LUCAPA
DIAMOND COMPANY

ASX Announcement 6 October 2015

KIMBERLITE IDENTIFIED NEXT TO WORLD-CLASS DIAMOND FIELD AT LULO

- **Lucapa has identified a confirmed kimberlite (L259) next to the prolific Mining Block 8 alluvial diamond field at Lulo**
- **L259 is shaping up as a large kimberlite structure, with kimberlite material so far discovered in pits more than 1km apart**
- **Kimberlite L259 could be a primary source of the large alluvial diamonds being mined at Mining Block 8, which include rare D-colour Type IIa gems and fancy colours**
- **Pitting and exploration programs are being accelerated at L259 ahead of bulk sampling which will determine diamond content**
- **Pitting has also been successful in significantly expanding the Mining Block 8 alluvial diamond field. The expanded boundaries of Mining Block 8 are immediately adjacent to the L259 kimberlite material**

90.32 carat D colour Type IIa diamond and fancy pink and yellows recovered from Mining Block 8 immediately adjacent to the identified kimberlite

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Lucapa Diamond Company Limited (**ASX: LOM**) ("Lucapa" or "the Company") is pleased to announce two significant outcomes from ongoing pitting and grade control programs (Appendix 1) around the prolific Mining Block 8 alluvial diamond field at the Lulo Diamond Project in Angola:

- The identification of kimberlite material next to Mining Block 8 which the Company has now upgraded to a confirmed kimberlite ("L259")

- A significant expansion of the alluvial gravels at Mining Block 8, which has been a prolific source of the large special diamonds (diamonds > 10.8 carats) and fancy colours and will remain the focus of future alluvial diamond production operations at Lulo

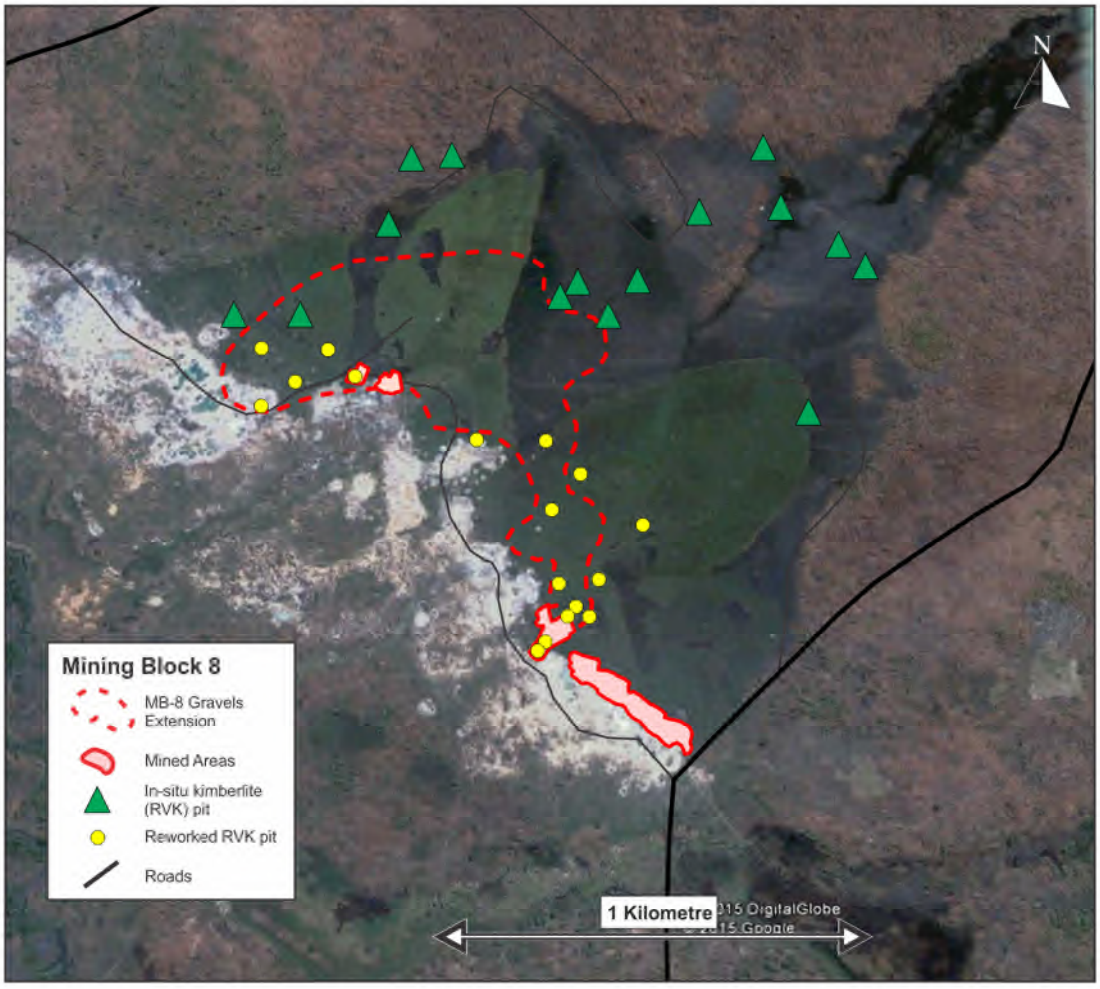

Figure 1: Map indicating significant extension of Mining Block 8 alluvial gravels and adjacent kimberlite material

Lucapa Chief Executive Stephen Wetherall said the latest kimberlite and alluvial mining developments represented major new milestones for Lucapa and its partners as the Company sought to unlock Lulo's true diamond riches.

"We now have a confirmed kimberlite adjacent to the Mining Block 8 alluvial diamond field where we are recovering both large valuable diamonds and coarse kimberlite indicator minerals," said Mr Wetherall.

"This makes L259 a compelling target as we close in on our major goal at Lulo, which is to find the primary kimberlite source or sources of the exceptional alluvial diamonds we are recovering on a daily basis. The area we have recovered kimberlite material from in our ongoing pitting program also suggests this to be a significantly sized kimberlite."

