



8th +100 CARAT DIAMOND RECOVERED FROM LULO

129.58 carat Type IIa D-colour gem recovered in an area which remains the focus of the Lulo kimberlite drilling program

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 an exceptional high-value 129.58 carat diamond from the Lulo Diamond Project in Angola.

The 129.58 carat diamond was recovered from alluvial Mining Block 6 along with another large high-value diamond weighing 78.61 carats. Testing on a Yehuda colorimeter has confirmed that both the 129.58 carat and 78.61 carat diamonds are premium Type IIa D-colour gems.



129.58 carat Type IIa D-colour diamond from Mining Block 6

Lucapa Managing Director Stephen Wetherall said the latest large gem-quality diamond recoveries reinforced the extraordinary nature of the Lulo diamond field and its exciting large-stone kimberlite potential.

“This is the eighth +100 carat diamond the Lulo partners have recovered to date and the seventh in just 2.5 years of commercial mining from relatively low throughout rates.”

“Explosive and erosive geological forces have deposited these very rare and valuable diamonds in a relatively localised area at Lulo. These localised recoveries, and other indicators, point to the huge potential of a large stone primary kimberlite source at Lulo.”



78.61 carat Type IIa D-colour diamond from Mining Block 6

“We continue to systematically advance our efforts to locate that primary diamond source with an ongoing drilling program funded from the strong returns being generated from the Lulo alluvial mining operations.”

“Having started with a list of more than 200 anomalies, the Lulo partners are now working through a list of 70 prioritised drilling targets, systematically eliminating low interest kimberlites.”

“We continue to assess ways to speed up this systematic drilling and sampling program – an approach we believe provides the best opportunity to unlock Lulo’s true value.”

The 129.58 carat diamond is the eighth +100 carat diamond recovered to date by the Lulo partners. The largest of these +100 carat Lulo diamonds, the 404 carat 4th February Stone, produced the 163 carat flawless gem which forms part of a magnificent jewellery piece and that will go on sale in Geneva, Switzerland, this week. This 163 carat Lulo diamond has been described by auctioneer Christie's as the largest D-colour flawless cut diamond ever put up for auction.

Significantly, the eight +100 carat diamonds recovered to date at Lulo have come from three different alluvial mining areas - Mining Blocks 6, 8 and 28 - spanning approximately 6km along the Cacuillo River.

This area is the focus of the ongoing Lulo kimberlite drilling and exploration program, which aims to find the primary hard rock sources of the exceptional Lulo alluvial diamonds (Figure 1). (See ASX announcement 10 November 2017).

Mining Block 8 has already produced 33 +50 carat diamonds to date, while Mining Block 6 has already produced 11 +50 carat stones from lower mined volumes.

Large and premium-value diamonds of up to 88 carats have also been recovered a further 4km south along the Cacuillo River at Mining Block 46 (Figure 1), which is also an area of interest for the Lulo kimberlite exploration program.

