



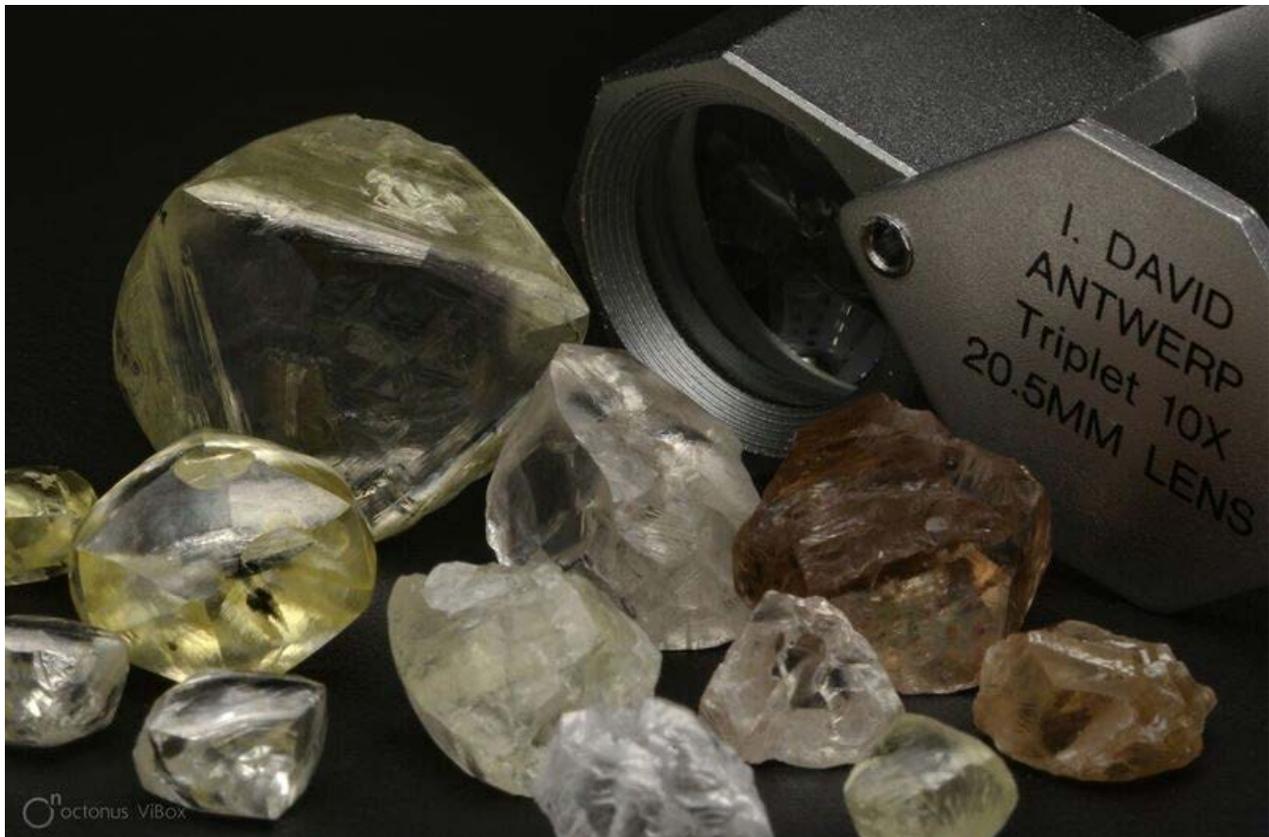
COMMISSIONING OF NEW MOTHAE DIAMOND MINE COMMENCES

- *Commissioning phase commences at Lucapa's second high-quality diamond mine, the 1.1Mtpa Mothae kimberlite project in Lesotho*
 - *First commercial diamond recoveries from Mothae in early November*
- *~4,100 carats of diamonds recovered from pre-production bulk sampling by Lucapa, including Specials of up to 89 carats*

