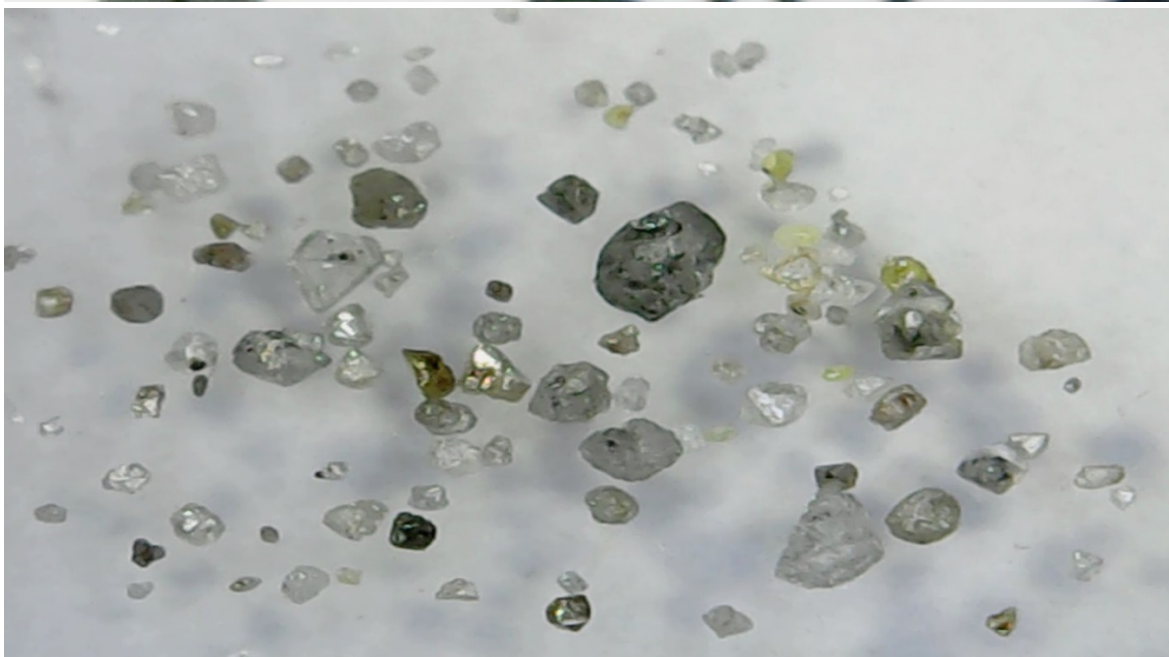
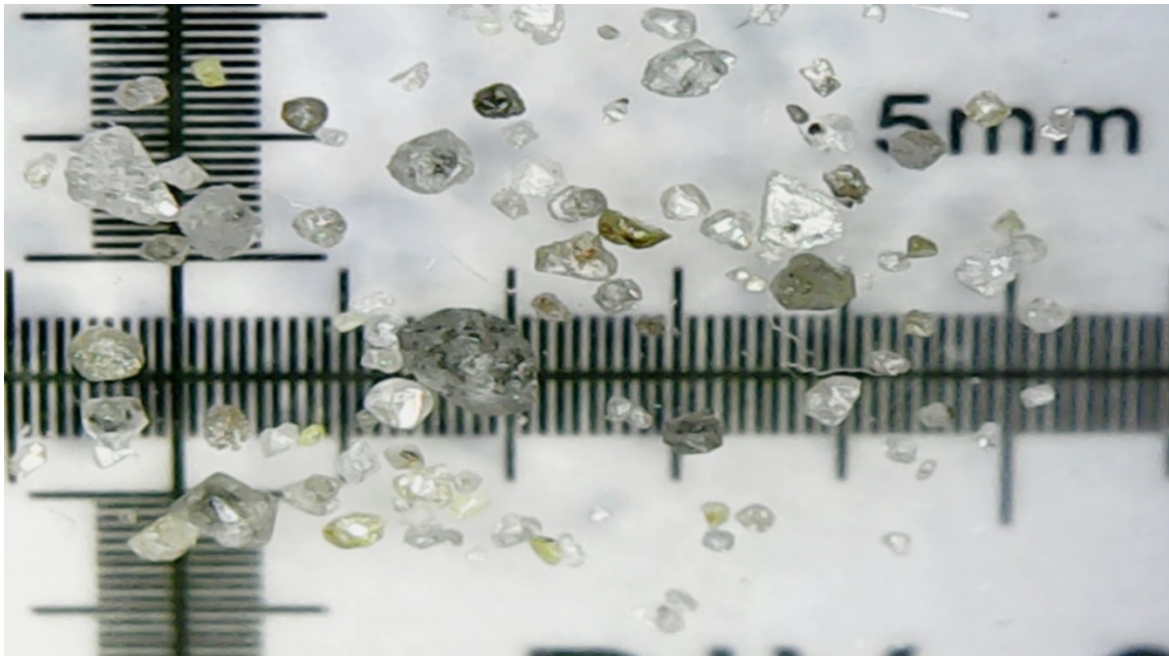




