



7 September 2020

Botswana Diamonds PLC
(“Botswana Diamonds” or the “Company”)

Placing to raise GBP £300,000

Placing

The Board of Botswana Diamonds (AIM: BOD) is pleased to announce that it has today arranged a placing with existing and new investors to raise £300,000 via the issue of 50,000,000 new ordinary shares (the “Placing Shares”), at a placing price of 0.6p per Placing Share (the “Placing Price”). Each Placing Share has one warrant attached with the right to subscribe for one new ordinary share at 0.6p per new ordinary share for a period of two years from, 7 September 2020 (the “Placing Warrants”), being the date of the Placing Warrants issue.

Use of Proceeds

The funds raised will be used to fund ongoing exploration activities during the current year in Botswana and South Africa, and to provide additional working capital for the Company.

The company is currently drilling kimberlite M8 on the Marsfontein licence in South Africa and has generated further kimberlite targets which will be drilled on the adjacent Thorny River concession.

In Botswana, the funds will be focussed on commercialising the KX36 project following the recent acquisition of Sekaka Diamonds from Petra Diamonds. This will include finalising a work programme to upgrade the grades and diamond value of the kimberlite pipe as well as investigating innovative mining options. Drilling is planned for the adjacent Sunland Minerals property and following further assessment of the comprehensive Sekaka database more drilling targets are likely.

John Teeling, commented. “This is a very active and exciting time for Botswana Diamonds. We are drilling the very promising M8 kimberlite at Marsfontein and further drilling is likely on targets identified on the adjacent Thorny River ground. We have a number of active projects. The recently acquired KX36 diamond resource in the Kalahari offers great potential. While awaiting final approvals from the Botswana authorities some of the funds raised will be used to detail the works we will do to refine grade, size distribution and value per carat”.

The Placing Shares will rank *pari passu* with the Company's existing ordinary shares. Application will be made for the Placing Shares to be admitted to trading on AIM and it is expected that such admission will become effective on or around 23 September 2020.

Total Voting Rights

In conformity with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority ("FCA"), the Company announces the following:

Following the issue of the Placing Shares, there will be a total of 721,221,902 ordinary shares of 0.25p each in issue with each ordinary share carrying the right to one vote ("Ordinary Shares"). The Company does not hold any Ordinary Shares in Treasury. Therefore, the total number of Ordinary Shares in the Company with voting rights is 721,221,902. The above figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure and Transparency Rules.

Special note concerning the Market Abuse Regulation

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No 596/2014 ("MAR"). Market soundings, as defined in MAR, were taken in respect of the Placing, with the result that certain persons became aware of inside information, as permitted by MAR. That inside information is set out in this announcement. Therefore, those persons that received inside information in a market sounding are no longer in possession of inside information relating to the Company and its securities. The person who arranged for the release of this announcement on behalf of the Company was Jim Finn, Director.

This release has been approved by James Campbell, Managing Director of Botswana Diamonds plc, a qualified geologist (Pr.Sci.Nat), a Member of the Geological Society of South Africa, a Fellow of the Southern African Institute of Mining and Metallurgy, a Fellow of the Institute of Materials, Metals and Mining (UK) and with over 34-years' experience in the diamond sector.

A copy of this announcement is available on the Company's website, at www.botswanadiamonds.co.uk

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