

Botswana Diamonds PLC

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Botswana Diamonds takes a portfolio approach to exploration in the "best diamond address in the world"

"We have three main areas of work," says James Campbell of Botswana Diamonds.

"It's a portfolio approach: there are two joint ventures in Botswana, and in South Africa we've got an earn-in with a group called Vutomi on projects in Limpopo."

The main focus is on Botswana, which the company describes as the "best diamond address in the world." It's a country too in which Campbell has years of experience, part of which was racked up in running the operational side of Irish company African Diamonds before it was eventually taken out by Lucara (TSE:LUC).

WATCH: Botswana Diamonds taking a portfolio approach to African exploration "I joined African Diamonds from De Beers," he says.

"It was my project inside De Beers, but we took it through the hoops and Lucara developed the mine according to our plan."

Original African Diamonds shareholders made 25 times their money, according to Campbell, which is why Botswana is such an intriguing opportunity.

The founders of African Diamonds, the Teeling family and associated investors, are also the same group behind Botswana Diamonds, in largely because Botswana as founded, contained all the African Diamonds exploration assets that didn't go into the Lucara deal.

Campbell himself wasn't in at the outset, however. He went over to Lucara for a while, and helped them implement the development plan for the AK6 mine. And he also ran Rockwell Diamonds Inc.

But he's been reunited with the Teeling clan at Botswana Diamonds since 2016, and as the mining markets have gradually improved over the past few years, he's gradually steered Botswana Diamonds into a position where the exploration upside is becoming increasingly apparent to the market.

One proof is in the quality of Botswana's joint venture partner. In Alrosa, the company has one of the world's premier diamond mining companies signed up to work on two prospective areas in Botswana, Orapa, arguably the most prolific diamond district in the world, and the Central Kalahari.

As a diamond major second only to De Beers itself, Alrosa is no stranger to exploration, and on the face of it, Botswana Diamonds and Alrosa look ill-matched. But the marriage actually works on several levels. Alrosa has plenty of exploration expertise to bring to bear as well as proprietary exploration technology. Botswana Diamonds for its part, has the in-country expertise that's broadly lacking in the Russian major, which has hitherto focussed primarily on mines in

Price: 0.7

Market Cap: £4.39 m

1 Year Share Price Graph



December 2018 June 2019 December 20

Share Information

Code: BOD

Listing: AIM

52 week High Low
1.44 0.45

Sector: Diamonds & gemstones

Website: www.botswanadiamonds.co.uk

Company Synopsis:

Botswana Diamonds is exploring in Botswana which is the best diamond address in the world. The company's experienced team has a successful track record of discovery. This is the team that helped discover the Karowe mine in Orapa, Botswana, which produces extremely high value stones. The Botswana Diamonds team has been heavily involved in diamond exploration since the 1980's.

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the northern hemisphere. Both companies can learn a great deal from each other, and this joint venture has held firm for five years.

More newsflow from South Africa

A recent sampling programme over eight geophysical anomalies yielded a total of 267 kimberlitic indicator minerals across all anomalies. The plan now is to drill across this ground over the next six months and update the market accordingly.

Meanwhile, the other Botswana joint venture is slightly hamstrung because the partner has been in administration and official results of the most recent work remain under wraps while the government of Botswana tries to sort it out.

Campbell talks of the "extraordinary quantities of microdiamonds" present on the ground controlled by this joint venture, but until the liquidation process is complete he is unable to provide any more detail.

Over in South Africa though, there has been much more newsflow. The company has just completed chemical analysis of eight kimberlite pipes on its Free State project, and now plans to drill them.

It's also just acquired new ground around 50 kilometres north of Petra's (LON:PDL) Cullinan mine.

So, the newsflow will be coming thick and fast over the next few months. Campbell and his team know that exploration for diamonds is a tricky business, but they have plenty of experience and a track record of success, and in Alrosa they have one of the biggest and most successful miners in the business as a partner.

It will be interesting to watch.

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