

THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This letter ("**Letter**") should be read in conjunction with the offer document sent to Firestone Shareholders dated 22 July 2022, (the "**Offer Document**"). Words and expressions defined in the Offer Document have the same meaning in this Letter unless the context requires otherwise. Key terms used in this Letter and the accompanying documents are explained in Appendix 1 of this Letter.

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PRRF II Investment Holdings LP
Mourant Governance Services (Cayman) Limited
94 Solaris Avenue
Camana Bay
PO Box 1348
Grand Cayman KY1-1108
Cayman Islands

27 July 2022

To: Holders of underwater options (the "**Optionholders**") under the Firestone Unapproved Share Option Scheme, the Firestone Unapproved Executive Share Option Scheme and the Firestone Restricted Share Plan (the "**Plans**")

Dear Optionholder

Cash offer for Firestone Diamonds plc ("Firestone") by PRRF II Investment Holdings LP ("PRRF II")

On 24 June 2022, PRRF II, a newly limited partnership owned by Pacific Road Resources Fund II L.P., a fund advised by Pacific Road Capital announced a cash offer for the entire issued and to be issued ordinary share capital of Firestone, other than the Firestone Shares already held by PRRF II (the "**Offer**").

The Offer has now become wholly unconditional in all respects and this Letter explains the effect of the Offer on the underwater options granted to you under the Plans (the "**Options**"). These are Options which have an exercise price per Firestone Share ("**Exercise Price**") that is higher than the Offer price of 0.01 pence in cash for each Firestone Share (the "**Offer Price**").

As the Exercise Price is higher than the Offer Price, it would be uneconomical for you to exercise your Options and accept the Offer (i.e. you will make a financial loss if you exercise your Options and sell the resulting Firestone Shares as part of the Offer). It is therefore assumed that you will not exercise your Options. Further details are contained below. You can also find additional information regarding the Offer in the Offer Document.

THE OFFER

1. How does the Offer work?

The Offer was subject to valid acceptances of the Offer being received in respect of such number of Firestone Shares as resulted in PRRF II holding Firestone Shares carrying more than 50 per cent of the voting rights in Firestone (the "**Acceptance Condition**").

The Acceptance Condition and all other conditions were met on 26 July 2022 and the Offer became wholly unconditional in all respects (the "**Unconditional Date**").

The Acceptance Condition and other Offer conditions are described in more detail in the Offer Document which you can view on the Firestone investor relations website at <https://www.firestonediamonds.com/investors/cash-offer>. A copy of this Letter is also available on that website.

2. Why am I being contacted now?

You are being contacted now because you hold Options which will be impacted by the Offer. Further details are in question and answer 5 below.

3. What can Firestone Shareholders receive under the Offer?

Under the terms of the Offer, Firestone Shareholders will be entitled to receive the Offer Price for each Firestone Share held.

Please refer to the Offer Document for further information.

YOUR OPTIONS

4. What are my Options?

Your Options are rights to acquire a certain number of Firestone Shares at the Exercise Price granted to you under the Plans.

Your Options are subject to the Rules and the terms (including the Exercise Price) set out in the Option documentation provided to you when your Options were granted.

5. What is the impact of the Offer on my Options?

Your Options became exercisable (to the extent not already exercisable) on the Unconditional Date. Unless your Options were already vested, this is earlier than would ordinarily be the case.

However, as the Exercise Price for your Options is lower than the Offer Price, you may not want to exercise your Options and take part in the Offer for the reasons explained in question and answer 6 below.

You will continue to hold your Options under the Rules. However, your Options will now lapse (i) 40 days from the Unconditional Date, in respect of any Options granted under the Firestone Unapproved Share Option Scheme and the Firestone Unapproved Executive Share Option Scheme or (ii) one month from the date of this Letter, in respect of any Options granted under the Firestone Restricted Share Plan.

You will be notified when your Options lapse.

