

**TERMS & CONDITIONS TO ONLINE TENDERS ORGANISED BY  
BONAS-COUZYN (ANTWERP) NV FOR LUCARA DIAMOND CORP. SALES AT:  
WWW.LUCARABIDS.COM**

**Amended November 23, 2017**

**1. INTRODUCTION**

- 1.1 These terms and conditions (the “Terms and Conditions”) set out the terms on which Lucara Diamond Corp.’s subsidiary Boteti Mining (Pty.) Limited (“Seller”) shall present diamonds for inspection and consequently sell diamonds via an online tender platform with the assistance of Bonas-Couzyn (Antwerp) N.V. (“Bonas”).
- 1.2 Any customer and any/all of its representatives wishing to purchase diamonds from Seller pursuant to a tender are bound by these Terms and Conditions.
- 1.3 The Terms and Conditions are available on the online tender platform, and each customer confirms that it has read them and agrees to be bound by them as of its registration as a customer. Notwithstanding anything to the contrary contained herein, if a customer’s registration has been completed and after such time the Terms and Conditions are amended, the customer agrees that it shall be bound by the amended Terms and Conditions available on the online tender platform at the time of its participation in a tender.
- 1.4 The customer agrees that when its representative selects the “I Accept” button on the online tender platform or submits an electronic bid, it, the customer, is confirming its acceptance of the Terms and Conditions in effect at the time of a tender, electronically as further proof that it agrees to be legally bound by them. Each customer further agrees that an electronic signature is the legal equivalent to a manual signature, which has the full force and effect of a signature affixed by hand to a paper document, and which does not require the validation from any certification authority and/or other third party verification.
- 1.5 The Terms and Conditions apply to the inspection of the tendered diamonds, the use of the online tender platform and/or to any other services offered by Seller and/or Bonas in the context of current and/or future tenders.

**2. CUSTOMER REGISTRATION**

- 2.1 Any company wishing to participate in a tender must apply to become a customer by completing a registration form supplied by Bonas for this purpose and providing all such documentation as may be required, including: proof of the identity of the customer, its directors, officers, representatives and shareholders; a copy of the customer’s constitutional documents and business licence; and company bank account(s) details.
- 2.2 When submitting its registration form, the applicant customer shall inform Bonas if any of its partners, directors, senior managers or representatives is a shareholder or ultimate beneficiary in a company that a customer registration with Bonas or with any other company selling diamonds has been previously cancelled or been withdrawn. Failure to do so will be considered a breach of the Terms and Conditions in its entirety.
- 2.3 All information and documentation supplied shall be up to date and complete in all respects, and customers who are already registered are required to keep such information and documentation updated at all times, including, but not limited to customer representatives’ passport copies or renewed trade licences.
- 2.4 In order to be approved as a customer, every applicant must have met all of the Seller’s and/or Bonas’ security, compliance and other due diligence requirements. A registered customer is hereinafter referred to as ‘customer’.
- 2.5 The customer warrants that it has the legal capacity to perform its obligations under these Terms and Conditions.
- 2.6 Seller and/or Bonas may, at its absolute discretion, cancel a customer’s registration, and/or refuse to grant access to any of its representatives to an inspection or a tender, without notice and with immediate effect.

