

ROCKWELL DIAMONDS INC.

MANAGEMENT INFORMATION CIRCULAR

For Annual General Meeting

Date: July 26, 2013

Place: 1500-1055 West Georgia Street,

Vancouver, B.C., Canada

Dated this 19th day of June, 2013

containing information as at July 19, 2013 unless otherwise indicated

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ROCKWELL DIAMONDS INC.

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INFORMATION CIRCULAR

Unless otherwise indicated, this Information Circular (the “**Circular**”) contains information as at June 19, 2013.

GENERAL INFORMATION

This Circular is being furnished in connection with the solicitation of proxies by management of Rockwell Diamonds Inc. (the “**Company**” or “**Rockwell**”) for use at the annual general and special meeting of shareholders (the “**Meeting**”) to be held on July 26, 2013 at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

“Common Shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

Unless otherwise stated, all dollar amounts in this Circular are expressed in Canadian dollars.

No person is authorized to give any information or to make any representation not contained in this Circular and, if given or made, such information or representation should not be relied upon as having been authorized. This Circular does not constitute an offer to sell, or a solicitation of an offer to acquire, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or proxy solicitation.

PROXY INFORMATION

Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by the management of the Company, for use at the Meeting, to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

Persons or Companies Making Solicitation

The enclosed Instrument of Proxy (“**Instrument of Proxy**”) is solicited by management. Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders’ nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the Instrument of Proxy. Solicitation may be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised that they intend to oppose any action intended to be taken by management as set forth in this Circular.

Appointment and Revocation of Proxies

The persons named in the accompanying Instrument of Proxy are directors and or officers of the Company. **A shareholder has the right to appoint a person, other than the persons named in the enclosed Instrument of Proxy, to attend and act for him on his behalf at the Meeting. To exercise this right, a shareholder must strike out the names of the persons named in the Instrument of Proxy and insert the name of his nominee in the blank space provided, or complete another Instrument of Proxy. To be effective, the completed Instrument of Proxy must be deposited with the Registrar and Transfer Agent, Computershare Investor Services Inc., as set out below.**

Registered Shareholders

Registered shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered shareholders electing to submit a proxy may do so by:

- (a) completing, dating and signing the enclosed Instrument of Proxy and returning it to the Company’s transfer agent, Computershare Investor Services Inc., by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, Canada V6C 3B9;
- (b) using a touch-tone phone to transmit voting choices to a toll free number. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed Instrument of Proxy for the toll free number, the holder’s account number and the proxy access number; or
- (c) using the internet through the website of the Company’s transfer agent at www.computershare.com/proxy. Registered shareholders must follow the instructions

that appear on the screen and refer to the enclosed Instrument of Proxy for the holder's account number and the proxy access number;

in all cases ensuring that the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of intermediaries. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of Beneficial Shareholders - those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" for Non-Objecting Beneficial Owners).

The Company is taking advantage of the provisions of National Instrument 54-101 "Communication with Beneficial Owners of Securities of a Reporting Issuer" that permit it to deliver proxy-related materials directly to its NOBOs. As a result NOBOs can expect to receive a scannable Voting Instruction Form ("**VIF**") from our transfer agent, Computershare Trust Company of Canada ("**Computershare**"). The VIF is to be completed and returned to Computershare as set out in the instructions provided on the VIF. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

These security holder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your VIF as specified in the request for voting instructions that was sent to you.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company’s Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder’s representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares at the Meeting.**

Notice to Shareholders in the United States

The solicitation of proxies involves securities of an issuer located in Canada and are being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the Business Corporations Act (British Columbia), as amended, (the “**BCA**”), certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

Notice to Shareholders in South Africa

Shareholders on the South African Register must only complete the SA proxy form.

Please take careful note of the following provisions regarding the action required by a Rockwell shareholder registered on the Rockwell South African Register:

1. If you have disposed of your Common Shares in Rockwell, please forward this Circular to the purchaser of such shares or the CSDP, broker or agent through whom you disposed of such shares.

The Meeting convened in terms of this Circular will be held on Friday, July 26, 2013 at 10:00 a.m. Vancouver, British Columbia, Canada time at the Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia, Canada.

2. The General meeting
 - Certificated Shareholders and “own name” dematerialised Shareholders.

You are entitled to attend, or be represented by proxy, at the Meeting.

If you are the registered holder of certificated Rockwell Common Shares or you hold dematerialised Rockwell shares in your own name and if you are unable to attend the Meeting of Rockwell shareholders convened in terms of this Circular and wish to be represented at the Meeting, you must complete and return the attached form of proxy in accordance with the instructions therein so as to be received by the South African transfer secretaries, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), by no later than 10:00 a.m. (local time) on Wednesday, July 24, 2013.

- Dematerialised Shareholders other than with “own name” registration

If you do not hold your dematerialised Rockwell shares in your own name, you must provide your CSDP or broker with your voting instructions in terms of the custody agreement entered into with your CSDP or broker. Alternatively, if you wish to attend the general meeting in person, you must request your CSDP or broker to provide you with a letter of representation to authorise you to attend and vote your shares in terms of the custody agreement with your CSDP or broker.

Voting and Exercises of Discretion by Proxies

The Instrument of Proxy affords the Shareholder an opportunity to specify that the Common Shares registered in their name shall be voted or withheld from voting in respect of the election of directors and the appointment of auditors. The Instrument of Proxy also affords the Shareholder the opportunity to specify that the Common Shares registered in their name shall be voted in favour of or against any resolutions proposed for approval at the Meeting in accordance with such direction.

On any ballot that may be called for, the Common Shares represented by proxies in favour of management nominees will be voted or withheld from voting in respect of the election of directors and the appointment of auditors and voted in favour of or against the resolution authorizing the directors to fix the remuneration of the auditors, in each case in accordance with the specifications made by Shareholders in the manner referred to above.

In the absence of any direction in the Instrument of Proxy, it is intended if management's proxy holders are selected, that such shares will be voted in favour of the motions proposed to be made at the Meeting as stated under the headings in this Circular. The Instrument of Proxy enclosed, when properly signed, confers discretionary authority with respect to amendments or variations to any matters, which may properly be brought before the Meeting. At the time of printing this Circular, management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters, which are not now known to management, should properly come before the Meeting, the proxies hereby solicited will be exercised on such matters in accordance with the best judgment of the nominee.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Common Shares are listed for trading in Canada on the Toronto Stock Exchange (the "TSX") under the symbol RDI and in the Republic of South Africa on the Johannesburg Stock Exchange (the "JSE") under the symbol RDI.

The authorized capital of the Company consists of an unlimited number of Common Shares and an unlimited number of preferred shares.

As of June 19, 2013 there were 48,942,745 Common Shares issued and outstanding, each Common Share carrying the right to one vote. At a general meeting of the Company, on a show of hands, every shareholder present in person shall have one vote and, on a poll, every shareholder shall have one vote for each Common Share of which he is the holder. As at the date hereof there are no preferred shares issued or outstanding.

The board of directors (the "**Board**") of the Company has fixed June 19, 2013 as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record on the close of business on the Record Date who either personally attend the Meeting or who complete and deliver a proxy in the manner and subject to the provisions set out under the heading Appointment and Revocation of Proxies above will be entitled to have his or her Common Shares voted at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Company, the only persons or corporations that beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common of the Company as at June 19, 2013 are:

Shareholder Name	Number of Common Shares Held	Percentage of Issued Common Shares
Daboll Consultants Limited	10,200,000	21%

Note:

(1) The above information was supplied to the Company by the shareholders and from the insider reports available at www.sedi.ca.

The Company's Annual Information Form ("AIF") filed on www.sedar.com on May 30, 2013 with the securities commissions or similar regulatory authority in British Columbia, Alberta and Ontario is specifically incorporated by reference into, and forms an integral part of, this Information Circular. A copy of the AIF may be accessed at www.sedar.com or upon request by a shareholder without charge from the Company's Corporate Communications department at 15th Floor, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1, telephone number: 604-684-6365 or fax number 604-681-2741.

Financial Statements

The audited consolidated financial statements of the Company for the fiscal year ended February 28, 2013, report of auditor, and related management discussion and analysis will be placed before the Meeting. These documents have been filed with the securities commissions or similar regulatory authorities in Alberta, British Columbia and Ontario. Copies of the documents may be obtained by a shareholder upon request without charge from the Company's Corporate Communications department at 15th Floor, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1, telephone number: 604-684-6365 or fax number 604-681-2741.

ANNUAL MEETING BUSINESS

Appointment of Auditor

KPMG Inc., Chartered Accountants, KPMG Crescent, 85 Empire Road, Parktown, 2193, Private Bag 9, Parkview, 2122, South Africa, will be nominated at the Meeting for appointment as auditor of the Company.

Election of Directors

The term of office of each of the current directors of the Company expires at the Meeting. The persons named below will be presented for election at the Meeting as management's nominees. Management does not contemplate that any of these nominees will be unable to serve as a director.

The size of the Board was determined at eight (8) at the last annual general meeting. There are seven (7) directors currently serving on the Board. The Board of Directors of the Company has determined that seven directors be elected to the Board at the Meeting. The term of office of each of the current directors will end at the conclusion of the Meeting. Unless a director's office is vacated earlier in accordance with the provisions of the BCA, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

Majority Vote Policy

The Board has adopted a policy stipulating that if the votes in favour of the election of an individual director nominee at a meeting of shareholders represent less than a majority of the Common Shares voted and withheld, the nominee will submit his or her resignation promptly after the Meeting for the consideration of the Nominating and Governance Committee. The Nominating and Governance Committee will make a recommendation to the Board after reviewing the matter, and the Board's decision to accept or reject the resignation offer will be disclosed to the public. The nominee will not participate in any Nominating and Governance Committee deliberations on the resignation offer. The policy does not apply in circumstances involving contested director elections.

