



L U C A P A D I A M O N D C O M P A N Y

[ASX: LOM]

A two-pronged strategy for diamond riches

- *Positive cash flows from alluvial diamond mining*
- *Significant potential from kimberlite exploration*



Stephen Wetherall, Chief Executive Officer
RIU Sydney Resources Roundup Conference, May 2015

- Mining and exploring the Lulo Diamond Concession in Angola

Growing, long-term cash flows from alluvial mining

- Alluvial diamond mining operations commenced in January 2015
- Initial mining targets exceeded: on track to generate positive cash flows by end of Q2 15
- Mining of higher grade diamond areas commenced in May 2015
- More than A\$6.8M generated from first three sales alone - proven ability to consistently produce exceptional, high-value diamonds

Exploring for the ultimate return

- Two extensive kimberlite provinces identified including four known diamond-bearing pipes
- 24 month kimberlite exploration program launched in Q2 15 to find the primary sources of the exceptional alluvial diamonds

“We continue to regard Lucapa as the most exciting, quality diamond project we have observed in the last 30 years based not on hype, but actual recovery and production” – Far East Capital, 17 April 2015



Stock Exchange Listing:

Australian Securities Exchange (ASX: LOM)

Shares on Issue:

205.8 million (ASX:LOM)

Listed Options Expiring 29 August 2015:

136 million @ 30c (ASX:LOMO)

Market Cap:

A\$41 million @ 20c

Website: www.lucapa.com.au

Miles KENNEDY

Non-Executive Chairman

Founder and former Chairman of WA diamond miner Kimberley Diamond Co

Stephen WETHERALL

Chief Executive Officer/ Managing Director

14 years diamond industry experience. Extensive experience with De Beers and former Head of New Business and Group Sales and Marketing Executive at Gem Diamonds

Nick SELBY

Chief Operating Officer

36 years diamond industry experience with De Beers, ITM, Southern Era, Gem Diamonds and Kimberley Diamonds

