

BOTSWANA DIAMONDS PLC

Investor Presentation – January 2022



Drilling kimberlite in the Kalahari Desert



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BOD is a leading speculative diamond play

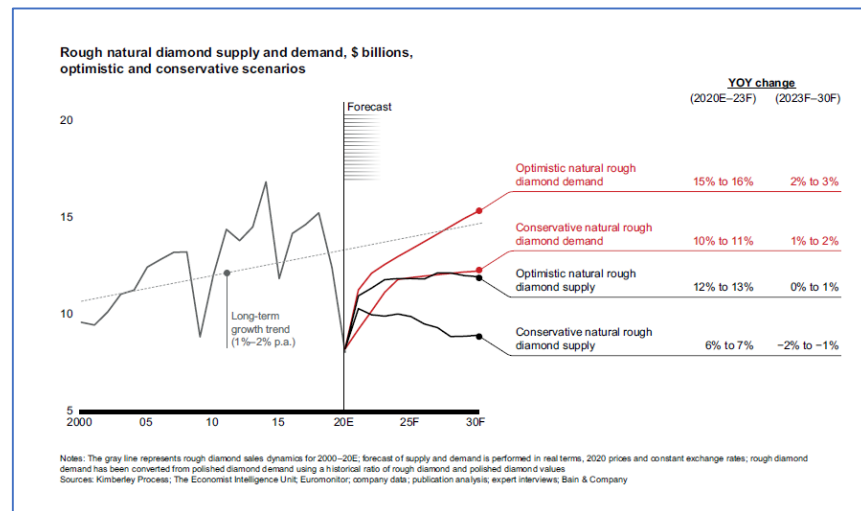
- Prime Kalahari acreage – where future discoveries will be made
- The Ghaghoo joint venture in the Kalahari gives BOD upside with little cost.
- BOD has two known diamond deposits in Botswana, KX36 and Ghaghoo and the Thorny River / Marsfontein discovery in South Africa
- The board has over a century's 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



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	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	– Minimise dilution by joint ventures, and by acquiring projects with early cash flow potential
The Team	– 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 Tomra sorters, can make the mine commercial.

