



**LUCAPA**  
DIAMOND COMPANY

# Lucapa Diamond Company Limited

ABN 44 111 501 663

## Share Purchase Plan

Including the Terms and Conditions

**Opening date: 26 May 2021**

This is an important document and should be read in its entirety. The Share Purchase Plan does not take into account the individual investment objectives, financial situation or particular needs of any Eligible Shareholder. If you are in any doubt about the action you should take or the contents of this document, please seek independent financial advice from your broker, accountant or other professional adviser without delay. The contents of this document have not been reviewed by any regulatory authority. You are advised to exercise caution in relation to the Share Purchase Plan.

**NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES**

Dear Shareholder

## Opportunity to participate in the Company's Share Purchase Plan

On behalf of the board of directors (**Board**) of Lucapa Diamond Company Limited ABN 44 111 501 663 (ASX: LOM) (**Company**), I am pleased to offer Eligible Shareholders (defined below) the opportunity to participate in the Company's share purchase plan (**SPP** or **Share Purchase Plan**).

As announced on 24 May 2021, the Company is undertaking a capital raising by way of a placement and the SPP to raise up to approximately \$23,000,000 (before costs) (**Capital Raising**).

The Company has received firm commitments from unrelated professional and sophisticated investors to subscribe for up to 195,254,788 new fully paid ordinary shares in the capital of the Company at an issue price of \$0.05 per share to raise up to approximately \$9,762,739 (before costs) (**Tranche 1 Placement**<sup>1</sup>).

The Company has also received firm commitments to subscribe for up to 204,745,212 new fully paid ordinary shares in the capital of the Company at an issue price of \$0.05 per share to raise up to approximately \$10,237,261 (before costs) (**Tranche 2 Placement**) (together with the Tranche 1 Placement, the **Placement**). The Tranche 2 Placement is subject to the receipt of approval of the Company's shareholders at an extraordinary general meeting proposed to be held on in July 2021.

The Share Purchase Plan gives Eligible Shareholders the opportunity to subscribe for up to \$30,000 worth of new fully paid ordinary shares in the Company (**New Shares**) (subject to discretionary scale back), without incurring any brokerage or transaction costs. The SPP aims to raise gross proceeds of up to \$3,000,000 and is not underwritten, although the Company reserves the right to accept any oversubscriptions at its discretion and in accordance with the ASX Listing Rules.

As announced on 24 May 2021, the Company and its wholly owned subsidiary, Australian Natural Diamonds Pty Ltd ACN 648 368 334 entered into an asset sale agreement (**Agreement**) with Merlin Operations Pty Ltd ABN 16 009 171 (**Merlin Operations**) and its parent entity, Merlin Diamonds Limited (In Liquidation) ABN 86 009 153 119 (**Merlin Diamonds**) to acquire exploration licence EL 26944 and mineral lease MLN 1154 located in the Northern Territory (**Merlin Tenements**), together with related mining assets (including the Merlin diamond mine located near Borroloola, Northern Territory (**Merlin Assets**) (**Acquisition**). The Merlin Assets are being acquired from Merlin Operations and the liquidators of Merlin Diamonds, being Salvatore Algeri and Timothy Norman of Deloitte Australia (**Liquidators**).

In consideration for the Acquisition, the Company has agreed to pay to Merlin Operations a completion payment of \$7,407,785. The Acquisition is conditional on the satisfaction (or waiver) of a number of conditions precedent, including the Company successfully raising at least \$11,000,000.<sup>2</sup>

The funds from the Capital Raising are important and will be applied towards:

- funding the consideration payable to Merlin Operations for the Acquisition;
- the stamp duty and taxes for the Merlin Acquisition;
- advancing the Merlin project – geotechnical drilling, exploration and feasibility study;
- advance Lulo Joint Venture exploration programs;
- costs and expenses of the Acquisition, SPP and the Placement; and
- general working capital.

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<sup>1</sup> For further information in relation to the Placement, please see the Company's ASX announcement dated 24 May 2021.

<sup>2</sup> For further information in relation to the Merlin Assets, the Acquisition and the key terms of the Agreement, please see the Company's ASX announcement dated 24 May 2021.

## Issue Price

Eligible Shareholders may subscribe for up to \$30,000 worth of New Shares under the SPP at an issue price of \$0.05 per New Share (**Issue Price**).

The Issue Price represents a:

- 9.1% discount to the last traded closing price of the Company's existing shares (**Shares**) on ASX on 19 May 2021, being the last closing price of Shares prior to the date the SPP was announced (i.e. of \$0.055); and
- 12% discount to the volume weighted average price (**VWAP**) of Shares calculated over the last 5 days in which trades in Shares were recorded on ASX preceding the date the SPP was announced (i.e. of \$0.057).

