ASX Announcement 24 January 2023

QUARTERLY ACTIVITIES REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2022

QUARTER HIGHLIGHTS

Mining operations

- Total Q4 rough diamond revenues of A$62.4 million – record full year rough revenue of A$149.0 million (attributable full year rough revenue of A$69.1 million)
- Lulo
  - Record volumes processed, recovering four +100 carat and several fancy coloured stones
  - A$30.1 million realised for Lulo exceptional stone tender
  - Shareholders approve further ~A$5.9 million loan repayment and ~A$2.3 million dividend to Lucapa
- Mothae
  - New Mothae General Manager appointed
  - Completed Mothae plant optimisation modelling – trial scheduled shortly

Exploration

- Processed Lulo kimberlite L164 bulk sample recovering 41 diamonds weighing a total of 66.05 carats (average stone size 1.61 carats), including two +10.8 carat diamonds weighing 15.3 and 12.3 carats
- Proof that Lulo primary source kimberlites host Special sized diamonds

Mine development

- Advanced Merlin feasibility study and renewed the mining lease for 25 years to 2047

Corporate

- A$10.0 million in SML loan repayments received– record full year receipts from Angola of A$23.0 million
- Strengthened balance sheet by reducing interest-bearing debt to A$9.4 million – reduction of A$17.9 million in 2022

Lucapa Diamond Company Limited (ASX: **LOM**) ("**Lucapa**" or "**the Company**") is pleased to present its quarterly activities report for the period ended 31 December 2022 (the "**Quarter**" or "**Q4**").

TABLE 1: TOTAL 100% PROJECT AND ATTRIBUTABLE[1] OPERATIONAL RESULTS FOR Q4

	100% Project			Attributable[1]		
	Q4 2021	Q4 2022	% Variance	Q4 2021	Q4 2022	% Variance
Tonnes processed[2]	475,477	**564,455**	19%	272,682	**305,967**	12%
Carats recovered	11,979	**15,016**	25%	7,201	**7,704**	7%
Rough price/ carat (US$)	1,822	**2,707**	49%	1,448	**2,205**	52%
Rough carats sold	16,364	**15,297**	-7%	9,007	**8,220**	-9%
Rough diamond revenues (US$m)	29.8	**41.4**	39%	13.0	**18.1**	39%
Rough diamond revenues (A$m)	41.3	**62.4**	51%	18.1	**27.3**	51%
Cash and receivables (incl. Lucapa) (A$m)	50.8	**27.7**	-45%	25.8	**16.7**	-35%
Development loans owing to Lucapa (A$m)	90.9	**90.3**	-1.0%	52.7	**57.6**	9%
Interest-bearing debt (A$m)	27.3	**9.4**	-66%	24.8	**8.5**	-66%

[1] Attributable ownership in the projects based on Lucapa's holding. This is a non-AIFRS measure. For statutory reporting purposes, SML is equity accounted given Lucapa holds a 40% interest and Mothae is consolidated given Lucapa holds a 70% interest

[2] Lulo mine volume processed has been converted from bulked m³ to tonnes

Managing Director, Stephen Wetherall, commented *"This was another solid quarter operationally. We achieved several new operational records, very positive exploration results, record capital returns from Angola and continued to focus on strengthening our balance sheet in the current financial environment.*

"Most significantly, the Lulo primary source kimberlite exploration activities delivered their best results. We have tangible evidence that the Lulo kimberlite province hosts primary sources containing Special sized diamonds and our methodical approach is now delivering the results that we have been working towards for many years.

"Our teams are confident of resolving the constraints at Mothae and the soon to be run trial will determine which strategic solution is best to return value from our investment in Lesotho.

"We look forward to 2023 with more bulk sample results at Lulo and delivering the Merlin feasibility study as we work towards building our third diamond mine and our first in Australia."

LULO, ANGOLA

ALLUVIAL MINE

(conducted by Sociedade Mineira Do Lulo, Lda ("SML" or "Lulo") - Lucapa 40%, Endiama 32% and Rosas & Petalas 28%)

Mining operations continued to perform well during the Quarter. Lulo achieved a new quarterly record for gravel volumes processed in Q4 of 174,807 bulked cubic metres (m^3), a 48% increase over the previous corresponding period (Table 2).

When combined with the three prior quarters for 2022, Lulo delivered a new annual record for volume processed of 572,708m^3, and 18% increase on 2021. The overburden to gravel stripping ratio achieved of 9.9:1 was in line with the 10:1 estimate for 2022.

TABLE 2: LULO PRODUCTION RESULTS AND RECOVERIES

	100% Project						40% Attributable
	Q4			FULL YEAR			
	2021	2022	Var	2021	2022	Var	2022
Volume processed (bulked m^3)	117,946	**174,807**	48%	485,602	**572,708**	18%	**229,083**
Carats recovered	3,946	**9,358**	137%	24,595	**35,398**	44%	**14,159**
Grade recovered (cphm^3)	3.3	**5.4**	64%	5.1	**6.2**	22%	**6.2**
+4.8 carat diamonds	115	**352**	208%	783	**1,310**	68%	**524**
+10.8 carat diamonds (Specials)	34	**134**	294%	261	**453**	74%	**181**

The 64% increase in grade recovered to 5.4 carats per one hundred m^3 ("cphm^3") for Q4 was primarily a result of mining block mix and Q4/2021 alluvial and kimberlite exploration campaigns, which impacted the comparative grade. Grade for the year was up 22% to 6.2cphm^3.

