



Announcement Summary

Entity name

LUCAPA DIAMOND COMPANY LIMITED

Announcement Type

New announcement

Date of this announcement

Friday November 6, 2020

The Proposed issue is:

A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
n/a	Option exercisable at \$0.08 and expiring 2 years from the date of issue	44,069,530
n/a	Option exercisable at \$0.08 and expiring 2 years from the date of issue	10,754,545
LOM	ORDINARY FULLY PAID	184,530,909

Proposed +issue date

Thursday November 12, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

LUCAPA DIAMOND COMPANY LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ACN

Registration Number

111501663

1.3 ASX issuer code

LOM

1.4 The announcement is

New announcement

1.5 Date of this announcement

Friday November 6, 2020

1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

 Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Thursday December 17, 2020	<input checked="" type="checkbox"/> Estimated	

Comments

157,008,769 new fully paid ordinary shares are intended to be allotted on or about 12 November 2020. The balance of securities are to be allotted subject to shareholder approval at a general meeting to be convened at date to be advised in December 2020 (estimated 17 December 2020).

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

 Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

 Yes

Details of +securities proposed to be issued

ASX +security code and description

LOM : ORDINARY FULLY PAID

Number of +securities proposed to be issued

181,818,182

Offer price details



Are the +securities proposed to be issued being issued for a cash consideration?

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.05500

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

Option exercisable at \$0.08 and expiring 2 years from the date of issue

+Security type

Options

Number of +securities proposed to be issued

44,069,530

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No



Please describe the consideration being provided for the +securities

181,818,182 fully paid new ordinary shares are to be issued at a price of \$0.055 per share to raise \$10 million before costs along with 44,069,530 free attaching unlisted \$0.08 options, expiring 2 years from the date of issue (Options).

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.016300

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0800

Expiry date

Sunday December 18, 2022

Details of the type of +security that will be issued if the option is exercised

LOM : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

44,069,530 fully paid ordinary shares

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

<https://www.lucapa.com.au/announcements>

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

Option exercisable at \$0.08 and expiring 2 years from the date of issue

+Security type

Options

Number of +securities proposed to be issued

10,754,545



Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

For their part in cornerstoning the Placement Ilwella Pty Ltd will receive 10,754,545 Options for nil consideration.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.016300

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0800

Expiry date

Sunday December 18, 2022

Details of the type of +security that will be issued if the option is exercised

LOM : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

10,754,545 fully paid ordinary shares

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

<https://www.lucapa.com.au/announcements>

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ASX +security code and description

LOM : ORDINARY FULLY PAID



Number of +securities proposed to be issued

2,712,727

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

For their part in cornerstoning the Placement Ilwella Pty Ltd will receive 2,712,727 new fully paid ordinary shares for nil consideration.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.055000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Part 7C - Timetable

7C.1 Proposed +issue date

Thursday November 12, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

92,904,127

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

64,104,642



7D.1c (ii) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate

The Company has chosen to do a Placement following the identification of demand for shares by strategic, professional, sophisticated and institutional investors. The Placement was considered the most efficient and effective method of meeting this identified demand. A pro-rata issue was recently completed.

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

Yes

7E.1a Who is the lead manager/broker?

Co-Lead Managers: Far East Capital Limited and Prenzler Group Pty Ltd

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

A placement fee of up to 5% payable to the Co-Lead Managers

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

1. Expansion in the processing capacity of the Mothae kimberlite mine from 1.1Mtpa to 1.6Mtpa
2. The balance of the funds from the placement less costs will be applied for general working capital purposes.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No



7F.2 Any other information the entity wishes to provide about the proposed issue

24,809,413 fully paid new ordinary shares along with 44,069,530 free attaching unlisted \$0.08 options, expiring 2 years from the date of issue (Options) are to be issued to placement participants and 2,712,727 new fully paid ordinary shares and 10,754,545 Options are to be issued to Ilwella Pty Ltd subject to shareholder approval at a general meeting to be convened at date to be advised in December 2020 (estimated 17 December 2020).