



LUCAPA RAISES \$5.25M UNDER RIGHTS ISSUE

Lucapa Diamond Company Limited (ASX: **LOM**) (“Lucapa” or “the Company”) is pleased to advise that it has raised \$5.25 million under its non-renounceable pro-rata rights issue (“Rights Issue”) which closed on 29 May 2020.

As set out in the ASX announcement of 27 April 2020, the Rights Issue involved the offer to eligible shareholders of one new fully paid ordinary share (“New Share”) for every five shares held at an issue price of \$0.05 per New Share, with a free attaching option exercisable at \$0.10 and expiring two years from the date of issue (“New Option”) for every one New Share subscribed for and issued, to raise up to a maximum of \$5.25 million (before costs).

Lucapa intends to use the funds raised from the Rights Issue to advance the search for the primary kimberlite sources of the high-value alluvial diamonds at the prolific Lulo project in Angola, preserve mining assets suspended as a result of the COVID-19 pandemic, for general working capital purposes and to meet the costs and expenses of the Rights Issue. As set out in the ASX announcement of 28 May 2020, the Lulo kimberlite exploration program is set to move to an exciting new phase this month with the excavation and processing of the first kimberlite bulk sample to test for diamonds.

The Company received acceptances from eligible shareholders for 45,876,861 New Shares and 45,876,861 New Options and applications for an additional 19,272,117 New Shares and 19,272,117 New Options (“Additional Securities”) to raise \$3.26 million. The Company has since received firm commitments for the shortfall of 39,953,544 New Shares and 39,953,544 New Options (“Shortfall Securities”) to complete the capital raising of \$5.25 million (before costs).

Lucapa Managing Director Stephen Wetherall commented: *“During such unprecedented times, we were both delighted and appreciative to see such a strong show of support for our plans and strategies in the diamond sector, resulting in the maximum amount of \$5.25 million being raised. This included support from our loyal shareholders as well as strong demand for the shortfall.”*

The Directors took up their full entitlements under the Rights Issue, for which Far East Capital Limited acted as lead manager. The Company has agreed to issue 8,000,000 New Options to the advisors who placed the Shortfall Securities.

It is expected that the New Shares, New Options and Shortfall Securities will be issued on 5 June 2020 and that the New Options will trade under the ASX code: **LOMOC** from the commencement of trade on 9 June 2020.

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 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 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.

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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