



Lucara Diamond Corp.

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NEWS RELEASE

MOTHAE DIAMOND SALE RESULTS AND PROJECT UPDATE

September 17, 2012 (LUC-TSX, LUC-BSE, LUC-NASDAQ OMX First North) ... Lucara Diamond Corp. is pleased to report results of the Mothae Diamond sale completed on September 14, 2012. A total of 4,657 carats of diamonds were sold for gross proceeds of \$1.51 million, yielding an average price per carat of \$324. The diamond sale consisted of 32 sales parcels of which 26 were sold on a sealed tender at the offices of Bonas-Couzyn in Antwerp. The highest value stone sold was a 9.74 carat Type IIA diamond which achieved a price of \$272,720 or \$28,000 per carat. Notwithstanding the high quality Type IIA diamond recovered, the diamonds sold today were mined from a higher grade area of the kimberlite which is generally known to produce lower quality, smaller diamonds.

This sale completes the Trial Mining program on the Mothae project and with the consent of the Government of Lesotho, the processing facility will be placed on care and maintenance as the Company works towards completing a Preliminary Economic Assessment (PEA) of the Mothae project. The PEA is well advanced and it, together with a NI43-101 compliant Independent Technical Report, is expected to be completed in the first quarter of 2013. Work on the PEA to date includes:

- completion of a 5,630 meter delineation drill program to extend the geologic and resource model to a depth of 300 meters,
- completion of an Environmental Impact Assessment report and corresponding Environmental Management Plan,
- ore dressing studies, together with systematic data collection from processing hard (unweathered) kimberlite to facilitate process plant design and diamond recovery grade modelling,
- site layout and infrastructure review, including water and power options.

Mr. William Lamb, Lucara's President and CEO, noted, "The completion of the trial mining program at Mothae marks a significant milestone in the project's development. We have now sold in excess of 20,000 carats of Mothae diamonds, the results of which will form a solid foundation for revenue modeling in our economic evaluation of the project. This information, together with a better constrained geologic and grade model and the processing of unweathered kimberlite which makes up the bulk of the Mothae deposit, provide all of the necessary inputs for a thorough economic assessment."

Mothae Diamonds holds a mining license for the Mothae kimberlite in Lesotho. Mothae Diamonds is jointly held by Lucara (75%) and the Government of Lesotho (25%). One half of the interest held by the

Government of Lesotho is free carried, and one half is paid through the Government of Lesotho's share of project dividends.

About Lucara

Lucara is a well positioned emerging new diamond producer. The Company has an experienced board and management team with extensive diamond development and operations expertise. The Company's two key assets are the Karowe Mine in Botswana and the Mothae Project in Lesotho. The 100% owned Karowe Mine is in the production. The 75% owned Mothae Project is currently in the trial mining stage.

Qualified Person

Mr. Anthony George, P.Eng., a mining engineer and Lucara's V.P. Development, is the Company's Qualified Person pursuant to NI 43-101 and has reviewed the technical contents of this news release.

On Behalf of the Board,

William Lamb
President and CEO

Lucara's Certified Advisor on NASDAQ OMX First North is Pareto Öhman AB.

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Forward-Looking Statements

This press release contains "forward-looking information" that is based on Lucara's expectations, estimates and projections as of the dates as of which those statements were made. This forward-looking information includes, among other things, statements with respect to the use of the proceeds of the credit facility. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as "outlook", "anticipate", "project", "target", "believe", "estimate", "expect", "intend", "should", "scheduled", "will", "plan", "would" and similar expressions. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause Lucara's actual results, level of activity, performance or achievements to be materially different from those expressed or

implied by such forward-looking information and is developed based on assumptions about such risks, uncertainties and other factors. A discussion of factors that may affect Lucara's actual results, performance, achievements or financial position is contained in the filings by Lucara with the Canadian provincial securities regulatory authorities, including Lucara's 2011 annual information form filed on SEDAR on March 22, 2012.

Forward-looking statements are based on assumptions management believes to be reasonable, including but not limited to the continued general market conditions, development of the AK6 project, no material adverse change in the market price of commodities and that the costs of development and operation of the AK6 project will be in line with management's expectations. Although Lucara attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate. Accordingly, readers should not place undue reliance on forward-looking statements. Lucara disclaims any intent or obligations to update or revise publicly any forward-looking statements whether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law.