The disclosure in the following table sets out the names of management's seven nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, the period of time during which each has been a director of the Company and the number of Shares beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at June 19, 2013. The section Biographical Information about Board Nominees, following the table, includes each nominee's principal occupation, business or employment (for the five preceding years for new director nominees).

Name, Position and Country of Residence	Period a Director of Rockwell	Securities Beneficially Owned or Controlled⁽¹⁾
Mark Bristow ⁵ Director and Chairman Beau Champ, Mauritius	Since March 2007	948,483 Common Shares 168,333 Options
Richard J.Linnell ^{3, 4, 7} Director Johannesburg, South Africa	Since November 2009	63,333 Options
Willem Jacobs ^{2, 3, 4, 6} Director Pretoria, South Africa	Since November 2009	126,666 Options
Stephen Dietrich ² Director Johannesburg, South Africa	Since February 2012	10,000 Options
Johan van't Hof ^{2, 4} Director Toronto, Canada	Since September 2011	10,000 Options
James Campbell ⁸ Director, President and Chief Executive Officer Pretoria, South Africa	Since June 2011	50,536 Common Shares 733 333 Options
Rick Menell Director Johannesburg, South Africa	Since January 2013	-

Notes:

1. The information as to the number of Common Shares beneficially owned or controlled is not within the knowledge of management of the Company and has been furnished by the respective nominees and is based on insider reports filed on www.sedi.ca as at June 19, 2013.

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2. Member of the Audit Committee
 3. Member of the Nominating and Corporate Governance Committee
 4. Member of the Compensation Committee
 5. Mark Bristow holds the following stock options: Options to purchase 33,333 Common Shares at \$0.90 per share expiring on December 7, 2014; options to purchase 50,000 Common Shares at \$0.975 per share expiring on October 8, 2015; options to purchase 75,000 Common Shares at \$0.48 per share expiring October 12, 2016 and options to purchase 10,000 Common Shares at \$0.21 per share expiring December 12, 2022.
 6. Willem Jacobs holds options to purchase 33,333 Common Shares at \$0.90 per share expiring on December 7, 2014, options to purchase 33,333 Common Shares at \$0.975 per share expiring on October 8, 2015 options to purchase 50,000 Common Shares at \$0.48 per share expiring on October 12, 2016 and options to purchase 10,000 Common Shares at \$0.21 per share expiring December 12, 2022.
 7. Richard Linnell holds options to purchase 20,000 Common Shares at \$0.90 per share expiring on December 7, 2014; options to purchase 33,333 Common Shares at \$0.975 per share expiring on October 8, 2015 and options to purchase 10,000 Common Shares at \$0.21 per share expiring December 12, 2022.
 8. James Campbell holds options to purchase 733,333 Common Shares at \$0.75 per share expiring on October 12, 2016.

Biographical Information about Board Nominees

The following information as to principal occupation, business or employment is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years.

DR. MARK BRISTOW – Director and Chairman

Dr. Mark Bristow was appointed to the Company's Board of Directors in October 2006. Dr. Bristow comes to Rockwell with 20 years' experience in exploration, development, project and corporate finance and management in the mining sector in Africa.

From 1992 to 1995, Dr. Bristow had executive responsibility for the exploration and new business activities of Randgold & Exploration. In August 1995 he was appointed managing director and subsequently, in October 1995, CEO of Randgold Resources, which he helped establish as Randgold & Exploration's international mining and exploration subsidiary and subsequently built it into an independent, public gold mining and exploration company which is listed on the London Stock Exchange as well as NASDAQ in New York. He has held director positions on the boards of: Harmony Gold Mining Company Limited; Durban Roodepoort Deep Limited; Blyvooruitzicht Gold Mining Company Limited; Buffelsfontein Gold Mines Limited; and The Grootvlei Proprietary Mines Limited and until recently AFPLATS Plc., the AIM listed, junior Platinum company. Besides his affiliation with Randgold, Dr. Bristow was the Chairman of SOMISY (Syama) until that company was sold to Resolute in 2004. He is currently the Chairman of the SOMILO Board of Directors (Loulo Gold Mining Company), Goukoto S A (Goukoto Gold Mining Company), KibaliSarl (Kibali Gold Mining Company), Tongon SA (Tongon Gold Mining Company), MorilaSA (Morila Gold Mining Company) and has been a member of the President of Senegal's Economic Advisory Committee as well as the President of Mali's advisory council. He is also the non-executive Chairman of Midway Resources International Limited and AIP Holdings Limited. He is a fellow of the Geological Society of South Africa and he holds a PhD in geology from Natal University.

Dr. Bristow has been CEO of Randgold Resources, a publicly-traded company since it was incorporated in 1995. He currently is, or was within the past five years, an officer and/or director of the following public companies:

Company	Positions Held	From	To
Randgold Resources Limited	CEO and Director	August 1995	Present
Rockwell Diamonds Inc.	Director and non-executive chairman	December 2006 September 2011	Present Present

RICHARD J. LINNELL - Director

Richard has been active in the mineral resources business for nearly 40 years and has significant global experience in the development and marketing of resources and commodities. He joined Middelburg Steel & Alloys as Marketing Manager for the Stainless Steel division in 1985 and was subsequently involved in the establishment of the Columbus Stainless Steel Project. He then became General Manager of the Manganese Division of Samancor, a joint venture between the then Billiton Plc. and the Anglo American Corporation. Samancor had a dominant position globally in manganese and chrome markets. He then moved to head Billiton Plc's Exploration and Development activities within Africa, and gained considerable experience in Guinea, Mauritania, Sudan, Morocco, Democratic Republic of Congo, Zambia, as well as South Africa.

Richard retired from BHP Billiton in 2001 and made a successful transition to the junior exploration and mining sector where he has been involved in the creation, raising of funds, development, and management of several private and listed junior and mid-tier exploration and mining companies, including the roles of non-Executive Chairman and Director of companies listed on the Sydney, Toronto, London and Johannesburg stock exchanges.

He is currently non-Executive Director of New Kush Exploration and Mining, Acrux Resources Ltd, Wogen Resources SA Ltd and Nimag Pty Limited. He is Chairman of IPSA Ltd

Aside from his direct interests in mineral exploration and mining Company's Richard was the originator of the Bakubang Initiative, a Forum designed to revive the South African Junior Mining Industry which lead to the establishment of the New Africa Mining Fund and is currently the Chairman of the Trustees of the New Africa Mining Fund. He was also a member of the Electricity Council (representing the mining industry) which was the forerunner of Eskom Limited before corporatisation.

Richard has a BSc (Hons) London External Degree from the University College of Rhodesia and Nyasaland, which was then an External London College.

Mr.Linnell is, or was within the past five years, an officer and/or director of the following public companies:

Company	Positions Held	From	To
Brinkley Mining Company Ltd	Chairman	2008	2009
Chrome Corporation Ltd	Chairman	2007	2009

Company	Positions Held	From	To
Coal of Africa Ltd	Chairman	2001	2012
GRD MinprocLtd	Director	2008	2009
IPSA Ltd	Non-Executive Chairman	2010	Present
Mag Industries Corporation	Director	2006	2011
Maghreb Minerals Plc.	Chairman	2008	2011
Moydoy Mines International Inc.	Director	2007	2010
Gold Mines of Algeria Ltd	Chairman	2005	2010
Rockwell Diamonds Inc.	Director	October 2009	Present
Sacoil Holdings Limited	Chairman	2004	2013
Falkland Gold and Minerals Ltd	Chairman	2004	2010

WILLEM JACOBS - Director

Willem has over 25 years' experience in the engineering, mining and investment sectors, including 20 years in executive, Chief Executive and Chief Operating Officer, and Board Level of private and public companies. His experience includes an excellent track record in the Industrial Minerals industry, including mining and production of low grade deposits, marketing, product development, and product and company positioning. He has worked and operated globally in complex and multi-cultural environments which includes seasoned working knowledge of people, systems, legal frameworks in North and South America, Australia, the Far East including China, the Middle East, Japan and India. He also has extensive experience and a proven track record in corporate turnarounds, mergers and acquisitions, and post acquisition alignment and optimizations of combined business entities.

He joined Price Waterhouse in 1984 as a Principal Consultant and managed the Strategy and Corporate Finance Practice in Johannesburg, prior to becoming Executive Director of Cullinan Holdings Limited from 1990 to 1995. During this period he was also the CEO of Cullinan Precision Engineering, Chairman of Cullinan Minerals, and Chairman of Cullinan Bleaching Clays, a joint venture between SudChemie (Germany) and Cullinan Holdings Limited. From 1996 to 1998 he was Chief Executive of ABB Flexible Automation (Southern Hemisphere), and thereafter the CEO of IMERYS Africa and Australia from 1998 to March 2001. He subsequently served as a non-Executive Director and Chairman of various private resource investment and industrial minerals companies, and in May 2007 assumed the role of Country Manager of all Teal Mining and Exploration activities in the Democratic Republic of Congo until December 2008. He is currently a Director of Congo Supply and Maintenance s.p.r.l.

Willem completed a BPL Honours degree at the University of the Orange Free State in 1982, a Master of Commerce at Rand Afrikaans University in 1985, and a PhD in Economics at the University of South Africa in 1998. Research, study and course work towards his Masters in Commerce and PhD degrees was completed at Duke University and the Wharton Business School in the USA respectively. He further completed specialist courses at Wharton Business School in the areas of mergers and acquisitions as well as strategy.

