

BOTSWANA DIAMONDS PLC

The only active diamond explorer covering Botswana, South Africa & Zimbabwe

African Exploration Showcase – 12th November 2020



BOTSWANA
DIAMONDS PLC

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BOTSWANA DIAMONDS PLC

At a glance

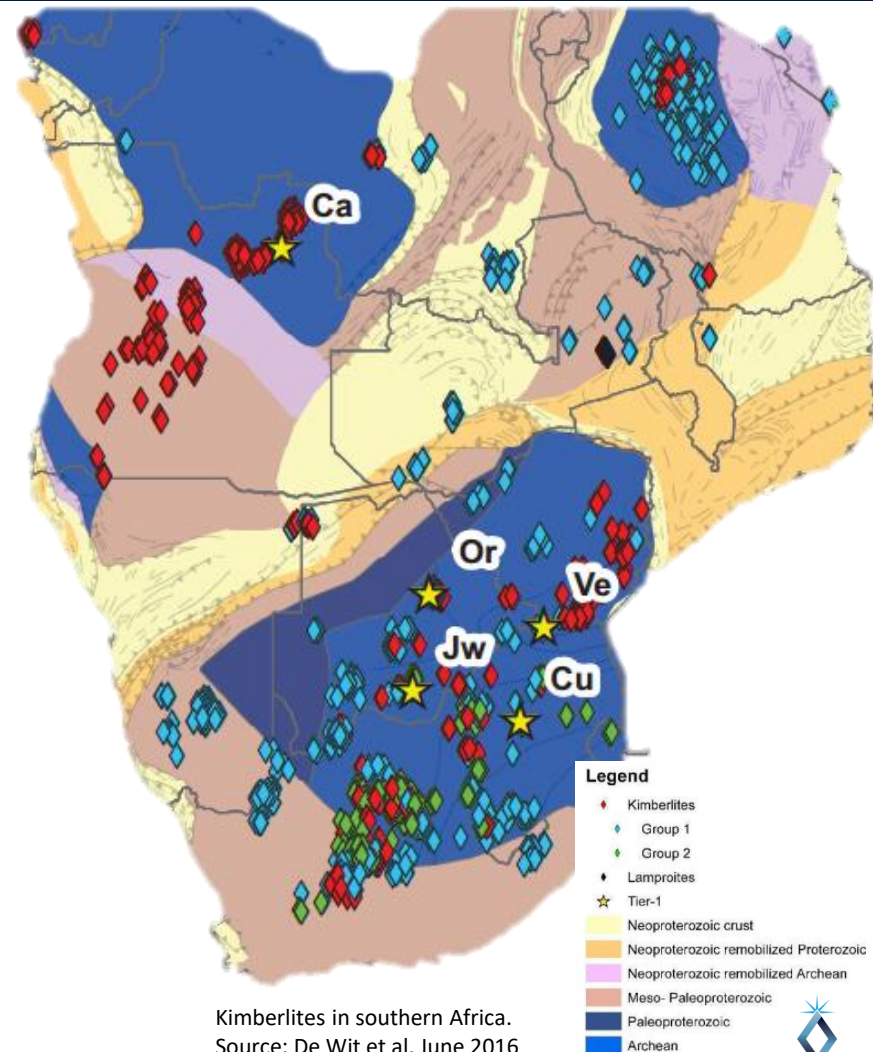
AIM: BOD, BSE: BOD	—————	Diamond explorer listed in London & Botswana
TECHNOLOGY	—————	Using advanced exploration technology
EXPERIENCED MANAGEMENT	—————	Good history. Discovered AK6/Karowe Mine in Botswana: African Diamonds plc returned 25x investment
VISION <i>Balanced project pipeline</i>	—————	Development of quality , advanced, primary diamond projects close to current or historical diamond mines.
BEST ADDRESS <i>Kaapvaal Craton</i>	—————	Botswana: ‘ <i>The Switzerland of Africa</i> ’ South Africa: under explored but with strong infrastructure Zimbabwe: under explored, open for business
PARTNERSHIPS <i>Risk sharing</i>	—————	Botswana: BCL/Maibwe South Africa: Vutomi Mining Pty Ltd Zimbabwe: Vast Resources plc



