



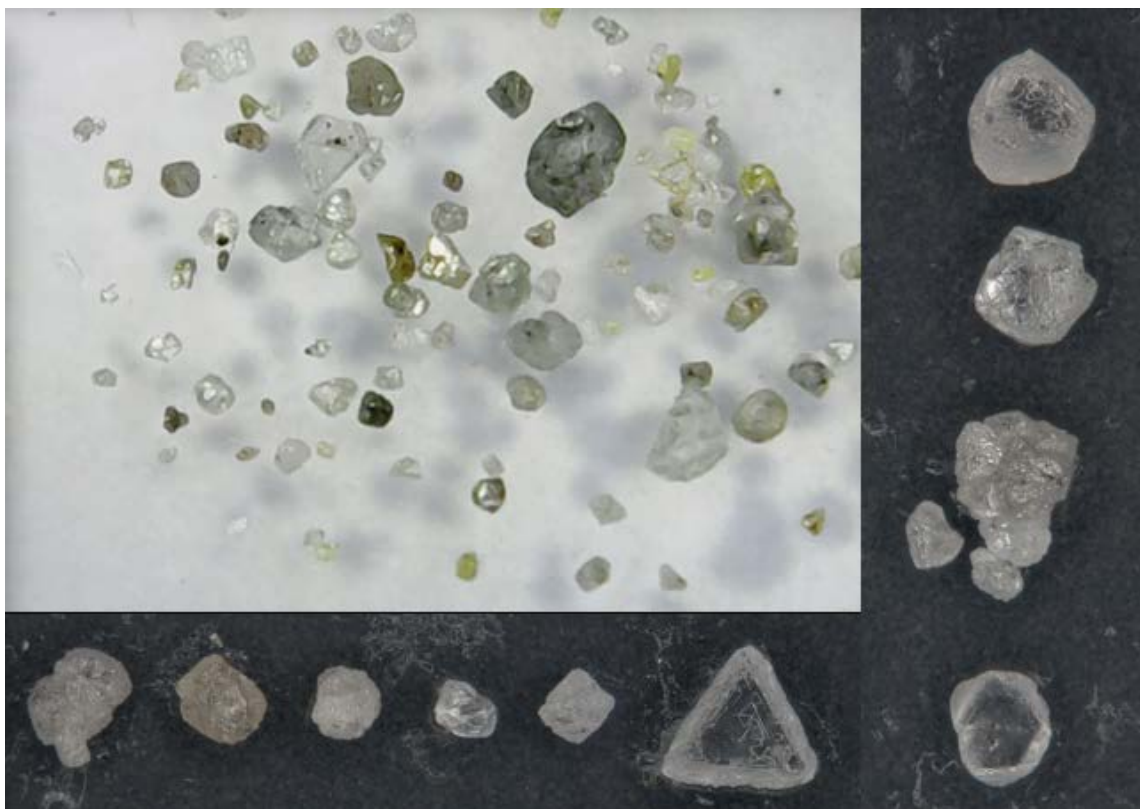
NEW DIAMOND EXPLORATION PROGRAM UNDERWAY AT BROOKING DISCOVERY

- *Latest program designed to follow up on spectacular micro- and macro-diamond results from the Little Spring Creek lamproite discovery*
- *Bulk sampling of Little Spring Creek now underway to assess commercial macro-diamond population, value and grade*
- *Drilling of new targets set to commence in search for other diamondiferous lamproite bodies at Brooking*

Lucapa Diamond Company Limited (ASX: **LOM**) ("Lucapa" or "the Company") and its partner, Leopold Diamond Company Pty Ltd, are pleased to announce the start of a new exploration program at the Brooking diamond project in Western Australia's West Kimberley lamproite province (Lucapa 80%; Leopold 20%).

