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Introduction
Botswana Diamonds at a glance

AIM: BOD
BSE: BOD

Dual listed in London and Botswana

EXPERIENCED MANAGEMENT

Team with prior successful commercial diamond discovery (AK6/Karowe): African Diamonds plc returned 25x investment plus BOD

VISION

Development of quality, advanced, primary diamond deposits and close to current or historical diamond mines. Always on the lookout for new opportunities.

BEST ADDRESSES

South Africa: under explored with strong infrastructure and skills base as an established diamond producer and Botswana: ‘The Switzerland of Africa’.

TECHNOLOGY

Application of third generation (advanced) exploration technology

PARTNERSHIPS

South Africa: Vutomi
Botswana: Alrosa and BCL/Maibwe
Highlights

THREE VENTURES

◆ Vutomi Earn-In. Flagship Project: Thorny River
Agreement with Vutomi which has prospecting rights over 20 high interest kimberlites and 40,000 hectares of highly prospective ground in South Africa

◆ Botswana Diamonds/Alrosa Joint Venture
50/50 joint venture (Sunland Minerals) with Alrosa in the Orapa and Kalahari areas. Alrosa is the world’s largest diamond producer with 19 mines

◆ Maibwe Joint Venture with BCL
Joint venture (Maibwe) on a block of 10 licences in the Kalahari with joint venture partners BCL, Future Minerals and Siseko

Kimberlites in southern Africa. Source: De Wit et al, June 2016
Why Diamonds?

- Powerful industry fundamentals in medium-long term
- Global rough diamond production expected to peak in next 3–4 years
- No significant discoveries in last 10 years other than Karowe (Botswana, Lucara) and Luaxe (Alrosa, Angola)
- Long lead-time from discovery to production
- Sustained strong demand growth in US; urbanisation and surging middle class driving growth in India and China
- Diamond jewellery demand increasing in major consumer markets (US, China, India and Gulf)
- Dedicated marketing required to capture Millennials opportunity
- Widening supply-demand gap will lead to rebound in diamond prices
Exploration Activities
Our Project Pipeline

EXPLORATION TARGET
MINERALISATION
INFERRED RESOURCE
INDICATED RESOURCE
RESERVE

Thorny River
Ontevreden
Maibwe
Free State

Sunland Minerals

Investment

Time

Confidence

Risk

South Africa
Botswana
Exploration in South Africa

**KEY FACTS**

**A confluence of:**
- Perceptions of high risk and barriers to entry
- A historic legacy of South Africa as the domain of De Beers, which is no longer the case
- Limited competition for exploration ground
- Latest generation diamond exploration technologies not yet applied

**And the oversight of:**
- Sophisticated fixed and banking infrastructures
- A long history of diamond production with some 700m carats of diamonds produced since 1870.
- The county produces in excess of US$1 billion of gems per year (c.8% of global supply)

**Highlights of Vutomi earn-in:**
- Portfolio of highly prospective multi-stage projects in the vicinity of known diamond mines
- 20 high-interest kimberlites already identified on the various prospecting rights
**Marsfontein Mine**
- Pipe was 0.4 hectares in size
- Produced 1.9m carats with an average grade of 172cpht
- Diamond value of $128/ct (BCOS +1.2mm)
- Return on the $25m investment achieved in less than 4 days
- Mine was operated by a De Beers / SouthernEra JV

**Klipspringer Mine**
- Owned by ASA Resources plc
- Inferred Resource of 3.4m tons
- Indicated Resource of 0.7m tons
- Inferred and Indicated Resource with a grade of 49 cpht and diamond value of $130/ct (BCOS +1mm)
- A cash offer of R23m plus 3% royalty on diamond sales has been made for 74% of the mine by a private SA group SLA Capital

BCOS = Bottom Cut-Off
EXPLORATION RESULTS

- Consolidation of Frischgewaagt, Hartbeesfontein and Doornrivier properties into 2,771 hectare project
- Extension of Klipspringer & Marsfontein Mine kimberlite dyke/pipe system
- Results of drilling, geophysics & sampling campaigns:
  - Minimum kimberlite dyke strike length of 4 km
  - 223 microdiamonds recovered from 160kg of core
  - 467 macrodiamonds recovered from 2015 surface sampling yielded 247 carats, sold at $180/ct
  - 512 macrodiamonds recovered from 2017 trench sample yielded 62 carats
- Exploration results:
  - Estimated 1.2 – 2.1 M tons to 100 metres
  - Modelled value of US$259/ct (BCOS of +2mm) in 2016
  - Estimated (modelled) Total Content grade of 46-74 cpht (BCOS +1mm) or 35-56 cpht (BCOS +2mm)
  - In-situ value of $60-140/ton
- Future work entails further increasing confidence in the grade, value and volume estimates and exploring commercialisation opportunities
Group 2 kimberlite (similar to Helam cluster) identified from initial work