Gordon GILCHRIST

Non-Executive Director

Former head of Rio Tinto's global diamond operations and MD of Argyle Diamonds

Albert THAMM

Non-Executive Director

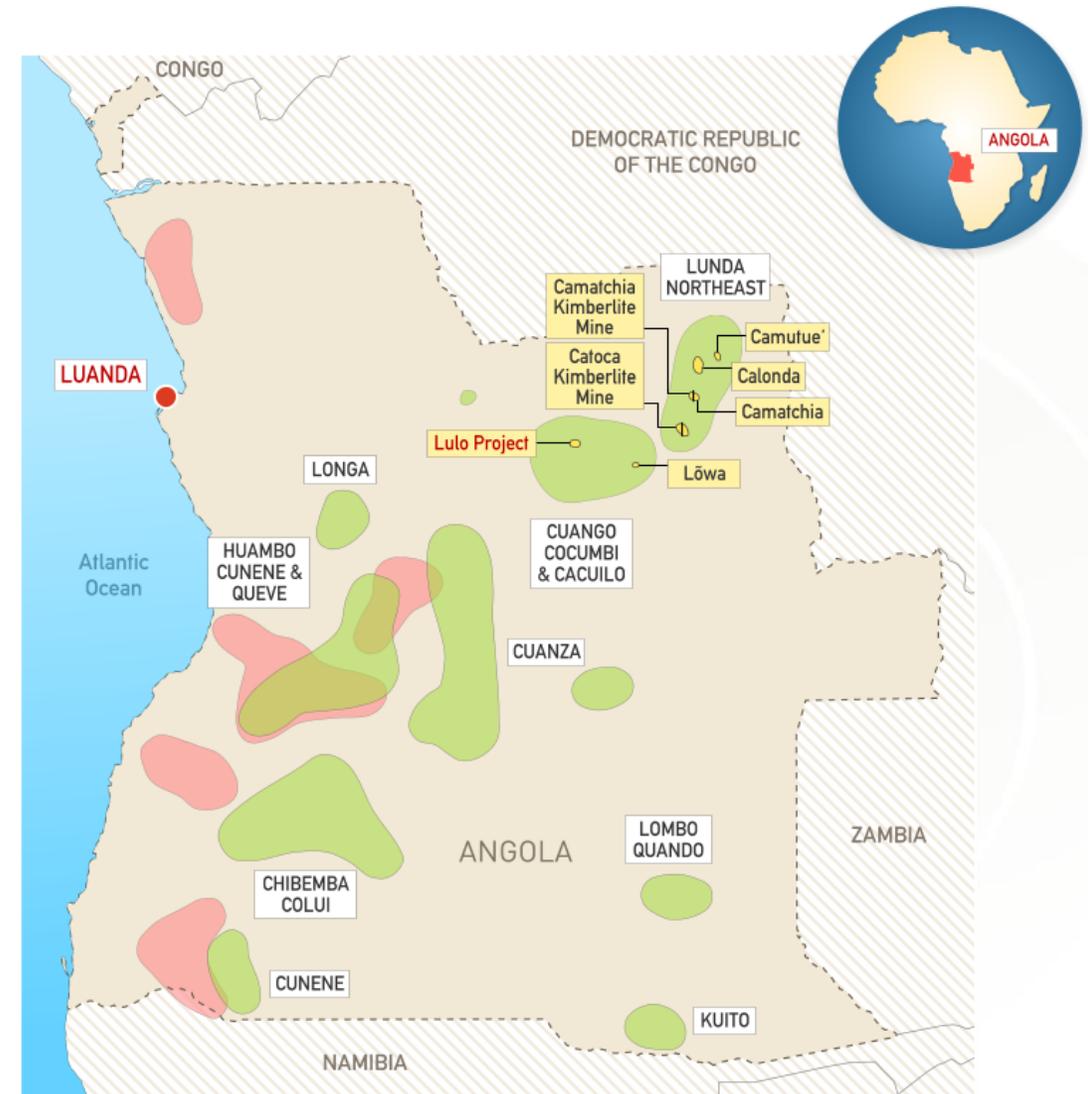
29 years global industry experience. Former Chief Geologist at the Ellendale diamond mine