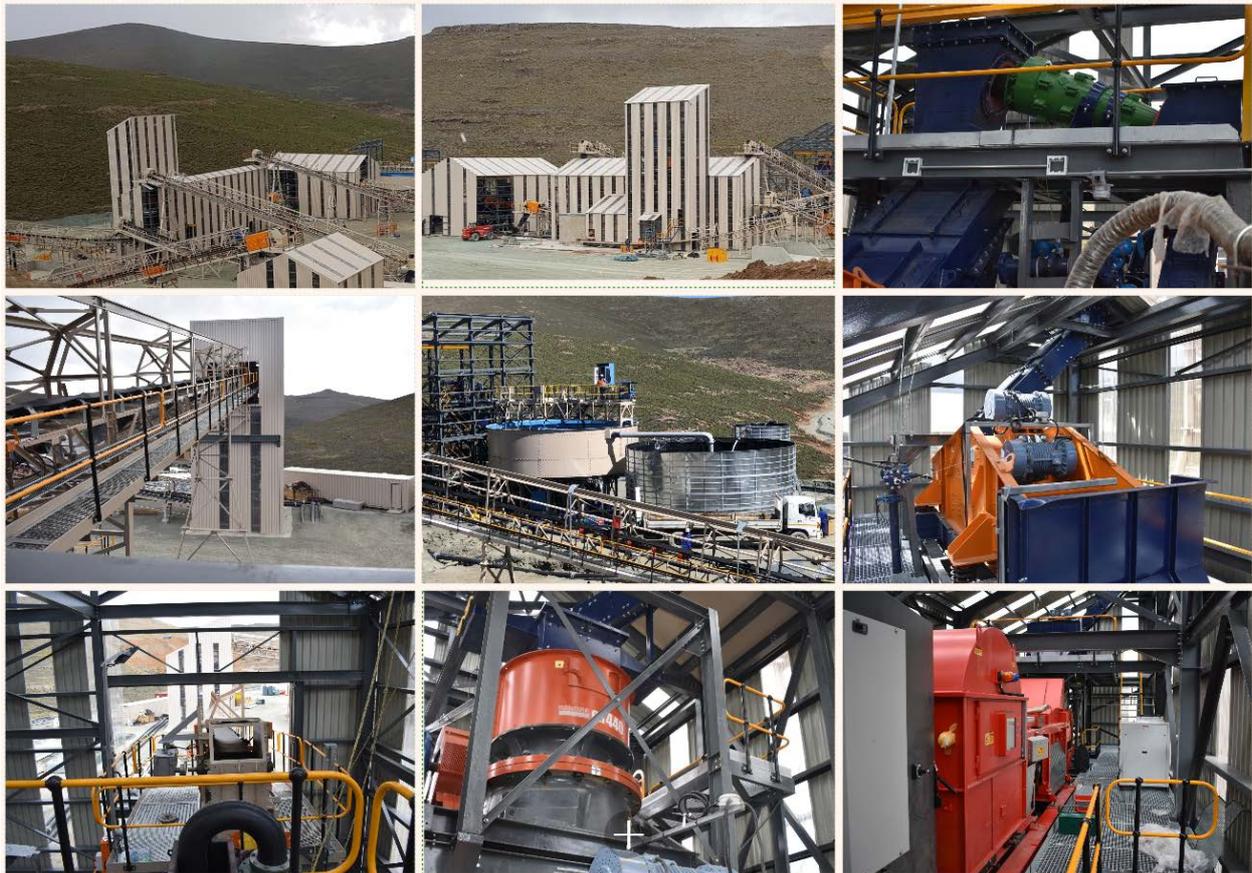
Lucapa Diamond Company Limited (ASX: **LOM**) ("Lucapa" or "the Company") and the Government of the Kingdom of Lesotho ("GoL") are pleased to announce the commissioning of the 1.1Mtpa treatment plant has commenced at the high-quality Mothae kimberlite diamond mine in Lesotho (Lucapa 70%; GoL 30%).

First commercial diamond recoveries are expected from the Mothae mine in early November 2018, complementing production from the high-quality Lulo alluvial diamond mine operated by Lucapa in Angola.

Production from the 1.1Mtpa Mothae treatment plant, which incorporates two XRT diamond recovery circuits, will be ramped up to its nameplate capacity throughout the December Quarter.



Selection of Mothae bulk sampling diamonds, including Specials of up to 89 carats, from the 2,500 carat parcel exported to Antwerp in the September 2018



The 1.1Mtpa Mothae diamond treatment plant, where commissioning has commenced despite the challenges of the winter snowfalls (below) in the Maluti Mountains – an altitude > 3,000 metres



The commencement of production from the new 1.1Mtpa diamond treatment plant will see bulk sampling operations concluded at Mothae, with the staff now transitioning to the commercial diamond plant.

More than 4,100 carats of diamonds have been recovered from the bulk sampling of areas within the Mothae kimberlite pipe which had not previously been tested (and thus not included in the Mothae JORC resource¹), or had been inadequately tested during the previous trial mining phase². These included Specials (large diamonds >10.8 carats) of up to 89 carats.