In Q4, SML recovered 9,358 carats, a 137% increase over the previous corresponding period. These diamond recoveries included four +100 carat stones weighing 159, 134, 123 and 115 carats (pictured right), bringing to 10 the number of +100 carat diamonds recovered at Lulo in 2022.

Fancy coloured diamonds of note recovered in Q4 included four pink coloured diamonds weighing 24, 18, 17 and 16 carats.

As a result of the strong mining performance during the year, Lulo delivered a new annual record for carats produced, recovering 35,398 carats, a 44% increase over 2021. This reflected the record gravel volumes delivered to the plant, increase in processing capacity and better grades from the mining block mix in the 2022 mine plan.

A total of 8,293 carats or US$36.2 million (A$54.5 million) of rough diamonds were sold in Q4 (Table 3). This includes seven exceptional Type IIa white and pink coloured diamonds that were sold in Angola via an international tender run by Sodiam in November 2022. The tender achieved US$20.4 million (A$30.1 million), averaging US$26,536 (A$39,237)/ carat (refer ASX announcement on 16 November 2022).

Picture: Seven exceptional Lulo diamonds sold at an Angolan tender in November 2022

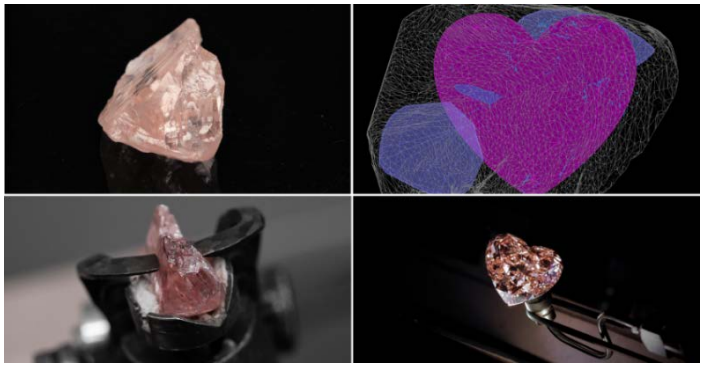
TABLE 3: LULO SALES RESULTS AND INVENTORIES

	100% Project						40% Attributable
	Q4			FULL YEAR			
	2021	2022	Var	2021	2022	Var	2022
Rough carats sold	8,158	**8,293**	2%	27,817	**32,489**	17%	**12,996**
Rough diamond revenue (A$m)	36.1	**54.5**	51%	104.8	**117.3**	12%	**46.9**
Rough diamond revenue (US$m)	26.1	**36.2**	39%	78.1	**79.6**	2%	**31.8**
Rough price/ carat (US$)	3,196	**4,368**	37%	2,808	**2,449**	-13%	**2,449**
Partnership margins (US$m)	0.8	**0.7**	0%	2.5	**1.4**	-44%	**0.6**
Diamond inventories (carats)	1,100	**4,077**	271%				**1,631**
Cash and receivables (US$m)	29.6	**12.0**	-59%				**4.8**

Because of the record operational performances noted above, Lulo set a new annual revenue record in 2022 of US$79.6 million (A$117.3 million) for 32,489 carats sold at an average diamond price of US$2,449 (A$3,610)/ carat.

In Q4, rough prices stabilised and the GTD overall rough price index rose in both November and December 2022.The 15.2 carat heart shaped fancy intense orangy pink diamond was sold during the Quarter. This was polished from the 46 carat rough pink diamond sold into the polishing partnership.

Lulo's share in the polishing profit margin resulted in an additional ~30% return for SML above the rough value achieved.



Photos/ picture: 46 carat Lulo pink diamond in the cutting and polishing partnership resulting in the 15.2 carat fancy intense orangy pink heart

ALLUVIAL EXPLORATION

SML's ongoing alluvial exploration program saw 2,574 auger holes and 507 exploration pits completed in Q4 to define the gravel resources in seven resource blocks, mainly in the south of the Cacuilo Valley.

MOTHAE, LESOTHO

KIMBERLITE MINE

(conducted by Mothae Diamonds (Pty) Ltd ("Mothae") - Lucapa 70% and Government of Lesotho ("GoL") 30%)

Mothae mining operations ran according to expectations during the Quarter with 267,283 tonnes ("t") processed, 3% down on the previous comparative period. A new record 1,207,060t was processed for the year, 7% up on 2021 (Table 4).

Mothae has investigated a number of solutions to resolve the mass balance constraints and, with the VAT Amendment Bill not yet repealed by the Lesotho government (refer ASX announcement 9 June 2022), Lucapa is focusing on lowest capital cost solutions. Mothae will be running a trial, which modelling has highlighted the potential for a significant improvement in revenue/ hour.

