



LUCAPA STEPS UP KIMBERLITE DIAMOND PROGRAM AT LULO

- New program includes extensive further evaluation of four known diamond-bearing Lulo kimberlites as Lucapa steps up its search for the sources of the exceptional alluvial diamonds being mined at Lulo

HIGHLIGHTS

- **More than 80 kimberlite targets to be sampled and/or drilled at Lulo as part of a comprehensive 24-month program which builds on the positive kimberlite exploration results achieved to date**
- **New program to commence in April with extensive further evaluation of four known diamond-bearing pipes at Lulo and laboratory analysis of drill core**
- **First bulk samples also to be excavated from the priority L46 kimberlite, which has been identified as a likely source of the high-grade diamonds recovered from the E46 alluvial area at Lulo**
- **Program includes drilling of 48 priority targets in the western kimberlite province and first testing of 38 targets in the new eastern kimberlite province at Lulo**
- **Kimberlite program will utilise the original 10tph diamond sampling plant at Lulo to enable continuous alluvial diamond mining through main 150tph diamond plant**

Lucapa Diamond Company Limited (ASX: LOM) (“Lucapa” or the “Company”) is pleased to announce the Company is preparing to commence the next phase of the the Company’s kimberlite exploration program at the Lulo Diamond Concession in Angola.

The aim of this 24-month program is to build on the positive exploration results achieved to date to further evaluate the known diamondiferous pipes at Lulo and explore for other possible kimberlite sources of the exceptional alluvial diamonds being mined within the 3,000km² Lulo concession.

Lucapa Chief Executive Stephen Wetherall commented: *“Many diamond exploration companies spend decades trying to discover alluvial diamonds or kimberlite pipes. At Lulo, we have achieved both. We have already discovered an alluvial diamond field and two significant kimberlite provinces with exceptional potential.*

We have every confidence that our new program will lead us to an economic kimberlite diamond discovery, which is our ultimate focus. We are also fortunate that most of our kimberlite targets at Lulo either outcrop, or are close to surface, which makes evaluation and exploration a lot more cost-effective.”

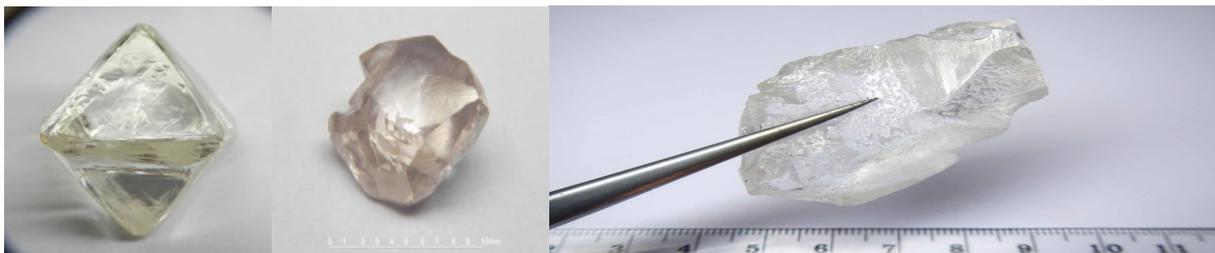


Figure 1: World class Lulo alluvial diamonds: Lucapa is now stepping up the search for the kimberlite sources

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Mr Wetherall said Lucapa's confidence in finding the primary kimberlite sources of the exceptional alluvial diamonds at Lulo was supported by several key factors including:

- Lulo lies within the ideal tectonic and stratigraphic setting where the Lucapa Graben crosses Angola's most diamond rich Cuango basin. The Lucapa Graben is the same geological belt hosting most of Angola's producing kimberlite mines, including neighbouring Catoca, the world's fourth largest diamond mine
- The existence of two large kimberlite provinces at Lulo with 296 targets already identified
- The widespread discovery of alluvial diamonds within the concession
- Diamonds recovered include large high-quality gems occurring with smaller stones of lower quality, indicating proximity to the source of the larger diamonds and possible multiple sources
- The Lulo diamonds (specifically the large diamonds) are irregular shaped and have jagged edges, indicating they have not travelled far from the source
- Surface texture studies of all Lulo diamonds show very little sign of abrasion, which also points to a proximal source
- Certain size frequency distribution curve graphs of alluvial diamonds recovered are more akin to kimberlite curves i.e. flatter and poorly sorted
- Lulo kimberlite targets have positive mineral chemistry; including recovery of G3D, G4D and G10D garnets amongst other indicator minerals

