

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. It contains the resolutions to be voted on at a general meeting of Firestone Diamonds PLC (the “Company”) to be held on 1 August 2013 (the “General Meeting”). If you are in any doubt about what action you should take, you are recommended immediately to seek advice from your stockbroker, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000 (as amended) or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your Existing Ordinary Shares in the Company please forward this document, together with the accompanying Form of Proxy, at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold or otherwise transferred some of your Existing Ordinary Shares, you should consult with the stockbroker, bank or other agent through whom the sale or transfer was effected.

The Directors (whose names and functions appear on page 7 of this document) and the Company (whose registered office appears on page 7 of this document) accept responsibility, both collectively and individually, for the information contained in this document and compliance with the AIM Rules. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Placing Shares will commence on AIM at 8.00 a.m. on 2 August 2013.

FIRESTONE DIAMONDS PLC

(incorporated and registered in England and Wales with company number 3589905)

CONDITIONAL PLACING OF 198,500,000 PLACING SHARES AT A PRICE OF 2 PENCE PER PLACING SHARE

AND

NOTICE OF GENERAL MEETING

This document should be read as a whole. Nevertheless, your attention is drawn to the letter from the Chairman of the Company which is set out in this document and which recommends you vote in favour of the resolutions to be proposed at the General Meeting referred to below.

The Notice of General Meeting to be held at the offices of Lawrence Graham LLP, 4 More London Riverside, London SE1 2AU at 11.00 a.m. on 1 August 2013 is set out at pages 14 to 15 of this document. A Form of Proxy for use at the GM accompanies this document and to be valid must be completed and returned in accordance with the instructions set out thereon as soon as possible but in any event so as to reach Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 11.00 a.m. on 30 July 2013. **Whether or not you intend to be present at the General Meeting you are requested to complete and return the Form of Proxy as instructed above. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.**

This document does not constitute or form part of any offer or instruction to purchase, subscribe for or sell any shares or other securities in the Company nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract therefor.

The distribution of this document in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this document and/or the accompanying Form of Proxy comes should inform themselves about and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document. Prospective investors should read this document in its entirety.

N+1 Singer, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as nominated adviser to the Company. The responsibilities of N+1 Singer as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange plc and are not owed to the Company or to any Director, shareholder or any other person, in respect of his decision to acquire shares in the Company in reliance on any part of this document, or otherwise. N+1 Singer is not making any representation or warranty, express or implied, as to the contents of this document. N+1 Singer will not be offering advice and will not be responsible for providing customer protections to recipients of this document in respect of the Placing or any acquisition of Ordinary Shares in the Company.

A copy of this document will be made available from the Company's website, www.firestonediamonds.com. Neither the content of the Company's website nor any website accessible by hyperlinks to the Company's website is incorporated in, or forms part of, this document.

IMPORTANT NOTICE

Cautionary note regarding forward-looking statements

This document includes “forward-looking statements” which include all statements other than statements of historical fact, including, without limitation, those regarding the Group’s financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “would”, “could” or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Group’s control that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements and therefore undue reliance should not be placed on such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this document. The Company and the Directors expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

Notice to overseas persons

The distribution of this document and/or the Form of Proxy in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Placing Shares have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, (the “US Securities Act”) and may not be offered, sold or delivered in, into or from the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Subject to certain exemptions, this document does not constitute an offer of Ordinary Shares to any person with a registered address, or who is resident in, the United States. There will be no public offer in the United States. Outside of the United States, the Placing Shares are being offered in reliance on Regulation S under the US Securities Act. The Placing Shares will not qualify for distribution under the relevant securities laws of Australia, Canada, the Republic of South Africa or Japan, nor has any prospectus in relation to the Placing Shares been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, subject to certain exemptions, the Placing Shares may not be offered, sold, taken up, delivered or transferred in, into or from the United States, Australia, Canada, the Republic of South Africa, Japan or any other jurisdiction where to do so would constitute a breach of local securities laws or regulations (each a “Restricted Jurisdiction”) or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction. This document does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any Ordinary Shares to any person in a Restricted Jurisdiction and is not for distribution in, into or from a Restricted Jurisdiction.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Placing Shares nor have they approved this document or confirmed the accuracy or adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the US.

