 10m below ground level at pipe K5, was processed in December. Whilst no firm conclusions can be reached from what is a relatively small sample, results to date have been encouraging and the Company proposes to undertake further bulk sampling in due course.

Key Performance Indicators

In advance of the Company's move to quarterly reporting, it has set out the below key performance indicators for the 3 months ended 30 November 2017.

Carats produced and sold ⁽¹⁾	2,110 carats
Average revenue per carat ⁽¹⁾	USD 374
Average revenue/tonne ⁽¹⁾	USD 11.6
Volumes processed ⁽²⁾	64,442 tonnes
Average on mine cash cost/tonne ⁽²⁾⁽³⁾	ZAR84.3/USD 6.2

Notes:

- 1) Data based on tender periods – from the closing date of the August tender to the closing date of the November tender.
- 2) Data based on calendar months.
- 3) On mine costs include all mining and processing costs excluding depreciation. This does not include head office or other administrative or financing costs. Exchange rate used is USD1=ZAR13.7 equal to the average for the 3 months ended 30 November 2017.

The cost per tonne of production will vary depending on, inter alia, volumes produced and waste levels (the strip ratio), which are expected to increase over the next 12 months, offset by increases in volumes. In addition, the cost per tonne expressed in USD will vary according to the prevailing exchange rate, which is currently approximately USD1 = ZAR 12.3.

Adam Waugh, Chief Executive Officer of BlueRock Diamonds, commented:

“We have used the time afforded to us by the Christmas break to make further improvements to our crushing circuit in order to increase throughput to the processing plant. I’m pleased to say that these improvements have been completed within the planned timeframe and budget.

“The sampling of the first tonnages from K5 during December were encouraging. Although K5 is smaller than K1, K2 and K3, early indications suggest a similar grade to K2. However, the average size of diamonds mined were much larger than those of K2.”

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.

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About BlueRock Diamonds plc (AIM: BRD)

BlueRock is a diamond mining company with activities in the Kimberley region of South Africa.

BlueRock own a diamond processing plant and the mining right over the Kareevlei Tenements in South Africa.