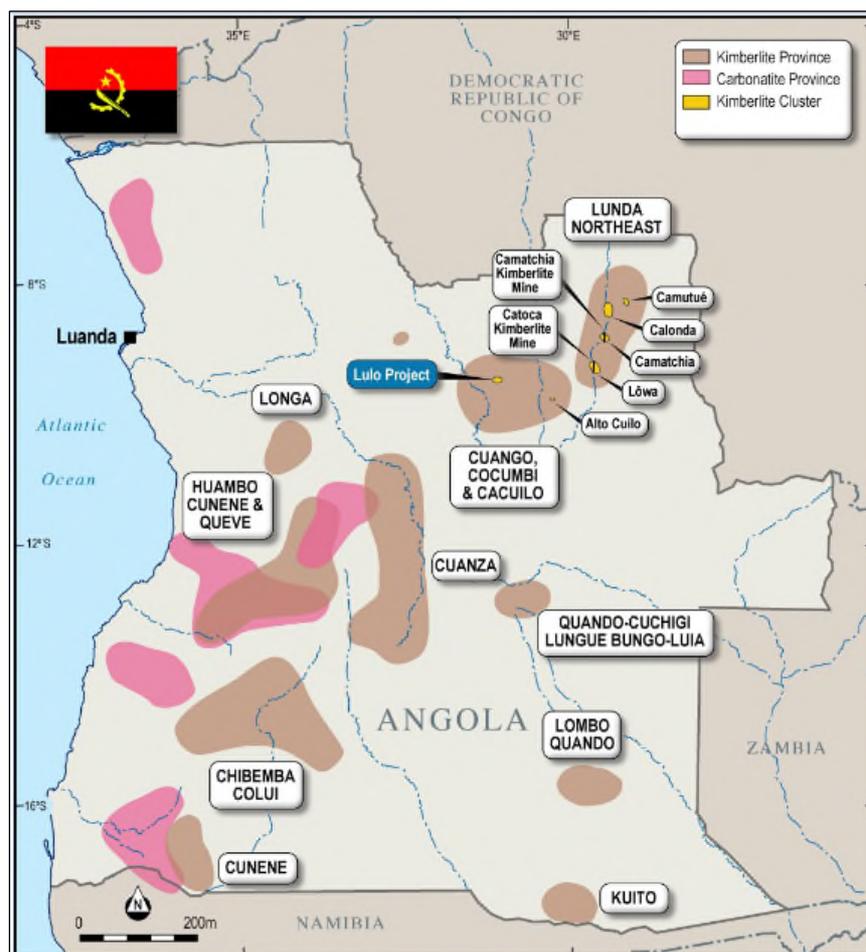


Figure 2: Location of kimberlite clusters (provinces) in Angola

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The focus of the new program will be to prove up existing and new larger diamondiferous kimberlite pipes (surface area of more than 10 hectares), with enhanced economics due to the premium value being achieved for Lulo diamonds and near-surface formation of the Lulo kimberlite pipes.

The new kimberlite program has been designed from a review of all geological and exploration data from the 296 kimberlite targets discovered to date at Lulo. Of these targets, 96 have already been classified as proven or probable kimberlites from exploration programs carried out in recent years.

Furthermore, preliminary sampling programs have confirmed four of the Lulo kimberlites are diamond-bearing pipes (See ASX announcement 1 August 2014).

Significantly, these diamond-bearing pipes are located in the same area (the western kimberlite province) where Lucapa and its partners have been recovering exceptional alluvial diamonds, including Type IIa gems of up to 131.4 carats and high-value fancy coloured gems.

The new kimberlite program, which included input from expert independent consultants and the Lulo geological team, will be undertaken in two stages. The first stage will commence in April 2015 and continue throughout the June quarter, at a budgeted cost of \$500,000.

This will include excavating more extensive bulk samples to further evaluate and prove up the four diamond-bearing pipes already identified at Lulo - L251, L257, L19 and L170 (Figure 6) - and sending existing drill core for micro probing analysis.

As announced to the ASX on 1 August 2014, Lucapa recovered a total of 14 diamonds from preliminary sampling of the L251, L257 and L19 kimberlite pipes (Figure 3), along with a micro diamond from L170.



Figure 3: Lulo kimberlite diamonds including Type IIa gems

The largest of these kimberlite diamonds weighed 1.6 carats, with a significant proportion of the kimberlite diamonds later confirmed to be Type IIa gems, the world's rarest category of diamonds.

LULO KIMBERLITE EXPLORATION PROGRAM – STAGE 1

The first stage of the new kimberlite exploration program will commence in April 2015 and will continue throughout the June quarter. It is budgeted to cost \$500,000 and is fully-funded.

This program will include dual exploration programs at the western and eastern kimberlite provinces at Lulo.

