



Lucapa meets Full Year Group guidance following solid Q4

Q4 Summary

Diamond Production and Sales

- Full Year Group guidance achieved
- Full year rough revenue (100% project) US\$102.2 million (A\$154.3 million)
- Q4 rough diamond revenue (100% project) US\$40.8 million (A\$63.1 million)
- FY Mothae records in tonnes processed and mined, carats recovered and price per carat
- Mothae recovered 8,314 carats and sold 10,947 carats for US\$541/carat in Q4
- Lulo recovered 7,640 carats and sold 5,653 carats for US\$6,170/carat in Q4
- 11 Lulo diamonds fetched US\$32.7 million at two tenders in Q4
- Two Type IIa diamonds weighing 208 and 235 carats recovered from Lulo in Q4
- Q4 average price for both operations - US\$2,458 per carat

Exploration & Mine Development

- Merlin Diamond Project Feasibility Study pivoted to a smaller scale development
- Lulo Kimberlite Exploration Program uncovers its 15th diamondiferous kimberlite
- Four new Lulo kimberlites identified

Corporate

- Nick Selby appointed CEO and Managing Director
- US\$1.5 million development loan repayment received in Q4
- US\$10.1 million in Lulo dividends and loans approved for payment in 2024 by SML

Lucapa Diamond Company (ASX: LOM) (“Lucapa” or “the Company”) is pleased to present its quarterly activities report for the period ended 31 December 2023 (the “Quarter” or “Q4”).

Managing Director, Nick Selby, commented: “Both mines delivered a solid performance against processing and production targets in Q4 and we are pleased with the full year results which saw group guidance achieved. Mothae performed well despite experiencing a lower dollar per carat average in Q4, which impacted its overall diamond price for the year. Lulo had a good run which saw its high-value recoveries attract firm prices at tender.”

TABLE 1: TOTAL 100% PROJECT OPERATIONAL RESULTS FOR Q4 AND FULL YEAR

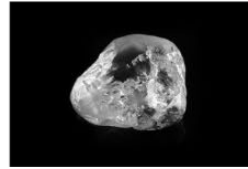
	100% Project					
	Q4			Full Year		
	2022	2023	Var	2022	2023	Var
PRODUCTION:						
<i>Tonnes processed¹</i>	564,453	682,235	21%	2,180,662	2,532,341	16%
<i>Carats recovered</i>	15,016	15,954	6%	66,138	63,469	-4%
SALES & OTHER:						
<i>Rough carats sold</i>	15,297	16,600	9%	64,543	60,774	-6%
<i>Rough diamond revenues (US\$m)</i>	41.4	40.8	-1%	101.7	102.2	1%
<i>Rough price/ carat (US\$)</i>	2,707	2,458	-9%	1,576	1,682	7%
<i>Diamond inventories (carats)</i>	5,773	7,912	37%			
<i>Cash and receivables (incl. Lucapa) (US\$m)</i>	18.9	12.9	-58%			
<i>Development loans owing to Lucapa (US\$m)</i>	61.5	60.5	-2%			
<i>Interest-bearing debt² (US\$m)</i>	6.4	0.2	-97%			

¹Lulo volume processed converted from bulked m³ to tonnes

²Relates to capitalised leases on Mothae mining equipment



Lulo, Angola



ALLUVIAL MINE

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

At the beginning of the Quarter, mining continued in the high-grade lizeria (floodplain) areas. In October, two large Type IIa diamonds were recovered from the lizerias, weighing 123 carats and 208 carats respectively. Towards the end of the Quarter, as the wet season intensified, mining shifted to the terraces where access was easier. In November, a 235 carat Type IIa diamond was recovered from the terrace areas at MB550. This diamond is Lulo’s second largest recovery since commercial operations commenced in 2015.

Toward the end of the Quarter, heavy rain affected mining and treatment but had little impact on overall production. Lulo finished the final quarter of the year strongly with the recovery of 7,640 carats of diamonds including the two +200 carat diamonds.

TABLE 2: LULO PROJECT OPERATIONAL RESULTS FOR Q4 AND FULL YEAR

	100% Project					
	Q4			Full Year		
	2022	2023	Var	2022	2023	Var
PRODUCTION:						
<i>Volume mined (bulked Mm³)</i>	1.11	2.17	95%	6.24	8.29	33%
<i>Volume processed (bulked m³)</i>	174,806	166,332	-5%	572,707	625,548	9%
<i>Carats recovered</i>	9,358	7,640	-18%	35,398	30,585	-14%
<i>Grade recovered (cphm³)</i>	5.4	4.6	-14%	6.2	4.9	-21%
<i>+4.8 carat diamonds</i>	354	209	-41%	1312	1,026	-22%
<i>+10.8 carat diamonds (Specials)</i>	134	54	-60%	453	322	-29%
SALES & OTHER:						
<i>Rough carats sold</i>	8,293	5,653	-32%	32,489	28,646	-12%
<i>Rough diamond revenue (US\$m)</i>	36.2	34.9	-4%	79.6	77.3	-3%
<i>Rough price/ carat (US\$)</i>	4,368	6,170	41%	2,449	2,700	10%
<i>Partnership margins (US\$m)</i>	0.7	-0.2	-129%	1.4	1.2	-14%
<i>Diamond inventories (carats)</i>	4,077	6,040	48%			
<i>Cash and receivables (US\$m)</i>	12.0	11.6	-3%			
<i>Development loan owing to Lucapa (US\$m)</i>	12.6	3.7	-71%			

Two exceptional stone tenders were conducted during the Quarter in Luanda by Sodiam E.P. The first, in October, featured seven high value diamonds ranging from a ten-carat pink to a 180-carat white Type IIa. The parcel, which also contained a 66-carat pink fetched a total of US\$15.7 million (A\$24.5 million) at an average price per carat of US\$29,401.