### **3. CUSTOMER COMPLIANCE**

- 3.1 The customer hereby warrants and confirms that its company, its holding company, any/all subsidiaries, and each of such companies' shareholders, partners, directors, senior managers or representatives:
- 3.1.1 Comply with applicable laws;
  - 3.1.2 Are not and have not been involved in or associated with conflict diamonds;
  - 3.1.3 Have not purchased, sold, exported, imported or otherwise traded in rough diamonds without the full authority of, and in compliance with, the Kimberley Process certification scheme since its inception in January 2003;
  - 3.1.4 Comply and have not failed to comply with all trading obligations to third parties;
  - 3.1.5 Have not been convicted of, in any jurisdiction, any illegal activity, including, but not limited to: any offence of fraud; money laundering; theft; dishonesty; or for causing any damage to the health or welfare of any individual;
  - 3.1.6 Have not been expelled from a diamond bourse, or a similar industry organisation, whether pursuant to a judgement from a litigation committee or otherwise;
  - 3.1.7 Have not been turned away or have had its status as a member of any diamond industry body or trade association terminated or suspended on the basis of a failure to comply with any code of conduct or ethical code operated by such diamond industry body or trade association;
  - 3.1.8 Have not been involved in or associated with the refusal by any grading laboratory to grade any diamond(s) or the contravention of any code of ethics or conduct operated by a grading laboratory;
  - 3.1.9 Are not subject to any insolvency or bankruptcy proceedings;
  - 3.1.10 Have not been included in a list of organisations and individuals with respect to which there is information on their engagement in extremist activities or terrorism that is maintained by a country who is a participant in the Kimberley Process; and
  - 3.1.11 Do not employ and/or are not associated with (a) "Politically Exposed Person(s)", as that expression is defined in EU Commission Directive 2006/70/EC of 1<sup>st</sup> August 2006.
- 3.2 The customer shall immediately advise the Seller and/or Bonas in the event that its registered company, its holding company, any of its subsidiaries, and/or any of such companies' shareholders, partners, directors, senior managers or representatives fail or cease to satisfy the aforesaid compliance requirements.
- 3.3 If the customer is in breach of the aforesaid compliance requirements:
- 3.3.1 The customer's registration shall be immediately revoked;
  - 3.3.2 The Seller and/or Bonas shall have the right to refuse to permit the customer to collect any lots and/or terminate any outstanding binding contracts of sale;
  - 3.3.3 The customer shall be fully liable to the Seller and/or Bonas for any damages resulting from such failure by customer to comply, including payment of the 10% default fee, as set out below for any terminated contracts of sale.

### **4. INVITATION ONLY AND INSPECTION SCHEDULE**

- 4.1 An invitation to participate in the tender does not automatically guarantee an offer by Seller and/or Bonas to sell any diamonds.
- 4.2 If Seller and/or Bonas invites the customer to participate in the tender after its successful completion of the registration process, the customer shall be invited to inspect the diamonds to be offered for sale at the tender.
- 4.3 Seller and/or Bonas shall decide, at its absolute discretion, as it sees fit, whether or not to invite the customer to participate in a tender.
- 4.4 Seller and/or Bonas shall be under no obligation to invite the customer to participate in a tender, whether or not such customer may have participated in any previous tender or whether such customer has successfully completed the registration process.

- 4.5 Seller and/or Bonas shall, at its absolute discretion, determine, amend or cancel the date, time, duration and/or place of the inspection of the lots tendered.
- 4.6 The inspection shall take place at Seller's and/or Bonas' premises (or as otherwise notified by Seller and/or Bonas) by appointment only.
- 4.7 Prior to any tender, the Seller and/or Bonas may at its absolute discretion publish a description of the lots to be inspected at that tender. Such description shall be indicative only, and the Seller and/or Bonas makes no representations as to the quality and quantity of diamonds or to the exact weight of the lots, which will be available at the tender. Neither can the Seller and/or Bonas assure that the quality of diamonds in one tender is the same as those offered in a previous tender, despite description(s) being identical.
- 4.8 Seller and/or Bonas may require a customer to pay a deposit before inspection, as a bank guarantee, to a bank account nominated by Seller and/or Bonas. The deposit shall either be refunded within two working days after the closure of the tender if the customer has not won any lot tendered, or be deducted from the total payable amount in the event that a customer has successfully bid.

## **5. REPRESENTATION DURING INSPECTION**

- 5.1 All representatives of the customer attending for inspection and/or participating in the tender shall, unless otherwise agreed by Seller and/or Bonas, be an employee of its company, of its holding company(ies), or of any of its subsidiaries.
- 5.2 Unless Seller and/or Bonas agrees otherwise, the customer shall provide proof acceptable to Seller and/or Bonas of the identity of each representative that the customer wishes to attend the inspection on the customer's behalf, the nature of the relationship between the representative and the customer (for example, employee or employee of an affiliate) and any other documents or information that Seller and/or Bonas will require to comply with any legal, security, money laundering and other due diligence requirements.
- 5.3 If such proof, documents and/or information acceptable to Seller and/or Bonas are not provided before the appointed time for inspection, Seller and/or Bonas may, in its absolute discretion, refuse to allow that representative to attend for inspection and refuse to allow that customer to participate in the tender.
- 5.4 If a customer wishes to bring to the inspection a consultant, advisor or any third party individual who is not an employee of its company, of its holding company(ies), or of any of its subsidiaries, the customer shall notify Seller and/or Bonas of the identity of any such third party individual in advance of any inspection appointment. Said third party individual shall be considered to be the customer's representative as well, and shall meet the same security, compliance and other due diligence requirements as the customer and its other representatives. The customers shall be legally responsible for all representatives it may bring to the inspection. Seller and/or Bonas reserves the right, in its absolute discretion, to refuse any third party individual to attend an inspection appointment.
- 5.5 The customer warrants and guarantees that its representatives adhere to and comply with the Terms and Conditions.