As set out in the ASX announcement of 28 August 2018, the latest exploration program was designed to follow up on the spectacular micro- and macro-diamond counts recovered from the first two holes drilled at the Little Spring Creek ("LSC") diamond discovery. These results included:

- **119 micro- and macro-diamonds from an 87kg sample of drill core from discovery hole LSC/DH001; and**
- **1,100 micro- and macro-diamonds from a 178kg sample of drill core from follow-up hole LSC/DH002**



Micro- and macro-diamonds recovered from the LSC drill holes 001 and 002

The follow-up Brooking exploration program comprises:

- Bulk sampling of the Little Spring Creek lamproitic body to test commercial macro-diamond population, value and grade;
- Drilling new lamproite targets defined within the broader Brooking project; and
- Re-assessing the known Big Spring Creek lamproites

Little Spring Creek trenching and bulk sampling program

Trenching and bulk sampling at Little Spring Creek has commenced. This program involves trenching of the lamproitic body for geological mapping and to extract a ~100 tonne bulk sample of lamproite material.

This bulk sample will be trucked to Perth to the Nagrom metallurgical and analytical laboratory, where it will be processed through a Dense Media Separation (“DMS”) unit to produce a heavy mineral concentrate.

This concentrate will then undergo diamond picking to recover commercial macro-diamonds to provide information on and assess the diamond population, value and grade.



Trenching and bagging of lamproite bulk sample from Little Spring Creek

Brooking drilling program

Further to the ASX announcement of 28 August 2018, Lucapa has received Heritage clearances to commence drilling 10 of the new lamproite targets within the 118km² Brooking project. Drilling is scheduled to commence shortly once the Program of Works is approved by the WA Department of Mines.

The targets were defined following the completion of a helicopter-borne Time Domain Electromagnetic (“TDEM”) survey flown over the Brooking project (Refer ASX announcements 9 July 2018 and 28 August 2018).

The drilling targets include a ~7 hectare anomaly identified at Katie’s Bore, where 20 micro-diamonds and high levels of lamproite indicator minerals were recovered from previous stream sampling².

Additional geophysical drilling targets were also identified within the North East Creek and Homestead Creek prospects, where micro-diamonds and indicator minerals were also previously recovered² (Figure 1).