Following the recovery of three +100 carat diamonds in October and November, a second tender was conducted in early December. Four high-value diamonds weighing 41 carats, 123 carats, 208 carats and 235 carats sold for US\$17.1 million (A\$26 million) for an average of US\$28,000 per carat.

One run-of-mine sale of 4,508 carats was held in the final quarter bringing the total sales for Q4 of US\$34.9 million at an average price per carat of US\$6,170 for the period.

At the end of Q4, Lulo had 6,040 carats in inventory which will be sold in Q1 2024.



Six of the high-value diamonds which were sold in two tenders in Q4

Lulo 2023 Guidance

Lulo ended the year well above guidance for both volume processed and rough price per carat at 625,548m³ and US\$2,700 respectively. Lulo set new annual records for volumes processed and mined. Carats recovered was within 3 percent of the forecast.

TABLE 3: LULO FULL YEAR GUIDANCE VERSUS ACTUAL FY 2023

	100% Project	
	Guidance	Actual
	FY 2023	FY 2023
Volume processed (bulked m ³)	590,000	625,548
Carats recovered	31,000	30,585
Grade recovered (cphm ³)	5.3	4.9
Rough price/ carat (US\$)	2,300	2,700

Alluvial Exploration

SML's concurrent alluvial exploration program saw 2,290 auger holes drilled and 30 exploration pits completed to define additional resources in 9 mining resource blocks. Drilling was mainly focussed on defining areas for bulk sampling in 2024. A road is currently being developed to the Lulo River to allow commencement of exploration work in that area. Due to current wet ground conditions, exploration will commence in Q2 2024.



Mothae, Lesotho



KIMBERLITE MINE

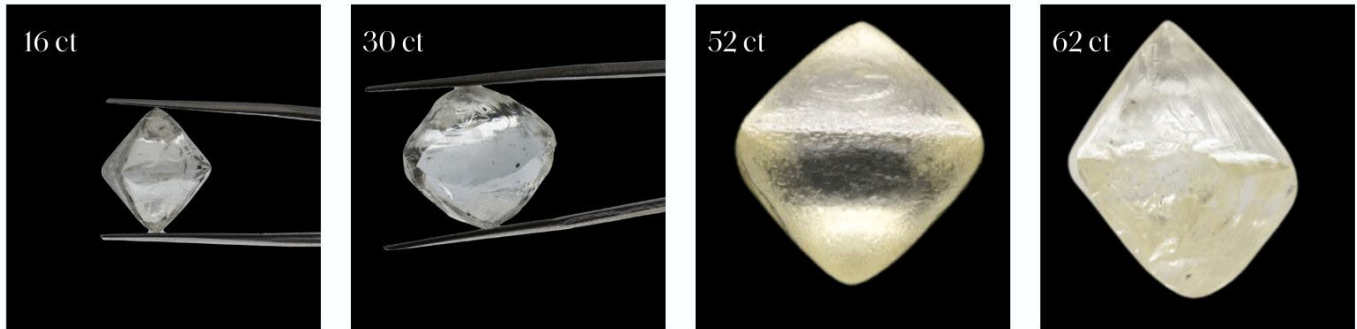
(conducted by Mothae Diamonds (Pty) Ltd (“Mothae”) - Lucapa 70%, Government of Lesotho (“GoL”) 30%)

Mothae set new annual records for tonnes mined and processed, carats recovered, and average price per carat achieved. All Q4 performance targets were achieved at Mothae. The mine processed 399,500 tonnes in the period which produced 8,314 carats. These metrics were 49% and 47% higher than the previous corresponding period. However, the quality of the diamonds was lower than expected, leading to an average price per carat of US\$541 in Q4, meaning Mothae missed price per carat guidance for the full year. The diamond price achieved was impacted by the mining of lower-value areas and the absence of high-quality Type IIa diamond recoveries. Lucapa’s technical team and Mothae’s management are investigating the cause of the low-value recoveries.

There were three run-of-mine sales during Q4 with 10,947 carats sold into the Safdico partnership agreement. At Quarter end, Mothae had inventory of 1,872 carats with the first sale scheduled for January 2024.