"We are also extremely excited that our alluvial grade control pitting programs have been successful in significantly expanding the extent of the Mining Block 8 alluvial diamond field, which continues to produce large diamonds of exceptional quality."

"This area will remain the priority focus of our kimberlite exploration and alluvial diamond mining operations at Lulo."

DISCOVERY OF KIMBERLITE L259

As announced to the ASX on 31 August 2015, Lucapa and its partners commenced a systematic pitting program at the E259 kimberlite target which involved the excavation of pits to confirm the existence of kimberlite material (Figure 2).

Figure 2: Excavator pitting over the kimberlite target area

E259 was identified as a priority kimberlite target because of its close proximity to Mining Block 8, where Lucapa continues to recover large special diamonds and abundant coarse kimberlite indicator minerals from its ongoing alluvial diamond mining operations (See ASX announcement 28 September 2015).

As foreshadowed in the ASX update of 25 September 2015, the first aim of this program was to confirm the presence of kimberlite material and thus upgrade the kimberlite target to a confirmed kimberlite.

Figure 3: *In-situ* RVK material recovered from pits adjacent to the expanded Mining Block 8

A total of 83 prospecting pits were excavated (Appendix 1) within an area of approximately 1 km^2 to test for (i) subcropping geology to locate the existence of any non-magnetic kimberlite in the immediate vicinity and (ii) to extend the boundaries of the known gravels in alluvial Mining Block 8 area (See Extension of Mining Block 8 section).

This preliminary pitting program was successful in identifying a confirmed kimberlite (L259) after *in-situ* red-brown sandy re-sedimented volcaniclastic kimberlite ("RVK") (Figure 3) was intersected in 15 northerly prospecting pits (Figure 1 – green triangles). Significantly, this RVK material has so far been identified in pits more than 1km apart.

Kimberlite L259 is located approximately 500m north-east of the area where mining first commenced in the Mining Block 8 area (Figure 1) and is immediately adjacent to the extended Mining Block 8 alluvial diamond field (See Extension of Mining Block 8 section).

In addition, re-worked crater like sediment or transported RVK (or SRVK) material (Figure 4) was intersected in 17 southerly gravel pits (Figure 1 – yellow circles) between Mining Block 8 and kimberlite L259, indicating a proximal kimberlite.

Figure 4: Re-worked crater-like sediment – finely-bedded lacustrine sediment

NEXT STEPS AT KIMBERLITE L259

Having achieved the initial goal at L259, Lucapa and its partners will accelerate the pitting program to better define the locality, size and structure of the kimberlite and to determine the types of kimberlite present.

In particular, this ongoing pitting program will aim to locate the outer rim of the L259 kimberlite structure to determine if and where surface bulk samples can be excavated for processing through the 150 tonne per annum diamond plant. A ground-based electromagnetic or gravity survey will also assist in defining the outer limits of L259 for bulk sampling.

Lucapa is also seeking to access a mobile drill rig which will allow the Company's exploration geologists to conduct early stage delineation drilling.

Lucapa also plans to prioritise test work on two other proximal kimberlites – L15 and L13 – which are also considered high-priority kimberlites. As announced to the ASX on 31 August 2015, the L15 and L13 kimberlites are both located on, or close to, natural river drainages feeding into the Cachuma River tributary that run past Mining Block 8.

EXTENSION OF MINING BLOCK 8

As announced to the ASX on 22 September 2015, Lucapa and its partners have also been conducting grade control pitting around Mining Block 8 with the aim of expanding this alluvial diamond field by defining additional alluvial gravels.

Mining Block 8 has been a prolific source of large diamonds, with 31 specials recovered from this block alone following the commencement of mining on 10 August to the most recent ASX update on 28 September 2015.

The grade control pitting (Appendix 1) undertaken ahead of alluvial mining faces in this block has successfully extended the known boundaries of the Mining Block 8 "paleoplacer" approximately 800m northwards and then again 800m westwards of the previously-known extents (Figure 1).

Pitting has revealed a basal Pleistocene-Pliocene age gravel and mining gravels treated have confirmed that it contains large special diamonds.

Of the 31 specials recovered from Mining Block 8 since the commencement of mining on 10 August 2015, 15 specials have been recovered from this new northern extension. They are listed below:

90.32	31.40	18.71	15.00	11.30
56.52	29.94	17.95	14.16	11.17
36.61	21.16	17.06	12.99	11.11

Table 1: Special diamonds (>10.8 carats) from the northern extension of Mining Block 8
(Treatment plant cut off sizes are 1.2mm for the bottom screen and 32mm for the top screen)

This paleoplacer deposit subcrops beneath recent sand and silts and has been explored by excavator pitting on approximately 200m line spacings directed north-eastwards at individual pit spacing ranging from 50m to 200m. These pits are only for geological grade control and checking gravel occurrence ahead of mining.

These gravels contain coarse-grained ilmenite and garnets (kimberlite indicator minerals) in a pebble to cobble sized gravel, which also contains reworked coarse RVK clasts in many cases.

The fragile clasts and boulders of RVK preserved within the gravel also provide evidence that the terrace or "confluence target" is both alluvial and elluvial in origin and that the primary source of the clasts is proximal. This view is also supported by the coarse kimberlite nature of the diamonds being recovered.

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ABOUT LUCAPA DIAMOND COMPANY LIMITED

Lucapa Diamond Company Limited is a miner of world-class diamonds. Lucapa is the operator of the 3,000km^2 Lulo Diamond Concession in Angola's Lunda Norte diamond heartland. Lulo is located within 150km of Catoca, the world's fourth biggest kimberlite diamond mine, and on the same favourable geological trend (Lucapa Graben).

Lucapa and its partners commenced alluvial diamond mining operations at Lulo in January 2015. The Lulo alluvial diamonds sold to date have achieved exceptional average sale prices of A$1,668 per carat.

