



---

## **LULO KIMBERLITE EXPLORATION UPDATE**

*- Bulk sampling to test first of the priority kimberlite pipes in the Canguige catchment for diamonds set to commence in April/May 2020*

---

Lucapa Diamond Company Limited (ASX: **LOM**) (“Lucapa” or “the Company”) and its *Project Lulo* partners Empresa Nacional de Diamantes E.P. (“Endiama”) and Rosas & Petalas are pleased to update progress on the search for the kimberlite sources of the high-value alluvial diamonds at the Lulo project in Angola.

As set out in the ASX announcements of 19 February and 21 February 2020, the Canguige catchment has become the focus of the Lulo kimberlite exploration program following the recovery of 45 diamonds of up to 3.75 carats in individual size from stream samples taken from the tributary flowing into the Cacuilu River (Figure 1).

The Canguige catchment hosts five of the 16 Lulo kimberlite pipes rated in a 2019 technical review as being the most prospective to host diamonds, and thus considered potential sources of the high population of rare Type II alluvial diamonds being mined downstream along the Cacuilu River. A delineation drilling program is underway to define the size and structure of each of these five priority pipes in preparation for bulk sampling to test for diamonds.

Further to the ASX announcements of 4 March 2020, the mobile Hanjin drilling rig has now moved to the third of those five priority kimberlites - L71 – following the completion of delineation drilling at L28 and L30 (Figure 1), where the targeted volcanoclastic kimberlite material suitable for bulk sampling was intersected (Figure 2).

Significantly, L71 is located just ~3km from the main road which runs through the 3,000km<sup>2</sup> Lulo concession. The close proximity of L71 to the main road should enable a bulk sample to be excavated from this kimberlite pipe once the delineation drilling identifies the targeted near-surface volcanoclastic kimberlite material.

The *Project Lulo* partners believe the L71 kimberlite bulk sample can be processed through the Lulo plant in April/May 2020 to test for diamonds. Bulk sampling of the other four priority pipes will follow.

In light of the highly-encouraging stream sampling diamond recoveries, the *Project Lulo* geological team is also reviewing other confirmed kimberlites in the Canguige catchment to determine whether any should be added to the delineation drilling/ bulk sampling program.

Two other priority anomalies in the Canguige catchment highlighted in the 2019 technical review are also being drilled in the current program to confirm if they are kimberlites.

Lucapa will provide further updates on the search for the Lulo diamond sources as they come to hand.