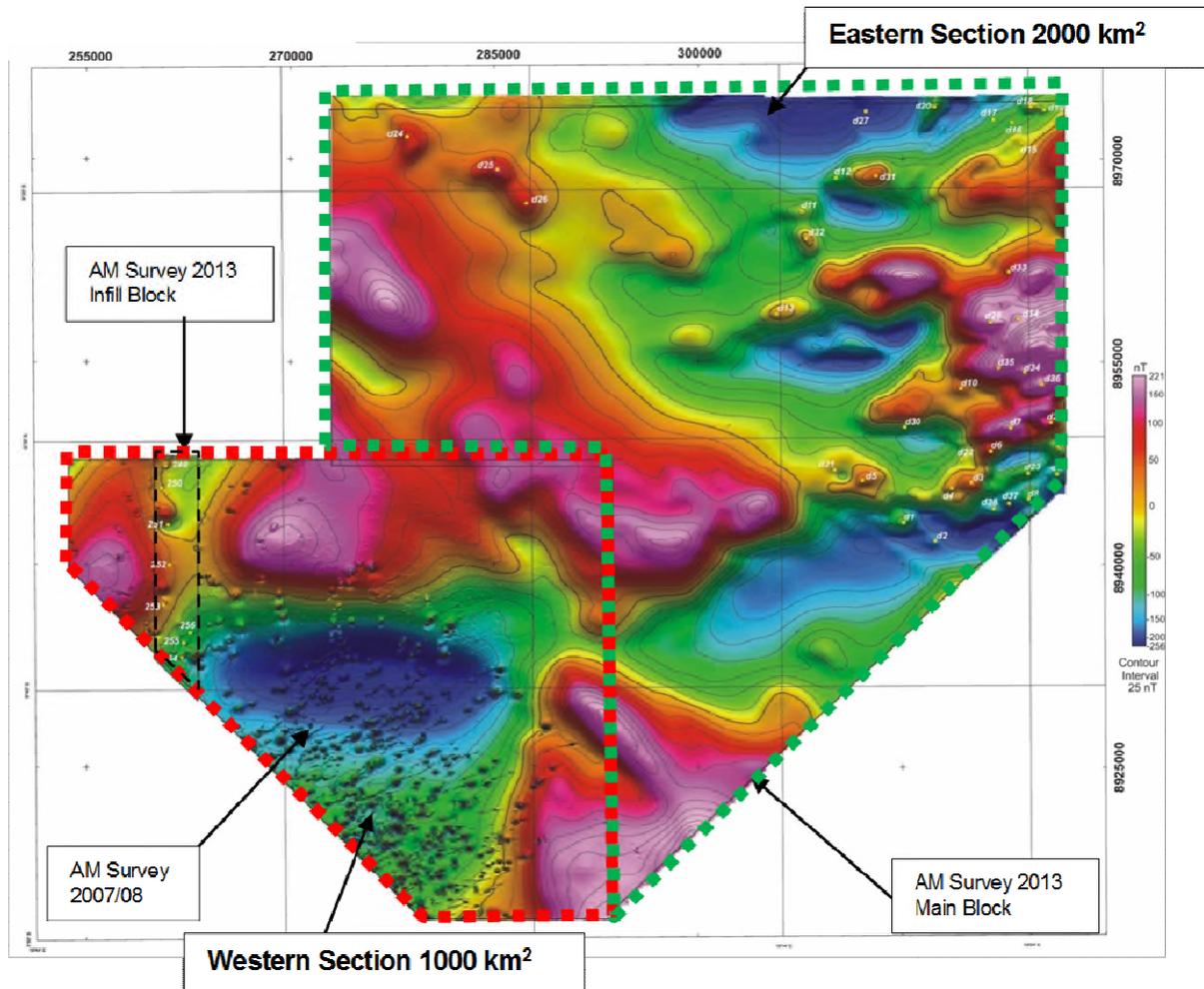


Figure 5: Location of the western and eastern kimberlite provinces within the 3,000km² Lulo concession

Western Kimberlite Province

Stage 1 exploration work in the western kimberlite province will include:

- Immediate processing of sample excavated from kimberlite L220 (Figure 4)
- Laboratory testing of existing drill core from nine kimberlite targets (L2, L12, L18, L19, L46, L83-84, L220, L222 and L251) for kimberlitic indicator minerals
- The targeted excavation of more extensive bulk samples from the four diamond-bearing kimberlites identified to date at Lulo - L251, L257, L19 and L170 (Figure 6)
- Bulk sampling of priority targets in Area 1 including L46 (Figures 4 and 8), which is considered a likely source of diamonds recovered from the high-grade E46 alluvial area during previous alluvial bulk sampling programs

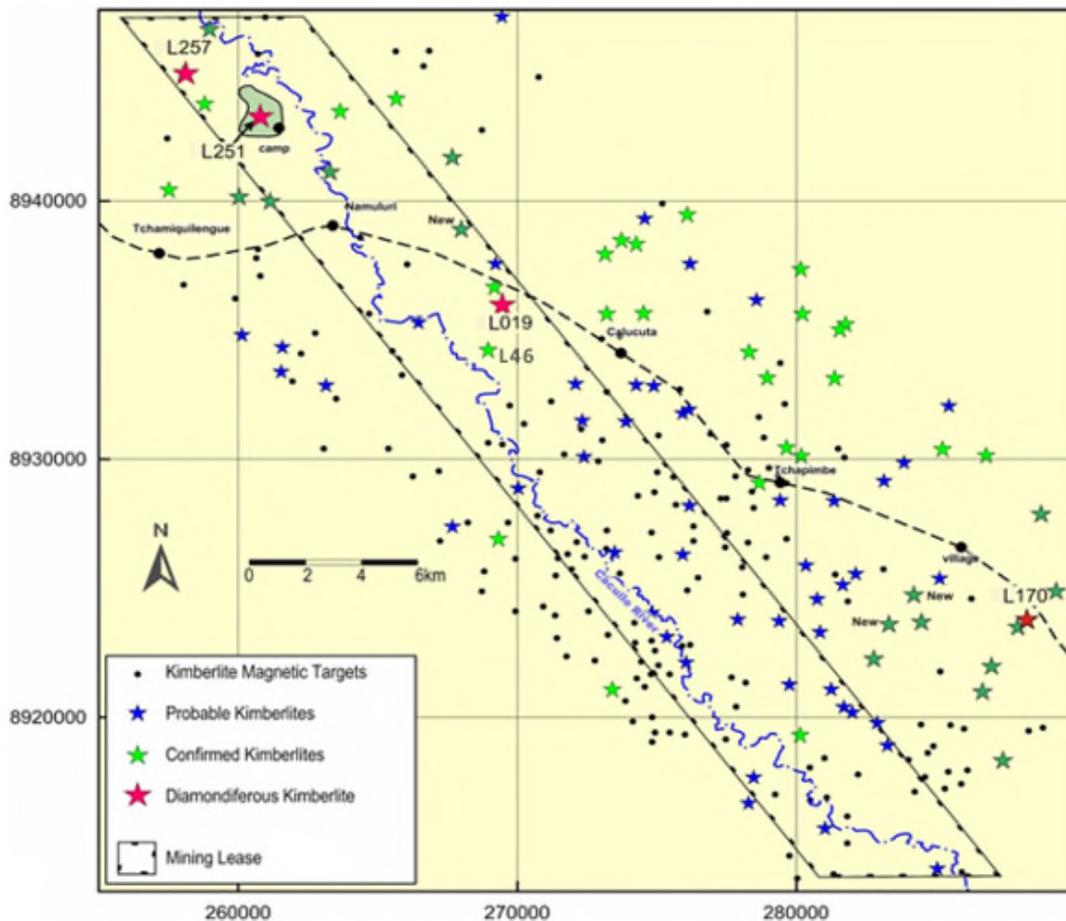


Figure 6: Location of four diamond-bearing kimberlites in the western kimberlite province at Lulo which will be bulk sampled in the June 2015 quarter

Eastern Kimberlite Province

The Stage 1 kimberlite program will also include the first systematic phase of exploration to be carried out at the eastern kimberlite province (Figures 5 and 7) since 38 kimberlite targets were identified in this area from an aeromagnetic survey flown in 2013 (See ASX announcement 22 May 2013).

