



8th December 2022

Botswana Diamonds PLC
("Botswana Diamonds" or the "Company")

Annual Results for the Year Ended 30 June 2022
Notice of Annual General Meeting

Botswana Diamonds plc (AIM: BOD) today announces its audited annual results for the year ended 30 June 2022.

Chairman's Statement

Botswana Diamonds (BOD) is a rare animal – a listed diamond explorer. In recent years mineral exploration has gone out of fashion. Explorers spend money and it has become extremely hard to raise exploration finance from either the public or institutions. Money to finance expensive exploration programmes is virtually impossible to raise and yet the potential rewards for a successful discovery are substantial.

The principals in BOD believe that they can deliver meaningful returns to investors. They have done so in their earlier vehicle, African Diamonds, which discovered, with their partners De Beers, what is now Lucara Diamond Karowe mine in Botswana. The BOD directors and employees are very experienced in diamonds, Africa, mining and exploration.

We are using this experience to acquire exploration assets in areas of good diamond potential, Botswana, South Africa, and possibly, Zimbabwe. While we have pure blue sky exploration licences we tend to focus on areas where diamonds have already been discovered but for a variety of reasons the ground has been or is being let go. There is an exploration saying – the best place to find a mine is where there is or was a mine. You can see this approach in our Botswana strategy where we have increased our stake in the Maibwe joint venture, in the acquisition of the KX36 discovery which contains substantial quantities of diamonds and in our unsuccessful attempt to acquire the closed Ghaghoo mine. In South Africa, we have taken our Thorny River project to mining application stage. We would hope to begin production in Q2 / Q3 of 2023. In the meantime, the adjacent Marsfontein ground will be contract mined from early 2023. We have recently been awarded a five-year prospecting licence on the Reivilo cluster of kimberlites in South Africa. We have acquired an extensive body of exploration data on Reivilo in return for a small royalty. We continue to liaise with the authorities in Zimbabwe on entering the diamond sector. There are significant geological opportunities in the country. The objective is to find a formula which suits all parties.

Turning to the diamond market. In a turbulent world it is good to report a significant recovery from the impact of Covid. Diamond mining companies, even the more marginal operators, have had a good post-Covid return to business. Both prices and also volumes have increased, prices substantially. Even more interesting is the large growth in sales in the United States. But global recession and Chinese turbulence suggest the near-term future could be rocky. The growth in sales of Lab Grown Diamonds must be watched but a comparison is the luxury goods sectors. You can buy good quality department store clothes but the luxury clothing sector continues to grow. Likewise, the demand for buying luxury cars still continues to grow. A natural diamond is a rare creation of nature from billions of years ago; these diamonds will certainly endure and natural diamonds are internationally scarce, rare and collectibles.

Projects

Botswana

We are focused on the Kaapvaal craton in Botswana, South Africa and Zimbabwe – an area which hosts, and has hosted, many of the largest and best diamond mines in the world.

Botswana has been our focus. The country is the largest producer by value and is a good country to work in, stable with the Rule of Law. We work in the Kalahari where the sand cover is a major obstacle. Techniques to “see” through the sand are evolving and we are using, and will use, this new technology.

The principle focus during the period under review was the attempt to acquire the Ghaghoo mine in the Kalahari. The mine had a short unsuccessful history and we undertook a study to see if we could improve operational efficiencies and we believe that we can. We needed a partner and we found one who was ultimately unable to provide the required funds. However, we continue to keep a watching brief. The attractions of Ghaghoo is a large deposit of good quality diamonds and a fully built plant and infrastructure. The Government of Botswana have also been most helpful and encouraging from a regulatory perspective.

We own the KX36 discovery to the south of Ghaghoo. We acquired this diamond deposit as part of the acquisition of Sekaka Diamonds, a subsidiary of Petra Diamonds. It is estimated the deposit holds up to 24 million tonnes containing up to 76 carats per hundred tonnes (cpht). Diamond value was previously estimated at \$65 a carat and utrestimates are up to \$97 a carat. Diamond deposits are very rare and incredibly difficulty to discover.

We hold exploration licences surrounding KX36 where we expect there should be additional kimberlites as it is rare to find one isolated kimberlite. We also hold a 26% interest in the Maibwe kimberlites to the south of KX36.

On our wholly-owned licences in Sunland Minerals we identified 200 priority targets. We have narrowed this to 8 targets that need to be further explored and drilled.

