Botswana Diamonds plc (‘Botswana Diamonds’ or the ‘Company’)

PL117 Exploration Work Underway

Botswana Diamonds (AIM:BOD), today announces that work on licence PL117 in the Orapa area has commenced. The Company’s geologists have completed the advance work and procured the necessary equipment. The geologists of its joint venture partner, Alrosa, will join them, in the Orapa region, in the coming weeks. The licence is small, 2.9 sq km, and is close to the Karowe Diamond mine.

Botswana Diamonds and Alrosa identified licence PL 117 as a key target. The Botswana Diamonds team previously discovered a diamondiferous kimberlite (AK10) on the same licence in 2004.

Following a successful fundraise in December 2013, the initial Alrosa/Botswana Diamonds joint exploration project will focus on a work programme at the PL117 licence area. The joint venture team will carry out further soil sampling, geophysical and geochemical work to define exact drill targets, with drilling expected to commence before the end of quarter one this year.

John Teeling, Chairman of Botswana Diamonds, said;

“I am very pleased to be able to announce that the work on the highly prospective PL117 target has commenced, and look forward to the Alrosa geologists joining the Botswana team shortly. We are very hopeful that we will be able to improve on what was found previously. Indications are good and it is the top target identified by Alrosa.

“Alrosa is the world leader in diamond exploration and mining today. It is a vast company providing 26 per cent of global diamond output and producing around 36 million carats of diamonds per year.

“We have the money, the right partner and good ground.”

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Notes to Editors

On 19 August 2013, Botswana Diamonds signed a 50/50 joint venture agreement with Alrosa of Russia. Alrosa is the largest diamond producer in the world with 17 active mines in Siberia, producing 36 million carats in 2013, which was around a quarter of the world’s diamond production.

The joint venture project is initially aimed at focusing on the exploration of the PL117 licence area in the Orapa region of Botswana, with other high priority targets to come. The objective is to find new diamond bearing kimberlites and future diamond mines in Botswana.