27th February 2017

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

Placing to Fund Drilling

The Board of Botswana Diamonds (AIM: BOD) are pleased to announce that the Company has raised £525,000 (before expenses) via the placing of 35,000,000 new ordinary shares (the "Placing Shares") with new and existing investors at a price of 1.5p per Placing Share (the "Placing").

The net proceeds of the Placing will be used to fund ongoing kimberlite drilling at the Frischgewaagt property in South Africa, drilling in Botswana, exploration work in South Africa and in the first stage of the 2017 Alrosa/Botswana Diamonds exploration programme in the Orapa and Gope areas of Botswana.

The Placing Shares represent approximately 9.37% of the Company's issued share capital as enlarged by the Placing. The Placing shares will rank pari passu with the Company's existing ordinary shares of 0.25p each (“Ordinary Shares”). Application will be made for the Placing Shares to be admitted to trading on AIM (“Admission”) and it is expected that such Admission will become effective on or around 2nd March 2017.

Following the Admission of the Placing Shares, there will be a total of 373,411,181 Ordinary Shares in issue with each share carrying the right of one vote. The above figure may be used by the Company’s shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or change to their interest in, the Company under the FCA’s Disclosure and Transparency Rules.

John Teeling, Chairman, commented “Our exploration activities are gaining momentum. We are drilling at Frischgewaagt, our late stage exploration property in South Africa and we will start drilling in Botswana imminently. The Alrosa team will also commence their fieldwork in early March. The two drilling programmes will be completed by the end of March, after which we anticipate a period of six to eight weeks’ analysis. The finance raised will fund these programmes and I look forward to providing our shareholders with further updates as appropriate.”

ENDS

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