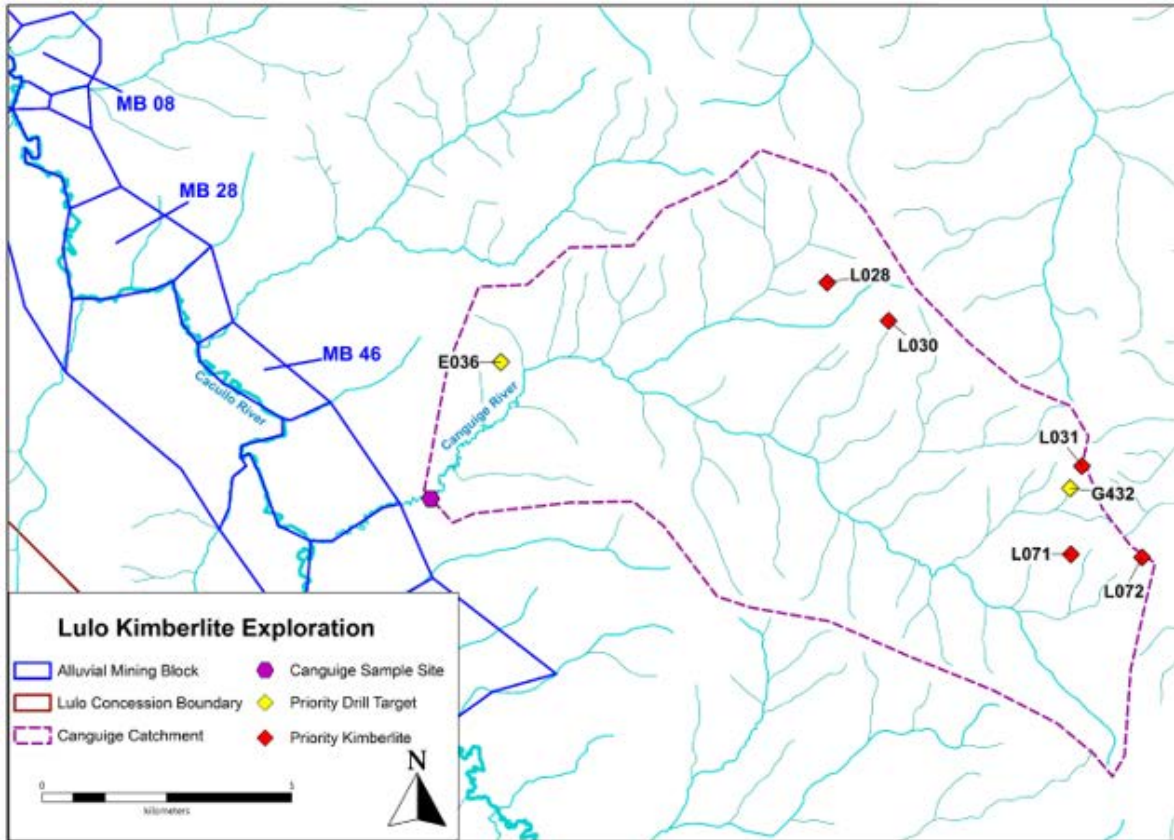


Figure 1: Location of the Canguige tributary sampling site, proximity to Mining Block 46 and kimberlites within the Canguige catchment, including five of the 16 pipes rated most prospective by a technical review to host diamonds and two priority drilling targets



Figure 2: Fresh volcaniclastic kimberlite material (at 32.5m depth) in drill core from L30. Note: kimberlite material was intersected 7m from surface in this hole

Authorised by the Lucapa Board.

**STEPHEN WETHERALL**  
**MANAGING DIRECTOR**

## **ABOUT LUCAPA**

Lucapa is a growing diamond company with high-value mines in Angola (Lulo) and Lesotho (Mothae).

The Lulo alluvial mine and Mothae kimberlite mine both produce large and high-value diamonds, with >75% of revenues generated from the recovery of +4.8 carat stones.

Lulo has produced 14 +100 carat diamonds to date and is one of the highest average US\$ per carat alluvial diamond producers in the world. Lucapa and its *Project Lulo* partners have also received highly-encouraging results from their search to discover the primary hard-rock source of the high-value Lulo alluvial diamonds.

The new 1.1 Mtpa Mothae kimberlite mine in diamond-rich Lesotho commenced commercial mining operations in January 2019. It produced > 30,000 carats in its first year of production, including 10 +50 carat diamonds.

Lucapa's Board and management team have decades of diamond industry experience across the globe with companies including De Beers and Gem Diamonds.

### **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 announcement contains references to prior exploration results 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 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.

This announcement is for information purposes only. Neither this document nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction.

This announcement may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply in their own jurisdiction. A failure to do so may result in a violation of securities laws in such jurisdiction.

This document does not constitute investment advice and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs and the opinions and recommendations in this representation are not intended to represent recommendations of particular investments to particular persons.

Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments.

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.