Basis on which information is presented

Various figures and percentages in this document have been rounded and accordingly may not total. As a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data.

In the document, references to “pounds sterling”, “£”, “pence” and “p” are to the lawful currency of the United Kingdom, references to “US\$” are to the lawful currency of the United States of America and references to “ZAR” are to the lawful currency of the Republic of South Africa.

References to defined terms

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at the section of this document under the heading “Definitions”.

All times referred to in this document are, unless otherwise stated, references to London time.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2013

Latest time and date for receipt of Forms of Proxy for the General Meeting	11.00 a.m. on 30 July
General Meeting	11.00 a.m. on 1 August
Admission and commencement of dealings in the Placing Shares	8.00 a.m. on 2 August
CREST accounts credited with Placing Shares in uncertificated form	8.00 a.m. on 2 August
Despatch of definitive share certificates in respect of Placing Shares to be issued in certificated form	by 12 August

Notes:

1. Each of the times and dates above are indicative only and are subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified by the Company to Shareholders by announcement through a regulatory information service.
2. All of the above times refer to London time unless otherwise stated.
3. Admission is conditional, *inter alia*, on the passing of the Resolutions at the General Meeting.

PLACING STATISTICS

Number of Existing Ordinary Shares in issue at the date of this document	546,852,396
Placing Price	2 pence
Number of Placing Shares to be issued pursuant to the Placing	198,500,000
Number of Ordinary Shares in issue immediately upon Admission	745,352,396
Placing Shares as a percentage of the Enlarged Issued Share Capital	26.63%
Gross proceeds of the Placing	US\$6 million (£3.97 million)
Estimated net proceeds of the Placing receivable by the Company	US\$5.7 million (£3.77 million)

Notes:

1. Exchange rate of £1:US\$1.5120 has been used

LETTER FROM THE CHAIRMAN OF FIRESTONE DIAMONDS PLC

FIRESTONE DIAMONDS PLC

(incorporated and registered in England and Wales with company number 3589905)

Directors:

R. Lucio Genovese (*Non-Executive Chairman*)
Tim Wilkes (*Chief Executive*)
Braam Jonker (*Non-Executive Director*)
Paul Sobie (*Non-Executive Director*)
Julian Treger (*Non-Executive Director*)
Mike Wittet (*Non-Executive Director*)

Registered Office:

The Triangle
5-17 Hammersmith Grove
London
W6 0LG

Dated: 16 July 2013

To all Shareholders and, for information only, to the holders of Options

Dear Shareholder,

Conditional Placing of 198,500,000 Placing Shares at a price of 2 pence per Placing Share and Notice of General Meeting

1. Introduction

Your Board announced today that it has conditionally raised approximately US\$6 million (£3.97 million) (before expenses) by way of a placing and subscription of 198,500,000 new Ordinary Shares at a placing price of 2 pence per new Ordinary Share with certain institutional and other investors, including certain existing Shareholders. The net proceeds of the Placing will be used for, *inter alia*, working capital for the pilot plant at the Company's main asset, the Liqhobong Diamond Mine in Lesotho, and for general working capital requirements. Further detailed information regarding the use of the proceeds is set out at section 4 below.

The Placing is conditional, *inter alia*, upon the Company obtaining approval from its Shareholders to grant the Board authority to allot the Placing Shares and to disapply statutory pre-emption rights which would otherwise apply to the issue of the Placing Shares. The Placing is also conditional upon Admission.

In order to consider the Resolutions, the Company has convened a General Meeting for 11.00 a.m. on 1 August 2013 at the offices of Lawrence Graham LLP, 4 More London, Riverside, London SE1 2AU. Notice of the General Meeting is set out at the end of this document.

This document explains the background to, and reasons for the General Meeting, and why the Directors recommend that you vote in favour of the resolutions to be proposed at the General Meeting, notice of which is set out at the end of this document.

2. Background to and reasons for the Placing

The Company's current focus is the Liqhobong Diamond Mine in Lesotho (in which the Group has a 75 per cent. interest, with the remaining interest held by the Lesotho Government) and in particular developing the main treatment plant ("the Expansion Project"), which, when operational, is anticipated to produce approximately 1 million carats of diamonds per annum. It is currently expected that the Expansion Project will be operational by the end of 2015.

