

KEY FEATURES

General Location	The Silverstreams alluvial diamond Project is located on the farm Hospital 365 on the northern bank of the Orange River, 15km northeast of the town of Prieska in the Northern Cape Province.
Licence Status	The rights to contiguous Portions 10 and RE of the farm are held by Sandstraat Eksplorاسie (Pty) Ltd under a new order Mining Right valid until 6th December 2020.
Climate	The climate is semi-arid and is characterized by hot summers (December to February) and mild dry winters (June to August).
Infrastructure & Accessibility	The Project can be accessed via a well maintained gravel road which branches off the R386 bitumen road between Prieska and Griquastad.
Deposit Types	Alluvial and possible kimberlite diamond occurrences.
Qualified Persons	Mr Andy Clay , M.Sc. (Geol), M.Sc. (Min.Eng.), Dip. Bus. M. Pr. Sci. Nat, MSAIMM, FAusIMM, FGSSA.
Independent Consultancy	Venmyn Rand (Pty) Ltd ("Venmyn").

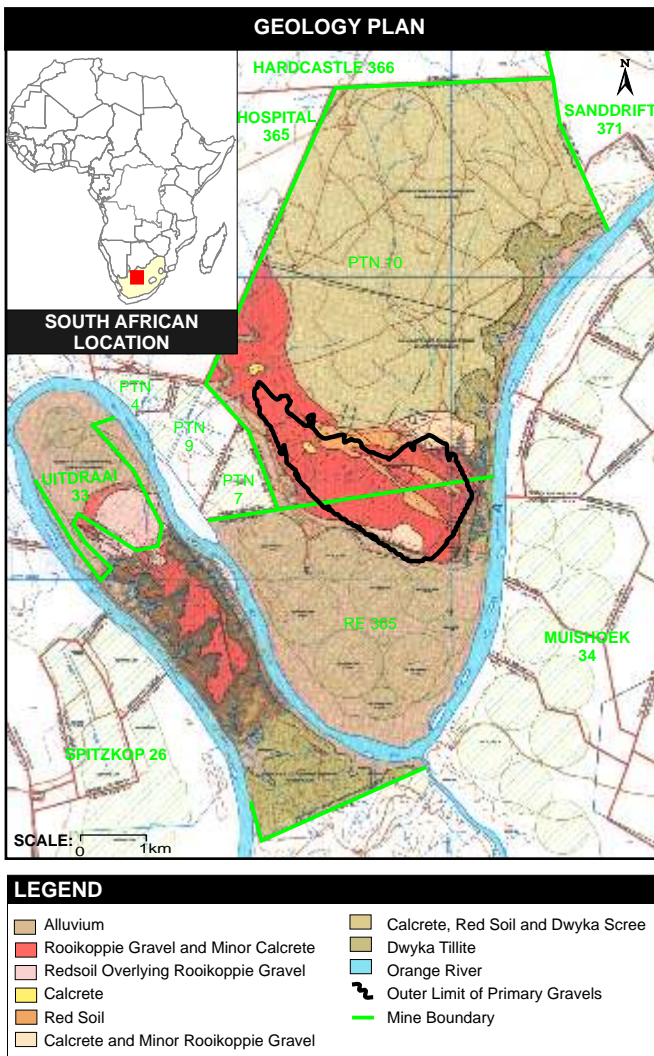
SUMMARY

The extensive diamondiferous gravels of the Middle Orange River valley are remnants of fluvial deposits associated with the palaeo-Orange River. The gravel of these alluvial deposits have been derived from reworking of ancient glacial formations and older palaeo-Orange river sediments that were present at higher elevations. Erosion of the Cretaceous diamondiferous kimberlites in the Northern Cape and Free State Provinces and Lesotho, and reworking of these older river terraces released diamonds into the younger fluvial deposit such as at Silverstream. Natural attrition during this process lead to the destruction of poor quality stones and preservation of good quality gem stones. In addition, the coarse nature of the gravel deposits of these younger terraces have tended to trap and concentrate the larger stone sizes, thereby enhancing the average values of the diamond populations recovered from the Silverstream type deposits.

