



## Mothae Mine conditional Sale and Purchase agreement executed

Lucapa Diamond Company Limited (ASX:LOM) ("Lucapa" or the "Company") is pleased to announce it has entered into a conditional binding Sales and Purchase Agreement ("Agreement") with local Lesotho company, Lephema Executive Transport (Pty) Ltd ("Executive"), to divest its 70% stake in Mothae Diamonds (Pty) Ltd ("Mothae") which owns the Mothae Diamond Mine in the Kingdom of Lesotho ("Transaction").

The Agreement follows a strategic review of the Company's portfolio of assets undertaken by the newly restructured board of directors (see ASX Announcement dated 15 May 2024). The divestment of the stake in the non-core asset enables the Company to focus on developing its Angolan and Australian assets.

Lucapa Managing Director and CEO Nick Selby commented on the divestment, "This agreement is the result of a period of offer and negotiation involving Lucapa and several interested parties. Executive has a successful history with the Mothae Diamond Mine, having provided long-term contract mining services. Lucapa wanted to, as far as possible, see this mine continue to operate and Executive are best placed to achieve this. The signing of this agreement is a key step towards Lucapa streamlining its portfolio and executing the new strategy which will focus on assets in Australia and Angola".

Under the Agreement, Lucapa will receive a nominal purchase price of A\$10,000 from Executive as well as approximately A\$1 million from Mothae in outstanding technical services payments. Executive will assume all liabilities and guarantee obligations relating to Mothae currently held by Lucapa. Following completion, Lucapa will continue to provide technical services to Mothae under the technical services agreement on normal commercial terms for a minimum of three months.

Lucapa has received confirmation from the ASX that shareholder approval is not required under ASX Listing Rule 11.1 and 11.2 and as a result, the Company will not seek shareholder approval for the transaction.

Completion of the divestment is subject to the satisfaction of certain key conditions precedent, as detailed below:

- receipt of consent from the Lesotho Minister of Natural Resources for the Transaction;
- execution of a Delegation Agreement between Lucapa, the Government and Executive whereby Lucapa assigns and delegates its rights and obligations in the Mining Agreement to Executive;
- confirmation from SAFDICO that the Offtake Agreement between the Mothae and SAFDICO remains valid following completion of the Transaction;
- amendment of the Technical Services Agreement between Lucapa and Mothae to incorporate a three-month no fault cancellation provision; and

Subject to satisfaction of the relevant conditions, completion is expected to occur on or before 30 September 2024.

Limited warranties are provided with the shares in Mothae largely sold on an as is basis. The Agreement otherwise contains customary provisions for an agreement of this nature.

For and on behalf of the Lucapa Board.

**Nick Selby**

**Managing Director and CEO**



## For more information:

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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.

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

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.

## 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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