9th September 2016

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

Exploration Update for Alrosa Joint Venture

The Directors of Botswana Diamonds (AIM: BOD) are pleased to provide an update on their ongoing diamond exploration campaign in Botswana. The campaign is part of the 50/50 joint venture between Botswana Diamonds and Alrosa, the world’s leading diamond producer.

- Next stage exploration will begin on the Alrosa/Botswana Diamond Joint Venture at the end of September in the Orapa and Gope areas of Botswana
- Four core holes will be drilled in Gope on PL 135
- Two core holes will be drilled on kimberlite AK22 on PL 260 in Orapa
- Two core holes will be drilled on PL 085 in Orapa
- An intensive programme of geophysics and soil sampling will be carried out on the 4 other licences held in Gope
- An Alrosa team of 7 specialists will be joined by Botswana Diamonds geologists and support crew

Final results are still awaited from the analysis of the 80 tons of material recovered from the two Large Diameter Drillholes (LDD) on kimberlite AK21 on licence PL 260 in Orapa. Delays in finding a company in South Africa capable of concluding the work were compounded by an inconclusive result. Concentrate is being returned to Botswana for evaluation by Alrosa specialists. Core which came from earlier boreholes on AK 21 is being sent to a laboratory for caustic fusion analysis.

John Teeling, Chairman, commented “The Alrosa/Botswana Diamonds Joint Venture will shortly begin an intensive twelve week exploration programme on our ground in Botswana. Core holes will be drilled on three licences, two on the known kimberlite AK22 in Orapa, two on licence PL 085 also in Orapa and four on licence PL 135 in Gope. Earlier work has pinpointed sites we believe may contain new diamondiferous kimberlites.”
We are drilling two holes on AK 22, a known kimberlite containing diamonds. We had expected to have the results from a bulk sample of 80 tons of materials on an adjacent pipe AK 21 but lack of processing capacity in Botswana and issues with a facility in South Africa have to date produced inconclusive results. We are having to re-examine the concentrate as well as analyse fresh core from earlier drillings.

We will also run electromagnetic and Transient Electro Magnetic (TEM) studies and soil sampling programmes across 6 licences. Initial results are expected by year end. We are funded for this phase of exploration.”

This release has been approved by Benjamin Mosigi, MSc (Mineral Exploration and Mining Geology), who is a member of the Geological Society of South Africa.

This announcement contains inside information for the purposes of Article 7 of Regulation 596/2014.

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