



***Australia's growing
global producer
of high-value
diamonds***

***Africa Down Under
Conference***

September 2021





Cautionary Statements

Forward-Looking Statements

This Presentation has been prepared by Lucapa Diamond Company Limited (“the Company”). This document contains background information about the Company current at the date of this Presentation. The Presentation 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 Presentation. This Presentation is for information purposes only. Neither this Presentation 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 Presentation 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 Presentation 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.

To the fullest extent permitted by law, the Company, its officers, employees, agents and advisers do not make any representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of any information, statements, opinion, estimates, forecasts or other representations contained in this Presentation. No responsibility for any errors or omissions from this Presentation arising out of negligence or otherwise is accepted. This Presentation may 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 or events may be materially different to those express or implied in this Presentation. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this Presentation speak only at the date of issue of this Presentation. 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 or any of the forward-looking statements in this Presentation or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

No New Information

To the extent that this 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.

Competent Person’s Statements

Information included in this presentation that relates to exploration results and resource estimates on the Lulo Diamond Resource, Mothae Diamond Resource and Merlin Diamond Resource is based on and fairly represents information and supporting documentation prepared and compiled by Richard Price who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Price is an employee of the Company. Mr Price has sufficient experience which is relevant to the style of mineralisation and type of deposits 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 presentation of the matters based on this information in the form and context in which it appears.



Executive Summary

Multi-asset diamond producer, focussing on developing next production asset in Australia

- Lucapa developed **two high-value diamond mines**, located in Africa
 - ❖ **Lulo** alluvial mine in Angola (40% owned and operated by Lucapa)
 - ❖ **Mothae** kimberlite mine in Lesotho (70% owned and operated by Lucapa)
- Strong cash flow generation with attributable **CY2021 cash operating margin estimated at upper end of A\$17-21m guidance**^{1,2}
 - ❖ **Strong Half Year generating A\$13.5m** attributable cash operating margin²
- Recently **acquired a strategic near-term development asset in Australia**¹
 - ❖ Merlin has existing 4.4m carat JORC compliant resource, and +70 unresolved exploration anomalies
 - ❖ Would be Australia's largest producing diamond mine once in production
- **Exploring for primary kimberlite source** of Lulo's exceptional alluvial diamonds
- **Strong balance sheet** with A\$27.6m of attributable cash & receivables²
- **Diamond market resurgent** and well-balanced
- Significant **re-rating potential**
 - ❖ Trading at only 0.58x book value of net assets
 - ❖ Diamond equities significantly lagging the strong diamond price recovery






