



LULO DIAMONDS SOLD FOR \$3.12 MILLION

Lucapa Diamond Company Limited (ASX: LOM) is pleased to announce the successful sale of a parcel of diamonds weighing 496.2 carats from the Company's Lulo Diamond Concession in Angola for gross proceeds of \$A3.12 million (\$US2.875 million).

The sale of the diamonds recovered by Lucapa from its Lulo Diamond Concession was conducted by Angolan Government agency SODIAM on Friday in the Angolan capital of Luanda.

Lucapa has since been advised by SODIAM that the net proceeds from the sale will total \$A2.7 million (\$US2.486 million) after the deduction of all fees and charges relating to the sale, including royalties, corporate tax, commissions and marketing fees. The \$A2.7 million net figure also accounts for a share of the gross sale proceeds paid to Lucapa's joint venture partner Endiama.

Based on advice from SODIAM, Lucapa expects to have this amount of \$A2.7 million paid in full into the Lulo Project's bank account (which is controlled by Lucapa) within two weeks.

Lucapa Managing Director Miles Kennedy said the first sale of diamonds recovered from the Lulo Diamond Concession represented another significant milestone for Lucapa.

Mr Kennedy said the successful completion of the diamond sale process will enable Lucapa, as manager and operator of the Lulo Project, to immediately resume operations at the Lulo concession, including advancing drilling and exploration at the priority Se251 kimberlite, commissioning the new 50 tonne per hour Dense Media Separation diamond plant and further evaluating the diamondiferous gravels recently discovered near the Se046 kimberlite target (See ASX announcement 26 July 2013).

"As I told shareholders at the Company's annual general meeting on Friday, the process of selling the first parcel of diamonds recovered from Lulo has been drawn-out and frustrating, but we are certainly pleased with the outcome," said Mr Kennedy.

"The sale confirms that the diamonds we are recovering from Lulo are indeed rare and valuable gems. We look forward to using the sale proceeds to advance our efforts to unlock the true potential of a diamond concession we firmly believe represents one of the greatest diamond opportunities anywhere in the world."

For further information please contact:

MILES KENNEDY
MANAGING DIRECTOR

Tel +61 8 9489 9200