We increased our stake in the Maibwe joint venture to 50% by acquiring a stake from the liquidator of BCL in Botswana. We agreed a 2% royalty on any future production. There are four kimberlite pipes on the licences. A drill programme is needed.

South Africa

We believe that there are big opportunities for diamond exploration and development in South Africa. We are focusing on where we believe the best opportunities are available to BOD.

The Thorny River venture, on which we have spent significant time and money, is likely to begin production in 2023. Thorny River is a kimberlite dyke system which we have demonstrated to be an extension of the Marsfontein and Klipspringer mines. Exploration has identified two deposits which between them contain up to 2m tons. We expect the grade to be between 46 and 74 cpht of good quality diamonds.

We have applied for mining permits which we expect to be issued by mid-2023.

We are working our way through development options on the discovery. We have a proposal from a contractor who would provide all mining and processing equipment in return for a percentage interest. This is being evaluated and considered as a potential viable option.

Mining is expected to begin in the first quarter of 2023 on the Marsfontein waste dumps. We mined here previously, but without success. We have identified the causes and the new plan should overcome the previous mining issues.

Neither Thorny River or Marsfontein are company makers but they will provide cash flow and will make BOD a diamond producer.

In recent months we have been awarded a licence on the Reivilo ground. This is a licence of great interest to BOD. It contains kimberlite pipe. We have obtained a databank on Reivilo from Petra in return for a small royalty. We are reviewing this data and plan on processing Petra's drill core for microdiamonds in the near future.

Zimbabwe

Zimbabwe has excellent potential to be a significant diamond producer. BOD has maintained contacts in the country. We had a joint venture with Vast which ultimately came to nothing. We are now actively involved in discussions on a possible entry. Whether this happens or not will depend on the ground offered and on the joint venture terms.

Finance & Future

Exploration companies have no revenues and active explorers spend money. In recent years BOD has been funded by a small group of private investors as little or no funding was available in London or Johannesburg.

Our strategy is clear. To have a pipeline project at every stage of development. Our first production will come on stream in the near future. We have a number of projects where diamond deposits already exist. We have drill ready exploration projects. Our task now is to get our message out to investors.

John Teeling
Chairman

7th December 2022

Annual Report and Notice of Annual General Meeting

The Company's Annual Report and Accounts for the year ended 30 June 2022 (the "Annual Report") will be mailed shortly only to those shareholders who have elected to receive it. Otherwise, shareholders will be notified that the Annual Report and Accounts will be available on the website at www.botswanadiamonds.co.uk. Copies of The Annual Report will also be available for collection from the company's registered office at Suite 1, 7th Floor, 50 Broadway, London SW1H 0BL.

The Annual General Meeting ("AGM") is due to be held Thursday 19th January 2023 at The Hilton London Paddington, 146 Praed St, London W2 1EE, United Kingdom at 11.00am. A Notice of the AGM will be included in the Annual Report.

The information communicated within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. The person who arranged for the release of this announcement on behalf of the Company was John Teeling, Director.

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

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	£	£
Administrative expenses	(485,612)	(402,089)
Impairment of exploration and evaluation assets	(253,380)	(70,018)
OPERATING LOSS	(738,992)	(472,107)
LOSS FOR THE YEAR BEFORE TAXATION	(738,992)	(472,107)
Income tax expense	-	-
LOSS AFTER TAXATION		
Other Comprehensive Income	(738,992)	(472,107)
Items that may be reclassified subsequently to profit or loss		
Exchange difference on translation of foreign operations	22,562	(85,392)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(716,430)	(557,499)
Loss per share – basic	(0.09p)	(0.06p)
Loss per share – diluted	(0.09p)	(0.06p)