¹ As per ASX announcement 24 May 2021

² As per ASX announcement 10 August 2021

Niche Production Assets

Strong growth year following COVID impacted 2020 – full year CY2021 Guidance

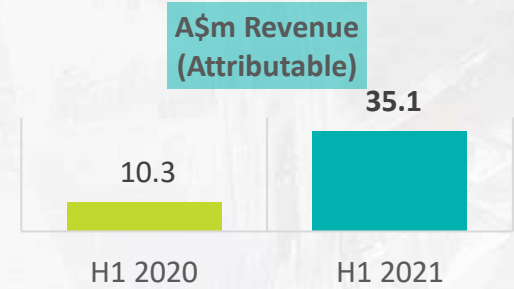
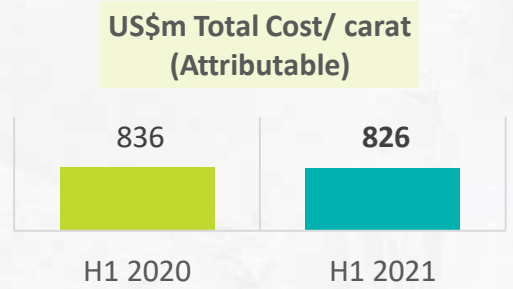
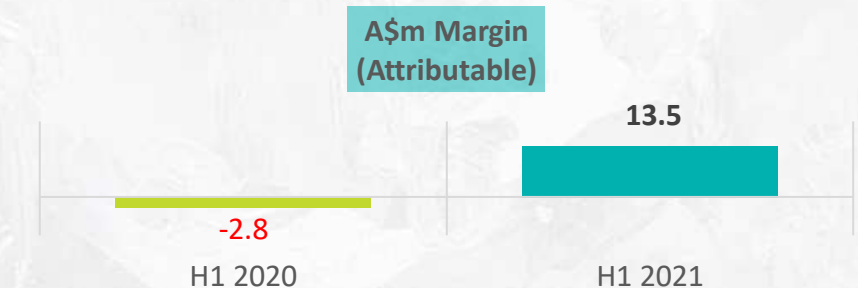
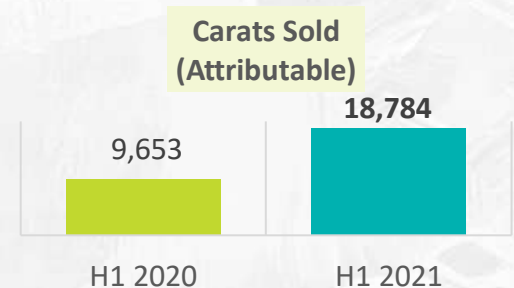
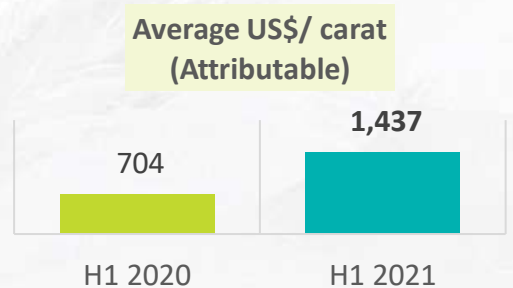
SML/ Lulo (alluvial)			Mothae (kimberlite)			Lucapa (Corporate)		
	Location	Lunda Norte, Angola		Location	Mokhotlong, Lesotho		Location	Perth, Australia
	Ownership	40% Lucapa 32% Endiama (Govt) 28% Rosas & Petalas		Ownership	70% Lucapa 30% Govt of Lesotho		Ownership (mines)	40% SML 70% Mothae
	Status	Producing (7 th year)		Status	Producing (3 rd year)		Status	Producer & explorer
	Quality	Highest price/ carat alluvial production		Quality	2 nd highest price/ carat kimberlite production		Cost (A\$m)	3
CY2021			CY2021			Combined CY2021		
	100% basis	Attributable basis (40%)		100% basis	Attributable basis (70%)		100% basis	Attributable basis
Plant throughput	490k bcm pa		Plant capacity	1.4 Mt pa		Production (carats)	71,000 – 75,000	40,400 – 42,600
Production (carats)	31,000 – 33,000	12,400 – 13,200	Production (carats)	40,000 – 42,000	28,000 – 29,400	Price (US\$/ carat)	957 – 1,034	
Price (US\$/ carat)	1,672 – 1,759		Price (US\$/ carat)	640 – 708		Cost (US\$/ carat)	638 – 657	
Cost (US\$/ carat)	949 – 1,008		Cost (US\$/ carat)	414 – 428		Margin (US\$/ carat)	319 - 377	
Margin (US\$/ carat)	723 - 751		Margin (US\$/ carat)	226 - 280		Margin (%)	33% - 36%	
Margin (%)	43%		Margin (%)	33% – 42%		Revenue (A\$m)	99 – 112	50 - 56
Revenue (A\$m)	66 - 74	27 – 30	Revenue (A\$m)	33 – 38	23 – 27	Cost (A\$m)	62 – 68	33 – 36
Cost (A\$m)	38 - 43	15 – 17	Cost (A\$m)	21 – 22	15 – 16	Margin (A\$m) CY2021	37 - 44	17-21
Margin (A\$m) CY2021	28 - 32	11 - 13	Margin (A\$m) CY2021	11 - 16	8 - 11	Margin (A\$m) CY2021		13.5
Margin (A\$m) CY2021		11.0	Margin (A\$m) CY2021		4.1	Margin (A\$m) CY2021		

Note: Margin is calculated as rough revenue after total costs (cash operating costs, inventory movements, royalties, selling costs and polishing margins) and is a non-AIFRS measure. A\$m guidance rounded to nearest whole numbers



Niche Production Assets

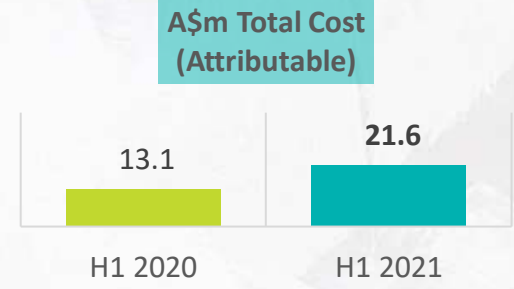
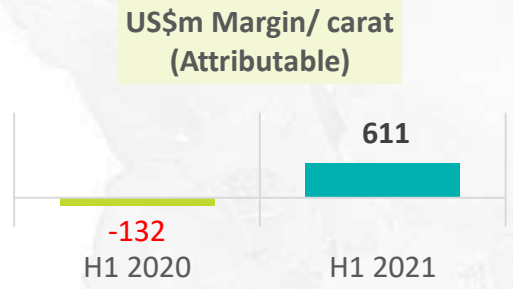
H1 2021 vs H1 2020



