

11 July 2022

BlueRock Diamonds PLC ('BlueRock' or the 'Company')**Q2 2022 Production 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 its Q2 2022 production update along with details of changes both to management and production guidance for the year ending 31 December 2022.

Overview

	Q2 2022	Q2 2021	% Variation
Tonnes Produced	139,531	134,510	+4%
Grade cpht	2.6	4.0	-37%
Carats produced	3,570	5,442	-34%
Carats sold	2,699	5,106	-47%
Avg. price per carat USD	575.66	427.78	+35%

BlueRock Executive Chairman, Mike Houston, said, *"The extreme weather conditions, which saw 145mm of rain fall during the Q2 period compared to 9mm of rain for the corresponding period in 2021, are reflected in what is a disappointing quarter with production significantly less than budget. During the period, the Company had limited access to fresh kimberlite resulting in the feed to the plant being a lower grade plus having a higher percent of fines/ clay material, which are more susceptible to wet conditions and impacted negatively on throughput tonnage. As previously reported, we have benefitted from improved weather over the past month and a better-balanced drier material has been supplied to the processing plant, taking us one step further towards achieving our stated objective of increasing production to 1 million tonnes per annum.*

"The market has remained buoyant for non-Russian rough diamonds in the period under review and Kareevlei has averaged \$576 a carat in the quarter, 35% up on the \$428 a carat achieved during the same period last year. With the ongoing tightness of supply of rough diamonds and the expected recovery of the Chinese retail market, the outlook for the rest of the year for rough diamond prices is positive.

"With additional financing secured, we will continue to focus our efforts on optimising our mining operations at Kareevlei to benefit fully from the potential of the new plant and take advantage of what is a strong market, and I look forward to providing further updates throughout the year as the positive trajectory that we have seen in recent weeks hopefully continues throughout Q3 and into Q4."

Management Changes at Kareevlei

As recently announced, BlueRock's major shareholder, Teichmann Group, will take a more direct role in the management of the Company and the Kareevlei operations; accordingly, immediate steps have been taken by Teichmann Group at Kareevlei level.

An experienced, high level technical and commercial team (ex-De Beers) has completed a full review of the operations and although the detailed report is expected shortly, a number of positive proposals have already been made, which when implemented should enhance operational performance.

The current Kareevlei CEO, Meiring Burger, will step down on 31 July 2022 with Gary Teichmann, a non-executive director of BlueRock, expected to take on an Interim CEO role at Kareevlei from this time. Two experienced individuals covering the mining and processing disciplines have been secured to work in conjunction with Gary Teichmann at Kareevlei over the next six months to implement recommended changes whilst the Group searches for a new CEO at Kareevlei.

Large stones recovered in 2022

Date sold 2022	Carats	Value USD000	Value per carat USD000
March	19.3	116	6
	12.7	128	10
	8.7	104	12
	6.6	63	9.5
February	11.9	211	17.6
	8.3	96	8.3
	13.6	78	5.8
	7.5	75	10
January	6.8	63	9.3

Note: It is Company policy to announce all stones sold with a value of in excess of USD50k.

Outlook

While guidance for 2023 remains unchanged, the Company's revised guidance for 2022 is as follows:

	Revised Outlook: 2022	Previous Outlook: 2022	% Change: 2022	Outlook: 2023
Tonnes processed ('000)	700-750	780 - 830	-c10%	1,000
Carats produced	24,500-30,000	28,000 - 33,000	-c10%	43,000
Grade	3.60 - 4.00	3.60 – 4.00	0%	4.3
Value Per Carat (USD)	500 - 550	500 - 550	0%	450
Revenue (USDm)	12 – 16.5	14 - 18	-c10%	19

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.