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2022

	30 June 2022	30 June 2021
	£	£
ASSETS:		
NON CURRENT ASSETS		
Intangible assets	8,184,621	8,194,032
Plant and equipment	207,640	206,788
	<u>8,392,261</u>	<u>8,400,820</u>
CURRENT ASSETS		
Other receivables	48,981	42,038
Cash and cash equivalents	158,476	164,658
	<u>207,457</u>	<u>206,696</u>
TOTAL ASSETS	<u>8,599,718</u>	<u>8,607,516</u>
LIABILITIES:		
CURRENT LIABILITIES		
Trade and other payables	(734,181)	(744,149)
TOTAL LIABILITIES	<u>(734,181)</u>	<u>(744,149)</u>
NET ASSETS	<u>7,865,537</u>	<u>7,863,367</u>
EQUITY		
Called-up share capital – deferred shares	1,796,157	1,796,157
Called-up share capital – ordinary shares	2,197,680	1,981,805
Share premium	11,487,087	10,984,362
Share based payment reserves	111,189	111,189
Retained deficit	(6,443,797)	(5,704,805)
Translation reserve	(299,492)	(322,054)
Other reserve	(983,287)	(983,287)
TOTAL EQUITY	<u>7,865,537</u>	<u>7,863,367</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Called-up Share Capital	Share Premium £	Share Based Payment Reserve £	Retained Deficit £	Translation Reserve £	Other Reserves £	Total £
At 30 June 2020	3,474,212	10,564,712	111,189	(5,232,698)	(236,662)	(983,287)	7,697,466
Issue of shares	303,750	425,250	-	-	-	-	729,000
Share issue expenses	-	(5,600)	-	-	-	-	(5,600)
Loss for the year and total comprehensive income	-	-	-	(472,107)	(85,392)	-	(557,499)
At 30 June 2021	<u>3,777,962</u>	<u>10,984,362</u>	<u>111,189</u>	<u>(5,704,805)</u>	<u>(322,054)</u>	<u>(983,287)</u>	<u>7,863,367</u>
Issue of shares	215,875	522,225	-	-	-	-	738,100
Share issue expenses	-	(19,500)	-	-	-	-	(19,500)
Loss for the year and total comprehensive income	-	-	-	(738,992)	22,562	-	(716,430)
At 30 June 2022	<u>3,993,837</u>	<u>11,487,087</u>	<u>111,189</u>	<u>(6,443,797)</u>	<u>(299,492)</u>	<u>(983,287)</u>	<u>7,865,537</u>

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

	30 June 2022	30 June 2021
	£	£
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the year	(738,992)	(472,107)
Foreign exchange losses	15,932	(4,187)
Impairment of exploration and evaluation assets	253,380	70,018
	<u>(469,680)</u>	<u>(406,276)</u>
MOVEMENTS IN WORKING CAPITAL		
(Decrease)/Increase in trade and other payables	(9,968)	112,417
Increase in other receivables	(6,943)	(16,651)
NET CASH USED IN OPERATING ACTIVITIES	<u>(486,591)</u>	<u>(310,510)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to exploration and evaluation assets	(222,259)	(262,869)
NET CASH USED IN INVESTING ACTIVITIES	<u>(222,259)</u>	<u>(262,869)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from share issue	738,100	729,000
Share issue costs	(19,500)	(5,600)
NET CASH GENERATED FROM FINANCING ACTIVITIES	<u>718,600</u>	<u>723,400</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	9,750	150,021
Cash and cash equivalents at beginning of the financial year	164,658	17,994
Effect of foreign exchange rate changes	(15,932)	(3,357)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	<u><u>158,476</u></u>	<u><u>164,658</u></u>

1. ACCOUNTING POLICIES

The accounting policies and methods of computation followed in these financial statements are consistent with those published in the Group's Annual Report for the year ended 30 June 2021. The financial statements have also been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

The financial information set out below does not constitute the Group's financial statements for the year ended 30 June 2022 or 30 June 2021, but is derived from those accounts. The financial statements for the year ended 30 June 2021 have been delivered to Companies House and those for the year ended 30 June 2022 will be delivered to Companies House shortly

The auditors have reported on the 2022 statements; their report was unqualified and did not contain a statement under section 498(2) or 498(3) of the Companies Act 2006.

2. GOING CONCERN

The Group incurred a loss for the year of £716,430 (2021: loss of £557,499) after exchange differences on retranslation of foreign operations of £22,562 (2021: loss of £85,392) at the balance sheet date. The Group had net current liabilities of £526,724 (2021:£ 537,453) at the balance sheet date. These conditions represent material uncertainties that may cast doubt on the Group's ability to continue as a going concern.

The directors have prepared cashflow projections and forecasts for a period of not less than 12 months from the date of this report which indicate that the group will require additional funding for working capital requirements and develop existing projects. As the Group is not revenue or cash generating it relies on raising capital from the public market. Subsequent to year end the Company has raised a total of £294,475 from the exercise of warrants. Further details are outlined in Note 10.