Exploration work proposed for the eastern kimberlite province includes reconnaissance sampling, stream sediment sampling and surface pitting of the 38 kimberlite targets to test for kimberlitic indicator minerals and sub-cropping kimberlite where thin overburden is present.

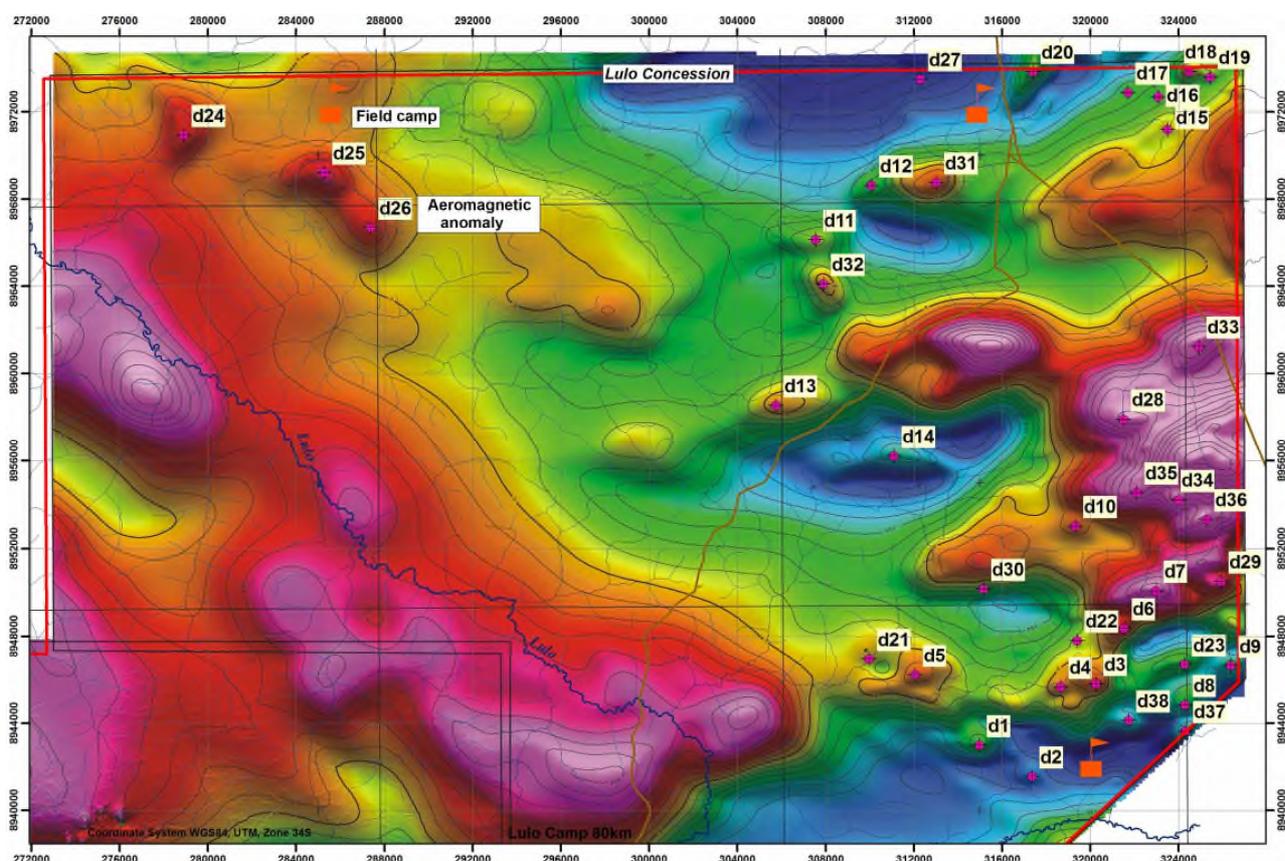


Figure 7: The 38 kimberlite targets in the eastern kimberlite province at Lulo

LULO KIMBERLITE EXPLORATION PROGRAM - STAGE 2

The second stage of the new kimberlite exploration program is scheduled to commence in the September 2015 quarter, subject to the outcomes and results of the Stage 1 program.

The second stage will take an estimated 21 months to complete. It will be funded from Lucapa's share of alluvial diamond mining returns and/or external funding options currently being assessed (See ASX announcement 27 February 2015).

In preparation for the second stage program, Lucapa and its partners will immediately begin the process of seeking an extension of the Lulo kimberlite exploration licence beyond its current May 2016 date (See ASX announcement 30 May 2014).

The centre-piece of the stage 2 exploration phase is a core and reverse circulation (RC) drilling program to test 48 kimberlite targets in the main western kimberlite province (Figures 4 and 8) which were prioritised in the kimberlite review. Lucapa is assessing various cost-effective drilling options for this phase.

The 48 targets were selected on the basis of bulk sampling, visual inspection of kimberlite indicators (primarily un-abraded ilmenite, i.e. close to source), known pyroclastic kimberlite geology and surface area (>10ha).

It is proposed that drilling of the 48 targets will be undertaken in eight sections (Figure 8), based on priority, location, accessibility and ground conditions.

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Subject to the outcomes of Stage 1 kimberlite program, the Stage 2 kimberlite program could also include additional bulk sampling of known diamondiferous and new targets in the western kimberlite province, as well as follow-up work in the eastern kimberlite province.