HIGHLIGHTS

Focus areas for 2020 going into 2021

- Botswana
 - Detailed review of KX36 resource to plan focused bulk sampling to **optimise diamond grade and value**
 - Assess innovative mining techniques to **improve capex and opex** estimates for KX36
 - **Target new discoveries** using the Sekaka database
 - **Drill high-grade targets** on Sunland's ground in the Kalahari
 - **Restart** Maibwe
- South Africa:
 - **Drill targets** identified by detailed ground geophysics which could be kimberlite pipes on Thorny River
 - **Further drilling** to define kimberlite size on Marsfontein
 - **Bulk sample** the Marsfontein gravels
- Zimbabwe:
 - Progress with Vast's concession on the **Marange diamond fields**
 - **Conclude licensing** process on targets in the NW of the country

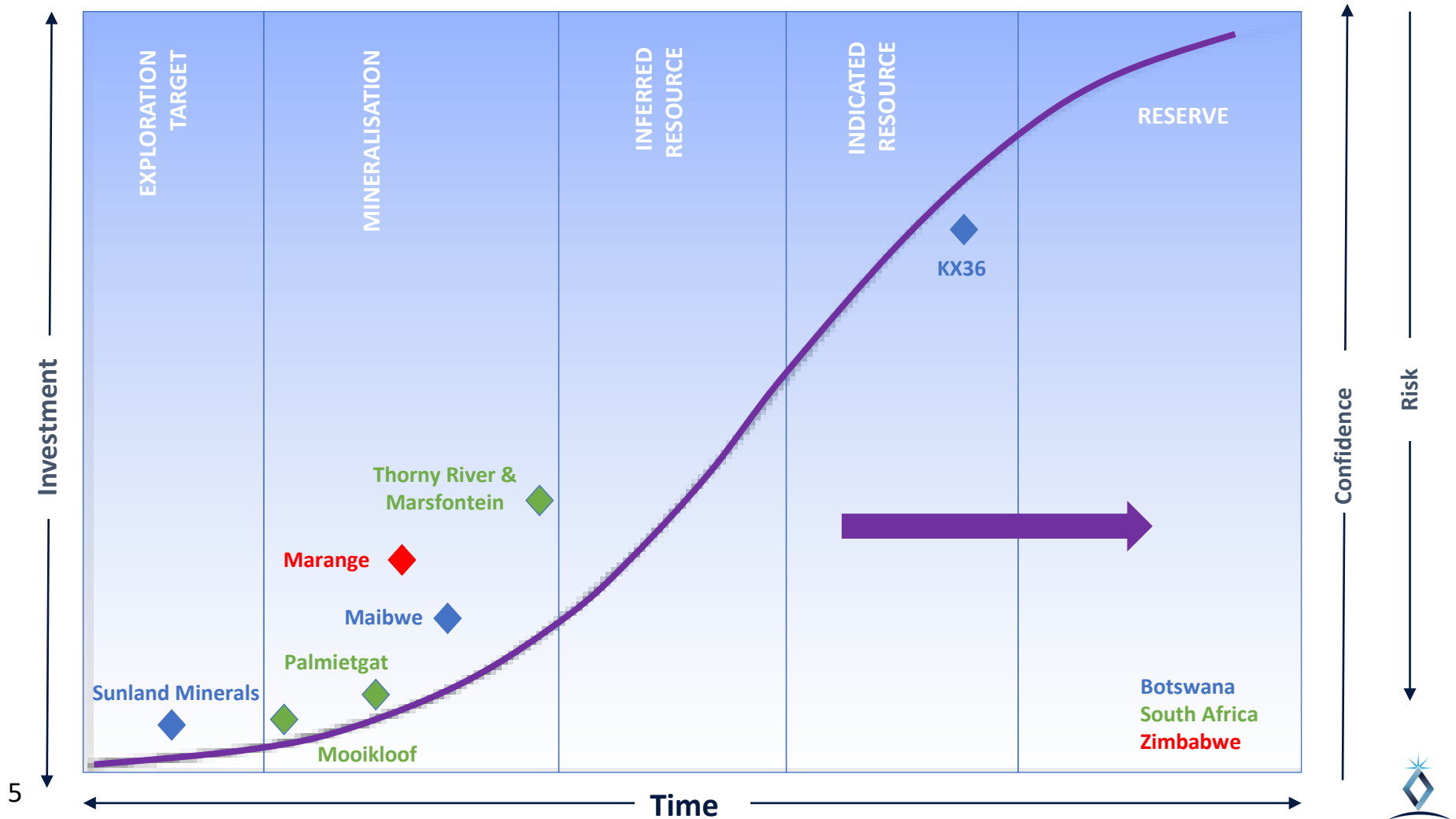


Kimberlites in southern Africa.
Source: De Wit et al, June 2016



HIGHLIGHTS

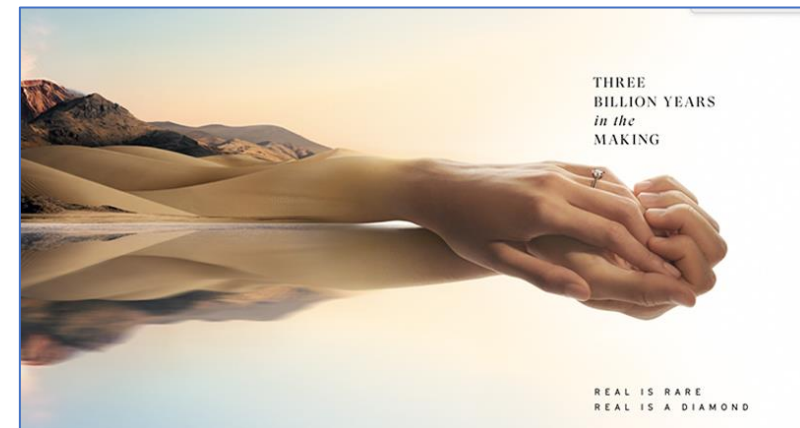
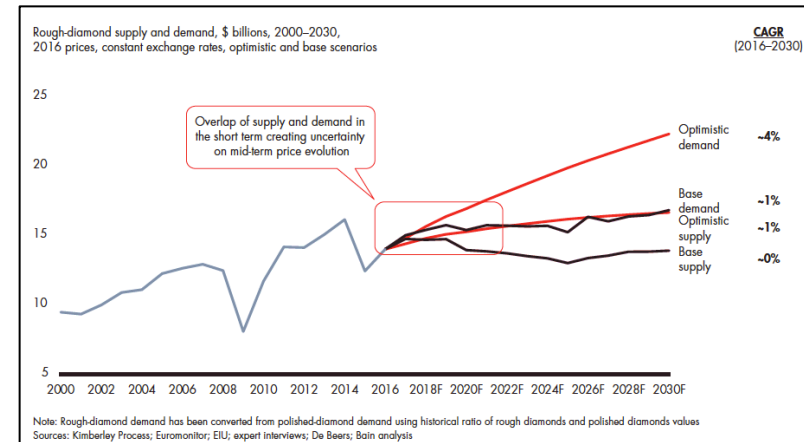
Project portfolio – evaluation continuum



WHY DIAMONDS?

Positive industry fundamentals

- **Positive long-term outlook:** dwindling supply of natural diamonds due to depletion of existing mines & minimal new commercial discoveries (only Luaxe, Angola)
- **Short-term pressure** on demand & rough pricing due to the Covid-19 Pandemic but a rebound is currently taking place
