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## **227 CARAT HIGH-QUALITY DIAMOND RECOVERED AT LULO**

- *227 carat Type IIa D-colour gem recovered from new mining area 28 at Lulo*
  - *Latest recovery underlines the significant potential of the Lulo kimberlite drilling program, which aims to find the primary source of the large, high-value alluvial diamonds*
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Lucapa Diamond Company Limited (ASX: **LOM**) (“Lucapa” or “the Company”) and its partners Empresa Nacional de Diamantes E.P. (“Endiama”) and Rosas & Petalas are pleased to announce the recovery of a 227 carat diamond from the Lulo Diamond Project in Angola.

Testing on a Yehuda colorimeter has confirmed the 227 carat diamond is a premium-quality Type IIa D-colour gem.



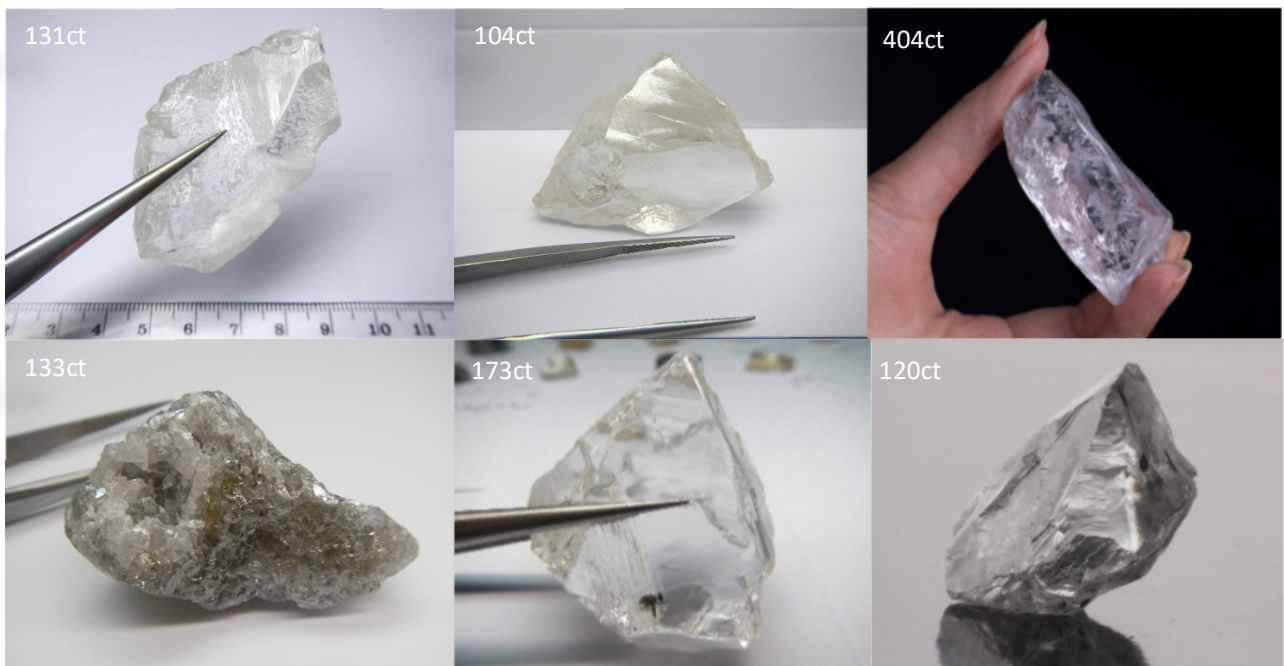
227 carat Type IIa diamond recovered at new Mining Block 28

## 227 CARAT HIGH-QUALITY DIAMOND RECOVERED AT LULO

The 227 carat Lulo diamond is:

- The second largest diamond recovered to date at Lulo behind the record 404 carat *4<sup>th</sup> February Stone* recovered a year ago - also during the Angolan wet season
- The biggest diamond recovered to date from the new XRT large-diamond recovery circuit recently installed at Lulo
- The 7<sup>th</sup> +100 carat diamond recovered to date from Lulo
- The second biggest diamond recovered in Angola on record behind the 404 carat *4<sup>th</sup> February Stone*, eclipsing the 217 carat *Angola Star* recovered in 2007 from the Luarica mine

### Previous +100 Carat Diamonds Recovered From Lulo



### 227 Carat Diamond Recovered From a New Mining Area at Lulo

The diamond was recovered by Lulo alluvial mining company Sociedade Mineira Do Lulo (Lucapa 40% owner and operator).