## **6. SECURITY DURING INSPECTION**

- 6.1 Seller and/or Bonas shall be entitled to monitor the inspection by means of video cameras and other surveillance equipment, to which surveillance the customer and its representatives specifically agree.
- 6.2 Customers shall not have any diamond or diamond substitute on their person or in their possession when entering or leaving the inspection premises.
- 6.3 Seller and/or Bonas shall record the weight of each lot before and after each inspection of that lot by the customer.
- 6.4 Where there is a discrepancy between the weight recorded after the inspection and the weight recorded before that inspection, Seller and/or Bonas reserves the right to pause the distribution of any/all further goods for inspection, and will be entitled to search the area in which the inspection took place. The customer and its representatives shall not be entitled to leave Seller's and/or Bonas' premises until such time as the discrepancy has been resolved, unless Seller and/or Bonas allows otherwise.
- 6.5 Each customer agrees that, and will procure that all of its representatives agree that, Seller and/or Bonas may carry out such security measures as, at its absolute discretion, it sees fit before any of a customer's representatives attend or leave the premises at which the inspection takes place, including, but not limited to, weighing the diamonds inspected.

- 6.6 Any suspicious behaviour by a customer or any of its representatives may be further investigated by Seller and/or Bonas and referred to criminal investigation.
- 6.7 In the event that a stone within a particular lot is either lost or severely damaged during the inspection, customers shall then be charged on a pro rata basis at the tender selling price per carat value or at the reserve price of the lot, whichever is the highest.
- 6.8 Seller and/or Bonas shall not be liable for any loss or damage suffered by the customer whilst on Seller's and/or Bonas' premises provided that this clause shall not exclude or limit Seller's and/or Bonas' liability for death or personal injury caused by Seller's and/or Bonas' negligence.

## **7. BEHAVIOUR DURING INSPECTION**

- 7.1 If a customer fails to attend for inspection at the appointed time (being more than twenty minutes late for an appointment to constitute failure to attend) Seller and/or Bonas may, in its absolute discretion, refuse to allow that customer to attend for inspection at any later time and/or refuse that customer to participate in the tender.
- 7.2 Unless otherwise approved inspection attendance is limited to one visit only per customer, and to a maximum of four representatives per customer. Seller and/or Bonas may at any time and without prior notice further limit the number of representatives of any customer attending for inspection to such number as Seller and/or Bonas, at its absolute discretion, sees fit.
- 7.3 Seller and/or Bonas shall have absolute discretion as it sees fit in relation to the inspection of any individual lot by any customer.
- 7.4 During inspection, any lot description made by Seller and/or Bonas is merely general and not a guarantee of the nature, size or quality of the goods. It is the responsibility of the customer to adequately examine all lots before submitting any bids. Customers should make a full and detailed inspection of all merchandise before bidding. The customer agrees not to hold the Seller and/or Bonas liable or responsible for any description or information provided about any merchandise.
- 7.5 Before inspection, customers are requested to check the weight of each lot (and of the constituent parcels/sub-lots that may make up that lot) presented to them. Any discrepancy should be reported to Seller and/or Bonas immediately.
- 7.6 During inspection, the customer may view as many tendered lots as the timing of the appointment allows, but may only view one tendered lot in each size range at any given time and may only view any individual tendered lot once.
- 7.7 Each lot is sold as a whole and shall not be mixed or split from its original presentation.
- 7.8 Customers are not allowed to apply white or any other coloured coating to the diamonds being inspected, as it alters the perceived colour of the stone for subsequent inspection. The Seller and/or Bonas reserves the right to immediately disqualify customers that have not complied with this prohibition and the customer shall be fully liable for diamond boiling costs and any losses or damages suffered by Seller and/or Bonas due to its non-compliance. Marking with ink, where easily removed with ethanol, is allowed.
- 7.9 Customers will be required to leave the inspection room at the end of the time limit of their appointment, irrespective of having finished inspecting the lots tendered, unless Seller and/or Bonas specifically permits the customer to stay past the end of appointment time.
- 7.10 Customers agree to conduct themselves in a business-like manner, maintaining and respecting the privacy and security of other customers, and to follow all instructions of the Seller and/or Bonas regarding the inspection and bidding of diamonds.