Angola's World-Class Diamond Potential

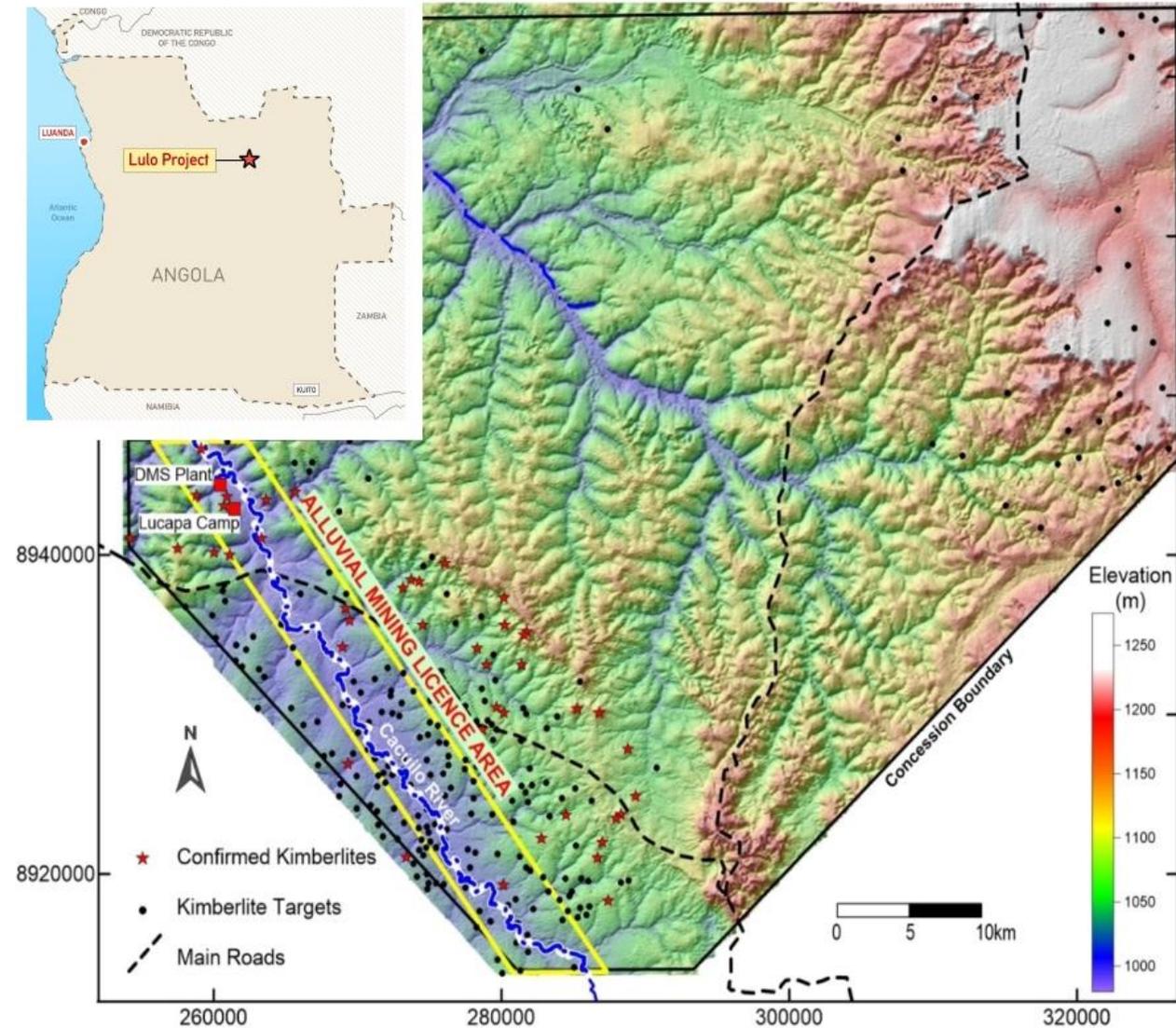
- World's 4th largest diamond producer by value – forecast annual production of 10 million carats
- Home to Catoca, world's 4th largest diamond mine
- Africa's best exploration address – 13% of global diamond exploration expenditure