In addition, management are continuing with a vertical-pit development investigation at Mothae. The more competent country rock (basalt) in the Maluti mountains, larger pipe circumference of the Mothae kimberlite and lower cost jurisdiction of Lesotho should compare favourably to equivalent inputs for the proposed vertical-pit development at Merlin.

TABLE 4: MOTHAE PRODUCTION RESULTS AND RECOVERIES

	100% Project						70% Attributable
	Q4			FULL YEAR			
	2021	2022	Var	2021	2022	Var	2022
Tonnes processed (t)	274,969	**267,283**	-3%	1,123,102	**1,207,060**	7%	**844,942**
Carats recovered	8,033	**5,658**	-30%	32,470	**30,740**	-5%	**21,518**
Grade recovered (cpht)	2.9	**2.1**	-28%	2.9	**2.5**	-14%	**2.5**
+4.8 carat diamonds recovered	161	**127**	-21%	628	**651**	4%	**456**
+10.8 carat diamonds (Specials)	40	**45**	13%	168	**197**	17%	**138**

Grade for Q4 was impacted by processing material from the Neck zone to improve diamond knowledge on the zone (low grade zone in current mine plan as waste). This and the mix of ore led to a reduction in comparative grade of 28% and reduction of 30% in carats recovered for Q4. Mothae recovered 5,658 carats in Q4.

The 7% higher tonnes processed for the year partially offset the 14% lower grade, resulting in 30,740 carats being recovered, 5% lower than 2021. Recoveries included four +100 carat diamonds, with the largest being 204 carats. Mothae has recovered nine +100 carat including three +200 carat diamonds since commercial operations began.

A new record 651 diamonds greater than 4.8 carat in weight were recovered by Mothae during the year. Diamonds greater than 4.8 carats account for ~25% of the weight of carats recovered in 2022.

Photos: 204 carat Mothae diamond being laser cut in the cutting and polishing partnership

A total of 7,004 carats of rough diamonds were sold during Q4 into the Safdico partnership agreement for US$5.2 million or US$741/ carat (Table 5), an increase of 41% and 63% respectively over the prior corresponding period. Under the Safdico partnership agreement, Mothae is paid the full market value of the rough diamonds upfront by Safdico, and Mothae subsequently shares in a significant portion of the margins generated there.

During the year, Mothae received an additional US$0.8 million in cutting and polishing margins from the Safdico partnership.

Photo: 73 carat Mothae diamond sold into the cutting and polishing partnership in December 2022

For the year, Mothae achieved diamond revenues of US$22.1 million at an average diamond price of US$690 (A$987)/ carat.

TABLE 5: MOTHAE SALES RESULTS AND INVENTORIES

	100% Project						70% Attributable
	Q4			FULL YEAR			
	2021	2022	Var	2021	2022	Var	2021
Rough carats sold	8,207	**7,004**	-15%	36,157	**32,054**	-11%	**22,438**
Rough diamond revenue (A$m)	5.1	**7.9**	55%	32.7	**31.7**	-3%	**22.2**
Rough diamond revenue (US$m)	3.7	**5.2**	41%	24.9	**22.1**	-11%	**15.5**
Rough price/ carat (US$)	456	**741**	63%	688	**690**	0%	**690**
Partnership margins (US$m)	0.6	**-**	-100%	1.5	**0.8**	-100%	**0.6**
Diamond inventories (carats)	3,325	**1,695**	-49%				**1,187**
Cash and receivables (US$m)	1.6	**1.2**	-25%				**0.8**

During the quarter, a new General Manager was appointed following the resignation of Gideon Scheepers. Stian Van Blerk, Mothae's CFO, has been promoted.

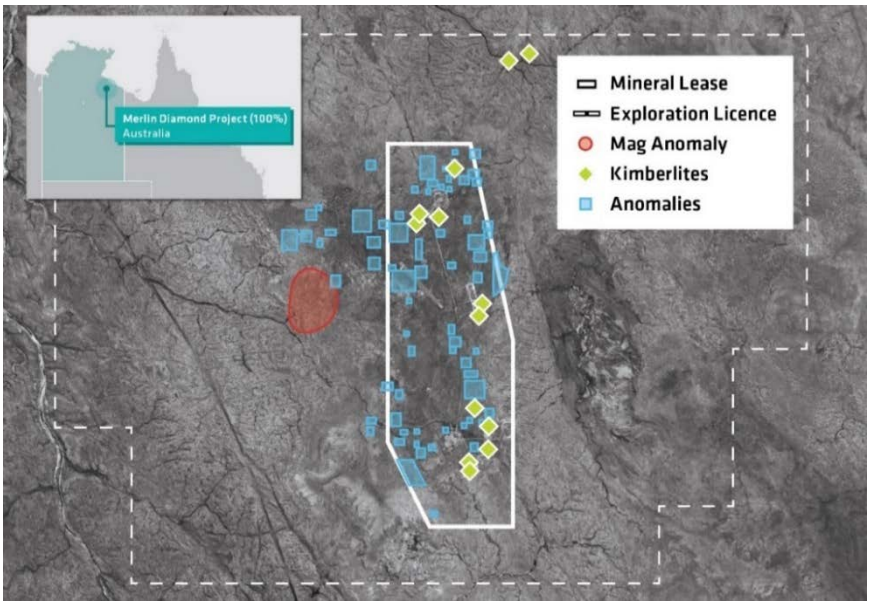
A new government, led by a prominent businessman Sam Matekane, was elected and constituted in Lesotho in October. Lucapa representatives have already met with the new Natural Resources Minister.