## **8. ONLINE TENDER PLATFORM**

- 8.1 Bids must be submitted on the dedicated online tender platform, which has been specifically designed to be as intuitive and user-friendly as possible.
- 8.2 The website address of the online tender platform shall be communicated to the customer during the inspection of the lots tendered.
- 8.3 The customer may request at the time of inspection to be trained on how to use the online tender platform upon which the bids are to be submitted. For technical guidance during the bid submission process, the customer may also contact the Seller's and/or Bonas' office by telephone, if required.
- 8.4 The customer agrees not to use the online tender platform for any purpose other than participation in the tender in which that customer is entitled to participate.
- 8.5 At the time of registration, each customer has been given a unique username and password to access the online tender platform. The customer shall be responsible for maintaining the security and confidentiality of its login details and shall immediately notify Bonas in case of their loss or theft. Seller and/or Bonas is not responsible at any point for the misplacement, loss or misuse of the username or password.
- 8.6 The customer shall implement and enforce procedures to ensure that, and represents and warrants that all persons who have access to the online tender platform on its behalf are fully conversant with the operation of the online tender platform and comply with these Terms and Conditions.
- 8.7 The customer represents and warrants that a bid submitted on the online tender platform by one of its representatives or employees shall be submitted by an individual who is legally authorised to take a financial commitment on the customer's behalf. Seller and/or Bonas shall have no obligation to verify the financial authorisation of any representative of the customer.
- 8.8 Access to the online tender platform is on an "as is" basis. Seller and/or Bonas does not guarantee uninterrupted access to the online tender platform and shall not be liable for any technical problems, which render the online tender platform inoperable.
- 8.9 Where a customer is unable to submit a bid through the online tender platform (whether due to a failure of equipment either of Seller and/or Bonas, or of the customer, or of any other person or due to difficulties in Internet connection or otherwise howsoever) Seller and/or Bonas shall, in its absolute discretion, be entitled to accept duly signed and dated bids from that customer on physical paper in a sealed envelope, by email, telephone or facsimile before the end of the bid submission period. If Seller and/or Bonas declines to do so, that customer shall not be able to participate in the tender except through the online tender platform. For the avoidance of doubt, Seller's and/or Bonas' discretion shall not be limited by Seller and/or Bonas accepting bids by email, telephone or facsimile from any other customer, nor by Seller and/or Bonas having accepted bids from the customer on any previous occasion.
- 8.10 For the avoidance of any doubt Seller and/or Bonas shall have no liability whatsoever to any customer for any losses whatsoever and howsoever arising out of or in connection with the partial and/or total inability of the customer to submit or withdraw a bid through the online tender platform or any exercise by Seller and/or Bonas of its discretion under the Terms and Conditions. **The customer accepts this exclusion of liability and waives its possible rights in this respect.**
- 8.11 In the event of any occurrence which, in the absolute discretion of Seller and/or Bonas, impairs the proper functioning of the tender or of the online tender platform, Seller and/or Bonas may, in its absolute discretion, cancel, stop or suspend the tender and, where applicable, restart the tender either from the beginning or from any such point that, in the opinion of Seller and/or Bonas, the tender has been impaired. In exercising this discretion, Seller and/or Bonas may deem the whole, or any part, of the tender that has taken place prior to such time to be cancelled. The effect of such cancellation will be as though such part or all of the tender had not taken place.
- 8.12 The online tender platform contains confidential information, which is the exclusive property of Seller and/or Bonas. The customer shall not use the online tender platform for the purpose of reverse-engineering/plagiarism and/or adapting the logic, the general aesthetics or any part of its content. Customer shall notify Seller and/or Bonas if it becomes aware of any unauthorised use of the online tender platform content by a third party.