As announced on 25 October 2012, the definitive feasibility study for the Expansion Project estimates the initial capital expenditure to be approximately US\$167 million (assuming an exchange rate of ZAR 8.92: US\$1). A further substantial equity fundraise will be required to fund the Expansion Project but the Company is pursuing a number of additional funding alternatives to try and minimise the equity dilution for Shareholders. In particular, to coincide with the proposed subsequent fundraising, the Company has commenced project finance discussions, which if successful, could provide an estimated US\$65-85 million, with financing in place by the fourth quarter of 2013. As an added source of finance the Company is also

progressing discussions to secure a large forward sale agreement; the Company has already signed a smaller US\$6 million forward sale agreement in relation to the Company's smaller diamonds and it is estimated that a further US\$20-30 million could be received as a pre-payment for the future delivery of smaller diamonds. The Company is also progressing discussions with two strategic equity investors.

Whilst it is anticipated that the capital expenditure of the Group will be US\$167 million, the Directors believe that this may reduce to approximately US\$142 million due to the recent depreciation of the South African Rand. Applying a weaker US\$:ZAR exchange rate forecast in the financial model increases the calculated internal rate of return of the Expansion Project from 40 per cent. to 52 per cent. and the net present value from approximately US\$335 million (post tax) to approximately US\$406 million. It is also expected that the payback period (excluding the construction period) would be reduced from 2.5 years to 1.5 years, and if the construction period is included, from 4 years to 3 years.

3. Current Trading and Prospects

The Company has conditionally raised approximately US\$5.7 million (£3.77 million) (net of expenses) and following the Placing the Company will have cash resources of approximately US\$7.7 million (£5.09 million).

The purpose of the fund raising is to provide, *inter alia*, the Group with general working capital until the financing of the Expansion Project has been secured.

The preparation work for the Expansion Project is now largely complete and the Company's focus has now shifted to the financing and implementation of the Expansion Project. The pilot plant at Lihobong which, to date, has produced approximately 274,577 carats of diamonds since opening in September 2011 and achieved an average diamond price of US\$86 per carat in the 12 month period ended May 2013, continues to operate. As previously announced, the pilot plant is not able to recover diamonds with dimensions bigger than 25mm and 10 larger carat stones have been broken during recovery with an estimated loss of revenue to the Company of between approximately US\$15-25 million. The Board is currently considering when the operation of the pilot plant should be discontinued in preparation of the mine site for the Expansion Project but envisages it to be before the end of the calendar year. A portion of the Placing proceeds will be used to fund the operational cost of the pilot plant until its closure. See section 4 below for further information on the use of proceeds from the Placing.

The Company is also looking to strengthen the executive team in order to assist the Group in the implementation of its strategy and, in particular, to oversee the implementation of the Expansion Project. The relevant individuals have already been identified and discussions are at an advanced stage.

The Company undertook a corporate restructuring in 2012 and the cost saving initiatives that it implemented have allowed the Company to realise savings of approximately US\$0.5 million in 2013 with a further US\$1 million of cost savings anticipated for the financial year ending 30 June 2014.

The market conditions in the mining industry are currently very challenging and the diamond industry is no exception. These conditions are particularly difficult for the junior mining sector. However, the Board recognises the cyclical nature of the mining industry in general and views the prevailing market conditions as temporary. The Board believes that the absence of significant new diamond discoveries and the size of the Lihobong resource sets it apart from most other junior mining investments and should provide significant support during the future recovery of the markets.

The Company's BK11 mine remains under care and maintenance. The Board is considering various strategic alternatives for this operation, but it recognises that extracting fair value from the asset in the current investor climate could be challenging.

4. Use of Proceeds

The total funds raised from the Placing (net of expenses) of approximately US\$5.7 million (£3.77 million) along with existing cash funds of approximately US\$2 million (being, in aggregate US\$7.7 million) will be used for the following purposes for the period to May 2014 (based on the exchange rate of 1.5120):

- capital expenditure for the Expansion Project – US\$0.2 million (£0.1 million);

- working capital for the pilot plant at Liqhobong – US\$2.1 million (£1.4 million);
- general working capital and other purposes including restructuring costs – US\$4.3 million (£2.9 million);
- repayment of debt – US\$1.1 million (£0.7 million).