MERLIN, AUSTRALIA

(conducted by Australian Natural Diamonds Pty Ltd ("AusND") – 100% Lucapa)

AusND has commenced a feasibility study for the unique hybrid open-pit and vertical-pit mine development and work continued throughout the Quarter.

As a result of delays experienced with key third-party studies and identifying several potential improvements to the scoping study plan (i.e. phasing development to lower upfront capital/ generate cash as well as considering alternate crushing technologies), it is expected the results of the feasibility study will be published in Q1 2023.



Picture: Merlin mineral lease and exploration licence

The Native Title assignment deed for the Merlin Exploration Licence was executed during the Quarter, following the execution of the Native Title assignment deed for the Mineral Lease in the prior quarter.

In Q4, AusND received approval for a new Mineral Lease MLN 1154, for a further 25 years to 2047.

PRIMARY SOURCE EXPLORATION

LULO KIMBERLITE EXPLORATION. ANGOLA

(conducted by Project Lulo Joint Venture ("Project Lulo JV") – Lucapa 39%, Endiama 51% and Rosas & Petalas 10%)

The kimberlite exploration is now at an advanced stage with a ramped-up bulk sampling program underway. It has resulted in several diamondiferous kimberlite discoveries, and most recently, the recovery of 41 diamonds weighing 66.05 carats, including two Special sized diamonds weighing 15.3 carats and 12.3 carats, from Lulo kimberlite L164 bulk sample (refer ASX announcement on 16 January 2023).

Twelve diamonds greater than 1 carat were recovered during sampling from the ~3.5ha kimberlite. The average size of the diamonds recovered is 1.61 carats, which compares very favourably to two of the coarsest primary source kimberlites globally, the Mothae and Letšeng mines in Lesotho. A number of the stones recovered are classified as Type IIa by the Yehuda Colorimeter.

These diamond recoveries are the highest diamond count and carat weight of diamonds recovered from any kimberlite bulk sample processed at Lulo to date and prove the Lulo kimberlite province hosts primary sources containing Special sized stones.

Photos: Diamonds recovered from kimberlite L164 bulk sample –
<10.8 carat diamonds (left) and two Specials weighing 15.3 carats and 12.3 carats (right)

The L164 kimberlite sample (L164/01) was processed through the stand-alone kimberlite bulk sampling plant ("KBSP) which was commissioned in late September 2022 (Refer ASX announcement on 28 September 2022).

A second sample of approximately 350m^3 from another area within the L164 pipe (L164/02) has been extracted and will be treated during Q1 2023.

Two other bulk samples were completed during the Quarter. Further to ASX announcement on 26 October 2022, processing of two samples totalling 2,325m^3 from kimberlite L032 was completed, with no diamonds being recovered.

In addition, oversize material from the previously sampled L028 kimberlite was processed – two diamonds were recovered from the oversize material in addition to the 13 already recovered from the original bulk sample (refer ASX releases 8 November 2021 and 27 January 2022) giving a total of 4.77 carats recovered and representing a grade of 0.22cphm^3 with an average stone size of 0.32 carats.

Two additional kimberlites (L224 and L038) were discovered during the quarter.

