



BOTSWANA
DIAMONDS PLC

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Introduction

The Opportunity



AIM: BOD
BSE : BOD

Dual listed in London and Botswana

EXPERIENCED MANAGEMENT

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

VISION

Development of quality, advanced, primary diamond deposits and generally close to current or historical diamond mines

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

3 PROJECTS

◆ **Vutomi Earn-In. Flagship Project: Zebediela**

SOUTH AFRICA

An agreement with Vutomi which has prospecting rights over 20 high interest kimberlites and 50,000 hectares of highly prospective ground in South Africa

◆ **Botswana Diamonds/Alrosa Joint Venture**

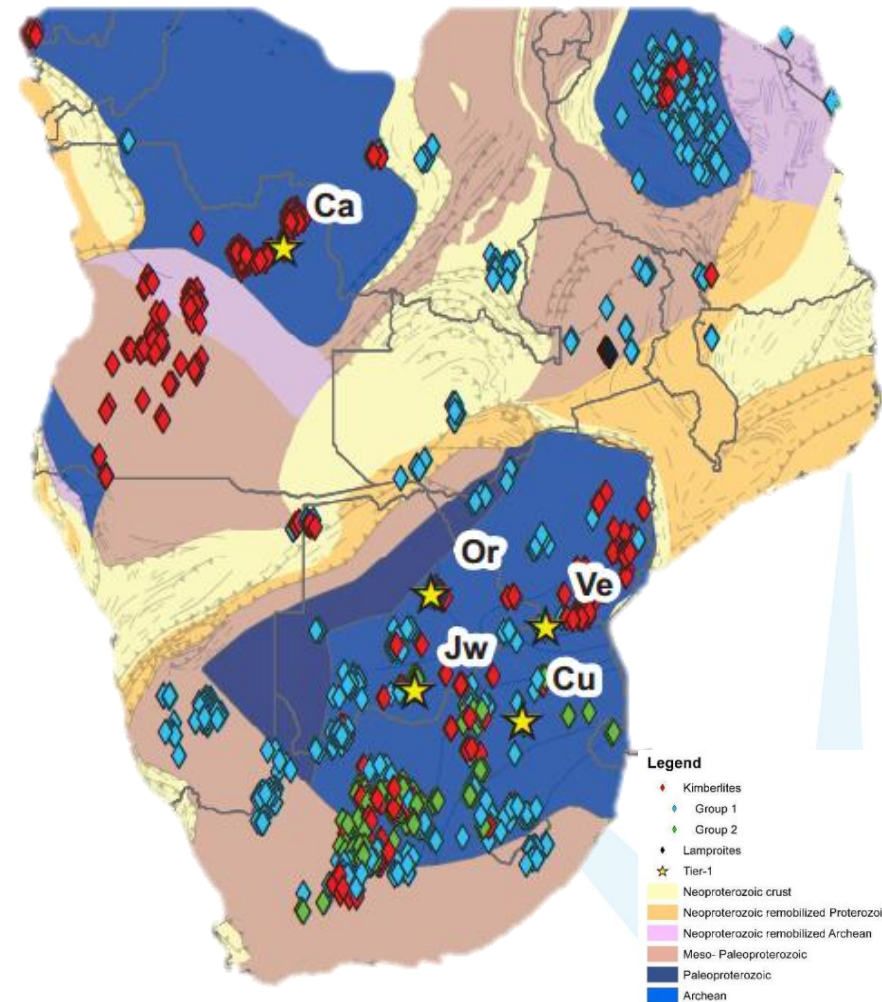
BOTSWANA

50/50 joint venture (Sunland Minerals) between BOD and Alrosa in the Orapa and Kalahari areas. Alrosa, the world's largest diamond producer with 19 mines are the operators