The Issue Price for New Shares under the SPP is also the same price per Share that investors will pay for their Shares under the Placement.

## Participation

Participation in the SPP is optional and open to Eligible Shareholders, including Eligible Shareholders who are custodians on behalf of "**participating beneficiaries**"<sup>3</sup> on the terms and subject to the conditions of the SPP.

## Other key terms and conditions

The Company reserves the right to increase the size of the SPP or scale back or refuse applications under the SPP at its absolute discretion. Any determination will be final.

If the Company scales back applications, you may be allocated less New Shares than you applied for. However, the excess application money which was not applied by the Company to purchase New Shares will be refunded to you (without interest). As detailed in the Terms and Conditions, the Company may take into account a number of factors in determining an applicant's final allocation of New Shares.

If the total subscriptions under the SPP exceed an aggregate amount of \$3,000,000, the Company reserves the right to accept oversubscriptions (subject to compliance with the ASX Listing Rules). If total subscriptions under the SPP are less than the targeted \$3,000,000, the Company may seek to place the shortfall to investors identified by it at a price not less than the Issue Price, subject to being permitted to do so under the ASX Listing Rules and the Corporations Act.

All New Shares issued under the SPP will rank equally with the Company's existing Shares from the SPP Issue Date (defined below).

The right to participate in the SPP is not transferable.

## How to apply

The SPP opens on 26 May 2021 and, unless closed earlier or withdrawn by the Company, is expected to close at 5pm (AWST time) on 9 June 2021.

New Shares are expected to be issued on 16 June 2021 and commence trading on ASX on a normal settlement basis on 17 June 2021.

Eligible Shareholders may apply to purchase a parcel of between \$500 and \$30,000 worth of New Shares.

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<sup>3</sup> As that term is defined in *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (ASIC SPP Instrument)*.

To apply for New Shares, you may simply make your payment for New Shares via BPAY® or EFT in accordance with the instructions on your personalised SPP Application Form<sup>4</sup>.

In deciding whether to participate in the SPP, please take time to read the enclosed Terms and Conditions and seek your own investment or taxation advice if applicable to you.

If you have any questions regarding the SPP, please contact the Company Secretary during business hours on +61 8 9381 5995.

On behalf of the Board, I thank you for your continued support of the Company and invite you to consider participating in the SPP.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Miles Kennedy', written over a horizontal line.

**Miles Kennedy**  
**Chairman**

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<sup>4</sup> Payment for New Shares is made via BPAY® or EFT.

## SPP Terms and Conditions

This SPP offer booklet (**SPP Offer Booklet**) and the accompanying SPP Application Form set out the terms and conditions of the SPP (**Terms and Conditions**). By accepting the offer to subscribe for New Shares under the SPP you agree to be bound by these Terms and Conditions and to the Company's constitution.

### Key dates for the SPP:

<b>Record Date</b>	5pm (AWST time), 21 May 2021
<b>Announcement Date</b>	24 May 2021
<b>Dispatch of SPP Offer Booklet</b>	26 May 2021
<b>Opening Date</b>	
<b>Expected Placement Issue Date</b>	2 June 2021
<b>Closing Date</b>	5pm (AWST time), 9 June 2021
<b>Announcement of Results of SPP</b>	15 June 2021
<b>Issue of New Shares under the SPP</b>	16 June 2021
<b>New Shares quoted on ASX</b>	17 June 2021

**Note:** The above timetable is indicative only and subject to change. The commencement of trading and quotation of New Shares is subject to confirmation from ASX. Subject to the requirements of the *Corporations Act 2001* (Cth) (**Corporations Act**), the ASX Listing Rules and other applicable rules, the Company reserves the right to amend this timetable at any time, including extending the period for the SPP or accepting late applications, either generally or in particular cases, without notice.

### 1. What is the SPP?

The SPP gives Eligible Shareholders the opportunity to subscribe for up to \$30,000 worth of New Shares at the Issue Price without incurring brokerage or other transaction costs.

New Shares issued under the SPP will rank equally with all other fully paid ordinary shares on issue in the capital of the Company from the SPP Issue Date.

The offer under the SPP will be made on the same terms and conditions to each Eligible Shareholder. To avoid doubt, all Eligible Shareholders will receive the same offer, irrespective of the number of Shares which they hold on the Record Date.

### 2. How much will be raised under the SPP and how will the funds be used?

The Company is seeking to raise up to approximately \$3,000,000 (before costs) under the SPP. The Company is proposing to use the funds raised under the SPP, together with funds raised under the Placement, to fund the consideration payable to Merlin Operations for the Acquisition, the stamp duty and taxes for the Merlin Acquisition, advancing the Merlin project (geotechnical drilling, exploration and feasibility study), advancing the Lulo Joint Venture exploration programs, costs and expenses of the Acquisition, SPP and the Placement and general working capital.