## **9. BID SUBMISSION PROCEDURE**

- 9.1 Seller and/or Bonas shall have absolute discretion as it sees fit in relation to the conduct of the tender, including and without limitation:
- 9.1.1 The time at which the tender shall take place (and Seller and/or Bonas shall not be obliged to commence the tender or make any sales in the tender at any particular time or at all);
  - 9.1.2 The right to move the physical tender site;
  - 9.1.3 The right to change the tender schedule;
  - 9.1.4 The right to withdraw from a sale any lot at any stage prior to the end of the bid submission period;
  - 9.1.5 The right to prevent any customer accessing the online tender platform;
  - 9.1.6 The right to accept or reject a bid, whether submitted on the online platform, by email, telephone or facsimile;
  - 9.1.7 The right to reject any bid at any stage prior to the existence of a binding contract of sale.
- 9.2 In order to be protected from inadvertently over-stretching their budget(s) and to be able to bid with full confidence, customers may be requested to predefine their overall 'Purchase Limit', i.e. the maximum amount a customer would be prepared to buy at the sale:
- 9.2.1 The minimum value of the Purchase Limit shall not be lower than the value of the highest individual bid submitted.
  - 9.2.2 In the case that a customer has submitted several successful bids and the total amount of the lots won exceeds its spending limit, the Seller and/or Bonas shall reduce the customer's total purchase to an amount that is below its pre-defined Purchase Limit. To do so, the Seller and/or Bonas shall allocate, under the presence of the bailiff, to the customer one or several lots for which it has submitted the highest bid by the highest margins relative to the reserve price and to the second highest bidder, so that the total of lots won does not exceed the pre-defined Purchase Limit.
  - 9.2.3 Customers may modify their Purchase Limit at any time prior to the end of the bid submission period.
  - 9.2.4 Customers' bids, which have not been submitted through the online tender platform, shall be considered without Purchase Limit (i.e. unlimited), unless otherwise specified by the customer at the time of submission, whether in a sealed envelope, through email, telephone or facsimile.
- 9.3 The bidding currency/value is in United States dollars (\$) and a bid must be entered in respect of each lot and not in respect of a combination of lots.
- 9.4 Bids can be entered in value per carat (\$/ct) amount or in total value per lot (\$); whichever field is entered; the other field is automatically calculated.
- 9.5 Bids can be submitted, edited, or cancelled at any time up until the end of the bid submission period.
- 9.6 Bids are submitted through a secured and encrypted connection, which prevents Seller and/or Bonas to see before the closure of the submission period the lots, which customers have placed a bid on as well as the submitted value.
- 9.7 A customer shall not be entitled to withdraw a bid after the closure of the submission period.
- 9.8 Once the submission period has ended, any bid shall stand as an offer to buy the lot in respect of which the bid is made.
- 9.9 Customers shall not receive a notification email for the bids submitted, nor at the closure of the submission period.

## **10. RESULTS OPENING**

- 10.1 Seller and/or Bonas shall open the submitted bids only after the closure of the bid submission period and only under the supervision of a bailiff.
- 10.2 Seller may, in its absolute discretion, set a reserve price at which it is willing to sell a particular lot and may at any time reduce or waive it.
- 10.3 Seller and/or Bonas shall not be obliged to disclose the reserve price of any particular lot tendered to any customer.
- 10.4 Seller may, in its absolute discretion, accept or reject any submitted bids.
- 10.5 Where two or more customers have bid the same winning price, Seller and/or Bonas shall contact by phone each customer informing them that they are joint-highest bidder with one or more parties, and offer them the opportunity to review their bidding price. Should both customers be unreachable or decide to keep the same bid within thirty minutes after having been notified, Seller and/or Bonas shall decide by drawing of lots in the presence of the bailiff, which of the bidders shall be the winner.
- 10.6 The Seller and/or Bonas shall be entitled, but not obliged, to publish on the online tender platform and/or to send the final results of the tender by email to the bidding customers.
- 10.7 In the interests of the bidding customers, as well as the Seller and/or Bonas, no results will be communicated to a bidding customer in the event the placed bid(s) by that customer is deemed to be a non-competitive bid (NCB). A qualification as a NCB is at the sole and absolute discretion of the Seller and/or Bonas.

## **11. PAYMENT**

- 11.1 Notwithstanding anything to the contrary, prior to the existence of a binding contract of sale the Seller reserves the right, at its sole and absolute discretion, to refuse to sell any particular lot won to any successful bidder for any reason.
- 11.2 A binding contract of sale is concluded between Seller and a customer in respect of any lot won by that customer only when the customer has been given notice by Seller and/or Bonas that it is the winning customer and Seller and/or Bonas has submitted by email or facsimile to that customer its invoice in respect of that lot.
- 11.3 Seller and/or Bonas shall issue an invoice in United States dollars for the lot(s) won within one working day after the announcement to the winning customer.
- 11.4 During the course of any inspection of diamonds related to a tender, the weight of any given lot might be reduced by a few hundredths of carat. This marginal difference is proportionate to the initial caratage of the lot, and is caused by the handling of the goods resulting, either in the abrasion of stones rubbing against each other within a parcel, or in the removal of a small chip on a single stone. By bidding on the tendered lots, customers recognise and accept this risk of marginal weight reduction, inherent to the handling of goods. Prior to invoicing, the Seller and/or Bonas shall perform a weight reconciliation of the won lot(s) to ensure that the winning customer pays the correct total price based on the final weight of the lot.
- 11.5 Each winning customer shall within five working days after Seller and/or Bonas has sent its invoice by email or facsimile pay in United States dollars the winning price for each lot which it has won by electronic bank transfer to the bank account referred to in Seller's and/or Bonas' invoice.
- 11.6 The invoice shall only be issued to the winning customer and payment shall only be accepted from the bank account(s) specified in the customer's registration form. Customers may split a payment between several companies as long as each of the invoiced companies was already registered as a customer of Seller before the start of the tender.
- 11.7 In the event that a customer is unable to pay the invoice from the bank account(s) specified in the registration form, the customer shall inform Seller and/or Bonas in writing of the details of any different bank account that it intends to use to pay the invoice. Seller and/or Bonas is under no obligation to accept payment from an alternate bank account to that specified in the customer's registration form and may carry out whatever 'know your customer' checks it considers necessary in respect of such bank account.
- 11.8 The details of the bank account upon which the payment must be made shall only be specified on the invoice issued by Seller and/or Bonas. Such invoice shall only be sent by email through encrypted connection and Seller and/or Bonas shall never send to any customer separate notifications of change of bank account details. In the event, a customer receives a notice regarding bank account details that is not sent through an encrypted connection, Seller and/or Bonas hereby notifies