Willem Jacobs is, or was within the past five years, an officer and/or director of the following public companies:

Company	Positions Held	From	To
Congo Supply and Maintenance	Director	January 2009	Present
Randgold Resources	General Manager	February 2010	Present
Rockwell Diamonds Inc.	Director	October 2009	Present
Teal Mining and Exploration	Country Manager	May 2007	December 2008

JOHAN VAN'T HOF - Director

President and Chief Executive Officer of Tonbridge Corporation, a Toronto based merchant bank and financial advisory firm since 2003.

From 2004 to 2011, he was also president and CEO of Tonbridge Power Inc., where he was responsible for managing the executive team directing the completion of the Montana Alberta Tie Project, a 345 km 230 kV power line connecting Alberta to the United States electrical grid. He led the team in seven financing transactions amounting to \$250M, including the completion of a \$161M senior construction loan facility with the US Department of Energy under the 2009 Stimulus Bill. Tonbridge Power was sold in 2011 to Enbridge Corp.

Mr. van't Hof has several years of experience in project finance, utility financing and restructuring transactions. From 1991 to 2001, he was a project finance and privatization partner at PricewaterhouseCoopers where he was head of the electricity project finance practice. He completed electricity financing projects and privatizations in several countries, as well as financing and privatization transactions involving airports, correctional facilities and roads around the world.

Earlier in his career, he was seconded to the Ontario Securities Commission for a term in corporate finance and investigations. He has taught at the University of Toronto for twelve years and the School of Accountancy for the Institute of Chartered Accountants of Ontario final examinations. He received an MBA from the Rotman School of Business at the University of Toronto, and is a chartered accountant and a CPA in Ontario. He is also a Colleague of the Royal Canadian College of Organists, born in the Netherlands and is a dual citizen with Canada.

Johan van't Hof is or was within the past five years, an officer and/or director of the following public companies

Company	Positions Held	From	To
Rockwell Diamonds Inc	Director	September 2011	Present
Tonbridge Power Inc	Director	March 2004	June 2011
Crystallex International Corporation	Director	March 2004	December 2011

STEPHEN DIETRICH - Director

Mr. Dietrich has a wealth of knowledge both at operational and management level in the diamond industry, having spent over twenty years with the De Beers Group, the latter part as Financial Director of De Beers Consolidated Mines Limited and De Beers Group Services.

He is a Chartered Accountant (SA) and served on the Board of a public utility.

Stephen Dietrich is or was within the past five years, an officer and/or director of the following public companies

Company	Positions Held	From	To
Rockwell Diamonds Inc	Director	February 2012	Present
SA Post Office Ltd	Director	July 2007	July 2012

JAMES CAMPBELL – President and Chief Executive Officer

James Campbell is a geologist and mining executive with an extensive career in the diamond sector, most recently as Vice President New Business for Lucara Diamond Corp. (“**Lucara**”) and as Managing Director of African Diamonds plc., which was acquired by Lucara in 2010; prior to that he had worked with the DeBeers group for over 20 years.

James holds a degree in Mining & Exploration Geology from the Royal School of Mines (Imperial College, London University) and an MBA with distinction from Durham University. James is a Fellow of the Institute of Mining, Metallurgy & Materials, Chartered Engineer (UK), Chartered Scientist (UK), a Professional Natural Scientist (RSA) and a member of the Institute of Directors of South Africa.

Company	Positions Held	From	To
Rockwell Diamonds Inc.	Director and CEO	June 2011	Present
Stellar Diamonds plc	Director	February 2002	Present

RICK MENELL, B.A. (Hon.), MA, M.Sc – Director

Richard (Rick) Menell has over 35 years of experience in the mining industry with particular expertise in exploration, corporate management and finance. He trained as an exploration geologist. He worked for Anglovaal Mining from 1992 to 2006 and served as CEO since 1997. Prior to that he was an Investment Banker with JP Morgan in New York and Melbourne. Since 2008 he is the Special Advisor to Teal Exploration and Mining Inc. He held executive positions at Village Main Reef Gold Mining Company, Teal Exploration and Mining, African Rainbow Minerals and Anglovaal Gold and Board appointments at Village Main Reef Gold Mining Company, Bateman Engineering, African Rainbow Minerals, Harmony Gold Mining, Assmang, Telkom, Anglovaal Gold and the Standard Bank.

Mr. Menell is, or was within the past five years, an officer and/or director of the following public companies:

Company	Positions Held	From	To
Rockwell Diamonds Inc.	Director	January 2013	Present
Anglovaal Holdings	Director	November 1995	April 2011
	President & CEO	January 2008	April 2011
Goldfields Limited	Director	November 2010	Present
Standard Bank of SA Limited	Director	December 1995	January 2011
The Weir Group plc	Director	November 2009	Present

CORPORATE GOVERNANCE

Mandate of the Board

The Board adopted a formal mandate as outlined in Rockwell’s Corporate Governance Policies and Procedures Manual (the “**Manual**”) on February 28, 2008. The Manual mandates the Board to: (i) assume responsibility for the overall stewardship and development of the Company and monitoring of its business decisions, (ii) identify the principal risks and opportunities of the Company’s business and ensure the implementation of appropriate systems to manage these risks, (iii) oversee ethical management and succession planning, including appointing, training and monitoring of senior management and directors, and (iv) oversee the integrity of the Company’s internal financial controls and management information systems. In addition, the Manual includes written charters for each committee. Further, the Manual encourages but does not require continuing education for its directors and it contains a code of ethics, policies dealing with issuance of news releases and disclosure documents, as well as share trading black-out periods. A copy of the Manual is available for review at the Company’s website www.rockwelldiamonds.com

The attendance record of the directors for the 12 months ended February 28, 2013 is as follows:

Name	Board Meetings Attended	% of Board Meetings Attended
Mark Bristow	7	100
James Campbell	7	100
Stephen Dietrich	7	100
Willem Jacobs	7	100
Richard Linnell	7	100
Johan van’t Hof	7	100
Rick Menell ¹	1	50

Notes:

1. Rick Menell was appointed as a director on January 6, 2013.

Composition of the Board

Applicable governance policies require that a listed issuer's Board of Directors determine the status of each director as independent or not, based on each director's interest in or other relationship with, the corporation. Applicable governance policies recommend that a Board be constituted with a majority of directors who qualify as independent directors (as defined below). A Board should also examine its size with a view to determining the impact of the number of directors upon the effectiveness of the board, and the board should implement a system which enables an individual director to engage an outside advisor at the expense of the corporation in appropriate circumstances. The Manual allows for retention of independent advisors for board members when they consider it advisable.

Under applicable policies, an "independent" director is one who has no direct or indirect material relationship with the Company. Generally speaking, a director is independent if he or she is free from any employment, business or other relationship which could, or could reasonably be expected to, materially interfere with the exercise of the director's independent judgement. A material relationship includes having been (or having a family member who has been) within the last three years an employee or executive of the Company or having been employed by the Company's external auditor. An individual who (or whose family member) is or has been within the last three years, an executive officer of an entity is deemed to have a material relationship as is any individual who (or whose family members or partners) received directly or indirectly, any consulting, advisory, accounting or legal fee or investment banking compensation from the Company (other than compensation for acting as a director or as a part time chairman or vice-chairman).

The Board proposes seven nominees for the office of director of whom five of the nominees can be considered as "independent" directors. The "independent" nominees are Willem Jacobs, Richard Linnell, Johan van't Hof, Stephen Dietrich and Rick Menell. These nominees are considered independent by virtue of not being executive officers of the Company, not having a material relationship with the Company and having received no compensation other than in their role as independent directors. The non-independent directors (and the reasons for that status) are Mark Bristow (Chairman) and James Campbell (President and CEO).

The Board monitors the activities of the senior management through regular meetings and discussions amongst the Board and between the Board and senior management. The Board is of the view that its communication policy between senior management, members of the Board and shareholders is good. The Board is satisfied with the integrity of the Company's internal control and financial management information systems.

Committees of the Board

The Manual requires that (i) committees of the Board be composed of at least a majority of independent directors (ii) the Board expressly assume responsibility, or assign to a committee of directors responsibility, for the development of the Company's approach to governance issues, (iii) the Audit Committee be composed only of independent directors, and the role of the Audit Committee be specifically defined and include the responsibility for overseeing management's system of internal controls, (iv) the Audit Committee have direct access to the Company's external auditor, and (v) the Board appoint a Nominating and Governance Committee, composed of a majority of independent

directors, with the responsibility for proposing new nominees to the Board and for assessing directors on an ongoing basis.

As well as an Audit Committee, the Board also has a Compensation Committee and a Nominating and Governance Committee.

Audit Committee

The Board has established an Audit Committee which currently consists of Willem Jacobs, Stephen Dietrich and Johan van't Hof. The Audit Committee carries out its responsibilities under applicable laws, regulations and stock exchange requirements with respect to the employment, compensation and oversight of the Company's independent auditors and other matters under the authority of the committee. See further disclosure in Item 20 of the Company's AIF filed on www.sedar.com on May 30, 2013 with respect to the Audit Committee and its relationship with the Company's independent auditors. The Company adopted an Audit Committee Charter on February 28, 2008 and it is included in the Manual. The Audit Committee Charter is also available for viewing at the Company's website at www.rockwelldiamonds.com.

Compensation Committee

The Board has established a compensation committee which currently consists of Richard Linnell and Johan van't Hof. The compensation committee recommends compensation for the directors and executive officers of the Company. See further disclosure under Statement of Executive Compensation below. The Compensation Committee Charter was adopted on February 28, 2008 and is included in the Manual. This Compensation Committee Charter is available to view at the Company's website at www.rockwelldiamonds.com.

