



LULO KIMBERLITE LICENCE GAZETTED

- *New five-year licence expires in 2023*

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 that a new Mineral Investment Contract (“MIC”) has been gazetted by the Angolan Ministry of Mineral Resources and Petroleum for the Lulo kimberlite exploration licence.

The MIC covers a five-year period through to 30 April 2023.

Lucapa is a co-owner and operator of the kimberlite (primary source) exploration program on the highly prospective 3,000km² Lulo concession, which is run in parallel with the high-value alluvial diamond mining activities, conducted via Sociedade Mineira Do Lulo.

Lucapa and its partners have established a systematic year-round kimberlite drilling program which aims to identify the primary hard-rock source, or sources, of the exceptional large and high-value alluvial diamonds currently being recovered proximal to the kimberlite targets at Lulo.

Lucapa Managing Director Stephen Wetherall said the gazetting of the new five-year MIC for the Lulo kimberlite licence was further evidence of Angola’s diamond sector reforms and the strong working relationship between Lucapa and its Angolan partners.

“Following on from the recent gazetting of Angola’s new diamond marketing policy, this new five-year award is another sign of the positive changes taking place in the Angolan diamond sector, which are aimed at increasing foreign direct investment and diamond production.”

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 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 1.1 million tonne per annum 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 Special diamonds including two yellow diamonds 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 at Brooking in the West Kimberley lamproite province in Western Australia to follow up on the discovery of lamproite with very 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.

Forward-Looking Statements

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