### 3. Am I eligible to participate in the SPP?

You will be considered an “**Eligible Shareholder**” (and therefore you will be eligible to participate in the SPP) if you were a registered holder of Shares at 5pm (AWST time) on 21 May 2021 (**Record Date**) with a registered address either in Australia, New Zealand, Hong Kong, the United Kingdom, Germany, Switzerland and South Africa (provided that any such Shareholder is not acting for the account or benefit of a person in the United States) “**Eligible Jurisdictions**”. For further details on restrictions that may be applicable in the Eligible Jurisdictions, please refer to sections 22 to 26. The Board has determined that it is not practical for holders of Shares with registered addresses outside of the Eligible Jurisdictions to participate in the SPP.

Shareholders who hold Shares on behalf of persons who reside outside of the Eligible Jurisdictions or who are “**US persons**” as defined in Regulation S under the United States Securities Act of 1933 (as amended) (**Securities Act**) or who act for the account or benefit of a US Person are not entitled to participate in the SPP. The New Shares to be issued under the SPP have not been and will not be registered under the Securities Act (or any other act). Accordingly, shareholders who are located in the United States or who are acting for the account or benefit of, US Persons are not Eligible Shareholders and are therefore not entitled to participate in the SPP.

### 4. Do I have to participate?

No. Participation in the SPP is entirely voluntary. If you do not wish to participate in the SPP, do nothing.

### 5. How much can I invest and how many New Shares will be issued to me?

Under the SPP, you may apply for a parcel of New Shares in \$500 increments from a minimum of \$500 up to a maximum of \$30,000. The \$30,000 limit applies irrespective of the number of Shares you hold on the Record Date.

The number of New Shares to be issued to each applicant will be calculated by dividing the dollar value provided by the applicant by the Issue Price (subject to any scale back implemented at the discretion of the Company).

No fractions of New Shares will be issued by the Company. Any fraction of a New Share will be rounded up to the nearest whole number of New Shares.

Applications may be scaled back by the Company as described in section 14.

### 6. Can I transfer my right to purchase New Shares?

No. The offer under the SPP is non-renounceable. This means that you cannot transfer your right to acquire New Shares under the SPP to anyone else.

### 7. Will New Shares issued under the SPP rank equally with my existing Shares?

Yes. New Shares issued under the SPP will rank equally with existing Shares and will carry the same voting rights, dividend rights and other entitlements as at the SPP Issue Date.

### 8. What is the Issue Price of the Shares?

Eligible Shareholders may subscribe for New Shares under the SPP at an issue price of \$0.05 per New Share (**Issue Price**). The Issue Price represents a:

- 9.1% discount to the last traded closing price of the Company’s existing shares (**Shares**) on ASX on 19 May 2021, being the last closing price of Shares prior to the date the SPP was announced (i.e. of \$0.055); and
- 12% discount to the volume weighted average price (**VWAP**) of Shares calculated over the last 5 days in which trades in Shares were recorded on ASX preceding the date the SPP was announced (i.e. of \$0.057).

An investment in Shares is a highly speculative investment, and the market price of Shares might rise or fall between the date of this SPP offer and the date the New Shares are issued to you (i.e. on the SPP Issue Date). This means that the price you pay for a New Share may be greater or less than the market price of Shares at the time those New Shares are issued.

The current Share price can be obtained from ASX at [www.asx.com.au](http://www.asx.com.au). The ASX code for the Company is LOM.

Your application for New Shares, once made, is irrevocable and may not be withdrawn, even if the market price of Shares falls below the Issue Price.

The offer to acquire New Shares under the SPP is not a recommendation. Before you decide whether to participate in the SPP, the Company recommends that you seek independent financial advice from your broker, accountant or other professional adviser without delay.

## 9. How do I apply for New Shares under the SPP?

To apply for New Shares under the SPP, Eligible Shareholders must:

- make a BPAY® payment by using the reference number shown on their personalised SPP Application Form, which is required to identify your holding. Payment must be received in cleared funds by 5pm (AWST time) on the Closing Date or
- make an EFT payment by using the reference number shown on their personalised SPP Application Form, which is required to identify your holding. Payment must be received in cleared funds by 5pm (AWST time) on the Closing Date.

Payments received after 5.00pm (AWST time) on the Closing Date will not be accepted.

Any payments received under the SPP may not be withdrawn once they have been received. Application money will not bear interest in any circumstances.

