



Strong Q3 revenue on the back of high prices received for premium diamonds

Q3 Summary

All figures 100% unless stated

- **Solid operational performance at Lulo and excellent revenue returns in Q3; revenue up 86% to US\$16.9 m**
- **Price per carat received up 188% to US\$3033, reflecting the high quality of Lulo gems**
- **One river diversion completed and a second underway to gain access to high grade floodplain mining blocks in Q3 and Q4**
- **Stake in Mothae Mine in Lesotho divested**
- **Q3 tender attracted US\$12.4 m for six exceptional diamonds**
- **176 carat Type Ila diamond recovered in Q3, sold for US\$3m post Quarter end**

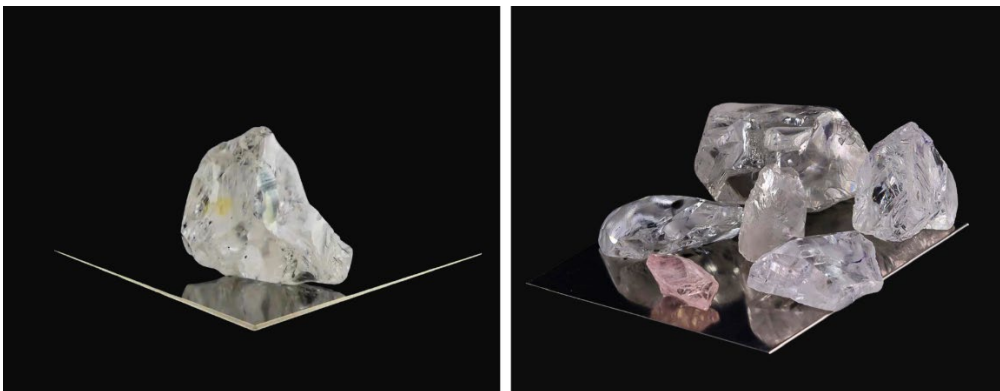
Lucapa Diamond Company Limited (ASX: LOM) (“Lucapa” or “the Company”) announces its Quarterly Activities Report for the period ended 30 September 2024 (the “Quarter” or “Q3”).

Lulo’s carat production was in line with Q3/2023, despite the change of mining plan due to late season flooding. The lower recovered grade was offset by the processing of a larger volume of gravel. During the third Quarter, the team completed one river diversion and commenced a second, to gain access to the higher grade Lazaria (floodplain) gravels.

Managing Director, Nick Selby, commented: *“Mining at Lulo in the third quarter consisted of a mixture of terrace and leziria blocks. Leziria mining was ramped up following the late season flooding experienced in Q2. We are encouraged by the early outcomes from mining in leziria Block 1 and look forward to the results to come from the higher grade Block 6 after completing the river diversions. Block 6 has historically produced large, high value diamonds, and we are aiming for a strong finish to the year in terms of Lulo’s production.”*

Lulo sold 5,587 carats through one tender and two run of mine sales in Q3 for revenue of US\$16.9 million at an average price per carat of US\$3,033. As announced to the ASX in July “Six Lulo diamonds sell for US\$12.4 m at tender” the 447 carat parcel achieved US\$27,700 per carat.

A 176 carat Type Ila diamond recovered during Q3 was sold at tender post quarter end for US\$3 million or US\$17,200 per carat.



Picture: 176 carat Type Ila diamond sold for US\$3 m (left) and six diamonds which sold for US\$12.4 m



LULO ALLUVIAL MINE - ANGOLA

(conducted by Sociedade Mineira Do Lulo, Lda (“SML” or “Lulo”) Lucapa 40%, Endiama 32%, Rosas & Petalas 28%)

TABLE 1: LULO Q3 PRODUCTION AND SALES RESULTS

	100% Project					
	Q3			Q3 YTD		
	2023	2024	Var	2023	2024	Var
PRODUCTION:						
Volume mined (bulk Mm ³)	2.52	2.52	-0%	6.12	5.84	-5%
Volume processed (bulk m ³)	141,969	167,066	18%	459,216	471,529	3%
Carats recovered	7,578	7,058	-7%	22,945	17,328	-24%
Grade recovered (cphm ³)	5.3	4.2	-21%	5.0	3.7	-26%
+10.8 carat diamonds (Specials)	62	60	-3%	268	157	-41%
SALES & OTHER:						
Rough carats sold	8,657	5,587	-35%	22,994	19,348	-16%
Rough diamond revenue (US\$m)	9.1	16.9	86%	42.5	44.1	4%
Rough price/ carat (US\$)	1,052	3,033	188%	1,847	2,281	24%
Diamond inventories (carats)	4,036	4,057	0%			
Cash and receivables (US\$m)	1.0	1.0	0%			
Development loan owing to Lucapa (US\$m)	6.0	0.5	-92%			

LULO KIMBERLITE EXPLORATION – ANGOLA

(conducted by Project Lulo Joint Venture (“Project Lulo JV”) – Lucapa 39%, Endiama 51% and Rosas & Petalas 10%)

The Project Lulo JV Kimberlite Exploration Program continued in Q3 with six samples processed from four kimberlite targets.

