



LUCAPA RECEIVES A\$3M IN FUNDING TO UNLOCK VALUE IN MERLIN

Lucapa Diamond Company Limited (ASX:LOM) (**Lucapa** or the **Company**) advises that it has received a \$3m funding package by way of a placement and debt to equity conversion. Funds raised will primarily be utilised to accelerate the exploration program at the Merlin Diamond Project and for additional working capital.

The Company has received firm commitments from new and existing institutional, sophisticated, professional investors and the Board, for 133.5 million fully paid ordinary shares (**Shares**) in the Company at an issue price of A\$0.02 per Share (**Issue Price**), to raise gross proceeds of approximately A\$2.67 million via a two-tranche placement (**Placement**). The Placement includes a contribution of ~A\$178k by members of Lucapa’s Board & Management team.

In addition to the above, Lucapa’s Board and Senior Management team have agreed to commit A\$329k through the conversion of unpaid fees to equity at the Issue Price and on the same terms as the Placement (**Employee Conversion**).

Lucapa Managing Director and CEO Alex Kidman commented, “Now that the flying of the EM survey has been completed, we can commence processing and interpreting the gathered data. We see substantial upside at Merlin and the Placement will allow us to fast track the process to unlock the project’s potential in the first quarter of next year. We are thankful for the support shown by our major shareholders towards our strategic objectives”.

The first tranche of the Placement is unconditional and will involve the issue of 43.5 million Shares to institutional, sophisticated and professional investors at the Issue Price to raise A\$870k before costs (**Tranche 1**). The Company will issue the Tranche 1 Shares using its available placement capacity under ASX Listing Rule 7.1.

Shareholder approval for the following will be sought at an extraordinary general meeting (**EGM**) expected to be held in mid-January 2025, with settlement and allotment to occur shortly thereafter (together **Tranche 2**):

- approximately 81.0 million Shares to institutional, sophisticated and professional investors at the Issue Price to raise approximately A\$1.6 million before costs;
- approximately 8.925 million Shares to participating directors at the Issue Price to raise approximately A\$178k before costs;
- approximately 16.5 million Shares to directors and senior management at the deemed Issue Price to convert up to a total of A\$329k of accrued fees, remuneration and expenses on the same terms as the Placement (**Employee Shares**); and
- 75 million unlisted options to Placement and Employee Conversion participants who are entitled to one free attaching unlisted options (exercisable at A\$0.06 and expiring 3 years from issue) for every two shares subscribed for (**Attaching Options**).

The indicative timetable for settlement and allocation of Shares, Attaching Options and Lead Manager Options under the Placement is set out in the table below:

Event	Date
Recommencement of ASX trading	5 December 2024
Settlement of Shares under Tranche 1	11 December 2024
Allotment of Shares under Tranche 1	12 December 2024
EGM to ratify Shares issued under Tranche 1 and approve Shares, Attaching Options and Lead Manager Options under Tranche 2	Expected to be mid-January 2025
Settlement and allotment of Shares and Attaching Options and Lead Manager Options under Tranche 2	Expected to be mid-late January 2025

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Note: The above timetable is indicative only and subject to change. Lucapa reserves the right to amend these dates at its absolute discretion, subject to the Corporations Act 2001 (Cth) and the ASX Listing Rules.

Further details will be provided in the Notice of General Meeting to be released in due course.

Blue Ocean Equities Pty Ltd (**Blue Ocean**) acted as the Lead Manager to the Placement and will receive a fee equal to 6% of the amount raised under the Placement. Blue Ocean will receive a total of 10 million unlisted options on the same terms as the Attaching Options (exercisable at A\$0.06 and expiring 3 years from issue) for acting as Lead Manager to the Placement (**Lead Manager Options**). The issue of the Lead Manager Options will be also be subject to shareholder approval at the EGM.

Lucapa also advises that Chief Financial Officer (CFO) Johan van Wyk has resigned. Lucapa has commenced the executive search process for a new CFO and Mr van Wyk will assist the Company in the transition, completing the upcoming reporting period.

Approved for release by the Lucapa Board.

Alex Kidman
Managing Director and CEO

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ABOUT LUCAPA

Lucapa is an ASX listed diamond miner and explorer with assets in Angola and Australia. It has an interest in the Lulo Diamond Mine in Angola which has been in commercial production since 2015, (conducted by Sociedade Mineira Do Lulo, Lda ("SML") Lucapa 40%, Endiama 32%, Rosas & Petalas 28%).

The large, high-value diamonds produced from Lulo attracts the highest prices per carat for alluvial diamonds globally.

Lucapa also has a 39% interest in the Lulo Kimberlite Exploration Joint-Venture (Endiama 51%, Rosas & Petalas 10%), which is exploring for the potential primary source kimberlites at the prolific Lulo concession in Angola.

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

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The Board, management and key stakeholders in Lucapa have deep global diamond industry experience and networks all through the value chain from exploration to retail.

Forward-Looking Statements

This announcement has been prepared by the Company. This document contains background information about the Company and its related entities current at the date of this announcement. This is in summary form and does not purport to be all inclusive or complete. Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained in this announcement.

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