CY 2021 Full Year Attributable Cash Operating Margin Guidance

A\$17 – 21 million

On track to achieve upper-end of Margin guidance

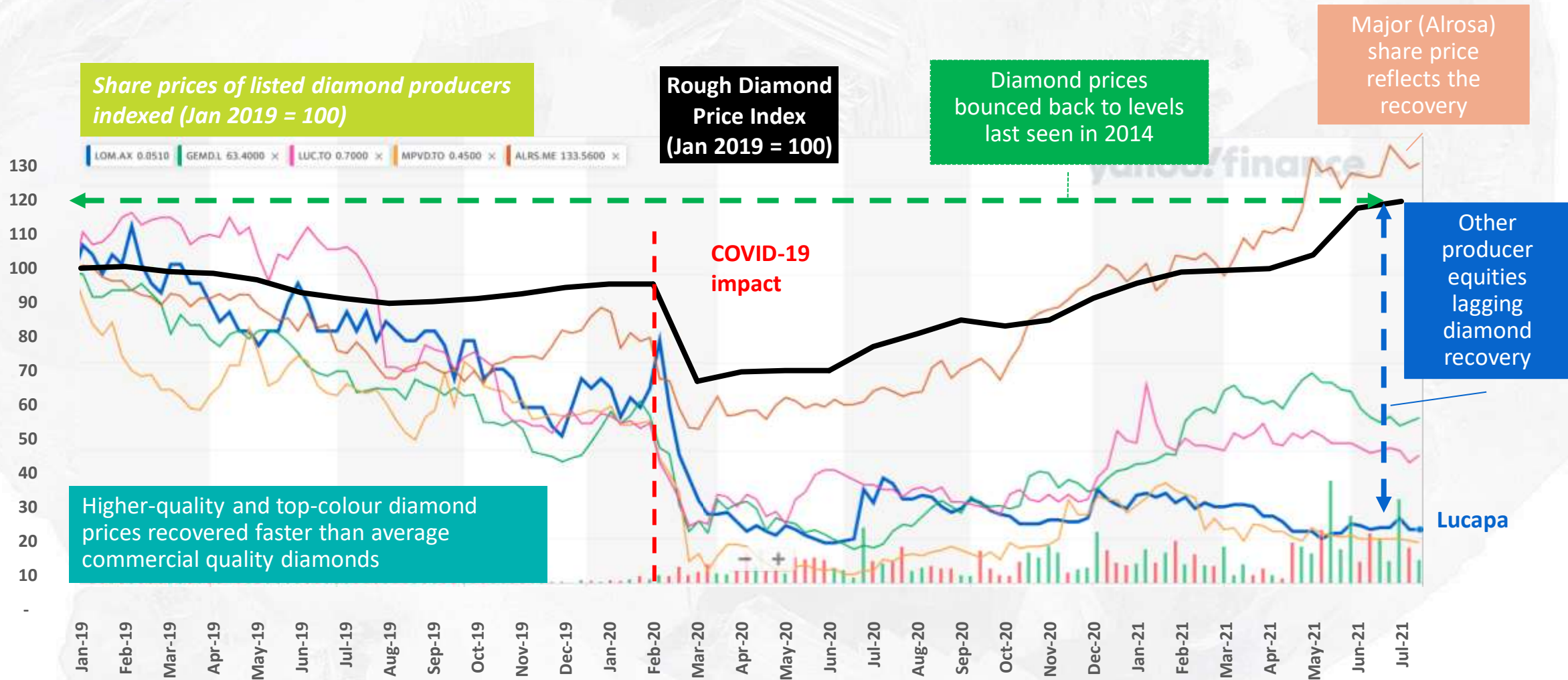


Notes: Attributable is calculated taking into account 40% of SML (Lulo) and 70% of Mothae metrics. Margin is calculated as rough revenue after total costs of carats sold (cash operating costs, inventory movements, royalties, selling costs and polishing margins). These are non-AIFRS measures



