



28th September 2022

**Botswana Diamonds PLC
("Botswana Diamonds" or the "Company")**

Completion of acquisition of Thorny River Project

On 29 September 2021 the Board announced that it had exercised its pre-emptive right to acquire the outstanding third-party interests in Vutomi Mining (Proprietary) Limited and Razorbill Properties 12 (Proprietary) Limited (together "Vutomi"). Vutomi holds the mineral rights to the Thorny River Project as well as other exploration assets. The acquisition of Vutomi ("Acquisition") was conditional on, *inter alia*, customary regulatory and competition authority approvals in South Africa.

The Board is pleased to announce that the Company has now received Section 11 regulatory approval for the transaction in terms of the South African MPRDA and all conditions have been satisfied. The Acquisition has therefore completed.

John Teeling, Chairman, commented: *"I am pleased that we have received all the regulatory approvals allowing this transaction to be completed. This will allow the company to expedite the mine permitting of Thorny River, with the initial applications having already taken place".*

As previously announced, the consideration for Vutomi comprises 56,989,330 new ordinary shares of £0.0025 each ("Ordinary Shares") in the Company ("Consideration Shares"). There are no lock-in arrangements, but the Consideration Shares will be issued in two equal tranches (three months apart) following Completion. Accordingly, 28,464,665 Consideration Shares ("First Tranche Consideration Shares") have been issued today to the vendors of Vutomi and application will be made for the First Tranche Consideration Shares, which will rank *pari passu* with the existing Ordinary Shares, to be admitted to trading on AIM and it is expected that this will take place on or around 4 October 2022 ("Admission").

The vendors of Vutomi Mining and Razorbill included, among others, James Campbell (a director of the Company) and the directors of Vutomi Mining and Razorbill. These individuals are related parties as defined by the AIM Rules and accordingly, the transaction was treated as a related party transaction pursuant to AIM Rule 13 (see announcement dated 29 September 2021).

The Consideration Shares to be issued to James Campbell are set out in the following table:

| Director | Number of First Tranche Consideration Shares | Number of Second Tranche Consideration Shares | Total number of Consideration Shares |
|----------------|--|---|--------------------------------------|
| James Campbell | 4,745,978 | 4,745,977 | 9,491,955 |

On admission of the First Tranche Ordinary Shares, James Campbell will be interested in a total of 6,057,384 Ordinary Shares representing 0.63% of the enlarged issued share capital of the Company.

The Company also agreed that immediately on completion of the Acquisition, the Company would sell 26% of Vutomi for a deferred consideration of US\$316,333 to the Company's local South African Empowerment partner, Baroville Trade and Investments 02 Proprietary Limited ("**Baroville**"), in order to comply with South African requirements on empowerment ownership, which will be funded by a loan from Botswana Diamonds. On completion, the Company therefore owns 76% of Vutomi.

Following the Admission of the First Tranche Consideration Shares, Botswana Diamonds will have 956,203,234 Ordinary Shares in issue which will also represent the total number of voting rights in the Company. The above figure should be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure and Transparency Rules.

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.

The person who arranged the release of this announcement on behalf of the Company was James Campbell.

A copy of this announcement is available on the Company's website, at www.botswanadiamonds.co.uk

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APPENDIX

The following disclosure is made in accordance with Article 19 of the EU Market Abuse Regulation 596/2014.

| 1 | Details of the person discharging managerial responsibilities / person closely associated | |
|----------|--|-------------------|
| a) | Name | James Campbell |
| 2 | Reason for the notification | |
| a) | Position/ status | Managing Director |

| b) | Initial notification /Amendment | Initial Notification | | | | | | | | | |
|----------------|--|--|--|-------------|-----------|----------|--|--|----------------|------|-----------|
| 3 | Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor | | | | | | | | | | |
| a) | Name | Botswana Diamonds PLC | | | | | | | | | |
| b) | LEI | 213800UEF1WVQZIZRA91 | | | | | | | | | |
| 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 | Ordinary Shares of 0.025p each ("Ordinary Shares") | | | | | | | | | |
| | Identification code | GB00B5TFC825 | | | | | | | | | |
| b) | Nature of the transaction | First tranche of new ordinary shares issued as consideration | | | | | | | | | |
| c) | Price(s) and volume(s) | <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;"></th> <th style="width: 25%; text-align: center;">Issue price</th> <th style="width: 25%; text-align: center;">Volume(s)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Director</td> <td></td> <td></td> </tr> <tr> <td style="border-top: 1px solid black; text-align: center;">James Campbell</td> <td style="border-top: 1px solid black; text-align: center;">0.9p</td> <td style="border-top: 1px solid black; text-align: center;">4,745,978</td> </tr> </tbody> </table> | | Issue price | Volume(s) | Director | | | James Campbell | 0.9p | 4,745,978 |
| | Issue price | Volume(s) | | | | | | | | | |
| Director | | | | | | | | | | | |
| James Campbell | 0.9p | 4,745,978 | | | | | | | | | |
| d) | Aggregated information | | | | | | | | | | |
| | - Aggregated volume | 4,745,978 Ordinary Shares | | | | | | | | | |
| | - Price | 0.9p | | | | | | | | | |
| e) | Date of the transaction | 28 September 2022 | | | | | | | | | |
| f) | Place of the transaction | Outside a trading venue | | | | | | | | | |

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