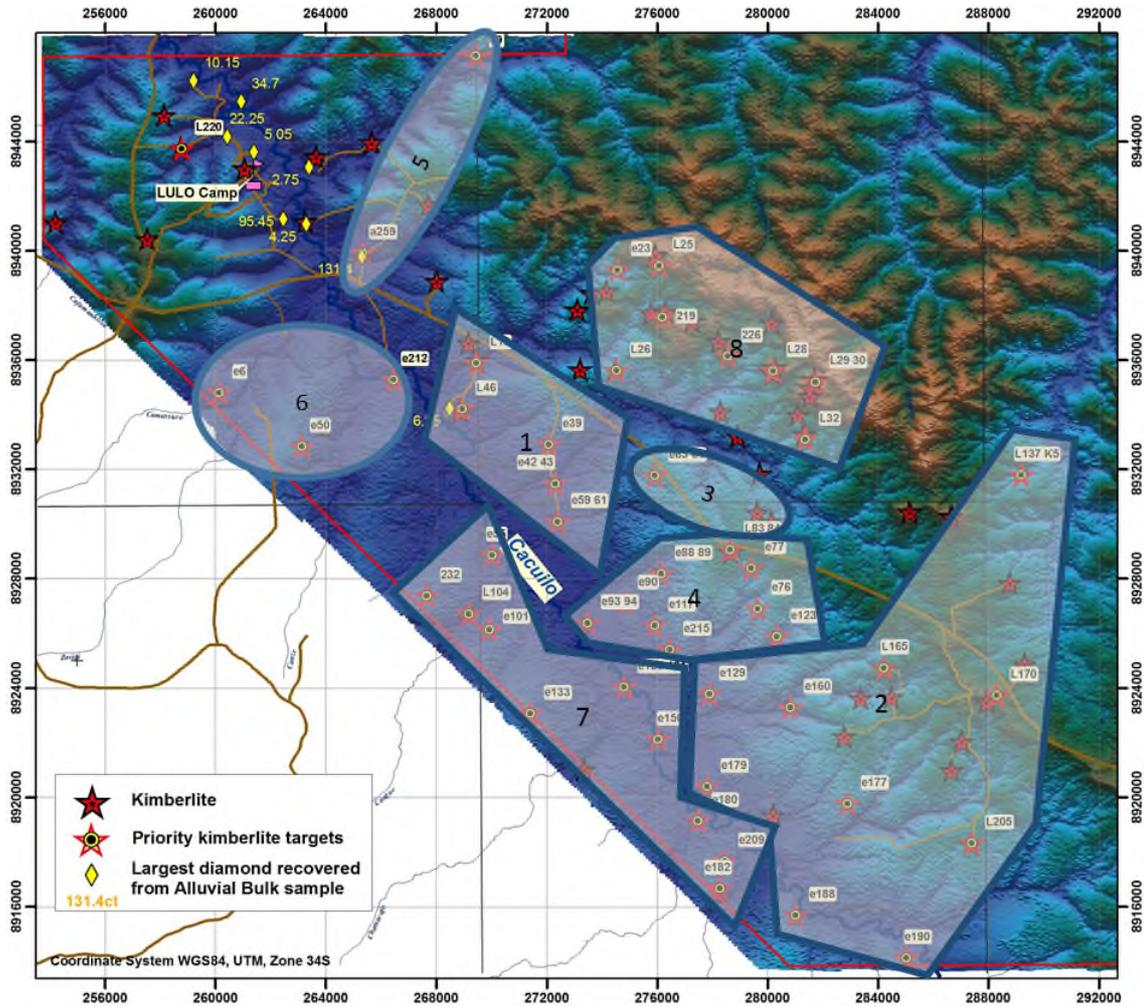


Figure 8: Stage 2 kimberlite targets at Lulo divided into eight areas of focus, based on timing and access

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ABOUT LUCAPA DIAMOND COMPANY LIMITED

Lucapa Diamond Company Limited (ASX: LOM) is miner of world-class diamonds. Lucapa is the operator of the 3,000km² Lulo Diamond Concession in Angola's Lunda Norte diamond heartland. Lulo is located within 150km of Catoca, the world's fourth biggest kimberlite diamond mine, and on the same favourable geological trend (Lucapa Graben).

Lucapa has been undertaking diamond bulk sampling activities continuously at Lulo since 2008, during which time the Company has proven up two major kimberlite provinces and extensive areas of diamond-rich alluvial gravels along the Caculo River.

In November 2014, Lucapa and its partners signed a 35 year mining licence agreement to mine the alluvial diamonds at Lulo within a 218km² area which includes more than 50km of the Caculo River, its valley and terraces. Alluvial diamond mining commenced in January 2015.

Lucapa has also identified 296 kimberlite targets at Lulo, which include 96 proven and probable kimberlites. The Company is stepping up its efforts to locate the kimberlite sources of the exceptional alluvial diamonds at Lulo. Already, four kimberlites at Lulo have been confirmed as diamond-bearing pipes.

Lucapa's board and management team has extensive diamond mining experience with companies including De Beers, Rio Tinto and Gem Diamonds.

Lucapa operates Lulo in partnership with Endiama, the Angolan Government's diamond concessionary, and private group Rosas & Petalas.

ABOUT ANGOLA

Angola is the world's fourth biggest producer of diamonds by value and is actively seeking foreign investment in its diamond industry. Angola is forecasting annual diamond production of 10 million carats in 2014.

Angola introduced a new Mining Code in 2012.

Angola's potential for new diamond discoveries has been recognised by the world's two biggest diamond mining companies, Alrosa and De Beers. Alrosa operates the giant Catoca mine (annual production ~6.5 million carats), which is the world's fourth biggest kimberlite mine, while De Beers has announced plans to secure exploration concessions in Angola.

Angola will chair the Kimberley Process Certification Scheme from 2015.

Competent Person's Statement

Information included in this announcement that relates to previously released exploration data disclosed under the JORC Code 2004 has been updated to comply with the JORC Code 2012. 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 Albert Thamm MSc F.Aus.IMM (CP), who is a Corporate Member of the Australasian Institute of Mining and Metallurgy. Mr Thamm is a Director of Lucapa Diamond Company Limited. Mr Thamm 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 Thamm 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

This announcement has been prepared by Lucapa Diamond Company Limited. This document contains background information about Lucapa Diamond Company Limited and its related entities current at the date of this announcement. This 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 announcement. This announcement is for information purposes only. Neither this document 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.

