Firestone Diamonds plc

Operations Update

LONDON: 28 February 2012

Firestone Diamonds plc ("Firestone" or the "Company"), the AIM-quoted diamond mining and exploration company, announces that further to the press release on 6 February 2012 regarding a strategic review of the BK11 mine in Botswana, the Company has today suspended operations and placed the mine on a temporary care and maintenance programme. The decision was taken due to a combination of operational challenges and current weakness in the diamond market.

Care and maintenance programme:

- A care and maintenance programme has been undertaken to keep BK11 in sufficient condition to readily re-start operations;
- The indicative monthly holding costs are approximately US $65,000.

The Company has concluded a consultative process with its employees at the mine, to ensure a transparent and legitimate process covering a number of options, which are in line with the labour and mining acts within Botswana.

Tim Wilkes, CEO of Firestone Diamonds, commented; "We remain committed to the operations in Botswana and the programme at BK11 is a temporary measure that has been designed to enable a rapid re-start of operations when the technical and market challenges have been resolved. The Company will now focus on the flagship Liqhobong Mine in Lesotho which has proven large scale diamond recoveries and remains on track to announce the Definitive Feasibility Study in June 2012 and produce 1 million carats by 2014.

For further information, visit the Company's web site at www.firestonediamonds.com or contact:

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Background information on Firestone Diamonds:

Firestone Diamonds plc is an international diamond mining and exploration company with operations focused on Lesotho and Botswana. Firestone currently operates the Liqhobong Mine in Lesotho and is also the largest holder of mineral rights in Botswana's diamondiferous kimberlite fields, controlling approximately 10,000 square kilometres around the major Orapa and Jwaneng mines and the entire Tsabong kimberlite field. In addition to Liqhobong and BK11, Firestone has 108 kimberlites in its portfolio, of which 30 have been proven to be diamondiferous.

Lesotho is emerging as one of Africa's significant new diamond producers, and hosts Gem Diamonds' Letseng Mine, Firestone's Liqhobong Mine as well as the Kao and Mothae development projects. Botswana is the world's largest and lowest cost producer of diamonds, with annual production worth over $2.5 billion, and is considered to be one of the most prospective countries in the world to explore for diamonds.

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