

FIRESTONE DIAMONDS PLC

(INCORPORATED AND REGISTERED IN ENGLAND AND WALES WITH COMPANY NUMBER 03589905)



CHAIRMAN'S LETTER AND NOTICE OF ANNUAL GENERAL MEETING

To be held on Wednesday, 26 November 2014 at 2.30pm

at the offices of Tavistock Communications,
131 Finsbury Pavement,
London EC2A 1NT

This document is important and requires your immediate attention

If you are in any doubt about the contents of this document or as to what action you should take, you should seek advice from your stockbroker, solicitor, accountant or other appropriate professional adviser.

If you have sold or otherwise transferred all of your shares in Firestone Diamonds plc, please pass this document, together with the accompanying documents, to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

FIRESTONE DIAMONDS PLC

COMPANY NUMBER 03589905

Registered in England and Wales

Registered Office:

The Triangle
5-17 Hammersmith Grove
London W6 0LG

Thursday, 30 October 2014

Dear Shareholder

Notice of Annual General Meeting 2014

On behalf of the Board of Directors (the "Board" or the "Directors") of Firestone Diamonds plc (the "Company"), I am delighted to invite you to attend our 2014 Annual General Meeting (the "AGM") which will be held at the offices of Tavistock Communications, 131 Finsbury Pavement, London EC2A 1NT at 2.30 p.m. on Wednesday, 26 November 2014. The formal notice of AGM is set out on page 3 of this document.

An explanation of the business to be conducted at the AGM is included on page 5. On pages 6 to 7 you will find additional important information in relation to shareholder services.

Voting at the AGM

If you are unable to attend the AGM in person, your vote is still important and I would encourage you to complete, sign and return the enclosed form of proxy ("Form of Proxy") to register your vote. To be valid, the Form of Proxy needs to have been received by the Company's registrars, Capita Asset Services by 2.30pm on 24 November 2014. Any proxy you appoint may attend, speak and vote at the AGM on your behalf. If you are a CREST member, you may appoint a proxy through the CREST electronic appointment service and your instruction must be received by Capita Asset Services by 2.30pm on 24 November 2014.

Shareholders attending the meeting in person or by proxy will have the opportunity to ask questions on the AGM resolutions and any other topic of relevance to our business. We hope that you will make use of the opportunity to raise questions on the topics to be discussed. You are, of course, invited to write to me at any time if you have any questions.

Action to be taken

Please complete the Form of Proxy whether or not you intend to be present at the AGM in accordance with the instructions printed on the form. Please return the Form of Proxy to the Company's registrars, Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and, in any event, so as to reach Capita Asset Services no later than 2.30pm on 24 November 2014. Completion and return of the Form of Proxy will not prevent you from attending and voting in person at the meeting, should you wish to do so.

Recommendation

The Directors consider that the resolutions to be voted on at the AGM are in the best interests of the Company and of its shareholders as a whole. The Directors unanimously recommend shareholders to vote in favour of these resolutions at the AGM, as the Directors themselves intend to do in respect of their own beneficial shareholdings except as regards their own re-appointment to the Board.

I look forward to meeting as many of you as possible at the AGM.

Yours sincerely

Lucio Genovese

Chairman

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Firestone Diamonds plc (the "Company") will be held at the offices of Tavistock Communications, 131 Finsbury Pavement, London, EC2A 1NT at 2.30pm on Wednesday, 26 November 2014 for the following purposes:

Ordinary Business

To consider and, if thought fit, pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive the Company's annual accounts for the financial year ended 30 June 2014, together with the directors' report and the auditors' report on those accounts.
2. To re-appoint BDO LLP as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting of the Company at which the Company's accounts are laid.
3. To authorise the directors of the Company (the "Directors") to determine the auditors' remuneration.
4. To appoint Mr Ken Owen as a Director.
5. To appoint Mr Niall Young as a Director.
6. To re-appoint Mr Lucio Genovese as a Director.
7. To re-appoint Mr Stuart Brown as a Director.
8. To re-appoint Mr Braam Jonker as a Director.
9. To re-appoint Mr Paul Sobie as a Director.
10. To re-appoint Mr Mike Wittet as a Director.

Special Business

To consider and, if thought fit, pass the following resolutions of which resolution 11 will be proposed as ordinary resolution and resolution 12 will be proposed as a special resolution:

11. That the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "Act") (and in substitution for any existing authority granted to them) to exercise all of the powers of the Company to allot ordinary shares in the Company or grant rights to subscribe for or convert any security into ordinary shares in the Company ("Rights"):

11.1 up to an aggregate nominal amount equal to £1,029,976,

provided that this authority shall expire (unless renewed, varied or revoked by the Company in a general meeting) on the earlier of the next annual general meeting of the Company or 31 December 2015 save that the Company may, before such expiry, make an offer or agreement which would or might require ordinary shares to be allotted or Rights to be granted after the expiry of such period and the Directors may allot shares or grant Rights pursuant to such an offer or agreement as if the authority conferred hereby had not expired.