◆ **Maibwe Joint Venture with BCL**

BOTSWANA

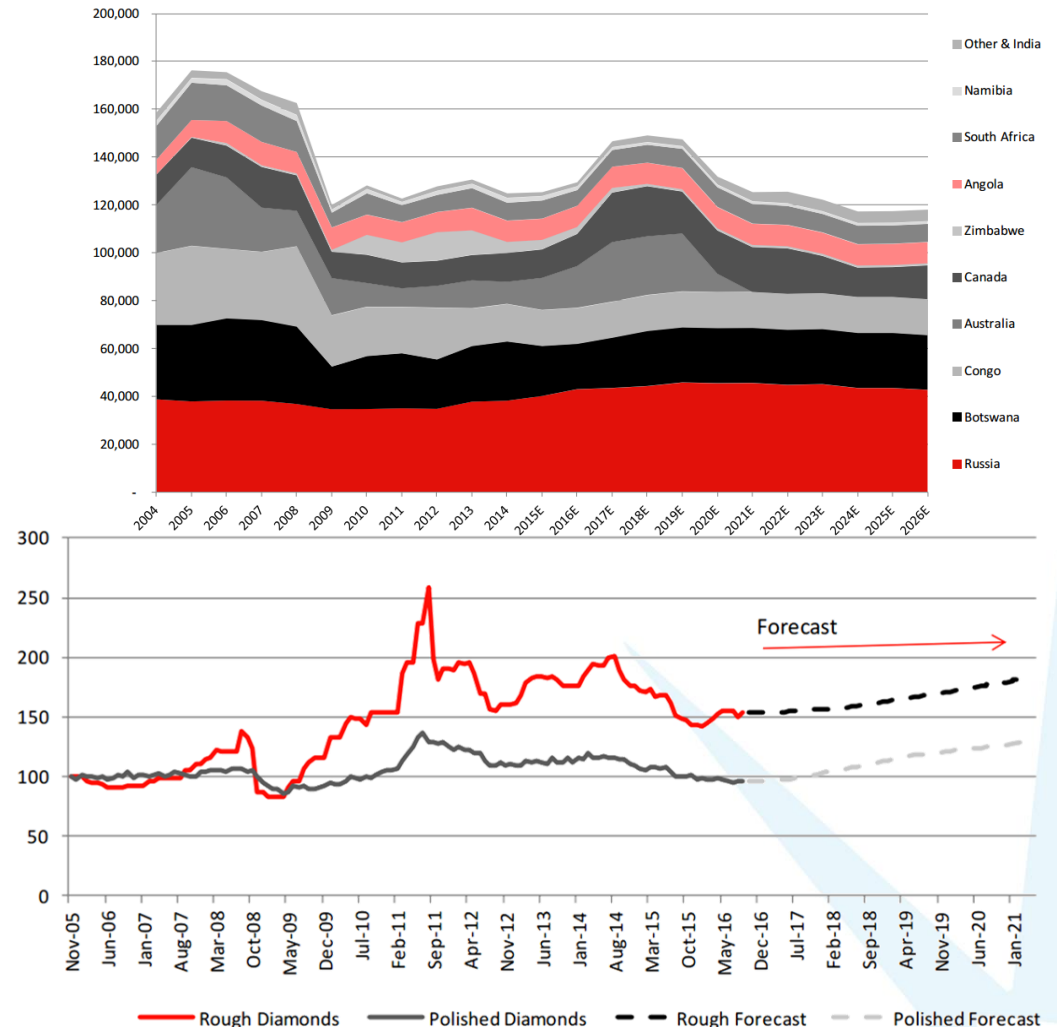
Joint venture (Maibwe) on a block of 10 licences in the Kalahari with joint venture partners BCL, Future Minerals and Siseko



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

Why Diamonds?