High resolution ground geophysics suggests a minimum pipe surface area of 100x70m

Abundant G10 and G9 garnets with a complimentary suite of eclogitic garnets. This mix of garnets is typically seen in high-grade kimberlite pipes.

Drilling and sampling planned for 2018

Petra’s nearby Helam Mine is made of an east-west trending kimberlite dyke swarm, with a grade of 267cpht (BCOS +1mm)

FY 2014 Average diamond value US$145/ct (BCOS +1mm)

Helam has been on care and maintenance since 2015
Vutomi Project: Free State

- 8 kimberlite pipes identified through fieldwork and sampling of anomalies
- Confirmed as Group 1 kimberlites by whole rock geochemistry: similar to Kimberley pipes
- Detailed ground geophysical survey completed with kimberlite pipe surface areas of up to 1.5 hectares

- Four contiguous prospecting areas covering 36,000 ha
- 15 known kimberlites, as well as evidence of historic operations
Exploration in Botswana

**KEY FACTS**

**Botswana IS diamond country**

- World’s best address for diamond investment
- The *Switzerland of Africa*; stable, wealthy democracy
- Continued political stability; rule of law; good title
- Good governance; prudent economic and natural resource management
- Robust economic growth supported by revenue flows consequent to the discovery of diamonds
- Lucara’s Karowe discovered in 2004 by BOD team, came on stream in 2012, producing exceptional large stones

Source: Brook 2012 on 11IKC Website
BOD has a joint venture with Alrosa, a Russian stock exchange listed diamond company.

Sunland Minerals the JV company is a 50/50 heads up; 2017/2018 joint budget of US$1.75m.

BOD is operator.

15 Prospecting Licences (PL) held by Sunland Minerals, the JV company.

6 in the Orapa area and 9 in the Kalahari.

Prospecting is currently mainly focused in the Kalahari.
Maibwe Joint Venture with BCL

KEY FACTS

- Maibwe Joint Venture owned by BCL (51%), Future Minerals (20%) and Siseko (29%)
- Siseko is 51% owned by BOD
- BOD has a 15% carry through to Bankable Feasibility Study
- 10 licences held by Maibwe in the Kalahari
- Surrounding area hosts Gem’s Ghaghoo mine and Petra KX-36 discovery
- A 2015 drilling programme on PL 186 discovered kimberlites containing significant quantities of diamonds
- BOD has drilled verification holes and is in the process of analysing the samples
- BCL is in liquidation and unable to finance an agreed work programme. BOD has approached the liquidator with several possible options
Corporate
## Company Summary

### CORPORATE INFORMATION

<table>
<thead>
<tr>
<th>Exchanges</th>
<th>AIM (LSE) / BSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ticker</td>
<td>BOD</td>
</tr>
<tr>
<td>Shares in Issue</td>
<td>459 M</td>
</tr>
<tr>
<td>Market Cap</td>
<td>£5.5 M</td>
</tr>
<tr>
<td>Share price</td>
<td>1.20 p (25/01/2018)</td>
</tr>
</tbody>
</table>

### SIGNIFICANT SHAREHOLDERS

<table>
<thead>
<tr>
<th>Shareholders who hold more than 3%</th>
<th>% Holding</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Teeling</td>
<td>11.8</td>
</tr>
<tr>
<td>Pershing International Nominee</td>
<td>8.0</td>
</tr>
<tr>
<td>James Finn</td>
<td>5.5</td>
</tr>
<tr>
<td>HSBC Global Nominees</td>
<td>4.8</td>
</tr>
<tr>
<td>Rene Nominees</td>
<td>4.3</td>
</tr>
<tr>
<td>TD Waterhouse (Europe) Ltd</td>
<td>3.6</td>
</tr>
<tr>
<td>David Horgan</td>
<td>3.4</td>
</tr>
</tbody>
</table>
Key to numbers: RNS’s issued

