



APPENDIX 5B AMENDMENT

Lucapa Diamond Company Limited (**ASX: LOM**) provides the following amended Appendix 5B to that released to the ASX on 16 January 2019.

The net numbers in the 5B remain unchanged, however, the ASX has requested Lucapa separate out and include as footnotes the forecast cash inflows for the March 2019 quarter, relating to diamond sales revenues from the new Mothae mine and VAT refunds, rather than as offsets to forecast cash outflows.

The amended 5B reflects those changes.

For and on behalf of the Lucapa Board.

MARK CLEMENTS
COMPANY SECRETARY

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

LUCAPA DIAMOND COMPANY LIMITED

ABN

44 111 501 663

Quarter ended ("current quarter")

31 December 2018

Consolidated statement of cash flows	Current quarter US\$'000	Year to date (12 mths) US\$'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(350)	(1,121)
(b) development		
(c) production		
(d) staff costs	(465)	(2,512)
(e) administration and corporate costs	(826)	(3,327)
1.3 Dividends received		
1.4 Interest received	6	78
1.5 Interest and other costs of finance paid	(1)	(7)
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material) ¹	1,665	1,665
1.9 Net cash from / (used in) operating activities	US\$29	US\$(5,224)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment ²	(2,749)	(18,233)
(b) tenements		
(c) investments ³	-	(1,125)
(d) other non-current assets		

Consolidated statement of cash flows		Current quarter US\$'000	Year to date (12 mths) US\$'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received		
2.5	Other (provide details if material)	(75)	(401)
2.6	Net cash from / (used in) investing activities	US\$(2,824)	US\$(19,759)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	12,504
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options	(5)	(214)
3.5	Proceeds from borrowings	8,232	13,232
3.6	Repayment of borrowings	(31)	(34)
3.7	Transaction costs related to loans and borrowings	(130)	(380)
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	US\$8,066	US\$25,108

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,960	8,297
4.2	Net cash from / (used in) operating activities (item 1.9 above)	29	(5,224)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,824)	(19,759)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	8,066	25,108
4.5	Effect of movement in exchange rates on cash held	(31)	(222)
4.6	Cash and cash equivalents at end of period ⁴ (US\$'000)	US\$8,200	US\$8,200

Note:

¹ Relates to VAT refunds received during the quarter from the Government of Lesotho on the Mothae development cost incurred in previous periods.

² Relates to mine development and bulk sampling program expenditures at the Mothae Project, Lesotho.

³ Relates to down payments in respect of the acquisition cost of the Mothae Project.

⁴ The investment in the alluvial mining company, SML, is recognised on an equity-accounted basis in terms of the Company's accounting policy and Australian International Financial Reporting Standards. As such, the closing cash balance at 4.6 above does not include the US\$5 million cash balance held at the end of the reporting quarter by SML in Angola.

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter US\$'000	Previous quarter US\$'000
5.1	Bank balances	8,200	2,960
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	US\$8,200	US\$2,960

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2 ⁵
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter US\$'000
(237)

⁵ The amount reflected under 6.1 includes payments for directors' fees (including superannuation) and payments in respect of office rent to entities associated with non-executive director Miles Kennedy.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash inflow/(outflow) from loans to these parties included in item 2.3 ⁶
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter US\$'000
-
331

⁶ Relates to intergroup funding payment to and from subsidiaries, primarily Mothae Diamonds (Pty) Ltd. As the cash flow statement is required to be prepared on a consolidated basis these loans to subsidiaries are eliminated on consolidation and therefore reflected as zero at item 2.3. The amount above consists of a US\$3.0m loan repayment made by Mothae to Lucapa during December 2018 minus US\$2.7m advanced to Mothae and other group companies during the quarter.

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8. Financing facilities available	Total facility amount at quarter end US\$'000	Amount drawn at quarter end US\$'000
<i>Add notes as necessary for an understanding of the position</i>		
8.1 Loan facilities ⁷	23,165	23,165
8.2 Credit standby arrangements	-	-
8.3 Finance lease facility	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

⁷ The loan facilities consist of:

- A three-year secured financing facility entered into with a private Singaporean entity, Equigold Pte Ltd (Refer details in ASX announcement 9 October 2017);
- A short-term unsecured loan of US\$1.2m from an entity associated with non-executive director Ross Stanley on normal commercial terms, repayable in Q1 2019;
- A ZAR100m (US\$7m) project development facility for Mothae with the Industrial Development Corporation of South Africa Limited. The facility is for a period of four years and includes a 12-month moratorium on capital repayments. Interest is calculated at the Johannesburg Interbank Average Rate (JIBAR) plus 8.6%, which currently equates to a rate of 15.6% per annum. The loan is secured through notarial bonds against assets of Mothae, its mining right and a proportionate guarantee from Lucapa in line with its 70% ownership.

9. Estimated cash outflows for next quarter	US\$'000
9.1 Exploration and evaluation ⁸	(320)
9.2 Development ⁹	(435)
9.3 Production ¹⁰	(3,018)
9.4 Staff costs	(1,540)
9.5 Administration and corporate costs ¹¹	(650)
9.6 Other ¹²	(4,374)
9.7 Total estimated net cash outflows¹³	US\$(10,337)

⁸ Relates primarily to Brooking exploration program.

⁹ Relates to the final payments on the Mothae mine development concluded in 2018.

¹⁰ **This figure does NOT include estimated inflows of US\$4.4m from Mothae diamond sales in Q1 2019.**

¹¹ **This figure does NOT include estimated inflows of US\$1.038m from VAT refunds due from the Government of Lesotho in Q1 2019.**

¹² Relates to loan repayments due on loans from Equigold and non-executive director Ross Stanley as well as down payments due in respect of the acquisition cost of the Mothae.

¹³ The outflow will be funded from existing cash balances and the inflows per footnotes 10 and 11 above.

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Mark Clements
Company Secretary

16 January 2019

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.