

ANNOUNCEMENT TO BE MADE BY THE AIM APPLICANT PRIOR TO ADMISSION IN ACCORDANCE WITH RULE 2 OF THE AIM RULES FOR COMPANIES (“AIM RULES”)

COMPANY NAME:

BlueRock Diamonds plc

COMPANY REGISTERED OFFICE ADDRESS AND IF DIFFERENT, COMPANY TRADING ADDRESS (INCLUDING POSTCODES) :

39 St James’s Street
London
SW1A 1JD

COUNTRY OF INCORPORATION:

England and Wales

COMPANY WEBSITE ADDRESS CONTAINING ALL INFORMATION REQUIRED BY AIM RULE 26:

www.bluerockdiamonds.co.uk

COMPANY BUSINESS (INCLUDING MAIN COUNTRY OF OPERATION) OR, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTING POLICY). IF THE ADMISSION IS SOUGHT AS A RESULT OF A REVERSE TAKE-OVER UNDER RULE 14, THIS SHOULD BE STATED:

BlueRock Diamonds plc (“BlueRock”) was incorporated in England and Wales on 11 October 2012 and was admitted to the ISDX Growth Market as an investment vehicle on 7 March 2013.

Following the review and evaluation of a number of potential acquisition targets, the Directors identified the Kareevlei Tenements as an opportunity that fulfilled the Company’s investment criteria. The Kareevlei Tenements are located approximately 100km northwest of Kimberley in the Northern Cape Province of South Africa, and contain the diamondiferous Kareevlei Kimberlites; five kimberlite pipes ranging in size from <0.5 hectares to <5.6 hectares.

On 23 April 2013, the Company entered into the Kareevlei Option Agreement with Diamond Resources (Pty) Limited, a subsidiary of Tawana Resources NL, pursuant to which the Company was granted an option to acquire the Mining Right over the Kareevlei Tenements and the Mining Equipment for an aggregate consideration of R4 million (approximately £261,000) plus SA VAT.

Prior to Admission, the Company, through its Subsidiary, Kareevlei Mining (Pty) Limited (“Kareevlei Mining”), is to exercise its rights under the Kareevlei Option Agreement to enter into and complete the Equipment Agreement and to enter into the Mining Agreement.

Following Admission, under the terms of the Mining Agreement (as amended), the Company may conduct Trial Mining Operations until such time as Diamond Resources obtains Ministerial Consent (pursuant to an application to be lodged under section 11 of the MPRDA in a form acceptable to both Diamond Resources and BlueRock) for the transfer of the Mining Right to Kareevlei Mining.

The Mining Agreement provides that Kareevlei Mining may be engaged as a contractor to conduct Trial Mining Operations in the period prior to the transfer of the Mining Right. The amount that can be taken by way of bulk sample is limited to four consecutive tranches,

the first two of up to 20,000 tonnes each and then a further two tranches of up to 24,000 tonnes each.

If after eight months from the inception of the Mining Agreement, Ministerial Consent for the transfer of the Mining Right has not been obtained, under the Supplemental Agreement, unless the parties agree otherwise, Kareevlei Mining has the right to be appointed as a contractor to continue the Trial Mining Operations for an additional period of up to 24 months after the commencement date or until the Ministerial Consent is obtained, whichever occurs first.

The Mining Equipment to be acquired by BlueRock on Admission includes an on-site processing plant and a final recovery section which is based in a leased area at the De Beers facility in Kimberley, both of which are in good condition. The on site processing plant includes crushers, screens and a 25 tonne per hour dense media separation plant ("DMS") plant. Electricity to operate the plant is generated by three diesel powered generators. The onsite plant is in good condition and following refurbishment of the screens and crushing circuits is expected to be suitable for kimberlite treatment. The final recovery plant based in Kimberley at the De Beers facility includes conveyors, screens, a containerised dual station Flowsort™ (X ray) machine and a grease table.

Since De Beers discovered the Kareevlei kimberlites in 1991 during an airborne magnetic survey, significant prospecting work has been carried out, including percussion and Bauer™ auger drilling. Sufficient work had been carried out on three of the pipes, K1, K2 and K3, such that following the execution of the Kareevlei Option Agreement, the Company commissioned a Competent Person's Report on the Kareevlei Tenements in order to provide a resource estimate under the SAMREC code based on the prospecting work to date, a summary of which is as follows:

Pipe	Tonnes	Carats	Grade (cpht)	Classification
K1	1,594,000	101,000	6.3	Inferred
K2	2,461,000	111,000	4.5	Inferred
K3	3,929,000	147,000	3.7	Inferred
Total	7,984,000	359,000		

In accordance with the recommendations of the Competent Person, the Company intends to start mining operations by opening up the K1 pipe and removing a portion of the calcrete overburden to expose the calcretised and weathered kimberlite beneath for processing.

In accordance with the black economic empowerment requirements in the South African mining industry, Kareevlei Mining is 26% owned by a Kimberley based company, Ghaap Mining (Pty) Limited, while BlueRock owns the remaining 74%.

The Company has notified ISDX of its intention to withdraw from the ISDX Growth Market; withdrawal from ISDX will take place immediately prior to admission to AIM.