**Appendix 1**  
**Reporting of kimberlite exploration results for the Lulo Project**  
**- JORC Code (2012) requirements -**  
**Sampling Techniques and Data**

Criteria	JORC Code Explanation	Lucapa Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>• <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></li> <li>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Drilling was undertaken using a Hanjin wireline coring rig owned and operated by the company.</li> <li>• The Hanjin rig drills HQ diameter core.</li> <li>• No sampling of the core has been undertaken to date.</li> <li>• The core was recovered for lithological logging only.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• The drilling consisted of HQ diameter diamond core drilling.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>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></li> </ul>	<ul style="list-style-type: none"> <li>• Core is recovered from the core barrel and stored in core boxes, before being transported by light vehicle to the core shed, where it is visually logged.</li> <li>• Core recovery is generally high.</li> <li>• No sampling of the core has been undertaken.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>• <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></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The core was photographed and preliminary logged at the drill site.</li> <li>• Due to the preliminary nature of the logging, and the highly weathered nature of the kimberlite close to surface, the kimberlite intersection start depths have not yet been recorded.</li> <li>• The core will be visually and semi-quantitatively logged at the operation's core shed.</li> <li>• The complete core is logged.</li> </ul>



Criteria	JORC Code Explanation	Lucapa Commentary
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <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></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No sub-sampling has been undertaken.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <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></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• No laboratory tests have been undertaken.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No sampling has been undertaken.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>• <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></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drill sites are initially located using a handheld GPS with a nominal accuracy of approximately 5m. The final location was measured using a Trimble Real-Time differential GPS system.</li> <li>• The grid system is WGS84 Zone 34L.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <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></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drill spacing is variable and dependent on the size of the target being investigated.</li> <li>• The drilling has been planned to give a preliminary indication of size and geometry of the kimberlite pipe. The logging is intended to indicate the presence and location of suitable kimberlite material for bulk sampling</li> </ul>
<b>Orientation of data in</b>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and</i></li> </ul>	<ul style="list-style-type: none"> <li>• No sampling has been undertaken.</li> </ul>

Criteria	JORC Code Explanation	Lucapa Commentary
<b>relation to geological structure</b>	<p><i>the extent to which this is known, considering the deposit type.</i></p> <ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The core holes have been orientated to intersect perpendicularly to the pipe boundaries.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Security of the drilling and core storage area, processing and diamond recovery is monitored by company and Angolan State Diamond Security personnel.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No sampling was undertaken.</li> </ul>

### Reporting of Exploration Results

Criteria	JORC Code Explanation	Lucapa Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The 1994 legislation covering the Angolan diamond industry stipulates that only Endiama (Empresa Nacional de Diamantes de Angola, the State Diamond Company) or joint ventures with Endiama, can hold diamond mining rights awarded by the Council of Ministers.</li> <li>Under the terms of the Lulo Joint Venture Association Agreements, separate titles are granted for alluvial and kimberlite mining. The exploration for both alluvials and kimberlites on the Lulo Concession is a requirement under the Act.</li> <li>The Angolan Government Gazette, dated 24 December 2007, authorized the formation of a Joint Venture for the purpose of prospecting, evaluation and mining of secondary (alluvial) diamond deposits. These rights were granted for a maximum period of five years. Should the Joint Venture wish to extend the agreement beyond five years, then 50% of the Concession would be relinquished. The equity distribution is: Endiama 32%, Lucapa Diamond Company Ltd 40%, Rosas e Petalas S.A. 28%.</li> <li>In May 2014, the authorization for the kimberlite exploration and mining was gazetted and equity distribution in this is Endiama 51%, Lucapa Diamond Company Ltd 39%*, Rosas e Petalas S.A. 19% (*This interest will be reduced to 30% after recoupment of the investment).</li> <li>A new kimberlite licence was awarded by the Angolan Ministry of Mines on 15<sup>th</sup> November 2016; subject to negotiation of a mining investment contract.</li> <li>The 10-year alluvial mining licence was signed end July 2015 creating "Sociedade</li> </ul>

