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## **LULO DIAMONDS SELL FOR A\$1.02 MILLION**

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Lucapa Diamond Company (**ASX: LOM**) (“Lucapa” or “the Company”) announces the completion of the sale of a fifth parcel of diamonds from the Lulo Diamond Project in Angola.

The parcel of 2,559 carats of Lulo alluvial diamonds generated gross revenues of A\$1.02 million, representing an average sale price of approximately A\$400 per carat. As with previous sales, the Lulo project partners will use the proceeds from the alluvial diamond sale to fund ongoing operations at Lulo.

The sale brings to A\$10.7 million the total proceeds generated from the sale of five parcels of Lulo diamonds totalling 6,415 carats for an average overall sale price of A\$1,668 per carat.

The average sale price from the latest parcel of Lulo diamonds was down on that achieved in the previous four parcels for two main reasons – a softer international market and pricing environment for rough diamonds and the absence of any significant premium-value gems in the sale parcel, such as the 63.05 carat Type IIa D-colour Lulo gem included in the previous sale.

The unsold Lulo diamond inventory stands at approximately 600 carats, including eight special stones (diamonds weighing >10.8 carats) from Mining Block 8 (See ASX announcement 31 August 2015), where alluvial mining continues.



Lulo diamonds from the fifth sale parcel

As previously announced, the kimberlitic nature of the diamonds being mined at Mining Block 8 and the recovery of abundant kimberlitic indicator minerals (garnets and ilmenite) point to a close primary kimberlite source, a view supported by one of the world's most experienced diamond geologists, Dr John Ward.

As announced to the ASX on 31 August 2015, Lucapa has commenced a systematic testing and evaluation program at the high-priority E259 kimberlite target, which is located within 300 metres of Mining Block 8.

As with the previous sales, the sale of the fifth parcel of Lulo diamonds was conducted by the Angolan Government diamond marketing arm SODIAM in the Angolan capital of Luanda.

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### **ABOUT LUCAPA DIAMOND COMPANY LIMITED**

Lucapa Diamond Company Limited is a miner of world-class diamonds. Lucapa is the operator of the 3,000km<sup>2</sup> 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 and its partners commenced alluvial diamond mining operations at Lulo in January 2015. The Lulo alluvial diamonds sold to date have achieved exceptional average sale prices of A\$1,668 per carat.

Lulo also hosts 296 kimberlite targets in two separate provinces, of which 96 have already been classified as proven and probable kimberlites and four 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.

Lucapa is dual listed on the Australian Securities Exchange and the Frankfurt Stock Exchange.

### **ABOUT ANGOLA**

Angola is the world's fourth biggest producer of diamonds by value with forecast annual production of 10 million carats in 2014.

Angola introduced a new Mining Code in 2012 and is actively seeking foreign investment in its diamond industry.

Angola's potential for new diamond discoveries has been recognised by the world's two biggest diamond mining companies, Alrosa and De Beers.

Angola was appointed to chair the Kimberley Process Certification Scheme in 2015.