



BRC DiamondCore Ltd

TSX: BCD
JSE: BCD
PRESS RELEASE

BRC DIAMONDCORE ANNOUNCES DEBT SETTLEMENTS AND FINANCING

Toronto, Canada and Johannesburg, South Africa – November 10, 2009 – BRC DiamondCore Ltd. ("**BRC**" or the "**Company**") (TSX – "BCD"; JSE – "BCD") announces that it has entered into agreements with certain of its creditors pursuant to which such creditors have agreed to accept common shares of the Company, to be issued from treasury by the Company at a price of Cdn\$0.20 per share, in satisfaction of the indebtedness owed to them by the Company (the "**Debt Settlements**"). The total number of common shares to be issued by the Company to the creditors under the Debt Settlements is 43,317,330 shares (the "**Debt Shares**"), and the total amount of Company debt to be settled by such share issuances is Cdn\$8,663,466. The 43,317,330 Debt Shares represent approximately 166% dilution to the currently outstanding common shares of the Company.

The Company also announces that it proposes to carry out a non-brokered private placement of up to 20,000,000 units of the Company (the "**Units**") at a price of Cdn\$0.05 per Unit for proceeds to the Company of up to Cdn\$1,000,000. Each Unit is to be comprised of one common share of the Company and one warrant of the Company (a "**Warrant**"), with each Warrant entitling the holder to purchase one common share of the Company at a price of Cdn\$0.066 for a period of four years. The 20,000,000 common shares comprising part of the Units, together with the 20,000,000 common shares issuable upon exercise of the Warrants (the "**Warrant Shares**"), represent approximately 153% dilution to the currently outstanding common shares of the Company. The Company intends to use the proceeds from this financing (the "**Financing**") for working capital and general corporate purposes. The Financing may be entirely subscribed for by directors of the Company, although it is expected that there will be other subscribers in addition to directors.

Closing of the Debt Settlements and the Financing is expected to occur within the next three weeks.

One of the creditors involved in the Debt Settlements is Banro Corporation ("**Banro**"), which currently holds 3,744,032 (or 14.35%) of the outstanding common shares of the Company. 31,689,955 of the Debt Shares are to be issued to Banro pursuant to its debt settlement agreement, such that upon closing Banro will own 35,433,987 common shares of the Company, which will represent 39.63% of the outstanding common shares of the Company assuming completion of all of the Debt Settlements and the Financing (but not taking into account the exercise of the Warrants). See below for additional information in respect of Banro required under the "early warning" rules of Canadian securities laws.

The 43,317,330 Debt Shares, together with the 20,000,000 common shares comprising part of the Units and the 20,000,000 Warrant Shares, represent in aggregate approximately 319% dilution to the currently outstanding common shares of the Company. As the debt settlement transaction with Banro and the Financing will result in the issuance to insiders of securities representing more than 10% of the currently outstanding common shares of the Company, the debt settlement transaction with Banro may materially affect control of the Company, and the Financing will result in the issuance of securities representing more than 25% of the currently outstanding common shares of the Company, the rules of the Toronto Stock Exchange (the "**TSX**") generally require disinterested shareholder approval of such transactions. However, the Company is relying upon the TSX's financial hardship exemption (the "**Exemption**") from

the said shareholder approval requirements. The Company currently has a large working capital deficit, which will be significantly decreased upon completion of the Debt Settlements and assuming the Financing is fully subscribed. The making of the Exemption application has been approved by a committee of independent directors of the Company. In connection with the Exemption application, the board of directors of the Company has determined that the Company is in serious financial difficulty, the debt settlement transaction with Banro and the Financing are designed to improve the Company's financial situation, and, based on the determination of the committee referred to above, the said transactions are reasonable for the Company in the circumstances.

BRC DiamondCore Ltd. is an African-focused diamond explorer with projects in the Democratic Republic of the Congo. Led by a management team with extensive experience in diamond exploration and mine development, the Company works in a systematic and responsible manner to discover, assess and develop diamond resources for the benefit of its shareholders and local stakeholders.

For further information, please visit our website, www.brc-diamondcore.com, or contact:

In Toronto: Martin D. Jones, Vice President, Corporate Development, (416) 366-2221 or 1-800-714-7938.

In Johannesburg: Brian P. Scallan, Vice President, Finance, +27 11 9582885.

Forward-Looking Information: Statements in this press release announcing the proposed Debt Settlements and Financing are forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things, failure to complete the proposed transactions, the need to satisfy regulatory and legal requirements with respect to the proposed transactions, risks related to the exploration stage of the Company's projects, market fluctuations in prices for securities of exploration stage companies, uncertainties about the availability of additional financing, uncertainties related to fluctuations in commodity prices and the other risks involved in the mineral exploration business. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.

Additional Information Required under the "Early Warning" Rules of Canadian Securities Laws

Assuming completion of all of the Debt Settlements as well as the Financing (and assuming that the Financing is fully subscribed, but not taking into account the exercise of the Warrants), the 31,689,955 Debt Shares to be issued to Banro pursuant to its debt settlement agreement and the 35,433,987 shares to be owned by Banro upon closing will represent 35.44% and 39.63%, respectively, of the outstanding common shares of the Company. Banro currently does not have any future intention to acquire additional securities of the Company. Banro's address is Suite 7070, 1 First Canadian Place, 100 King Street West, Toronto, Ontario, M5X 1E3, Canada. A copy of the "early warning" report to be filed by Banro under the early warning rules of Canadian securities laws, may be obtained from Donat Madilo at (416) 366-2221.