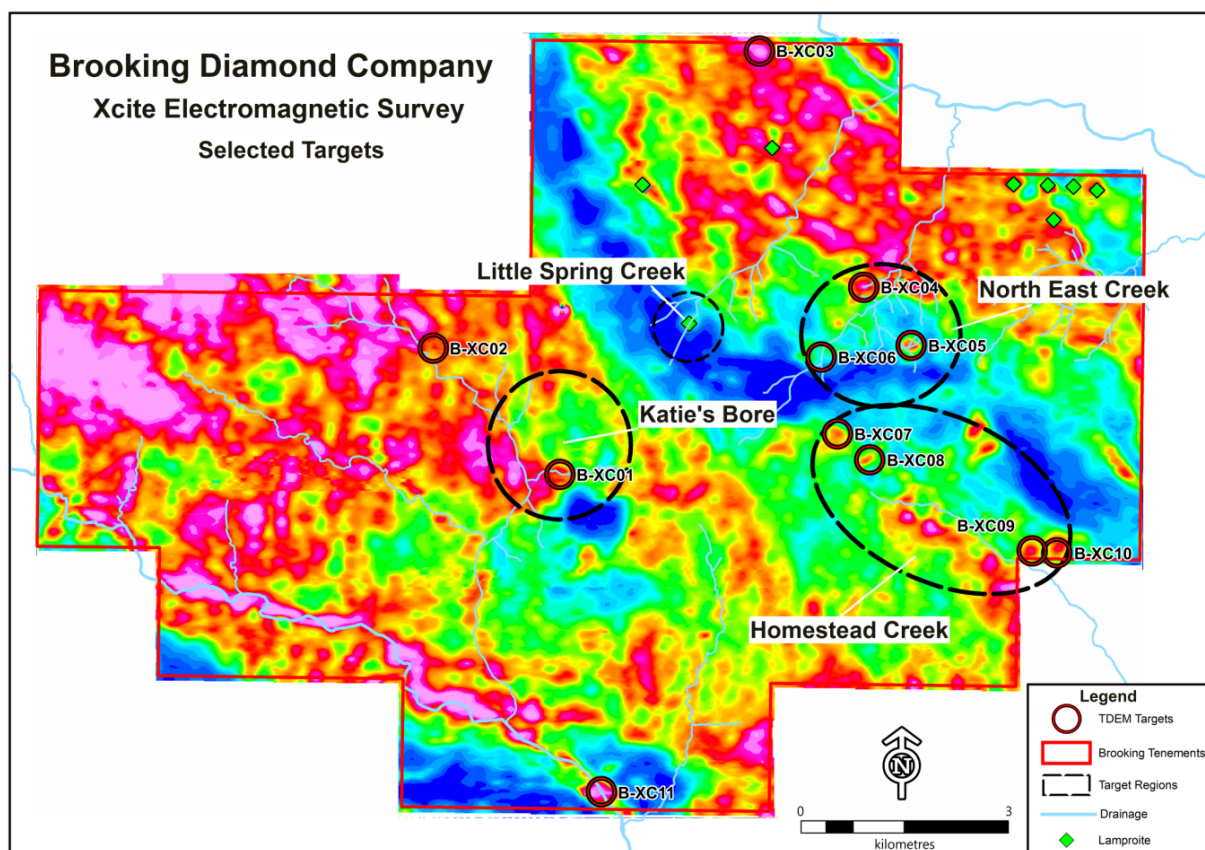


Figure 1: Map of the Brooking project with the initial drilling targets defined after the TDEM survey and the Big Spring Creek lamproite cluster to the north-east

Lucapa also plans to selectively drill and collect surface and outcropping samples at the known Big Spring Creek cluster of lamproites in the north-east of the Brooking project (Figure 1), which were discovered by CRA Exploration in the 1970s. This drilling and surface sampling aims to recover material which will be used to re-assess the lamproite bodies for diamond potential.

The results of the Little Spring Creek bulk sampling program and the Brooking drilling program will determine the scope and scale of follow-up work at the project.

For and on behalf of the Lucapa Board.

STEPHEN WETHERALL
MANAGING DIRECTOR

² Brooking Diamond project (Leopold Diamond Company Pty Ltd) Annual Report, December 2015, Departments of Mines and Petroleum WA

ABOUT LUCAPA

Lucapa is a growing diamond company with a portfolio of high-quality production, development and exploration assets in Angola, Lesotho, Australia and Botswana. The Company's focus on high-value diamond production is designed to protect cash flows in a sector of the diamond market where demand remains robust.

Lucapa's flagship asset is the Lulo Diamond Project in Angola, which is a prolific producer of large and premium-value alluvial diamonds. Lulo has produced 11 +100ct diamonds to date and is the highest US\$ per carat alluvial diamond production in the world. Lucapa and its Lulo partners continue to advance their search for the primary kimberlite sources of these exceptional alluvial gems, with three drill rigs available in the ongoing kimberlite exploration program.

In keeping with the Company's growth strategy, Lucapa acquired a 70% interest in the advanced Mothae kimberlite project in diamond-rich Lesotho. The Mothae kimberlite pipe is a high-quality diamond resource located within 5km of Letšeng, the highest US\$ per carat kimberlite diamond mine in the world. Lucapa is constructing a 1.1 million tonne per annum treatment plant, complete with XRT recovery technology, under its Phase 1 development program and is scheduled to commence high-value production at Mothae in H2 2018. A bulk sampling plant has also been refurbished and Lucapa has commenced testing areas of the kimberlite pipe either not included in the JORC resource or where additional sampling is required. Large Special diamonds including two yellow diamonds weighing 89 carats and 25 carats have already been recovered from these areas in the bulk sampling program.

Lucapa is also furthering two exploration projects in known diamond provinces. This includes an extensive exploration program at Brooking in the West Kimberley lamproite province in Western Australia to follow up on the discovery of lamproite with very high concentrations of micro- and macro-diamonds. Lucapa is also scheduled to drill its kimberlite targets at the Orapa Area F project in Botswana's Orapa diamond field in H2 2018.

Lucapa's Board and management team have extensive diamond industry experience across the globe with companies including De Beers and Gem Diamonds.

Forward-Looking Statements

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