

BOTSWANA DIAMONDS PLC

Investor Presentation – September 2021



Drilling kimberlite in the Kalahari Desert



BOTSWANA
DIAMONDS PLC

DISCLAIMER

This document is personal to the recipient and has been prepared and issued by Botswana Diamonds plc (the **Company**) For the purposes of this notice, the presentation that follows (the **Presentation**) shall mean and include the slides that follow, the oral presentation of the slides by the Company, the question-and-answer session that follows that presentation, hard copies of this document and any materials distributed at, or in connection with, that presentation.

This Presentation has not been independently verified. The Presentation is for information purposes only and does not purport to contain all information that a prospective investor may require. No reliance may be placed for any purposes whatsoever on the information contained in this Presentation or on its completeness, accuracy or fairness. No representation or warranty, express or implied, is given by or on behalf of the Company or any of such persons' directors, officers, advisers, agents or employees or any other person as to the accuracy or completeness of the information or opinions contained in this Presentation and, to the extent permitted by law, no liability whatsoever (in negligence or otherwise) is accepted by the Company, or any of such persons' directors, officers, advisers, agents or employees or any other person for any loss, howsoever arising, directly or indirectly, from any use of such information or opinions or otherwise arising in connection therewith. In particular, no representation or warranty is given as to the achievement or reasonableness of, and no reliance should be placed on any projections, targets, estimates or forecasts contained in this Presentation and nothing in this Presentation is or should be relied on as a promise or representation as to the future. The information and opinions set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. In furnishing this Presentation, the Company does not undertake any obligation to provide any additional information or to update or keep current the information in this Presentation or to correct any inaccuracies in, or omissions from, this Presentation which may become apparent.

This Presentation should not be considered as the giving of investment advice by the Company or any of its shareholders, directors, officers, agents, employees or advisors. Each party to whom this Presentation is made available must make its own independent assessment of the Company after making such investigations and taking such advice as may be deemed necessary.

Some statements contained in this Presentation or in documents referred to in it are or may be "forward-looking statements" or "forward-looking information" (as such terms are understood under applicable securities laws) (**forward-looking statements**), including, but not limited to, statements as to future operating results, work plans and potential acquisitions and contracts. The forward-looking statements include statements typically containing the words "intends", "expects", "anticipates", "targets", "plans", "estimates" and words of similar import. These forward-looking statements speak only as at the date of this Presentation. These statements are based on current expectations and beliefs and, by their nature, are subject to a number of known and unknown risks, uncertainties and assumptions that could cause actual results, performances and achievements of the Company and its subsidiaries to differ. The forward-looking statements are based on numerous assumptions regarding the Company's present and future business, strategies and interests and the environments in which the Company may operate in the future and such assumptions may or may not prove to be correct. No one undertakes to update or revise such forward-looking statements. Nothing in this Presentation or in documents referred to in it should be considered as a profit forecast. All expressions of opinion and belief contained in the Presentation are opinions and beliefs held by the Company at the date of the Presentation. Material factors that could affect the Company's future results and could cause results to differ materially from those expressed in any forward-looking statements in this Presentation can be found in the Company's 2014 annual report, available at <http://www.botswanadiamonds.co.uk/res/file/BotswanaAR2012.pdf>.

Accordingly, recipients of this Presentation are advised not to place undue reliance on the forward-looking statements contained in this Presentation.

Past performance cannot be relied on as a guide to future performance.

This Presentation does not constitute, or form part of or contain any offer or invitation to sell or issue, or any offer to subscribe for, underwrite or otherwise acquire, or dispose of, any securities in the Company in any jurisdiction in which such offer or sale would be unlawful prior to registration, exemption from registration or qualification under the securities laws of any jurisdiction.

This Presentation is directed at, and is only for distribution to, persons in member states of the European Economic Area who are "qualified investors" within the meaning of Article 2(1)(e) of the European Prospectus Directive 2003/71/EC (or who are persons to whom it may otherwise be lawfully communicated). No offer of securities in the Company is being or will be made in the United Kingdom in circumstances which would require such a prospectus to be prepared.

This Presentation is intended for distribution in the United Kingdom only to: (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order); or (ii) persons falling within Article 49(2)(a) to (d) of the Order (high net worth companies, unincorporated associations etc) or to those persons to whom it can otherwise lawfully be distributed (all such persons together being referred to as Relevant Persons). This Presentation must not be acted upon by persons who are not Relevant Persons. Any recipient of this Presentation who is not a Relevant Person should return it immediately, not attend the presentation and take no other action.