Diamond Market

Listed diamond producers lagging diamond market recovery



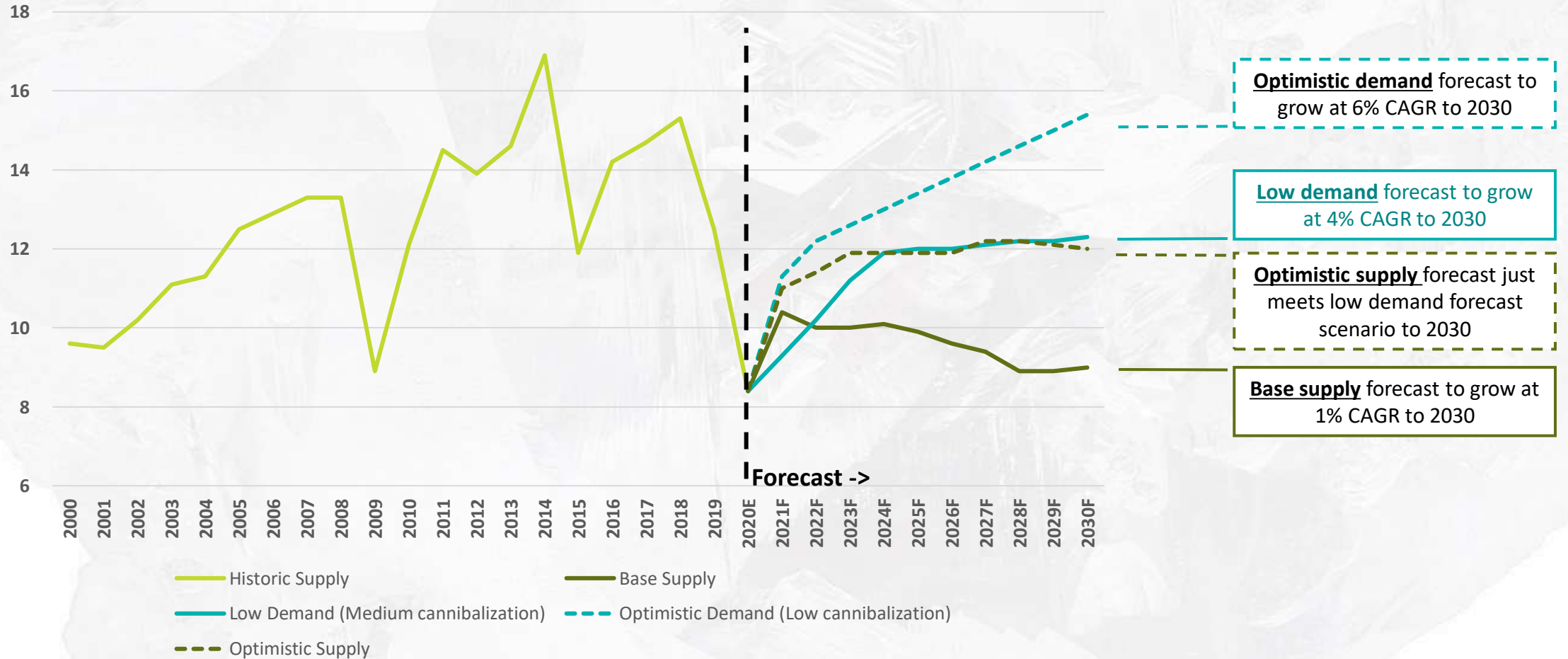
Source: GTD Consulting/Yahoo! Finance - 27 August 2021



Diamond Supply & Demand

Well balanced market – outlook remains strong supported by supply constraints

Natural rough diamond supply and demand (US\$bn)



Source: Bain & Company – The Global Diamond Industry Report 2020-21 (data updated to February 2021)



