

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 Tuesday, 15 December 2020 at 10:30 a.m.

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:
Elder House
St Georges Business Park
207 Brooklands Road
Weybridge
Surrey KT13 0TS

20 November 2020

Dear Shareholder

Notice of Annual General Meeting 2020

On behalf of the Board of Directors (the "Board" or the "Directors") of Firestone Diamonds plc (the "Company"), I would like to inform you of our 2020 Annual General Meeting (the "AGM") which will be held on Tuesday, 15 December 2020 at 10:30 a.m (London time).

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

Coronavirus (Covid-19) – Attendance and Voting

In light of the UK Government's current guidance on public gatherings, and the regulations set out in Schedule 14 of the Corporate Insolvency and Governance Act, the Board has concluded that shareholders cannot be permitted to attend the AGM in person this year. The meeting will therefore be conducted as an electronic closed meeting, with the minimum quorum of two shareholders to be facilitated by the Directors, and will end immediately following the formal business. The format of the meeting will be purely functional to comply with the relevant legal requirements.

Instead of attending this year's AGM, shareholders are asked to exercise their votes by submitting their proxy electronically as soon as possible, and these must be received by no later than 10:30 a.m. on Friday 11 December 2020. Shareholders who wish to appoint a proxy are recommended to appoint the Chairman of the meeting as their proxy. As a result of the current Government restrictions, if a shareholder appoints someone else as their proxy, that proxy will not be able to attend the meeting in order to cast the shareholder's vote. If you are a CREST member, you may appoint a proxy through the CREST electronic appointment service and your instruction must be received by Link Group by 10:30 a.m. on Friday 11 December 2020.

Your votes do matter. Proxy instructions are set out below. Shareholders are also invited to submit questions on any business to be dealt with at the AGM in advance of the meeting via email at info@firestonediamonds.com by no later than 10:30 a.m. on Friday 11 December 2020. We will aim to answer questions received in advance by publishing responses on thematic topics on our website, either prior to, or as soon as practicable after, the AGM.

The Board will continue to closely monitor developments in Covid-19 social distancing guidance. Should it become appropriate to revise the current arrangements for the AGM, any such changes will be notified through the website www.firestonediamonds.com.

We would like to thank all shareholders for their co-operation and understanding.

Shareholder Communications

The majority of shareholders choose to receive Annual Reports and Notices of meetings electronically. This has a number of advantages for the Company and its shareholders. It increases the speed of communication, saves you time and reduces print and distribution costs and our impact on the environment.

Company law requires that the Company asks shareholders to consent to the receipt of communications electronically and via a website*. Please note that if you consent to website publication you will continue to be notified in writing each time the Company places a statutory communication on the website. Annual Reports and other documents which are required to be sent to shareholders ("shareholder information") are published on our website at www.firestonediamonds.com. If you consent, the website will be the way in which you access all future shareholder information.

Please note that you still have the right to request hard copies of shareholder information at no charge.

- If you would like to receive shareholder information by means of a website, there is nothing more you need to do. You will be notified by post when shareholder information has been placed on the website.
- If you would like to receive shareholder information in hard copy form, you can register your request via the Share Portal www.signalshares.com or write to FREEPOST SAS, 34 Beckenham Road, BR3 9ZA (no stamp or further address detail is required. Please write in BLOCK CAPITALS).

Please note that if you hold your shares corporately or in a CREST account, you are not able to use the Share Portal to inform us of your preferred method of communication and should instead write to FREEPOST SAS, 34 Beckenham Road, BR3 9ZA (no stamp or further address detail is required. Please write in BLOCK CAPITALS).

If we do not receive a reply from you within 28 days of the date of dispatch of this letter, you will be deemed to have consented to website publication of shareholder information and you will not receive hard copies of shareholder information in the post.

*The Company reserves the right to send hard copy documents to shareholders where, for example, overseas securities laws do not permit electronic communication or in other circumstances where the Company considers that electronic delivery may not be appropriate.

Action to be taken

The formal Notice of AGM is set out on the following pages of this document, detailing the resolutions that the shareholders are being asked to vote on, along with explanatory notes of the business to be conducted at the AGM.

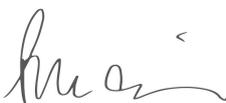
In line with our commitment to being an environmentally friendly company, we will not be issuing hard copy forms of proxy for the AGM in the post. Instead, you may appoint a proxy online at www.signalshares.com. You will need your Investor Code which can be found on your share certificate. If you require assistance please contact our registrar, Link Group, whose contact details are set out in this document. If your shares are held in CREST, you may vote electronically via CREST as detailed in the notes to the Notice of AGM on pages 6 and 7.

Please complete and submit a proxy appointment in accordance with the notes to the Notice of the AGM set out in this document. To be valid, the proxy appointment must be received no later than 10:30 a.m. on Friday 11 December 2020. If I am appointed as proxy, I will, of course, vote in accordance with any instructions given to me. If I am given discretion as to how to vote, I will vote in favour of each of the resolutions to be proposed at the AGM.

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.