the customer that such notice is fraudulent and customer shall be solely liable for any losses incurred due to relying on such notice.

- 11.9 In the event that any payment by the customer results in Seller and/or Bonas being charged bank charges Seller and/or Bonas shall be entitled to invoice to the customer the same amount as it is charged by the bank.
- 11.10 If a customer fails to pay the price and, if applicable, the charges in respect of a lot won within five working days after having received the invoice, without prejudice to any and all of the Seller's rights against the customer, including, but not limited to damages associated with such default, Seller and/or Bonas may at any time by merely sending a written notice automatically and without any prior notice effect the termination of its obligations to sell and deliver diamonds within the relevant lot or all of the lots won by that customer. The customer may be excluded from participation in any future tender and the Seller may decide in its absolute discretion to offer the relevant lot(s) to the second highest bidder. The customer shall be subject to a default fee of 10% of the total of its winning price for all of the lots that are covered by the termination notice regardless of whether or not such lots are offered or purchased by another bidder. The customer expressly agrees that payment of the default fee shall not prejudice the Seller's and/or Bonas' right to recover further losses, damages, or expenses (including, but not limited to, the difference between the price of a lot and the price or prices at which Seller sells the diamonds in that lot). The customer expressly agrees that the default fee is not a penalty and that the Seller and/or Bonas may retain the customer's deposit to pay for the default fee.
- 11.11 Working days shall mean any day in Botswana that is not a weekend or a public holiday.

## **12. COLLECTION AND DELIVERY**

- 12.1 Each winning customer shall, following receipt of full payment (including charges, if applicable) by Seller and/or Bonas, collect its winning lot(s) at Sellers' premises or as otherwise notified by Seller and/or Bonas.
- 12.2 Swift copies cannot be accepted as a way to release the lot(s).
- 12.3 A winning customer shall not be permitted to collect any diamond within a won lot or any lot within a group of won lots until Seller and/or Bonas has received full payment for all lot(s) won. In the event that one or more winning customers are related to each other (i.e. affiliated companies), all of such winning customers shall not be permitted to collect any diamond within a won lot or any lot within a group of lots until Seller and/or Bonas has received full payment for all lots won by such affiliated companies.
- 12.4 Title of ownership in the lot(s) won shall pass to the winning customer on the receipt of full payment.
- 12.5 The winning customer may be charged additional insurance and storage costs in case the won lot(s) have not been collected two working days after receipt of the full payment.
- 12.6 If the winning customer requests the winning lot(s) to be shipped, it is in the Seller and/or Bonas' absolute discretion to agree to arrange for such a shipment, in which case the Seller and/or Bonas shall inform the winning customer of the shipment details of lot(s) won.
- 12.7 The winning customer acknowledges and agrees that the Seller and/or Bonas is not liable for the winning lot(s) and all risk of loss shall pass once they have crossed the threshold of the Seller's premises; insurance for the won lot(s) shall be the responsibility of the winning customer once the won lot(s) have crossed the threshold of the Seller's premises even if the Seller and/or Bonas have agreed to arrange for shipment.
- 12.8 When applicable, all transport, export, shipping insurance, diamond office tax fees and associated costs shall be for the customer's account to be paid for prior to movement of lot(s) won.
- 12.9 The customer undertakes, represents and warrants to comply with all laws, including, but not limited to export/import control and trade sanction laws and regulations, which may apply to the lot(s) won. This compliance is the customer's sole responsibility, and Seller and/or Bonas shall not be held responsible for any breach of the export/import and sanctions rules by the customer.
- 12.10 Before collecting any lot(s) won, the winning customer, its authorised representative and/or its nominated courier shall sign Seller's and/or Bonas' form of receipt.
- 12.11 No return of goods after collection or delivery shall be accepted.