The distribution of this Presentation in jurisdictions other than the United Kingdom may be restricted by law and persons into whose possession this document comes should inform themselves about, and observe, any restrictions. In particular, neither this Presentation nor any copy of it may be taken or transmitted or distributed or redistributed (directly or indirectly) in the United States, Japan or Australia. Any failure to comply with this restriction may constitute a violation of United States, Japanese or Australian laws.



BOD is a leading speculative diamond play :

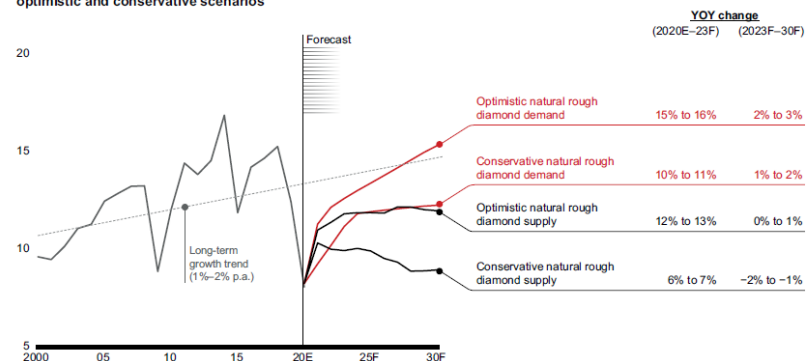
- Prime Kalahari acreage – where future discoveries will be made
- The Ghaghoo joint venture in the Kalahari gives BOD upside with little cost.
- BOD has two known diamond deposits in Botswana, KX36 and Ghaghoo and the Thorny River / Marsfontein discovery in South Africa
- The board has over a century's diamond experience – including discovering the Karowe mine
- Directors family and friends control over 40% of the equity

WHY DIAMONDS?

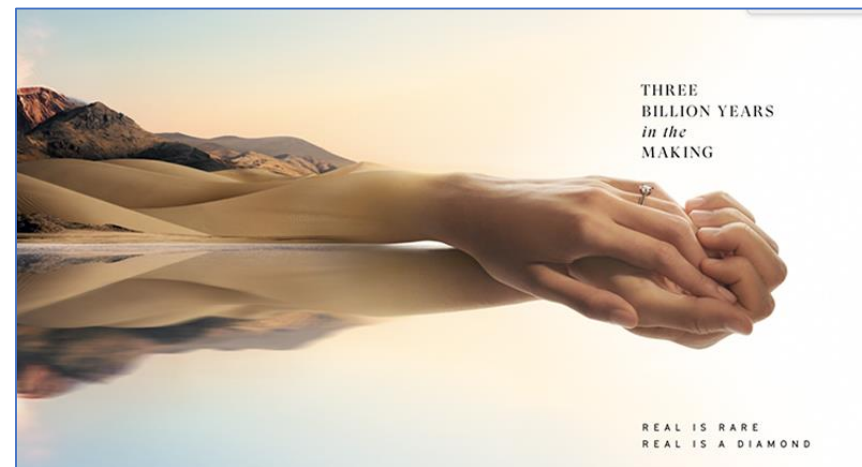
Positive industry fundamentals

- **Rapid V-shaped recovery from COVID**, with rough price surges
- **Positive long-term outlook**: dwindling supply of natural diamonds as mines deplete, with few commercial discoveries (only Luaxe, Angola)
- **Diamond output will shrink** from over 50 commercial mines to c.14 by 2040. Carat production will fall from 145 to c.60 million
- **US leading jewellery demand growth**
- **China and India are major growth markets**
- **Lab Grown Diamonds ('LGD')** prices are **falling** and not directly competitive with natural diamonds – as consumers increasingly view LGDs as fashion jewellery

Rough natural diamond supply and demand, \$ billions, optimistic and conservative scenarios



Notes: The gray line represents rough diamond sales dynamics for 2000-2019; forecast of supply and demand is performed in real terms, 2020 prices and constant exchange rates; rough diamond demand has been converted from polished diamond demand using a historical ratio of rough diamond and polished diamond values
Sources: Kimberley Process; The Economist Intelligence Unit; Euronitor; company data; publication analysis; expert interviews; Bain & Company