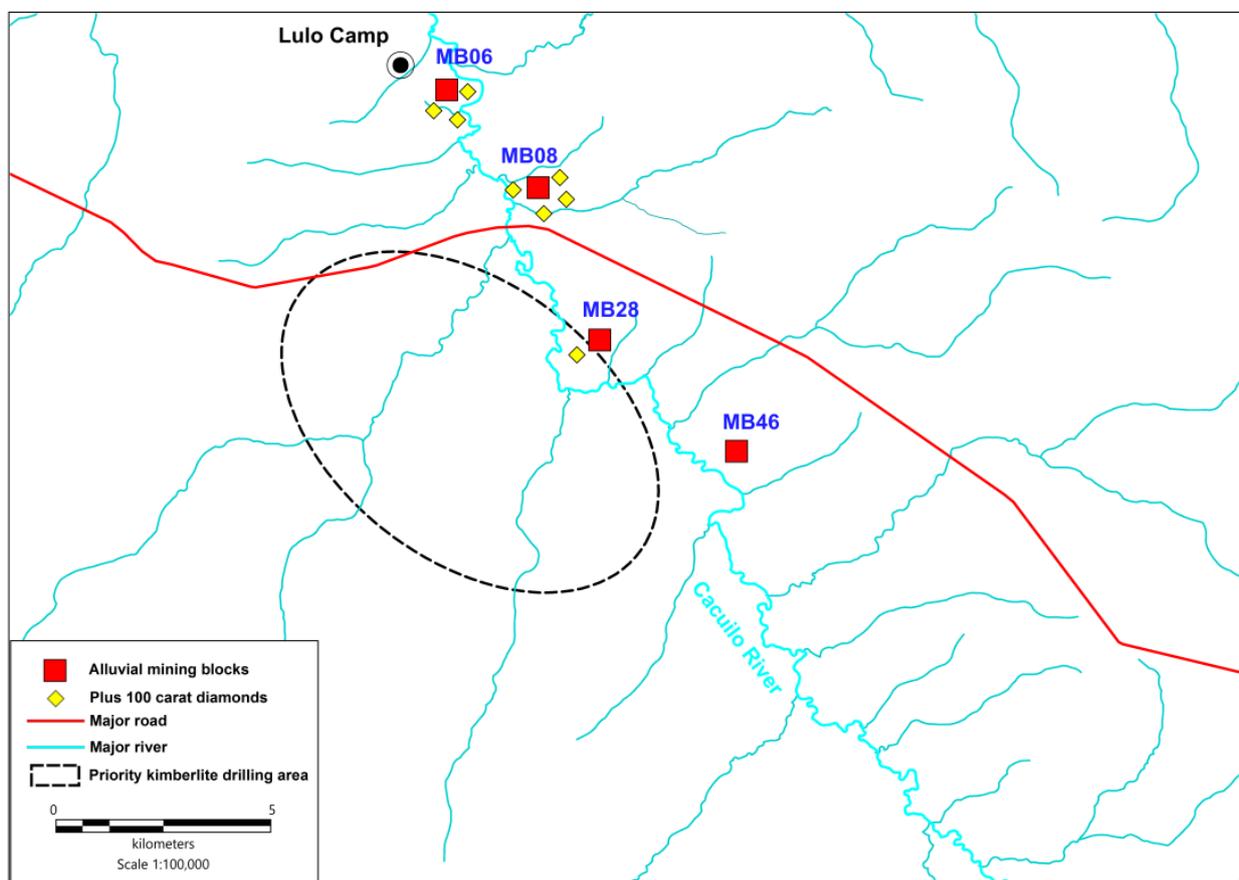


Figure 1: Map showing the 6km stretch between alluvial Mining Blocks 6 and 28 at Lulo which has produced eight +100 carat diamonds to date for the Lulo partners – and the proximal area in which the Lulo kimberlite drilling program is currently focused. Mining Block 46, a further 4km south, has produced large and premium-value diamonds of up to 88 carats and remains an area of interest in the Lulo kimberlite exploration program

Previous +100 Carat Diamonds Recovered From Lulo



404 carats



227 carats



173 carats



133 carats (compound)



131 carats



120 carats



104 carats

The 129.58 carat and 78.61 carat recent recoveries from Mining Block 6



The latest large diamond recoveries continue a strong operating performance from the Lulo mining operations during October 2017, which will be the subject of an operational update shortly.

For and on behalf of the Lucapa Board.

STEPHEN WETHERALL
MANAGING DIRECTOR

ABOUT LUCAPA

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

Lucapa's flagship asset is the Lulo Diamond Project in Angola, which produced the highest \$ per carat price of any run of mine diamond production in the world in 2016 and continues to produce some of the largest diamonds on record from that region. Lucapa and its Lulo partners are also well-advanced in their search for the primary source of these large and premium-value alluvial diamonds, with three rigs now available to drill priority kimberlite targets.

In keeping with the Company's growth strategy, Lucapa has secured a 70% interest in the advanced, high-quality Mothae kimberlite project in Lesotho, which is located in the heart of the world's highest-value cluster of kimberlite mines. Lucapa plans to commence production at Mothae in H2 2018.

Lucapa has also defined drilling targets at two earlier-stage diamond projects – Brooking in the West Kimberley lamproite province in Western Australia and Orapa Area F in Botswana's Orapa diamond field.

Lucapa's Board and management team have extensive diamond industry experience with companies including De Beers, Rio Tinto and Gem Diamonds. The Company was included in the ASX All Ordinaries Index in March 2017.

Forward-Looking Statements

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