- ◆ Powerful industry fundamentals
- ◆ Clear supply-demand gap emerging
- ◆ Chinese & Asian demand causing a shift from historic consumer markets of the US, Japan and Europe
- ◆ Marketing to Millennials a key growth driver
- ◆ No significant discoveries in last 10 years other than Karowe (Botswana, Lucara) and Luaxe (Alrosa, Angola)
- ◆ Prices remain firm though volatile as De Beers' position weakens
- ◆ Long lead-time from discovery to production e.g. De Beers/MPV's Gahcho Kue mine in Canada and the recent large Alrosa discovery in Angola
- ◆ Cutting centre stability has returned, stable volumes expected in 2017



Source: Macquarie Research, November 2016

South Africa

Exploration in South Africa

KEY FACTS

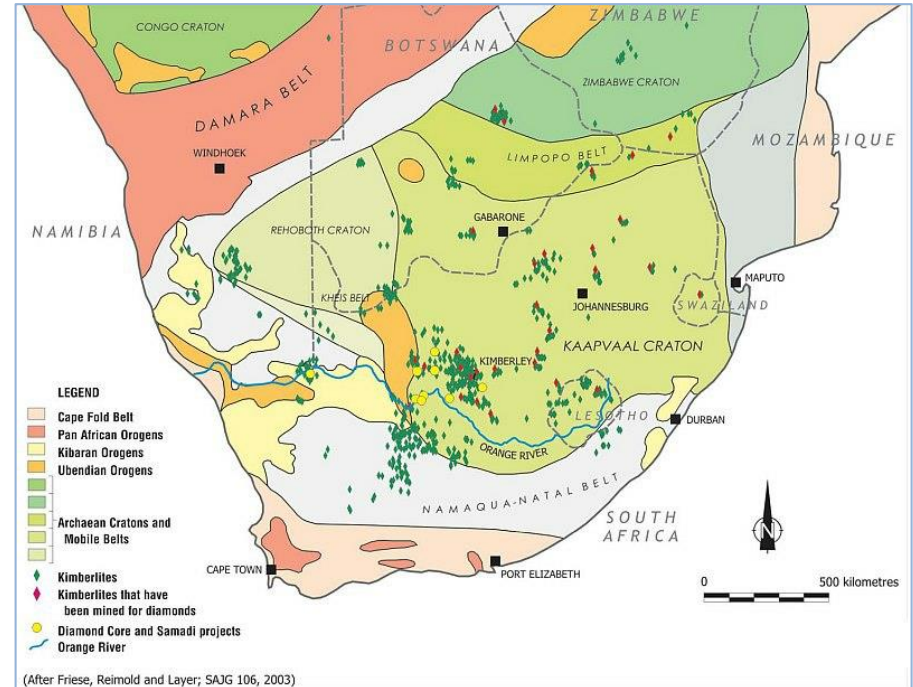
A confluence of:

- ◆ Perceptions of high risk and barriers to entry for South Africa
- ◆ An historic legacy of South Africa as the domain of De Beers, which has shifted its exploration focus elsewhere in the world over the last 10 years
- ◆ Limited competition for exploration ground in consequence to these points
- ◆ The latest generation diamond exploration technologies not having been applied in South Africa

And the oversight of:

- ◆ Sophisticated fixed and banking infrastructures which exist in South Africa
- ◆ A long history of diamond production in the country: since 1870, South Africa has produced some 700M carats of diamonds, for an estimated value of US\$72.5 billion
- ◆ Today, the county produces in excess of US\$1 billion of gems per year (c.10% of global supply)

An entrepreneurial team, with strong commercial, financial and technical competencies along with sound local ownership, has identified the above gaps and delivered a significant package of highly prospective ground



The Vutomi Deal

KEY POINTS

- ◆ BOD will offer a total of 100 million shares and £942,000 in cash to acquire 72% of Vutomi structured as follows:
- ◆ Option Fee on signature: £61,000 in shares (3.2 million) and £61,000 cash (at a share price of 1.9 pence): **Done** ✓
- ◆ Phase 1 (12 months): spend £215,000 to earn 15% of Vutomi: ***In progress***
- ◆ Phase 2 (12 months): spend £366,000 to earn a further 25% of Vutomi
- ◆ Phase 3 within 90 days of the completion of Phase 2: the balance in BOD shares (96.8 million), and settle Vutomi's shareholders loan accounts of c.£300,000 in cash to earn a further 32% of Vutomi



