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## **MOTHAE UPDATE**

*- Marketing proposal submitted to Government of Lesotho*

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Lucapa Diamond Company Limited (ASX: **LOM**) (“Lucapa” or “the Company”) is pleased to announce that it has submitted a diamond marketing proposal to the Government of the Kingdom of Lesotho (“GoL”), who are Lucapa’s 30% partners in the Mothae diamond mine (“Mothae”).

With the sole objective of restarting operations at the Mothae diamond mine as soon as possible, ongoing employment of all our valued personnel and sustained contribution to the Basotho nation, Lucapa submitted a strong marketing proposal to the GoL that Lucapa believes underpins the future of the Mothae diamond mine, especially in these uncertain times.

The commercial terms of the proposal are the subject of current interaction with the GoL and the key terms, which include an offtake arrangement, will be outlined in a separate update once finalised with the GoL.

Lucapa Managing Director Stephen Wetherall commented: *“Lucapa are proud and very supportive foreign direct investors in Lesotho, where we have invested well over M500m in the last two years and with our Government partners created employment opportunities for many Basotho. The Mothae diamond mine is an important contributor to the Basotho nation and Lucapa’s strong marketing proposal, we believe, will see the full value of the Mothae kimberlite mine unlocked.”*



Mothae processing plant

Lucapa will provide an update on conclusion of the discussions.

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. The mine operations have been suspended as a result of COVID-19.

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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