DETAILS OF SECURITIES TO BE ADMITTED INCLUDING ANY RESTRICTIONS AS TO TRANSFER OF THE SECURITIES (i.e. where known, number and type of shares, nominal value and issue price to which it seeks admission and the number and type to be held as treasury shares):

12,789,338 Existing Ordinary Shares of 1p each (following the Capital Restructuring)
18,735,703 Placing Shares of 1p each

Enlarged Share Capital on Admission will be 31,525,041 Ordinary Shares of 1p each

No shares will be held in treasury and there are no restrictions on the transfer of ordinary shares.

CAPITAL TO BE RAISED ON ADMISSION (IF APPLICABLE) AND ANTICIPATED MARKET CAPITALISATION ON ADMISSION:

Gross placing proceeds of £1.31 million

Market capitalisation of the Company at the Placing Price on admission is £2.21 million.

PERCENTAGE OF AIM SECURITIES NOT IN PUBLIC HANDS AT ADMISSION:

62.9%

DETAILS OF ANY OTHER EXCHANGE OR TRADING PLATFORM TO WHICH THE AIM COMPANY HAS APPLIED OR AGREED TO HAVE ANY OF ITS SECURITIES (INCLUDING ITS AIM SECURITIES) ADMITTED OR TRADED:

None

FULL NAMES AND FUNCTIONS OF DIRECTORS AND PROPOSED DIRECTORS (underlining the first name by which each is known or including any other name by which each is known):

Directors

Paul John Beck (Non Executive Chairman)
 Christiaan (Riaan) Breytenbach Visser (Chief Executive Officer)
John Leslie Courtney Kilham (Chief Technical Officer)
Jonathan Stuart Quirk (Non Executive Director)
 Andries (André) Thomas Markgraaff (Non Executive Director)

Proposed Director

Timothy (Tim) Grahame Leslie (Non Executive Director)

FULL NAMES AND HOLDINGS OF SIGNIFICANT SHAREHOLDERS EXPRESSED AS A PERCENTAGE OF THE ISSUED SHARE CAPITAL, BEFORE AND AFTER ADMISSION (underlining the first name by which each is known or including any other name by which each is known):

Name	Before Admission		Following Admission	
	Number of Ordinary Shares	Percentage of issued share capital	Number of Ordinary Shares	Percentage of issued share capital
<u>Alexander</u> Catto	639,346	5.0	925,060	2.9
<u>Alice</u> Bordini	400,000	3.1	400,000	1.3
Andries (<u>André</u>) Markgraaff	600,000	4.7	600,000	1.9
Beaufort Securities Limited	-	-	1,428,571	4.5
<u>David</u> Abromowitz	832,000	6.5	957,000	3.0
Glazewood Ventures Limited	400,000	3.1	400,000	1.3
<u>Jonathan</u> Quirk	485,500	3.8	914,071	2.9
<u>Mark</u> Poole	1,000,000	7.8	5,285,714	16.8
<u>Paul</u> Beck	1,183,000	9.2	1,383,000	4.4

Sedor Investment Holdings Limited	1,900,000	14.9	1,900,000	6.0
Tamla Limited	-	-	2,000,000	6.3
Timothy Leslie	1,000,000	7.8	5,285,714	16.8
Vidacos Nominees Limited	1,576,922	12.3	2,291,207	7.3
W B Nominees Limited	180,779	1.4	1,705,755	5.8
Wildcrest Global Inc.	1,060,000	8.3	1,060,000	3.4
NAMES OF ALL PERSONS TO BE DISCLOSED IN ACCORDANCE WITH SCHEDULE 2, PARAGRAPH (H) OF THE AIM RULES:				
None				
(i) ANTICIPATED ACCOUNTING REFERENCE DATE (ii) DATE TO WHICH THE <u>MAIN FINANCIAL INFORMATION</u> IN THE ADMISSION DOCUMENT HAS BEEN PREPARED (this may be represented by unaudited interim financial information) (iii) DATES BY WHICH IT MUST PUBLISH ITS FIRST THREE REPORTS PURSUANT TO AIM RULES 18 AND 19:				
(i) 31 December (ii) 31 March 2013 (iii) Following Admission, the first three reports to be published by: <ul style="list-style-type: none"> a. 30 September 2013 (interims for the six months ended 30 June 2013) b. 30 June 2014 (final results for the period 11 October 2012 to 31 December 2013) c. 30 September 2014 (interims for the six months ended 30 June 2014) 				
EXPECTED ADMISSION DATE:				
4 September 2013				
NAME AND ADDRESS OF NOMINATED ADVISER:				
SP Angel Corporate Finance LLP 35 – 39 Maddox Street London W1S 2PP				
NAME AND ADDRESS OF BROKER:				
SP Angel Corporate Finance LLP 35 – 39 Maddox Street London W1S 2PP				
OTHER THAN IN THE CASE OF A <u>QUOTED APPLICANT</u>, DETAILS OF WHERE (POSTAL OR INTERNET ADDRESS) THE ADMISSION DOCUMENT WILL BE AVAILABLE FROM, WITH A STATEMENT THAT THIS WILL CONTAIN FULL DETAILS ABOUT THE APPLICANT AND THE ADMISSION OF ITS SECURITIES:				
A copy of the admission document containing full details about the applicant and the admission of its securities will be available from the offices of SP Angel Corporate Finance LLP, 35-39 Maddox Street, London W1S 2PP and on the Company's website, www.bluerockdiamonds.co.uk				
DATE OF NOTIFICATION:				
19 August 2013				

NEW/ UPDATE:
New