BROOKING DIAMOND UPDATE

Lucapa Diamond Company Limited (ASX: **LOM**) (“Lucapa” or “the Company”) and its partner, Leopold Diamond Company Pty Ltd, are pleased to provide the following update on the macro and micro diamonds recovered from the Little Spring Creek prospect at the Brooking diamond project in Western Australia’s West Kimberley region (Refer ASX announcement 11 January 2018).

Subsequent review of the cleaned diamonds illustrate a relatively high white diamond content with yellow diamonds also being noted. The Brooking diamond project (80% owned by Lucapa) is located within 50km of the Ellendale mine which, when in production, was the world’s leading source of fancy yellow diamonds.



Macro and micro diamonds recovered from Little Spring Creek

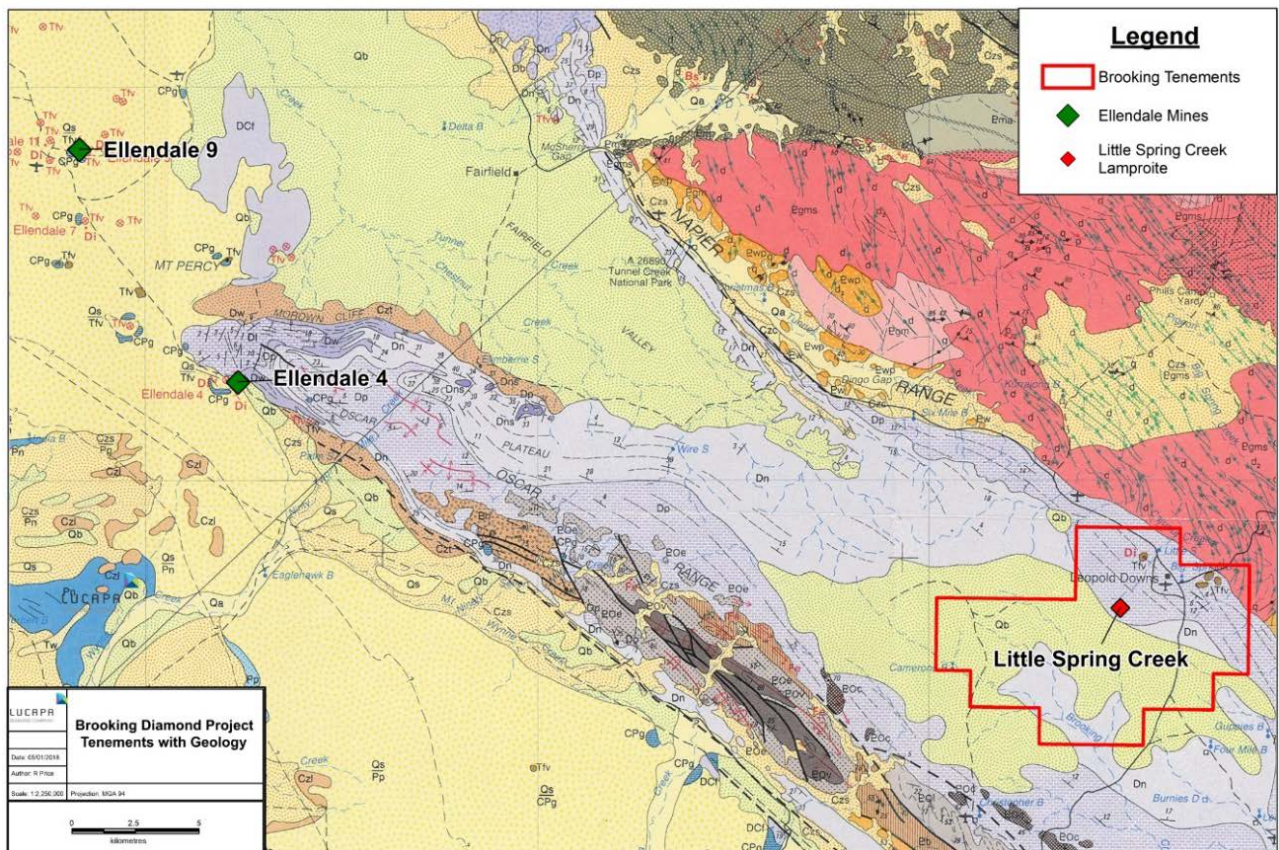
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As set out in the ASX announcement of 11 January 2018, a total of 119 diamonds were recovered from 86.8kg of samples from lamproite intersected in the core of a single HQ (63mm diameter) hole drilled at the Little Spring Creek prospect.