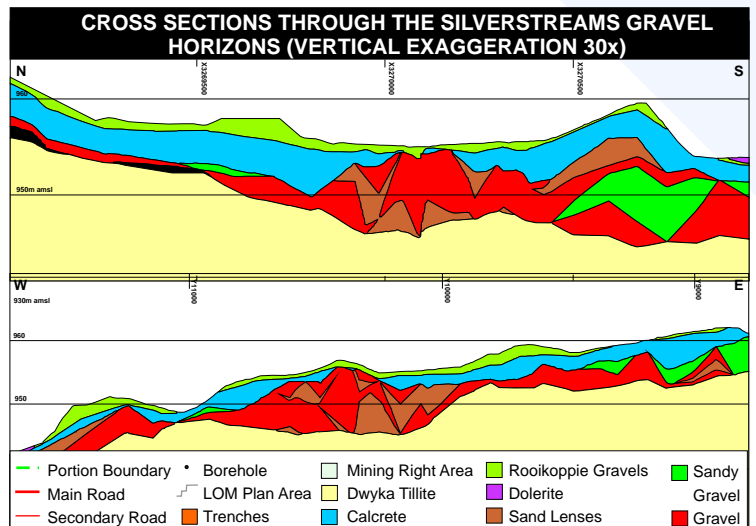
Prior to BRC DiamondCore's involvement at Silverstreams, Sandstraat Eksplorاسie conducted a small test-mining operation on the property between 2002 and 2003 and a total of approximately 64,000 tons (t) of alluvial gravels were processed. The gravel yielded 81 diamonds with a total mass of 280.04cts, yielding an average recovered diamond grade of 0.44 carats per hundred tons (cpht) and an average stone value of US\$2,019/ct. To date, a total of 530 percussion boreholes have been drilled in three phases of drilling in the area of interest and computer-based models have been produced to define the extent and volume of the Rooikoppie and Primary Basal gravel horizons.

BRC DiamondCore completed the construction of a 670 ton per hour (tph) front end bulk sampling plant on the Silverstreams site in June 2007 and treatment of stockpiled bulk sample gravel material from both mineralised horizons commenced in July 2007 in order to firm up on grade, stone value, metallurgical process efficiency and overall operating mass balance parameters. In particular, it is BRC DiamondCore's objective to produce a representative parcel of diamonds in order to provide the required diamond size distribution and value data.

It is estimated that approximately 60,000m³ of primary gravel and 5,000m³ of Rooikoppie gravel will be excavated and treated from the initial enlarged bulk sample area. Further trial mining areas will be identified after completion of the planned 2007 infill percussion drilling programme.



The majority of the alluvial diamonds found in gravel deposits along the Middle Orange River are found in two distinct gravel horizons; an upper deflation deposit, known as the Rooikoppie gravels, and the basal Primary gravels. The Rooikoppie varies in thickness from a few centimetres up to 2m and has an average thickness of less than 1m. The deposit typically rests on sand, gravel or in places a hard, semi-continuous layer of calcrete and silcrete. Solution cavities up to 2m deep in the calcretised material form sharp, discontinuous depressions that are filled with the overlying Rooikoppie gravel. The Primary gravel deposits comprise the lower half to one third of the sedimentary sequence and rest directly on bedrock. These Primary gravels comprise a poorly sorted assemblage of large boulders, cobbles and pebbles set in a sandy matrix that is considered to have been deposited by a large, high-energy braided system that would be readily capable of transporting diamonds. The total sequence varies from between 8m and 18m in thickness.





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General Location	Paardeberg East 153 is located approximately 35km west of Kimberley in the Northern Cape Province of South Africa.
Licence Status	BRC DiamondCore Mining & Exploration (Pty) Ltd owns both the surface and mineral rights to portion 18, a portion of Portion 17, and the mineral rights to Portions 10, 11, 12, 13, 14, 16 and 17 of Paardeberg East No. 153.
Climate	The climate is semi-arid and is characterized by hot summers (December to February) and mild dry winters (June to August).
Infrastructure & Accessibility	Access to the property is via a 16km well-maintained gravel road branching off the bitumen R357 road between Kimberley and Douglas, approximately 50km from Kimberley.
Deposit Types	Kimberlite diamond occurrences.
Qualified Persons	Mr Andy Clay, M.Sc. (Geol), M.Sc. (Min.Eng.), Dip. Bus. M. Pr. Sci. Nat, MSAIMM, FAusIMM, FGSSA.
Independent Consultancy	Venmyn Rand (Pty) Ltd ("Venmyn").