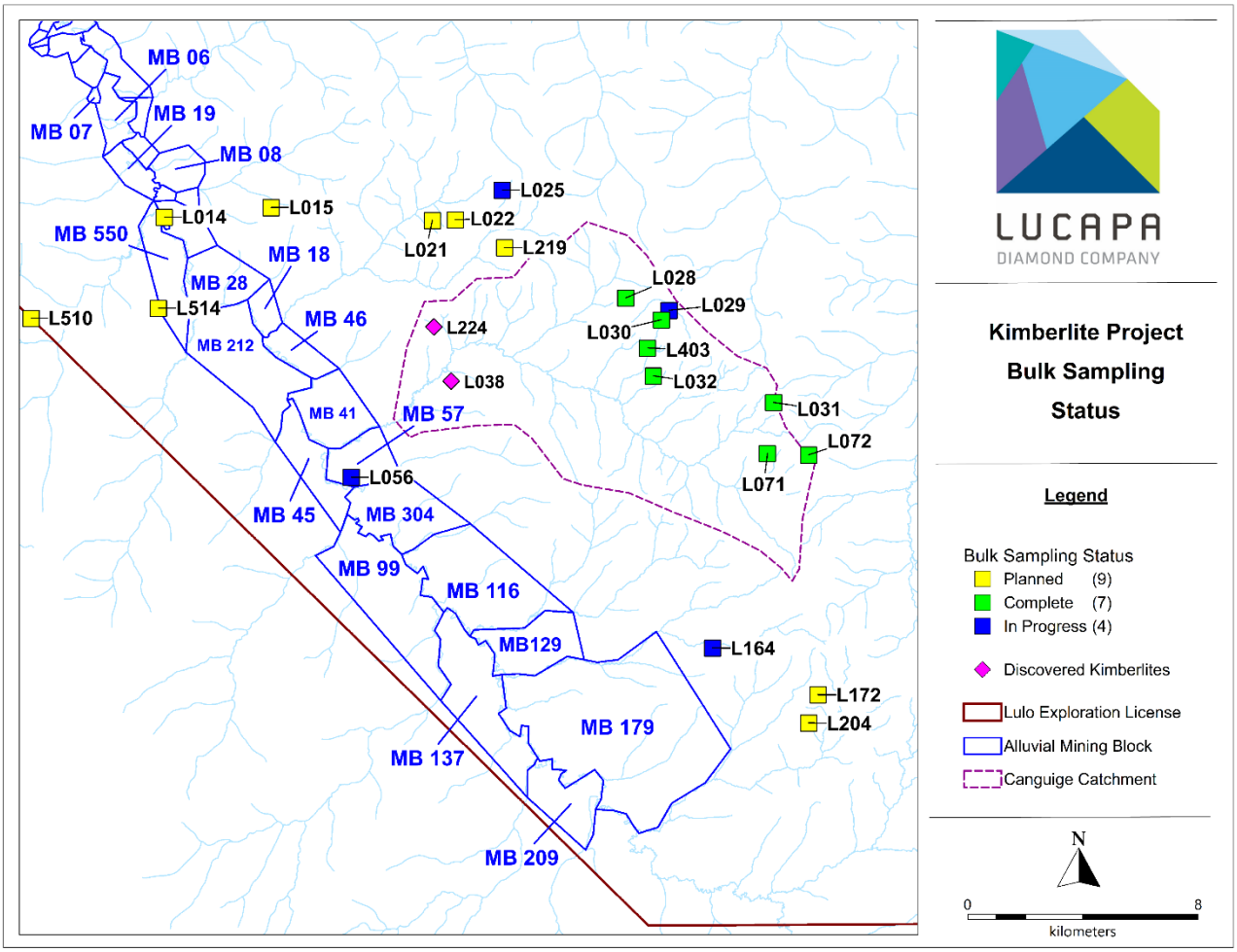
To date, Lucapa and its partners have identified 10 diamondiferous kimberlites from the 20 samples processed (Table 6).

TABLE 6: PROJECT LULO DIAMONDIFEROUS KIMBERLITES

Kimberlite Number	Volume Processed (m^3)	Stones Recovered	Carat Weight (carats)	Calculated Grade (cphm^3)	Average Stone Size (carats)	Follow Up
L019	210	1	0.60	0.29	0.60	**TBD**
L028	**2,192**	**15**	**4.77**	**0.22**	**0.32**	**Y**
L031	2,218	1	0.21	0.01	0.21	**N**
L046	898	2	1.24	0.14	0.62	**N**
L071	2,380	2	1.33	0.06	0.67	**N**
L104	614	1	2.05	0.33	2.05	**TBD**
L164	**2,200***	**41**	**66.05**	**3.00**	**1.61**	**Y**
L251	10,950	12	6.80	0.06	0.57	**N**
L257	740	1	0.10	0.01	0.10	**N**
L403	2,505	1	0.08	0.00	0.08	**N**

** In-situ volume*

The methodical approach to the exploration program will continue with the processing of bulk samples from all the kimberlites on the priority list in order to ensure that all large stone bearing kimberlites are identified and taken to the next stage of evaluation.



Map: Priority kimberlites selected for bulk sampling in the Canguige catchment, the remaining priority targets to be bulk sampled (solid yellow & blue blocks) and two new kimberlite discoveries (pink)

MERLIN KIMBERLITE EXPLORATION, NORTHERN TERRITORY

(conducted by AusND – Lucapa 100%)

Interpretation of historic De Beers hyperspectral data identified seven new targets at Merlin during the prior quarter. Soil samples were collected over these targets for spectral analysis with a heavy mineral sample taken around the centre of each target. Results of this sampling do not indicate the presence of kimberlite at these locations, but further interpretation of the data is continuing.

BROOKING LAMPROITE EXPLORATION, KIMBERLEY WA

(conducted by Brooking Pty Ltd – Lucapa 100%; Leopold Diamonds holding 20% interest in the tenements)

A heritage survey was completed during Q4, and follow-up soil geochemical sampling consisting of 241 samples was undertaken over two targets. Results are expected in Q1 2023. Lucapa will commence a drilling program to identify if these targets are lamproites following approval of the program of works and the end of the wet season.