Percussion drilling on the Zebediela Project

NEARBY DIAMOND MINES

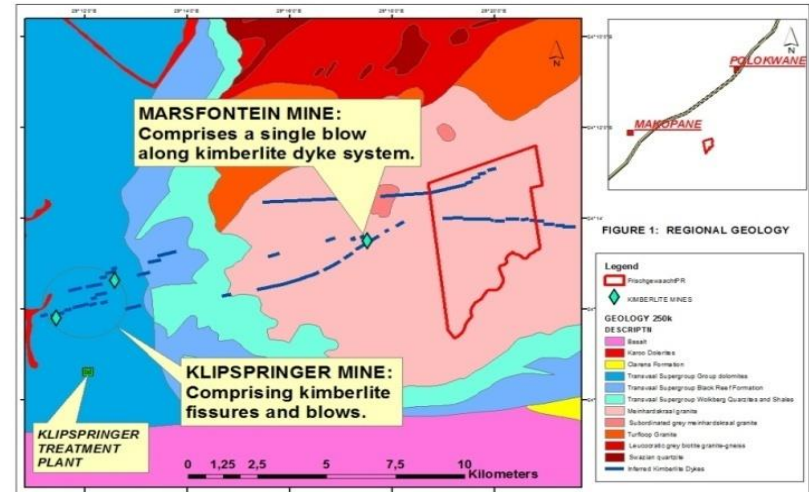
Marsfontein Mine

- ◆ 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 Resource Group plc
- ◆ Mine on care and maintenance but dumps being worked
- ◆ Inferred Resource of 3.4M tonnes
- ◆ Indicated Resource of 0.7M tonnes
- ◆ 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: Greenhurst