Significantly, while the 404 carat *4<sup>th</sup> February Stone* and the five other previous +100 carat Lulo diamonds pictured above were from Mining Blocks 8 and 6, the 227 carat diamond was recovered from new Mining Block 28 (Refer December 2016 Quarterly Activities Report, 19 January 2017).

Mining Block 28 is located approximately 4km south of Mining Block 8 and a similar distance north of Mining Block 46 (Figure 1), providing further evidence that the entire ~50km length of the Caculo River within the 3,000km<sup>2</sup> Lulo concession hosts large, valuable diamonds.

To date, approximately 20% of this area has been sampled by Lucapa and its partners.

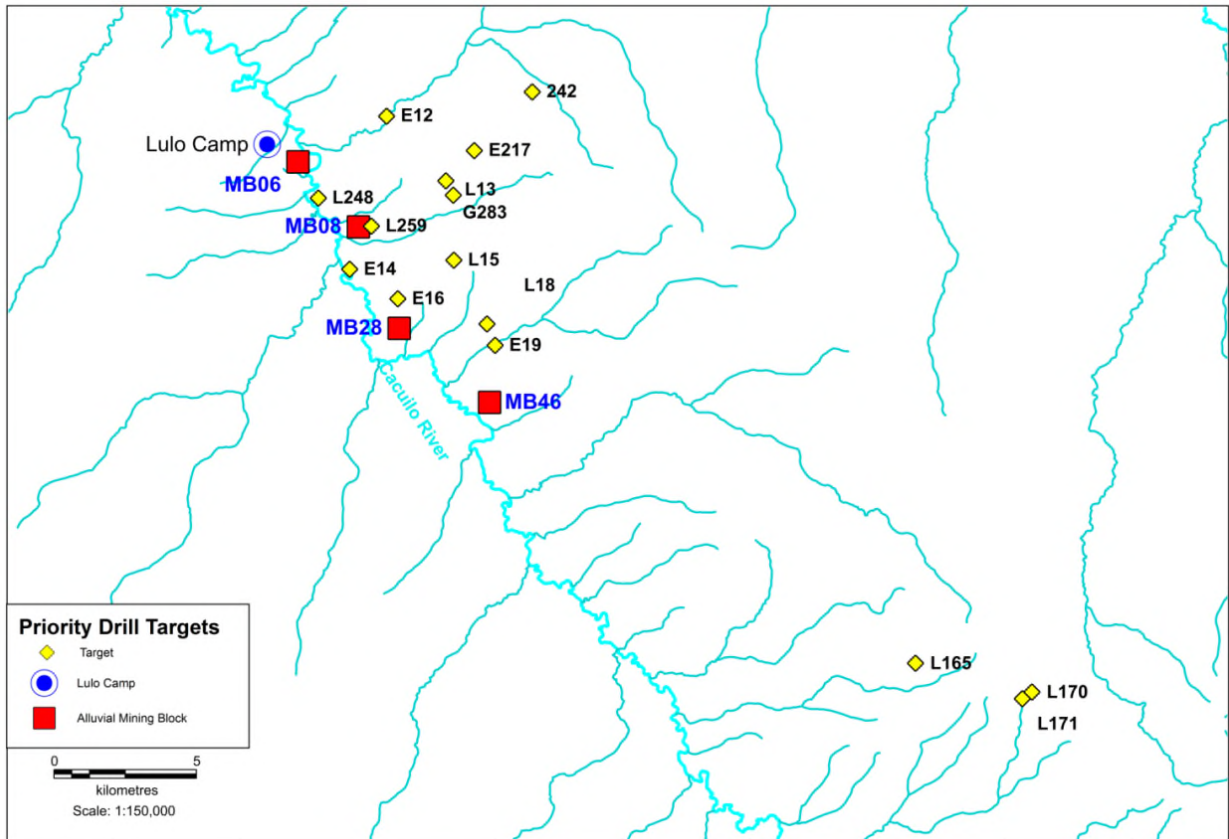
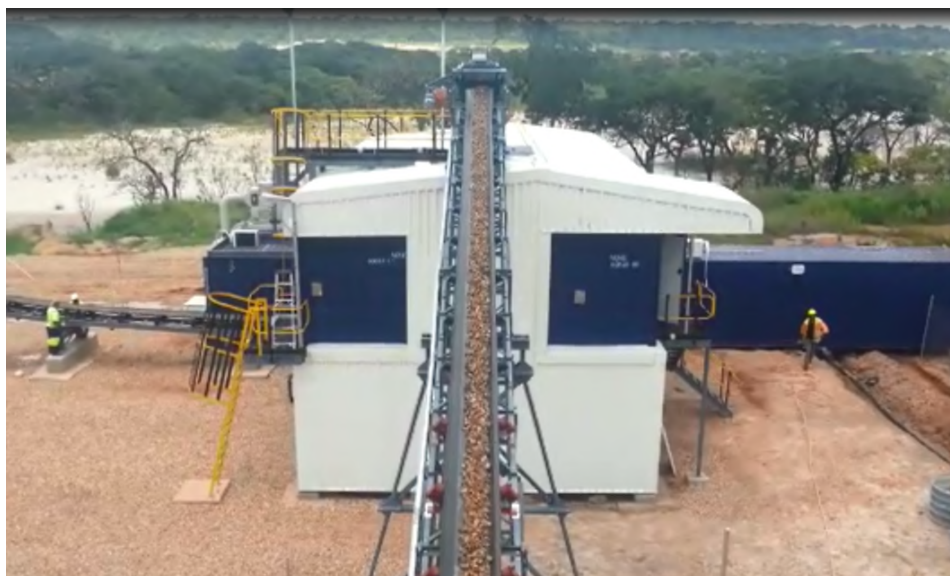