TABLE 4: MOTHAE OPERATIONAL RESULTS FOR Q4 AND YTD

	100% Project					
	Q4			Full Year		
	2022	2023	Var	2022	2023	Var
PRODUCTION:						
<i>Tonnes mined (ore & waste) (Mt)</i>	0.48	0.58	20%	1.90	2.34	23%
<i>Tonnes processed (t)</i>	267,283	399,471	49%	1,207,060	1,468,909	22%
<i>Carats recovered</i>	5,659	8,314	47%	30,740	32,884	7%
<i>Grade recovered (cpht)</i>	2.1	2.1	-2%	2.5	2.2	-12%
<i>+4.8 carat diamonds recovered</i>	127	162	28%	651	745	14%
<i>+10.8 carat diamonds (Specials)</i>	45	43	-4%	197	219	11%
SALES & OTHER:						
<i>Rough carats sold</i>	7,004	10,947	56%	32,054	32,128	0%
<i>Rough diamond revenue (US\$m)</i>	5.2	5.9	14%	22.1	24.9	13%
<i>Rough price/ carat (US\$)</i>	741	541	-27%	690	775	12%
<i>Partnership margins (US\$m)</i>	0.0	0.7	0%	0.8	1.5	88%
<i>Diamond inventories (carats)</i>	1,695	1,872	10%			
<i>Cash and receivables (US\$m)</i>	1.2	0.3	-75%			
<i>Development loan owing to Lucapa (US\$m)</i>	48.9	56.8	16%			



Mothae production in Q4 featured white and fancy yellow coloured diamonds

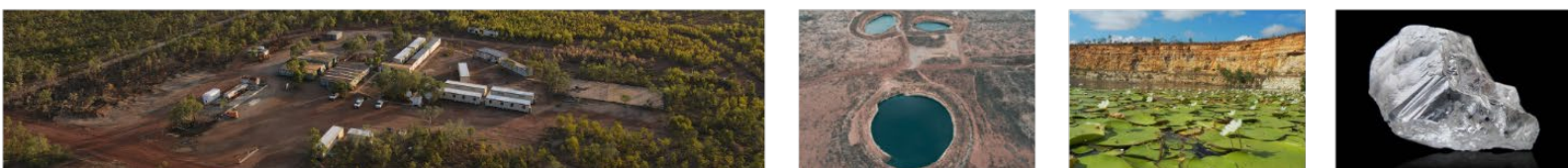
Mothae 2023 Guidance

Mothae met full year guidance in all categories except price per carat mainly due to the absence of quality Type IIa diamond recoveries during Q4.

TABLE 5: MOTHAE FULL YEAR GUIDANCE VERSUS ACTUAL FY 2023

	100% Project	
	Guidance	Actual
	FY 2023	FY 2023
<i>Tonnes processed (t)</i>	1,380,000	1,468,909
<i>Carats recovered</i>	29,500	32,884
<i>Grade recovered (cphm³)</i>	2.1	2.2
<i>Rough price/ carat (US\$)</i>	1,000	775

Merlin, Australia



KIMBERLITE DEVELOPMENT PROJECT

(conducted by Australian Natural Diamonds (Pty) Ltd (“AusND”) - Lucapa 100%)

Amid the softening of diamond prices and an uncertain capital market environment, in Q4, the decision was announced to scale back the original Merlin Diamond Project Feasibility Project in favour of a smaller scale and lower capital development study.

The alternative study is examining a lower-cost pathway to developing the mine and will investigate, among other things, using existing resources such as the trial mining plant and front-end scrubber to get Merlin into production. As the smaller scale development option uses some of the existing modelling and key workstreams, work is well advanced.

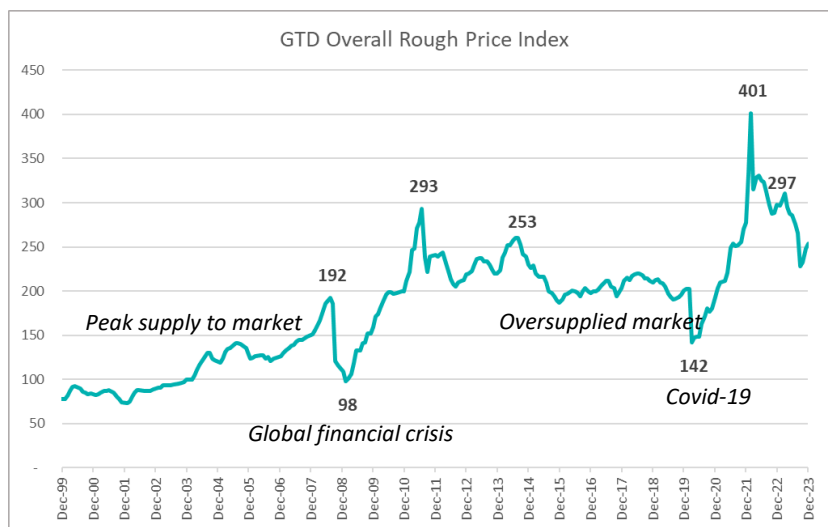
During Q4, the installation of a groundwater monitoring network of 17 boreholes was completed.



Rough Diamond Market

Tightening economic conditions imposed by central banks and a surge in inflation continues to impact discretionary spending on items such as diamond jewellery, however according to media reports at the end of 2023, there are signs the US market is recovering, however the Chinese market remains slow.

The overall diamond price index began to trend upwards towards the end of 2023 coinciding with two major events in the global diamond trade. The first was the halting of rough diamond imports to Indian diamond manufacturers for two months to ease oversupply and stabilise prices from October to December. The second newsworthy event to occur was the EU's decision to phase in restrictions on Russian diamond imports in 2024.



