



27 September 2013

Optionholder Name
[Optionholder Address 1]
[Optionholder Address 2]
[Optionholder Address 3]

Dear [Optionholder]

Notice of Non-Renounceable Entitlement Issue to Option holders

We are writing to you in relation to your option holding in Lucapa Diamond Company Limited (**Company**) (ASX:LOM).

The Company has announced to ASX Limited (**ASX**) the details of a pro rata non-renounceable entitlement issue on the basis of one (1) new fully paid ordinary share (**New Share**) for every ten (10) shares held by shareholders of the Company as at 5.00pm WST Wednesday 9 October 2013 (**Record Date**) at an issue price of \$0.004 per Share, together with 1 free attaching unlisted new option (**New Option**), each exercisable at 1 cent (\$0.01) at any time before 5.00pm WST on 29 August 2015, for each New Share issued, to raise approximately \$1.41 million (**Entitlement Issue**).

The Entitlements Issue will close at 5pm WST on Monday 28 October 2013.

Option holders are unable to participate in the Entitlement Issue without first exercising their options.

By this notice, the Company informs its option holders that should they wish to participate in the Entitlement Issue:

1. option holders must first exercise their options in accordance with their terms and conditions in sufficient time to allow the issue of shares to occur prior to the Record Date; and
2. the fully paid ordinary shares issued to option holders, as a result of the exercise of their options, must be held by them on the Record Date.

The Entitlement Issue offer document will be dispatched to shareholders of the Company on Monday 14 October 2013. The document will outline the Entitlement Issue in detail.

If you have any questions concerning this letter please contact me on (08) 9489 9200 or mclements@lucapa.com.au, the Company's share registry on (08) 9315 2333, or contact your stockbroker or professional advisor.

Yours faithfully

MARK CLEMENTS
COMPANY SECRETARY