The function of the compensation committee is to review, on an annual basis, the compensation paid to the Company's executive officers and directors, to review the performance of the Company's executive officers and to make recommendations on compensation to the Board.

The Compensation Committee also periodically considers the grant of stock options. Options have been granted to the executive officers and directors and certain other service providers taking into account competitive compensation factors and the belief that options help align the interests of executive officers, directors and service providers with the interests of shareholders.

Nominating and Governance Committee

The Board has established a nominating and governance committee (the "**NG committee**") which currently consists of Richard Linnell and Willem Jacobs.

The NG committee has the responsibility of developing and recommending to the Board the Company's approach to corporate governance and assists members of the Board in carrying out their duties. The NG committee also reviews all new and modified rules and policies applicable to governance of listed corporations to assure that the Company remains in full compliance with such requirements as are applicable to the Company.

The nominating function of the NG committee is to evaluate and recommend to the Board the size of the Board and persons as nominees for the position of a director of the Company and to formalize the process for ensuring the nomination of high calibre directors and proper director succession planning. The Company has formal procedures for assessing the effectiveness of Board committees as well as the Board as a whole. Under the Manual, this function is to be carried out annually under the direction of the NG committee and those assessments are then provided to the Board.

Board Decisions

Good governance policies require the Board of a listed corporation, together with its chief executive officer, to develop position descriptions for the Board and for the chief executive officer, including the definition of limits to management's responsibilities. Any responsibility, which is not delegated to senior management or to a committee of the Board remains with the Board.

Recruitment of New Directors and Assessment of Board Performance

Good governance policies require that (i) every board of a listed corporation implement a process for assessing the effectiveness of the board and the committees of the board and the contribution of individual directors, (ii) every corporation provide an orientation and education program for new directors, and (iii) every board review the adequacy and form of compensation of directors and ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective director.

See the discussion under Nominating and Governance Committee above.

Directorships

The Election of Directors section above in this Information Circular provides details of other reporting issuers of which each director is a director or officer as at the date hereof.

Orientation and Continuing Education

The Company has traditionally retained experienced mining people as directors and hence the orientation needed is minimized. When new directors are appointed, they are acquainted with the Company's mineral projects and the expectations of directors. Board meetings generally include presentations by the Company's senior management and project staff in order to give the directors full insight into the Company's operations.

Ethical Business Conduct

The Board has adopted an ethics policy (set out in the Manual) which is available for download from the Company's website at www.rockwelldiamonds.com. The Board also believes that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience. See the discussion under Nominating and Governance Committee above.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees. The NG Committee is mandated to oversee an annual formal assessment of the Board and its three committees namely the audit committee, compensation committee and the NG committee.

STATEMENT OF EXECUTIVE COMPENSATION

General Provisions

“Named Executive Officer” (“**NEO**”) means each of the following individuals:

- (a) a Chief Executive Officer (“**CEO**”);
- (b) a Chief Financial Officer (“**CFO**”);
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at February 28, 2013.

Compensation Discussion and Analysis

The Company's compensation policies and programs are designed to be competitive with similar resource companies and to recognize and reward executive performance consistent with the success of the Company's business.

The Board has established a compensation committee consisting of Richard Linnell and Johan van't Hof. The function of the compensation committee as set out in the Manual is to assist the Board in fulfilling its responsibilities relating to the compensation practices of the executive officers of the Company. To achieve this purpose, the compensation committee has the duty, responsibility and authority to:

-
- (a) recommend to the Board the form and amount of compensation to be paid by the Company to directors for service on the Board and on Board committees. The compensation committee shall review director compensation at least annually;
 - (b) annually review the Company's base compensation structure and the Company's incentive compensation, stock option and other equity-based compensation programs and recommend changes in or additions in such structure and plans to the Board as needed;
 - (c) recommend to the Board the annual base compensation of the Company's executive officers and senior managers (collectively the "**Officers**");
 - (d) recommend to the Board the range of increase or decrease in the annual base compensation for non-Officer personnel providing services to the Company;
 - (e) recommend to the Board annual corporate goals and objectives under any incentive compensation plan adopted by the Company for Officers and non-Officer personnel providing services to the Company, and recommend incentive compensation participation levels for Officers and non-Officer personnel providing services to the Company under any such incentive compensation plan. In determining the incentive component of compensation, the Committee will consider the Company's performance and relative shareholder return, the values of similar incentives at comparable companies and the awards given in past years;
 - (f) evaluate the performance of Officers generally, and in light of annual corporate goals and objectives under any incentive compensation plan;
 - (g) periodically review with the Chairman and CEO their assessments of corporate officers and senior managers and succession plans, and make recommendations to the Board regarding appointment of officers and senior managers;
 - (h) provide oversight of the performance evaluation and incentive compensation of non-Officer personnel providing services to the Company;
 - (i) administer the Company's stock option and other equity based compensation plans and determine the annual grants of stock options and other equity based compensation; and
 - (j) recommend to the NG committee the qualifications and criteria for membership on the compensation committee.

Report on Executive Compensation

The Valuation Report on executive compensation has been authorized by the compensation committee. The Board assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Company although the compensation committee guides it in this role. As part of its mandate, the Board determines the type and amount of compensation for the Company's executive officers. In addition, the Board reviews the methodology utilized by the Company for setting salaries of employees throughout the organization.

The compensation committee receives competitive market information on compensation levels for executives.

Mr. James Campbell, President and CEO and Mr. Gerhard Jacobs, the CFO, serve the Company on a full-time basis.

Philosophy and Objectives

The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining talented, qualified and effective executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Company's Shareholders.

In compensating its senior management, the Company has employed a combination of base salary, bonus compensation and equity participation through its stock option plan.

Base Salary

In the Board's view, paying base salaries that are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Competitive salary information on comparable companies within the industry is compiled from a variety of sources, including surveys conducted by independent consultants and national and international publications.

Bonus Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Board will consider executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. Bonuses are awarded at the discretion of the Board. The Board approves executive bonus compensation dependent upon compensation levels based on recommendations of the compensation committee, and such recommendations are generally based, if necessary, on survey data provided by independent consultants. There were no incentive bonuses awarded in the financial year.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its Shareholders. Equity participation is accomplished through the Company's stock option plan. Stock options are granted to senior executives taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. Options are generally granted to senior executives and vest on terms established by the compensation committee.

Given the evolving nature of the Company's business, the Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

Compensation of the Chief Executive Officer

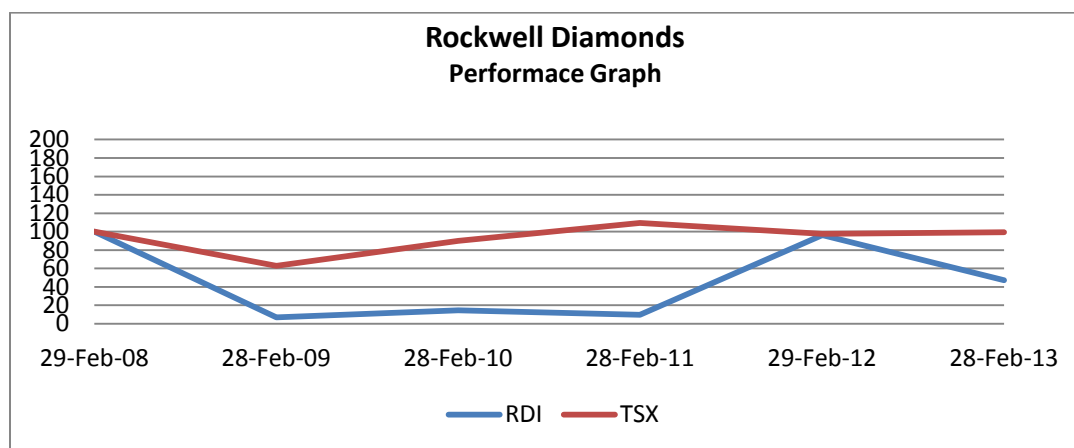
Under the Manual, the compensation of the CEO is to be approved by the Board. Base salary and bonus levels are determined taking into account independent market survey data.

The compensation committee reviews the grants of stock options to directors, management, employees and consultants. Options have been granted in prior years taking into account competitive compensation factors and the belief that options help align the interests of such persons with the interests of shareholders.

As noted above under Bonus Compensation, incentive that may be paid to the CEO and any other member of the Executive or senior management team are determined in respect of the individuals and management team achieving strategic objectives and milestones which are set at the beginning of each year by the compensation committee and approved by the Board.

Performance Graph

The following graph compares the cumulative total return to a shareholder who invested \$100 in Common Shares of the Company on February 29, 2008 until February 28, 2013 with the cumulative total return of the TSX.



The Company's compensation policies and programs are designed to be competitive with similar junior mining exploration companies and to recognize and reward executive performance consistent with the success of the Company's business.

As a result of the credit crisis, commodities prices collapsed, with diamonds being particularly hard hit. This, coupled with uncertainty raised from an unsolicited take-over attempt resulted in a collapse in the share price.

The performance of management cannot be measured on the share price, but in maintaining liquidity, increasing production and reducing costs. The fact that the Company is still in operation where many of its peers have failed completely is evidence of the commitment and creativity of management in ensuring that the Company is still operational.

Senior employees' salaries were brought in line with the market albeit at the lower end of the percentile and the employees that were on par with the market were given inflation related increases. Union employees were granted band specific increases, as negotiated, to narrow disparities.

Actions, Decisions or Policies Made after February 28, 2013

Given the evolving nature of the Company's business, the Board and its compensation committee continue to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above. No actions, decisions or policies have been made since February 28, 2013 that would affect a reader's understanding of NEO compensation.