- Diamond potential recognised by the world's biggest diamond miners, De Beers and Alrosa
- Stable Government actively fostering investment – New Mining Code
- Angola elected to chair the Kimberley Process Certification Scheme for 2015

Located in the heart of one of the world's richest diamond provinces



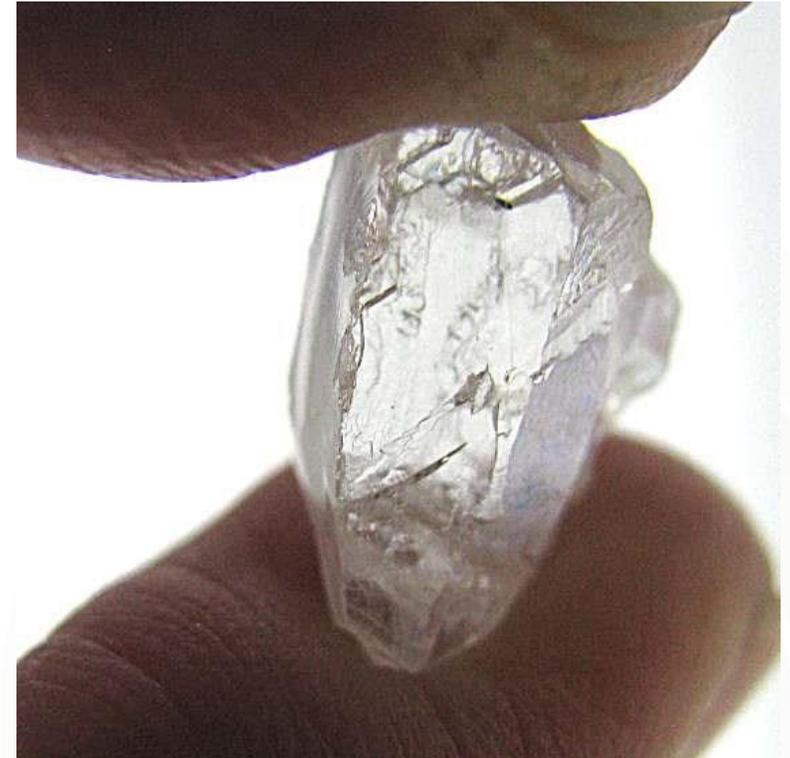
The Lulo Concession – A 3,000km² Diamond Opportunity