Lulo also hosts 296 kimberlite targets in two separate provinces, of which 96 have already been classified as proven and probable kimberlites and four confirmed as diamond-bearing pipes.

Lucapa's board and management team has extensive diamond mining experience with companies including De Beers, Rio Tinto and Gem Diamonds. Lucapa operates Lulo in partnership with Endiama, the Angolan Government's diamond concessionary, and private group Rosas & Petalas.

Lucapa is dual listed on the Australian Securities Exchange and the Frankfurt Stock Exchange.

ABOUT ANGOLA

Angola is the world's fourth biggest producer of diamonds by value with forecast annual production of 10 million carats in 2014.

Angola introduced a new Mining Code in 2012 and is actively seeking foreign investment in its diamond industry.

Angola's potential for new diamond discoveries has been recognised by the world's two biggest diamond mining companies, Alrosa and De Beers.

Angola was appointed to chair the Kimberley Process Certification Scheme in 2015.

Competent Person's Statement

Information included in this announcement that relates to previously released exploration data disclosed under the JORC Code 2004 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. 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 and consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

Forward-Looking Statements

This announcement has been prepared by Lucapa Diamond Company Limited. This document contains background information about Lucapa Diamond Company Limited 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.

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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, Lucapa Diamond Company Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this document or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

APPENDIX 1

Geological logs of grade control pits in MB-08 Alluvial Area and E259 Area

Pit Number	WGS84, UTM			Depth (m)	Description
	X	Y	Z		
EPT 259-01	265116	8940090	999.76	8.0	0-0.5m black soil; 0.5-1.0m white-grey clayey sand; **1.0-1.2m hard orange-brown laterite (ferricrete)**; 1.2-1.6m white-grey-yellow sand with pieces of laterite; 1.6-4.0m white-grey clay; 4.0-5.7m white-yellow sand; 5.7-7.4m white-yellow clay; 7.4-7.5m yellow gravel, ilmenites; 7.5-8.0 weathered white-pinkish sandstone (Karoo).
EPT 259-02	265098	8940067	1001.3	7.5	0-0.5m black soil; **0.5-1.0m hard orange-brown laterite (ferricrete)**; 1.0-3.0m grey clayey sand with pieces of laterite; 3.0-5.0m red-brown pinkish clay (kimberlitic clay); 5.0-6.0m black-grey clay; 6.0-6.6m yellow and black-grey gravel, a lot of ilmenites; 6.6-7.1m dark yellow sandstone (reworked CS); 7.1-7.5m weathered white-pinkish sandstone (Karoo).
EPT 259-03	265080	8940047	1000.86	6.1	0-0.4m black soil; 0.4-0.9m white-grey clayey sand; 0.9-1.2m white-grey clayey sand **mixed with hard orange-brown laterite (ferricrete)**; 1.2-3.8m grey-pinkish clay; 3.8-5.0m red-brown pinkish clay (kimberlitic clay); 5.0-6.0m yellow-white sand with ilmenites at the bottom; 6.0-6.1m dark yellow sandstone (reworked CS).
EPT 259-04	265064	8940030	1000.78	6.9	0-0.4m black soil; 0.4-1.2m white-grey clayey sand **mixed with hard orange-brown laterite (ferricrete)**; 1.2-4.0m grey-pinkish clay; 4.0-6.0m white-yellow clayey sand; **6.0-6.2m yellow gravel, abundant ilmenites**; 6.2-6.9 weathered white-pinkish sandstone (Karoo) and red shale at the bottom.
EPT 259-05	265048	8940010	1000.56	6.4	0-0.4m black soil; 0.4-1.0m grey sand; 1.0-1.6m white-grey clayey sand **mixed with hard orange-brown laterite (ferricrete)**; 1.6-3.0m grey-pinkish-red clay; 3.0-5.4m white-yellow clayey sand; **5.4-5.5m yellow gravel, abundant ilmenites;** 5.4-6.4 weathered white-pinkish sandstone (Karoo) and red shale at the bottom.
EPT 259-06	265031	8939990	1000.3	6.6	0-0.4m black soil; 0.4-1.2m grey sand; 1.2-1.5m white-grey clayey sand **mixed with hard orange-brown laterite (ferricrete)**; 1.5-1.9m grey-pinkish-red clay; 1.9-5.8m white-yellow clayey sand; **5.8-6.5m yellow gravel, abundant ilmenites and garnets, pieces of reworked RVK;** 6.5-6.6 hard red shale.
EPT 259-07	265015	8939971	1000.1	6.7	0-0.4m black soil; 0.4-0.7m white-grey clayey sand **mixed with hard orange-brown laterite (ferricrete)**; 0.7-2.3m grey-pinkish-red clay; 2.3-5.9m white-yellow clayey sand; **5.9-6.6m yellow gravel, abundant ilmenites and garnets, pieces of reworked RVK**; 6.6-6.7 hard red shale.
EPT 259-08	264998	8939953	999.5	6.6	0-0.4m black soil; 0.4-1.0m white-grey clayey sand **mixed with hard orange-brown laterite (ferricrete)**; 1.0-2.8m grey-pinkish-red clay; 2.8-3.9m white-yellow clayey sand with single pebbles at the bottom; 3.9-5.2m yellow-grey sand; 5.2-6.6 red shale.
EPT 259-09	265234	8940141	1001.7	9.5	0-0.5m black soil; 0.5-0.8m grey sand; 0.8-2.0m **hard orange-brown laterite (ferricrete)**; 2.0-3.1m grey-pinkish-red clay; 3.1-9.0m white sand with single pebbles and ilmenites at the bottom; 9.0-9.5m weathered white-pinkish sandstone (Karoo).
EPT 259-10	265147	8940126	1000.45	7.0	0-0.4m black soil; 0.4-1.5m grey sand; 1.5-4.0m grey-white clay; 4.0-6.2m white sand; 6.2-6.7m dark yellow sand with yellow-grey **reworked RVK blocks** (0.5x0.5m) and fines ilmenites, single pebbles; 6.7-7.0m weathered white-pinkish sandstone (Karoo).
EPT 259-11	265180	8940168	1001.06	6.4	0-0.3m black soil; 0.3-0.5m grey sand; 0.5-1.8m **hard orange-brown laterite (ferricrete)**; 1.8-4.0m grey-white and yellow clay; 4.0-6.0m black clay; 6.0-6.4m red shale.
EPT 259-12	265213	8940205	1001.9	7.5	0-0.5m black soil; 0.5-1.5m grey sand; 1.5-1.7m **hard orange-brown laterite (ferricrete)**; 1.7-4.5m grey-white and yellow clay; 4.5-6.5m yellow sand with limonite layer at 5.0m; 6.5-7.5m grey-violet compacted sand. Stopped pitting.
EPT 259-13	265244	8940245	1002.58	8.2	0-0.5m black soil; 0.5-1.8m grey sand with hard laterite at the bottom; 1.8-4.5m grey-white and yellow clay; 4.5-5.2m white sand; 5.2-7.3m yellow and grey violet sand with grey-yellow **reworked RVK** at the bottom; 7.3-8.2m grey-violet compacted sand. Stopped pitting.