1. 27-02-2017: Placing to fund drilling
2. 13-03-2017: Exercise of Warrants
3. 27-03-2017: Interim results
4. 03-04-2017: Issue of shares to Vutomi
5. 06-04-2017: First drilling completed at Vutomi
7. 11-05-2017: Exercise of Warrants
8. 13-06-2017: Diamond grade estimated to be between 20-270cpht
12. 03-08-2017: £868,000 fundraising update
13. 12-09-2017: Vutomi JV - exploration update
14. 29-09-2017: Update on new kimberlite discovery
15. 04-10-2017: Thorny River – additional holes to be drilled
16. 24-10-2017: Free State project: eight kimberlites discovered
17. 26-10-2017: Preliminary results for the year ended 30 June 17
19. 30-11-2017: Results of AGM
20. 20-12-2017: Exercise of Warrants
Management Team

**John Teeling** - Executive Chairman
Founder of a number of listed resource companies, including African Diamonds. Corporate transactions in recent years have returned US$250M to shareholders. Holds a doctorate in business from Harvard Business School as well as an MBA from Wharton.

**James Campbell** – Managing Director
Has been Managing Director of Rockwell Diamonds and African Diamonds. Prior to these appointments he was a General Manager with De Beers. Holds degrees in Mining & Exploration geology and an MBA.

**James Finn** - Finance Director
20 years’ African resource company experience; director of a number of resource and industrial ventures. Has led the listing procedure for ten AIM companies. Holds a degree in business and has an accounting qualification.

**David Horgan** – Director
Former director of African Diamonds. Holds a Law degree from Cambridge and an MBA from Harvard; 20 years of exploration experience in Africa and South America.

**Robert Bouquet** – Commercial Director
20 years' experience in diamond industry; 15 with De Beers/Rio Tinto Diamonds in a variety of strategic and commercial roles.

**Anne McFarland**– Director
Has worked in finance, commodity trading and manufacturing with Glencore, BP and Russian conglomerates. Fluent in Russian. Holds a degree in classics and is a chartered accountant.
# Peer Comparison

<table>
<thead>
<tr>
<th>Company</th>
<th>Flagship Property</th>
<th>Location</th>
<th>Resources</th>
<th>Exchange of Listing</th>
<th>Market Cap</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BlueRock Diamonds</strong></td>
<td>Kareevlei</td>
<td>South Africa</td>
<td>A diamond mining company with activities in the Kimberley region of South Africa. The Kareevlei project contains five diamondiferous kimberlite pipes and has an inferred mineral resource of 359,000 carats. Led by Adam Waugh.</td>
<td>AIM:BRD</td>
<td>£2.23M</td>
</tr>
<tr>
<td><strong>Pangolin Diamonds</strong></td>
<td>Malatswae</td>
<td>Botswana</td>
<td>Has seven 100% owned projects in eight properties across Botswana. Both primary and secondary diamond sources. Led by Dr Leon Daniels.</td>
<td>TSX.V:PAN</td>
<td>CAN$5.70M</td>
</tr>
<tr>
<td><strong>Tsodilo Resources</strong></td>
<td>BK16</td>
<td>Botswana</td>
<td>A diamond, base and precious metal exploration company concentrating its exploration efforts on the southern portion of the Angola / Congo craton in northwest Botswana. Evaluating the BK16 kimberlite in the Orapa area. Led by Prof MCJ de Wit.</td>
<td>CVE:TSD</td>
<td>CAN$38.55M</td>
</tr>
</tbody>
</table>
Summary

- Listed on London AIM and the Botswana Stock Exchange
- Experienced team which developed the AK6 (Karowe Mine) in Botswana
- The right addresses with a balanced portfolio of early stage and advanced kimberlite projects in South Africa and Botswana
- Use of fit-for-purpose technology
- Partnerships with Vutomi, Alrosa and Maibwe
- Forecast news flow over the next 6-months:
  - Thorny River resource development & techno-economic studies
  - Drilling results from the Ontevreden kimberlite
  - Mineral chemistry results from the Free State project
  - Maibwe JV resolution
  - Exploration results from Sunland Minerals JV
- Always on the look out for new opportunities where a robust set of filters are applied.