By applying for New Shares under the SPP (and regardless of whether you apply for New Shares by making your payment by BPAY® or EFT), you:

- (a) represent that you are, and each person on whose account you are acting is, an Eligible Shareholder;
- (b) are deemed to have accepted the offer under the SPP and irrevocably and unconditionally agree to the Terms and Conditions and the terms and conditions set out in the SPP Application Form;
- (c) warrant that all details and statements in your completed SPP Application Form are true and complete and not misleading;
- (d) acknowledge that no interest will be paid on any application money held pending the issue of New Shares or subsequently refunded to you for any reason;
- (e) confirm that you are lawfully permitted to apply for New Shares and that you are not applying for New Shares on behalf of any person not so permitted;
- (f) if you are applying on your own behalf (and not as a custodian), you certify that, even if you have received more than one offer under the SPP or received offers in more than one capacity, the aggregate application monies paid by you in any capacity (except as custodian) for:
  - (i) the New Shares that you are applying for; and
  - (ii) any other Shares that may be, or have been, issued to you or to a custodian on your behalf and at your instruction, under the SPP or any similar arrangement operated by the Company in the 12 months before the date the Company received your SPP Application Form,

is not more than \$30,000. The Company will take no responsibility for applications in excess of \$30,000;

- (g) if you are a custodian and are applying for New Shares with a total application monies exceeding \$30,000, you must provide a Custodian Certificate certifying details of the participating beneficiaries, including their name, address, the number of participating beneficiaries, the number of Shares you hold on their behalf, and the amount of New Shares you have been instructed to apply for on their behalf. In the Custodian Certificate you provide, you must also certify that:
  - (i) a copy of this SPP Offer Booklet has been given to each beneficiary;
  - (ii) you are a “custodian” as that term is defined in the ASIC SPP Instrument;
  - (iii) you held Shares on behalf of the participating beneficiary as at the Record Date who has instructed you to apply for New Shares on their behalf under the SPP and that the participating beneficiary has been given a copy of this SPP Offer Booklet;
  - (iv) you are not applying for New Shares on behalf of any single participating beneficiary with an application price of more than \$30,000 under the SPP (or any similar arrangement offered by the Company in the preceding 12 months); and
  - (v) the information in the Custodian Certificate submitted with your application is true, correct and not misleading;
- (h) acknowledge and agree that:
  - (i) you are not in the United States and are not acting for the account or benefit of any US Person;
  - (ii) the New Shares have not been, and will not be, registered under the Securities Act or any other Act;
  - (iii) you have not, and will not, send this SPP Offer Booklet or any materials relating to the SPP to any person who is not a resident of the Eligible Jurisdictions;
  - (iv) if you are a resident of the Eligible Jurisdictions, you have complied with the requirements set out in sections 22 to 26, as applicable;
  - (v) if in the future you decide to sell New Shares issued to you, you will only do so in the regular way for transactions on ASX where neither you nor the person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a US Person; and
  - (vi) if you are acting as a trustee, nominee or custodian, each beneficial holder on whose behalf you are participating for New Shares is a resident in one of the Eligible Jurisdictions, and you have not sent this SPP Offer Booklet or any materials relating to the SPP to any person outside of the Eligible Jurisdictions;
- (i) agree to be bound by the Company’s constitution (as in force from time to time);
- (j) acknowledge that the Company may, in its sole and absolute discretion, scale back any applications and/or participation in the SPP to the extent and in the manner set out in sections 14 and 16. If there is a scale back, you may receive less than the number of New Shares for which you have applied;
- (k) acknowledge that none of the Company, its officers, employees, advisers or agents, has provided you with any financial product or investment advice or taxation advice in relation to the SPP, or has any obligation to provide such advice;

- (l) acknowledge that this SPP Offer Booklet does not purport to contain all of the information that an investor may require to make an investment decision;
- (m) acknowledge that the Company and its officers and agents, are not liable for any consequences of the exercise or non-exercise of any discretions by any person referred to in the Terms and Conditions;
- (n) authorise the Company and its officers and agents to do anything on your behalf necessary or desirable for New Shares to be issued to you in accordance with the Terms and Conditions;
- (o) without limiting section 9(n), authorise the Company and its officers and agents to correct minor or easily rectified errors in, or omissions from, your SPP Application Form and to complete the SPP Application Form by the insertion of any missing minor detail; and
- (p) acknowledge that the Company may at any time determine that your application for New Shares is valid, in accordance with the Terms and Conditions, even if your SPP Application Form is incomplete, contains errors or is otherwise defective.

#### **10. What are the participation costs of the SPP?**

No brokerage or other transaction costs are payable by participants in the SPP. These costs will be paid by the Company.

#### **11. When will I receive the New Shares?**

The Company intends to issue the New Shares as soon as reasonably practicable after the Closing Date and will apply for quotation of these shares on ASX.