Option Based Awards

The Company has in place a rolling share option plan dated for reference September 9, 2011 (the "**Plan**"). Under TSX policies the Plan must be submitted to shareholders for renewal every three years. The Plan has been established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company.

Under the Plan, a maximum of 10% of the issued and outstanding Common Shares of the Company may be reserved for issuance. Options up to this limit may be granted at the discretion of the Board, or the Compensation Committee, to eligible optionees (the "**Optionees**"). In addition, as the number of issued and outstanding Common Shares of the Company increases, the number of options available for granting to eligible optionees will increase. As at the date hereof there are options outstanding to purchase an aggregate of 3,678,826 Common Shares representing approximately 7.6% of outstanding Common Shares.

The Plan is administered by the Compensation Committee of the Company. The Plan provides that options will be issued pursuant to option agreements to directors, officers, employees or consultants of the Company or a subsidiary of the Company. All options expire on a date not later than ten years after the issuance of such option. Previous grants of option-based awards are taken into account when considering new grants of options. Subject to the requirements of the policies of the TSX and the prior receipt of any necessary regulatory approval, the Board may, in its absolute discretion, amend or modify the Plan or any outstanding option granted under the Plan, as to the provisions set out in the Plan.

The following is a summary of the material terms of the Plan:

- Currently all options granted under the Plan are non-assignable and non-transferable and are issuable for a period of up to ten years;
- for stock options granted to employees or service providers (inclusive of management company employees), the Company must ensure that the proposed optionee is a bona fide employee or

service provider (inclusive of management company employees), as the case may be, of the Company or any subsidiary;

- if an optionee ceases to be employed by the Company (other than as a result of termination with cause) or ceases to act as a director or officer of the Company or a subsidiary of the Company, any option held by such optionee may be exercised within 90 days after the date such optionee ceases to be employed as an officer or director or, as the case may be;
- if an optionee dies, any vested option held by him at the date of death will become exercisable by the optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such optionee and the date of expiration of the term otherwise applicable to such option;
- in the case of an optionee being dismissed from employment or service for cause, such optionee's options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
- the minimum exercise price of an option granted under the Plan must not be less than the Market Price calculated the day before the grant (as defined in the Plan);
- vesting of options shall be in accordance with the option commitment in the New Option Plan or otherwise, at the discretion of the Board, and will generally be subject to: (i) the service provider remaining employed by or continuing to provide services to the Company or any of its affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its affiliates during the vesting period; or (ii) the service provider remaining as a director of the Company or any of its affiliates during the vesting period;
- the maximum aggregate number of shares issuable upon exercise of options to non-employee directors must not exceed 1% of the total Common Shares of the Company outstanding at any time and no more than \$100,000 in total award value per non-employee director on an annual calendar basis; and
- the Board reserves the right in its absolute discretion to terminate the Plan with respect to all Plan shares in respect of options which have not yet been granted hereunder.

The Plan has the following restrictions, which restrictions may only be superceded by the Company obtaining approval of the disinterested shareholders (defined below) of the Company in each instance:

- (i) Common Shares being issuable to Insiders under the Plan, when combined with all of the Company's other share compensation arrangements, exceeding 10% of the outstanding Common Shares;
- (ii) Common Shares to be issued to Insiders under the Plan, when combined with all of the Company's other share compensation arrangements, exceeding 10% of the outstanding Common Shares in any 12 month period;
- (iii) Common Shares being issuable to independent directors under the Plan, when combined with all of the Company's other share compensation arrangements, exceeding 1% of the outstanding Common Shares of the Company; and
- (iv) a reduction in the exercise price of an option granted hereunder to an Insider or an extension of the term of an option granted hereunder benefiting an Insider.

Options are generally granted to corporate executives in the first quarter of each year as part of the annual compensation review. Any special compensation is typically granted in the form of options. Options are granted at other times of the year to individuals commencing employment with the Company. The exercise price for the options is based on the volume weighted average of the closing price of the shares of the Company on the TSX for the 5 days prior to the date of grant.

Summary Compensation Table

The compensation paid to the NEOs during the Company's three most recently completed financial years ended February 28, 2011, February 29, 2012 and February 28, 2013 is as set out below:

Name and principal position	Year	Salary ⁽¹⁾ (\$)	Share-based awards (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation ⁽³⁾ (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans ⁽³⁾	Long-term incentive plans			
James Campbell	2013	362,278	Nil	Nil	50,190	Nil	Nil	Nil	412,468
	2012	270,000	Nil	550,000	Nil	Nil	Nil	Nil	820,000
Gerhard Jacobs ⁽⁵⁾ CFO	2013	297,536	Nil	17,135	47,806	Nil	Nil	Nil	362,477
	2012	303,843	Nil	28,800	Nil	Nil	Nil	Nil	332,643
	2011	191,133	Nil	52,000	Nil	Nil	Nil	Nil	243,133
Michael Hunt ⁽⁷⁾ former COO	2012	137,886	Nil	141,176	Nil	Nil	Nil	Nil	279,062
John Bristow ⁽⁴⁾ former President and CEO	2012	Nil	Nil	Nil	Nil	Nil	Nil	58,595	58,595
	2011	352,753	Nil	58,500	Nil	Nil	Nil	Nil	411,253
Desmond Morgan former CFO ⁽⁵⁾	2011	47,622	Nil	Nil	Nil	Nil	Nil	Nil	47,622
Graham Chamberlain ⁽⁶⁾ former COO	2012	168,375	Nil	Nil	Nil	Nil	Nil	Nil	168,375
	2011	211,652	Nil	58,500	10,441	Nil	Nil	Nil	280,593

Notes:

1. The Company's South African executives are compensated in South African Rand ("ZAR") and have been presented in Canadian dollars at an exchange rate of 1 Canadian dollar = ZAR 8.3682 (2012:ZAR 7.4239 and 2011: ZAR 7.0871) the average monthly rate in effect for the year ended February 28, 2013.

2. These amounts represent the dollar amount based on the grant date fair value of the award for the year ended February 28, 2013. The options granted in the Company's financial year ended February 28, 2013 were granted pursuant to the Stock Option Plan. For compensation purposes, the Black-Scholes option valuation model has been used to determine the fair value on the date of grant. The Black-Scholes option valuation is determined using the expected life of the stock option, expected volatility of the Company's Common Share Price, expected dividend yield, and risk-free interest rate. The Black-Scholes grant date fair value for awards granted on December 12, 2012 was 109.5% of the option exercise price.
3. These amounts include annual non-equity incentive plan compensation, such as bonuses and discretionary amounts for the year ended February 28, 2013.
4. Mr. Bristow resigned from the position of President and CEO on December 14, 2010.
5. Mr. Morgan resigned as CFO on July 16, 2010. Mr. Jacobs was appointed as CFO on July 19, 2010.
6. Mr. Chamberlain commenced employment with the Company and was appointed Chief Operating Officer on November 1, 2009 and resigned on December 31, 2011.
7. Mr Hunt commenced employment July 11, 2011 with the Company and was appointed Chief Operating Officer and resigned on October 28, 2012.

Incentive Plan Awards

Outstanding Option-based Awards

The following table sets out all share-based awards and option-based awards outstanding as at February 28, 2013, for each NEO:

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options \$(1)
James Campbell ⁽²⁾ President and CEO	733,333	0.75	October 12, 2016	Nil
Gerhard Jacobs ⁽³⁾ CFO	75,000	0.21	December 12, 2022	Nil
	60,000	0.48	October 12, 2016	Nil
	53,333	0.975	October 8, 2015	Nil

Notes:

1. The value at February 28, 2013 is calculated by determining the difference between the closing price of the Company's Common Shares at February 28, 2013 (\$0.05 per Common Share) underlying the option on the TSX and the exercise price of the options.
2. Mr Campbell was appointed CEO effective June 1, 2011.
3. Mr. Jacobs was appointed as the new CFO effective July 19, 2010. Mr. Morgan resigned as CFO effective July 16, 2010 and any options held by Mr. Morgan expired unexercised.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out all incentive plan awards (value vested or earned) during the year ended February 28, 2013, for each NEO:

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
James Campbell, President and CEO	Nil	50,190
Gerhard Jacobs, CFO	Nil	47,806

Note:

1. These amounts represent the aggregate dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date. The value of each amount has been determined by taking the difference between the market price of the option at date of exercise and the exercise or base price of the option under the option-based award on the vest date.

The Company has no pension plans for its directors, officers or employees.

Termination and Change of Control Benefits

As at February 28, 2013 the following NEO's of the Company had written employment contracts between themselves and the Company:

- Gerhard Jacobs dated August 1, 2010; and
- James Campbell date June 1, 2011;

Under these agreements Gerhard Jacobs, and James Campbell are to work full time for the Company and are eligible to receive stock options and a performance based bonus at the discretion of the compensation committee and the Board, as well as other standard benefits made available by the Company. Please see Summary Compensation Table above.

There are no other compensatory plans or arrangements, with respect to the NEOs resulting from the resignation, retirement or any other termination of employment of the NEO's or from a change of any NEO's responsibilities following a change in control except Gerhard Jacobs.

Potential Payments upon Termination

The following table provides information concerning the value of payments and benefits following termination of employment of each NEO under various circumstances. Payments vary based on the reason for termination and the timing of a departure. The amounts below are calculated as if the NEO's employment had been terminated on February 28, 2013. Receipt of payments on termination is contingent on the NEO delivering a release to the Company.