- The **global portfolio of diamond mines will shrink** from over 50 commercial mines today to c.14 by 2040. Production in carat volume will fall from 145 million carats to c.60 million carats
- **US expected to continue to lead demand** for diamond jewellery with real GDP growth between 2 and 3%
- **China and India are the major growth centres**
- **Lab Grown Diamonds ('LGD')** prices are falling and will continue to fall. Over time it is believed that consumers will view LGD's as fashion jewellery



EXPLORATION IN BOTSWANA

World's best address for diamond investment

- Botswana is the **Switzerland of Africa** a stable, wealthy democracy
 - **World's largest diamond producer** (by value) with world-leading diamond mines: Orapa, Letlhakane, Jwaneng, Damtshaa and Karowe
- Sekaka Diamonds: **recently announced acquisition**
 - High grade KX36 diamond discovery
 - Two adjacent Prospecting Licences
 - A fit for purpose bulk sampling plant
 - An extensive diamond exploration database
- Sunland Minerals: Ten licenses in the Kalahari
 - **Four drill ready targets**: planning to drill
- Maibwe JV: Ten licenses in the Kalahari
 - A 2015 drilling programme **discovered kimberlites containing significant quantities of microdiamonds**
 - The majority partner which is in liquidation is expected to be sold. This may release the logjam