The Board anticipates closing the other financing initiatives, including the further equity fundraising, during the fourth quarter of 2013, which if successful, is currently expected to provide the Company with sufficient funding to fully develop and implement the Expansion Project.

5. Details of the Placing

The Company is proposing to raise approximately US\$6 million (£3.97 million), before expenses, by way of a conditional placing and subscription of 198,500,000 new Ordinary Shares at a price of 2 pence per Placing Share. The Placing Shares will represent 26.63 per cent. of the Enlarged Issued Share Capital of the Company at Admission. The Placing Price represents a discount to the closing mid-market price of 23.8 per cent. per Ordinary Share as at 15 July 2013, being the last practicable date prior to the announcement of the Placing.

In connection with the Placing, the Company has entered into the Placing Agreement pursuant to which Mirabaud, as agent for the Company, has agreed to use its reasonable endeavours to place the Placing Shares with institutional and other investors, including certain existing Shareholders. The Placing is conditional, *inter alia*, on:

- Shareholders passing the Resolutions at the GM;
- the Placing Agreement becoming unconditional and not being terminated prior to Admission in accordance with its terms; and
- Admission becoming effective by no later than 8.00 a.m. on 2 August 2013 (or such later time and date as the Company may agree with Mirabaud, being no later than 8.00 a.m. on 9 August 2013).

The Placing Agreement contains certain customary warranties given by the Company to Mirabaud as to matters relating to the Group and its business and an indemnity given by the Company to Mirabaud in respect of liabilities arising out of or in connection with the Placing. Mirabaud is entitled to terminate the Placing Agreement in certain circumstances prior to Admission, including, *inter alia*, a breach of the warranties, the failure of the Company to comply, in any material respect, with its obligations under the Placing Agreement and the occurrence of a *force majeure* event which, in the reasonable opinion of Mirabaud, is materially adverse in relation to the Placing or Admission.

As part of the fundraising the Company has received applications pursuant to the Subscription Letters to subscribe for 21,900,000 Placing Shares at the Placing Price. The subscription is conditional upon the Resolutions being passed.

The Placing Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares then in issue, including all rights to all dividends and other distributions declared, made or paid following Admission. Application will be made for the Placing Shares to be admitted to trading on AIM and it is expected that trading in the Placing Shares will commence on 2 August 2013.

The Company has indicated to certain placees that it is its intention, subject to market conditions, to offer such placees an opportunity to participate in the Company's next equity fundraising at a price to be determined at that time.

6. Director's Interests

Mr Julian Treger, through a trust of which Mr Treger is a beneficiary, is interested in 7,697,059 Ordinary Shares. He is also a partner in Audley Capital Advisors LLP, which advises clients with an aggregate interest in 54,641,877 Ordinary Shares. Combined, these shares currently represent 11.4 per cent. of the total voting rights of the Company.

Clients advised by Audley Capital Advisors LLP have agreed to subscribe, in aggregate, for 29,800,000 Placing Shares. Accordingly, following completion of the Placing, Mr Treger will have an interest (directly or indirectly) in 12.36 per cent. of the total voting rights of the Company.

Mr Lucio Genovese holds a beneficial interest in 5,722,403 Ordinary Shares. Mr Genovese has agreed to subscribe for 3,400,000 Placing Shares. Accordingly, following completion of the Placing, Mr Genovese will have an interest in 1.22 per cent. of the total voting rights of the Company.

7. Share Issuance Authorities

In structuring the Placing, the Directors have had regard to, *inter alia*, the current financial and trading position of the Group and the need for certainty within a limited time frame. After considering these and other factors, the Directors have concluded that the Placing is the most suitable option available to the Company. Therefore, whilst the Directors currently have residual authorities under section 551 and section 570 of the Act these would be insufficient to issue the Placing Shares on a non pre-emptive basis. Accordingly, in order for the Company to issue the Placing Shares, the Company needs to obtain approval from its Shareholders granting the Directors authority to issue the Placing Shares and to disapply statutory pre-emption rights which would otherwise apply. A summary of the Resolutions is set out in section 8 below.