- 3,000km² concession in Angola's diamond-rich Lunda Norte province
- Established logistics – access via sealed roads
- Workforce sourced from local areas/ towns
- Joint Venture with the Angolan Government's Endiama and local partner Rosas & Petalas
- 35-year alluvial mining licence secured
- Lucapa is sole operator with a 40% share of alluvials and 39% of kimberlites
- Scope for Lucapa to increase share of both alluvials and kimberlites via pre-emptive rights & recently announced Endiama initiatives



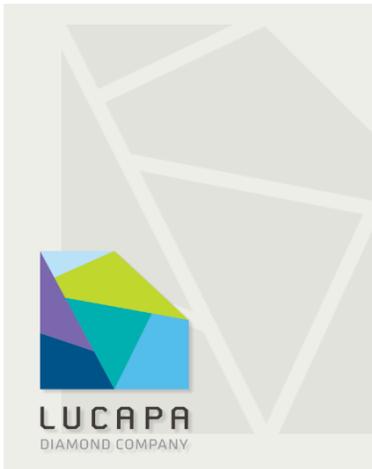
What Makes Lulo Diamonds So Valuable?

- Large population of large special (> 10.8 carat) diamonds – 30 special stones averaging 27.8 carats per stone recovered to end of April 2015
- Fancy colour diamonds (pinks and yellows)
- Significant proportion of high-end Type IIa gems
- Large average stone size of ~1 carat per stone



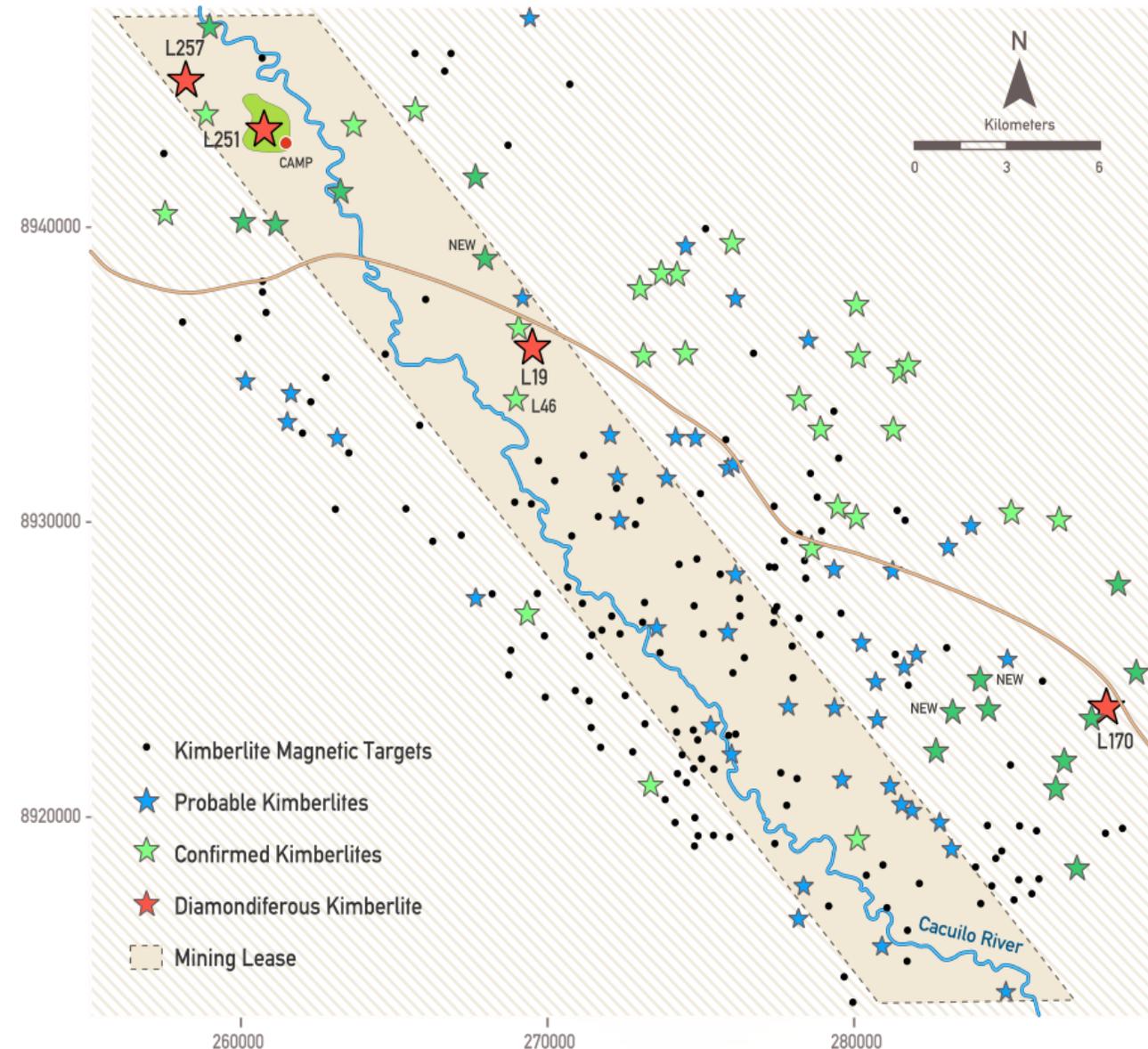
Exceptional Diamonds = Premium Revenues and Economics