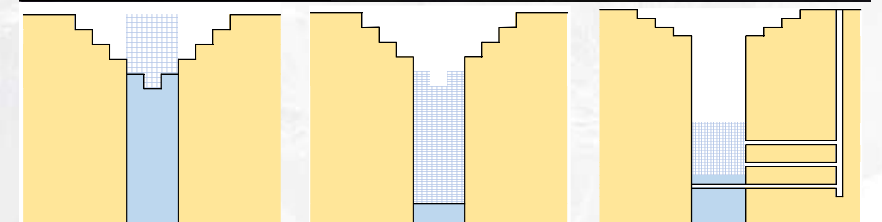
Merlin – A Strategic Development Asset

Successful development would elevate Lucapa to mid-tier producer

- Signed binding agreements to **acquire 100%**¹
- **Historic Australian mine**
 - ❖ ~500,000 carats mined and sold at by Rio Tinto/ Ashton from 1999-2003
 - ❖ ~US\$103/ carat - global rough diamond index increased threefold since
- Produced **Australia's largest diamond** on record – 104 carat
- **Significant 4.4 million carats** JORC compliant indicated and inferred resource
 - ❖ ~500% increase in Lucapa's attributable resource carats
- **Low acquisition cost**
 - ❖ Asset in liquidation sale
 - ❖ A\$8.5m (~A\$2/ resource carat compares to Mothae acquisition ~A\$12/ resource carat)
- **Multiple** development opportunities
 - ❖ **Near-term production** – planning within 24 months
 - Open pit - conventional & vertical mining
 - ❖ Medium-term/ **long-term production**
 - Open pit – kimberlites continue below current resource cut-off
 - Underground – multi-pipe clusters
 - ❖ **Exploration** – ~70 unresolved anomalies - all previous discoveries diamondiferous
- **Australia's largest commercial mine** when in production
 - ❖ Would be Lucapa's **3rd producing asset**
- Currently **progressing scoping studies** for each potential development phase – publish independent studies on open-pit end Q3/ early Q4



104 carat Type IIa – largest diamond recovered in Australia. Recovered from Gareth pipe in 2002



Open-pit (conventional)

Open-pit (vertical)

