



Issue of Shares

Released : 01 Nov 2019 15:53

RNS Number : 0429S
Firestone Diamonds PLC
01 November 2019

1 November 2019

Firestone Diamonds plc ("Firestone" or the "Company")

Issue of shares

Firestone Diamonds plc (AIM: FDI) announces that, in accordance with the terms of the US\$30.0 million Series A Eurobond debt facility ("Series A Eurobonds"), and subsequent to the passing of necessary resolutions at a General Meeting that was held on 15 October 2019 ("the General Meeting"), it has opted to issue, in aggregate, 79,600,454 new ordinary shares of 1 pence each ("Ordinary Shares") in respect of the quarterly interest due on the Series A Eurobonds, for the two quarters ended 30 June and 30 September 2019.

In terms of the resolutions, the company is permitted to issue shares in respect of the interest due on the Series A Eurobonds to Pacific Road Resources Fund II L.P. and Pacific Road Resources Fund II (together "Pacific Road") and Resource Capital Fund VI L.P. ("RCF") for the 12 month period commencing from 1 July 2019 and ending on 30 June 2020 on a non-pre-emptive basis. As at 30 September 2019, Series A Eurobonds amounting to US\$30.0 million had been issued.

Accordingly, the Company will issue, in aggregate, 39,800,227 new Ordinary Shares to Pacific Road and 39,800,227 new Ordinary Shares to RCF in respect of the interest due on the Series A Eurobonds, for the two quarters ended 30 June and 30 September 2019.

Application has been made to the London Stock Exchange plc for the new Ordinary Shares to be admitted to trading on AIM. Admission and dealings in the new Ordinary Shares are expected to commence at 8.00 a.m. on 5 November 2019 ("Admission"). On Admission, the Company will have 645,072,236 Ordinary Shares in issue.

The Company does not currently hold any Ordinary Shares in treasury. Accordingly, the above figure of 645,072,236 may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

Following the issue of the new Ordinary Shares, Pacific Road and RCF will be interested in 201,226,292 and 201,821,604 Ordinary Shares respectively, representing approximately 31.19% and 31.29% respectively of the Company's issued share capital. The Takeover Panel has agreed to waive the obligation on Pacific Road and RCF to make a mandatory offer to all Shareholders under Rule 9 of the Takeover Code which would otherwise be triggered as a result of the increase in the voting rights in the Company of each Pacific Road and RCF above 30 per cent, following the approval of the Independent Shareholders being granted at the General Meeting.

For more information please visit: www.firestonediamonds.com or contact:

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Background information on Firestone

Firestone is an international diamond mining company with operations in Lesotho. Firestone commenced commercial production in July 2017 at the Liqhobong Diamond Mine. Liqhobong is owned 75% by Firestone and 25% by the Government of Lesotho. Lesotho is one of Africa's significant new diamond producers, hosting Gem Diamonds' Letšeng Mine, Firestone's Liqhobong Mine, Namakwa Diamonds' Kao Mine and Lucapa's Mothae Mine.

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