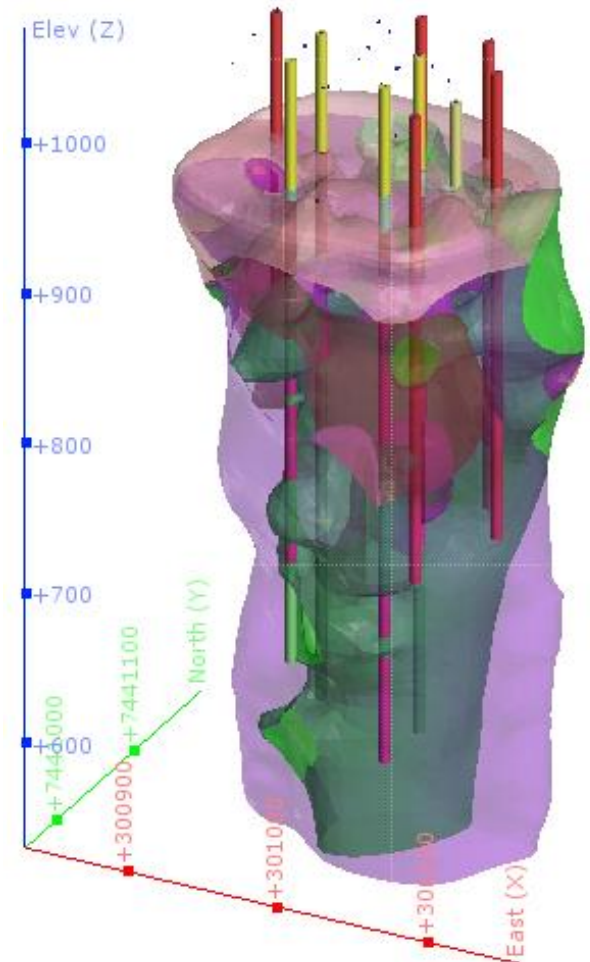
Source: Brook 2012 on 11KC Website



SEKAKA DIAMONDS

Recently announced transformatory acquisition

- KX36 a **3.5 Ha kimberlite** in the Kalahari
 - Indicated Resource of 17.9M tons @ 35 cpht*
 - Inferred Resource of 6.7M tons @ 36 cpht*
 - Modelled grade range of 57 – 76 cpht*
 - Diamond value of \$65/ct with modelled upside to \$107/ct*
- Fit for purpose **bulk sampling plant** including crushing, screening, scrubbing, Dense Media Separation and X-Ray recovery
- Extensive **exploration database** with 15-years of data
- Work programme:
 - Detailed review of the resource to plan focused bulk sampling to **optimise diamond grade and value**
 - Review of innovative mining techniques to **improve capex and opex estimates**
 - **Target new discoveries** using the Sekaka database

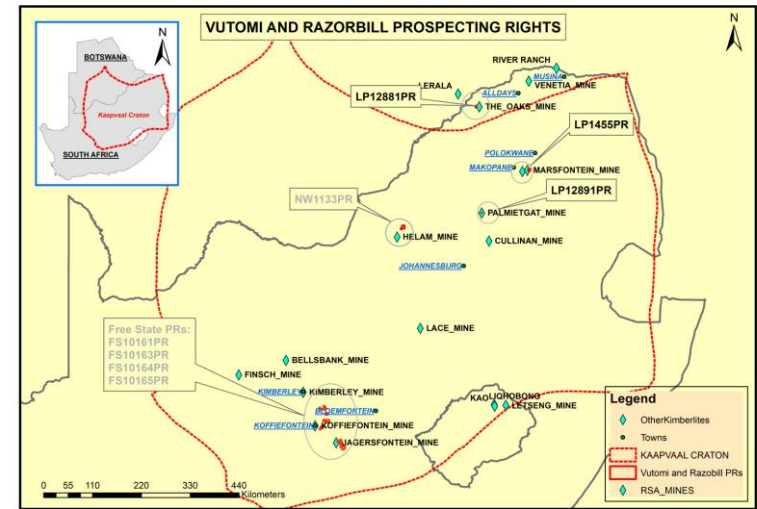


KX36 kimberlite mode, image courtesy of Petra Diamonds

EXPLORATION IN SOUTH AFRICA

Long history of diamond production

- South Africa: long history of strong diamond production since 1870
- Thorny River: an extension of the **Klipspringer & Marsfontein Mine** kimberlite dyke/pipe system
 - **Drill targets** identified from detailed ground geophysics which could be kimberlite pipes on Thorny River
 - **Drilling on Marsfontein** intersected kimberlite & bulk sampling produced modelled grades of 50 cpht (+1.5mm). **Further drilling planned to define kimberlite size**
 - Received **positive report on the Marsfontein gravels**, bulk sampling planned
 - Estimated 1.2–2.1 M tons to 100 m and **in-situ value of \$60-140/ton** on the kimberlite dyke complex outlined so far
- Other projects all diamondiferous kimberlite pipes:
 - Palmietgat **three pipes**, potential for royalty mining
 - Mooikloof: **pipe, potential for more**, desktop study



