

28 October 2022

BlueRock Diamonds PLC ('BlueRock' or the 'Company')**Q3 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 production update for the 3 months to 30 September 2022 ('Q3 2022') along with an update on its £462,500 Convertible Loan Note and details of changes to production guidance for the years ending 31 December 2022 and 2023.

Overview

	Q3 2022	Q3 2021	% Variation
Tonnes Produced	195,848	159,867	+22.5
Grade cpht	2.63	4.81	-45.3
Carats produced	5,145	7,682	-33.0
Carats sold	5,475	6,887	-20.5
Avg. price per carat USD	513	554	-7.4

BlueRock CEO, Victor Dingle, said, "In order to adhere to the mining plan there was a significant increase in activity related to stripping, waste mined and movement of stockpiles. This should improve the quality of the ore available to the plant in Q4. Plant production increased 40% over Q2, however the performance of the plant remains below expectations and rated throughput. Action is being taken to address this and overcome the bottlenecks and blockages. From October, only KV2 is being mined in order to assess, at a high level, the current mining plan, the quality of ore, and the performance of the plant. This will continue for at least two months while waste and stockpiles are moved to open further areas for stripping and mining."

Guidance

The Company has revised its guidance for 2022 and 2023 to reflect the outcome of a high-level review undertaken of the production and mining plan and continued uncertainty over production and grade for the balance of the current year (where only KV2 will now be mined):

	2022 revised guidance	Previous 2022 guidance	2023 revised guidance	Previous 2023 guidance	2021 actual
Tonnes processed ('000)	600-700	620-670	900-1,000	875-970	516
Carats produced	20,000 to 22,000	20,000 to 24,000	35,000 to 41,000	35,000 to 41,000	23,497
Grade	2.96 to 3.2	3.25 to 3.5	3.7 to 4.1	4.0 to 4.3	4.55

Value per carat (USD)	500 to 570	500 to 600	500	500	470
Revenue (USDm)	10 to 12.5	10.0 to 14.4	17.5 to 20.5	17.5 to 20.5	10.8

Convertible Loan Note

Further to the announcement of 14 October 2022 in respect of its £462,500 Convertible Loan Note ("CLN"), which was due to be repaid on 16 October 2022, negotiations are continuing on a revised repayment arrangement, details of which will be announced once finalised.

BlueRock CEO, Victor Dingle, said, *"The guidance was revised based on the current activity at the mine, the high-level review of the mining plan and the impact on short-term planned activities at KV2 only. In order to overcome challenges with processing during the wet season, modifications to the plant, which may require capital expenditure, are being investigated. The plan is to ensure that the plant operates at rated capacity as soon as possible, and that it is not significantly affected by wet material. As this is a work in progress a final assessment is expected in Q1 2023.*

"The ZAR 30 million facility from Teichmann South Africa has been fully drawn down to fund activities at the Kareevlei mine although not all payments have yet been received and discussions are in progress to resolve this shortfall in funds at the Kareevlei level.

"The board continues to progress the appointment of additional non-executive directors to strengthen the board and comply with the board composition as per the terms of the Relationship Agreement announced on 15 August 2022 as part of the recent financing."

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.

Large stones recovered in 2022

Date sold 2022	Carats	Value USD000	Value per carat USD000
September	10.22	123	12
August	11.62	84	7.2
	10.02	81	8.1
	9.04	76	8.4
	6.77	52	7.6
	6.88	52	7.5
	10.35	50	4.8

July	5.97	55	9
	7.4	67	9
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.

****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.