

12 January 2021

**BlueRock Diamonds PLC ('BlueRock' or the 'Company')**  
**Q4 & FY 2020 Production Update**  
**Strong results in a challenging year**  
**2021 guidance of in excess of 34,000 carats remains unchanged**

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 its Q4 2020 and FY 2020 production update.

**Overview**

	<b>FY20</b>	<b>FY19</b>	<b>%Var</b>	<b>Q4 20</b>	<b>Q4 19</b>	<b>%Var</b>
Tonnes processed (000)	402	323	25%	113	110	3%
Carats produced	15,371	14,033	10%	4,781	5,121	-7%
Grade	3.8	4.3	-12%	4.24	4.65	-9%
Carats Sold	16,290	12,675	29%	6,807	4,170	63%
Value Per Carat (USD)	295	415	-29%	263	410	-36%

**DETAILS****Production**

Processed tonnes increased by 25% compared with the previous year, despite the mine being closed due to COVID-19 for a period of 50 days starting on 24 March 2020. Assuming a constant run rate during the period of closure, the increase over the year would have been approximately 45%. The increase in Q4 of 34% is lower than anticipated due to abnormally high and early rains in late 2020 (238mm in December 2020 compared with 70mm in December 2019). These production increases have been obtained using the old plant and, therefore, are a remarkable achievement in a very difficult year. Notably, once the new plant is fully commissioned, the Company's production profile is expected to be significantly less impacted by the rainy season.

Carat production has increased by 10%. The lower percentage increase in the number of carats is a reflection of the reduced grade. As previously announced, the grade for H1 2020 was significantly lower than expected as the Company was concentrating on developing the Main Pit out of KV1 and KV2. Average grade for the second half was a much improved 4.4 cpht, a slight increase over the average for FY 2019.

**Sales**

Carat sales were up significantly over the year reflecting the increased production and the fact that in 2020 a December sale was made whereas in 2019 there was no December sale.

Value per carat of USD295 per carat was around the bottom end of the Company's guidance for 2020 and 26% down on FY 2019, due largely to the impact of COVID-19 on the marketing chain and the reduced incidence of higher value diamonds in 2020 compared with 2019. The latter is partly due to the development of the Main Pit, which required a large tonnage of higher level and near edge ore to be mined as the Company prepared for the expansion of operations in 2021. The Company estimates that the like for like reduction in pricing is approximately 10 to 15%, a decent result in what was a very difficult market environment. In particular, the Company had to rely upon private sales to a limited number of buyers as the tender system was not in operation for much of the year.

**BlueRock Executive Chairman, Mike Houston, said,** *"Given the problems of operating in the COVID-19 world, I am very encouraged by our outturn for Q4 2020 and the full year as the management team has delivered in the areas that it can control with production tonnes and sales carats significantly up on the 2019 figures.*

*"The fall in the value per carat is unfortunate as it has reduced the impact of the improved production output, but we are now seeing signs of recovery in general pricing and early signs of an increasing incidence of the high value stones.*

*"A major focus for much of 2020 has been the preparation and development of our exciting expansion project, which was initially delayed by the COVID-19 lockdown and then the ongoing impact it had on the global supply chain.*

*"The plan to transition to the new operation by running both plants during Q1 will minimise the disruption on production in early 2021. Despite having to deal with the ongoing exceptionally poor weather conditions and, weather permitting, the project is still expected to be fully commissioned by the end of Q1 but may push into early Q2. Our guidance for 2021 remains at 850,000 to 1,000,000 tonnes and 34,000 to 46,000 carats.*

*"On 22 December, we announced a provisional upgrade to Kareevlei's Resource with tonnage and carats up 43% and 52% respectively. A Resource Statement remains on track to be released by the end of January 2021.*

*"I look forward to updating the market on our progress."*

#### **Shareholder conference call**

BlueRock will be hosting a shareholder conference in the near future in line with its commitment to maintaining positive engagement with its shareholders. Further information regarding this call will be announced soon.

*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.*

**\*\*ENDS\*\***

For further information, please visit BRD's website [www.bluerockdiamonds.co.uk](http://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. As at December 2020, provisional figures based on mined tonnes and carats and not a volumetric depletion estimated that the remaining Inferred Mineral Resource from four kimberlite pipes (KV1, KV2, KV3 and KV5) represents a potential inground number of carats of 513,500.