

1 June 2022

BlueRock Diamonds PLC ('BlueRock' or the 'Company')
Operations Update

BlueRock Diamonds PLC, the AIM listed diamond producer, announces an update on operations at its Kareevlei Diamond Mine ('Kareevlei') in the Kimberley region of South Africa.

During the first five months of 2022, Kareevlei experienced nearly double its normal annual rainfall (561mm/22 inches). May's rain in particular, at over three times the long-term average, has had a significant impact on both mining development and processing against expectations.

Mining development fell 36% (400,000 tonnes) as compared to budget for April and May, which has limited the mine's access to quality kimberlite and necessitated the use of lower grade and more difficult to handle material (clay content) in Kareevlei's processing operations. Additionally, where BlueRock had hoped to ramp up production at its new 1Mtpa processing plant, the unforeseen lost days to rain and the lower-grade feed resulted in operations being down against budget over the period March to May by 48% on tonnes processed, 51% on grade and 74% on carats produced.

Accordingly, while South Africa is now experiencing belated drier weather conditions, the delayed roll out of the Company's mining development plan will impact production output in Q2 and early Q3, and therefore the 2022 outlook. In addition, as a result of global economic conditions, the Company is facing increased costs of production due to higher diesel prices and increased costs of major suppliers.

As a result of fewer diamonds being produced and sold as well as increasing costs, BlueRock's cash resources have been depleted during what continues to be a period of heavy investment in mining development. The Company has therefore entered into discussions with a major shareholder and providers of debt finance to support it through this period; further announcements will be made in due course.

BlueRock Executive Chairman, Mike Houston, said, *"While it is of course disappointing to report the problems caused by the continuing wet weather at a time when we expected to be operating at near capacity, the safety of our personnel and equipment is our foremost obligation. As we finally move into drier weather, I am pleased to report operations are improving rapidly, which will enable us to take advantage of the buoyant market, with prices achieved for BlueRock's unique stones averaging over c\$600 per carat during 2022 – marking an uplift of 29% versus 2021 prices. While our reduced mining activity during the last few months will impact in the near term on our ability to achieve the consistent grade that we expected in 2022, our guidance for 2023 remains unchanged.*

"Whilst we acknowledge that we can plan better for the wet season, no preparation can fully cover you in these extraordinary circumstances, however, management is confident that fundamentals remain sound for Kareevlei building up output to 1Mtpa and circa 43,000 carats production in 2023. This year, we are still on

track to increase output by at least 50% and the plant has performed well in the intermittent periods of dry weather.”

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)	780 - 830	900-950	-15%	1,000
Carats produced	28,000 - 33,000	36,000-43,000	-30%	43,000
Grade	3.60 - 4.00	4.0 - 4.5	-12%	4.3
Value Per Carat (USD)	500 - 550	450	+14%	450
Revenue (USDm)	14 - 18	16 - 19	-9%	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 BRD's website www.bluerockdiamonds.co.uk or contact:

BlueRock Diamonds PLC Mike Houston David Facey, FD	m.houston@bluerockdiamonds.co.uk dfacey@bluerockdiamonds.co.uk
SP Angel (NOMAD and Broker) Stuart Gledhill / Caroline Rowe	Tel: +44 (0)20 3470 0470
St Brides Partners Ltd (Financial PR) Isabel de Salis / Oonagh Reidy	bluerock@stbridespartners.co.uk

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.