- Three parcels of diamonds weighing 2,317 carats sold to date for A\$6.8M
- Exceptional average diamond price of ~A\$3,000/carats v US\$120/carats world average
- High diamond prices of >US\$20,000/carats achieved for D-colour whites
- Sale of fourth parcel of diamonds (> 1,500 carats) scheduled for May 2015. Includes 63.05 carat D-colour Type IIa and other specials
- Exceptional diamond values enhance the upside for potential kimberlite discoveries



Cash Flow Today – Alluvial Mining Operations

- Alluvial diamond mining commenced January 2015
- Treatment through 150tph DMS diamond plant
- Positive Q1 15 production with mining and processing targets exceeded. Diamond grades consistent with bulk sampling results including more large special stones
- **Mining operations on track to be cash flow positive by end of Q2 15**
- Initial Q2 15 recoveries include exceptional 63.05 carat and 20.20 carat D-colour Type IIa diamonds
- Mining of first of the higher grade diamond areas, BLK_08, has commenced. The largest and most valuable diamond recovered at Lulo (131.4 carats) was recovered from bulk sampling at BLK_08
- Targeted average Q2 15 diamond grade = 15 cphm³

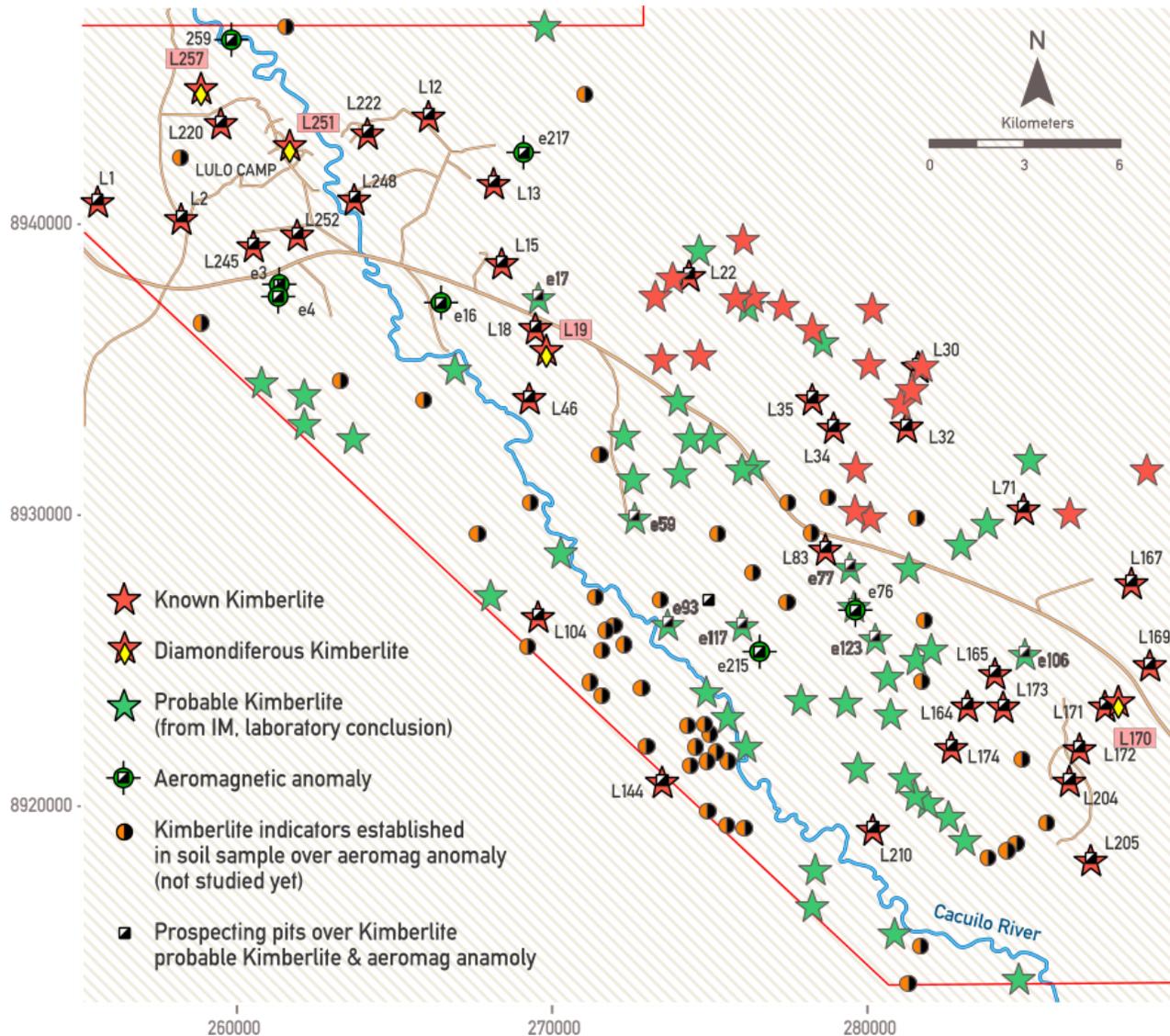


Growing Cash Flows – Alluvial Mining Scaling Up

- Alluvial diamond mining being progressively scaled up to 10,000bcm/month in June 2015
- Additional mining fleet being sourced to scale up to 40,000bcm/month in June 2016, which will include in-field screening of gravels
- Financing options advanced to secure mining fleet to accelerate scaling up. Technical due diligence successfully completed for US\$15 million bridging facility
- More regular diamond sales = stronger and sustainable cash flow generation



Tomorrow's Upside Value - The Lulo Kimberlite Equation



296 – The number of kimberlite targets discovered so far

96 – The number of kimberlite targets already classified as confirmed or probable kimberlites

4 – The number of kimberlites already proven to be diamond-bearing pipes



Four Diamond-Bearing Pipes Already Identified

- Many Lulo kimberlites have little or no overburden = more cost-effective to explore and develop
- This has enabled Lucapa to excavate surface bulk samples from priority kimberlite targets
- 14 diamonds up to 1.6 carats already recovered from three separate kimberlites – L251, L257 and L19. One micro diamond recovered from L170
- Kimberlite diamonds include rare Type IIa gems
- Positive micro-probing analysis on other targets has produced significant key indicators – G10D, G3D and G4D garnets