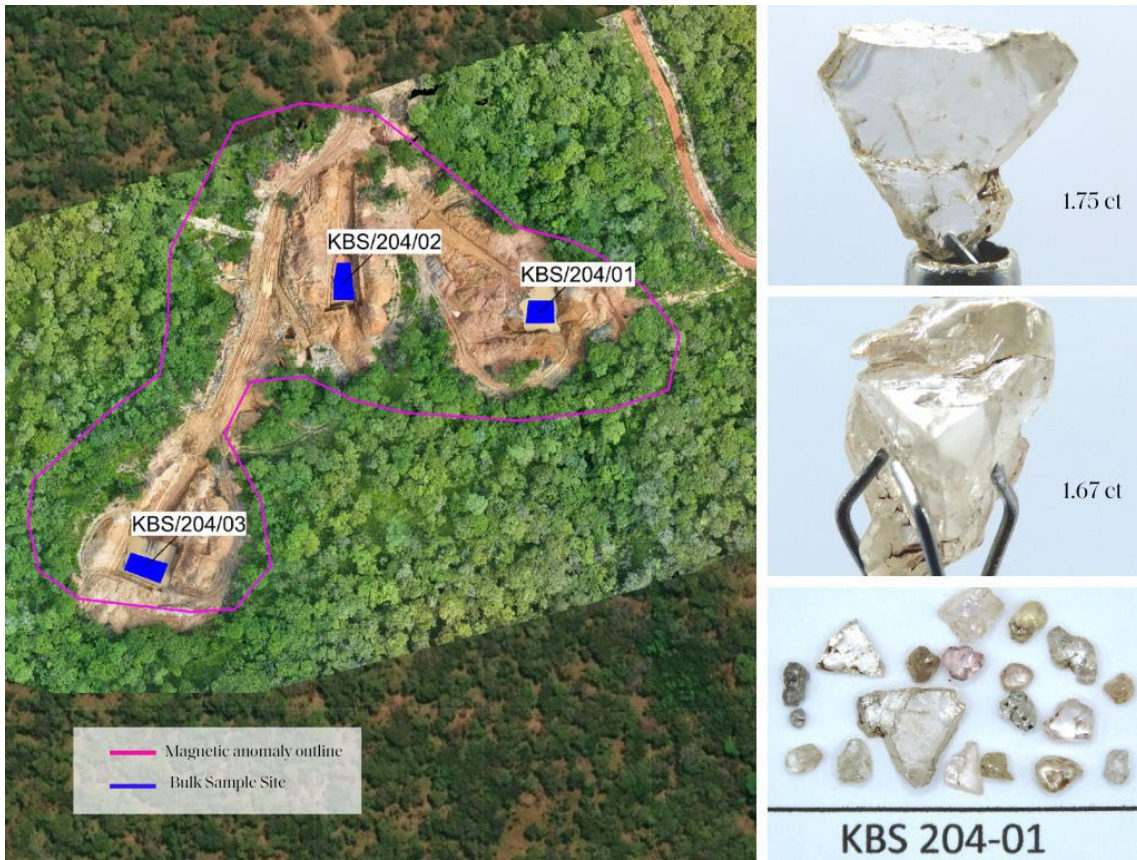
Source: GTD Consulting – Overall Rough Diamond Price Index

Primary Source Exploration

LULO KIMBERLITE EXPLORATION, ANGOLA

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

The primary source exploration program identified its 15th diamondiferous kimberlite, L204, during Q4. Kimberlite exploration moved to the south of the concession during the Quarter, toward the cluster of three targets near L164. Six samples were taken from two kimberlites with the best result from KBS/204/01 which yielded 19 diamonds totalling 5.24 carats. A second sample from KBS/204/02 yielded two diamonds which were both less than 0.1 carats while the third sample KBS/204/03 yielded 6 diamonds, also small.