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**Appendix - Reporting of diamond and mineral indicator exploration results for the Lulo Project
- JORC Code (2012) requirements -**

Sampling Techniques and Data

Criteria	JORC Code Explanation	Lucapa Commentary
Sampling techniques	<ul style="list-style-type: none"> • Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.) These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> • No new bulk or mini sample results are reported. The bulk samples had been collected from surface excavations using an excavator and trucks. Results had been reported under JORC 2004 and are restated under JORC 2012. For kimberlite samples overburden of Kalahari sand and Calonda Formation were stripped and weathered kimberlite was exposed. Sample comprised kimberlitic material only. • The sampling is directed at selecting minerals associated with and that are pathfinders for diamondiferous lithologies. Samples are jigged or panned mineral concentrates. • Diamonds occur in very low concentrations in most lithologies. They also occur as discrete crystal particles and these must be physically separated and recovered to determine grade. Individual diamonds are unique and their value depends on factors including size, shape, colour and clarity. Jigged samples are sorted and examined under x 40 binocular microscope into three size fractions, 1-2mm, 0.5-1mm, 0.3-0.5mm.
Drilling techniques	<ul style="list-style-type: none"> • Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.). 	<ul style="list-style-type: none"> • No drilling is reported in this document.
Drill sample recovery	<ul style="list-style-type: none"> • Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> • No drilling is reported in this document • Sample recovered using an excavator and front-end loader or hand pitting to up to ~8m below surface. For kimberlite samples all materials within the sample interval are processed • No relationship appears to exist between sample recovery and grade. All material within the sampled interval is collected for treatment and analysis.
Logging	<ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. • The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> • Sample pits are lithologically logged and measured to determine volumes. • Logging is semi-quantitative with edge thicknesses measured of the entire pit. Pits are photographed, but the photography is not systematic. • All excavated faces of the pits are logged

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<p><i>Sub-sampling techniques and sample preparation</i></p>	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Not core. Sub-samples of specific indicators are taken. All material excavated is processed to recover diamonds and pathfinder indicators. • Most of the samples are excavated dry and all material is taken. • The sampling and sample preparation are identical to those that would be used for kimberlite exploration and are considered appropriate for this type of sampling. • The identification of G0 to G12 garnet types, with associated diamond stability field subtypes is an important proxy pathfinder exploration method. • Samples are disaggregated during excavation and washed through small on site pans and jigs. • Sample size is appropriate for the material being sampled.
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • The assays are not direct assays but determinations of proxy mineral chemistry. • Samples are processed through the Company's on site jigs and pans. Mineral indicators are recovered from the heavy concentrate visual by hand picking. • Electron microprobe analyses were performed with a JEOL8100 electron micro-probe at the University of Cape Town, South Africa. Analyses were conducted with wavelength dispersive spectrometry using an accelerating voltage of 15 kV, a beam current of 20 nA and a nominal beam diameter of 3 um. Major and minor elements were analysed on K emission lines. Peak and background positions determined with counting times of 10 and 5 seconds respectively. Detection limits are estimated as approximately 0.05 % m/m for all elements except for Na where a detection limit of 0.03 % m/m was achieved with 60 second peak counting times for eclogitic garnets. • The instrument calibration standards included the minerals Kakanui Pyrope, Kakanui hornblende, Chromite Teigbagi Mine described by Jarosewich et al., (1980) and synthetic rutile and natural rhodonite obtained from Imperial College, London.
<p><i>Verification of sampling and assaying</i></p>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • Verification of sample data/assay was at an independent facility. • Twinned holes/samples are rarely used because of the size of the sample. • In the case of the first significantly diamondiferous samples collected from kimberlite Se251, two pits side by side were used to confirm the presence of diamonds. • Entry of primary data has been checked and loaded into a sampling spreadsheet.

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		<ul style="list-style-type: none"> • Assay data are not adjusted • G3D garnets have a eclogitic protolith • G4 garnets have a pyroxenitic and or eclogitic protolith • G10D hartzburgitic protolith. • G1, G3, G4, G9, G10 and G12 garnet subtypes are analysed.
<i>Location of data points</i>	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Sample sites were located using a hand held GPS with a nominal accuracy of about 5m. • The grid system is WGS84 Zone 34L • Topographic control uses Digital Terrain Models collected during aeromagnetic surveys. In pit measurements are recorded with tape measures
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Data in this report comes from individual samples where all the material from that pit has been, or will be processed. • The sample spacing is currently related to exploration and is not appropriate or related for Mineral Resource and Ore Reserve estimation. • Sample compositing has not been applied
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • The samples are considered spot samples within a kimberlitic body. • Insufficient data exists to determine whether sample bias is present but given the nature of the body, bias is considered unlikely.
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Sample stockpiles are located near the company's processing facility and are guarded by armed security personnel at all times. • Security of processing and diamond recovery is monitored by company and Angolan State Diamond Security personnel.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • The sampling techniques are industry standard and separate audits or review have been undertaken by the independent laboratory.

Reporting of Exploration Results

Criteria	JORC Code Explanation	Lucapa Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> • <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> • The 1994 legislation covering the Angolan diamond industry stipulates that only ENDIAMA (Empresa Nacional de Diamantes de Angola, the State Diamond Company) or joint ventures with ENDIAMA, can hold diamond mining rights awarded by the Council of Ministers. • Under the terms of the Lulo Joint Venture Association Agreements, separate titles are granted for alluvial and kimberlite exploration and/or mining. The exploration for both