THE RIGHT LOCATION

- Lulo lies within the ideal tectonic and stratigraphic setting and on the same geological belt hosting most of Angola's producing kimberlite mines, including the neighbouring Catoca, the world's fourth largest diamond mine

THE RIGHT NUMBERS

- Two kimberlite provinces hosting 296 kimberlite targets and extensive alluvial diamond field already identified at Lulo

THE RIGHT CHEMISTRY

- Lulo kimberlite targets have positive mineral chemistry - including G3D, G4D and G10D garnets

THE RIGHT DIAMONDS

- Diamonds recovered include large high-quality gems occurring with smaller stones of lower quality. This indicates proximity to the source of the larger diamonds and possible multiple sources

THE RIGHT CHARACTERISTICS AND INDICATORS

- The Lulo diamonds (specifically the large diamonds) are irregular shaped and have jagged edges, indicating they have not travelled far from the source. Surface texture studies of all Lulo diamonds show very little signs of abrasion, which also points to a proximal source. In addition, certain size frequency distribution curve graphs of alluvial diamonds recovered are more akin to kimberlite curves i.e. flatter and poorly sorted

- Diamond mining: Scaling up and shifting to areas which produced the biggest and most valuable diamonds during bulk sampling – large specials including 131.4 carats, 95.4 carats, 53.2 carats, 38.4 carats, 32.2 carats, 24.4 carats
- Continued revenue generation: Fourth parcel of Lulo diamonds to be sold in May including exceptional 63.05 carat gem
- Positive cash flow: Mining operations on target to be cash flow positive by end of Q2 15
- Kimberlite exploration: Ongoing testing of known diamond-bearing pipes and priority targets (including L46) and first exploration in the eastern kimberlite province
- Funding: Scheduled completion of debt facility conditions



- Best diamond address with security of tenure
- Exceptional quality, high-value diamonds
- Alluvial mining operations ramping up and hitting targets
- Positive cash flow imminent
- Funding solutions to accelerate production ramp-up
- Outstanding exploration address with 296 kimberlites
- Further evaluating four known diamondiferous pipes
- Transformational discovery just “one Catoca” away

A growing world-class diamond company

“We have enormous diamond potential. Ninety per cent of kimberlite diamonds [sources] remain to be discovered and I think that this alone should be a factor that will make any investor wish to come to Angola.” – Endiama CEO Dr Antonio Carlos Sambula



Forward-Looking Statements

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Competent Person's Statement

Information in this Presentation that relates to exploration targets, exploration results, mineral resources or ore reserves is based on and fairly represents information and supporting documentation prepared and compiled by Mr Albert Thamm who is a Corporate Member of the Australasian Institute of Mining and Metallurgy. Mr Thamm is a Director of Lucapa Diamond Company Limited. Mr Thamm 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 Thamm consents to the inclusion in this Presentation of the matters based on this information in the form and context in which it appears. The geophysical information included in this Presentation relates to previously released exploration data disclosed under the JORC Code 2004 (refer ASX announcements dated 1 May 2013 and 22 May 2013). It has not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported and is based on and fairly represents information and supporting documentation prepared and compiled by Albert Thamm MSc F.Aus.IMM (CP), who is a Corporate Member of the Australasian Institute of Mining and Metallurgy.

A Clear Focus on Alluvial & Kimberlite Diamonds



LUCAPA DIAMOND COMPANY

(ASX: LOM)



LUCAPA
DIAMOND COMPANY

CONTACT DETAILS:

34 Bagot Road Subiaco
Western Australia 6008
PO Box 298 West Perth
Western Australia 6872

Tel:
Fax:
Email:
Web:

+61 8 9489 9200
+61 8 9489 9201
general@lucapa.com.au
www.lucapa.com.au

www.lucapa.com.au