Pit Number	WGS84, UTM			Depth (m)	Description
	X	Y	Z		
EPT 259-14	265275	8940280	1003.57	7.5	0-0.7m black soil; 0.7-1.5m grey sand; 1.5-1.9m **hard orange-brown laterite (ferricrete)**;1.9-4.5m white-pinkish-yellow clay; 4.5-7.0m white-yellow sand; 7.0-7.5m grey-violet c sand. Stopped pitting.
EPT 259-15	265307	8940320	1003.46	8.5	0-0.7m black soil; 0.7-1.5m grey sand; 1.5-5.0m white-pinkish-yellow clay; 5.0-8.0m white-yellow sand; 8.0-8.5m weathered white sandstone (Karoo).
EPT 259-16	265340	8940363	1005.38	1.5	0-0.5m black soil; 0.5-0.8m grey sand; 0.8-1.5m white-grey clay. Stopped pitting.
EPT 259-17	265618	8940187	1008.58	5.5	0-0.3m black soil; 0.3-5.0m white clayey sand; 5.0-5.5m white sand and weathered red shale.
EPT 259-18	265579	8940219	1007.49	5.5	0-0.5m black soil; 0.5-2.1m white-grey clayey sand; 2.1-5.3m white sand; 5.3-5.5m white sand and weathered red shale.
EPT 259-19	265542	8940252	1005.52	6.0	Swamp. 0-0.8m black soil; 0.8-4.0m white-grey clay; 4.0-6.0m white sand. Stopped pitting.
MB 08-01	265127	8940046	1001.36	7.5	0-6.0m white-yellow sand; 6.0-6.1 yellow sand with single pebbles and ilmenites, pieces of weathered **reworked RVK**; 6.1-7.5m weathered white-pinkish sandstone (Karoo).
MB 08-02	265094	8940023	1001.3	7.0	0-6.0m white-yellow sand and clay; **6.0-6.4 yellow hard gravel, abundant ilmenites and garnets;** 6.4-7.0m weathered white-pinkish sandstone (Karoo).
MB 08-03	265099	8939992	1001.3	6.0	0-5.0m white-yellow sand and clay; 5.8-6.0 red shale.
MB 08-04	265077	8940087	999.39	6.0	0-5.8m white-yellow sand and clay; **5.0-5.15m yellow gravel with yellow clay, abundant ilmenites;** 5.15-6.0 weathered white-pinkish sandstone (Karoo).
MB 08-05	265061	8940117	999.5	7.0	0-6.0m white-yellow sand and clay; **6.0-6.6m yellow gravel, abundant ilmenites, single pebble of weathered granite**; 6.6-7.0m yellow clay with red shale.
MB 08-06	265037	8940154	999.66	8.0	0-3.5m white-yellow sand and clay; 3.5-7.5m black sandy clay; 7.5-8.0m red shale.
MB 08-07	265074	8940184	1001.5	7.5	0-6.5m white-yellow sand and clay; **6.5-7.2m yellow gravel, abundant ilmenites and garnets;** 7.2-7.5m weathered white-pinkish sandstone and red shale.
MB 08-08	265108	8940214	1002.28	7.5	0-6.8m white-yellow sand and clay; **6.8-7.2m yellow gravel, abundant ilmenites and garnets;** 7.2-7.5m weathered red shale.
MB 08-09	265078	8940245	1002.41	7.5	0-7.0m white-yellow sand and clay; 7**.0-7.4m yellow gravel, abundant ilmenites and garnets;** 7.4-7.5m weathered white-pinkish sandstone (Karoo).
MB 08-10	265045	8940279	1002.33	8.1	0-5.0m white-yellow sand and clay; 5.0-7.0m dark yellow sand with r**eworked pinkish RVK**; 7.0-7.8m black clay; 7**.8-7.9m black gravel, abundant ilmenites;** 7.9-8.1m weathered grey-green and red shale.
MB 08-11	265272	8940524	1006.41	9.3	0-7.0m white clay and sand; 7.0-9.3m white-yellow sand. Stopped pitting.
MB 08-12	265108	8940357	1003.58	6.8	0-4.5m white clay and sand; 4.5-5.5m pink kimberlitic clay; 5.5-6.5m yellow sandstone (reworked CS); 6.5-6.8m red shale.
MB 08-13	265033	8940429	1003.12	8.0	0-4.0m white clay and sand; 4.0-5.5m yellow weathered sandstone (reworked CS); 5.5-6.0m grey sand; **6.0-7.3m grey-black gravel, abundant ilmenites and garnets;** 7.3-8.0m red shale.
MB 08-14	264959	8940495	1002.59	9.2	0-8.5m white clay and sand; **8.5-9.2m hard grey-black gravel, abundant ilmenites and garnets.** Stopped pitting.
MB 08-15	265107	8940496	1004.5	8.8	0-8.5m white clay and sand; 8.5-8.8m white-grey well compacted sand (weathered sandstone).
MB 08-16	265030	8940552	1003.95	9.3	0-8.5m white clay and sand; **8.5-9.0m hard grey-black gravel, abundant ilmenites and garnets;** 9.0-9.3m weathered greenish sandstone.
MB 08-17	265100	8940631	1005.34	9.5	0-8.3m white clay and sand; **8.3-9.3m hard yellow gravel, abundant ilmenites and large garnets (7x3mm size);** 9.3-9.5m weathered greenish sandstone.
MB 08-18	264881	8940432	1001.39	9.0	0-6.0m white clay and sand; 6.0-8.5m dark yellow sand with pink clay (reworked CS); 8.5-9.0 red shale.
MB 08-19	265168	8940704	1006.65	8.0	0-6.5 white-yellow clayey sand and clay; 6.5-8.0m red-brown well compacted, **laminated sandy RVK**.
MB 08-20	265101	8940777	1005.94	8.5	0-7.5 white-yellow clayey sand and clay; 7.5-8.5m red-brown well compacted, **laminated sandy RVK**.
MB 08-21	265032	8940704	1004.48	9.2	0-8.5 white-yellow clayey sand and clay; 8.5-9.1 grey sand; **9.1-9.2 grey-black gravel with ilmenites**. Stopped pitting.
MB 08-22	264969	8940632	1002.79	9.5	0-9.0 white-yellow clayey sand and clay; **9.0-9.5 hard grey-black gravel, abundant ilmenites and garnets (6x4mm size).** Stopped pitting.
MB 08-23	265232	8940780	1008.85	7.0	0-3.5m white-yellow clayey sand; 3.5-7.0m red-brown well compacted, **laminated sandy RVK**.