Criteria	JORC Code Explanation	Lucapa Commentary
		Mineira Do Lulo, LDA.”, an Angolan incorporated company with which Lucapa Diamond Company Ltd has a 40% beneficial interest. This entity was incorporated in Angola in May 2016.
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Limited exploration has been undertaken by state-controlled entities and joint ventures Diamang and Condiama.</li> <li>Parts of the area have been exploited by artisanal miners - no records of this work are available.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>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 Proterozoic sediments within the Lucapa Graben. The kimberlite field is believed to be the source of the alluvial diamonds.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level - elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth hole length.</li> <li>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.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Drill hole collar information of the new drill holes reported is tabulated at Table 2.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>No weighting, averaging, grade truncations or cut-off grades have been used.</li> <li>No short or long length aggregation applicable.</li> <li>No metal equivalent values are used.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>The deposits may be regarded as massive deposits so drill hole orientation is not relevant.</li> <li>All the angled holes drilled were collared within the pipe and oriented towards the pipe contacts. The remaining holes were</li> </ul>



Criteria	JORC Code Explanation	Lucapa Commentary
	<ul style="list-style-type: none"> <li>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').</li> </ul>	vertical holes collared within the pipe.
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>No maps are included here as logging and interpretation are incomplete.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Results reported are preliminary in nature.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Drilling of selected priority kimberlites is continuing in the project area.</li> <li>The recently announced bulk sample result from the Canguige tributary is relevant, as L028 and L030 are located within the Canguige tributary.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Drilling will continue on the priority kimberlites, with an objective to carry out kimberlite bulk samples based on the results of the drilling.</li> </ul>

**Section 3 (Resources) does NOT apply to this announcement**

**Section 4 (Reserves) does NOT apply to this announcement**

**Estimation and Reporting of Diamonds and Other Gemstones**

Criteria	JORC Code Explanation	Lucapa Commentary
<b>Indicator minerals</b>	<ul style="list-style-type: none"> <li>Reports of indicator minerals, such as chemically/physically distinctive garnet, ilmenite, chrome spinel and chrome diopside, should be prepared by a suitably qualified laboratory.</li> </ul>	<ul style="list-style-type: none"> <li>No kimberlitic indicator sampling has been undertaken.</li> <li>The core was recovered for lithological logging only.</li> </ul>
<b>Source of diamonds</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>No diamonds have been recovered.</li> </ul>

Criteria	JORC Code Explanation	Lucapa Commentary
<b>Sample collection</b>	<ul style="list-style-type: none"> <li>• 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).</li> <li>• Sample size, distribution and representivity.</li> </ul>	<ul style="list-style-type: none"> <li>• No Samples have been collected.</li> </ul>
<b>Sample treatment</b>	<ul style="list-style-type: none"> <li>• Type of facility, treatment rate, and accreditation.</li> <li>• Sample size reduction. Bottom screen size, top screen size and re-crush.</li> <li>• Processes (dense media separation, grease, X-ray, hand-sorting, etc.).</li> <li>• Process efficiency, tailings auditing and granulometry.</li> <li>• Laboratory used type of process for micro diamonds and accreditation.</li> </ul>	<ul style="list-style-type: none"> <li>• No Samples were treated.</li> </ul>
<b>Carat</b>	<ul style="list-style-type: none"> <li>• One fifth (0.2) of a gram (often defined as a metric carat or MC).</li> </ul>	<ul style="list-style-type: none"> <li>• Reported as carats.</li> </ul>
<b>Sample grade</b>	<ul style="list-style-type: none"> <li>• Sample grade in this section of Table 1 is used in the context of carats per units of mass, area or volume.</li> <li>• 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.</li> <li>• 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).</li> </ul>	<ul style="list-style-type: none"> <li>• No sample grades are reported.</li> </ul>
<b>Reporting of Exploration Results</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Sample density determination.</li> <li>• Per cent concentrate and undersize per sample.</li> <li>• Sample grade with change in bottom cut-off screen size.</li> <li>• Adjustments made to size distribution for sample plant performance and performance on a commercial scale.</li> <li>• If appropriate or employed, geostatistical techniques applied to model stone size, distribution or frequency from size distribution of exploration diamond samples.</li> <li>• The weight of diamonds may only be omitted from the report when the diamonds</li> </ul>	<ul style="list-style-type: none"> <li>• No diamonds were recovered.</li> </ul>