Underground

¹ As per ASX announcement 24 May 2021



Merlin Diamond Project

Strategic opportunity to develop Australia's largest diamond mine



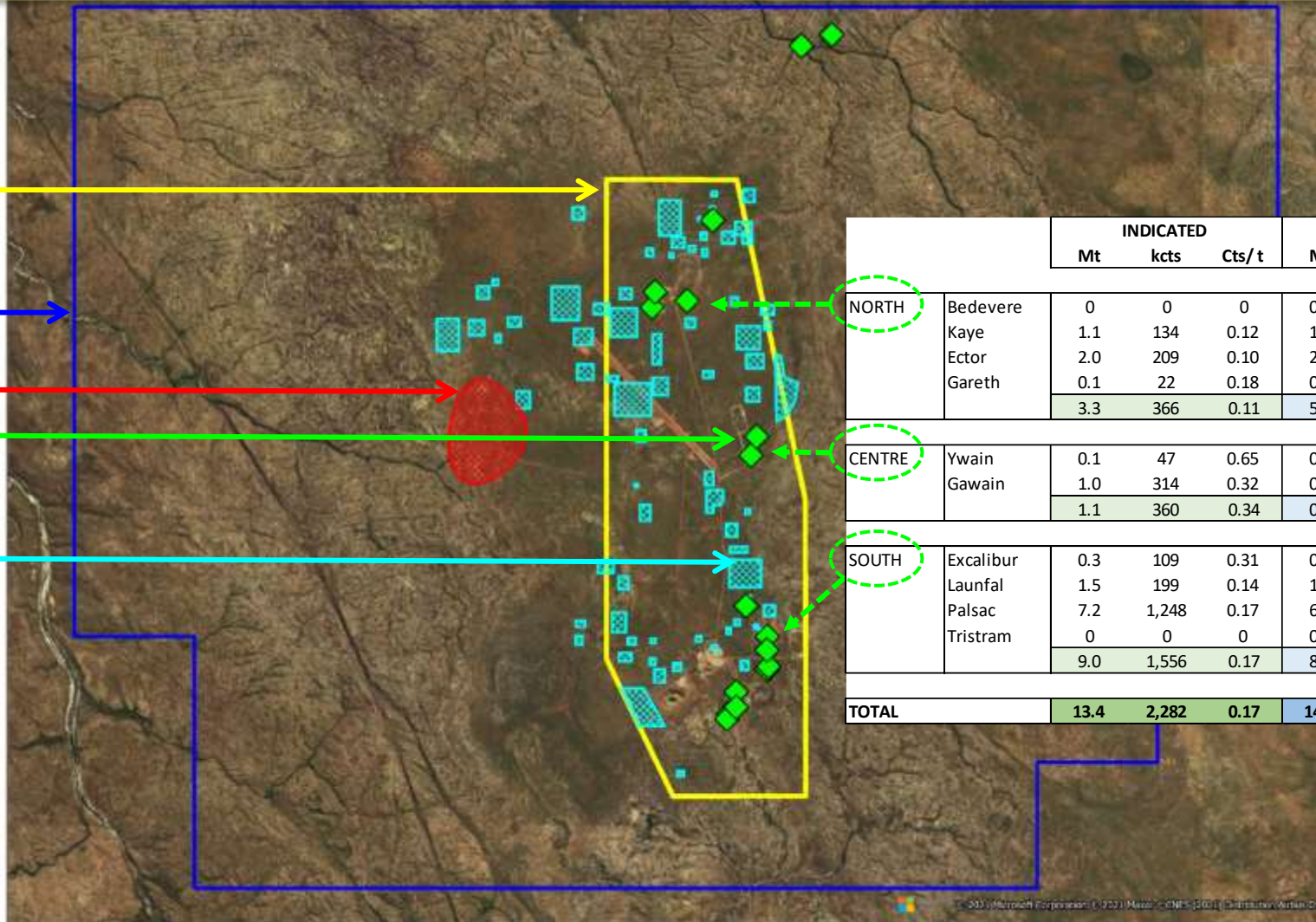
Mining tenement

Orbit tenement

Mag anomaly

Kimberlites

Anomalies



		INDICATED			INFERRED			TOTAL RESOURCE		
		Mt	kcts	Cts/t	Mt	kcts	Cts/t	Mt	kcts	Cts/t
NORTH	Bedevere	0	0	0	0.4	87	0.22	0.4	87	0.22
	Kaye	1.1	134	0.12	1.7	158	0.09	2.9	293	0.10
	Ector	2.0	209	0.10	2.8	248	0.09	4.9	457	0.09
	Gareth	0.1	22	0.18	0.1	10	0.17	0.2	32	0.18
		3.3	366	0.11	5.0	504	0.10	8.3	869	0.10
CENTRE	Ywain	0.1	47	0.65	0.1	37	0.55	0.1	83	0.60
	Gawain	1.0	314	0.32	0.6	180	0.30	1.6	493	0.31
		1.1	360	0.34	0.7	216	0.32	1.7	576	0.33
SOUTH	Excalibur	0.3	109	0.31	0.2	60	0.26	0.6	169	0.29
	Launfal	1.5	199	0.14	1.5	200	0.14	2.9	399	0.14
	Palsac	7.2	1,248	0.17	6.4	1,057	0.16	13.7	2,305	0.17
	Tristram	0	0	0	0.6	36	0.06	0.6	36	0.06
		9.0	1,556	0.17	8.7	1,352	0.15	17.8	2,908	0.16
TOTAL		13.4	2,282	0.17	14.4	2,072	0.14	27.8	4,354	0.16

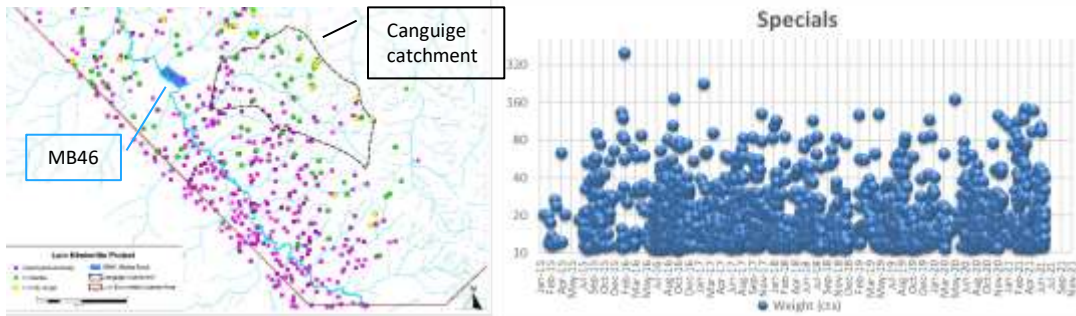
Note: Mineral Resource as per ASX announcement 24 May 2021



Prospective Exploration Assets

Across three countries

Angola



Project (Location)	Lulo JV (Lunda Norte)
Ownership	39% Lucapa 51% Endiama 10% Rosas & Petalas
Status	Advanced – bulk sampling priority kimberlites
Spend to date	~US\$20 million

- One of the most prospective advanced programs globally
 - Highest-value alluvial diamond deposit (being mined by SML)
 - Significant diamondiferous kimberlite province lies underneath
 - High frequency of recovery of large, irregular shaped and brittle diamonds - proximity indicators to source
- Commenced excavating bulk samples upstream from high-priority kimberlites in and adjacent to Canguige catchment for processing
 - Frequency of recovery of large, high-value diamonds from MB46 (which is adjacent & downstream), underpins the prospectivity of the catchment