NEO		Termination Without Cause	Change of Control
James Campbell ⁽¹⁾	Salary	90,569	724,556
	Bonus	Nil	Nil

NEO		Termination Without Cause	Change of Control
	Options	Nil	Nil
Gerhard Jacobs ⁽²⁾	Salary	148,768	297,536
	Bonus	Nil	Nil
	Options	Nil	Nil

Notes:

1. Mr. Campbell was appointed as CEO on June 1, 2011.
2. Mr. Jacobs was appointed as CFO on July 19, 2010.

Compensation of the Company's South African executives (including Mr. Campbell) was paid to them in South African Rand (ZAR). In the above table, an exchange rate of CDN\$1 = ZAR 8.3682 was used.

Except as outlined above, there are no contracts, agreements, plans or arrangements that provide for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement or a change in control of the Company.

Director Compensation

Director Compensation Table

Each director of the Company, who is not an executive officer, is paid an annual director's fee of \$25,000. Each director who is a member of the audit committee receives an additional \$5,000. Each director receives a fee per meeting attended (\$750 per board meeting, \$1,000 per other meeting) and 10,000 share options per annum. The share options are increased to 15,000 share options per annum should a director opt not to receive meeting fees.

The compensation provided to the directors, excluding a director who is included in disclosure for an NEO for the Company's most recently completed financial year of February 28, 2013 is:

Name	Fees earned (\$)	Share-based Awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Mark Bristow	25,500	Nil	2,285	Nil	Nil	Nil	27,785
Richard John Linnell	33,000	Nil	2,285	Nil	Nil	Nil	35,285
Willem Jacobus Jacobs	36,000	Nil	2,285	Nil	Nil	Nil	38,285
Johan van't	36,000	Nil	2,285	Nil	Nil	Nil	38,285

Name	Fees earned (\$)	Share-based Awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Hof ⁽²⁾							
Stephen Dietrich	33,003	Nil	2,285	Nil	Nil	Nil	35,288
Rick Menell ²	4,243	Nil	Nil	Nil	Nil	Nil	4,243

Notes:

1. Rick Menell was appointed a director from January 2013.

The following table sets out all share-based awards and option-based awards outstanding as at February 28, 2013, for each director, excluding a director who is already set out in disclosure for a NEO for the Company:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Mark Bristow	33,333	0.90	Dec 7, 2014	Nil	Nil	Nil
	50,000	0.975	Oct. 8, 2015	Nil	Nil	Nil
	75,000	0.48	Oct 12, 2016	Nil	Nil	Nil
	10,000	0.21	Dec 12, 2022	350	Nil	Nil
Richard John Linnell	20,000	0.90	Dec 7, 2014	Nil	Nil	Nil
	33,333	0.975	Oct. 8, 2015	Nil	Nil	Nil
	10,000	0.21	Dec 12, 2022	Nil	Nil	Nil
Willem Jacobus Jacobs	33,333	0.90	Dec 7, 2014	Nil	Nil	Nil
	33,333	0.975	Oct. 8, 2015	Nil	Nil	Nil
	50,000	0.48	Oct 12, 2016	Nil	Nil	Nil
	10,000	0.21	Dec 12, 2022	Nil	Nil	Nil
Johan Van't Hof	10,000	0.21	Dec 12, 2022	350	Nil	Nil
Stephen Dietrich	10,000	0.21	Dec 12, 2022	350	Nil	Nil

Note:

1. The value at February 28, 2013 is calculated by determining the difference between the closing price of the Company's Common Shares at February 28, 2013 (\$0.2450 per Common Share) underlying the option on the TSX and the exercise price of the options.

There was no value vested or earned under any incentive plan during the Company's fiscal year ended February 28, 2013.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following plan sets out equity compensation plan information for the fiscal year ended February 28, 2013.

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by security holders - (the Plan)	3,975,605	\$0.64	865,336
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	3,975,605	\$0.64	865,336

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end of the most recently completed financial year or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the 12 months ended February 28, 2013, or has any interest in any material transaction in the current year other than in respect of the share option plan and as set out herein or in a document disclosed to the public.

Hunter Dickinson Services Inc.

Hunter Dickinson Services Inc. (“**HDSI**”) is a wholly owned subsidiary of Hunter Dickinson Inc. (“**HDI**”), a private company. HDSI was, until recently, owned equally by several public companies, one of which was Rockwell. During the year, Rockwell sold its interest in HDSI for nominal value. HDSI had a director in common with the Company (Mr. Copeland) and provides geological, corporate development, administrative and management services to, and incurs third party costs on behalf of, the Company pursuant to annually set rates. During the year ended February 28, 2013, the Company paid HDSI \$74,144 (2012-\$338,155 ;2011 - \$467,151) for services rendered and amounts reimbursed to HDSI for third party costs incurred on the Company’s behalf.

Flawless Diamonds Trading House

Flawless Diamonds Trading House (Pty) Ltd (“Flawless Diamonds Trading House” or “**FDTH**”) is a private company where one director, D.M. Bristow, and certain former directors and/or officers of the Company, namely, Messrs. Brenner, J.W. and Van Wyk are shareholders. Rockwell owns a 20% interest in FDTH which was acquired with effect from May 5, 2010 for consideration of approximately \$100,000.

Flawless Diamonds Trading House is a registered diamond broker which provides specialist diamond valuation, marketing and tender sales services to the Company for a fixed fee of 1% of turnover which is below the market rate charged by similar tender houses. FDTH was established in 2006 to provide a professional marketing and sales facility to market and sell Rockwell’s diamond production. Rockwell had no prior experience of marketing high quality alluvial gemstone production and needed to position itself in relation to new diamond legislation which was being implemented at the time that Rockwell was establishing itself in the South African market. It was strategically important for Rockwell to have access to a strong and secure dedicated marketing facility to maximize revenue from the sale of its unique diamond production.

FDTH operates from South Africa’s internationally recognized high security diamond trading and manufacturing hub known as Jewel City, Johannesburg. FDTH was established and is still run by experienced and internationally recognized diamantaire. The facility is operated by a small and highly experienced marketing and valuation team which collectively has over 100 years of rough diamond valuation, marketing and sales experience. FDTH follows rigorous diamond handling, security, and Kimberley Process protocols, and all marketing and sales procedures are monitored and facilitated by a proprietary computer based system. This system provides independent and transparent verification of results for sellers and buyers, and is acknowledged in the industry as a leading standard for transacting diamond sales. Aside from providing marketing and sales to Rockwell, FDTH also conducts sales on behalf of other small South African producers. During 2013 FDTH was responsible for selling 100% (or \$27.1 million) of the Company’s aggregate diamond sales.

Relationship with Daboll Consulting Ltd. (affiliate of the Steinmetz Diamond Group)

Daboll Consultants Ltd., an affiliate of the Steinmetz Diamond Group, owns 21.3% (10.2 million Rockwell Common Shares).

Rockwell Diamonds Inc. has a Marketing and Beneficiation Agreement with the Steinmetz Diamond Group which was initially signed in October 2007. Under the terms of the agreement high valued rough diamonds produced by Rockwell are sold to Steinmetz at the market price. Rockwell receives 90% of the price up front with the remaining 10% payable on sale of the polished stone. The diamonds are cut and polished by Steinmetz’ master cutters and on sale of the polished diamonds, Rockwell participates equally in the profits from the sale. The partnership was originally set up for stones exceeding \$500,000 in value, but was extended to include all stones exceeding 10 carats in 2009. In May 2011, the agreement was broadened further to include all stones larger than 2.8 carats.

The partnership has been successful for both counterparties as Steinmetz has access to Rockwell’s pipeline of high valued stones, while Rockwell participates in the upside potential on the final sale of the stones where there is significant value leverage. Rockwell is the only diamond producer with a marketing

and beneficiation agreement of this nature. Rockwell has generated total revenue of \$8.5 million from its profit shares in terms of the joint venture in the last three years, with the sale of 6,184 carats, while Steinmetz has access to the large and exceptional gemstones which are its speciality. As the stock of special stones in the joint venture increases, so Rockwell's potential for value added revenues grows. With the recent extension of the agreement to include stones exceeding 2.8 carats, the benefits for Rockwell will increase.

Daboll is also a creditor of the Company having loaned it \$2 million on June 2, 2011 under a convertible loan agreement. This Loan is now due and proposed for amendment- see "Particulars of Other Matters to be Acted Upon Item C" – Authorization to allow conversion of \$2 million Loan into maximum of 12,235,686 Common Shares.

PARTICULAR OF MATTERS TO BE ACTED UPON

A. Alteration to Articles to Include Advance Notice Provision

Introduction

The directors of the Company are proposing that the Articles of the Company be altered to include an advance notice provision (the "Advance Notice Provision"), which will: (i) facilitate orderly and efficient annual general or, where the need arises, special, meetings; (ii) ensure that all shareholders receive adequate notice of the director nominations and sufficient information with respect to all nominees; and (iii) allow shareholders to register an informed vote. The full text of the proposed alteration of the Articles to include the Advance Notice Provision is set out in Schedule "A" to this Information Circular.

Purpose of the Advance Notice Provision

The purpose of the Advance Notice Provision is to foster a variety of interests of the shareholders and the Company by ensuring that all shareholders - including those participating in a meeting by proxy rather than in person - receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. The Advance Notice Provision is the framework by which the Company seeks to fix a deadline by which holders of record of common shares of the Company must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

Effect of the Advance Notice Provision

Subject only to the BCA and the Articles, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the Board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors: (a) by or at the direction of the Board, including pursuant to a notice of meeting; (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the BCA, or a requisition of the shareholders made in accordance with the provisions of the BCA; or (c) by any person (a "Nominating Shareholder"): (A) who, at the close of business on the date of the giving

of the notice provided for below in the Advance Notice Provision and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in the Advance Notice Provision.