+11 Diamond Sieve



+9 Diamond Sieve

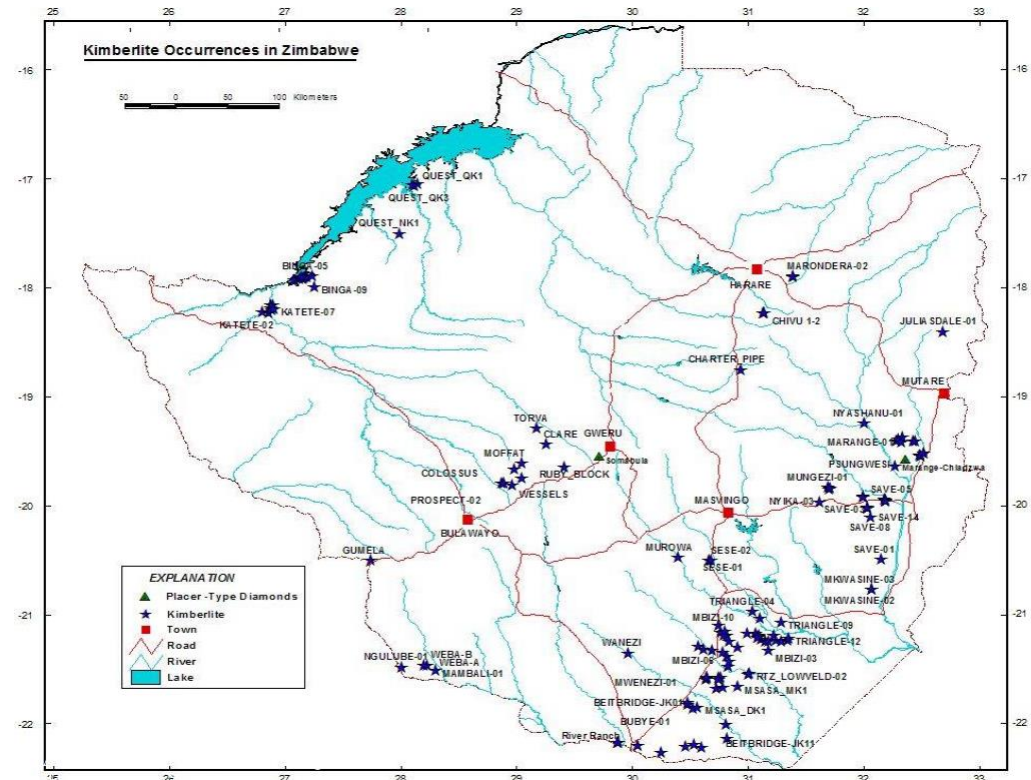
Thorny River diamonds



EXPLORATION IN ZIMBABWE

Open for business

- Zimbabwe:
 - History of diamond production at River Ranch, Murowa and contains the **prolific Marange Diamond Field**
- Vast Resources plc:
 - **MoU signed with Vast** to develop Zimbabwe's diamond potential
 - BOD has an SPV with Vast to develop a concession in the **Marange Diamond Fields**
- Applied for our own **kimberlite concessions** in the North West of the country



COMPANY SUMMARY

Key Facts

CORPORATE INFORMATION

Exchanges	AIM (LSE) /BSE
Ticker	BOD
Shares in Issue	671 M
Market Cap	£5.03 M
Share Price	0.75 p (11 th November 2020)

SIGNIFICANT SHAREHOLDERS

	% Holding
Pershing International Nom	15.3
John Teeling	7.5
HSBC Global Nominees	5.0
James Finn	4.1
Euro Clear Nominees	3.4
Bank of New York Nominees	3.1
David Horgan	2.2



COMPANY SUMMARY

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.



BOTSWANA DIAMONDS PLC

Upside

- The **only diamond explorer active in all three major countries on the highly prospective Kaapvaal Craton** of southern Africa.
- Botswana
 - **Resource upside** on the KX36 diamond discovery
 - Second most **comprehensive diamond database** in Botswana, potential for new discoveries
 - **Drilling** of high grade Sunland anomalies
- South Africa
 - Using **innovative** exploration techniques in the pursuit of another Marsfontein
- Zimbabwe
 - Brown fields exploration on kimberlites last looked at **over 30-years ago**
 - New concessions



Exploration drilling at Thorny River



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