Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement,
application for quotation of additional securities
and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

LUCAPA DIAMOND COMPANY LIMITED

ABN

44 111 501 663

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	⁺Class of ⁺securities issued or to be issued	Fully Paid Ordinary Shares
2	Number of ⁺securities issued or to be issued (if known) or maximum number which may be issued	4,847,452 Fully Paid Ordinary Shares
3	Principal terms of the ⁺securities (eg, if options, exercise price and expiry date; if partly paid ⁺securities, the amount outstanding and due dates for payment; if ⁺convertible securities, the conversion price and dates for conversion)	Fully Paid Ordinary Shares

+ See chapter 19 for defined terms.

4   Do the +securities rank equally
     in all respects from the date of
     allotment with an existing +class
     of quoted +securities?

     If the additional securities do
     not rank equally, please state:
     • the date from which they do
     • the extent to which they
       participate for the next
       dividend, (in the case of a
       trust,   distribution)   or
       interest payment
     • the extent to which they do
       not rank equally, other than
       in relation to the next
       dividend, distribution or
       interest payment

The shares will rank equally with all other issued listed fully paid ordinary shares

5   Issue price or consideration

$0.30

6   Purpose of the issue
     (If issued as consideration for
     the acquisition of assets, clearly
     identify those assets)

Issued pursuant to the exercise of listed $0.30 options, expiring 29 August 2015

6a   Is the entity an +eligible entity
     that has obtained security
     holder approval under rule 7.1A?

     If Yes, complete sections 6b – 6h
     in relation to the +securities the
     subject of this Appendix 3B, and
     comply with section 6i

Yes

6b   The date the security holder
     resolution under rule 7.1A was
     passed

21 May 2014

6c   Number of +securities issued
     without security holder approval
     under rule 7.1

Nil

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	Nil

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil

6f	Number of securities issued under an exception in rule 7.2	3,604,117 Fully Paid Ordinary Shares following the exercise of 3,604,117 listed $0.30 options, expiring 29 August 2015 which were issued pursuant to the pro-rata non-renounceable entitlement issue Offer document dated 27 September 2013. 1,243,335 Fully Paid Ordinary Shares following the exercise of 1,243,335 listed $0.30 options, expiring 29 August 2015 which were approved by shareholders at the annual general meeting held 21 May 2014.

6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A

6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A

6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Refer Annexure 1

7	Dates of entering +securities into uncertificated holdings or despatch of certificates	10 July 2014 (791,024 fully paid ordinary shares) 11 July 2014 (571,816 fully paid ordinary shares) 14 July 2014 (1,904,991 fully paid ordinary shares) 15 July 2014 (1,579,621 fully paid ordinary shares)	
		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in section 2 if applicable)	166,053,658	Ordinary
		37,632,999	Options exercisable at $0.30 expiring 29 August 2015
		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in section 2 if applicable)	833,334	Unlisted options expiring 2 December 2014 exercisable at $0.90 each
		4,166,668	Unlisted options expiring 25 September 2014 exercisable at $0.57 each
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company does not have a dividend policy.	

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A

+ See chapter 19 for defined terms.

15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A

+ See chapter 19 for defined terms.

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements *in full* through a broker?	N/A
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
    (*tick one*)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	N/A
39	Class of +securities for which quotation is sought	N/A
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A

+ See chapter 19 for defined terms.

41	Reason for request for quotation now	N/A
	Example: In the case of restricted securities, end of restriction period	
	(if issued upon conversion of another security, clearly identify that other security)	

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)	N/A	

Quotation agreement

1   +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2   We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

    Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

+ See chapter 19 for defined terms.

3   We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4   We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Mark Clements
Company Secretary
15 July 2014

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for ⁺eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	3,184,366,555
Add the following: • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 1 November 2013 Shares issued pursuant to Entitlement Issue	216,112,236
14 November 2013 Shares issued pursuant to Entitlement Issue	134,124,421
24 June 2014 and 27 June 2014 Shares issued pursuant to exercise of options, pursuant to Entitlement Issue (post-consolidation)	131,133
27 June 2014 Shares issued pursuant to exercise of options (post consolidation)	83,334
3 July 2014 Shares issued pursuant to exercise of options, pursuant to Entitlement Issue (post consolidation)	87,608
3 July 2014 Shares issued pursuant to exercise of options (post consolidation)	616,212
4 July 2014 Shares issued pursuant to exercise of options, pursuant to Entitlement Issue (post-consolidation)	219,289
7 July 2014 Shares issued pursuant to exercise of options, pursuant to Entitlement Issue (post-consolidation)	64,558
8 July 2014 Shares issued pursuant to exercise of options, pursuant to Entitlement Issue (post-consolidation)	35,834
9 July 2014 Shares issued pursuant to exercise of options, pursuant to Entitlement Issue (post-consolidation)	515,709

+ See chapter 19 for defined terms.

9 July 2014 Shares issued pursuant to exercise of options (post consolidation)	197,222
10 July 2014 and 11 July 2014 Shares issued pursuant to exercise of options, pursuant to Entitlement Issue (post-consolidation)	1,362,840
14 July 2014 and 15 July 2014 Shares issued pursuant to exercise of options, pursuant to Entitlement Issue (post consolidation)	2,241,277
14 July 2014 and 15 July 2014 Shares issued pursuant to exercise of options (post consolidation)	1,243,335
• Number of partly paid ordinary securities that became fully paid in that 12 month period	
29 August 2013 Placement (pre-consolidation)	318,000,000
11 April 2014 Placement (pre-consolidation)	925,000,000
• Number of partly paid ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	Nil
"A"	4,777,603,212 (pre-consolidation) 166,053,658 (post-consolidation)

Step 2: Calculate 15% of "A"

"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	24,908,049

Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used

Insert number of equity securities issued or agreed to be issued in that 12 month period	

+ See chapter 19 for defined terms.

not counting those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	
"C"	Nil

Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1

"A" x 0.15 *Note: number must be same as shown in Step 2*	24,908,049
Subtract "C" *Note: number must be same as shown in Step 3*	Nil
Total ["A" x 0.15] – "C"	24,908,049 *[Note: this is the remaining placement capacity under rule 7.1]*

Part 2

Rule 7.1A – Additional placement capacity for eligible entities
Step 1: Calculate "A", the base figure from which the placement capacity is calculated

"A" *Note: number must be same as shown in Step 1 of Part 1*	166,053,658 (post-consolidation)
Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*

Multiply "A" by 0.10	16,605,366 (post-consolidation)

Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	
"E"	Nil

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	16,605,366
Subtract "E" *Note: number must be same as shown in Step 3*	Nil
Total ["A" x 0.10] – "E"	16,605,366 (post-consolidation) Note: this is the remaining placement capacity under rule 7.1A

+ See chapter 19 for defined terms.