It is expected that New Shares will be issued on 16 June 2021 and will be quoted on ASX on a normal settlement basis on 17 June 2021.

You should receive your updated holding statement shortly after the Issue Date.

#### **12. I have several holdings. Can I purchase a separate parcel of New Shares for each holding?**

If you receive more than one offer to participate in the SPP (for example, because you hold more than one shareholding under separate share accounts), the maximum you may invest under the SPP in all capacities is \$30,000. If you are a custodian however, see section 13 below.

If two or more persons are registered on the Company's register as jointly holding Shares, they are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder.

#### **13. What do I do if I am a custodian?**

If you are a custodian holding Shares as at the Record Date on behalf of one or more persons who reside in one of the Eligible Jurisdictions (each, a **participating beneficiary**), you may apply for up to a maximum of \$30,000 worth of New Shares for each participating beneficiary.

You must submit a Custodian Certificate that contains further certifications and details as required by the ASIC SPP Instrument before your SPP Application Form will be accepted. Applications by custodians that are not accompanied by a Custodian Certificate will be rejected.

By applying as a custodian on behalf of participating beneficiaries to purchase New Shares, you certify (amongst other things) that each participating beneficiary has not exceeded the \$30,000 limit as required by the ASIC SPP Instrument. Please refer to section 9(g) of this SPP Offer Booklet for further information relating to the Custodian Certificate (including the matters that must be certified by the custodian).

Custodians should request a “Custodian Certificate” from the Share Registry when making an application on behalf of a participating beneficiary.

To request a Custodian Certificate or to obtain further information about the custodian application process, please contact the Share Registry during business hours on business days on 1300 288 664 (if calling from within Australia) or +61 2 9698 5414 (if calling from outside of Australia).

Custodians must not participate in the SPP on behalf of, and must not distribute this SPP Offer Booklet or any documents relating to the SPP to, any US Person.

A custodian will be ineligible to participate in the SPP if their participation would be in breach of the ASIC SPP Instrument. If the Company is not satisfied with the contents of the Custodian Certificate, the Company cannot issue New Shares to the custodian on behalf of the beneficiary.

For the purposes of the SPP, a custodian is a “**custodian**” as that term is defined in the ASIC SPP Instrument.

If you hold Shares as a trustee or nominee for another person, but are not a custodian, you cannot participate for beneficiaries in the manner described in this section 13.

#### **14. Oversubscription and scale back**

The Company aims to raise gross proceeds of up to \$3,000,000 under the SPP. If the Company receives applications that exceed the amount proposed to be raised, it may decide to raise a higher amount (subject to compliance with the ASX Listing Rules) or scale back or refuse applications under the SPP, at its absolute discretion. Any determination will be final.

The maximum aggregate number of Shares that will be issued under the SPP will not exceed 30% of the Company's issued fully paid ordinary shares.

If the Company decides to scale back applications, you may be allocated less New Shares than you applied for. However, the excess application money which was not applied by the Company to purchase New Shares will be refunded to you either by direct credit (if the Company has your bank account details) or by cheque as soon as practicable and without interest. When determining any scale back or rejection of applications, the Company may take into account a number of factors, including the size of the applicant's shareholding, the extent to which Eligible Shareholders have sold or purchased additional Shares after the Record Date, whether the applicant has multiple registered holdings and the date on which an application was made. As such, Eligible Shareholders are encouraged to submit their applications early.

If the total subscriptions under the SPP exceed an aggregate amount of \$3,000,000, the Company reserves the right to accept oversubscriptions (subject to compliance with the ASX Listing Rules). If total subscriptions under the SPP are less than the targeted \$3,000,000, the Company may seek to place the shortfall to investors identified by it at a price not less than the Issue Price, subject to being permitted to do so under the ASX Listing Rules and the Corporations Act.

#### **15. Changes and Termination**

The Company may, in its discretion, change, suspend or terminate the SPP or the Terms and Conditions at any time, whether because of a change of law, ASIC requirements, ASX requirements or policy or any other circumstance relevant to the SPP or the Company. If the Company terminates the SPP, it will notify ASX and refund any application monies received (without interest).

Without limiting any other provision of these Terms and Conditions, the Board may vary the timetable for the SPP, including the Closing Date.

## 16. Refusal of applications and refunds

The Company reserves the right to reject any application for New Shares or issue a fewer number of New Shares subscribed for under the SPP by any applicant at the Company's complete and unfettered discretion, including if:

- the Company believes that the Terms and Conditions have not been complied with;
- the applicant is not an Eligible Shareholder; or
- the application might otherwise breach applicable law or the ASX Listing Rules.

If the amount of a BPAY® or EFT payment is not equal to the amount of an application, the Company may at its absolute discretion either refund in full the application money and not issue any New Shares to the applicant, or issue to the applicant the number of New Shares which may be issued based on the payment made, and refund the excess to the applicant (without interest).