8. General Meeting

In order to enable the Placing to proceed the following Resolutions will be proposed at the General Meeting. Resolution 1 will be proposed as an ordinary resolution to authorise the Directors pursuant to the section 551 of the Act to allot Ordinary Shares up to an aggregate nominal amount of £1,985,000 in connection with the Placing.

Resolution 2 will be proposed as a special resolution to empower the Directors pursuant to section 570 of the Act to allot equity securities for cash otherwise than on a *pro rata* basis up to an aggregate nominal amount of £1,985,000 in connection with the Placing.

The authorities granted pursuant to Resolutions 1 and 2 will expire at the earlier of the Company's next annual general meeting or 31 December 2013 unless otherwise revoked.

You will find set out at the end of this document the Notice of General Meeting setting out the Resolutions in full. The General Meeting is to be held at the offices of Lawrence Graham LLP, 4 More London Riverside, London SE1 2AU at 11.00 a.m. on 1 August 2013.

9. Action to be taken in respect of the General Meeting

Enclosed with this document is a Form of Proxy for use at the General Meeting. Whether or not you intend to be present at the meeting, you are requested to complete, sign and return the Form of Proxy to the Company's registrars, Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received as soon as possible and, in any event, not later than 11.00 a.m. on 30 July 2013 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).

10. Importance of Vote

The Placing is conditional upon the passing of the Resolutions at the forthcoming General Meeting. If all of the Resolutions are not passed at the General Meeting, the Company will be unable to complete the Placing.

Shareholders should be aware that if any of the Resolutions are not approved at the General Meeting, the Placing will not proceed and the Company will not have sufficient working capital to fund its operations. Furthermore, in the absence of immediate alternative funding, the Company could become insolvent, potentially leading to the total loss of Shareholder value.

11. Recommendation and voting intentions

The Directors believe that the Resolutions are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that Shareholders should vote in favour of the Resolutions to be proposed at the General Meeting as they intend to do so in respect of their own beneficial holdings of, in aggregate, 9,003,556 Existing Ordinary Shares (representing 1.65 per cent. of the Existing Ordinary Share capital of the Company).

Yours sincerely

R. Lucio Genovese

Non-Executive Chairman

DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

“Act”	the Companies Act 2006 (as amended);
“Admission”	admission of the Placing Shares to AIM;
“AIM”	the AIM market of the London Stock Exchange;
“Board” or “Directors”	the directors of the Company, as set out at page 7 of this document;
“Business Day”	any day on which banks are generally open in England and Wales for the transaction of business, other than a Saturday, Sunday or public holiday;
“Capita Registrars”	a trading name of Capita Registrars Limited;
“certificated form” or “in certificated form”	an ordinary share recorded on a company’s share register as being held in certificated form (namely, not in CREST);
“Company” or “Firestone”	Firestone Diamonds PLC, a company registered in England and Wales with company number 3589905;
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755) (as amended);
“Enlarged Issued Share Capital”	the issued share capital of the Company immediately following Admission comprising the Existing Ordinary Shares and the Placing Shares;
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST;
“Existing Ordinary Shares”	the Ordinary Shares in issue prior to Admission;
“Form of Proxy”	the accompanying form of proxy for use by Shareholders in relation to the General Meeting;
“General Meeting” or “GM”	the general meeting of the Company convened for 11.00 a.m. on 1 August 2013;
“Group”	the Company and its subsidiaries;
“Lesotho”	the Kingdom of Lesotho;
“London Stock Exchange”	London Stock Exchange plc;
“Mirabaud”	Mirabaud Securities LLP;
“N+1 Singer”	Nplus1 Singer Advisory LLP, the Company’s nominated adviser;
“Notice of General Meeting”	the notice of General Meeting, set out at the end of this document;
“Options”	the options to acquire Ordinary Shares granted pursuant to the Share Option Schemes;
“Ordinary Shares”	the ordinary shares of 1p each in the capital of the Company;

