



---

## FINANCING UPDATE

---

Lucapa Diamond Company Limited (ASX: **LOM**) (“Lucapa” or “the Company”) advises that it has agreed with New Azilian Pty Ltd (“New Azilian”), a company associated with non-executive director and major Lucapa shareholder Mr Ross Stanley, to defer the repayment date in relation to the \$10 million one-year loan facility (see ASX announcement on 4 April 2019).

In addition to the repayment date being deferred from 29 May 2020 to 31 August 2020, interest payments have been changed from quarterly to being payable at the termination date (effective from Q4 2019) and the previous option to convert interest payments to LOM shares has also been removed. No additional fees or penalties are payable by Lucapa under the amended agreement with New Azilian.

The Company aims to finalise revised arrangements or refinancing in respect of existing indebtedness within this period. As previously advised, this may include principal and/or interest deferments, term extensions or convertibility (subject to any necessary approvals). With respect to the refinancing, Lucapa continues to investigate several sources to replace the existing financiers with lower-cost debt. The Company will update the market as appropriate.

Lucapa Managing Director Stephen Wetherall commented: *“We extend our sincere thanks and appreciation to New Azilian, Equigold, the Industrial Development Corporation of South Africa and all our shareholders for their continued support of Lucapa’s strategy during this challenging period.”*

### **Non-renounceable pro-rata rights issue**

The non-renounceable pro-rata rights issue that entitles eligible shareholders to participate on a 1 for 5 basis with a free attaching option exercisable at \$0.10 each and expiring 2 years from the date of issue (“Rights Issue” or “Offer”) announced on 27 April 2020, closes at 5pm (WST) on Friday 29 May 2020.

Lucapa intends to use the funds raised from the Rights Issue to advance the search for the primary kimberlite sources of the high-value Lulo alluvial diamonds, preserve mining assets suspended as a result of the COVID-19 pandemic and for general working capital purposes.

The Directors of Lucapa will take up their full entitlements under the Rights Issue.

Authorised by 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).

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 15 +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 10 +50 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.

### 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.

This announcement is for information purposes only. Neither this document nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction.

This announcement may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply in their own jurisdiction. A failure to do so may result in a violation of securities laws in such jurisdiction.

This document does not constitute investment advice and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs and the opinions and recommendations in this representation are not intended to represent recommendations of particular investments to particular persons.

Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments.

No responsibility for any errors or omissions from this document arising out of negligence or otherwise is accepted. This document does include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of the Company. Actual values, results, outcomes or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and ASX Listing Rules, the Company does not undertake any obligation to update or revise any information.