In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Corporate Secretary of the Company at the principal executive offices of the Company.

To be timely, a Nominating Shareholder's notice to the Corporate Secretary of the Company must be made: (a) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 40 days after the date (the "Notice Date") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the tenth (10th) day following the Notice Date; and (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made. In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above. Notwithstanding the foregoing, the Board may, in its sole discretion, waive the time periods summarized above.

To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Company must set forth: (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; (D) a statement as to whether such person would be "independent" of the Company (within the meaning of applicable securities law) if elected as a director at such meeting and the reasons and basis for such determination; and (E) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the BCA and Applicable Securities Laws (as defined below); and (b) as to the Nominating Shareholder giving the notice, the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the Nominating Shareholder as of the record date for the meeting (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the BCA and Applicable Securities Laws (as defined below).

To be eligible to be a candidate for election as a director of the Company and to be duly nominated, a candidate must be nominated in the manner prescribed in the Advance Notice Provision and the candidate for nomination, whether nominated by the Board or otherwise, must have previously delivered to the Corporate Secretary of the Company at the principal executive offices of the Company, not less than 5 days prior to the date of the meeting, a written representation and agreement (in form provided by the

Company) that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director (and, if requested by any candidate for nomination, the Corporate Secretary of the Company shall provide to such candidate for nomination all such policies and guidelines then in effect).

No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of the Advance Notice Provision; provided, however, that nothing in the Advance Notice Provision shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the BCA. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

For purposes of the Advance Notice Provision: (a) "public announcement" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and (b) "Applicable Securities Laws" means the *Securities Act* (British Columbia) and the equivalent legislation in the other provinces and in the territories of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each applicable provinces and territories of Canada.

Notwithstanding any other provision of the Advance Notice Provision, notice or any delivery given to the Corporate Secretary of the Company pursuant to the Advance Notice Provision may only be given by personal delivery, facsimile transmission or by email (provided that the Corporate Secretary of the Corporation has stipulated an email address for purposes of this notice, at such email address as stipulated from time to time), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Corporate Secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

Vote Required and Recommendation of the Board

Under the Articles and the BCA, the alteration of the Company's Articles requires the approval of two-thirds of the votes cast in person or represented by proxy at the Meeting by the shareholders of the Company by a special resolution. Accordingly, shareholders will be asked at the Meeting to vote on a special resolution, the text of which is set forth below (the "Advance Notice Provision Resolution"), to approve the alteration of the Articles of the Company to include the Advance Notice Provision.

The Board has concluded that the Advance Notice Provision is in the best interests of the Company and its shareholders. Accordingly, the Board unanimously recommends that the shareholders ratify, confirm and approve an alteration of the Company's Articles by voting FOR the Advance Notice Provision Resolution at the Meeting. Except where a Shareholder who has given the proxy directs that his or her Common Shares be voted against such resolution, the appointees named in the accompanying Form of Proxy will vote the Common Shares represented by such proxy FOR such resolution.

“BE IT RESOLVED as a special resolution that:

1. The Articles of the Company be altered by adding the text substantially as set forth in Schedule “A” to this Information Circular as and at Article 14.12 of the Articles;
2. The Company be authorized to revoke this special resolution and abandon or terminate the alteration of the Articles if the Board deems it appropriate and in the best interest of the Company to do so without further confirmation, ratification or approval of the shareholders; and
3. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his or her opinion may be necessary or desirable to give effect to the foregoing resolutions.”

B. Share Bonus

In light of the liquidity position of the Company for several years and to relieve pressure on working capital, the Company wishes to compensate senior officers and staff members with a share bonus (“Share Bonus”). In this regard, the Company intends to issue a maximum of 1,000,000 Common Shares (or 2% of the current 48,942,745 Common Shares) to the persons in the approximate amounts as set out below:

- James A. H. Campbell, (President, CEO and director) – 200,000 Common Shares;
- Gerhard Jacobs (CFO and a director) – 150,000 Common Shares;
- Glenn Norton (Group Mineral Recourses Manager) – 100,000 Common Shares;
- Richard Mhlontio (Group HR/IR Manager) – 100,000 Common Shares;
- Jeffrey Brenner (Diamond Marketing and Sales Manager) – 100,000 Common Shares; and
- Various members of Senior Staff – an aggregate of 350,000 Common Shares.

Please note that the number of Common Shares allocated above are only approximate amounts. The number of Common Shares allocated to each individual will be finalized at the next meeting of the Compensation Committee which is scheduled to occur in July 2013. If the allocation amounts listed above are altered prior to the Common Shares being issued, the Company will issue a news release disclosing the new allocation of Common Shares. Of the persons listed above, only Mr. Campbell and Mr. Jacobs are considered insiders of the Company.

After consideration of all relevant factors, including a review of the financial statements of the Company, management is of the view that the allocation of a maximum of 1,000,000 Common Shares to senior officers and staff members is reasonable and in the best interests of the Company.

Accordingly, disinterested shareholders (disinterested meaning excluding the 50,536 Common Shares owned by Mr. Campbell and the Common Shares held by Mr. Jacobs which at the date of this Information Circular is nil Common Shares) will be asked to approve the following ordinary resolution in order to ratify the issuance of the Common Shares pursuant to the Share Bonus:

“Resolved, as an ordinary resolution by disinterested shareholders, that the issuance of a maximum of 1,000,000 Common Shares pursuant to the Share Bonus be and is hereby ratified and approved.”

C. Authorization to Allow Conversion of \$2 Million Loan into Maximum of 12,235,686 Common Shares.

Pursuant to an agreement dated for reference June 2, 2011 the Company borrowed (the “Loan”) \$2 million from Daboll Consultants (“Daboll”), a British Virgin Islands company affiliated with the Steinmetz Diamond Group (“SDG”) (see “Interest of Informed Person in Material Transactions – Relationship with Daboll Consulting Ltd. (affiliate of Steinmetz Diamond Group)” above for a description of the relationship between Rockwell and SDG). The Loan bears interest at 5% (the “Interest”) and was convertible at \$0.5625 per Common Share (after taking into account the 2011 share consolidation of 15:1). For each 12% of the outstanding Common Shares which Daboll holds, it would be entitled to nominate one director on the board.

Daboll did not exercise its conversion right and as a consequence the Loan and Interest payable thereunder became due for repayment on June 2, 2013. By agreement dated June 19, 2013 (the “Amending Agreement”), Daboll agreed to extend the Loan for an additional two years if the conversion price was modified to permit the Loan to be converted at the five day volume weighted average price taken from TSX trading statistics during the five trading days prior to Daboll delivering to Rockwell a notice of conversion to a minimum price in any event of \$0.16 per share (the “Conversion Price”). Any outstanding balance of the Loan, including principal, accrued interest, and other costs or charges payable which are not converted into Common Shares of the Company pursuant to the terms of the agreement will be immediately due and payable by the Company to Daboll on conversion. The parties have also agreed that any Interest owing will be paid to Daboll in cash.

Because Daboll is already an insider of the Company by virtue of its holdings of 10,200,000 Common Shares (21% of issued shares), the rules of the Toronto Stock Exchange do not permit it to acquire more than an additional 10% of the Company’s outstanding shares (or approximately 4,894,275 Common Shares) without obtaining prior disinterested shareholders’ approval. If the Loan were converted in its entirety, it would result in the issuance of 12,235,686 Common Shares and Daboll would then own 22,435,686 Common Shares (or 36.6% of the 61,178,431 Common Shares then outstanding assuming no other issuances).

Management proposes that shareholders authorize the conversion of the loan into a maximum of an additional 12,235,686 Common Shares which would constitute just under 25% of the Company’s current capitalization. Applicable securities laws (Canadian Multi-National Instrument 61-101) requires that in a related party transaction such as this is, that if an issuer proposes to issue shares to a related party which would constitute in excess of 25% of the Company’s outstanding Common Shares, the issuer is required

to first present to shareholders an independent formal valuation of the Company. By limiting the share issuance to under 25% of the Company's capitalization the Company is not obliged to provide the independent valuation.

The Company's Board after due consideration has concluded that the current market price of \$0.16 per Common Share represents a reasonable valuation to be used as the conversion price and so recommends that shareholder authorize the conversion right.

In the event shareholders do not approve the Conversion Price, the Amending Agreement provides that the Loan will be limited as to convertibility to 10% of the Company's capitalization and will otherwise be due for repayment on June 2, 2015. In the event the Company is unable to discharge the amount of the accumulated debt under the Loan on or before that time, and assuming the Company is unable to generate sufficient revenues or raise other capital to repay the Loan and Interest owing thereunder, the Company may be considered insolvent and have committed an act of bankruptcy.

Shareholders will be asked to pass the following disinterested shareholders' resolution (disinterested meaning excluding the 10,200,000 Common Shares owned by Daboll):

“RESOLVED as a resolution of disinterested shareholders, that the Loan agreement amendment be authorized so as to allow the Loan to be converted into a maximum of 12,235,686 common shares.”

The Board recommends IN FAVOUR of the above resolution.

D. Authorization to Allow Issuance of 161,539 Common Shares pursuant to Mandate Agreement

On July 31, 2011 the Company entered into a Mandate Agreement (the “Mandate Agreement”) with Allan Hochreiter (Pty) Limited (“Hochreiter”). Pursuant to the Mandate Agreement, Hochreiter agreed to provide the Company with corporate finance services. Specifically, Hochreiter agreed to advise the Company on the unbundling of the black economic empowerment partner (a “BEE Partner”), being African Vanguard Resources (Pty) Ltd. (the “Unbundling”) and negotiate on behalf of the Company the purchase of Jasper Mining (Pty) Limited (the “Purchase and Sale”).