## 17. Discretion and Disputes

The Company reserves the right to waive strict compliance with the Terms and Conditions including incorrect completion of a SPP Application Form. Any powers or discretions of the Company may be exercised by the directors of the Company or any delegate of them. The Company may determine, in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP whether generally or in relation to any participant or application. A determination made by the Company will be conclusive and binding on all participants and other persons to whom the determination relates.

## 18. Privacy

By applying for New Shares under the SPP, you acknowledge that you will be providing personal information to the Company and the Share Registry. The Company and the Share Registry may collect personal information to process your application for New Shares, implement the SPP and administer your shareholding. The personal information held by the Share Registry is also used to facilitate payments and corporate communications (including financial results, annual reports and other information to be communicated to shareholders) and to ensure compliance with legal and regulatory requirements, including Australian taxation laws and the Corporations Act.

Chapter 2C of the Corporations Act requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the Company's public register (which is maintained by the Share Registry). This information must continue to be included in the public register even if you cease to be a security holder.

Your personal information may be disclosed to joint investors, the Share Registry, to securities brokers, to third party service providers, including print and mail service providers, technology providers and professional advisers, to related entities of the Company and its agents and contractors, and to ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law (which may include disclosures to the Australian Taxation Office and other government or regulatory bodies or where you have consented to the disclosure). In some cases, the types of organisations referred to above to whom your personal information may be disclosed may be located overseas.

A copy of the Company's privacy policy is available by contacting the Company Secretary during business hours on +61 8 9381 5995.

## 19. Currency

Any reference to "\$" is a reference to the lawful currency of Australia.

## 20. General risks

An investment in New Shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Company, including possible loss of income and capital invested.

The Company does not guarantee any particular rate of return or the performance of the Company and nor does it guarantee the repayment of capital from the Company or any particular tax treatment.

This SPP Offer Booklet should also be read in conjunction with the Company's continuous and periodic disclosures given to ASX which are available on ASX's website at [www.asx.com.au](http://www.asx.com.au). Past performance should not be relied upon as (and is not) an indication of future performance.

## 21. Not a prospectus or disclosure document

This SPP Offer Booklet is not a prospectus or disclosure document under the Corporations Act and has not (and will not) be lodged with ASIC or any other regulatory authority.

A cooling-off regime does not apply in relation to the acquisition of New Shares. This means that you cannot withdraw your application once it has been submitted.

## 22. New Zealand

The New Shares are not being offered or sold to the public in New Zealand other than to registered holders of Shares as at 5pm (AWST time) on the Record Date. The SPP is being made in reliance on and pursuant to the Financial Markets Conduct Act 2013 (NZ) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (NZ). This SPP Offer Booklet has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and does not, contain all the information that a product disclosure statement is required to contain under New Zealand law.

## 23. Hong Kong

**WARNING:** This Offer Document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance of Hong Kong the "**CWUMPO**" nor has it been approved by the Securities Futures Commission in Hong Kong thereunder. No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this Offer Document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" within the meaning of the Securities and Futures Ordinance of Hong Kong the "SFO" or any rules made thereunder or in circumstances which do not constitute an offer to the public within the meaning of the CWUMPO or which do not result in a document being a "prospectus" as defined in the CWUMPO. No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere than is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as set out above. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

## 24. United Kingdom and Germany

No securities shall or will be admitted to trading on a regulated market situated or operating in the European Economic Area (EEA). In relation to each member state of the EEA and the United Kingdom (each a Relevant State), no Shares have been or will be offered, sold, transferred or delivered pursuant to the Offer to the public in that Relevant State except pursuant to the following exemptions under the Prospectus Regulation (EU) 2017/ 1129 (including, in the UK, as implemented pursuant to the European Union (Withdrawal) Act 2018) (the Prospectus Regulation):

- (a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation); or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Shares shall require the Company to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant 3 of the Prospectus Regulation.

## 25. Switzerland

Neither this document nor any other offering or marketing material relating to the Shares or the offer under the SPP may be publicly distributed or otherwise made publicly available in Switzerland, directly or indirectly, within the meaning of the Swiss Financial Services Act “**FinSA**” and no application has or will be made to admit the Shares to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. This document is being distributed in Switzerland only to persons who are “professional clients” within the meaning of FinSA. Neither this document nor any other offering or marketing material relating to the Shares or the offer under the SPP constitutes a prospectus pursuant to the FinSA.

Neither this document nor any other offering or marketing material relating to the offer under the SPP, the Company and/or the Shares has been or will be filed with or approved by any Swiss regulatory authority and/or review body.