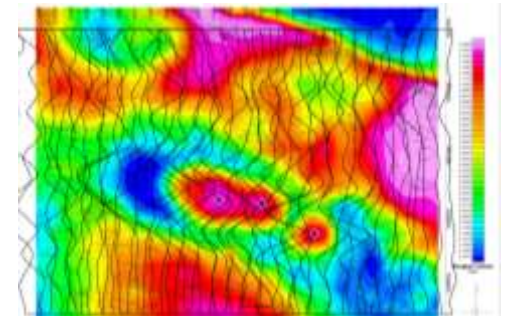
Australia



Project (Location)	Brooking (WA)
Ownership	80% Lucapa 20% Leopold
Status	Early (drill ready targets)
Spend to date	~US\$2.0 million

- ~ 40km southeast of the Ellendale diamond field
- Little Spring Creek discovered & drilled
 - High micro diamond count
 - Commercial diamonds recovered – assessed as uneconomic
- Diamonds recovered at or close to 6 additional targets identified for geophysics & sampling

Botswana



Project (Location)	Orapa Area F (Orapa)
Ownership	100% Lucapa
Status	Early (drill ready targets)
Spend to date	~US\$200k

- 40km east of prolific Orapa diamond mine – a tier one De Beers mine
- Exploration identified target for drilling
- Awaiting license extension



Why Lucapa?

Australia's global growing producer of high-value diamonds

1	Two producing high-value diamond mines	<ul style="list-style-type: none"> ✓ Two cash flow generating assets in Lulo, Angola (40%) and Mothae, Lesotho (70%) ✓ Two of the three highest US\$/carat diamond productions globally ✓ Strong team - successfully brought these two projects from exploration/ evaluation to production ✓ Unique partnerships – deriving returns from polishing margins
2	CY2021 Operational Guidance	<ul style="list-style-type: none"> ✓ CY2021 Cash Operating Margin of A\$17 – A\$21m on an attributable basis (33 – 36% margin) ✓ A\$13.5m cash operating margin generated in H1 2021
3	Addition of near-term development opportunity in Australia (Merlin)	<ul style="list-style-type: none"> ✓ Strategic low-cost acquisition of Merlin (Australia) adds a 100% owned near-term mine development opportunity ✓ Australia's largest producing diamond mine and Lucapa's 3rd mine when brought in production ✓ Significant existing 4.4m carat JORC compliant resource ✓ Development studies currently being progressed
4	Significant exploration upside	<ul style="list-style-type: none"> ✓ Advanced program exploring for the primary source of the exceptional alluvial diamonds at Lulo ✓ Kimberlite bulk sampling phase commenced ✓ Merlin adds further significant exploration upside with ~70 unresolved anomalies in a diamondiferous province
5	Diamond market thematics	<ul style="list-style-type: none"> ✓ Demand continues to be driven by rising middle class in Asia and resurgent America ✓ Diamond prices recovered quickly following the pandemic and have already returned to levels last seen in 2014 ✓ Listed diamond equities lagging the strong diamond price recovery ✓ Natural rough diamond supply materially constrained
6	Strong balance sheet for upcoming catalysts	<ul style="list-style-type: none"> ✓ Strong cash balance ✓ Significant returns expected from Lulo shortly would result in significant increase in cash held ✓ Very well funded to progress Merlin development studies and all exploration programs ✓ Debt reduction focus



Guiding market to upper end

		INDICATED			INFERRED			TOTAL RESOURCE		
		MR	kgcs	Cts/t	MR	kgcs	Cts/t	MR	kgcs	Cts/t
NORTH	Bedevene	0	0	0	0.4	87	0.22	0.4	87	0.22
	Koee	1.1	134	0.12	1.7	158	0.09	2.9	293	0.10
	Isior	2.0	209	0.10	2.8	248	0.09	4.9	457	0.09
	Gareth	0.1	22	0.18	0.1	30	0.17	0.2	32	0.18
		3.3	366	0.11	5.0	504	0.10	8.3	869	0.10
CENTRE	Twain	0.1	47	0.65	0.1	37	0.55	0.1	83	0.60
	Rowan	1.0	214	0.32	0.6	180	0.30	1.6	493	0.31
		1.1	260	0.34	0.7	216	0.32	1.7	576	0.33
SOUTH	Excalibur	0.3	109	0.31	0.2	60	0.26	0.6	169	0.29
	Launfal	1.5	199	0.14	1.5	200	0.14	2.9	399	0.14
	Palpac	7.2	1,248	0.17	6.4	1,057	0.16	13.7	2,305	0.17
	Merlam	0	0	0	0.6	36	0.06	0.6	36	0.06
		9.0	1,556	0.17	8.7	1,352	0.15	17.8	2,908	0.16
TOTAL		13.4	2,282	0.17	14.4	2,872	0.14	27.8	4,354	0.16