BCOS = Bottom Cut-Off

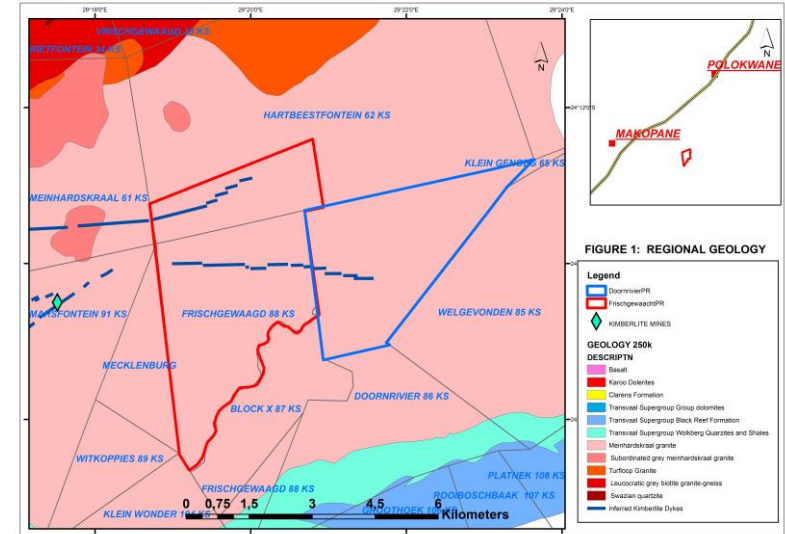


Marsfontein Pit

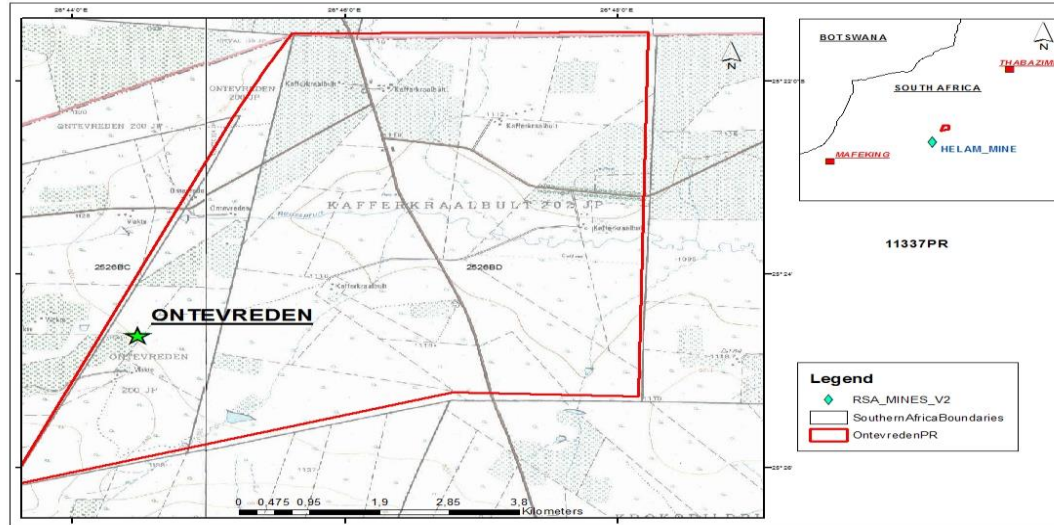
Vutomi Flagship Project: *Zebediela*

EXPLORATION RESULTS

- ◆ Consolidation of Frischgewaagt, Hartbeesfontein and Doornrivier into 2,771 Hectare project
- ◆ First phase of drilling and detailed ground geophysics completed. Second phase drilling commenced
- ◆ Dyke has a minimum strike length of 7.5 km with at least 3 areas of thickening which are possible pipes
- ◆ Petrographic results showed areas of volcanoclastic kimberlite along the dyke. This indicates that there are areas along the dyke that host small pipes
- ◆ 223 microdiamonds recovered from 160kg of core. Modelled grade of 64-110 with average 78 cpht at BCOS of +1mm
- ◆ 467 macrodiamonds were collected from surface sampling, yielding 247 carats at an average of US\$180/ct in 2015 (BCOS of +2mm) and modelled revenue of US\$259/ct (BCOS of +2mm) in 2016
- ◆ Target of Inferred Resource by year-end



Inspecting drill cuttings



EXPLORATION RESULTS

- ◆ Petra's Helam Mine, made up of east to west trending dyke swarm, with grades running as high as 500 cph.
- ◆ FY 2012 Average diamond value US\$255/ct (BCOS +1mm) .
- ◆ Samples from depression submitted for whole rock geochemistry: results confirm Group 2 kimberlite similar to Helam cluster
- ◆ Geophysics conducted comprised a high resolution magnetometry survey.
- ◆ Circular grain anomaly of 3 Hectares from previous sampling program
- ◆ Abundant mauve Pyrope garnets and orange Eclogitic garnets point to high interest for carrying diamonds
- ◆ Drilling and sampling planned