As in previous years the Directors have given careful consideration to the appropriateness of the going concern basis in the preparation of the financial statements and believe the going concern basis is appropriate for these financial statements. The financial statements do not include any adjustments that would result if the Group was unable to continue as a going concern.

3. LOSS PER SHARE

Basic loss per share is computed by dividing the loss after taxation for the year available to ordinary shareholders by the weighted average number of ordinary shares in issue and ranking for dividend during the year. Diluted earnings per share is computed by dividing the profit or loss after taxation for the year by the weighted average number of ordinary shares in issue, adjusted for the effect of all dilutive potential ordinary shares that were outstanding during the year.

The following table sets forth the computation for basic and diluted earnings per share (EPS):

	2021 £	2021 £
Numerator		
For basic and diluted EPS – loss after taxation	<u>(738,992)</u>	<u>(472,107)</u>
Denominator	No.	No.
For basic and diluted EPS	<u>844,141,491</u>	<u>739,571,217</u>
Basic EPS	(0.09p)	(0.06p)
Diluted EPS	<u>(0.09p)</u>	<u>(0.06p)</u>

The following potential ordinary shares are anti-dilutive and are therefore excluded from the weighted average number of shares for the purposes of the diluted earnings per share:

	No.	No.
Share options	<u>11,410,000</u>	<u>11,410,000</u>

4. INTANGIBLE ASSETS

Exploration and evaluation assets:

	2022	2021
	£	£
Cost:		
At 1 July	9,562,528	9,385,051
Additions	222,259	262,869
Exchange gain/(loss)	21,710	(85,392)
At 30 June	<u>9,806,497</u>	<u>9,562,528</u>
Impairment:		
At 1 July	1,368,496	1,298,478
Impairment	253,380	70,018
At 30 June	<u>1,621,876</u>	<u>1,368,496</u>
Carrying Value:		
At 1 July	<u>8,194,032</u>	<u>8,086,573</u>
At 30 June	<u>8,184,621</u>	<u>8,194,032</u>
Segmental analysis	2022	2021
	£	£
Botswana	6,635,686	6,829,604
South Africa	1,548,935	1,364,428
	<u>8,184,621</u>	<u>8,194,032</u>

Exploration and evaluation assets relate to expenditure incurred in exploration for diamonds in Botswana and South Africa. The directors are aware that by its nature there is an inherent uncertainty in exploration and evaluation assets and therefore inherent uncertainty in relation to the carrying value of capitalized exploration and evaluation assets.

During the current year, the Group recorded an impairment charge of £253,380 on expenditure incurred exploring for new licences in Botswana and South Africa and expenditure incurred on the Ghaghoo diamond mine as the Group was unsuccessful in securing a joint venture partner to complete the acquisition.

On 11 November 2014 the Brightstone block was farmed out to BCL Investments (Proprietary) Limited, a Botswana Company, who assumed responsibility for the work programme. Botswana Diamonds will retain a 15% equity interest in the project.

On 6 February 2017 the Group entered into an Option and Earn-In Agreement with Vutomi Mining Pty Ltd and Razorbill Properties 12 Pty Ltd (collectively known as 'Vutomi'), a private diamond exploration and development firm in South Africa. Pursuant to the terms of the Agreement, Botswana Diamonds earned a 40% equity interest in the project. A separate agreement for funding of exploration resulted in the Company's interest in Vutomi increasing from 40% to 45.94%. On 28 September 2022 the Group increased

its' interest from 45.94% to 74%, further information is detailed in Note 10.

The realisation of these intangible assets is dependent on the successful discovery and development of economic diamond resources and the ability of the Group to raise sufficient finance to develop the projects. It is subject to a number of significant potential risks, as set out below.

The Group's exploration activities are subject to a number of significant and potential risks including:

- licence obligations;
- exchange rate risks;
- uncertainties over development and operational costs;
- political and legal risks, including arrangements with governments for licenses, profit sharing and taxation;
- foreign investment risks including increases in taxes, royalties and renegotiation of contracts;
- title to assets;
- financial risk management ;
- going concern; and
- operational and environmental risks.

Included in additions for the year are payments of £Nil (2021: £14,225) of wages and salaries and £71,768 (2021: £65,553) of directors' remuneration which has been capitalized. This is for time spent directly on the operations rather than on corporate activities.