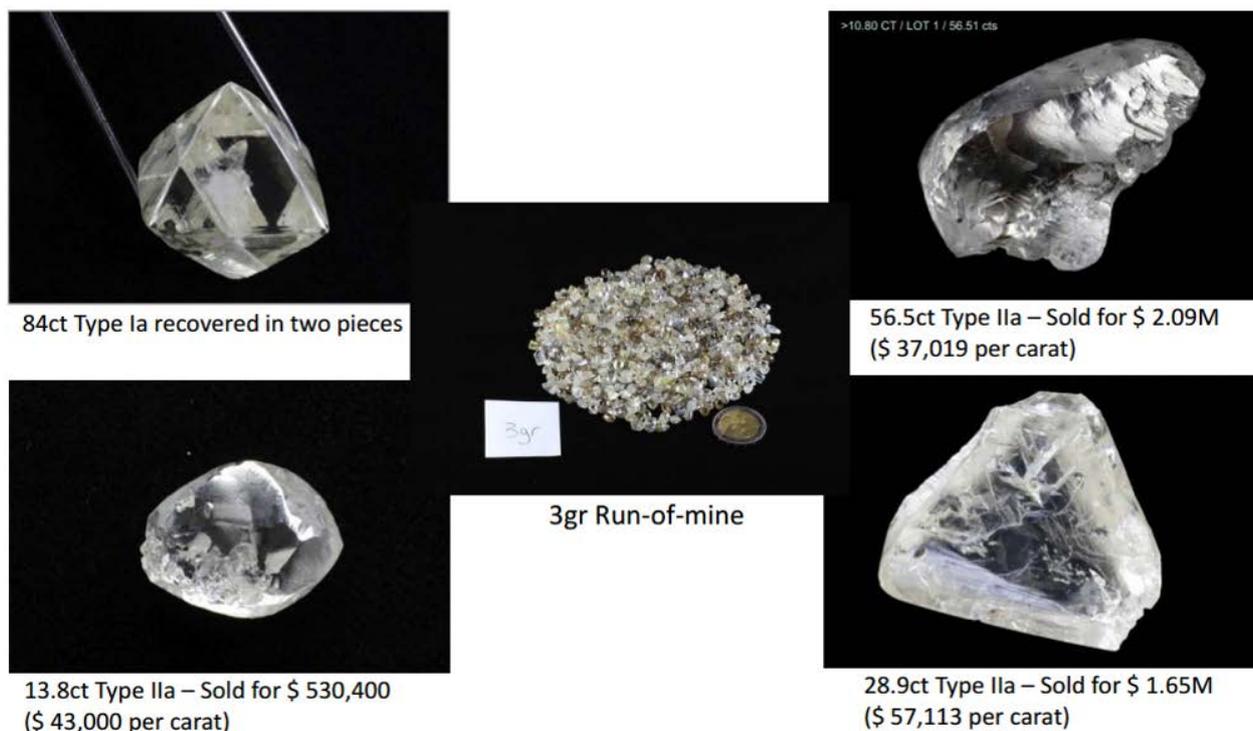


Mothae bulk sampling diamonds weighing (left to right) 89 carats, 28 carats and 25 carats

As announced on 14 September 2018, the first parcel of ~2,500 of the Mothae bulk sampling diamonds was exported to Antwerp. Lucapa plans to export the remainder of the bulk sampling diamonds to Antwerp, ahead of the first scheduled sale in Q4.

The recovery of these large diamonds from the bulk sampling program conducted by Lucapa at Mothae is consistent with the recoveries made during trial mining operations conducted between 2008 and 2012².

Approximately 23,400 carats of diamonds were recovered during the trial mining phase, including Specials of up to 254 carats (boart) and 96 individual stones weighing more than 10 carats. Certain of these trial mining diamonds achieved sale prices of up to US\$57,000 per carat (Refer ASX announcement 31 January 2017).



Sample of Mothae diamonds recovered and sold in previous trial mining by Lucara Diamond Corp

Mothae is located within 5km of Gem Diamonds’ Letseng mine, which produces the world’s highest average US\$ per carat kimberlite diamond production.

For and on behalf of the Lucapa Board.

STEPHEN WETHERALL
MANAGING DIRECTOR

¹ Details of the Mothae JORC resource are set out in the ASX announcement of 24 March 2017

² Trial mining at Mothae conducted by TSX-listed Lucara Diamond Corp

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.

Lucapa has 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 has commenced commissioning the new 1.1Mtpa diamond treatment plant at Mothae, complete with XRT recovery technology, under its Phase 1 development program.

Lucapa is also furthering two exploration projects in known diamond provinces, including 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 plans to drill kimberlite targets at the Orapa Area F project in Botswana's Orapa diamond field in Q1 2019.

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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