Pit Number	WGS84, UTM			Depth (m)	Description
	X	Y	Z		
MB 08-24	265366	8940929	1014.22	6.5	0-4.0m white-yellow clayey sand; 4.0-6.5m red-brown well compacted, **laminated sandy RVK** with compacted red-pinkish sand on top.
MB 08-25	265506	8941069	1015.78	9.0	0-6.0m white-yellow clayey sand; 6.0-9.0m red-brown well compacted and hard, **laminated sandy RVK.**
MB 08-26	265063	8940745	1005.07	8.0	0-7.5m white-yellow clayey sand; 7.5-8.0m red-brown well compacted and hard, **laminated sandy RVK**.
MB 08-27	264997	8940787	1003.82	9.0	0-8.0 white-yellow-grey clayey sand and clay; **8.0-8.2 grey-white gravel, abundant ilmenites and garnets**; 8.2-9.0m weathered greenish sandstone.
MB 08-28	265133	8940668	1006.11	10.3	0-10.0 white-yellow-grey clayey sand and clay; **10.0-10.3 hard grey-black gravel, abundant ilmenites and garnets.** Stopped pitting.
MB 08-29	265176	8940570	1006.11	9.0	0-9.0 white-yellow-grey clayey sand and clay. Stopped pitting.
MB 08-30	265069	8940462	1004	9.5	0-9.0 white-yellow-grey clayey sand and clay; **9.0-9.3 grey-white gravel, abundant ilmenites and garnets**; 9.3-9.5m weathered greenish sandstone.
MB 08-31	264955	8940366	1002.32	9.5	0-9.0 white-yellow-grey clayey sand and clay; 9.0-9.3 black clay; 9.3-9.5mred shale and white-greenish sand.
MB 08-32	264976	8940208	999.9	6.7	0-5.5 white-yellow-grey clayey sand and clay; **5.5-5.7m yellow gravel, abundant ilmenites and garnets** 5.7-6.5m white-pinkish sandstone (Karoo); 6.5-6.7 red shale.
MB 08-33	265008	8940179	999.7	7.0	0-5.0 yellow clayey sand and clay; 5.0-5.9 grey-black sand; **5.9-6.0m black gravel, abundant ilmenites;** 6.0-7.0m white-pinkish sandstone (Karoo) and red shale.
MB 08-34	264941	8940171	998.6	5.5	0-3.0 yellow clayey sand and clay; 3.0-5.0 grey-black clay; 5.0-5.5m white-pinkish sandstone (Karoo) and red shale.
MB 08-35	264887	8940509	1001.71	8.0	0-6.0 white clayey sand and clay; **6.0-7.5m hard grey-black-greenish gravel, abundant ilmenites and garnets, cobbles 30x30cm size;** 7.5-8.0m white-pinkish sandstone (Karoo).
MB 08-36	264827	8940561	1001.49	4.0	0-4.0 white clayey sand and clay. Stopped pitting.
MB 08-37	264827	8940490	1000.84	8.0	0-5.0 white clayey sand and clay; 5.0-7.0m grey well compacted sand; **7.0-7.5m hard grey-black gravel, abundant ilmenites and garnets**; 7.5-8.0m white-pinkish sandstone (Karoo).
MB 08-38	264757	8940419	999.76	6.0	0-1.5m yellow sand with hard laterite at the bottom; 1.5-3.5m yellow-white clayey sand; 3.5-4.0m red shale; 4.0-5.5m yellow clayey sand; 5.5-6.0m red shale.
MB 08-39	264688	8940488	1000.19	5.0	0-4.0m black clay and sand; greenish sandstone and red shale.
MB 08-40	264759	8940560	1000.86	7.0	0-6.0 white clayey sand and clay; **6.0-6.1m white-grey gravel, abundant ilmenites and garnets**; 6.1-7.0m white-pinkish weathered sandstone (Karoo).
MB 08-41	264616	8940569	1000.81	6.5	0-3.8 white-yellow clayey sand and clay; **3.8-4,7m white-yellow gravel, abundant ilmenites ("million")**; 4.7-6.3m weathered yellow sandstone (reworked CS); 6.3-6.5m red shale.
MB 08-42	264690	8940630	1001.28	8.5	0-7.0 white clayey sand and clay; **7.0-8.0m hard grey-black gravel, abundant ilmenites and garnets, cobbles 30x40cm size**; 8.0-8.5m white-pinkish weathered sandstone (Karoo).
MB 08-43	264761	8940685	1002.36	6.0	0-10.0 white-yellow-grey clayey sand and clay; **10.0-10.3 hard grey-black gravel, abundant ilmenites and garnets.** Stopped pitting.
MB 08-44	264557	8940628	1001.42	8.0	0-4.0 white-yellow clayey sand and clay; 4.0-5.5m yellow dark sand; 5.5-6.0m white-pink clay; **6.0-7.5m yellow-pinkish gravel, abundant ilmenites ("million")**; 7.5-8.0m weathered yellow sandstone (reworked CS) and red shale at the bottom.
MB 08-45	264486	8940557	1000.56	6.7	0-5.2 white clayey sand and clay; 5.2-5.4m white-pinkish clay; **5.4-5.9m yellow-white gravel, abundant ilmenites;** 5.9-6.7m weathered yellow sandstone (reworked CS) and red shale at the bottom.
MB 08-46	264412	8940505	1000.09	7.3	0-3.5 white-pinkish clayey sand and clay; 3.5-4.4m yellow clayey sand (reworked CS); 4**.4-4,5m yellow- gravel, abundant ilmenites;** 4.5-7.0m pinkish clayey sand; 7.0-7.3m red shale.
MB 08-47	264417	8940627	1001.3	7.4	0-5.0 pink-grey clay; **5.0-6.0m yellow-white gravel, abundant ilmenites ("million")**; 6.0-7.4m weathered yellow sandstone (reworked CS) and red shale at the bottom.
MB 08-48	264349	8940699	1003.62	9.3	0-9.0m pink-white clay; 9.0-9.3m white-pinkish clayey sand with red-brown sandy **RVK**.
MB 08-49	264487	8940699	1003.07	8.0	0-7.0 white clayey sand and clay; **7.0-7.5m yellow- gravel, abundant ilmenites, ferricrete pebbles with ilmenites; 7**.5-8.0m white-pinkish clayey sand with red-brown sandy **RVK**.
MB 08-50	264556	8940769	1004.2	8.0	0-6.2 white clay and clayey sand; 6.2-7.5m dark yellow sand; **7.5-7.8m yellow- gravel, abundant ilmenites**; 7.8-8.0m pink sand. Stopped pitting.