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

Special Business continued

12. That, conditional on resolution 11 being duly passed (and in substitution for any existing powers granted to them), the Directors be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of that Act) of the Company for cash pursuant to the authority conferred by resolution 11 above as if section 561(1) of that Act did not apply to such allotment, provided that this power shall be limited to the allotment of equity securities:

12.1 in connection with or pursuant to a rights issue, open offer or any other pre-emptive offer in favour of holders of ordinary shares in the Company, where the equity securities attributable to the interests of all holders of ordinary shares are proportionate as nearly as may be practicable to the respective number of ordinary shares held or deemed to be held by them, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange;

12.2 up to any aggregate nominal amount of £308,993 (other than pursuant to sub-paragraph 12.1 above),

provided that this power shall expire on the earlier of the next annual general meeting of the Company or 31 December 2015 but so that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

By Order of the Board

Prism Cosec Limited

Company Secretary
Thursday, 30 October 2014

Registered office:

The Triangle
5-17 Hammersmith Grove
London W6 0LG

EXPLANATORY NOTES TO THE RESOLUTIONS

Resolutions 1 to 11 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolution 12 is proposed as a special resolution. This means that for this resolution to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 1: Receipt of the audited financial statements and the Directors' Report

The Company is required to present the audited accounts for the financial year ended 30 June 2014 and the directors' report and the auditor's report thereon to the meeting. These are contained in the Company's Annual Report and Accounts 2014.

Resolutions 2 and 3: Auditors' Re-appointment and Remuneration

The Company is required to appoint auditors at each general meeting at which accounts are laid before the Company, to hold office until the end of the next such meeting. This resolution proposes the re-appointment of BDO LLP as the Company's auditors. Shareholders will also be asked to grant authority to the Directors to determine the auditors' remuneration.

Resolutions 4 to 10 (inclusive): Appointment and Re-appointment of Directors

Ken Owen and Niall Young were appointed as new Directors of the Company on 18 June 2014. Under the Company's articles of association they are required to retire and stand for appointment by the shareholders. Additionally, the Company's articles provide that one third of the directors who are subject to retirement by rotation shall retire from office. Notwithstanding this provision in the articles all the directors of the Company shall stand for re-election at the meeting. This accords with the UK Corporate Governance Code which provides that all directors of companies who form part of the FTSE 350 should be subject to annual re-election.

The biographies of the Directors may be found on page 16 and 17 of the Company's Annual Report and Accounts 2014.

Resolution 11: Authority to Allot Shares

Resolution 11 asks shareholders to grant the Directors authority under section 551 of the Companies Act 2006 (the "Act") to allot ordinary shares in the Company and to grant rights to subscribe for or convert a security into ordinary shares in the Company up to a maximum aggregate nominal value of £1,029,976 being approximately one-third of the nominal value of the issued ordinary share capital of the Company as at Thursday, 30 October 2014. This resolution replaces the same resolution passed at the Annual General Meeting of the Company held on 29 November 2013.

Resolution 12: Disapplication of Pre-emption Rights

Resolution 12 asks shareholders to empower the Directors to allot equity securities for cash, without first having to offer such securities to existing shareholders in proportion to their existing shareholdings. The authority is limited to (i) allotments in connection with a rights issue, open offer or other pre-emptive offer, and (ii) the allotment of equity securities up to an aggregate nominal value of £308,993 (being approximately 10% of the Company's issued ordinary share capital as at Thursday, 30 October 2014).

INFORMATION FOR SHAREHOLDERS

Appointment of proxies

1. A shareholder entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend, speak and vote instead of him or her. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the enclosed Form of Proxy are set out in the notes to the Form of Proxy. A proxy need not be a shareholder of the Company but must attend the meeting in person.
2. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy please contact Capita Asset Services on 0871 664 0300 if calling from within the UK (calls cost 10p per minute plus network extras) or +44 (0)20 8639 3399 if calling from outside the UK. Lines are open between 9.00 a.m. and 5.30 p.m., Monday – Friday (excluding Bank Holidays).
3. To be effective, the Form of Proxy, together with the original of any power of attorney or other written authority under which it is signed, must be completed, signed and deposited with Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than 2.30 p.m. on 24 November 2014 (or if the meeting is adjourned, not less than 48 hours before the time of any adjourned meeting (excluding non-working days)). In the case of a company, the Form of Proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the company.
4. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
5. If you do not give your proxy an indication of how to vote on any resolution, your proxy will vote or abstain from voting at his or her discretion.

Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

6. A vote withheld option is provided on the Form of Proxy to enable you to instruct your proxy not to vote on any particular resolution. However it should be noted that a vote withheld in this way is not a “vote” in law and will not be counted in the calculation of the proportion of votes “For” and “Against” a resolution.
7. To change your proxy instructions simply submit a new proxy appointment using the methods set out in this Notice. Note that the cut-off time for receipt of proxy appointments (see above at paragraph 3) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy and would like to change the instructions using another hard-copy proxy form, please contact Capita Asset Services on 0871 664 0300 if calling from within the UK (calls cost 10p per minute plus network extras) or +44 (0)20 8639 3399 if calling from outside the UK. Lines are open between 9.00 a.m. and 5.30 p.m., Monday – Friday. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

In order to revoke a proxy instruction, a member will need to inform the Company by sending a notice in writing to the address set out at note 3 or, where the appointment of proxy was contained in an electronic communication, in accordance with note 11, as applicable, clearly stating the member’s intention to revoke his or her proxy appointment. In the case of a member that is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company, together with the authority (if any) under which it is signed or a notorially certified copy of such authority.

The revocation notice must be received by Capita Asset Services or, where the appointment of proxy was contained in an electronic communication, in accordance with note 11, as applicable, no later than 2.30 p.m. on 24 November 2014, or by no later than 48 hours prior to the time appointed for the holding of any adjourned Annual General Meeting. If a member attempts to revoke a proxy appointment but the revocation is received after the time specified, then, unless the member attends the Annual General Meeting in person (or in the case of a corporation that is a member, by the corporate representative) in respect of shares for which a proxy has been appointed, the proxy appointment will remain valid.

Entitlement to attend and vote

8. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that only those shareholders registered on the register of members of the Company as 6.00 p.m. on 24 November 2014 or, if the Annual General Meeting is adjourned, on the register of members not less than 48 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares registered in their name at that relevant time. Changes to entries on the register of members after 2.30 p.m. on 24 November 2014 or, if the Annual General Meeting is adjourned, on the register of members not more than 48 hours before the time of any adjourned meeting, will be disregarded in determining the right of any person to attend and vote at the meeting.

Entitlement to attend and vote continued

9. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of any other joint holders. For these purposes, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
10. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Electronic Proxy appointment through CREST

11. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST Manual. CREST personal members, sponsored CREST members and CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action for them.
12. To complete a valid proxy appointment or instruction using the CREST service, the CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must in order to be valid, be transmitted and received by Capita Asset Services (Participant ID "RA10") by 2.30 p.m. on 24 November 2014 (or if the meeting is adjourned, not less than 48 hours before the time of any adjourned meeting (excluding non-working days)). The time of receipt of the instruction will be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Capita Asset Services is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
13. CREST members and, where applicable, CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will apply to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s) to ensure that his CREST sponsor or voting service provider(s) take(s) the necessary action to ensure that a message is transmitted by means of the CREST system by a particular time. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should refer to the sections of the CREST Manual concerning practical limitations of the CREST system and timings.
14. The Company may treat a CREST Proxy Instruction as invalid as set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
15. As at Wednesday, 29 October 2014 (being the last business day prior to the publication of this Notice) the Company's issued share capital comprised 308,992,814 ordinary shares of 1p each carrying one vote each, 7,079,649,109 deferred shares of 1p each and 308,992,814 B deferred shares of 9p each which do not carry voting rights. Therefore, the total voting rights in the Company as at 29 October 2014 are 308,992,814.

Communication

16. Except as provided above, shareholders who have general queries about the meeting should contact Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. You may not use any electronic address provided either in this Notice of Annual General Meeting or any related document (including the Form of Proxy), to communicate with the Company for any purposes other than those expressly stated.

INFORMATION ABOUT ATTENDING THE ANNUAL GENERAL MEETING

The 2014 Annual General Meeting is being held at the offices of Tavistock Communications, 131 Finsbury Pavement, London EC2A 1NT.

How to get there



Directions

The offices of Tavistock Communications are a short walk from Moorgate or Barbican tube stations. The nearest National Rail station is Liverpool Street. There is also an NCP Car Park in nearby Finsbury Square.

Security

Please note that for security reasons, all hand luggage may be subject to examination prior to entry to the Annual General Meeting. Certain items will not be permitted in the meeting room. These include cameras, recording equipment, items of any nature with the potential to cause disorder and such other items as the Chairman may specify.

Persons who are not shareholders of the Company will not be admitted to the Annual General Meeting unless prior arrangements have been made with the Company. Investors holding shares through nominees are welcome to attend provided that they bring proof of their holding with them to the Annual General Meeting.

Investor Calendar

Event	Date
Half year results announcement	February/March 2015
Financial year end	30 June 2015