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		<p>alluvials and kimberlites on the Lulo Concession is a requirement under the Act.</p> <ul style="list-style-type: none"> • The Angolan Government Gazette, dated 24 December 2007, authorized the formation of a Joint Venture for the exercise of prospecting, evaluation and mining of secondary (alluvial) diamond deposits. These rights were granted for a maximum period of five years. Should the Joint Venture wish to extend the agreement beyond five years, then 50% of the Concession would be relinquished. The equity distribution is: ENDIAMA 32%, Lucapa Diamond Company Ltd 40%, Rosas e Petalas S.A. 28% • In May 2014, the authorization for the kimberlite exploration and mining was gazetted. The equity distribution is: ENDIAMA 51%, Lucapa Diamond Company Ltd 39%*, Rosas e Petalas S.A. 19% (*This interest will be reduced to 30% after full recoupment of Lulo’s Kimberlite investment.). • The Joint Ventures Alluvial licence was extended for two years to 25 May 2016. The application to extend the Kimberlite Licence for two years until 25 May 2016 was also granted to the concession by the Angolan Ministry of Mines. • A new 35 year alluvial mining licence was signed on 21 November 2014 creating “Sociedade Mineira Do Lulo, LDA.”, an Angolan company currently being incorporated which Lucapa Diamond Company Ltd has a 40% beneficial interest.
<p><i>Exploration done by other parties</i></p>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • Limited exploration has been undertaken by state controlled entities (Endiama) • Parts of the area have been exploited by artisanal miners – no records of this work are available.
<p><i>Geology</i></p>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Significant diamond bearing alluvial systems, of Mesozoic to Recent ages overlie a major, but relatively poorly explored, kimberlite field. The kimberlite pipes intrude flat-lying Proterozoic sediments and Karoo sediments within the Lucapa Graben. The kimberlite field is believed to be the source of the alluvial diamonds.
<p><i>Drill hole Information</i></p>	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth hole length.</i> 	<ul style="list-style-type: none"> • No drilling is reported in this document. • The location of the samples is shown on maps within this report or as previously reported. The maps provide data on the location and relative elevations of the samples. The sample pits are surface excavations and other data required in the code is not material and its exclusion does not detract from the understanding of the report.

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	<ul style="list-style-type: none"> ○ <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> ● <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i> ● <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> ● <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> ● No weighting, averaging, grade truncations or cut-off grades have been used. ● No short or long length aggregation applicable. ● No metal equivalent values are used.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> ● <i>These relationships are particularly important in the reporting of Exploration Results.</i> ● <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> ● <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> ● Results quoted are from surface pits. For kimberlite samples all material excavated from the pit is processed. ● Non drill hole, in pit sampling, not applicable length concepts.
<i>Diagrams</i>	<ul style="list-style-type: none"> ● <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> ● Appropriate map and plans for the reported mineralisation with scale and north points are included with the text of the report or previously announced.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> ● <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> ● Results reported are complete.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> ● <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> ● Previously reported drilling, pitting and bulk sampling data were used to mini bulk sample pits. The collar locations of drill holes, exploration pits and bulk samples are shown on diagrams within the report or previously announced.
<i>Further work</i>	<ul style="list-style-type: none"> ● <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> ● <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling</i> 	<ul style="list-style-type: none"> ● Programme is outlined in this document.

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	<i>areas, provided this information is not commercially sensitive.</i>	
Estimation and Reporting of Diamonds and Other Gemstones		
Criteria	JORC Code Explanation	Lucapa Commentary
<i>Indicator minerals</i>	<ul style="list-style-type: none"> • <i>Reports of indicator minerals, such as chemically/physically distinctive garnet, ilmenite, chrome spinel and chrome diopside, should be prepared by a suitably qualified laboratory.</i> 	<ul style="list-style-type: none"> • Samples were collected from hand-dug prospecting pits approximately 0.7m to 8m deep. • Indicator minerals were concentrated and recovered in the field by hand panning of samples. • Indicator grains were identified and counted by an experienced Lulo geologist using a x40 binocular microscope. Only +0.3mm indicator minerals were counted and identified. • Further indicator minerals were sampled and selected by a South African based laboratory and reported by professional scientists under ROPO agreement.
<i>Source of diamonds</i>	<ul style="list-style-type: none"> • <i>Details of the form, shape, size and colour of the diamonds and the nature of the source of diamonds (primary or secondary) including the rock type and geological environment.</i> 	<ul style="list-style-type: none"> • The indicators reported have a variety of sizes, shapes and colours. At Lulo the primary, kimberlitic source of the diamonds are believed to be kimberlites located within the Lulo Concession. • As described in the report a number of diamonds were also recovered from surface kimberlite bulk samples. These include Type IIa diamonds.
<i>Sample collection</i>	<ul style="list-style-type: none"> • <i>Type of sample, whether outcrop, boulders, drill core, reverse circulation drill cuttings, gravel, stream sediment or soil, and purpose (e.g. large diameter drilling to establish stones per unit of volume or bulk samples to establish stone size distribution).</i> • <i>Sample size, distribution and representivity.</i> 	<ul style="list-style-type: none"> • Samples reported are mini bulk samples of weathered kimberlite. The samples are designed to determine whether the units sampled are diamondiferous or contain diamond proxies and to what extent. The samples are also designed to determine stone size distribution and eventually diamond values. • Lucapa and its co shareholders are conducting exploration activities to locate all diamondiferous lithologies. The sample size, distribution and representivity are appropriate for this activity.
<i>Sample treatment</i>	<ul style="list-style-type: none"> • <i>Type of facility, treatment rate, and accreditation.</i> • <i>Sample size reduction. Bottom screen size, top screen size and re-crush.</i> • <i>Processes (dense media separation, grease, X-ray, hand-sorting, etc.).</i> • <i>Process efficiency, tailings auditing and granulometry.</i> • <i>Laboratory used type of process for micro diamonds and accreditation.</i> 	<ul style="list-style-type: none"> • Samples are processed through jigs and pans to recover associated indicator minerals. The plant is not accredited. • Samples are disaggregated during excavation and washed through a jigs and pans. The bottom screen size is 0.3 mm and the top size is 2 mm. • The recovery process involves hand picking indicators under binocular microscope. Indicators are characterised x 40 binocular microscope. • Recovered diamonds are also classified using a ZVI Yehuda F1000 Colorimeter.