5. PLANT AND EQUIPMENT

	2022	2021
	£	£
At 1 July	206,788	-
Additions	-	206,788
Exchange gain	852	-
At 30 June	207,640	206,788

On 18 July 2020 the Group entered into an agreement to acquire the KX36 Diamond discovery in Botswana, along with two adjacent Prospecting Licences and a diamond processing plant. These interests are part of a package held by Sekaka Diamond Exploration (Pty) Ltd. The acquisition was completed on 20 November 2020. The diamond processing plant is a recently constructed, fit-for-purpose bulk sampling plant on site. The sampling plant includes crushing, scrubbing, dense media separation circuits and x-ray recovery modules within a secured area.

6. CALLED-UP SHARE CAPITAL

<u>Deferred Shares– nominal value of 0.75p</u>	Number	Share Capital	Share Premium
		£	£
At 1 July 2020 and 2021	239,487,648	1,796,157	-
At 30 June 2021 and 2022	239,487,648	1,796,157	-

Ordinary Shares - nominal value of 0.25p

Allotted, called-up and fully paid:	Number	Share Capital £	Share Premium £
At 1 July 2020	671,221,902	1,678,055	10,564,712
Issued during the year	121,500,000	303,750	425,250
Share issue expenses	-	-	(5,600)
At 30 June 2021	792,721,902	1,981,805	10,984,362
Issued during the year	86,350,000	215,875	522,225
Share issue expenses	-	-	(19,500)
At 30 June 2022	879,071,902	2,197,680	11,487,087

Movements in share capital

On 25 October 2021, the Company raised £550,000 through the issue of 55,000,000 new ordinary shares of 0.25p each at a price of 1.0p per share to provide additional working capital and fund development costs. Each placing share has one warrant attached with the right to subscribe for one new ordinary share at 2.0p per share for a period of three years from 5 November 2021.

On 3 December 2021, a total of 1,683,333 warrants were exercised at a price of 0.60p per warrant for £10,100.

On 20 January 2022, a total of 29,666,667 warrants were exercised at a price of 0.60p per warrant for £178,000.

7. SHARE-BASED PAYMENTS

The Group issues equity-settled share-based payments to certain directors and individuals who have performed services for the Group. Equity-settled share-based payments are measured at fair value at the date of grant.

Fair value is measured by use of a Black-Scholes valuation model.

The Group plan provides for a grant price equal to the average quoted market price of the ordinary shares on the date of grant.

SHARE OPTIONS

	30/06/2022 Options	2022 Weighted average exercise price in pence	30/06/2021 Options	2021 Weighted average exercise price in pence
Outstanding at beginning of year	11,410,000	5.14	11,410,000	5.14
Issued	-	-	-	-
Outstanding at end of the year	11,410,000	5.14	11,410,000	5.14
Exercisable at end of the year	11,410,000	5.14	11,410,000	5.14

WARRANTS

	30/06/2022 Warrants	2022 Weighted average exercise price in pence	30/06/2021 Warrants	2021 Weighted average exercise price in pence
Outstanding at beginning of year	139,166,667	0.60	105,939,394	0.60
Issued	55,000,000	2.0	110,500,000	0.60
Exercised	(31,350,000)	0.60	(11,000,000)	0.60
Expired	-	-	(66,272,727)	0.60
Outstanding at end of the year	<u>162,816,667</u>	<u>1.07</u>	<u>139,166,667</u>	<u>0.60</u>

Refer to note 6 Called up Share Capital for the details of the share options and warrants.

8. OTHER RESERVES

	Share Based Payment Reserve £	Translation Reserve £	Other Reserves £	Total £
Balance at 30 June 2020	111,189	(236,662)	(983,287)	(1,108,760)
Foreign Exchange Gain/Loss		(85,392)		(85,392)
Balance at 30 June 2021	111,189	(322,054)	(983,287)	(1,194,152)
Foreign Exchange Gain/Loss		22,562		22,562
Balance at 30 June 2022	<u>111,189</u>	<u>(299,492)</u>	<u>(983,287)</u>	<u>(1,171,590)</u>

Share Based Payment Reserve

The share based payment reserve arises on the grant of share options under the share option plan as detailed in Note 7.

Translation Reserve

The translation reserve arises from the translation of foreign operations.

Other Reserves

During 2010 the Company acquired certain assets and liabilities from African Diamonds plc, a Company under common control. The assets and liabilities acquired were recognised at their book value and no goodwill was recognised on acquisition. The difference between the book value of the assets acquired and the purchase consideration was recognised directly in reserves.