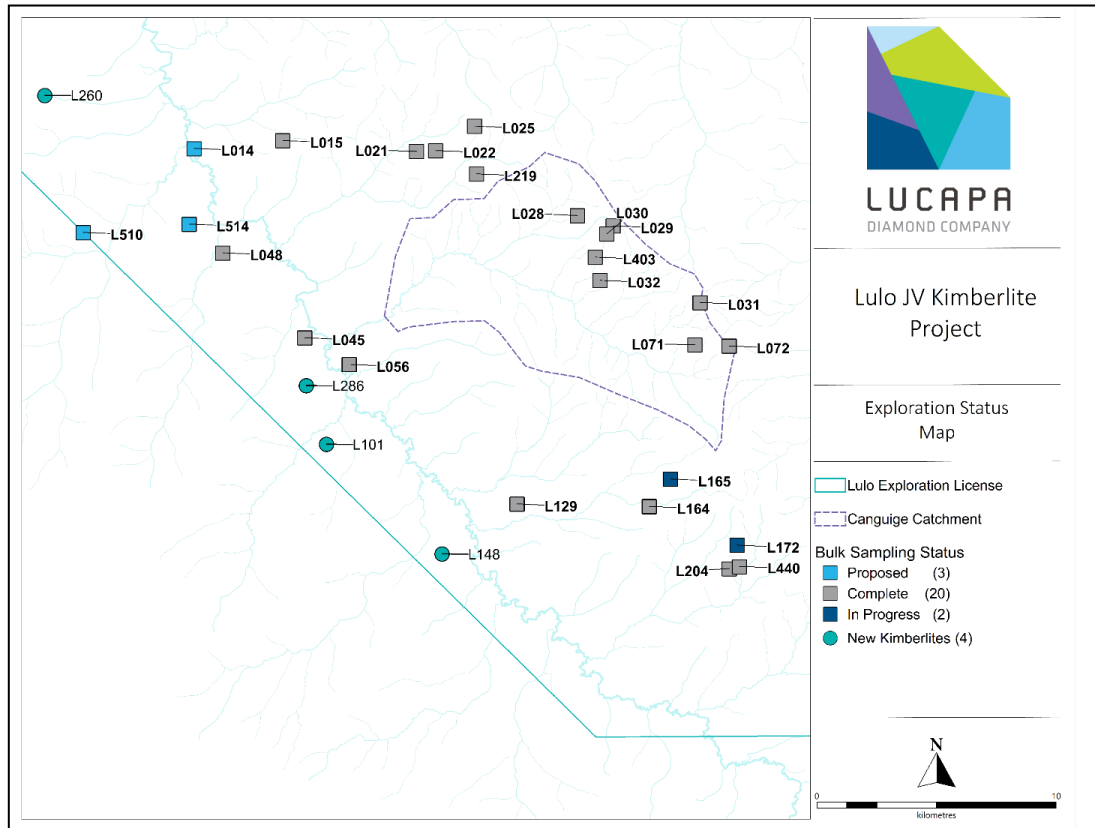


Drone image showing the three sample pits at Kimberlite target L204, the diamonds recovered from KBS 204

SampleID	Volume processed (m3)	Stones Recovered	Recovered (Carats)	Calculated Grade (cphm3)	Average Stone Size (Cts/stn)	Number of stones >1ct	Largest stone pre-acid
KBS/045/01	1,077	0	0.00	0.00			0.00
KBS/045/02	1,494	0	0.00	0.00			0.00
KBS/045/03	510	0	0.00	0.00			0.00
KBS/045	3,081	0	0.00	0.00			
KBS/204/01	1,406	19	5.24	0.37	0.28	1	1.75
KBS/204/02	1,610	2	0.12	0.01	0.06	0	0.09
KBS/204/03	1,702	6	4.19	0.25	0.70	2	1.67
KBS/204	4,718	27	9.55	0.20	0.35	3	1.75

Table of Q4 kimberlite bulk sampling results

Bulk sample processing moved on to L165, where sample extraction is complete, allowing the bulk sampling fleet to start overburden removal at L172. Four more geophysical targets were confirmed as kimberlites (L286, L101, L148 and L132 on the map below). Each will have drill core samples submitted for mineral chemistry analysis before being assessed for inclusion in the bulk sample priority list.



Progress of the kimberlite bulk sampling program to end of 2023

The documentation required for the new Mineral Investment Contract (MIC) with Endiama is in the final stages. No date for signing of the new contract has been set. The current MIC ends in May 2024.

Brooking Lamproite Exploration, Western Australia

(conducted by Brooking Pty Ltd – Lucapa 80%; Leopold Diamonds holding 20% interest in the tenements)

Geochemical and heavy mineral samples were received from the drilling at Brooking of geophysical and heavy mineral targets that occurred in Q3. The results from a total of 246 auger holes measuring 639 metres drilled are being interpreted and are expected to be released in the current quarter.

Orapa Area F, Botswana

(conducted by Lucapa Diamonds (Botswana) Pty Ltd – Lucapa 100%)

Preparations were made in Q4 for exploration drilling to commence in the current quarter following the receipt of the requisite land-use permit. The aim of the exploration drilling program is to confirm whether kimberlite is present.



Health, Safety and Community

The 12-month rolling LTIFR at Mothae ended the Quarter at zero while SML reported zero injuries during the Quarter to end with an LTIFR of 0.19. No major environmental incidents were recorded at either site in Q4.

In CSR activities, Mothae continued to provide casual labour at site for poverty relief for local villagers and support for 12 learners at local schools.

At Lulo, the school funded and built by SML in the local village of Xamiquelengue was formally opened by the regional governor. Senior representatives from SML and Lucapa attended the opening which coincided with a mine visit in November. The school has seven classrooms, a staff room and sports facilities. It is designed to be self-sufficient with solar power and bore water.



Leaders from Lucapa and SML attend the opening ceremony of the new school, funded by SML, near the mine in Angola

Corporate

In October, Nick Selby was appointed as Chief Executive and Managing Director. Nick was previously the Chief Operations Officer and has been an executive director since 2017. He will continue to oversee operations as part of his new role.

Lucapa also commenced a search for new independent non-executive Directors, which attracted interest from a large number of candidates in Australia and globally. The outcome from the process is expected to be announced before the Company's AGM in May 2024.

A US\$1.5m development loan repayment from SML was repatriated during the Quarter. This payment was part of the loan repayment declared at the 2022 SML General Assembly.

In November, US\$10.1m in loans and dividends were approved at the 2023 SML General Assembly for payment to Lucapa in 2024. The payments consist of a US\$5.6m dividend for 2023 and a US\$4.5m loan repayment which will expunge the existing Lulo development loan.