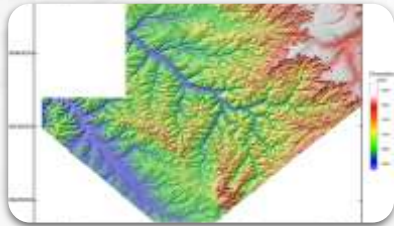
Strongest ever financial position



Development Snapshot

Successfully transformed into an integrated multi-asset company advancing downstream

Diamond pipeline



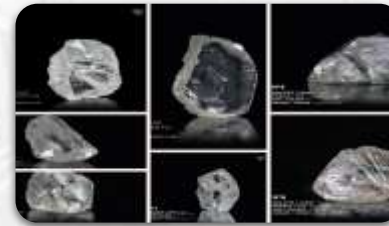
Exploration/ Evaluation



Design/
Development



Production/
Expansion



Rough
Sales



Cutting &
Polishing



SML

Highest price/ carat alluvial production



Mothae

2nd highest price/ carat kimberlite production



Merlin

Opportunity to develop Australia's largest commercial diamond mine
Currently progressing development studies for Merlin



Lulo JV



Brooking



Orapa





Corporate Snapshot

Integrated multi-asset producer, focussing on developing 3rd production asset in Australia

Capital Structure

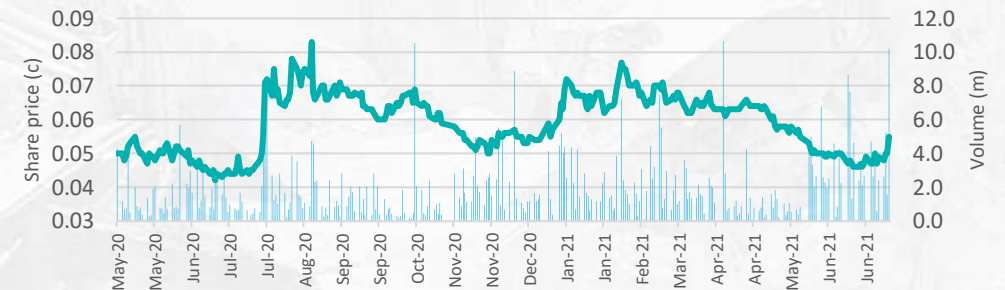
Market Details	Units	Value
Shares outstanding	m	1,266.7
Share price (27 August 2021)	A\$/ share	0.051
Market Capitalisation	A\$m	64.6
Cash (attributable) ¹	A\$m	27.6
Loan Assets (JV partners share of loans owing to Lucapa) ²	A\$m	38.1
Debt ³	A\$m	31.8

Notes:

1. Attributable cash at 30 June 2021 (ASX announcement 10 August 2021) and pre-Tranche 2 of the placement received in July. Attributable ownership in projects is a non-AIFRS measure. For statutory reporting purposes, SML is equity accounted as Lucapa holds a 40% interest and Mothae is consolidated given Lucapa holds a 70% interest
2. Loan Assets at 30 June 2021 relate to capital and development loans owed to Lucapa by the Lulo and Mothae mining entities from Lucapa sole funding development. Amounts shown are only those portions attributable to the local JV partners' interests
3. Debt at 30 June 2021 includes all external debt including IFRS16 lease liabilities of A\$2.9m

Options	Units	Value
Listed Options (@ 10c strike exp 5 Jun 22)	m	114.0
Unlisted Options (@ 8c strike exp 18 Dec 22)	m	54.8
Unlisted Options (@ 8c strike exp 30 Jul 25)	m	5.0

Share price (A\$/c)/ Volume history (m)



Substantial Shareholders

Substantial Shareholders	% of Issued Capital
Ilwella	7.6%
Regal	6.4%
Tazga Two	5.3%
Board/ Management	6.6%

Board of Directors



Miles Kennedy
Non-executive chair



Ross Stanley
Non-executive director



Stephen Wetherall
Managing director/ CEO



Nick Selby
Executive director/ COO



Contact Information

34 Bagot Road

Subiaco 6008

Western Australia

Tel: +61 8 9381 5995

Email: general@lucapa.com.au

Website: www.lucapa.com.au