Figure 1: Location of new Mining Block 28

### Biggest Single Stone Recovered From New XRT Large-Diamond Recovery Circuit

The 227 carat diamond is also the largest stone recovered from the new XRT large-diamond recovery circuit which was successfully installed and commissioned at Lulo during the December 2016 Quarter.

While the 227 carat stone is yet to be valued by our experts, it is expected to be worth in excess of the cost of the XRT unit.



XRT large diamond recovery and new sorting house at Lulo

### **Comment From Lucapa MD Stephen Wetherall**

Lucapa Managing Director Stephen Wetherall said he was delighted that after delivering the highest \$ per carat prices from run of mine diamond production in the world in 2016, Lulo had continued to demonstrate its ability to produce world-class diamonds.

*“It is fitting that within a week of the anniversary of recovering Angola’s biggest diamond, the 404 carat 4<sup>th</sup> February Stone, we have now recovered Angola’s second biggest diamond on record, our 227 carat Lulo gem. Both were recovered during the Angolan wet season.”*

*“We are also delighted to have recovered this spectacular diamond from a new mining area at Lulo which is 4km from the prolific Mining Block 8 area. This further underlines the potential there is for the remainder of the ~50km stretch of the Caculo River to continue to produce large valuable alluvial diamonds.”*

*“Significantly, it also reinforces the game-changing potential of the kimberlite program we are advancing at Lulo, which will soon involve three rigs drilling multiple priority targets in the very areas where we are recovering these large premium-value diamonds.”*

*“The recovery of the 227 carat diamond through the new XRT circuit also vindicates our investment in this large-diamond recovery technology, which will have more than paid for itself with the recovery of this one stone alone.”*

*“We look forward to the remainder of 2017 with great excitement as we continue to advance our kimberlite drilling and alluvial mining operations at Lulo, while furthering our planning for the development of the Mothae kimberlite project in Lesotho, which, like Lulo, has also produced large premium-value diamonds.”*

For and on behalf of the Lucapa Board.

**STEPHEN WETHERALL**  
**MANAGING DIRECTOR**

### **Competent Person's Statement**

Information included in this announcement that relates to previously released exploration data was disclosed under JORC Code 2012. That 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 FAusIMM (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 and consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

### **No New Information**

To the extent that announcement contains references to prior exploration results and Mineral Resource estimates, which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, no new information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

### **Forward-Looking Statements**

This announcement has been prepared by the Company. This document contains background information about the Company 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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