9. RETAINED DEFICIT

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Opening Balance	(5,704,805)	(5,232,698)	(8,987,016)	(8,554,330)
Loss for the year	(738,992)	(472,107)	(656,998)	(432,686)
Closing Balance	<u>(6,443,797)</u>	<u>(5,704,805)</u>	<u>(9,644,014)</u>	<u>(8,987,016)</u>

Retained Deficit

Retained deficit comprises of losses incurred in the current and prior years.

10. POST BALANCE SHEET EVENTS

On 4 July 2022 the Company announced that pursuant to the receipt of conversion notice from a holder of 1,666,667 warrants exercisable at 0.60 pence each, it had issued 1,666,667 ordinary shares for £10,000.

On 20 July 2022 the Company announced the acquisition of an additional stake in the prospective Maibwe joint venture in Botswana.

Details

Siseko Minerals Pty Ltd (“Siseko”) increased its stake in the highly prospective Maibwe JV from 29% to 50%. BOD holds a 51.7% stake in Siseko. The consideration payable by Siseko is Pula 411,800 (equivalent to approximately £27,215). In addition, Maibwe agreed to pay a royalty to the liquidators of BCL Botswana of 2% from any future commercial development. Maibwe has eleven Prospecting Licenses in the Kalahari of Botswana with several kimberlite pipes; one of which has reported significant quantities of microdiamonds.

The agreement was subject to the following conditions:

- Regulatory (Section 23) approval;
- Competition Authority approval, if required;
- Guarantee for the acquisition consideration;
- Authorisation that the liquidators can enter into such an agreement, and lastly
- Execution of the Royalty Agreement.

The completion date is 90-days after the signature date of the agreement.

BOD funded its share of the consideration (amounting to approximately £13,600) from existing resources. Maibwe is effectively dormant and in the last financial period for the year ended 31 May 2020 total assets were nil (with all exploration expenditure expensed) and the loss before tax amounted to approximately £4,000.

On 8 September 2022 the Company announced that pursuant to the receipt of conversion notices from holders of 47,000,000 warrants exercisable at 0.60 pence each, it had issued 47,000,000 ordinary shares for £282,000.

On 28 September 2022 the Company announced that the Vutomi acquisition had completed.

Previously on 29 September 2021 the Board announced that it had exercised its pre-emptive right to acquire the outstanding third-party interests in Vutomi Mining (Proprietary) Limited and Razorbill Properties 12 (Proprietary) Limited (together “Vutomi”). Vutomi holds the mineral rights to the Thorny River Project as

well as other exploration assets. The acquisition of Vutomi ("**Acquisition**") was conditional on, *inter alia*, customary regulatory and competition authority approvals in South Africa.

The Board announced that the Company had received Section 11 regulatory approval for the transaction in terms of the South African MPRDA all conditions had been satisfied.

As previously announced, the consideration for Vutomi comprises 56,989,330 new ordinary shares of £0.0025 each ("Ordinary Shares") in the Company ("Consideration Shares"). There are no lock-in arrangements, but the Consideration Shares will be issued in two equal tranches (three months apart) following Completion. Accordingly, 28,464,665 Consideration Shares ("First Tranche Consideration Shares") have been issued to the vendors of Vutomi.

The Company also agreed that immediately on completion of the Acquisition, the Company would sell 26% of Vutomi for a deferred consideration of US\$316,333 to the Company's local South African Empowerment partner, Baroville Trade and Investments 02 Proprietary Limited ("**Baroville**"), in order to comply with South African

On 6 October 2022 the Company announced that pursuant to the receipt of conversion notice from a holder of 412,545 warrants exercisable at 0.60 pence each, it had issued 412,545 ordinary shares for £2,475.

11. GENERAL INFORMATION

The Annual Report and Accounts will be mailed shortly only to those shareholders who have elected to receive it. Otherwise, shareholders will be notified that the Annual Report and Accounts will be available on the website at www.botswanadiamonds.co.uk. Copies of The Annual Report will also be available for collection from the company's registered office at Suite 1, 7th Floor, 50 Broadway, London SW1H 0BL

12. ANNUAL GENERAL MEETING

The Annual General Meeting is due to be held on Thursday 19th January 2023 at The Hilton London, Paddington, 146 Praed St, London W2 1EE, United Kingdom at 11.00am. A Notice of the Annual General Meeting is included in the Company's Annual Report.

ENDS