BOTSWANA DIAMONDS PLC

THE MISSION	Deliver capital gains by becoming a diamond producer. We acquire ground, refine opportunities and then joint venture
THE FOCUS	The Botswana Kalahari, and Thorny River / Marsfontein in South Africa
THE STRATEGY The Ground	<ul style="list-style-type: none">• Acquire Assets in the Kalahari<ul style="list-style-type: none">– The Ghaghoo Mine– KX36– Sekaka and Sunland– Late stage projects in South Africa – Thorny River and surrounding ground
The Finance	<ul style="list-style-type: none">– Minimise dilution by joint ventures, and by acquiring projects with early cash flow potential
The Team	<ul style="list-style-type: none">– Steeped in mining. Proven high value creators



BOTSWANA PROJECTS

We focus on the Kalahari - the last frontier for Botswana diamonds. Botswana, a stable democracy, is the largest producer of diamonds by value. There are new diamond mines to be discovered in the under-explored Kalahari.

Projects

1. The Ghaghoo Mine – BOD has a 10% free carry, on the first \$15m spend and the right to acquire a further 20% at par in an already developed and permitted mine
2. KX36 – 100% owned high grade diamond discovery 60kms South of Ghaghoo.
3. Drill ready targets on the 100% owned Sunland licences, joint ventured
4. Extensive Sekaka licenses and extensive database – joint ventured
5. Stake in the Maibwe joint venture holding 4 licences in the Kalahari where diamonds have been discovered



KALAHARI

- The Kalahari is a sandy basin covering most of Botswana and extending into neighbouring states.
- Sand depth ranges up to 80 metres
- Water: The Okavango flows into the sand and disappears - but lodges as an aquifer on rocks beneath the sand. Thus mines need to pump.
- Climate – Temperatures range from 50°C to -10°C with 350 days of sunshine – ideal for solar power
- Transport – Almost no metalled roads - only tracks, so logistics are difficult and expensive
- Animal Life e.g. Elephants seeking water



GHAGHOO DIAMOND MINE

One of the world's largest available diamond resources

- Ghaghoo is a **10.8 Ha kimberlite pipe** in central Botswana, currently on care and maintenance, being acquired by BOD / Vast Resources
- **Fully permitted diamond mine**, including mine infrastructure, fit-for-purpose processing plant and camp, being acquired for US\$4M - **funded by Vast Resources**.
- The kimberlite pipe has an **Indicated Resource of 79.3 million tons** at an average grade of 19.5 cph and diamond value of \$242/ct (2014 data)*
- BOD has a **10% free carried interest**, with an **option on a further 20% at par**
- Diamond assortment includes **high-value fancy-coloured diamonds**, such as orange and blue stones
- BOD is the **operator**, and has **marketing rights** equivalent to its shareholding
- Recent work indicates that modernising equipment such as solar vs diesel and new Tamra sorters, can make the mine commercial.