Pit Number	WGS84, UTM			Depth (m)	Description
	X	Y	Z		
MB 08-51	264689	8940903	1007.43	7.5	0-7.0m white clay and clayey sand; weathered red-brown sandy **RVK**.
MB 08-52	264739	8941046	1013.63	8.5	0-3.5m white sand; 3.5-4.5m hard laterite; 4.5-7.0m white sand and weathered red-brown sandy RVK; 7.0-8.5m weathered red-brown sandy **RVK**.
MB 08-53	264828	8941053	1010.23	7.8	0-4.0m white sand and clay; 4.0-7.0m pinkish and yellow clayey sand; 7-7.8m weathered red-brown sandy **RVK**.
MB 08-54	264956	8940878	1005.06	9.0	0-8.0m white clay and clayey sand; 8-8,5m grey sand; 8.5-9.0m greenish weathered sandstone.
MB 08-55	264888	8940831	1004.3	3.5	0-3.5m white clay and clayey sand. Stop pitting. Very wet for excavator.
MB 08-56	265166	8940310	1003.63	9.7	0-0.5m black soil; 0.5-1.5m grey sand with pieces or orang-brown laterite; 1.5-3.5m white-pinkish clay; 3.5-4.5m yellow sand with ilmenite at the bottom; 4.5-9.0m white clayey sand; 9.0-9.7m black clay and sand. Stopped pitting.
MB 08-57	265241	8940380	1004.97	9.7	0-0.5m black soil; 0.5-1.0m grey sand; 1.0-1.5m grey sand and clay with pieces or orang-brown hard laterite; 1.5-4.5m white-pinkish clay; 4.5-9.0m white-grey clayey sand; 9.0-9.5m compacted greenish sand; 9.5-9.7m hard well bedded white, yellow and red-brown sand (top of shale or SRVK). Stopped pitting.
MB 08-58	265605	8940492	1009.45	9.3	0-0.5m black soil; 0.5-1.5m grey sand; 1.5-3.5m white sandy clay; 3.5-5.0m yellow clayey sand with weathered red-brown SRVK; 5.0-9.3m **weathered red-brown SRVK**.
MB 08-59	265825	8941037	1016.57	9.7	0-0.8m black soil; 0.8-6.0m white-grey clayey sand and sandy clay; 6.0-9.0m yellow sand (weathered CS); 9.0-9.7m grey-violet sand. Stopped pitting.
MB 08-60	265670	8940859	1013.95	11.3	0-0.4m black soil; 0.4-7.6m white-grey clayey sand and sandy clay; 7.6-9.4m well compacted and bedded yellow sand with fine ilmenites (weathered CS); 9.4-10.8m white, grey-violet sand with ilmenites at the bottom; 10.8 -11.3m hard greenish, **white-yellow sand with weathered SRVK**.
MB 08-61	265544	8940939	1013.72	8.0	0-0.6m black soil; 0.6-1.2m grey sand; 1.2-3.7m white-grey clayey sand and sandy clay; 3.7-5.7m grey clay; 5.7-7.5m yellow-white clayey sand with laterite; 7.5-8.0m **hard red-brown SRVK.**
MB 08-62	265602	8940898	1013.75	9.3	0-0.6m black soil; 0.6-1.2m grey sand; 1.2-3.9m white-grey clayey sand and sandy clay; 3.9-7.2m grey clay; 7.2-8.2m black clay; 8.2-9.2m white-yellow sand; 9.2-9.3m grey-violet sand. Stopped pitting.
MB 08-63	265729	8940811	1014.69	8.5	0-0.4m black-grey soil; 0.4-7.5m white clayey sand; 7.5-8.5m **weathered red-brown SRVK**.
MB 08-64	265186	8940616	1006.95	9.8	0-0.4m black soil; 0.4-1.6m grey sand; 1.6-3.8m white-grey clayey sand and sandy clay; 3.8-5.8m white clayey sand; 5.8-6.8m grey clay; 6.8-9.2m white sand; 9.2-9.8m yellow sand. Stopped pitting.