The 119 diamonds recovered from the Little Spring Creek lamproite drill core samples included seven macro-diamonds and 112 micro-diamonds. Macro-diamonds are classified as individual stones greater than 0.5mm in at least one dimension. Diamonds smaller than 0.5mm are classified as micro-diamonds.

The largest of the seven macro-diamonds recovered from the Little Spring Creek core samples was approximately 1.0mm x 0.6mm x 0.5mm in size.

The photos of the Little Spring Creek diamonds on page one of this announcement were taken with a microscope camera subsequent to the diamonds being cleaned.



Location of the Little Spring Creek diamond discovery within the Brooking project and proximity to the Ellendale E4 and E9 diamond mines

As set out in the ASX announcement of 29 January 2018, Lucapa is planning follow-up exploration programs at Little Spring Creek and other prospective targets identified within the 118km² Brooking project.

This work will commence as soon as access to the West Kimberley region is available again after the northern wet season.

For and on behalf of the Lucapa Board.

STEPHEN WETHERALL
MANAGING DIRECTOR

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ABOUT LUCAPA

Lucapa is a growing diamond company with a portfolio of high-quality production, development and exploration assets in Angola, Lesotho, Botswana and Australia. The Company's focus on high-value diamond production is designed to protect cash flows in a sector of the diamond market where demand remains robust.

Lucapa's flagship asset is the Lulo Diamond Project in Angola, which is a prolific producer of large and premium-value alluvial diamonds. Lulo has produced 10 +100ct diamonds to date and is the highest US\$ per carat alluvial diamond production in the world. Lucapa and its Lulo partners continue to advance their search for the primary kimberlite source of these exceptional alluvial gems, with three drill rigs now available in the ongoing kimberlite exploration program.

In keeping with the Company's growth strategy, Lucapa has acquired a 70% interest in the advanced Mothae kimberlite project in diamond-rich Lesotho. The Mothae kimberlite pipe is a high-quality diamond resource located within 5km of Letšeng, the highest US\$ per carat kimberlite diamond mine in the world. Lucapa is constructing a 150 tonne per hour (90,000 tonnes per month) diamond treatment plant, complete with XRT recovery technology, under its Phase 1 development program and is scheduled to commence high-value production at Mothae in H2 2018. Bulk sampling will commence at Mothae in the March 2018 Quarter.

Lucapa is also advancing exploration programs at two other diamond projects – Brooking in the West Kimberley lamproite province in Western Australia, where the Company has recently discovered lamproite with high concentrations of micro and macro diamonds, and Orapa Area F in Botswana's Orapa diamond field, where identified targets will be drilled in 2018.

Lucapa's Board and management team have extensive diamond industry experience across the globe with companies including De Beers, Rio Tinto and Gem Diamonds. The Company was included in the ASX All Ordinaries Index in March 2017.

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. 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, the Company 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.