



LUCAPA DELIVERS A\$1.6 MILLION PROFIT FOR JUNE 2019 HALF YEAR

Lucapa Diamond Company Limited (ASX: **LOM**) (“Lucapa” or “the Company”) is pleased to announce the Company’s Interim Financial Report for the six months ended 30 June 2019 (“June half”).

As outlined in the Interim Financial Report, Lucapa delivered on key development and operational goals at the Mothae and Lulo diamond mines during the June half, enabling the Group to report a consolidated net profit after tax of US\$1.1 million (A\$1.6 million). This compared with a US\$4.3 million (A\$6.4 million) loss in the comparative June 2018 half.

This result was achieved during a challenging period for many diamond miners globally, particularly those producing primarily lower-value goods. The June half result has put Lucapa on track for a stronger performance in the second half of 2019 (“H2”) as mining at Mothae transitions to higher-margin diamond zones and the production expansion at Lulo is delivered.

TOTAL PRODUCTION AND SALES FOR THE JUNE HALF			
	Mothae¹	Lulo²	Total
Tonnes treated	548,450	241,164*	789,614
Carats recovered	13,267	7,236	20,504
Diamond sales (US\$)	US\$7.3m	US\$22.1m	US\$29.4m
Diamond sales (A\$)	A\$10.5m	A\$29.9m	A\$41.4m
+4.8 carat diamonds recovered	229	216	445
Closing diamond inventories (carats)	3,855	3,147	7,001

¹70% subsidiary; ²40% associate. *Converted from bulk cubic metres to tonnes

June half highlights from Mothae and Lulo contained in the Interim Financial Report include:

Mothae kimberlite mine, Lesotho:

- Diamond carat production 36% ahead of plan in first six months of commercial operations
- Recovery of 229 +4.8 carat diamonds, including 126 carat gem-quality stone, confirms Mothae as a large-diamond resource
- 14% lower than planned cash operating costs of US\$12.56/ tonne contribute to US\$0.7 million EBITDA
- Dewatering of southern pit provides access to higher-margin diamond zones in H2
- Support from major shareholders for refinancing of Mothae development debt

Lulo alluvial mine and kimberlite project, Angola:

- Historic first international tender of Lulo diamonds contributes to June half sales of US\$22.1 million at US\$3,668/ carat
- Recovery of 216 +4.8 carat diamonds including two more +100 carat stones
- Cash operating costs of US\$76/ m³ contribute to US\$11.3 million EBITDA
- Arrival of part of the extensive new earthmoving fleet to expand production and cash flows
- 90% increase in in-situ carats in updated JORC alluvial diamond resource
- Value-adding strategy launched with first diamonds sold into cutting & polishing agreement and own manufacturing initiative
- Launch of next kimberlite exploration phase following extensive technical review

Further operational and financial information regarding the Mothae and Lulo diamond projects is detailed in the Interim Financial Report.

For and on behalf of the Lucapa Board.

**STEPHEN WETHERALL
MANAGING DIRECTOR**

No New Information

To the extent that announcement contains references to prior exploration results 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 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

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