APPENDIX 2

Reporting of diamond exploration results and resources for the Lulo Project – JORC Code (2012) requirements –

Sampling Techniques and Data

Criteria	JORC Code Explanation	Lucapa Commentary
Sampling techniques	• *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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *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.*	• Results from geological grade control pitting are reported. The pitting geology was recorded from surface excavations using an excavator and trucks. Overburden of recent sand/gravel and Calonda like gravels were stripped and weathered crater facies kimberlite, if present, was exposed. For alluvial samples overburden to recent sand and Calonda like Formation sand and silt were stripped and basal gravel exposed. The gravel and some underlying basement material (<30cm) was excavated. • The sampling is grade control in nature and generally is seeking to identify diamondiferous lithologies. Samples are relatively large and by their nature are representative. • Diamonds occur in very low concentrations in most lithologies. They also occur as discrete crystal particles and these must be physically separated and recovered to determine grade. Individual diamonds are unique and their value depends on factors including size, shape, colour and clarity. Large samples (tens to hundreds of tonnes) are required to identify the presence of commercial diamonds. Samples in the order of tens of or hundreds of thousands of tonnes are required to establish reliable grade and value for diamond deposits
Drilling techniques	• *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.).*	• No drilling is reported in this document.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *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.*	• No drilling is reported in this document • Sample recovered using an excavator and front-end loader. Sample area visually inspected and all gravels excavated to basement. Geological grade control only

Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• Sample/grade control pits are lithologically logged and measured. • Logging is semi-quantitative with edge thicknesses measured of the entire pit. Pits are photographed, but the photography is not systematic. • All excavated faces of the pits are logged
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Not core. No sub-samples are taken. Most of the samples are excavated dry and all material is taken. • The sampling and sample preparation are identical to those that would be used for mining and are considered appropriate for this type of sampling. • Samples are disaggregated during excavation and washed through a scrubber. The process is identical to that which would be used for mining and results are considered representative. • Sample size is appropriate for the material being sampled.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *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.*	• For the avoidance of doubt, no assay is associated with this stage of pitting. Geological grade control only. • Samples were not processed through the Dense Media Separation (DMS) plant. If processed, recovery in the size fractions used on the plant is considered total. • If samples are processed through the Company's DMS Plant these then produce a heavy concentrate. Diamonds are recovered from the heavy concentrate using a Flowsort x-ray sorting machine followed by visual sorting. • DMS efficiency is monitored using density beads/ tracers.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No verification of sample data at an independent facility has been undertaken due to the very large size of the samples and the lack of appropriate facilities in Angola. • Twinned holes are rarely used because of the size of the sample. Entry of primary data has been checked and loaded into a sampling spreadsheet. • Assay data are not adjusted.
Location of data points	• *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.* • *Specification of the grid system used.*	• Sample sites were located using a hand held GPS with a nominal accuracy of about 5m. • The grid system is WGS84 Zone 34L

	• *Quality and adequacy of topographic control.*	• Topographic control uses Digital Terrain Models collected during aeromagnetic surveys. In pit measurements are recorded with tape measures
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Data in this report comes from individual pits where all the material from that pit has been excavated. The pit spacing (200m by 50-200m) is currently related to grade control and gravel extension and may be appropriate for Mineral Resource and Ore Reserve estimation. • Sample compositing has not been applied
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• The samples are considered spot samples within either an alluvial or kimberlitic body. • Insufficient data exists to determine whether sample bias is present but given the nature of the body, bias is considered unlikely.
Sample security	• *The measures taken to ensure sample security.*	• Sample stockpiles are located near the company's processing facility and are guarded by armed security personnel at all times. • Security of processing and diamond recovery is monitored by company and Angolan State Diamond Security personnel.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• The sampling techniques are industry standard and no audits or reviews have been undertaken.

Reporting of Exploration Results

Criteria	**JORC Code Explanation**	**Lucapa Commentary**
Mineral tenement and land tenure status	• *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.*	• 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. • 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. • The Angolan Government Gazette, dated 24 December 2007, authorized the formation of a Joint Venture for the exercise 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% • In May 2014, the authorization for the kimberlite exploration and mining was gazetted. The equity distribution 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.). • The Joint Ventures Alluvial licence was extended for two years to 25 May 2016. The application to extend Kimberlite Licence for two years until 25 May 2016 was also granted to the concession by the Angolan Ministry of Mines. • A new 10 year, 1500km2, alluvial mining licence was awarded at end July 2015 creating "Sociedade Mineira Do Lulo, LDA.", an Angolan incorporated company with which Lucapa Diamond Company Ltd has a 40% beneficial interest.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Limited exploration has been undertaken by state controlled entities. • Parts of the area have been exploited by artisanal miners – no records of this work are available.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• 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 and younger Karoo sediments within the Lucapa Graben. The kimberlite field is believed to be the source of the alluvial diamonds.
Drill hole Information	• *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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* *hole length.* o *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.*	• No drilling is reported in this document. • The location of the sample/grade control pits is shown on maps within this report and in Appendix 1. The maps provide data on the location and relative elevations of the samples. The sample pits are surface excavations and other data required in the code is not material and its exclusion does not detract from the understanding of the report. • Drillhole information is not pertinent to bulk sampling results. Thus no material information has been excluded.

