



LUCAPA ACHIEVES RECORD DIAMOND PRODUCTION IN 2019

- *Mothae and Lulo mines produce >49,000 carats in 2019 and achieve combined sales of US\$55.0m*

Lucapa Diamond Company Limited (ASX: LOM) (“Lucapa” or “the Company”) continued to drive production and operational efficiencies at the Mothae and Lulo mines in the December 2019 Quarter (“the Quarter” or “Q4”) to counter the decline in global rough diamond demand, which has impacted prices and revenues for diamond producers.

While 2019 was a challenging year for all diamond producers in respect of sales prices, the year ended on a more positive note with a turnaround in mid-stream demand and prices - as evidenced in a number of rough diamond tenders and sales - and strong holiday season jewellery sales in America.

The record results for the Quarter contributed to record annual group production of 49,120 carats and combined sales of US\$55.0 million from the Mothae kimberlite mine and the Lulo alluvial mine in calendar 2019 (“FY 2019”), on a 100% basis (non-IFRS).

Mothae and Lulo continued to underline their status as niche large stone producers during the Quarter, producing a total of 287 +4.8 carat diamonds for a combined 2019 total of 1,164. This included a combined total of five +100 carat diamonds.

DIAMOND PRODUCTION & SALES DECEMBER 2019 QUARTER & FY 2019				
	Mothae¹	Lulo²	Q4 Total	FY 2019
Tonnes treated	309,123	106,051*	415,174	1,626,032
Carats recovered	9,837	4,170	14,007	49,120
+4.8 carat diamonds recovered	167	120	287	1,164
+10.8 carat diamonds recovered	46	39	85	357
Sales (US\$m on a 100% basis)	7.1	9.7	16.8	55.0
Price per carat (US\$)	597	1,185	837	1,127

¹70% subsidiary; ²40% associate. *Converted from bulk cubic metres to tonnes

Mothae kimberlite mine, Lesotho (Lucapa 70%)

Mothae processed record tonnes and recovered a record grade to produce a record 9,837 carats in the Quarter for a 2019 total of more than 30,000 carats in its first year of production – 45% ahead of plan. This came on the back of an 11% increase in tonnes treated through the 1.1Mtpa Mothae plant and a 31% increase in the recovered diamond grade for 2019.

Lulo alluvial mine, Angola (Lucapa 40% and operator)

Lulo produced 4,170 carats in the Quarter despite disruptions caused by near record rainfall towards the end of the year and a cessation in operations during the period as a result of labour action, which has since been resolved. This resulted in annual production of more than 19,000 carats, within 1% of the previous year’s result despite the disruptions above.

Lucapa will provide further details of production and exploration activities at the Mothae and Lulo diamond projects in the December 2019 Quarterly Activities Report.

For and on behalf of the Lucapa Board.

STEPHEN WETHERALL
MANAGING DIRECTOR

ABOUT LUCAPA

Lucapa is a growing diamond company with high-value mines in Angola (Lulo) and Lesotho (Mothae). Lucapa's vision is to become a leading global producer of large and premium-quality diamonds from alluvial and kimberlite sources.

Lulo and Mothae produce large and high-value diamonds, with >75% of revenues from both mines generated from the recovery of +4.8 carat stones.

Lulo has produced 13 +100 carat diamonds to date and is one of the highest average US\$ per carat alluvial diamond producers in the world. Lucapa and its Lulo partners continue to advance their search for the primary kimberlite sources of these exceptional alluvial gems through a systematic exploration program.

The new 1.1 Mtpa Mothae kimberlite mine in diamond-rich Lesotho commenced commercial diamond mining operations in January 2019 and has already recovered 11 +50 carat diamonds under Lucapa's ownership.

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

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 Richard Price MAusIMM who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Price is an employee of Lucapa Diamond Company Limited. Mr Price 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 Price consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

No New Information

To the extent that announcement contains references to prior exploration results and Mineral Resource estimates, which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, no new information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

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.

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