



LULO DIAMONDS VALUED AT \$9,500 PER CARAT

- Lulo Project Joint Venture Approves Sale of a Second Parcel of Lulo Diamonds*
 - Parcel of 371.35 Carats Independently Valued at \$A3.52 Million*
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Lucapa Diamond Company Limited (ASX: LOM) is pleased to announce the Lulo Project Joint Venture has approved the sale of a second parcel of diamonds recovered from the Lulo Diamond Concession in Angola.

The sale will involve a parcel of Lulo diamonds weighing 371.35 carats which have been independently valued by Jaguar Consultants Ltd at \$US3.164 million (\$A3.52 million).

This equates to an exceptional average price of \$US8,521 (\$A9,500) per carat and further underlines the premium value of the diamonds Lucapa is recovering from Lulo.

The parcel of diamonds independently valued by Jaguar includes the 95.45 carat and 32.2 carat Type 2A diamonds recovered from Lulo in January 2014 (See ASX announcements 3 January 2014 and 28 January 2014). It also includes a 4.4 carat pink diamond valued at \$US10,250 (\$A11,428) per carat.



Lulo diamonds included in 371.35 carat parcel approved for sale

Lucapa has accepted the independent valuation and now looks forward to the sale process taking place at a date to be fixed. As was the case previously, the sale will be conducted via a tender process conducted by the Angolan Government's diamond sale agency SODIAM.

In its independent report, Jaguar has advised Lucapa to take into consideration a buyer's discount of 10-15% from the sale proceeds.

The Lucapa Board has resolved to use proceeds from the diamond sale to pay ~\$A500,000 in surface tax levied retrospectively in relation to the 3,000km² Lulo Concession. This follows feedback from Lucapa's joint venture partner Endiama that the Angolan Ministry of Geology and Mines may be awaiting payment of the surface tax before renewing the kimberlite licence at Lulo.

As announced to the ASX on 31 July 2013, Lucapa sold its first parcel of Lulo diamonds, weighing 496.2 carats, for gross proceeds of \$A3.12 million, from which Lucapa received net proceeds of \$A2.7 million. Lucapa expects to receive a similar share of the net proceeds from the sale of the second parcel of Lulo diamonds.

For further information, please contact;

MILES KENNEDY
MANAGING DIRECTOR

Tel +61-8 9489 9200

Competent Person's Statement

Information in this announcement that relates to exploration results, mineral resources or ore reserves is based on and fairly represents information and supporting documentation prepared and compiled by David Jones BSc (Hons) MSc of Ascidian Prospecting Pty Ltd, who is a Corporate Member of the Australasian Institute of Mining and Metallurgy. Mr Jones is a director of Lucapa Diamond Company. Mr Jones 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 Jones consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

Some of the information in this announcement may relate to previously released exploration data disclosed under the JORC Code 2004. It has not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported and is based on and fairly represents information and supporting documentation prepared and compiled by David Jones BSc (Hons) MSc of Ascidian Prospecting Pty Ltd, who is a Corporate Member of the Australasian Institute of Mining and Metallurgy. Mr Jones is a director of Lucapa Diamond Company. Mr Jones 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 Jones consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

Forward-Looking Statements

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