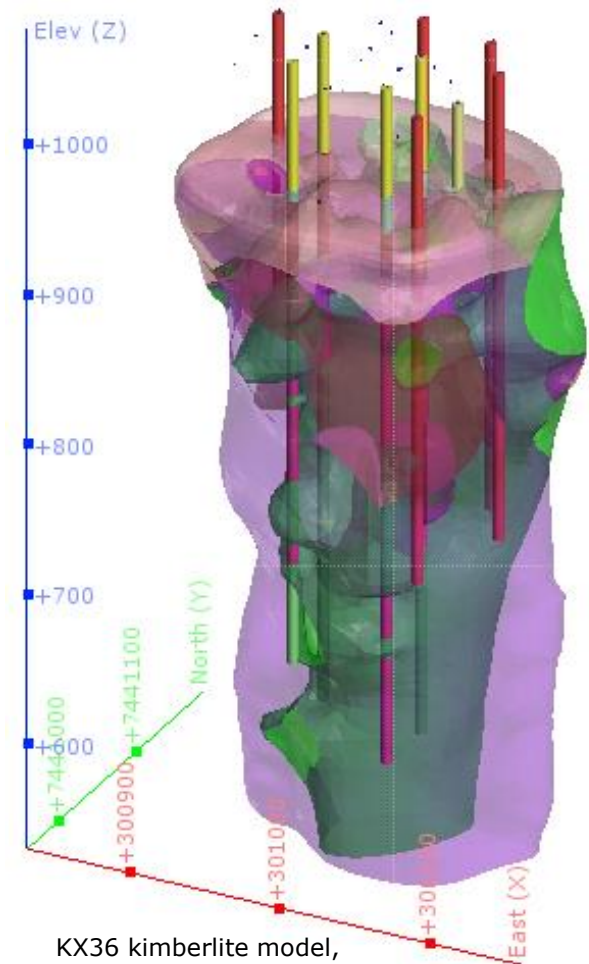


Photos: Gem Diamonds Ltd

KX36

The most significant diamond discovery since the Orapa and Jwaneng clusters

- KX36 is a **3.5 Ha kimberlite** in the Kalahari and is 60-km from Ghaghoo, thus offering synergies
- An **Indicated Resource of 17.9M tons at 35 cpht**, Inferred Resource of 6.7M tons at 36 cpht and modelled grade range of 57–76 cpht and diamond value of \$65/ct with modelled upside to \$107/ct*
- **Significant plant** on site including crushing, screening, scrubbing, Dense Media Separation & X-Ray recovery equipment
- Work programme:
 - Bulk sampling to **optimise diamond grade and value**
 - **Achieve synergies** with Ghaghoo
 - Additional drilling on surrounding licenses. Rare to find only one pipe. Targets identified



KX36 kimberlite model,
Image: Petra Diamonds Ltd



JOINT VENTURE ON SEKAKA AND SUNLAND LICENCES

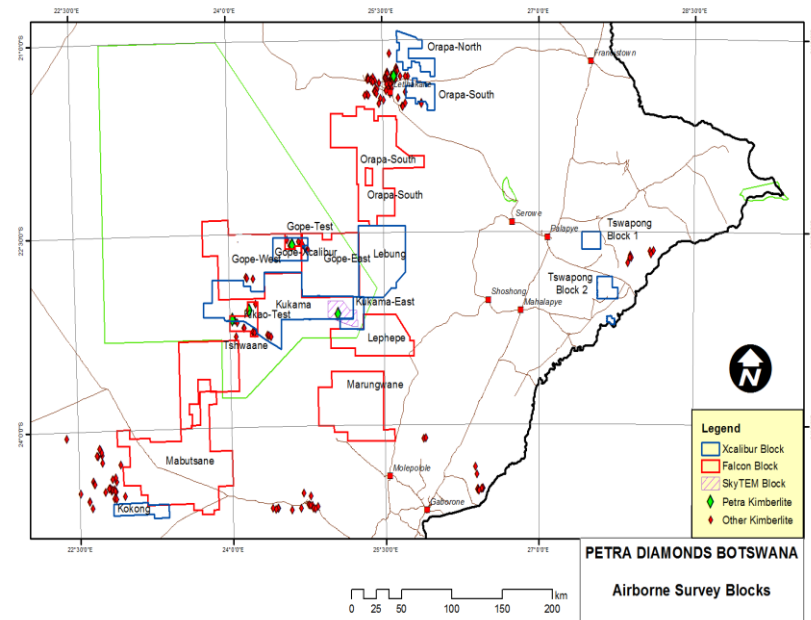
- Highlights of agreement:
 - Diamexstrat (and its partner, Burgundy) can earn up to a 70% interest in BOD's Sunland Minerals and Sekaka's Prospecting Licences by delivering a Bankable Feasibility Study.

Sekaka Database

- **Covers 95,000 sq km of ground**
- Airborne geophysical data: c.375,000 line km
- Ground geophysical surveys: 506
- Soil sample results: c.228k
- Drill hole logs: c.32k.