Data aggregation methods	• *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.*	• 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
Relationship between mineralisation widths and intercept lengths	• *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').*	• Results quoted are from surface pits. For the alluvial sample, the entire gravel horizon was sampled. • Non-drillhole, in pit sampling, not applicable length concepts.
Diagrams	• *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.*	• Appropriate map and plans for the reported mineralisation with scale and north points are included with the text of the report.
Balanced reporting	• *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.*	• Results reported are complete.
Other substantive exploration data	• *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.*	• Previously reported drilling, pitting and bulk sampling data were used to site bulk sample pits. The collar locations of drill holes, exploration pits and bulk samples are shown on diagrams within the report
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further excavation and processing of material from the L259 area is planned and ongoing results will be reported on completion. Ground EM surveys will test the extents of L259 in conjunction with pitting.

Estimation and Reporting of Diamonds and Other Gemstones

Criteria	JORC Code Explanation	Lucapa Commentary
Indicator minerals	• *Reports of indicator minerals, such as chemically/physically distinctive garnet, ilmenite, chrome spinel and chrome diopside, should be prepared by a suitably qualified laboratory.*	• Samples were collected from mechanically excavated prospecting pits up to approximately 10m deep • Indicator minerals were concentrated in the DMS. • Indicator grains were identified and counted by an experienced Lucapa geologist using a 10x Loupe. Only +1mm indicator minerals were counted.
Source of diamonds	• *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.*	• The diamonds reported have a variety of sizes, shapes and colours. The diamonds were recovered from alluvial gravels of Pleistocence – Pliocene age. In addition early Tertiary age Calonda gravels have been encountered. These are essentially fanglomerates and braided stream sediments. At Lucapa the primary, kimberlitic source of the diamonds are believed to be kimberlites located within the Lulo Concession.
Sample collection	• *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.*	• Samples reported are grade control samples of alluvial gravels and weathered kimberlite. The samples are designed to determine the extent of units sampled. Lucapa are conducting exploration activities to locate diamondiferous lithologies. The sample size, distribution and representivity are appropriate for this activity
Sample treatment	• *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.*	• If samples are processed through Lucapa's DMS plant then the plant uses a 420mm diameter cyclone and has a nominal treatment rate of 150 tonnes per hour. The plant is not accredited. • Samples are disaggregated during excavation and washed through a scrubber. The bottom screen size is 1.2mm (slotted) and the top size is 32mm. • The recovery process involves DMS separation, X-ray sorting of the heavy concentrate and hand sorting of the X-ray concentrate. Larger diamonds are characterised using a ZVI Yehuda F1000 Colorimeter. • Lucapa are processing the material through a recently commissioned DMS plant. Processing efficiency has been demonstrated in density bead/ tracer recovery tests. Tails auditing and granulometry studies have not been completed. • Microdiamonds are not reported.
Carat	• *One fifth (0.2) of a gram (often defined as a metric carat or MC).*	• Reported as carats.

Sample grade	• *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).*	• If sample grade is quoted in the text, then in units of carats per 100 cubic metres for alluvials. • A nominal 1.7 tonnes per cubic metre is ascribed to the alluvial gravels and weathered kimberlite. Limited density measurements have been made and the use of an "average" density is considered appropriate for the stage of exploration. • The table in the report reports average carats per stone and carats per unit volume. Stones per cubic metre are not reported but can be calculated from the reported data.
Reporting of Exploration Results	• *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.* • *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.*	• Exploration and grade control results are reported in the text of the report. • The density for both alluvials and weathered kimberlite samples has been determined at 1.7 tonnes per cubic metre. This number was measured for previous samples and has been applied throughout. An approximation of this sort is considered appropriate for the stage of exploration. • Percent concentrate and undersize have not been measure and are not considered material to the understanding of this report. • Variation in grade with changes in bottom cut-off screen size has not been determined. Lucapa's DMS plant is considered to be a pilot plant and plant parameters are the same as would be used on a commercial plant. • Geostatistical studies have not been undertaken because of the relatively small number of diamonds recovered and uncertainties of using this data for alluvial deposits. • The total weight of diamonds recovered is not reported here, no assay.
Grade estimation for reporting Mineral Resources and Ore Reserves	• *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.*	• No Mineral Resources or Ore Reserves are included in the report
Value estimation	• *Valuations should not be reported for samples of diamonds processed using total liberation method, which is*	• Value estimates are based on recoveries from a commercial scale DMS plant. Total liberation methods have not been

	commonly used for processing exploration samples. • *To the extent that such information is not deemed commercially sensitive, Public Reports should include:* o *diamonds quantities by appropriate screen size per facies or depth.* o *details of parcel valued.* o *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.*	employed. • Much of the detailed diamond valuation data is considered commercially sensitive and the independent valuers have not allowed details of the valuation to be released. Commercial sales have established the diamond value in mining since January, 2015. • Broad details of the last parcel sold has been reported to the ASX. Commercial sales have been held this calendar year, the results of these have been announced. • The parcel of diamonds sold includes all alluvial diamonds held by Lulo at the time the sale is undertaken. • The bottom cut-off used is the same as the plant – 1.2 mm slotted screen. • Values are reported in US and Australian Dollars. • The price quoted is the sale price. • No significant diamond breakage was recognised.
Security and integrity	• *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.*	• There has been no accredited process audit. • Samples were monitored by armed guards after excavation and the process operation was monitored by Angolan State Diamond Security personnel. • Diamonds recovered are stored in a locked vault and retained on site. • Microdiamonds were not processed • No audit samples were collected because of the size of the bulk samples. • Tailings have not been checked. • Tracer monitors were used in sample treatment with tracer recovery in all tested size fractions >95% for tracers of density 3.5 g/cc • Geophysical densities were not determined. • Gross validation of weights with hole volume and density is not considered appropriate for the stage of exploration
Classification	• *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.*	• Insufficient diamonds have been recovered to allow Lucapa to quantify the uncertainty in stone frequency, stone size or diamond grade, as yet for kimberlite samples. • Size frequency distributions and values of alluvial recoveries are from actual recovery and commercial sales, not projections based on micro-diamond recoveries. To date, Lucapa focuses on the recovery of macro diamonds. • Treatment plant cut off sizes are 1.2mm for the bottom screen and 32mm for the top screen.