



MORE LARGE DIAMONDS FROM LULO

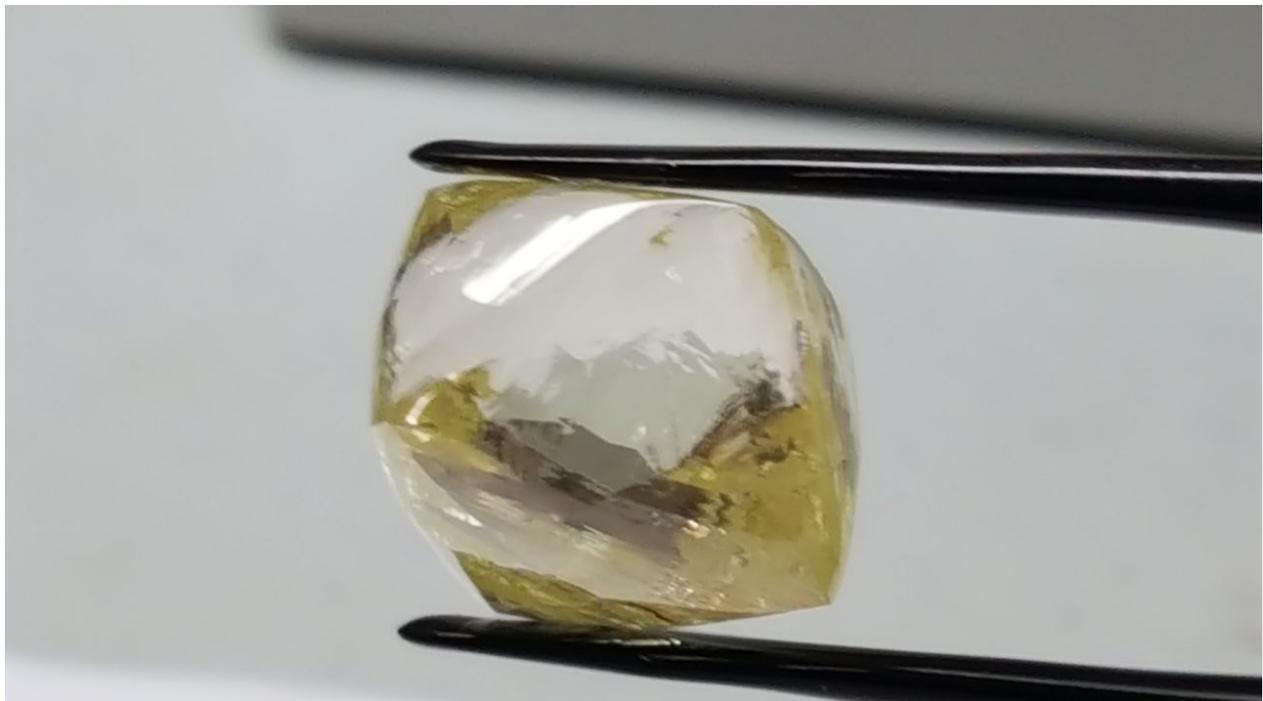
Latest recoveries include a 116 carat diamond and a 43 carat yellow, the largest coloured diamond recovered to date from Lulo

Lucapa Diamond Company Limited (ASX: **LOM**) (“Lucapa” or “the Company”) and its partners Empresa Nacional de Diamantes E.P. (“Endiama”) and Rosas & Petalas are pleased to announce the recovery of more large diamonds from the Lulo Diamond Project in Angola.

The latest recoveries include a 116 carat low-quality diamond and a 43 carat yellow gem, both from Mining Block 8 at Lulo. The 43 carat yellow is the largest coloured gem-quality diamond recovered to date from Lulo, surpassing the 39 carat pink recovered in September 2016.

The 116 carat stone was recovered through the XRT large-diamond recovery circuit installed at Lulo in late 2016. It is the 10th +100 carat diamond recovered to date from Lulo and the second +100 carat recovered within the first three weeks of 2018 (See ASX announcement 8 January 2018).

Though a low-quality boart stone, the 116 carat diamond continues to underline the special large-stone nature and potential of the Lulo diamond project.



43 carat yellow diamond, the largest coloured diamond recovered to date from Lulo

Lucapa also notes and congratulates the Government of the Kingdom of Lesotho and its neighbour in Lesotho, Letšeng Diamonds, which is 70% owned by London-listed Gem Diamonds Limited, on the recovery of a spectacular 910 carat diamond, which is reported to be the 5th largest gem-quality diamond ever recovered¹.

¹Gem Diamonds Limited announcement to the London Stock Exchange, 15 January 2018

The Letšeng diamond mine is located within 5km of Lucapa's 70% owned Mothae kimberlite mine, which previous trial mining has shown to be a source of large and premium-value diamonds (Refer ASX announcement 31 January 2017).

Mothae remains on track for commissioning in H2 2018, delivering Lucapa a second complementary high-value production source to Lulo.

Lucapa will provide a further update on development progress at Mothae in the Company's activities report for the December 2017 Quarter.

For and on behalf of the Lucapa Board.

STEPHEN WETHERALL
MANAGING DIRECTOR

ABOUT LUCAPA

Lucapa is a growing diamond company with a portfolio of high-quality production, development and exploration assets in Angola, Lesotho, Botswana and Australia. The Company's focus on high-value diamond production is designed to protect cash flows as demand and pricing in this particular sector of the diamond market remains robust.

Lucapa's flagship asset is the Lulo Diamond Project in Angola, which is a prolific producer of large and premium-value alluvial diamonds. It has produced 10 +100ct diamonds and is the highest US\$ per carat alluvial diamond production in the world. Lucapa and its Lulo partners continue to advance their search for the primary kimberlite source of these exceptional alluvial gems, with three drill rigs now available in the ongoing kimberlite exploration program.

In keeping with the Company's growth strategy, Lucapa has acquired a 70% interest in the advanced Mothae kimberlite project in diamond-rich Lesotho. The Mothae kimberlite pipe is a high-quality diamond resource located within 5km of Letšeng, the highest US\$ per carat kimberlite diamond mine in the world. Lucapa is constructing a 150 tonne per hour (90,000 tonnes per month) diamond treatment plant, complete with XRT recovery technology, under its Phase 1 development program and is scheduled to commence high-value production at Mothae in H2 2018.

Lucapa is also advancing exploration programs at two other diamond projects – Brooking in the West Kimberley lamproite province in Western Australia, where the Company has recently discovered lamproite with high concentrations of micro and macro diamonds, and Orapa Area F in Botswana's Orapa diamond field, where identified targets will be drilled in 2018.

Lucapa's Board and management team have extensive diamond industry experience across the globe with companies including De Beers, Rio Tinto and Gem Diamonds. The Company was included in the ASX All Ordinaries Index in March 2017.

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 Albert Thamm MSc FAusIMM (CP), who is a Corporate Member of the Australasian Institute of Mining and Metallurgy. Mr Thamm is a Director of Lucapa Diamond Company Limited. Mr Thamm 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 Thamm consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

Forward-Looking Statements

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