In exchange for the services provided in regards to the Unbundling, Rockwell has agreed under the Mandate Agreement to pay to Hochreiter an amount of R577,500 or CDN\$81,738, with 50 percent being paid in cash and 50 percent being paid in Common Shares using the 5 Volume Weighted Average Price at the time the Unbundling was signed or \$0.46 per Common Share. In exchange for the services provided in regards to the Purchase and Sale, Rockwell agreed under the Mandate Agreement to pay to Hochreiter an amount of R472,500 or CDN\$66,877, with 50 percent being paid in cash and 50 percent being paid in Common Shares using the 5 Volume Weighted Average Price at the time the Purchase and Sale was signed or \$0.46 per Common Share. In determining the number of Common Shares issuable for services performed for both the Unbundling and the Purchase and Sale the following formula was used:

$$\$81,738 + \$66,877 = \$148,615 \times 50\% = 74,307.5 / 0.46 = 161,539$$

Rockwell therefore wishes to issue, pursuant to its obligations under the Mandate Agreement, a total of 161,539 Common Shares (or less than 1% of the current 48,942,745 Common Shares) to the following persons in the amounts set out below as consideration for services performed under the Mandate Agreement.

Name	Common Shares to be issued
James Allan	53,846
Rene Hochreiter	53,846
Polo Capital	53,847
Total	161,539

These are the total number of Common Shares issuable under the Mandate Agreement.

The rules of the Toronto Stock Exchange deem the issuance of the Common Shares under the Mandate Agreement to be a securities based compensation arrangement and require the Company as a listed issuer to attain the approval of the its security holders prior to carrying out such issuance.

The Company's Board, after due consideration, has concluded that the issuance of the 161,539 Common Shares under the terms of the Mandate Agreement is in the best interest of the Company.

In the event that shareholders do not approve the issuance of the Common Shares under the Mandate Agreement, the Company will be not be able to issue such Common Shares and will have to negotiate with Hochreiter an alternative means of paying the consideration owing under the Mandate Agreement.

Accordingly, Shareholders will be asked to pass the following ordinary resolution :

“RESOLVED as an ordinary resolution of the shareholders that the issuance of 161,539 Common Shares pursuant to the Mandate Agreement be and is hereby authorized and approved. ”

MANAGEMENT CONTRACTS

Management services were provided to the Company by HDSI pursuant to a corporate services agreement dated for reference November 28, 2008. Except for HDSI, there are no management functions of the Company which are to any substantial degree performed by a person or company other than the directors or senior officers of the Company.

ADDITIONAL INFORMATION

The audited consolidated financial statements of the Company for the year ended February 28, 2013, the Valuation Report of the auditor thereon and the management discussion and analysis will be placed before the Meeting.

Additional information and a copy of the financial statements may be obtained from www.sedar.com and upon request from the Company at 15th Floor, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H8, telephone number: 604-684-6365 or fax number 604-684-8092.

OTHER MATTERS

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Circular.

The contents of this Circular and its distribution to shareholders have been approved by the Board.

DATED at Vancouver, British Columbia, July 19, 2013.

BY ORDER OF THE BOARD

“James A. H. Campbell”

James Andrew Hartley Campbell
President and Chief Executive Officer

Schedule "A"

Alteration of Articles

Nomination of Directors

14.12

- (a) Subject only to the Act, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders (but only if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting):
 - (i) by or at the direction of the board or an authorized officer of the Company, including pursuant to a notice of meeting;
 - (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act; or
 - (iii) by any person (a "**Nominating Shareholder**") (A) who, at the close of business on the date of the giving of the notice provided for below in this §14.12 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and (B) who complies with the notice procedures set forth below in this §14.12.
- (b) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given (i) timely notice thereof in proper written form to the Corporate Secretary of the Company at the principal executive offices of the Company in accordance with this §14.12 and (ii) the representation and agreement with respect to each candidate for nomination as required by, and within the time period specified in §14.12(e).
- (c) To be timely under §14.12(b)(i), a Nominating Shareholder's notice to the Corporate Secretary of the Company must be made:
 - (i) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 40 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the tenth (10th) day following the Notice Date; and
 - (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the fifteenth (15th) day following the day on which

the first public announcement of the date of the special meeting of shareholders was made.

Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this §14.12(c).

- (d) To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Company, under §14.12(b)(i) must set forth:
 - (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (A) the name, age, business address and residence address of the person, (B) the principal occupation or employment of the person, (C) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the Meeting of Shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, (D) a statement as to whether such person would be "independent" of the Company (within the meaning of sections 1.4 and 1.5 of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators, as such provisions may be amended from time to time) if elected as a director at such meeting and the reasons and basis for such determination and (E) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; and
 - (ii) as to the Nominating Shareholder giving the notice, (A) any information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws, and (B) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the Nominating Shareholder as of the record date for the Meeting of Shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice.
- (e) To be eligible to be a candidate for election as a director of the Company and to be duly nominated, a candidate must be nominated in the manner prescribed in this §14.12 and the candidate for nomination, whether nominated by the board or otherwise, must have previously delivered to the Corporate Secretary of the Company at the principal executive offices of the Company, not less than 5 days prior to the date of the Meeting of Shareholders, a written representation and agreement (in form provided by the Company) that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director (and, if requested by any candidate for nomination, the Corporate Secretary

of the Company shall provide to such candidate for nomination all such policies and guidelines then in effect).

- (f) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this §14.12; provided, however, that nothing in this §14.12 shall be deemed to preclude discussion by a shareholder (as distinct from nominating directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (g) For purposes of this §14.12:
- (i) “**Affiliate**”, when used to indicate a relationship with a person, shall mean a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified person;
 - (ii) “**Applicable Securities Laws**” means the *Securities Act* (British Columbia) and the equivalent legislation in the other provinces and in the territories of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each of the applicable provinces and territories of Canada;
 - (iii) “**Associate**”, when used to indicate a relationship with a specified person, shall mean (A) any corporation or trust of which such person owns beneficially, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of such corporation or trust for the time being outstanding, (B) any partner of that person, (C) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity, (D) a spouse of such specified person, (E) any person of either sex with whom such specified person is living in conjugal relationship outside marriage or (F) any relative of such specified person or of a person mentioned in clauses (D) or (E) of this definition if that relative has the same residence as the specified person;
 - (iv) “**Derivatives Contract**” shall mean a contract between two parties (the “Receiving Party” and the “Counterparty”) that is designed to expose the Receiving Party to economic benefits and risks that correspond substantially to the ownership by the Receiving Party of a number of shares in the capital of the Company or securities convertible into such shares specified or referenced in such contract (the number corresponding to such economic benefits and risks, the “Notional Securities”), regardless of whether obligations under such contract are required or permitted to be settled through the delivery of cash, shares in the

capital of the Company or securities convertible into such shares or other property, without regard to any short position under the same or any other Derivatives Contract. For the avoidance of doubt, interests in broad-based index options, broad-based index futures and broad-based publicly traded market baskets of stocks approved for trading by the appropriate governmental authority shall not be deemed to be Derivatives Contracts;

- (v) “**Meeting of Shareholders**” shall mean such annual shareholders meeting or special shareholders meeting, whether general or not, at which one or more persons are nominated for election to the board by a Nominating Shareholder;
- (vi) “**owned beneficially**” or “**owns beneficially**” means, in connection with the ownership of shares in the capital of the Company by a person, (A) any such shares as to which such person or any of such person’s Affiliates or Associates owns at law or in equity, or has the right to acquire or become the owner at law or in equity, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, upon the exercise of any conversion right, exchange right or purchase right attaching to any securities, or pursuant to any agreement, arrangement, pledge or understanding whether or not in writing; (B) any such shares as to which such person or any of such person’s Affiliates or Associates has the right to vote, or the right to direct the voting, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, pursuant to any agreement, arrangement, pledge or understanding whether or not in writing; (C) any such shares which are beneficially owned, directly or indirectly, by a Counterparty (or any of such Counterparty’s Affiliates or Associates) under any Derivatives Contract (without regard to any short or similar position under the same or any other Derivatives Contract) to which such person or any of such person’s Affiliates or Associates is a Receiving Party; provided, however that the number of shares that a person owns beneficially pursuant to this clause (C) in connection with a particular Derivatives Contract shall not exceed the number of Notional Securities with respect to such Derivatives Contract; provided, further, that the number of securities owned beneficially by each Counterparty (including their respective Affiliates and Associates) under a Derivatives Contract shall for purposes of this clause be deemed to include all securities that are owned beneficially, directly or indirectly, by any other Counterparty (or any of such other Counterparty’s Affiliates or Associates) under any Derivatives Contract to which such first Counterparty (or any of such first Counterparty’s Affiliates or Associates) is a Receiving Party and this proviso shall be applied to successive Counterparties as appropriate; and (D) any such shares which are owned beneficially within the meaning of this definition by any other person with whom such person is acting jointly or in concert with respect to the Company or any of its securities; and
- (vii) “**public announcement**” shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company

or its agents under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.

- (h) Notwithstanding any other provision to this §14.12, notice or any delivery given to the Corporate Secretary of the Company pursuant to this §14.12 may only be given by personal delivery, facsimile transmission or by email (provided that the Corporate Secretary of the Company has stipulated an email address for purposes of this notice, at such email address as stipulated from time to time), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Corporate Secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.
- (i) In no event shall any adjournment or postponement of a Meeting of Shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described in §14.12(c) or the delivery of a representation and agreement as described in §14.12(e).