For and on behalf of the Lucapa Board.

Nick Selby
Managing Director

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ABOUT LUCAPA

Lucapa is an ASX listed diamond miner and explorer with assets in Africa and Australia. It has interests in two producing diamond mines in Angola (Lulo, in which LOM holds 40%) and Lesotho (Mothae, in which LOM holds 70%). The large, high-value diamonds produced from these two niche African diamond mines attract some of the highest prices/ carat globally.

The Lulo mine has been in commercial production since 2015, while the Mothae mine commenced commercial production in 2019.

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

Lucapa and its project partners are also exploring for potential primary source kimberlites or lamproites at the prolific Lulo concession in Angola, the Brooking project in Australia and the Orapa Area F project in Botswana.

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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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	5 years	80	Mar-24
	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
<i>Mothae</i>	Lesotho	Mining Licence	47*	10 years	70	Jan-27
<i>Orapa</i>	Botswana	Reconnaissance	8	2 years	100	Jun-24

*Area includes the protection and production area



Appendix 1

Reporting of kimberlite exploration results for the Lulo Project

– JORC Code (2012) requirements –

Sampling Techniques and Data

<i>Criteria</i>	JORC Code Explanation	Lucapa Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> • <i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.) These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (e.g. ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> • Three bulk samples from kimberlite L045 and Three samples from L204 were collected from excavated pits. The surface overburden was removed by excavator and truck before all earthmoving equipment was thoroughly cleaned. • Each pit was then excavated into the clean kimberlite material and directly loaded into trucks for transport to the plant stockpile area. The sample material was placed on a sterilised pad of sand before being fed into the plant by front-end loader. • The sample locations were chosen following the drilling of diamond core holes and exploratory excavator pitting. • The objective of the samples was to demonstrate whether potentially economic diamonds might be present in the kimberlite pipe and was not selected to be representative of the grade of the body as a whole. The samples were spread over each kimberlite to improve representivity of the sampling program.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • <i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i> 	<ul style="list-style-type: none"> • The drilling consisted of diamond core drilling. The drill core recovered was of HQ diameter. • The original discovery holes were drilled to 76m (L045) and 50m (L204). Delineation holes were drilled to approximately 30m deep to define the bulk sample site. All holes were drilled vertically.



<p><i>Drill sample recovery</i></p>	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	<ul style="list-style-type: none"> • Core is recovered from the core barrel and stored in core boxes, before being transported by light vehicle to the core shed. • Core recovery is generally high, though significant core losses are experienced through unconsolidated surface sediments to about 3m depth.
<p><i>Logging</i></p>	<ul style="list-style-type: none"> • <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • All core is visually and semi-quantitatively logged then photographed at the operation’s core shed. • The bulk sample pits were visually inspected to ensure no contamination of surface material entered the sample material.
<p><i>Sub-sampling techniques and sample preparation</i></p>	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • No sub-sampling was undertaken, though additional sample pits were excavated where required to improve representivity of the sample. • All samples are treated in their entirety.
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • The samples were treated through the Kimberlite Bulk Sample Plant (“KBSP”). The plant was thoroughly decontaminated before sample treatment commenced. • A layer of sand was used on the sample pad, beneath the deposited sample, to prevent sample loss or contamination between the sample and the ROM pad.



<p><i>Verification of sampling and assaying</i></p>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • No verification of samples or twinning has been undertaken, due to the bulk nature of the sample.
<p><i>Location of data points</i></p>	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • The sample site was initially located using a hand-held GPS with a nominal accuracy of about 5m. The final location was measured using a Trimble Real-Time differential GPS system with an accuracy of <5cm. • The grid system is WGS84 Zone 34L.
<p><i>Data spacing and distribution</i></p>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • The sample positions and size were selected on the basis of giving the best likelihood of recovering diamonds and were not intended to return a grade representative of the pipe as a whole. • However, the distribution of sampling pits over the surface of the body improves representivity particularly on larger bodies.
<p><i>Orientation of data in relation to geological structure</i></p>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • The sample is considered a bulk sample within the pipe. Orientation of the sample is not considered significant and is not expected to introduce bias.
<p><i>Sample security</i></p>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Security of the sampling and sample storage areas, processing and diamond recovery was continuously monitored by company and Angolan State Diamond Security personnel.
<p><i>Audits or reviews</i></p>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • The sampling techniques are industry standard, and no audits or reviews have been undertaken to validate the information presented at this stage.