Results of the recent sampling were announced to the ASX on 10 October 2024 (“Lulo Kimberlite Exploration Update”).

MOTHAE KIMBERLITE MINE - LESOTHO

(Discontinued Operation)

The divestment of Lucapa’s 70% stake in the Mothae mine in Lesotho was completed during the Quarter, with the announcement released on the ASX on August 14, 2024 (“Lucapa completes divestment of Mothae Mine stake”).



From July 1 to July 31, (the effective date of disposal of the asset) Mothae produced 2,751 carats. Rough diamond revenue recorded for that period, was US\$1.8 million from the sale of 4,186 carats with an average realised price of US\$420 per carat.

Mothae's results will be treated as a discontinued operation in future financial reports.

Rough Diamond Market

The diamond market overall continues to experience soft market conditions; however, Lulo's large stone population has seen little negative impact on prices it has achieved at recent tenders.

Major diamond producers are limiting rough sales for the remainder of 2024 to combat the oversupply in polished inventory which has resulted from the sluggish demand from the US and China. Some diamond producers are also allowing more flexibility towards their buyers.

Several jewellery retail commentators have expressed cautious optimism for healthy festive season sales in the US, leading to a more positive outlook for the rough diamond market.

India has replaced China as the world's second largest diamond market after the US. Industry observers have pointed to a potential uptick in diamond jewellery sales in India for the last quarter of 2024, which is the wedding and festival season.

Corporate

At 30 September 2024, the Group corporate and financial summary on a 100% basis is as follows:

	100% Project		
	Q3		
	2023 [^]	2024	Var
<i>Diamond inventories (carats)</i>	8,932	4,037	-55%
<i>Cash and receivables (US\$m)</i>	3.4	1.3	-62%

[^]2023 figures include Mothae which has since been disposed of.

During Q3 Lucapa received loan and dividend payments of US\$0.7 million from SML and technical service payments of US\$0.6 million from Mothae under the terms of the disposal agreement. The SML General Assembly held in Luanda in July declared a US\$10 million dividend, of which Lucapa's share will be US\$4 million.

For and on behalf of the board

Nick Selby
Managing Director and CEO



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ABOUT LUCAPA

Lucapa is an ASX listed diamond miner and explorer with assets in Angola and Australia. It has an interest in the Lulo Diamond Mine in Angola which has been in commercial production since 2015, (conducted by Sociedade Mineira Do Lulo, Lda ("SML") Lucapa 40%, Endiama 32%, Rosas & Petalas 28%).

The large, high-value diamonds produced from Lulo attracts the highest prices per carat for alluvial diamonds globally.

Lucapa also has a 39% interest in the Lulo Kimberlite Exploration Joint-Venture (Endiama 51%, Rosas & Petalas 10%), which is exploring for the potential primary source kimberlites at the prolific Lulo concession in Angola.

In 2021, through its wholly owned subsidiary, Australian Natural Diamonds Pty Ltd, Lucapa completed the strategic and transformative acquisition of the Merlin Diamond Project, an historic Australian mine in the Northern Territory of Australia.

The Board, management and key stakeholders in Lucapa have deep global diamond industry experience and networks all through the value chain from exploration to retail.

Competent Person's Statement

Information included in this announcement that relates to exploration results and resource estimates is based on and fairly represents information and supporting documentation prepared and compiled by Richard Price MAusIMM who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Price is an employee of Lucapa Diamond Company Limited. Mr Price 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 Price 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 this announcement contains references to prior exploration results, a production target and financial information derived from a production target 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 a production target and financial information derived from a production target and 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.

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No responsibility for any errors or omissions from this document arising out of negligence or otherwise is accepted. This document does include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of the Company. Actual values, results, outcomes or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and ASX Listing Rules, the Company does not undertake any obligation to update or revise any information.

Project	Country	Type	Size (km²)	Period	Interest (%)	End date
<i>Brooking</i>	Australia	Exploration Licence	72	5 years	80	Dec-24
	Australia	Exploration Licence	13	2 years	80	Mar-26
	Australia	Exploration Licence	29	5 years	80	Jun-27
<i>Lulo</i>	Angola	Kimberlite (primary source) exploration	3,000	5 years	39	May-24 [^]
	Angola	Alluvial (secondary source) mining and exploration	1,500	10 years	40	Jul-25
<i>Merlin</i>	Australia	Mineral Lease	24	25 years	100	Dec-47
	Australia	Exploration Licence	210	5 years	100	Apr-25

[^] Application for licence extensions in progress