



15.2 CARAT POLISHED PINK LULO DIAMOND

- *Main diamond cut & polished from the 46 carat pink coloured Lulo rough diamond*
 - *Sold into value accretive cutting & polishing partnership*
- *15.2 carat polished diamond graded as Fancy Intense Orangy Pink by the GIA*

Lucapa Diamond Company Limited (ASX: **LOM**) (“Lucapa” or “the Company”) and its Lulo partners, Empresa Nacional de Diamantes E.P. (“Endiama”) and Rosas & Petalas, are pleased to announce the result of cutting & polishing the 46 carat pink coloured rough diamond recovered by Sociedade Mineira Do Lulo (“SML”) at the Lulo Diamond Project in Angola.

As per the ASX announcement 24 March 2020, the gem-quality 46 carat pink rough diamond was sold by SML into a cutting & polishing partnership with SML’s preferred buyer, Safdico International Limited (“Safdico”). Under the partnership agreement, SML retained a share in the margin to be generated from the sale of the resultant polished diamonds.

The Lulo partners are pleased to advise the results delivered from cutting & polishing the 46 carat diamond. The rough diamond delivered 3 polished diamonds - a 15.2 carat Heart and two Pear shaped diamonds weighing 3.3 carats and 2.3 carats.

The main delivery, a 15.2 carat Heart shaped diamond was graded by the Gemmological Institute of America (“GIA”) as Fancy Intense Orangy Pink, with a clarity grade of VVS1 and Excellent gradings for both polish and symmetry.



The 15.2 carat Fancy Intense Orangy Pink Heart shaped diamond

The 46 carat pink coloured diamond is the largest gem-quality coloured rough diamond recovered to date from Lulo mining operations.

The transformational marketing regulations enacted in Angola in 2019 provides SML with the ability to sell diamonds into other value accretive channels and partnerships whereby SML is able to attract additional value over and above the normal rough price achieved at mine gate. This partnership channel materially enhances the value SML delivers to all its stakeholders, including the Angolan economy.

Dr Ganga Junior, Chairman of the Board of Endiama, commented:

“The results obtained from this diamond are a reflection of the new Government policies for the Angolan diamond sub-sector. They also constitute physical and visible evidence of the great potential of the Lulo mine, which due to the quality and characteristics of the diamonds it has produced, boosts our confidence in the future of the national diamond industry.”

“ENDIAMA, as a partner, welcomes this major step, which enhances the value of Angola's diamonds”.

Stephen Wetherall, Lucapa Chief Executive and Managing Director, commented:

“The recent enactment of the Angolan diamond marketing regulations is having the desired effect. New permitted diamond marketing channels, such as this partnership initiative implemented at SML, are starting to show the real and significant additional benefit that can be derived from the diamonds produced at Lulo.”

“Pink coloured diamonds are rare and constitute less than 0.1% of global diamond production. With the recent closure of the renowned Argyle underground mine in Australia, which produced ~90% of the world's natural pink diamonds, these diamonds are about to become even more scarce. This bodes well for the sale of the 15.2 carat polished pink diamond and other diamonds derived from this unique value accretive polishing partnership”.

Authorised by the Lucapa Board.

**STEPHEN WETHERALL
MANAGING DIRECTOR**

ABOUT LUCAPA

Lucapa is a niche diamond producer with high-value mines in Angola (Lulo) and Lesotho (Mothae).

The Lulo alluvial mine and Mothae kimberlite mine both produce large and high-value diamonds, with >75% of revenues generated from the recovery of +4.8 carat stones.

Lulo has produced 15 +100 carat diamonds to date and is one of the highest average US\$ per carat alluvial diamond producers in the world. Lucapa and its *Project Lulo* partners have also received highly encouraging results from their search to discover the primary hard-rock source of the high-value Lulo alluvial diamonds.

The 1.1Mtpa Mothae kimberlite mine in diamond-rich Lesotho commenced commercial mining and processing operations in January 2019. It produced >30,000 carats in its first year of production, including 3 +100 carat diamonds. Lucapa has recently secured funding to commission a ~45% expansion in the processing capacity of the Mothae kimberlite mine from 1.1Mtpa to 1.6Mtpa which is scheduled for completion in Q1 2021.

Lucapa's Board, management team and new strategic investors have decades of diamond industry experience across the globe and right through the diamond pipeline, particularly in extracting value from large and high-quality diamonds.

Competent Person's Statement

Information included in this announcement that relates to exploration results and resource estimates is based on and fairly represents information and supporting documentation prepared and compiled by Richard Price MAusIMM who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Price is an employee of Lucapa Diamond Company Limited. Mr Price has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Price consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

No New Information

To the extent that this announcement contains references to prior exploration results and Mineral Resource estimates, which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, no new information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Forward-Looking Statements

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