



A\$2.7 MILLION FROM LULO DIAMOND SALES

Lucapa Diamond Company Limited (ASX: **LOM**) (“Lucapa” or “the Company”) and its partners Empresa Nacional de Diamantes E.P. (“Endiama”) and Rosas & Petalas have completed the first sale of alluvial diamonds for H2 2018 from the Lulo Diamond Project in Angola.

The parcel of 2,527 carats (Figure 1) achieved gross sale proceeds of US\$2.0 million (A\$2.7 million), representing an average price per carat of US\$800 (A\$1,079).



Figure 1: Lulo diamonds from the July sale parcel

This July sale excluded four large white Specials and a pink coloured Special which have been held for sale later this year. These included three large white and a coloured Special recovered in H1 2018 (Figure 2), along with a 114 carat diamond recovered earlier this month (Figure 3).

Subsequent to the ASX announcement of 11 July 2018, deep boiling of the 114 carat stone has confirmed it is a Type IIa top-colour white diamond.



Figure 2: Large Lulo Specials held for sale later this year - from top to bottom - 75 carat Type IIa top-colour white, 70 carat Type IIa top-colour white, 46 carat and a 43 carat Type IIa top-colour white



Figure 3: 114 carat Type IIa top-colour white diamond held for sale later this year

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, Australia and Botswana. The Company's focus on high-value diamond production is designed to protect cash flows in a sector of the diamond market where demand 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. Lulo has produced 11 +100ct diamonds to date 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 sources of these exceptional alluvial gems, with three drill rigs 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. A bulk sampling plant has also been refurbished and Lucapa has commenced testing areas of the kimberlite pipe either not included in the JORC resource or where additional sampling is required. Large diamonds including two yellows weighing 89 carats and 25 carats have already been recovered from these areas in the bulk sampling program.

Lucapa is also furthering two exploration projects in known diamond provinces. This includes an extensive exploration program launched at Brooking in the West Kimberley lamproite province in Western Australia to follow up on the discovery of lamproite with high concentrations of micro and macro diamonds. Lucapa is also scheduled to drill its kimberlite targets at the Orapa Area F project in Botswana's Orapa diamond field in H2 2018.

Lucapa's Board and management team have extensive diamond industry experience across the globe with companies including De Beers and Gem Diamonds.