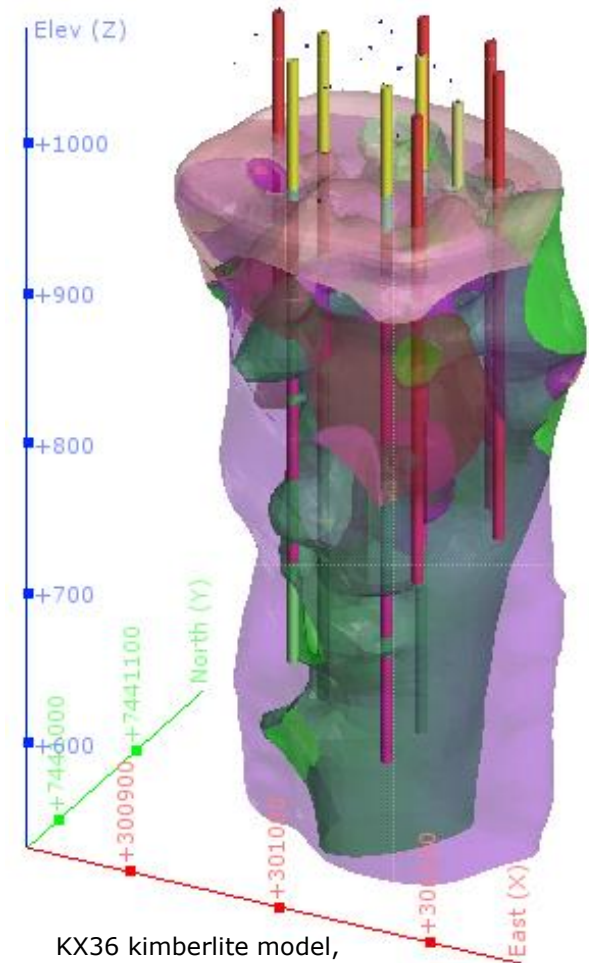


Photos: Gem Diamonds Ltd

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

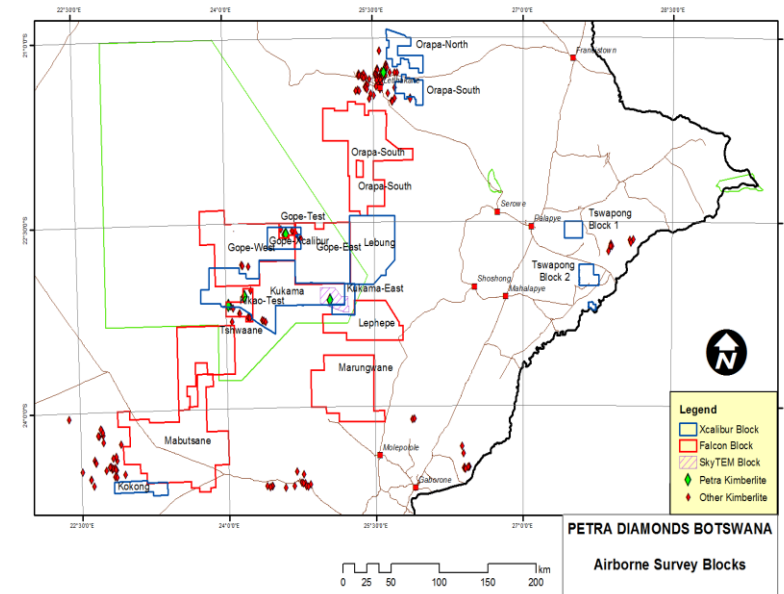
- Diamexstrat (and its partner, Burgundy) can earn up to a 70% interest in BOD's Sunland Minerals and Sekaka's Prospecting Licences by delivering a Bankable Feasibility Study.

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

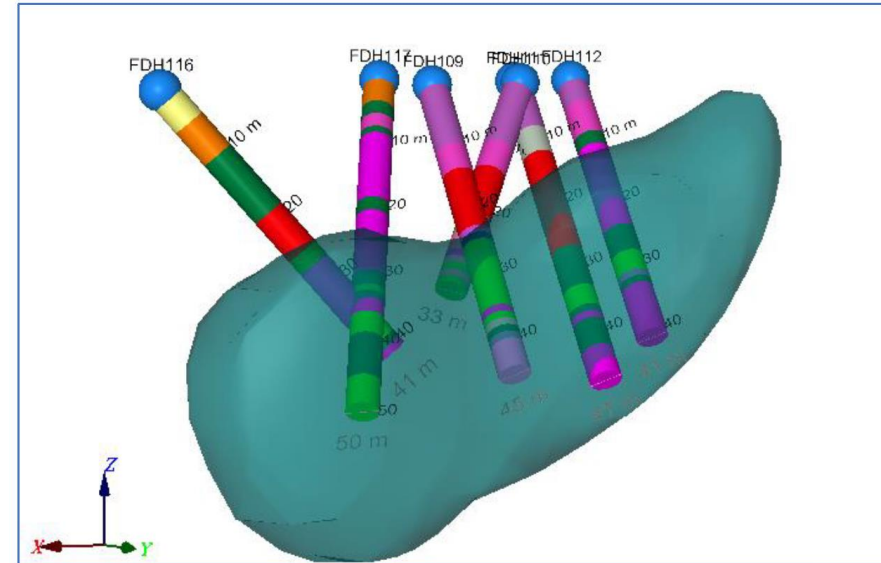


Comprehensive database review is far advanced: project areas being defined. Targets have been identified.



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 a diamond bearing blow complex with a projected 2M tons.
- Mining options currently being studied
- 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. A further offer has been made to liquidator in conjunction with Future Minerals.
- 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	849 M
Market Cap	£8.49 M
Share Price	1.03 p (20 th January 2022)

The shares are actively traded on AIM

Significant shareholders	% Holding
Pershing International Nom	13.9
John Teeling	6.4
Interactive Investor Services Nominees	6.1
HSBC Global Nominees	5.3
James Finn	4.0
Hargreaves Lansdown Ltd	3.4
David Horgan	1.9

Directors family and associates hold over 40%



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