## 26. South Africa

This document does not, nor is it intended, to constitute a prospectus prepared and registered under the South African Companies Act and may not be distributed to the public. Nothing contained in this document should be construed as an offer to the public and is not capable of acceptance by members of the public. Nothing in this document should be construed as financial advice.

An entity or institution resident in South Africa may not implement participation in the offer unless (i) permitted under the South African Exchange Control Regulations or (ii) a specific approval has been obtained from an authorised foreign exchange dealer in South Africa or the Financial Surveillance Department of the South African Reserve Bank.

## 27. Governing Law

The SPP is governed by the laws in force in Western Australia. By participating in the SPP, you submit to the non-exclusive jurisdiction of the courts of that jurisdiction.

## 28. Where can I obtain further information in relation to the SPP?

If you have any questions about the Terms and Conditions, how to make an application or the SPP generally, please contact the Company Secretary during business hours on +61 8 9381 5995 or the Share Registry on 1300 288 664 (if calling from within Australia) or +61 2 9698 5414 (if calling from outside Australia), in each case during business hours.

None of the Company, the Share Registry nor any of their respective officers, employees, agents or professional advisers are or are to be taken to be, giving any securities recommendation or investment advice in relation to the SPP and nor do any of them have any obligation to do so.

Before you decide whether to participate in the SPP, the Company recommends that you seek independent financial advice from your broker, accountant or other professional adviser and that you do so without delay.

[EntityRegistrationDetailsLine1Envelope]  
[EntityRegistrationDetailsLine2Envelope]  
[EntityRegistrationDetailsLine3Envelope]  
[EntityRegistrationDetailsLine4Envelope]  
[EntityRegistrationDetailsLine5Envelope]  
[EntityRegistrationDetailsLine6Envelope]

SRN/HIN: [HolderNumber]

ASX Code: LOM

Record Date: 5pm (AWST) 21 May 2021

## SHARE PURCHASE PLAN APPLICATION FORM

**IMPORTANT: CLOSING DATE 5.00PM (AWST) ON 9 JUNE 2021 (WHICH MAY CHANGE WITH NOTICE TO THE ASX)**

### 1: APPLICATION

Lucapa Diamond Company Limited (**Company**) is offering its eligible shareholders the opportunity to purchase up to A\$30,000 of fully paid ordinary shares in the Company (**New Shares**) by way of a share purchase plan (**SPP**) (**Offer**). The price under the SPP is \$0.05 per New Share (**Issue Price**). Other than as defined in this Application Form, capitalised terms have the same meaning as defined in the Offer Booklet. Eligible Shareholders may apply for any one of the following parcels described below:

	Subscription Amount	Shares to be allotted calculated at the SPP Price
Minimum application	A\$500	10,000
Other (\$500 / 10,000 Share increments, i.e. \$500, \$1,000, \$1,500 etc.)	A\$ _____	_____
Maximum application	A\$30,000	600,000

### 2: PAYMENT: You can pay either by BPAY or Electronic Funds Transfer "EFT"

#### Option A – BPAY



**Biller Code:** TBC

**Ref No:** [BPayCRN]

Contact your financial institution to make your payment from your cheque or savings account.

**Note:** You do not need to return this form if you have made payment via BPAY®. Your BPAY® reference number will process your payment to your shareholding electronically.

#### Option B – Electronic Funds Transfer (EFT)

The unique reference which has been assigned to your Application is: [HolderId]-[CAId]-LOM

Funds are to be deposited directly to following bank account:

**Account name:** Automic Pty Ltd

**Account BSB:** TBC

**Account number:** TBC

**Swift Code:** WPACAU2S

**Important:** You must quote your unique reference as your payment reference/description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your application and shares subsequently not issued.

**Note:** You do not need to return this form if you have made payment via EFT. Your unique reference will process your payment to your application electronically.

Payment under the Share Purchase Plan can only be made by BPAY® or EFT.

### 3: PROVIDE YOUR CONTACT DETAILS & ELECT TO BE AN E-SHAREHOLDER

Return to our Share Registry by email to [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au)

Telephone Number

( )

Email Address

Contact Name (PLEASE PRINT)

# INSTRUCTIONS FOR COMPLETION OF THIS FORM

The SPP is offered exclusively to all eligible shareholders (including Custodians), being registered holders of Shares as at the Record Date with a registered address in Australia, New Zealand, Hong Kong, United Kingdom, Germany, Switzerland and South Africa (**Eligible Shareholders**) subject to any restrictions set out in the Offer Booklet.

If the Company rejects or scales-back an application or purported application, the Company will return to the Shareholder the relevant application monies, without interest.