“Placing”	the conditional placing of 176,600,000 Placing Shares by Mirabaud pursuant to the terms of the Placing Agreement and the conditional subscription of 21,900,000 Placing Shares pursuant to the Subscription Letter;
“Placing Agreement”	the conditional agreement dated 15 July 2013 relating to the Placing, between the Company and Mirabaud;
“Placing Price”	2 pence per Placing Share;
“Placing Shares”	the 198,500,000 new Ordinary Shares to be issued pursuant to the Placing;
“Resolutions”	the resolutions to be proposed at the GM as set out in the notice of the GM at the end of this document;
“Shareholders”	holders of Ordinary Shares;
“Share Option Schemes”	the Company’s Unapproved Share Option Scheme and the Company’s Unapproved Executive Share Option Scheme adopted by the Company on 2 April 2012;
“Subscription Letters”	the subscription letters dated on or around 12 July 2013 pursuant to which certain investors have subscribed directly to the Company for, in aggregate, 21,900,000 Placing Shares;
“UK”	the United Kingdom of Great Britain and Northern Ireland;
“uncertificated form” or “in uncertificated form”	an Ordinary Share recorded on a company’s share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST.

FIRESTONE DIAMONDS PLC

(Company Number 3589905)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of Firestone Diamonds PLC (the “**Company**”) will be held at the offices of Lawrence Graham LLP, 4 More London Riverside, London SE1 2AU at 11.00 a.m. on 1 August 2013 for the purpose of considering and, if thought fit, passing the following resolutions (of which resolution 1 will be proposed as an ordinary resolution and resolution 2 will be proposed as a special resolution):

ORDINARY RESOLUTION

1. THAT, in addition to all existing authorities, the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 to exercise all of the powers of the Company to allot shares in the Company up to a maximum nominal amount of £1,985,000 pursuant to the terms of the Placing (as described in the circular to shareholders of the Company dated 16 July 2013 (the “**Circular**”) of which this notice of meeting is a part) provided that this authority shall expire on the earlier of the conclusion of the next annual general meeting of the Company or 31 December 2013 (unless and to the extent that such authority is renewed or extended prior to such date) save that the Company may before the expiry of such period make an offer or agreement which would or might require shares to be allotted after the expiry of such period and the Directors may allot shares in pursuance of such an offer or agreement notwithstanding that the authority conferred hereby has expired.

SPECIAL RESOLUTION

2. THAT, conditional on resolution 1 being duly passed, the Directors be and are hereby empowered pursuant to section 570 of the Companies Act 2006 to allot equity securities (within the meaning of section 560 of that Act) of the Company for cash pursuant to the general authority conferred on the Directors pursuant to resolution 1 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 up to an aggregate nominal amount equal to £1,985,000 pursuant to the terms of the Placing (as described in the Circular of which this notice of meeting is a part) provided that this power shall expire on the earlier of the conclusion of the next annual general meeting of the Company or 31 December 2013 (unless and to the extent that such power is renewed or extended prior to such date) save that the Company may before the expiry of such period make an offer or agreement which would or might require equity securities to be allotted after the expiry of such period and the Directors may allot equity securities in pursuance of such an offer or agreement notwithstanding that the authority conferred hereby has expired.

Dated: 16 July 2013

Registered Office:

The Triangle
5-17 Hammersmith Grove
London
W6 0LG

By Order of the Board

Notes:

1. A Shareholder entitled to attend and vote at the General Meeting may appoint one or more persons to attend and, on a poll, to vote instead of him or her. A proxy need not be a Shareholder of the Company.
2. Please contact the Registrar if you wish to appoint multiple proxies.
3. A Form of Proxy is enclosed. To be effective, the Form of Proxy, together with any power of attorney or other written authority under which it is signed, or a notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971, of such power or written authority must be completed, signed and deposited with Capita Registrars, Proxies, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by not later than 11.00 a.m. on 30 July 2013. Returning the Form of Proxy will not prevent a Shareholder from attending the meeting and voting in person.
4. 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.
5. 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 at 6.00 p.m. on 30 July 2013 or, if the 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 Existing Ordinary Shares registered in their name at that relevant time. Changes to entries on the register of members after 6.00 p.m. on 30 July 2013 or, if the 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.
6. 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.
7. 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 Registrars (Participant ID RA 10) 24 hours before the time fixed for the meeting (or adjournment thereof). 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 Registrars 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.
8. 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.
9. The Company may treat a CREST Proxy Instruction as invalid as set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