Yours sincerely



Patrick Meier
Chairman

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Firestone Diamonds plc (the "Company") will be held on Tuesday, 15 December 2020 at 10:30 a.m (London time) 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 2020, together with the Directors' report and the Auditor's report on those accounts.
- 2 To re-appoint BDO LLP as auditor 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 auditor's remuneration.

Special Business

- 4 To consider whether any, and if so, what steps should be taken to deal with a serious loss of capital as defined in Section 656 of the Companies Act 2006 (the "Act").

By Order of the Board

Ian Crozier
Company Secretary
20 November 2020

Registered office:
Elder House
St Georges Business Park
207 Brooklands Road
Weybridge
Surrey KT13 0TS

EXPLANATORY NOTES TO THE RESOLUTIONS

Resolutions 1 to 4 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 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 2020 and the Directors' report and the Auditor's report thereon to the meeting. These are contained in the Company's Annual Report and Accounts 2020.

Resolutions 2 and 3: Auditor's 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 auditor. Shareholders will also be asked to grant authority to the Directors to determine the auditor's remuneration.

Resolution 4: Serious Loss of Capital

Following the onset of the COVID-19 pandemic and the subsequent disruption of the market for diamonds, with the closure of Antwerp as a diamond market trading centre and a collapse in global demand, the Company made the difficult decision in April to place the Liqhobong Mine on an extended period of care and maintenance. The impact of this on the value of inter-company debt and the Company's net assets as more fully described in the 2020 Annual Report, resulted in a further reduction of the Company's net assets from negative US\$28.9 million in the preceding financial year to negative US\$37.1 million, which is less than half of US\$169.1 million, being the value of the Company's called up share capital as at 30 June 2020. Under the provisions of Section 656 of the Act such a position constitutes a serious loss of capital, which requires shareholders to be informed and a general meeting of the Company to be convened in order that shareholders may have an opportunity to consider the future direction of the Company. The Directors have considered this issue and communicated the proposed way forward to shareholders in the Annual Report and in the Q1 FY 2021 quarterly update. In the circumstances, shareholders are invited to make submissions in this regard in advance of the meeting via email at info@firestonediamonds.com by no later than 10:30 a.m. on Friday 11 December 2020. The Directors intend to consider any such submissions and to address the same as soon as practicable after the AGM.

INFORMATION FOR SHAREHOLDERS

Notice of Meeting Notes:

The following notes explain your general rights as a shareholder and your right to attend and vote at this Meeting or to appoint someone else to vote on your behalf.

- 1 To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may be cast), shareholders must be registered in the Register of Members of the Company at close of business on Tuesday, 15 December 2020 at 10:30 a.m. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
- 2 Given the Company's decision to hold a closed AGM, shareholders will not be able to attend the Meeting in person. The Company will continue to monitor the situation and reserves the right to revise arrangements should the circumstances change. Any relevant updates will be made available on the Company's website.
- 3 **As explained above, shareholders will not be able to attend the Meeting in person, and are therefore encouraged to submit a proxy vote in advance of the Meeting.** A shareholder may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that shareholder. A proxy need not be a shareholder of the Company. However, **shareholders are encouraged to rather appoint the Chairman of the meeting as their proxy as the appointment of any proxy other than the Chairman of the meeting will result in their vote not being cast.**
- 4 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first named being the most senior).
- 5 A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, 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 You can vote either:
 - by logging on to www.signalshares.com and following the instructions;
 - if you need help with voting online, please contact our Registrar, Link Group on 0371 664 0391 if calling from the UK, or +44 (0) 371 664 0391 if calling from outside of the UK, calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales or email Link at enquiries@linkgroup.co.uk; or
 - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

In order for a proxy appointment to be valid, a form of proxy must be completed. In each case the form of proxy must be received by Link Group at PXS 1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF by 10:30 a.m. on Friday 11 December 2020.

- 7 If you return more than one proxy appointment, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
- 8 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 of the Meeting) by using the procedures described in the CREST Manual (available from www.euroclear.com/site/public/EUI). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate 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 must be transmitted so as to be received by the issuer's agent (ID RA10) by 10:30 a.m. on Friday 11 December 2020.

- 9 For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent 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.
- 10 CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation 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 procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

- 11 Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that no more than one corporate representative exercises powers in relation to the same shares. Under the current circumstances, corporate shareholders are strongly encouraged to complete and return a form of proxy appointing the Chairman of the meeting to ensure their votes are included in the poll.
- 12 As at 19 November 2020 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 789,481,276 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 19 November 2020 are 789,481,276.
- 13 We recognise that, in light of the exceptional circumstances around this year's AGM, shareholders will not have the opportunity to ask questions at the Meeting. Should a shareholder have a question relating to the business being dealt with at the Meeting that they would have asked at the Meeting, please email info@firestonediamonds.com. We will aim to respond to any questions received by 10:30 a.m. on Friday 11 December 2020 by publishing responses on thematic topics on our website before the Meeting. If we are unable to provide a full response to questions before the Meeting, we will update the website as soon as possible after the Meeting.
- 14 Copies of Directors' service contracts or letters of appointment will be available on request during normal business hours on any business day from the date of this Notice until the time of the Meeting.
- 15 You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.
- 16 A copy of this Notice, and other information required by Section 311A of the Companies Act 2006, can be found on the Company's website at www.firestonediamonds.com.