6. Why might I not want to exercise my Options?

The Exercise Price of your Options is higher than the Offer Price, so your Options are currently "underwater". As a result, it would be uneconomical for you to exercise your Options and accept the Offer (i.e. you will make a financial loss if you exercise your Options and sell the resulting Firestone Shares as part of the Offer). For example, if you were granted Options with an Exercise Price of 85 pence and decided to exercise your Options and accept the Offer, the potential loss to

you would be 8,499 pence per Firestone Share and you would have to pay this amount to Firestone. This is illustrated below:

No. of Firestone Shares under Option	Exercise Price per Firestone Share	Total Exercise Price to pay	Total cash you receive from exercising and accepting the Offer	Loss / Amount payable to Firestone
100	85 pence	8,500 pence	1 penny	8,499 pence

However, if you would like to exercise your Options and accept the Offer, please contact Grant Ferriman at GFerriman@FirestoneDiamonds.com.

GENERAL

7. Will the Offer affect my employment rights?

No, the Offer will not affect your employment rights.

8. What if I leave employment with the Firestone Group?

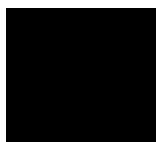
If you leave employment before your Options lapse, the termination provisions under the Rules will apply to your Options.

FURTHER QUERIES

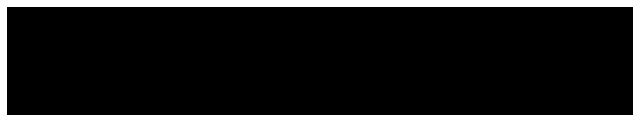
If you have any queries in relation to the Offer or this Letter, please contact Grant Ferriman at GFerriman@FirestoneDiamonds.com. Please note that none of Firestone, your Firestone Group employer or PRRF II will be able to provide you with any legal, financial, tax planning or investment advice or advice in relation to the Offer or this Letter. **If you are in any doubt as to implications of the Offer or this Letter for you, you should seek your own independent professional advice.**

Yours faithfully

Grant Ferriman



For and on behalf of Firestone Diamonds plc



Inderjit Singh

For and on behalf of PRRF II Investment Holdings LP, acting through its general partner Pacific Road Capital Management GP II Limited

APPENDIX 1
SCHEDULE OF KEY TERMS

The below is a glossary of the key terms used in the Letter. For the full definitions of certain of those terms, please refer to the Offer Document or the Rules (as appropriate).

Acceptance Condition	PRRF II holding Firestone Shares carrying more than 50 per cent of the voting rights in Firestone.
PRRF II	PRRF II Investment Holdings LP, an exempted limited partnership registered in the Cayman Islands with registered address Mourant Governance Services (Cayman) Limited, 94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman KY1-1108, Cayman Islands.
Exercise Price	The exercise price per Firestone Share in respect of Options granted under the Plans.
Firestone	Firestone Diamonds pls, a public limited company incorporated in England and Wales with registered number 03589905.
Firestone Group	Firestone and its subsidiary undertakings.
Firestone Shareholders	Holders of Firestone Shares.
Firestone Shares	The unconditionally allotted or issued ordinary shares of 0.01 pence each in the capital of Firestone.
Letter	The letter dated <u>27 July</u> 2022 from Firestone and PRRF II explaining the impact of the Offer on Options under the Plans.
Offer	The cash offer made by PRRF II to acquire all the Firestone Shares not already owned by or on behalf of the PRRF II on the terms and subject to the conditions set out in the Offer Document and, where the context so requires, any subsequent revision, variation, extension or renewal of such offer and includes any election available in connection with it.
Offer Document	The document setting out the terms and conditions of the Offer which was provided to Firestone Shareholders on <u>22 July</u> 2022.
Optionholders	Holders of Options under the Plans.
Options	The right to acquire Firestone Shares under the Plans.
Plans	The Firestone Unapproved Share Option Scheme, the Firestone Unapproved Executive Share Option Scheme and the Firestone Restricted Share Plan.
Rules	The rules of the Plans, as amended from time to time.
Unconditional Date	<u>26 July</u> 2022, being the date on which the Offer became wholly unconditional in all respects.