**BlueRock Diamonds plc**

**(“BlueRock” or “the Company”)**

**19 January 2017**

**Issue of New Share Options**

The board of BlueRock Diamonds plc announces that it has granted 1,670,387 new share options to Adam Waugh, the Company’s CEO, and 556,795 new share options to the Company’s mine manager, Johan Milho (“Executive Options”).

These new share options have an exercise price of 5p, representing a premium of 25% to the placing announced on 2 November 2016 and equal to the current bid price. They are exercisable for a period of 5 years from the date of issue, being 19 January 2017 (“New Share Options”).

The Executive Options are being granted In order to incentivise the executive directors and in recognition of the fact that the executive directors continue to be paid salaries significantly below market rates.

Following the grants of the New Share Options, Mr Waugh and Mr Milho will hold share options as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | |  |  | |  | | | | | |
|  | **Number of ordinary shares subject to share options** | **Existing** | | | | **New Share Options** | | | |
|  |  | |  |  | |  | | | | | |
|  | **No.** | | **Exercise price (p)** | | **No.** | | | **Exercise price (p)** | | |
|  |  |  | |  |  | |  | | | | | |
| Mr Waugh | 2,446,478 | 776,091 | 11 | | | 1,670,387 | | 5 | | |
| Mr Milho | 556,795 | 0 | 0 | | | 556,795 | | 5 | | |

The Company also intends to grant New Share Options to all of the non-executive directors, being Paul Beck (Non Executive Chairman), Tim Leslie (Non Executive Director) and Andre Markgraaff (Non Executive Director) (together the “Non Executives”) in order to incentivise them and in recognition of their ongoing support and the fact that they receive no salaries.

Further details in connection with the proposed grant of New Share Options to non-executive Directors will be announced in due course.

The grant of the Executive Options is a related party transaction for the purposes of Rule 13 of the AIM Rules for Companies.

As it is intended that New Share Options will be granted in due course to the Non Executives there are no Directors deemed to be independent of the grant of Executive Options. Accordingly SP Angel Corporate Finance LLP, the Company's nominated adviser, considers that the grant of the Executive Options is fair and reasonable insofar as the shareholders of the Company are concerned.

In addition the Company has also today approved the issue of 30,000 new ordinary shares in consideration for services.

Application will be made for these 30,000 shares, which will rank pari passu with the existing Ordinary Shares, to be admitted to trading on AIM ("Admission"). It is expected that Admission will become effective and dealings will commence on or around 25 January 2017.

**Total Voting Rights**

Following the issue of these shares, the issued share capital of the Company will consist of 55,709,580 Ordinary Shares. No shares were held in treasury at the date of this announcement. The total current voting rights in the Company are therefore 55,709,580.

The above total current voting rights number is the figure which may be used by shareholders as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in the Company.

**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.

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| **Enquiries:** |  |  | |  |
| **BlueRock Diamonds plc**  Adam Waugh, CEO  awaugh@bluerockdiamonds.co.uk |  |  | **SP Angel Corporate Finance LLP**  Nominated Adviser & Broker  Stuart Gledhill / Lindsay Mair  +44 (0) 20 3470 0470 | |

**About BlueRock Diamonds plc (AIM: BRD)**

BlueRock is a diamond mining company with activities in the Kimberley region of South Africa. BlueRock owns a diamond processing plant and the mining right over the Kareevlei Tenements in South Africa.

NOTIFICATION AND PUBLIC DISCLOSURE OF TRANSACTIONS BY PERSONS DISCHARGING MANAGERIAL RESPONSIBILITIES AND PERSONS CLOSELY ASSOCIATED WITH THEM:

MANAGERIAL RESPONSIBILITIES AND PERSONS CLOSELY ASSOCIATED WITH THEM

|  |  |  |
| --- | --- | --- |
| 1. | **Details of the person discharging managerial responsibilities/person closely associated** | |
| a) | Name: | Adam Waugh |
| 2. | **Reason for the notification** | |
| a) | Position/status: | Chief Executive Officer |
| b) | Initial notification/Amendment: | Initial notification |
| 3. | **Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor** | |
| a) | Name: | BlueRock Diamonds PLC |
| b) | LEI: |  |
| 4. | **Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted** | |
| a) | Description of the financial instrument, type of instrument:  Identification code: | Options over Ordinary shares of 1p each  GB00B84H1764 |
| b) | Nature of the transaction: | Issue of options |
| c) | Price(s) and volume(s): | |  |  | | --- | --- | | **Price(s)** | **Volume(s)** | | 5 pence | 1,670,387 | |
| d) | Aggregated information:  Aggregated volume:  Price: | Single transaction as in 4 c) above   |  |  | | --- | --- | | **Price(s)** | **Volume(s)** | | 5 pence | 1,670,387 | |  |  | |
| e) | Date of the transaction: | 19 January 2017  10.30am GMT |
| f) | Place of the transaction: | Outside a trading venue |

|  |  |  |
| --- | --- | --- |
| 1. | **Details of the person discharging managerial responsibilities/person closely associated** | |
| a) | Name: | Johan Milho |
| 2. | **Reason for the notification** | |
| a) | Position/status: | Mine manager |
| b) | Initial notification/Amendment: | Initial notification |
| 3. | **Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor** | |
| a) | Name: | BlueRock Diamonds PLC |
| b) | LEI: |  |
| 4. | **Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted** | |
| a) | Description of the financial instrument, type of instrument:  Identification code: | Options over Ordinary shares of 1p each  GB00B84H1764 |
| b) | Nature of the transaction: | Issue of options |
| c) | Price(s) and volume(s): | |  |  | | --- | --- | | **Price(s)** | **Volume(s)** | | 5 pence | 556,795 | |
| d) | Aggregated information:  Aggregated volume:  Price: | Single transaction as in 4 c) above   |  |  | | --- | --- | | **Price(s)** | **Volume(s)** | | 5 pence | 556,795 | |  |  | |
| e) | Date of the transaction: | 19 January 2017  10.30 am GMT |
| f) | Place of the transaction: | Outside a trading venue |