



MOTHAE KIMBERLITE PROJECT UPDATE

Lucapa Diamond Company Limited (ASX: **LOM**) (“Lucapa” or “the Company”) is pleased to provide an update on the agreements signed with the Government of the Kingdom of Lesotho (“GOL”) to acquire a 70% interest in Mothae Diamonds (Pty) Limited (“MDL”), which holds the mining licence and other assets related to the advanced Mothae Kimberlite Diamond Project (“Mothae”) in Lesotho.

Further to the ASX announcement of 31 January 2017, Lucapa has been registered as a 70% shareholder in MDL and has appointed its representatives to the Board of MDL.

These representatives include Lucapa Managing Director Stephen Wetherall, Chairman Miles Kennedy and Chief Operating Officer Nick Selby. In addition, Lucapa has appointed Mr Keith Whitelock and Mr Jan Venter to the MDL Board. Mr Whitelock is a former Chief Executive of Letšeng Diamonds and both he and Mr Venter have significant experience in diamond mine development in Lesotho.

The registration of Lucapa’s 70% shareholding in MDL and appointments to the MDL Board follow the issuance to MDL of a new 10-year mining licence for Mothae (See ASX announcement 1 March 2017).

With these conditions precedent met, Lucapa has paid the first US\$400,000 payment to the GOL for its 70% interest in MDL.

As set out in the ASX announcement of 31 January 2017, Lucapa has engaged independent consultants to convert the Canadian NI43-101 Mothae diamond resource to JORC 2012 compliant standards. This work is expected to be completed shortly.

For and on behalf of the Lucapa Board.

STEPHEN WETHERALL
MANAGING DIRECTOR

Forward-Looking Statements

This announcement has been prepared by the Company. This document contains background information about the Company and its related entities current at the date of this announcement. This is in summary form and does not purport to be all inclusive or complete. Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained in this announcement. This announcement is for information purposes only. Neither this document nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction.

This announcement may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply in their own jurisdiction. A failure to do so may result in a violation of securities laws in such jurisdiction.

This document does not constitute investment advice and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs and the opinions and recommendations in this representation are not intended to represent recommendations of particular investments to particular investments to particular persons. Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments.

No responsibility for any errors or omissions from this document arising out of negligence or otherwise is accepted. This document does include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of the Company. Actual values, results, outcomes or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements.

Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and ASX Listing Rules, the Company does not undertake any obligation to update or revise any information or any of the forward-looking statements in this document or any changes in events, conditions or circumstances on which any such forward-looking statement is based.