SUMMARY



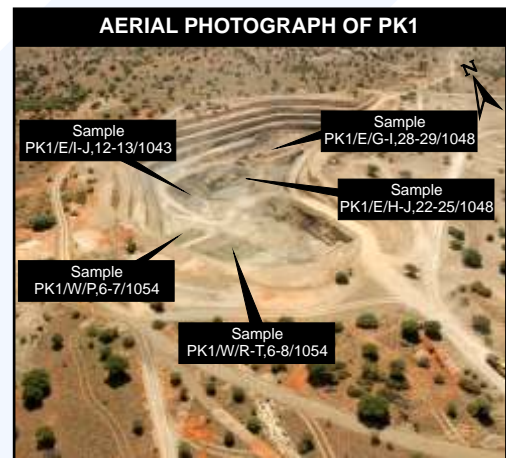
The Paardeberg East project is the most advanced of BRC DiamondCore's exploration projects. The project comprises a Mining Licence over various portions of the farm Paardeberg East 153 located approximately 35km west of Kimberley in the Northern Cape Province.

A number of known kimberlites have been identified on the property, some of which have been the subject of several phases of intermittent exploration and exploitation from the early 1900's up until 2003. Within the project area are eight potential targets, namely proved kimberlites (PK) PK1, PK2, PK3, PK4 and PK5 (the old Rooipan Mine) and prospective anomalies (PA) PA6, PA7 and PA8 (). Kimberlites PK1, PK2, and PK3 are known to be diamondiferous, but very little is known about anomalies PA6, PA7 and PA8. The PK1 and PK3 kimberlites have a surface expression of approximately 2 hectares and 3.3 hectares respectively.

The kimberlite with the greatest prospectivity is currently represented by the PK1 kimberlite, and to a lesser extent the PK3 kimberlite. All five known kimberlite bodies (PK1, PK2, PK3, PK4 and PK5) were worked at one time or another, as there are signs of adits, shafts and pits on, or in the vicinity of, all five.

The De Beers airborne magnetic survey flown in 1988/89 identified six magnetic anomalies on the property as potential kimberlite targets. Three of the anomalies were found to correspond with the known kimberlites PK1, PK2 and PK3, whilst targets PA6, PA7 and PA8 were not explained. It is not known if De Beers did any follow-up work on these anomalies.

Several phases of drilling, trenching, sampling and production were conducted on the PK1 orebody between the early 1980s and 2003. Between 1999 and



2002, Mazal Mining and Exploration Limited conducted a trial mining operation on the PK1 kimberlite.

Geological models of the PK1 orebody were prepared by MPH Consulting (Pty) Ltd, SRK Consulting (Pty) Ltd (SRK) and Geoventures (Pty) Ltd in 1999, 2002 and 2003 respectively with the aim of representing all exploration and mining data available on the respective eastern and western kimberlite lobes and the so called lower grade neck area. In addition to the 2007 bulk samples, BRC DiamondCore plan to process old MME pan plant and DMS plant tailings as well as the 2007 stockpiled kimberlite material. The total sampling programme comprises 239,500t of tailings and stockpiled kimberlite material.

The bulk sampling programme underway at Paardeberg East will continue to deliver the required techno-economic data for the economic assessment of the Project. The kimberlite volume and diamond grade-value relationship will determine the economics of the PK1 orebody, and ongoing exploration at the PK3 kimberlite continue to produce encouraging results in terms of surface expression and deeper kimberlite extension volumes.

The mineral resource and metallurgical parameters identified during the respective exploration and bulk sampling exercises will determine the principle feasibility parameters, based upon which the following feasibility phases are envisaged to be carried out between July and December 2008: pit optimisation; detailed mine design and production scheduling; mineral reserve estimation; process plant optimisation and engineering design; capital and operating cost model compilation; financial modelling and hurdle rate assessment; compilation of bankable feasibility study; Board presentation; and Board feasibility review and decision.

Sufficient contingency has been built into the current bulk sampling plant to accommodate a range of bolt-on options to suit a range of production scenarios. The feasibility will principally establish the optimal mining rate which will in turn determine the required processing capacity. The level of currently available technical data and the currently installed plant and mining infrastructure will considerably shorten the time required to complete the feasibility process and bring Paardeberg East into commercial production. The presence of a number of known kimberlites provides for some flexibility in terms of optimal utilisation of the bulk sampling plant at PK1. The plant provides BRC DiamondCore with a valuable central sampling facility through which to process kimberlite material from the various kimberlite bodies that will be sampled over the next six months.