– JORC Code (2012) requirements –
Reporting of Exploration Results

Criteria	JORC Code Explanation	Lucapa Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The legislation covering the Angolan diamond industry stipulated that only Endiama (Empresa Nacional de Diamantes de Angola, the State Diamond Company) or joint ventures with Endiama (the Angolan State diamond mining company), can hold diamond mining rights. Under the terms of the two Lulo agreements, separate titles are granted for alluvial (secondary) and kimberlite (primary) exploration and/ or mining. Following successful alluvial exploration, a 10-year alluvial Mining Investment Contract was signed in July 2015 creating “Sociedade Mineira Do Lulo, LDA.”, an Angolan incorporated company in which Lucapa Diamond Company Ltd has a 40% shareholding, Endiama 32% and Rosas & Petalas S.A. 28%. This Angolan entity was officially incorporated in May 2016. Following a renewal application for kimberlite exploration, a 5-year Mineral Investment Contract was signed and gazetted in May 2019, expiring on 2 May 2024. Interests held in this exploration venture are Endiama 51%, Lucapa Diamond Company Ltd 39%* and Rosas & Petalas S.A. 10% (*interest will be reduced to 30% after recoupment of the exploration and mining development investments).
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Limited exploration has been undertaken by state-controlled entities and joint ventures Diamang and Condiama. Parts of the area have been exploited by artisanal miners – no records of this work are available.
<i>Geology</i>	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Significant diamond bearing alluvial systems, of Mesozoic to Recent ages overlie a major, but relatively poorly explored, kimberlite field. The kimberlite pipes intrude flat-lying Permian sediments within the Lucapa Graben. The kimberlite field is believed to be the source of the alluvial diamonds.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results 	<ul style="list-style-type: none"> No drill hole information is presented here as it is not relevant to the sampling process other than to guide location of the sample.



	<p>including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth hole length. ○ If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> ● In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. ● Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. ● The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> ● No weighting, averaging, grade truncations or cut-off grades have been used. ● No short or long length aggregation applicable. ● No metal equivalent values are used.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> ● These relationships are particularly important in the reporting of Exploration Results. ● If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. ● If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. ‘down hole length, true width not known’). 	<ul style="list-style-type: none"> ● The deposits may be regarded as massive deposits so sample orientation is not relevant.
<i>Diagrams</i>	<ul style="list-style-type: none"> ● Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> ● Appropriate map and plans for the reported mineralisation with scale and north points are included with the text of the report.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> ● Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> ● Results are complete for all samples reported.



<p><i>Other substantive exploration data</i></p>	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • The samples were recovered from L045 and L204 kimberlite pipe identified during drilling on the licence area in 2023 and 2018 respectively.
<p><i>Further work</i></p>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Bulk sampling of the remaining high interest kimberlites in the Cacuilo catchment will continue. • Drilling will continue on the priority targets identified to locate material suitable for bulk sampling. • Drilling on additional magnetic targets will continue to identify new kimberlites and assess whether they should be bulk sampled. • Additional Phase 2 sampling will be undertaken on the kimberlites with the highest diamond recoveries.

SECTION 3 (RESOURCES) DOES NOT APPLY TO THIS ANNOUNCEMENT

SECTION 4 (RESERVES) DOES NOT APPLY TO THIS ANNOUNCEMENT



– JORC Code (2012) requirements –
Estimation and Reporting of Diamonds and Other Gemstones

Criteria	JORC Code Explanation	Lucaapa Commentary
<i>Indicator minerals</i>	<ul style="list-style-type: none"> • Reports of indicator minerals, such as chemically/physically distinctive garnet, ilmenite, chrome spinel and chrome diopside, should be prepared by a suitably qualified laboratory. 	<ul style="list-style-type: none"> • No indicator minerals were recovered from these samples.
<i>Source of diamonds</i>	<ul style="list-style-type: none"> • Details of the form, shape, size and colour of the diamonds and the nature of the source of diamonds (primary or secondary) including the rock type and geological environment. 	<ul style="list-style-type: none"> • Diamonds have been recovered from kimberlite samples. • 27 stones were recovered from 3 samples at L204, the largest being 1.75 carats.
<i>Sample collection</i>	<ul style="list-style-type: none"> • Type of sample, whether outcrop, boulders, drill core, reverse circulation drill cuttings, gravel, stream sediment or soil, and purpose (e.g. large diameter drilling to establish stones per unit of volume or bulk samples to establish stone size distribution). • Sample size, distribution and representivity. 	<ul style="list-style-type: none"> • Overburden of approximately 2m-8m thick overlaying the kimberlites was removed using a Volvo 480 excavator and Tatra trucks. • The sample pits were excavated and material from the pits transported to a prepared sample pad made up laterite close to the KBSP in preparation for processing.
<i>Sample treatment</i>	<ul style="list-style-type: none"> • Type of facility, treatment rate, and accreditation. • Sample size reduction. Bottom screen size, top screen size and re-crush. • Processes (dense media separation, grease, X-ray, hand-sorting, etc.). • Process efficiency, tailings auditing and granulometry. • Laboratory used type of process for micro diamonds and accreditation. 	<ul style="list-style-type: none"> • The samples were treated through the Kimberlite Bulk Sample Plant (KBSP). The KBSP is comprised of a front-end feed arrangement, followed by a scrubber and a double deck screen, which splits the material into coarse and fine streams. Coarse material (+18mm) is screened off and collected on an oversize stockpile. Fine material (>1.5mm) is processed through a DMS (dense media separation) unit, with DMS concentrate processed through a Flowsort X-Ray diamond recovery unit. Final diamond recovery is undertaken by hand sorting of the Flowsort concentrates. All -1.5mm material is pumped to a tailings storage facility. • +18mm material is stockpiled and intermittently fed through crushing circuits, both primary and secondary jaw crushers. The product from the secondary crusher deposits onto a screen. Material remaining as oversize is recirculated through the secondary crusher until it passes the cut-point of 18 mm, after which it passes into the DMS. Due to the small amount of oversize produced by these samples, crushing of the oversize was suspended for these samples. • The plant was thoroughly decontaminated before sample treatment commenced.