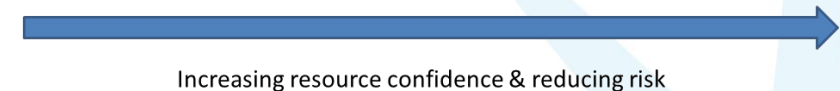
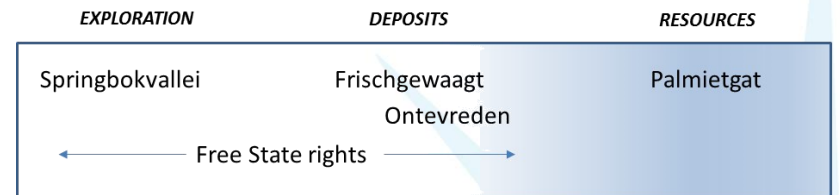
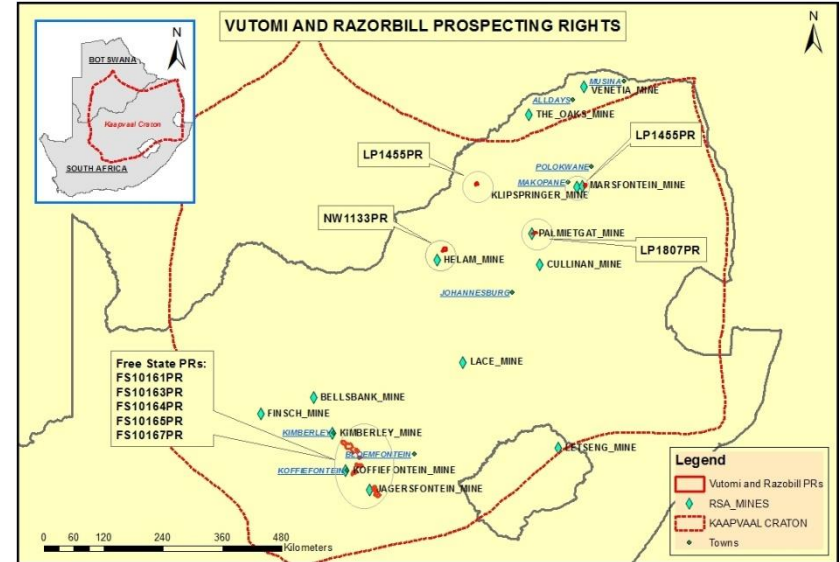
OPPORTUNITY

Summary

- ◆ 20 high-interest kimberlites already identified on the various prospecting rights
- ◆ 10 prospecting rights encompassing nearly 50,000 hectares of highly prospective ground
- ◆ A portfolio of highly prospective multi-stage exploration projects in the vicinity of current flagship or historic diamond mines
- ◆ Good potential across the portfolio for further discoveries due to technology advancements

Projects

- ◆ **Marsfontein & Klipspringer diamond mine area:**
 - Frischgewaagt, Hartebeesfontein & Doornrivier: a pipe and fissure system
- ◆ **Premier / Cullinan diamond mine area:**
 - Palmietgat: a pipe and fissure system
- ◆ **Helam diamond mine area:**
 - Ontevreden: a high interest Group 2 pipe
- ◆ **Kimberley, Jagersfontein & Koffiefontein diamond mine area:**
 - Free State: 6 contiguous prospecting areas with a number of known pipes and known historic operations



Botswana

Exploration in Botswana

KEY FACTS

Botswana, a diamond exploration country:

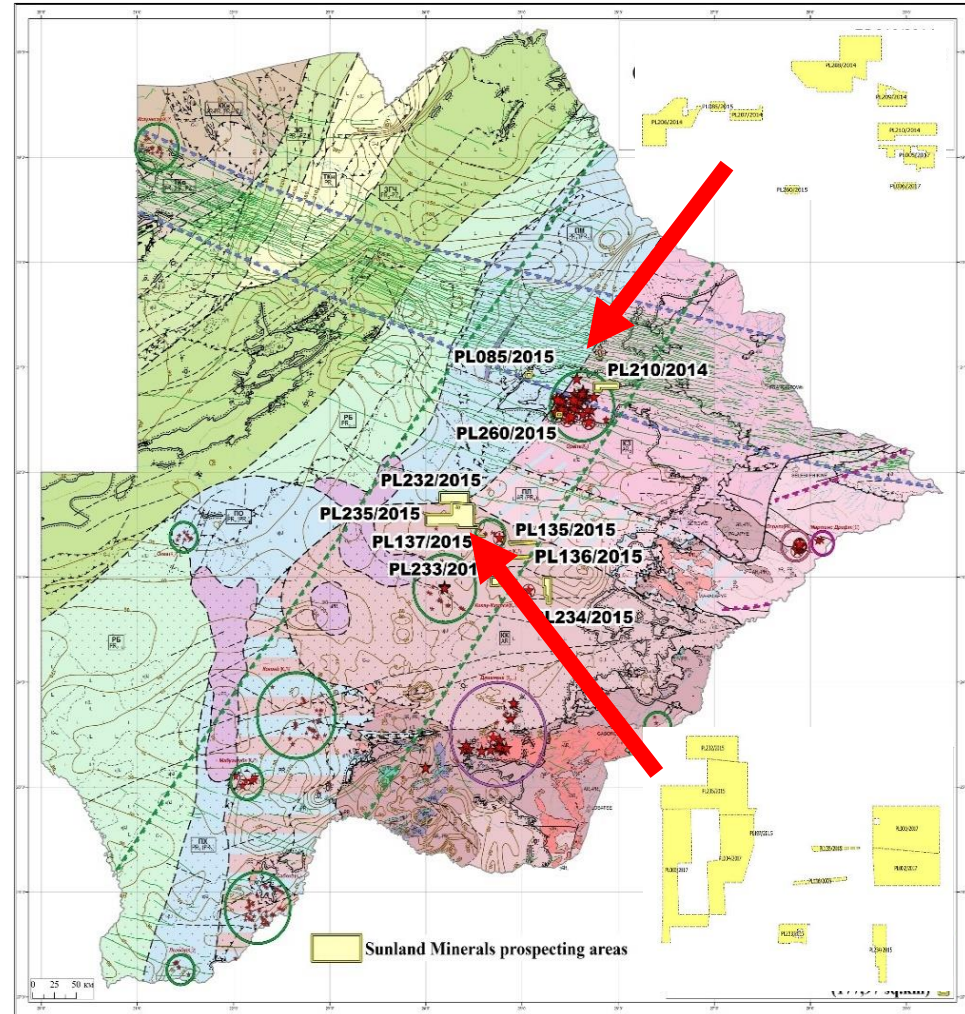
- ◆ World's best address for diamond investment
- ◆ The *Switzerland of Africa*; stable, wealthy democracy
- ◆ Continued political stability
- ◆ Good governance and prudent economic and natural resource management
- ◆ Robust economic growth supported by revenue flows consequent to the discovery of diamonds
- ◆ One main ethnic group and language; rule of law; good title
- ◆ The world's largest diamond producer (by value) with world-leading diamond mines: Orapa (1972), Lethakane (1973), Jwaneng (1982), Damtshaa (2002) and Karowe (2012)
- ◆ Karowe mine (TSX:LUC) discovered in 2004 by BOD team came on stream in 2012, producing exceptional large stones



Source: Brook 2012 on 11KC Website

KEY FACTS

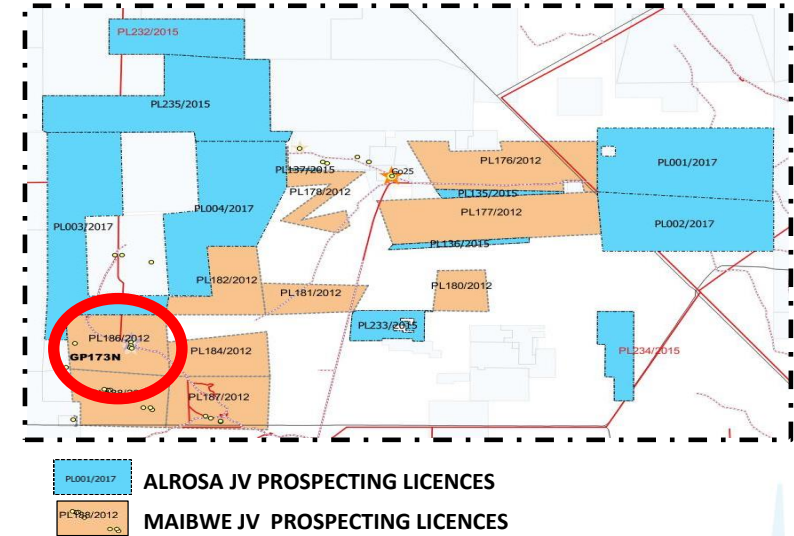
- ◆ Alrosa, a GBP8Bn Russian stock exchange listed diamond company
- ◆ Sunland Minerals JV 50/50 heads up; 2017 joint budget of US\$1.75m
- ◆ 19 Prospecting Licences (PL) held by Sunland Minerals, the JV company
- ◆ 9 in the Orapa area and 10 in the Kalahari
- ◆ Awarded 6 new Prospecting Licences in Botswana, 4 of which are in the Kalahari and 2 in the Orapa kimberlite province
- ◆ Prospecting is currently mainly focused in the Kalahari



