

## **BlueRock Diamonds PLC ("BlueRock" or the "Company")**

### **Convertible Loan Notes and Operational Update**

**8 April 2015**

BlueRock Diamonds (AIM: BRD) announces that further to the announcement made on 17 October 2014 in respect of the issue of up to £450,000 of convertible loan notes (the "Convertible Loan Notes") of which £400,000 was drawn down immediately, the Company has exercised the option to drawdown the remaining £50,000 of Convertible Loan Notes (the 'Option Loan Notes') for general working capital purposes. Completion of the issue of the Option Loan Notes by the Company and remittance of funds is expected to take place on or about 27 April 2015.

The terms of the Convertible Loan Notes were set out in the announcement dated 17 October 2014 and are included below.

#### **Plant Upgrade**

Following the end of the trial mining period in November 2014, the Company utilised funds from the issue of the Convertible Loan Notes to invest in new plant and equipment to upgrade the existing facility. The new equipment includes two 16 foot rotary pans, one vertical shaft impact crusher, one jaw crusher, and four vibrating screens.

The Company has now completed installation of the new equipment, will be configuring and testing the plant over the next two weeks and expects that the plant should be operating by the end of April 2015.

#### **Mining**

In December 2014, further blasting was undertaken in the K1 & K2 pits. Following the blasting, approximately 50,000 tonnes of kimberlite has been removed, pre-screened and is now stockpiled ready for processing.

#### **Production**

During the trial mining period, BlueRock produced 575 carats which were sold for a total of US\$142,995 – an average price of US\$248 per carat. Whilst the Directors note that the diamond parcel size is still relatively small, the average price per carat realised is approximately 36% higher than the US\$183 per carat anticipated in the Competent Person's Report published at the time of the Company's admission to AIM.

The Board is confident that the new plant will enable BlueRock to reach commercial, profitable production and looks forward to updating shareholders with its progress in the near future.

#### **Enquiries:**

##### **BlueRock Diamonds plc**

Riaan Visser, CEO

[www.bluerockdiamonds.co.uk](http://www.bluerockdiamonds.co.uk)

+27 (0) 84 431 0118

##### **SP Angel Corporate Finance LLP**

Nominated Adviser & Broker

David Facey / Katy Birkin / Liz Yong

+44 (0) 20 3470 0470

### **Terms of Convertible Loan Notes**

The Convertible Loan Notes will have a five year term. The Convertible Loan Notes carry a zero coupon and they will not be listed. The Convertible Loan Notes will benefit from a charge over the Company's interest in Kareevlei Mining (Pty) Limited ("Kareevlei Mining"). If the Company disposes of its interest in Kareevlei Mining then the charge will be released subject to early repayment of the Convertible Loan Notes at a premium of 20%.

The Convertible Loan Notes will be convertible:

- (i) at the holder's option at any time up to the end of the term into ordinary shares of 1 pence each in the capital of the Company ("Ordinary Shares") at a conversion price (the "Conversion Price") of 11 pence; and
- (ii) at the Company's option after the second anniversary of initial subscription provided that the one month volume weighted average price of the Company's Ordinary Shares is in excess of 120% of the Conversion Price and that the closing mid-market price on the date prior to the Company opting to convert exceeds 120% of the Conversion Price.