## HOW TO APPLY FOR NEW SHARES UNDER THE SPP

### 1 Application

As an Eligible Shareholder, you can apply for up to a maximum of \$30,000 worth of New Shares. Eligible Shareholders can select one of the following parcels prescribed overleaf.

In order to comply with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, the maximum value of New Shares each Eligible Shareholder (irrespective of the size of their shareholding) may apply for under this Offer is \$30,000 (including through joint holding(s), multiple share accounts or any holding in which they have a beneficial interest/s). This limit will apply even if you receive more than one offer from the Company (for example, because you are a joint holder of shares or because you hold more than one shareholding under separate share accounts).

If the Company receives an amount that does not equal one of the amounts specified overleaf the Company may accept the payment at their discretion and refund any excess Application money (without interest) to the Eligible Shareholder. If the Company receives a subscription of over \$30,000 worth of New Shares by an Eligible Shareholder through multiple applications or joint holdings, the Company may refund any excess Application money (without interest) to the Eligible Shareholder.

No fractions of New Shares will be issued. Any fraction of a New Share will be rounded up to the nearest whole number of New Shares (where applicable).

### 2 Payment

**Payment by BPAY:** You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. To BPAY® this payment via internet or telephone banking use your reference number quoted on the front of this form. Multiple acceptances must be paid separately.

If you make a payment by BPAY and the Company receives an amount which is not a multiple of \$500 between \$500 and \$30,000, the Company may accept the payment at their discretion. Your payment must be for a minimum of A\$500. Payment must be received by the Share Registry by 5:00pm (AWST) on 9 June 2021.

**You do not need to return this form if you have made payment via BPAY®. Your BPAY® reference number will process your payment to your shareholding electronically and you will be deemed to have applied for such shares for which you have paid.**

**Payment by EFT:** You can make a payment via Electronic Funds Transfer "EFT". Multiple acceptances must be paid separately. Applicants should be aware of their financial institution's cut-off time and any associated fees with processing a funds transfer.

If you make a payment by EFT and the Company receives an amount which is not a multiple of \$500 between \$500 and \$30,000, the Company may accept the payment at their discretion. Your payment must be for a minimum of A\$500. Payment must be received by the Share Registry by 5:00pm (AWST) on 9 June 2021.

**Please ensure you use your unique reference located on the reverse page. This will ensure your payment is processed correctly to your application electronically.**

Applicants should be aware of their financial institution's cut-off time (the payment must be made to be processed overnight) and it is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time. The Company and the Share Registry accept no responsibility for delayed or misdelivered Application Forms or payments. You do not need to return this form if you have made payment via EFT. Your unique reference will process your payment to your application electronically.

### 3 Contact Details

As a valued shareholder in Lucapa Diamond Company Limited, you can help minimise the costs of printing and mailing by electing to receive all shareholder communications electronically. This will ensure you receive all future important shareholder communications in a faster and more secure way. Please enter your details and return to our Share Registry by email to [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au).

## IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase New Shares under the SPP, there is no need to take action.
3. Please ensure you have read and understood the terms and conditions of the SPP in the Offer Booklet and this section entitled "Important Information" before making payment by BPAY® or EFT.
4. The offer for New Shares under the SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the meaning of "Custodian" as defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, you must complete and submit an additional schedule that contains further certifications and details (Certificate) that must be provided before your application will be received. The Certificate can be obtained by contacting the Share Registry on the telephone number set out below. Applications received by Custodians that are not accompanied by the Certificate will be rejected.
6. For applicants that are not required to complete the Certificate, by making payment by BPAY® or EFT, you certify that the aggregate of the payment paid by you for:
  - the parcel of New Shares indicated on this Application Form or BPAY® payment; and
  - any other New Shares applied for by you, or which you have instructed a custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to making payment by BPAY® does not exceed A\$30,000.
7. The maximum subscription limitation of \$30,000 will apply even if an Eligible Shareholder has received more than one Application Form (whether in respect of a joint holding or because the applicant has more than one holding under separate security accounts).
8. The Company reserves the right to make amendments to this Application Form where appropriate.
9. Applicants are not assured of receiving the shares for which they have applied as the Company may scale back applications in its discretion.
10. By making payment of application monies, you certify that:
  - you wish to apply for New Shares under the SPP as indicated on this Application Form;
  - you received a copy of the Offer Booklet and you have read and understood the terms and conditions of the SPP;
  - you agree to be bound by the Constitution of the Company and the terms and conditions of the SPP;
  - you agree to accept any lesser number of New Shares than the number of New Shares applied for; and
  - you are not in the United States and are not acting for the account or benefit of a person in the United States and have not sent any offering materials relating to the SPP offer to any person in the United States.

**If you require further information about the SPP, please contact Automic on 1300 288 664 or +61 2 9698 5414 between 9:00am and 5:00pm (AWST).**