### **13. WINNING CUSTOMER ACKNOWLEDGEMENT**

- 13.1 The winning customer acknowledges and agrees that: (i) it has been given an opportunity to inspect the diamonds purchased; (ii) **it has the sole responsibility to complete its own due diligence** concerning the diamonds purchased; and (iii) it is **not relying** on any information, representation or warranty provided by the Seller, its affiliates and/or Bonas with regard to the diamonds purchased.

### **14. COLLUSION AND CONFIDENTIALITY**

- 14.1 No customer shall disclose to any other customer, or to any other person whatsoever, any information relating to the tender. Without prejudice to the generality of the meaning of the phrase, "information relating to the tender" shall include:
- 14.1.1 Identification of the lot(s), which a customer intends to bid on, is considering bidding on, or has bid on; and the price that a customer intends to bid on, is considering bidding on, or has bid on, for any lot(s). In particular, no customer shall agree with any other customer the lot(s) for which any of them will or will not bid and/or the level of any bid that any of them will make;
- 14.1.2 Any and all information concerning the online tender platform, including but not limited to, the web address that is used for accessing the online tender platform and the username and password associated with any customer.
- 14.2 If a customer engages in collusive acts, or does not maintain the required confidentiality, without prejudice to all of Seller's and/or Bonas' rights (including but not limited to terminating or recovering damages for breach of contract), Seller and/or Bonas may:
- 14.2.1 Recover from the customer any losses or damages arising out of the collusive act or breach of confidentiality, which are fixed at a lump sum of United States dollars \$50,000 by way of an agreed genuine estimate of liquidated damages by all parties, subject to Seller's and/or Bonas' right to claim and receive from customer a higher amount if it appears that the damage from such breach exceeds such sum;
- 14.2.2 Recover from the customer any benefit accruing to the customer by reason of the customer's collusive act or breach of confidentiality. The customer shall hold such benefit on trust for Seller and/or Bonas;
- 14.2.3 Terminate any of Seller's and/or Bonas' obligations to sell or deliver any diamonds (whether pursuant to the Terms and Conditions or otherwise) to the customer.
- 14.3 To avoid any conflict of interest, the Seller and/or Bonas shall not bid on any of the lots tendered.
- 14.4 Seller and/or Bonas shall not communicate the name of the winning customers unless specifically authorised by the winner.
- 14.5 Public disclosure of winning bid values is solely at the Seller's discretion.

### **15. NOTICES**

- 15.1 Except as otherwise expressly provided in the Terms and Conditions, Seller and/or Bonas may give any notice under the Terms and Conditions to any customer by such means as, in its absolute discretion, it sees fit.
- 15.2 Any notice, including an invoice, shall be effective upon receipt and shall be deemed to have been received by the customer at 9.00 am on the third working day after posting, if sent by registered post; at the time of transmission in legible form, if delivered by email; or on receipt of a facsimile confirmation report, if delivered by facsimile.

### **16. AMENDMENTS TO THE TERMS & CONDITIONS AND TRANSFER OF RIGHTS**

- 16.1 These Terms & Conditions supersede and replace any/all previous Terms & Conditions of Seller and/or Bonas in relation to the conduct of a diamond sale via an online tender platform.
- 16.2 Seller and/or Bonas shall be entitled to amend the Terms and Conditions by making such amended terms available on the online tender platform, prior to the customer's participation in the tender to which the amended terms shall apply.
- 16.3 For referential purposes, the current version of these Terms & Conditions shall be available on the website of the online tender platform.
- 16.4 The customer is not entitled to transfer any of its rights or obligations under these Terms and Conditions and the agreements with the Seller and/or Bonas, either whole or in part, to any third party without the prior written consent of the Seller and/or Bonas. Any such assignment or transfer without the prior written consent shall be deemed null and void.

16.5 The provisions of these Terms and Conditions shall be interpreted so as to be valid and enforceable under the applicable law. If one or more provisions of these Terms and Conditions is found to be invalid, illegal or enforceable, in whole or in part, the remaining provisions shall not be affected.