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		<ul style="list-style-type: none"> Tails auditing and granulometry studies have been completed. No indicators or diamonds were recovered. Microdiamonds are not normally reported.
Carat	<ul style="list-style-type: none"> One fifth (0.2) of a gram (often defined as a metric carat or MC). 	<ul style="list-style-type: none"> Reported as carats.
Sample grade	<ul style="list-style-type: none"> Sample grade in this section of Table 1 is used in the context of carats per units of mass, area or volume. The sample grade above the specified lower cut-off sieve size should be reported as carats per dry metric tonne and/or carats per 100 dry metric tonnes. For alluvial deposits, sample grades quoted in carats per square metre or carats per cubic metre are acceptable if accompanied by a volume to weight basis for calculation. In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive sample grade (carats per tonne). 	<ul style="list-style-type: none"> Sample grade is not relevant to indicator identifications. Density concepts are not applicable.
Reporting of Exploration Results	<ul style="list-style-type: none"> Complete set of sieve data using a standard progression of sieve sizes per facies. Bulk sampling results, global sample grade per facies. Spatial structure analysis and grade distribution. Stone size and number distribution. Sample head feed and tailings particle granulometry. Sample density determination. Per cent concentrate and undersize per sample. Sample grade with change in bottom cut-off screen size. Adjustments made to size distribution for sample plant performance and performance on a commercial scale. If appropriate or employed, geostatistical techniques applied to model stone size, distribution or frequency from size distribution of exploration diamond samples. The weight of diamonds may only be omitted from the report when the diamonds are considered too small to be of commercial significance. This lower cut-off size should be stated. 	<ul style="list-style-type: none"> No new exploration results are reported in the text of the report. Refer to sampling data above for sieve sizes. Percent concentrate and undersize have not been measured and are not considered material to the understanding of this report. Variation in grade with changes in bottom cut-off screen size has not been determined. Lulo's original DMS plant is considered to be a pilot plant and plant parameters are the same as would be used on a commercial plant. A second DMS plant was commissioned in November 2013 and this plant will be used for commercial production. Geostatistical studies have not been undertaken because of the relatively small number of diamonds recovered and uncertainties of using this data for alluvial deposits. Indicators are qualitative proxies of grade and no better. This report refers to indicator minerals, not diamonds.
Grade estimation for reporting Mineral Resources and Ore Reserves	<ul style="list-style-type: none"> Description of the sample type and the spatial arrangement of drilling or sampling designed for grade estimation. The sample crush size and its relationship to that achievable in a commercial treatment plant. Total number of diamonds greater than the specified and reported lower cut-off sieve size. Total weight of diamonds greater than the specified and reported lower cut-off sieve size. The sample grade above the specified lower cut-off sieve size. 	<ul style="list-style-type: none"> No Mineral Resources or Ore Reserves are included in the report

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<p><i>Value estimation</i></p>	<ul style="list-style-type: none"> • <i>Valuations should not be reported for samples of diamonds processed using total liberation method, which is commonly used for processing exploration samples.</i> • <i>To the extent that such information is not deemed commercially sensitive, Public Reports should include:</i> <ul style="list-style-type: none"> ○ <i>diamonds quantities by appropriate screen size per facies or depth.</i> ○ <i>details of parcel valued.</i> ○ <i>number of stones, carats, lower size cut-off per facies or depth.</i> • <i>The average \$/carat and \$/tonne value at the selected bottom cut-off should be reported in US Dollars. The value per carat is of critical importance in demonstrating project value.</i> • <i>The basis for the price (e.g. dealer buying price, dealer selling price, etc.).</i> • <i>An assessment of diamond breakage.</i> 	<ul style="list-style-type: none"> • Value estimates are based on recoveries from a commercial scale DMS plant. Total liberation methods have not been employed. • Much of the detailed or individual diamond valuation data is considered commercially sensitive from a marketing perspective and cannot be released in advance of sale. • Broad details of the parcel valuations are included in the text. • The second parcel of diamonds sold includes all diamonds held by Lulo at the time the valuation was undertaken (February 2014). • The bottom cut-off used for diamonds is the same as the plant – 1.2 mm slotted screen. • Values are reported in US and/ or Australian Dollars. • The price quoted is the average sale price per carat. • No significant diamond breakage was recognised.
<p><i>Security and integrity</i></p>	<ul style="list-style-type: none"> • <i>Accredited process audit.</i> • <i>Whether samples were sealed after excavation.</i> • <i>Valuer location, escort, delivery, cleaning losses, reconciliation with recorded sample carats and number of stones.</i> • <i>Core samples washed prior to treatment for micro diamonds.</i> • <i>Audit samples treated at alternative facility.</i> • <i>Results of tailings checks.</i> • <i>Recovery of tracer monitors used in sampling and treatment.</i> • <i>Geophysical (logged) density and particle density.</i> • <i>Cross validation of sample weights, wet and dry, with hole volume and density, moisture factor.</i> 	<ul style="list-style-type: none"> • There has been no accredited process audit. • Samples were monitored by armed guards after excavation and the process operation was monitored by Angolan State Diamond Security personnel. • Diamonds recovered are stored in a locked vault or in vaults in Sodiam’s secure offices in Luanda. • Microdiamonds were not processed. • No audit samples were collected because of the size of the bulk samples. • Tailings have not been checked. • Tracer monitors were used in sample treatment with tracer recovery in all tested size fractions >95% for tracers of density 3.5 g/cc • Geophysical densities were not determined. • Cross validation of weights with hole volume and density is not considered appropriate for the stage of exploration
<p><i>Classification</i></p>	<ul style="list-style-type: none"> • <i>In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive grade (carats per tonne). The elements of uncertainty in these estimates should be considered, and classification developed accordingly.</i> 	<ul style="list-style-type: none"> • Insufficient diamonds have been recovered to allow Lucapa to quantify the commercial uncertainty in stone size frequency, stone size or diamond grade, as yet.