



27th January 2023

Botswana Diamonds PLC
("Botswana Diamonds" or the "Company")
Issue of equity
PDMR shareholding

The Board of Botswana Diamonds announces that it has today issued 28,524,665 ordinary shares of £0.0025 each ("Ordinary Shares") in the Company in respect of the second tranche of consideration shares due following completion of the acquisition of Vutomi in September 2022. In addition, the Company is issuing up to a further 58,737,455 Ordinary Shares following an exercise of warrants. The proceeds of the warrant exercise of £352,425 will be used for additional working capital. The Vutomi owned alluvial and dump mine at Marsfontein is expected to produce diamonds in February.

Issue of Vutomi consideration shares

As previously announced on 28 September 2022, the Company completed the acquisition of 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 consideration for Vutomi comprised 56,989,330 new Ordinary Shares to be issued in two tranches (three months apart) following completion. Accordingly, 28,464,665 new Ordinary Shares ("First Tranche Consideration Shares") were issued in September 2022 and the balance of 28,524,665 new Ordinary Shares ("Second Tranche Consideration Shares") have been issued today to the vendors of Vutomi, conditional on admission at an issue price of 0.85p per Ordinary Share (based on the last closing mid-market price on 26th January 2023). James Campbell a director of the Company will as previously announced receive 4,745,977 Second Tranche Consideration Shares.

Warrant exercise

The Company has received conversion notices from holders (excluding Directors) of 43,734,000 warrants exercisable at 0.60 pence each ("Warrants"). In addition, as described further below, certain of the Directors have confirmed that they also intend to exercise 15,003,455 Warrants. In aggregate the Company will therefore issue (including the Directors intended exercise), 58,737,455 new Ordinary Shares ("Warrant Exercise Shares") at the exercise price of 0.60 pence per new Ordinary Share. The proceeds of the Warrant exercise, amounting up to £352,425, will be used for additional working capital.

PDMR dealings

Certain of the Directors intend as described above, to exercise Warrants and will receive Second Tranche Consideration Shares as set out in the table below:

Director	Second Tranche Consideration Shares	No of Warrants Exercised	Enlarged Shareholding in the Company	% of Enlarged Share Capital (Note)
John Teeling	-	10,000,000	64,084,318	6.14%
James Finn	-	4,590,910	38,826,369	3.72%
James Campbell	4,745,977	412,545	11,215,906	1.07%

Note: The Enlarged Share Capital amounts to 1,043,877,899 Ordinary Shares comprising 956,615,779 existing Ordinary Shares, 28,524,665 Second Tranche Consideration Shares and 58,737,455 Warrant Exercise Shares.

Admission

Application will be made for the Second Tranche Consideration Shares and the Warrant Exercise Shares (together the "New Ordinary Shares") and amounting up to 87,262,120 New Ordinary Shares in aggregate, 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 2 February 2023 ("Admission").

Total Voting Rights

Following Admission, Botswana Diamonds will have 1,043,877,899 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.

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

The information contained within this announcement in respect of the Warrant exercise 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 for the release of this announcement on behalf of the Company was Jim Finn, Director.

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