

## **BlueRock Diamonds plc (“BlueRock” or the “Company”)**

### **Related Party Transaction**

**28 May 2014**

BlueRock Diamonds plc’s 74% owned South African subsidiary, Kareevlei Mining (Pty) Limited (“Kareevlei Mining”), engaged Kgalagadi Engineering & Mining Supplies (Pty) Limited (“Kgalagadi”) on 10 October 2013 to refurbish and upgrade the plant and equipment located at the Kareevlei Tenements.

John Kilham, Chief Technical Officer of BlueRock, is a director and shareholder of Kgalagadi and therefore under AIM Rule 13, Kgalagadi is considered a related party of BlueRock. William van Wyk, the beneficial owner of BlueRock’s Black Economic Empowerment (“BEE”) partner Ghaap Mining, is also a director and shareholder of Kgalagadi. Ghaap Mining holds 26% of Kareevlei Mining in compliance with BEE law.

At the time Kgalagadi was engaged, payments made to Kgalagadi in respect of the costs of the refurbishment and plant upgrade, were not expected to exceed 5% in any of the class tests pursuant to AIM Rule 13. As trial mining operations have progressed, the total value of these payments (amounting to approximately £72,000 excluding South African VAT) have triggered a notification requirement under AIM Rule 13. Approximately half of this total amount relates to materials and equipment purchased at cost. There are no outstanding payments nor is it expected that any further costs be incurred, under this agreement.

The Directors of the Company, excluding John Kilham, having consulted with the Company’s nominated adviser, SP Angel Corporate Finance LLP, consider that the terms of the transaction were fair and reasonable insofar as the Company’s shareholders are concerned.

Enquiries:

**BlueRock Diamonds plc** +27 (0) 84 431 0118  
Riaan Visser, CEO  
[www.bluerockdiamonds.co.uk](http://www.bluerockdiamonds.co.uk)

**SP Angel Corporate Finance LLP** +44 (0) 20 3463 2260  
**Nominated Adviser & Broker**  
David Facey / Katy Birkin / Liz Yong