Carat

<ul style="list-style-type: none"> One fifth (0.2) of a gram (often defined as a metric carat or MC). 	<ul style="list-style-type: none"> Reported as carats.
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Sample grade

<ul style="list-style-type: none"> Sample grade in this section of Table 1 is used in the context of carats per units of mass, area or volume. The sample grade above the specified lower cut-off sieve size should be reported as carats per dry metric tonne and/or carats per 100 dry metric tonnes. For alluvial deposits, sample grades quoted in carats per square metre or carats per cubic metre are acceptable if accompanied by a volume to weight basis for calculation. In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive sample grade (carats per tonne). 	<ul style="list-style-type: none"> The sample results are summarised in the table below: The volume processed is based on counted loader buckets fed to the plant, converted to m³ stockpile volumes using an established bucket factor previously reconciled to surveyed broken material on a stockpile, measured in metres cubed.
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HIGH PRIORITY KIMBERLITE SAMPLES PROCESSED							
Sample ID	Volume processed (m ³)	Stones Recovered	Recovered (Carats)	Calculated Grade (cphm ³)	Average Stone Size (Cts/stn)	Number of stones >1ct	Largest stone pre-acid
KBS/045/01	1,077	0	0.00	0.00			0.00
KBS/045/02	1,494	0	0.00	0.00			0.00
KBS/045/03	510	0	0.00	0.00			0.00
KBS/045	3,081	0	0.00	0.00			
KBS/204/01	1,406	19	5.24	0.37	0.28	1	1.75
KBS/204/02	1,610	2	0.12	0.01	0.06		0.09
KBS/204/03	1,702	6	4.19	0.25	0.70	2	1.67
KBS/204	4,718	27	9.55	0.20	0.35	3	

Reporting of Exploration Results

<ul style="list-style-type: none"> Complete set of sieve data using a standard progression of sieve sizes per facies. Bulk sampling results, global sample grade per facies. Spatial structure analysis and grade distribution. Stone size and number distribution. Sample head feed and tailings particle granulometry. Sample density determination. Per cent concentrate and undersize per sample. Sample grade with change in bottom cut-off screen size. Adjustments made to size distribution for sample plant performance and performance on a commercial scale. If appropriate or employed, geostatistical techniques applied to model stone size, distribution or frequency from size distribution of exploration diamond samples. 	<ul style="list-style-type: none"> Sample results are reported in the table above. The sample grade is reported on all diamonds recovered with a nominal bottom cut-off screen size on the plant of 1.5mm. No modelling or grade adjustments have been made to the grade calculations. No geostatistical techniques have been applied at this stage of sampling.
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Grade estimation for reporting Mineral Resources and Ore Reserves

Value estimation

Security and integrity

<ul style="list-style-type: none"> The weight of diamonds may only be omitted from the report when the diamonds are considered too small to be of commercial significance. This lower cut-off size should be stated. 	
<ul style="list-style-type: none"> Description of the sample type and the spatial arrangement of drilling or sampling designed for grade estimation. The sample crush size and its relationship to that achievable in a commercial treatment plant. Total number of diamonds greater than the specified and reported lower cut-off sieve size. Total weight of diamonds greater than the specified and reported lower cut-off sieve size. The sample grade above the specified lower cut-off sieve size. 	<ul style="list-style-type: none"> No diamond resources are reported. No diamond reserves are reported.
<ul style="list-style-type: none"> Valuations should not be reported for samples of diamonds processed using total liberation method, which is commonly used for processing exploration samples. To the extent that such information is not deemed commercially sensitive, Public Reports should include: <ul style="list-style-type: none"> diamonds quantities by appropriate screen size per facies or depth. details of parcel valued. number of stones, carats, lower size cut-off per facies or depth. The average \$/carat and \$/tonne value at the selected bottom cut-off should be reported in US Dollars. The value per carat is of critical importance in demonstrating project value. The basis for the price (e.g. dealer buying price, dealer selling price, etc.). An assessment of diamond breakage. 	<ul style="list-style-type: none"> No diamond value estimates are reported.
<ul style="list-style-type: none"> Accredited process audit. Whether samples were sealed after excavation. Valuer location, escort, delivery, cleaning losses, reconciliation with recorded sample carats and number of stones. Core samples washed prior to treatment for micro diamonds. Audit samples treated at alternative facility. Results of tailings checks. Recovery of tracer monitors used in sampling and treatment. Geophysical (logged) density and particle density. Cross validation of sample weights, wet and dry, with hole volume and density, moisture factor. 	<ul style="list-style-type: none"> There has been no accredited process audit. Samples were continuously monitored by mine security personnel and Angolan State diamond security personnel during transport and storage. Microdiamonds were not processed. No audit samples were collected because of the nature of the samples. Tailings have not been checked for indicators. Geophysical densities were not determined. Cross validation of weights with pit volume and density is not considered necessary for the stage of exploration.



Classification

<ul style="list-style-type: none"><i>In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive grade (carats per tonne). The elements of uncertainty in these estimates should be considered, and classification developed accordingly.</i>	<ul style="list-style-type: none">No resource is classified in this report.
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