**17. GOVERNING LAW AND JURISDICTION**

17.1 The Terms and Conditions and any contract pursuant to them shall be governed by and constructed in accordance with the laws of British Columbia (Canada), and the customer irrevocably attorns to the exclusive jurisdiction of the Courts of British Columbia (Canada).

**INSTRUCTIONS TO CUSTOMERS WISHING TO PARTICIPATE IN  
ONLINE TENDERS ORGANISED BY BONAS FOR LUCARA AT: WWW.LUCARABIDS.COM**

**Customer Support  
+32 3 233 70 80 or +267 39 22 310**

You acknowledge and agree that by participating in a tender of diamonds offered by Lucara Diamond Corp. ("Lucara") that you are subject to and will comply with the Terms and Conditions that are posted on the online tender platform at the time of the tender (the "Terms and Conditions").

**1. INVITATION TO VIEWING AND REGISTRATION**

- 1.1 You will receive an email invitation with the lots tendered. Accept the invitation to the tender and book a viewing appointment by calling the Bonas office at: +32 / (0)3 233 70 80 or the Lucara sales office at +267 39 22 310.
- 1.2 If you are already a registered Customer and you have confirmed your participation, the Username and Password previously provided to you can be used.
- 1.3 If you are not yet a registered Customer and you have expressed a desire to participate, you will only be provided with a Username and Password after you have completed the Prospective Customer Registration Form and been approved as a registered customer.

**2. VIEWINGS**

- 2.1 Upon request, basic training on how to use the online tender platform will be provided for you.
- 2.2 The online tender platform will open on the first day of the viewings, from which date you can log onto the online tender platform.
- 2.3 Before inspection, you are requested to check the weight of the lot(s) presented to you.

**3. LOGGING IN FOR BIDDING**

- 3.1 Access the online tender platform at: [www.lucarabids.com](http://www.lucarabids.com)
- 3.2 At the Login screen enter the Username and Password already provided to you, either electronically, or in the sales office during the viewing.
- 3.3 Click on the 'Login' button to access the platform.
- 3.4 When logging in for the first time, a pop up window with your registered details will come up. You must confirm/amend them before being able to proceed further.
- 3.5 When logging in, a pop up window with the Terms and Conditions of the tender will come up. You must read and accept them before being able to proceed further.

#### **4. PLACING A BID**

- 4.1 Before being able to place a bid, you first need to define your Purchase Limit. This will protect you from inadvertently overstretching your budget and to allow you to bid with full confidence. Please refer to the Terms and Conditions or contact the Bonas or Lucara team for further clarification if needed.
- 4.2 You can then view, submit, edit and revise your bids at any time up until the closure of the tender. This allows you to store your bids on the system.
- 4.3 You can opt to enter a US dollar per carat amount or a total value per lot for each lot you wish to bid on. Whichever you enter, the other field will be automatically calculated.
- 4.4 Enter the bid you wish to submit and click the 'Submit' button. Your bid is private to yourself and will not be visible to other bidders, nor to Bonas and to the Seller.
- 4.5 The online tender will close at the specified date and time as indicated on the platform screen, after which, bids are considered final.
- 4.6 Make sure you enter your final bid or amend your existing bid before the closure of the tender period, as the last bid submitted will be taken as final and binding. A paper bid is acceptable as well, provided it complies with the Terms and Conditions.
- 4.7 Bidders will not receive a notification email once the tender has closed.
- 4.8 Where two or more bidders have bid the same winning price, Bonas and/or Lucara shall contact by phone each bidder and offer them the opportunity to review their bidding price. In case both bidders decide to keep the same bid or are not reachable, Bonas and/or Lucara shall decide by drawing of lots in the presence of the Bailiff, which of the bidders shall be the winner.

#### **5. INVOICING**

- 5.1 You will receive a phone call or a notification email for the lot(s) on which you have submitted a successful bid.
- 5.2 You will receive an invoice shortly thereafter.
- 5.3 Full payment must be made within the specified period in the Terms and Conditions.
- 5.4 Upon receipt of your payment, you will be notified that you may collect the lot(s) you have won, or give us shipping instructions as to where to send the goods provided we have agreed to ship the lot(s) and such shipment is completed at your cost and risk in accordance with the Terms and Conditions.

**THIS INSTRUCTION SHEET IS FOR CONVENIENCE ONLY AND DOES NOT REPLACE THE TERMS AND CONDITIONS IN EFFECT AT THE TIME OF A TENDER WHICH WILL ALWAYS TAKE PRECEDENCE AND ARE BINDING ON A CUSTOMER.**