Criteria	JORC Code Explanation	Lucapa Commentary
	<p><i>are considered too small to be of commercial significance. This lower cut-off size should be stated.</i></p>	
<p><b>Grade estimation for reporting Mineral Resources and Ore Reserves</b></p>	<ul style="list-style-type: none"> <li>• <i>Description of the sample type and the spatial arrangement of drilling or sampling designed for grade estimation.</i></li> <li>• <i>The sample crush size and its relationship to that achievable in a commercial treatment plant.</i></li> <li>• <i>Total number of diamonds greater than the specified and reported lower cut-off sieve size.</i></li> <li>• <i>Total weight of diamonds greater than the specified and reported lower cut-off sieve size.</i></li> <li>• <i>The sample grade above the specified lower cut-off sieve size.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No diamond resources are reported.</li> <li>• No diamond reserves are reported.</li> </ul>
<p><b>Value estimation</b></p>	<ul style="list-style-type: none"> <li>• <i>Valuations should not be reported for samples of diamonds processed using total liberation method, which is commonly used for processing exploration samples.</i></li> <li>• <i>To the extent that such information is not deemed commercially sensitive, Public Reports should include:</i> <ul style="list-style-type: none"> <li>○ <i>diamonds quantities by appropriate screen size per facies or depth.</i></li> <li>○ <i>details of parcel valued.</i></li> <li>○ <i>number of stones, carats, lower size cut-off per facies or depth.</i></li> </ul> </li> <li>• <i>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.</i></li> <li>• <i>The basis for the price (e.g. dealer buying price, dealer selling price, etc.).</i></li> <li>• <i>An assessment of diamond breakage.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No diamond value estimates are reported.</li> </ul>
<p><b>Security and integrity</b></p>	<ul style="list-style-type: none"> <li>• <i>Accredited process audit.</i></li> <li>• <i>Whether samples were sealed after excavation.</i></li> <li>• <i>Valuer location, escort, delivery, cleaning losses, reconciliation with recorded sample carats and number of stones.</i></li> <li>• <i>Core samples washed prior to treatment for micro diamonds.</i></li> <li>• <i>Audit samples treated at alternative facility.</i></li> <li>• <i>Results of tailings checks.</i></li> <li>• <i>Recovery of tracer monitors used in sampling and treatment.</i></li> <li>• <i>Geophysical (logged) density and particle density.</i></li> <li>• <i>Cross validation of sample weights, wet and dry, with hole volume and density, moisture factor.</i></li> </ul>	<ul style="list-style-type: none"> <li>• There has been no accredited process audit.</li> <li>• No samples were treated.</li> </ul>

Criteria	JORC Code Explanation	Lucapa Commentary
<b>Classification</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>No resource is classified in this report.</li> </ul>

**Table 2: Kimberlite Drilling Project - Drill Collar and Sample Details**

Hole_ID	Drilling Type	Easting	Northing	Azi	Dip	Max depth	Kimberlite Intersected	Intersection Depth To
HJ/028/02	Core	280,414	8,935,830	45	-60	102.84	Yes	81.9
HJ/028/03	Core	280,343	8,935,639	225	-60	102.84	Yes	33.18
HJ/028/04	Core	280,205	8,935,741	270	-60	102.84	Yes	27.15
HJ/028/05	Core	280,109	8,935,527	0	-90	102.84	Yes	EOH
HJ/030/02	Core	281,510	8,935,006	0	-90	102.84	Yes	EOH
HJ/030/03	Core	281,539	8,935,003	0	-60	102.84	Yes	102.03
HJ/030/04	Core	281,509	8,935,030	0	-60	90.84	Yes	58.64
HJ/030/05	Core	281,474	8,935,005	270	-60	90.84	Yes	49.03
HJ/030/07	Core	281,514	8,934,979	180	-60	102.84	Yes	32.3