Sunland Licenses

- Exploration work by BOD has identified 4 drillable targets on the Sunland licenses

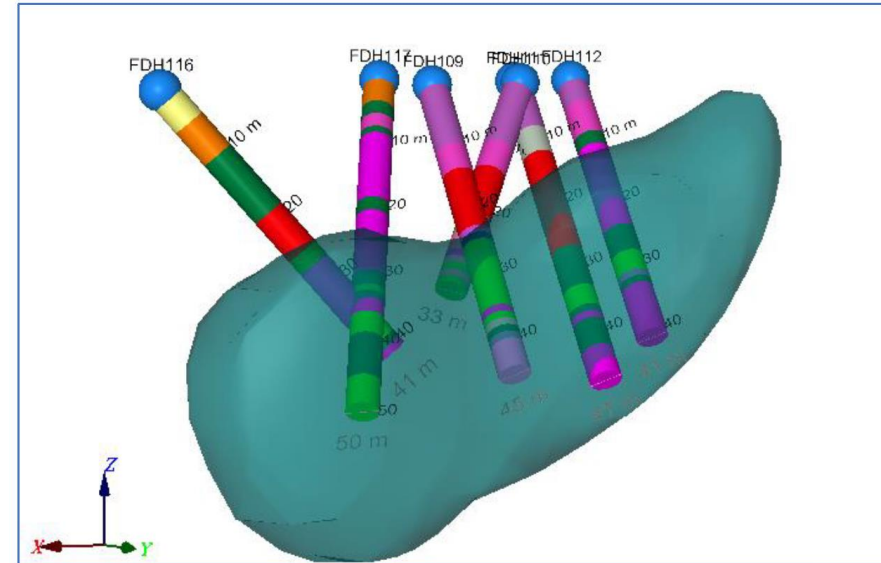


Comprehensive database review is far advanced: project areas being defined. Targets have been identified.



THORNY RIVER, SOUTH AFRICA

- Thorny River is an extension of the Klipspringer & Marsfontein dyke system
- The target is a Marsfontein lookalike. Which was a blow with a 3.5 day CAPEX payback
- Extensive prospecting and drilling has to date discovered two diamond-bearing blows, estimated to contain c.1.2m tons to 100 metres
- Drilling is ongoing to join the two blows, River and River Extension. Initial indications are positive
- There are additional anomalies which suggest further blows. These will be drilled.



3D model
of River Blow



OTHER EXPLORATION ACTIVITIES

- BOD holds a net 15% interest in the Maibwe joint venture on 4 licences in the Kalahari where kimberlite pipes containing diamonds have been found
- Bulk sample the Marsfontein gravels. This will be a joint venture with local contactors and will commence when COVID restrictions are eased
- Re-enter Zimbabwe diamond fields. We are pursuing licences in separate joint ventures with ZCDC and with Vast Resources



BOTSWANA DIAMONDS PLC

Experienced management team



John
Teeling

—
**Executive
Chairman**

—
Founder of a number of listed resource companies, including African Diamonds. Doctorate in business from Harvard Business School, MBA from Wharton.



James
Campbell

—
**Managing
Director**

—
Over 35-years in the diamond industry. Formerly MD of African Diamonds & Rockwell. Previously a GM at De Beers. Degrees in Mining & Exploration Geology and an MBA.



James
Finn

—
**Finance
Director**

—
Over 20-years African resource company experience; director of resource and industrial ventures. Business and accounting qualifications.



David
Horgan

—
Director

—
Thirty years exploration experience, 25 years in Africa. Founder director of African Diamonds. Cambridge First in Law & Harvard MBA.



Robert
Bouquet

—
**Commercial
Director**

—
Antwerp-based Diamond market expert. Over 20-years diamond industry experience; 15 with De Beers/Rio Tinto Diamonds.



BOTSWANA DIAMONDS PLC

Corporate information

Corporate information

Exchanges	AIM (LSE) / BSE
Ticker	BOD
Shares in Issue	792 M
Market Cap	£8.92 M
Share Price	1.13 p (27 th August 2021)

The shares are actively traded on AIM

Significant shareholders % Holding

Pershing International Nom	15.5
John Teeling	6.9
HSBC Global Nominees	5.7
Interactive Investor Services Nominees	5.3
James Finn	4.3
Hargreaves Lansdown Ltd	3.3
David Horgan	2.0

Directors family and associates hold over 40%



BOTSWANA DIAMONDS PLC

Investor Presentation – September 2021



162 Clontarf Road

Clontarf

Dublin 3

Ph: +353 1833 2833

Web: www.botswanadiamonds.co.uk

Email: info@botswanadiamonds.co.uk

Social Media:

<https://twitter.com/BotswanaDiamond>

<https://www.facebook.com/BotswanaDiamondsPLC/>

<https://www.linkedin.com/company/botswana-diamonds-plc/>