



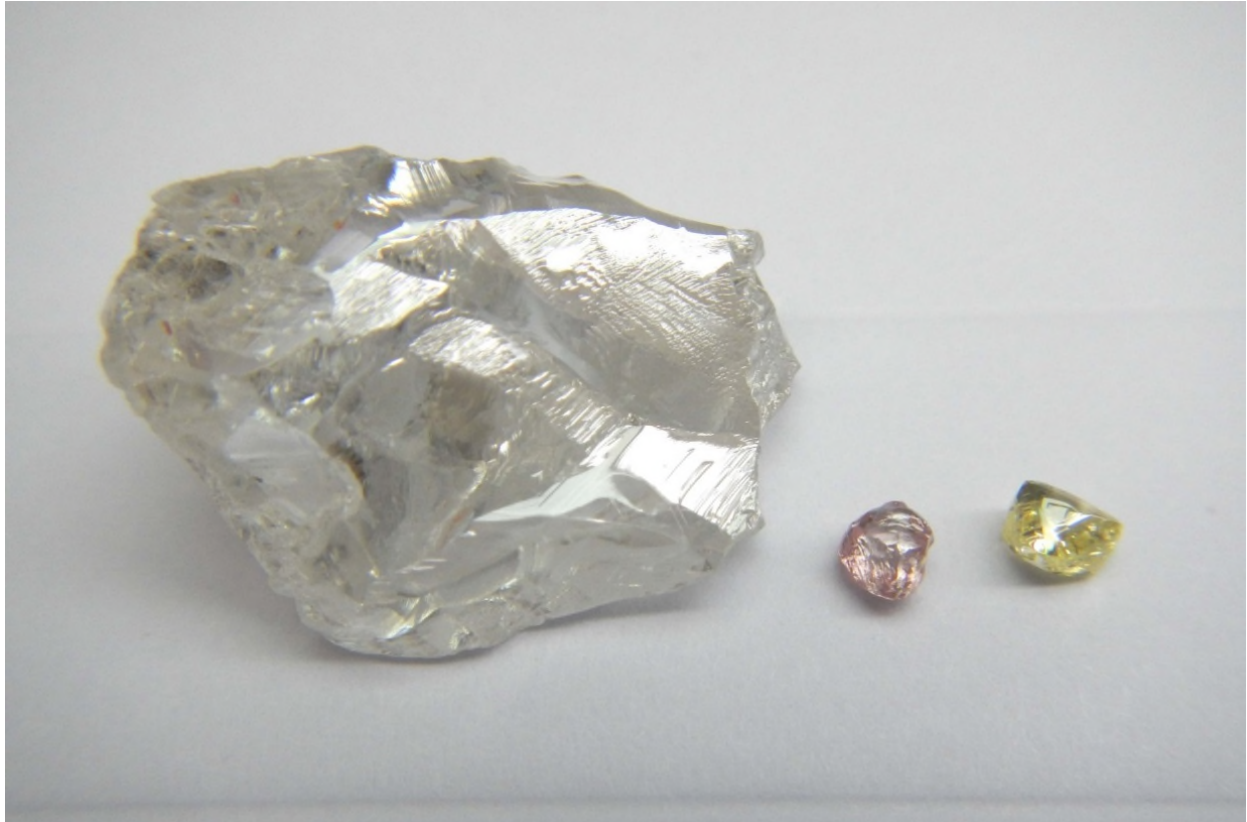
LULO DIAMOND MINING COMPANY INCORPORATED

- *Key approvals also secured for three-year kimberlite licence application and kimberlite drilling program*

Lucapa Diamond Company Limited (ASX: **LOM**) (“Lucapa” or “the Company”), Endiama E.P (“Endiama”), Angola’s national diamond company and private partner Rosas & Petalas (“Rosas”) are pleased to announce the execution of documents to incorporate Sociedade Mineira do Lulo, Limitada (“SML”), the new alluvial mining company for the Lulo Diamond Project in Angola.

Lucapa is a 40% shareholder in SML and operator of the Lulo alluvial diamond mining operations. Endiama holds a 32% interest and Rosas 28%. SML will now hold the Lulo alluvial diamond mining licence, which was gazetted in July 2015.

Following the formal execution of the SML incorporation documents, Lucapa has immediately committed to a US\$7 million capital development and upgrade program at Lulo, which includes new Caterpillar earth moving equipment, vehicles for both the alluvial diamond mining and kimberlite exploration programs and camp upgrades.



Recent diamond recoveries from Lulo: 31 carat Type IIa D-colour and fancy pink and yellow diamond

Kimberlite Drilling Update

Lucapa is also pleased to announce the application for expatriate work permits for several senior operational roles at Lulo, including specialist drillers for the upcoming kimberlite drilling program, has received preliminary approval.

As a result, Lucapa expects the kimberlite drilling program to commence at Lulo on the high-priority L259 kimberlite target later in the June 2016 Quarter.

While Lucapa had hoped to be in a position to commence this drilling program in April 2016 following the arrival on site of a Landcruiser-mounted drill rig, the Company is pleased that the work permits for the specialist drilling crew have now enabled planning to be advanced.

Kimberlite Exploration Licence

Lucapa and its partners have, at the last Lulo board meeting, formally signed-off on a new three-year kimberlite exploration program at Lulo, which will now be submitted this week to the Angolan Ministry of Geology and Mines.

Lucapa and its partners will continue to advance the Lulo kimberlite exploration program during the application period, as allowed, and will advise shareholders as soon as this process is completed.

For and on behalf of the Lucapa Board.

**STEPHEN WETHERALL
CHIEF EXECUTIVE OFFICER**

Forward-Looking Statements

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