ORAPA AREA F

(conducted by Lucapa Diamonds (Botswana) Pty Ltd – Lucapa 100%)

Preparations continued for a drilling program on the geophysical targets identified at the Orapa Area F project, with drilling planned for 2023.

HEALTH, SAFETY AND COMMUNITY

Lulo recorded two Lost Time Injuries ("LTI's") for the Quarter and ended the year on a Lost Time Injury Frequency Rate ("LTIFR") of 0.40.

During Q4, Mothae achieved one million LTI free manhours worked. As per ASX announcement on 28 April 2022, two LTI's were recorded in the first quarter of the year, leaving the Mothae LTIFR for 2022 at 0.35.

Mothae's social impact activities continued to support education initiatives with the sponsorship of eleven school children. The mine also donated groceries and clothing to a local orphanage over the festive period. In 2023, Mothae will help with the construction of an early learning centre in the local community.

Photo: Mothae Mine sponsors 11 school students in Lesotho

At Lulo, construction on the new Xamiquelenge School continued. The new school is scheduled to be completed in the second quarter of 2023.

Photo: Construction of the Xamiquelenge School (inset with roof completed)

CORPORATE

At the end of Q4, the group's reported cash and receivables balance was A$10.1 million (which excludes SML as equity accounted associate). Lucapa's attributable cash and receivables balance was A$16.7 million (Table 1).

Mothae held cash of A$1.7 million (US$1.2 million) and a diamond inventory of 1,695 carats (Table 5) at the end of the Quarter. Mothae paid a further loan instalment of A$1.0 million (ZAR11.1 million) to the Industrial Development Corporation of Southern Africa Limited ("IDC") during the Quarter, reducing the gross IDC debt to ~A$2.9 million.

The group's interest-bearing debt on a consolidated basis (including AIFRS lease liabilities and embedded derivatives) at 31 December 2022 was A$9.4 million (Table 1), a reduction of A$17.9 million or 66% to the prior corresponding period. As per the Equigold and IDC loan agreements, Lucapa is on track to repay all current interest-bearing debt by end Q3 2023.

Lucapa's equity accounted associate, SML, held a cash and receivables balance of A$17.6 million (US$12.0 million) as well as a diamond inventory of 4,077 carats at Quarter end (Table 3).

Lucapa's share of the SML dividends and capital loan repayments received during the Quarter amounted to A$10.0 million, bringing the total for 2022 to a new record A$23.0 million. At the SML General Assembly held during the Quarter, Lulo shareholders approved a further SML dividend to Lucapa of ~A$2.3 million and a SML capital loan repayment to Lucapa of ~A$5.9 million (refer ASX announcement on 14 December 2022).

Of a total of ~A$90.3 million in loans owing to Lucapa by SML and Mothae for exploration and mine development funding ("Loan Assets"), ~A$32.7 million relates to the mine's joint venture partners shareholding (Table 7).

TABLE 7: DEVELOPMENT LOANS OWING TO LUCAPA

		As at 31 December 2022		
		SML	**Mothae**	**Total**
Development loans owing to Lucapa (loan assets)	*A$m*	**18.6**	**71.7**	**90.3**
JV partner share of loan asset (SML - 60%, Mothae - 30%)		11.2	21.5	**32.7**
Attributable to Lucapa shareholding (SML - 40%, Mothae - 70%)		7.4	50.2	**57.6**

On 16 December 2022, the Company issued 56,693,481 new performance rights ("Performance Rights") to employees, contractors and executive directors, Stephen Wetherall (14,234,220) and Nick Selby (7,644,300), subject to various vesting conditions, in accordance with the Company's Incentive Plan as approved by shareholders at the annual general meeting held 30 May 2022. The Plan allows the Board to grant a Short-Term Incentive, Project-Based Incentive and Long-Term Incentives to executive directors, selected employees and contractors who the Board considers critical to the success of the business.

On 19 December 2022 a total of 48,680,475 $0.08 unlisted options exercisable on or before 18 December 2022 expired without exercise.

Authorised by the Lucapa Board.

STEPHEN WETHERALL
MANAGING DIRECTOR

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ABOUT LUCAPA

Lucapa is an ASX listed diamond miner and explorer with assets in Africa and Australia. It has interests in two producing diamond mines in Angola (Lulo, in which LOM holds 40%) and Lesotho (Mothae, in which LOM holds 70%). The large, high-value diamonds produced from these two niche African diamond mines attract some of the highest prices/ carat globally.

The Lulo mine has been in commercial production since 2015, while the Mothae mine commenced commercial production in 2019.

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. A feasibility study is expected to be completed in Q1 2023.

Lucapa and its project partners are also exploring for potential primary source kimberlites or lamproites at the prolific Lulo concession in Angola, the Brooking project in Australia and the Orapa Area F project in Botswana.

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.

