



MOTHAË MINE UPDATE

Lucapa Diamond Company Limited (ASX: **LOM**) (“Lucapa” or “the Company”) notes the announcement by South African President Cyril Ramaphosa that South Africa’s National Coronavirus Command Council will impose a 21-day nation-wide lockdown commencing midnight South African time on Thursday 26 March 2020.

The lockdown will impact the ongoing operations of the Mothae kimberlite diamond mine in Lesotho (“Mothae”), particularly on the flow of essential mining supplies and services across the border from South Africa.

After discussions with its partner, the Government of the Kingdom of Lesotho (“GoL”), a decision has been taken to suspend mining operations at the Mothae mine, with appropriate security measures. Mining and processing operations can be restarted relatively quickly should a decision be taken to re-open the mine in the near-term.

The lockdown imposed by the South African Government and other restrictions imposed to restrict the spread of coronavirus will potentially trigger default clauses in the Group’s loan agreements. However, as set out in the ASX announcement of 30 January 2020, Mothae is currently in discussions with the Industrial Development Corporation of South Africa (“IDC”) regarding the restructure of the IDC debt facility. The negotiations are at an advanced stage and the Company will update the market once concluded.

Lucapa is also in discussions with companies associated with its two biggest shareholders, New Azilian Pty Ltd and Equigold Pte Ltd, regarding their corporate loan facilities (Refer ASX announcement 30 January 2020). Lucapa will update the market once these discussions conclude.

Authorised by the Lucapa Board.

STEPHEN WETHERALL
MANAGING DIRECTOR

ABOUT LUCAPA

Lucapa is a niche diamond producer with high-value mines in Angola (Lulo) and Lesotho (Mothae).

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

Lulo has produced 14 +100 carat diamonds to date and is one of the highest average US\$ per carat alluvial diamond producers in the world. Lucapa and its *Project Lulo* partners have also received highly-encouraging results from their search to discover the primary hard-rock source of the high-value Lulo alluvial diamonds.

The new 1.1 Mtpa Mothae kimberlite mine in diamond-rich Lesotho commenced commercial mining operations in January 2019. It produced > 30,000 carats in its first year of production, including 3 +100 carat diamonds.

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

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

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