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## **NEW FLEET ARRIVES TO SCALE UP DIAMOND MINING AT LULO**

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**Lucapa Diamond Company Limited (ASX: LOM)** (“Lucapa” or “the Company”) is pleased to announce that the Company’s strategy to double mining and accelerate operational cash flows from its alluvial diamond mining operations is on track with the arrival of the first new Caterpillar earth moving equipment at the Lulo Concession in Angola.

This follows the finalisation and signing of a A\$4.5 million financing deal for Lucapa and its partners to source an additional fleet of new equipment on favourable terms from Caterpillar dealer Barloworld Equipment in the Angolan capital of Luanda (Refer ASX announcement 28 May 2015).

The new Caterpillar equipment being delivered to Lulo includes three 740B trucks, a 374F LR excavator, a 140M grader and a D8R bulldozer.

The first of the new 40 tonne trucks has already arrived at Lulo, with the remainder of the Caterpillar equipment due to arrive on site within two weeks.



One of the new Caterpillar 740B trucks which has arrived at Lulo.  
The remainder of the fleet is due within two weeks.

The new fleet will enable Lucapa and its partners to double alluvial diamond mining operations at Lulo to 20,000 bulk cubic metres (bcm) per month, well ahead of schedule.

Lucapa expects diamond mining operations to be fully operational at the increased 20,000 bcm monthly rate by the end of the September 2015 quarter. This will result in a significant increase in operational cash flows earlier than originally scheduled.

The new equipment will also enable kimberlite diamond exploration programs to be advanced at Lulo. This includes the first scheduled bulk sampling in July 2015 of kimberlite material from the priority L46 kimberlite pipe at Lulo (Figure 1), which is considered to be a likely source of the high-grade diamonds recovered from previous bulk sampling work carried out at the E46 alluvial area.

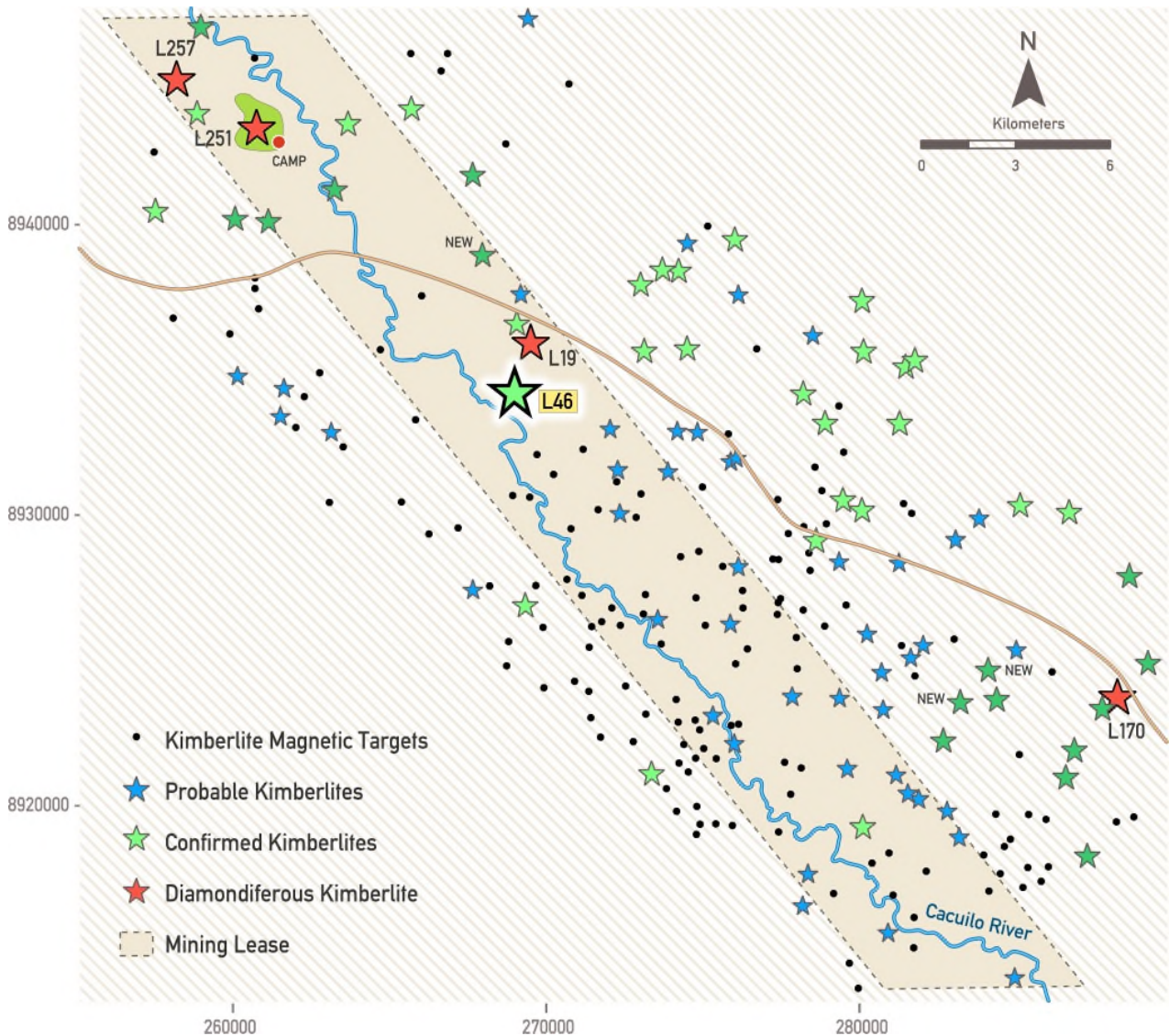


Figure 1: Location of L46 and other Lulo kimberlites

It is expected that site works to be established for the bulk sampling of the L46 kimberlite pipe will also enable additional sampling and/ or mining of the high-grade E46 alluvial gravels in the same area.

The Caterpillar financing agreement with Barloworld is for a 12-month term and includes a single-digit interest rate. Lucapa and its partners will own the equipment outright at the end of the 12-month term.

Lucapa and its partners envisage the use of a similar financing structure, at the completion of the current arrangement, to source the additional earth moving fleet required to ultimately scale up diamond mining operations at Lulo to 40,000 bcm per month.

**FIFTH DIAMOND SALE**

Lucapa is planning for the sale of the fifth parcel of alluvial diamonds from Lulo to take place in July 2015.

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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<sup>2</sup> 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 has proven up two major kimberlite provinces at Lulo, as well as extensive areas of diamond-rich alluvial gravels along the Cacuilo River.

In November 2014, Lucapa and its partners signed a 35 year mining licence agreement to mine the alluvial diamonds at Lulo. Alluvial diamond mining commenced in January 2015. The Lulo alluvial diamonds sold to date have achieved exceptional average sale prices of more than A\$2,500 per carat.

Lulo hosts 296 kimberlite targets in two separate provinces, of which 96 have 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.

### **FORWARD-LOOKING STATEMENTS**

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