Competent Person's Statement

Information included in this announcement that relates to exploration results and resource estimates is based on and fairly represents information and supporting documentation prepared and compiled by Richard Price MAusIMM who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Price is an employee of Lucapa Diamond Company Limited. Mr Price 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 Price consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

No New Information

To the extent that this announcement contains references to prior exploration results, a production target and financial information derived from a production target and Mineral Resource estimates, which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, no new information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of a production target and financial information derived from a production target and Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

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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TABLE 10: SCHEDULE OF TENEMENTS AS AT 31 DECEMBER 2022

Project	Country	Type	Size (km^2)	Period	Interest (%)	End date
Brooking	Australia	Exploration Licence	72	5 years	80	Dec-22^
	Australia	Exploration Licence	13	5 years	80	Mar-24
	Australia	Exploration Licence	29	5 years	80	Jun-27
	Australia	Exploration Licence	3	5 years	80	Jun-23
Lulo	Angola	Kimberlite (primary source) exploration	3,000	5 years	39	May-24
	Angola	Alluvial (secondary source) mining and exploration	1,500	10 years	40	Jul-25
Merlin	Australia	Mineral lease	24	25 years	100	Dec-47
	Australia	Exploration Licence	283	5 years	100	Apr-23
Mothae	Lesotho	Mining Licence	47*	10 years	70	Jan-27
Orapa	Botswana	Reconnaissance	8	2 years	100	Jun-24

** Area includes the protection and production area*

^Application for licence extension in progress

Appendix 1

Reporting of kimberlite exploration results 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.*	• The bulk samples from kimberlite L032 were collected from 2 excavated pits. The surface overburden was removed by excavator and truck before all earthmoving equipment was thoroughly cleaned. • The original sample from L028 was taken in the same way. Oversize (>150mm) was collected from the oversize stockpile at the Alluvial Treatment Plant and then transported to the stockpile at the KBSP before treatment. • Each pit was then excavated into the clean kimberlite material and directly loaded into trucks for transport to the plant stockpile area The sample material was placed on a sterilised pad of sand before being fed into the plant by front-end loader. • The sample locations were chosen following the drilling of diamond core holes. • The objective of the samples was to demonstrate whether potentially economic diamonds might be present in the kimberlite pipe and was not selected to be representative of the grade of the body as a whole. The treatment of the L028 oversize material was to ensure the recovery of additional diamonds locked up within the larger kimberlite particles that could not be recovered in the alluvial plant used to treat the original sample. • Two separate pits were excavated at L032 to spread the sample over the surface area of the pipe to improve representivity of the sample. Only one sample pit was excavated on L028.
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.).*	• The drilling consisted of diamond core drilling. The drill core recovered was of HQ diameter. • The original discovery hole at L032 was drilled to 101m. 15 delineation holes were drilled to approximately 34m deep. All holes were drilled vertically. • The original discovery hole at L028 was drilled to 98m. 4 angled delineation holes were drilled to approximately 103m deep. A further 10 vertical delineation holes were drilled to approximately 34m deep.

Criteria	JORC Code Explanation	Lucapa Commentary
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.*	• Core is recovered from the core barrel and stored in core boxes, before being transported by light vehicle to the core shed. • Core recovery is generally high, though significant core losses are experienced through unconsolidated surface sediments to about 3m depth.
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.*	• All core is visually and semi-quantitatively logged then photographed at the operation's core shed. • The bulk sample pits were visually inspected to ensure no contamination of surface material entered the sample material.
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.*	• No sub-sampling was undertaken. • All samples are to be treated in their entirety.
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.*	• The samples were treated through the Kimberlite Bulk Sample Plant ("KBSP"). The plant was thoroughly decontaminated before sample treatment commenced. • A layer of sand was used on the sample pad, beneath the deposited sample, to prevent sample loss or contamination between the sample and the ROM pad.

Criteria	JORC Code Explanation	Lucapa Commentary
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 samples or twinning has been undertaken, due to the bulk nature of the sample.
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.* • *Quality and adequacy of topographic control.*	• The sample site was initially located using a hand-held GPS with a nominal accuracy of about 5m. The final location was measured using a Trimble Real-Time differential GPS system with an accuracy of <5cm. • The grid system is WGS84 Zone 34L.
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.*	• The sample positions and size were selected on the basis of giving the best likelihood of recovering diamonds and were not intended to return a grade representative of the pipe as a whole. • However, the distribution of sampling pits over the surface of the body improves representivity.
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 sample is considered a bulk sample within the pipe. Orientation of the sample is not considered significant and is not expected to introduce bias.
Sample security	• *The measures taken to ensure sample security.*	• Security of the sampling and sample storage areas, processing and diamond recovery was continuously 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 to validate the information presented at this stage.