Maibwe Joint Venture with BCL

KEY FACTS

- ◆ Maibwe is a 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 discovery KX-36
- ◆ A 2015 drilling programme on PL 186 discovered kimberlites containing significant quantities of diamonds
- ◆ BCL is in liquidation and unable to finance an agreed work programme
- ◆ BOD has approached the liquidator with several possible options
- ◆ BOD has drilled verification holes and is in the process of analysing the samples



Drilling in the Kalahari

Corporate

Company Summary



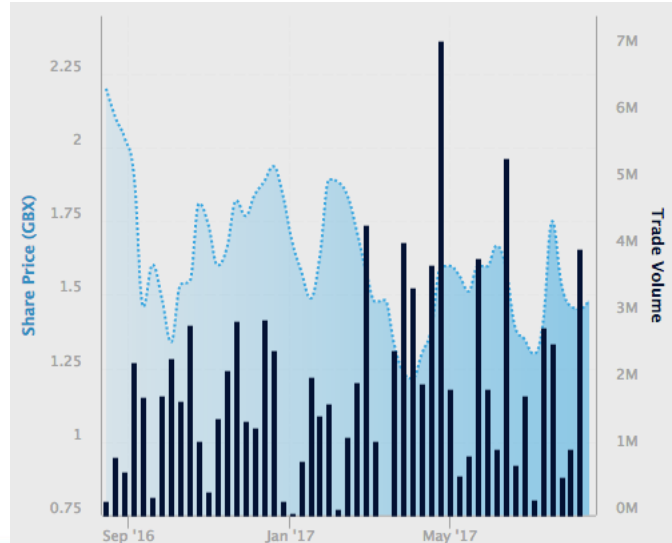
CORPORATE INFORMATION

Exchanges	AIM (LSE) /BSE
Ticker	BOD
Shares in Issue	459 M
Market Cap	£6.8 M
Share price	1.48 p (15/08/2017)

SIGNIFICANT SHAREHOLDERS

Shareholders who hold more than 3%	% Holding
John Teeling	11.8
Pershing International Nominee	7.0
SVS (Nominees) Limited	5.6
James Finn	5.5
HSBC Global Nominees	4.8
Rene Nominees	4.0
David Horgan	3.4

Share Price – 1 Year



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

Company	Flagship Property	Location	Resources	Exchange of Listing	Market Cap
BlueRock Diamonds	Kareevlei	South Africa	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.	AIM:BRD	£2.23M
Pangolin Diamonds	Malatswae	Botswana	Has seven 100% owned projects in eight properties across Botswana. Both primary and secondary diamond sources. Led by Dr Leon Daniels.	TSX.V:PAN	CAN\$5.70M
Tsodilo Resources	BK16	Botswana	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.	CVE:TSD	CAN\$38.55M

Summary



- ◆ Listed on London AIM and the Botswana Stock Exchange
- ◆ Experienced team:
 - ◆ Developed the AK6 (Karowe Mine) in Botswana
- ◆ The right addresses with a balanced portfolio of early stage and advanced projects:
 - ◆ South Africa
 - ◆ Botswana
- ◆ Use of fit-for-purpose technology
- ◆ Partnerships:
 - ◆ Vutomi
 - ◆ Alrosa
 - ◆ Maibwe



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