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 legislation covering the Angolan diamond industry stipulated that only Endiama (Empresa Nacional de Diamantes de Angola, the State Diamond Company) or joint ventures with Endiama (the Angolan State diamond mining company), can hold diamond mining rights. • Under the terms of the two Lulo agreements, separate titles are granted for alluvial (secondary) and kimberlite (primary) exploration and/ or mining. • Following successful alluvial exploration, a 10-year alluvial Mining Investment Contract was signed in July 2015 creating "Sociedade Mineira

Criteria	JORC Code Explanation	Lucapa Commentary
		Do Lulo, LDA.", an Angolan incorporated company in which Lucapa Diamond Company Ltd has a 40% shareholding, Endiama 32% and Rosas & Petalas S.A. 28%. This Angolan entity was officially incorporated in May 2016. • Following a renewal application for kimberlite exploration, a new 5-year Mineral Investment Contract was signed and gazetted in May 2019, expiring on 2 May 2024. Interests held in this exploration venture are Endiama 51%, Lucapa Diamond Company Ltd 39%* and Rosas & Petalas S.A. 10% (*interest will be reduced to 30% after recoupment of the exploration and mining development investments).
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Limited exploration was undertaken by state-controlled entities and joint ventures Diamang and Condiama prior to 1974. • 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 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 drill hole information is presented here as it is not relevant to the sampling process other than to guide location of the sample.
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.

Criteria	JORC Code Explanation	Lucapa Commentary
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').*	• The deposits may be regarded as massive deposits so sample orientation is not relevant.
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 are complete for all samples reported.
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.*	• The samples were recovered from L032 and L028, kimberlite pipes identified during drilling on the licence area in 2018. L032 is estimated to cover approximately 14ha at surface, and L028 covers approximately 7ha.
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.*	• Bulk sampling of the remaining high interest kimberlites in the Canguige catchment and surrounding areas will continue. • Drilling will continue on the priority targets identified to locate material suitable for bulk sampling. • Drilling on additional magnetic targets will continue to identify new kimberlites and assess whether they should be bulk sampled. • Additional Phase 2 bulk sampling will be undertaken on the kimberlites with the highest diamond recoveries.

Section 3 (resources) does NOT apply to this announcement

Section 4 (reserves) does NOT apply to this announcement

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.*	• No indicator minerals were recovered from these samples.
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.*	• 2 additional diamonds weighing 0.62 carats were recovered from the L028 oversize sample. • No diamonds were recovered from the L032 samples.
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.*	• Overburden of approximately 2m thick overlaying the kimberlite was removed using a Volvo 480 excavator and 3 x ADT trucks. • The sample pits were excavated and material from the pit transported to a prepared sample pad made up of pre-processed alluvial gravels and a layer of red sand which had been deposited to prevent contamination between the sample and the pre-existing ROM pad.
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.*	• The L032 and L028 Oversize samples were treated through the Kimberlite Bulk Sample Plant (KBSP). The KBSP is comprised of a front-end feed arrangement, followed by a scrubber and a double deck screen, which splits the material into coarse and fine streams. Coarse material (+18mm) is screened off and collected on an oversize stockpile. Fine material (>1.5mm) is processed through a DMS (dense media separation) unit, with DMS concentrate processed through a Flowsort X-Ray diamond recovery unit. Final diamond recovery is undertaken by hand sorting of the Flowsort concentrates. All -1.5mm material is pumped to a tailings storage facility. • +18mm material is stockpiled and intermittently fed through crushing circuits, both primary and secondary jaw crushers. The product from the secondary crusher deposits onto a screen. Material remaining as oversize is recirculated through the secondary crusher until it passes the cut-point of 18 mm, after which it passes into the DMS. • The plant was thoroughly decontaminated before sample treatment commenced. • A layer of sand was used on the sample pad, beneath the deposited sample, to prevent sample loss or contamination between the sample and the ROM pad.
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*	• The sample results are summarised in the table below:

Sample ID	Volume Processed m^3	Stones recovered	Carats recovered (cts)	Calculated Grade ($cphm^3$)
KBS/032/01	1,962	0	0	0
KBS/032/02	363	0	0	0
KBS/028/01 (Oversize)	274	2	0.62	N/A
KBS/028/01 (Combined)	2,192	15	4.77	0.22

Criteria	JORC Code Explanation	Lucapa Commentary
	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).*	• The volume processed is based on counted loader buckets fed to the plant, converted to m^3 stockpile volumes using an established bucket factor previously reconciled to surveyed broken material on a stockpile, measured in metres cubed.
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.*	• An additional 2 diamonds weighing 0.39 and 0.23 carats for a total of 0.62 carats were recovered from processing of KBS/028/01 Oversize. • No diamonds were recovered from KBS/032/01 and KBS/032/02.
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 diamond resources are reported. • No diamond reserves are reported.
Value estimation	• *Valuations should not be reported for samples of diamonds processed using total liberation method, which is commonly used for processing exploration samples.* • *To the extent that such information is not deemed commercially sensitive, Public Reports should include:* • *diamonds quantities by appropriate screen size per facies or depth.* • *details of parcel valued.* • *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*	• No diamond value estimates are reported.

Criteria	JORC Code Explanation	Lucapa Commentary
	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.*	
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 continuously monitored by mine security personnel and Angolan State diamond security personnel during transport and storage. • Microdiamonds were not processed. • No audit samples were collected because of the nature of the samples. • Tailings have not been checked for indicators. • Geophysical densities were not determined. • Cross validation of weights with pit volume and density is not considered necessary 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.*	• No resource is classified in this report.