



Lucara Diamond Corp.

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NEWS RELEASE

LUCARA DIAMOND CORP. PROVIDES OPERATING PERFORMANCE OUTLOOK FOR 2013

December 5, 2012 (LUC – TSX, LUC – BSE, LUC – NASDAQ OMX First North) ... Lucara Diamond Corp. (“Lucara” or the “Company”), subsequent to its annual budget Board meeting provides operating performance guidance for 2013.

William Lamb, President and Chief Executive Officer commented “The current year has been a successful and rewarding year for Lucara as we transitioned from a developing company into a production company completing construction of our Karowe mine on schedule and on budget. With a dedicated and focused operations team the mine achieved nameplate tonnage within 4 months of completing commissioning while maintaining an exemplary safety and environmental record. By the end of the first year of production Lucara will have sold over 230,000 carats of diamond, including a rare 9.46 carat blue diamond which achieved a record price of over \$477,000 per carat. We are focussed on continuing to build on the operational performance achieved in 2012 with sales expected to increase by almost 75% in 2013 and operating costs targets in-line with the Company’s feasibility study”.

Key operational highlights are as follows:

- Karowe Mine is projected to process 2.5 million tonnes and the Company is forecasting diamond sales of 400,000 carats in 2013, an increase of almost 75% compared to 2012. Eight sales are planned for the year with viewings in both Gaborone and Antwerp.
- Karowe operating cash costs are expected to be in the order of \$23 per tonne treated, in-line with feasibility projections.
- Waste will be stripped to access ore in the Centre and South Lobes. Later in the year waste stripping will also provide access to deeper ore benches in the North Lobe.
- Capital expenditures for 2013 are expected to be approximately \$3m and reflect ongoing sustaining operational capital.

About Lucara

Lucara is a well positioned 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 production. The 75% owned Mothae Project has completed its trial mining program.

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

Certain of the statements made and contained herein in the MD&A constitute forward-looking statements as defined in applicable securities laws. Generally, these forward-looking statements include any statements with respect to predictions, expectations, beliefs, plans, projects, objectives, assumptions or future events or performance and often (but not always) can be identified by the use of forward-looking terminology such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or achieved.

Forward looking statements are based on the opinions and estimates of management as of the date such statements are made, and they are subject to a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievement expressed or implied by such forward-looking statements. In particular, this MD&A contains forward looking information pertaining to the following: the estimates of the Company's mineral reserve and resources; estimates of the Company's production and sales volumes for the Karowe Mine; estimated costs to construct the Karowe Mine, start-up, exploration and development plans and objectives, production costs, exploration and development expenditures and reclamation costs; expectation of diamond price and changes to foreign currency exchange rate; expectations regarding the need to raise capital.

The Company believes that expectations reflected in this forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct. Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to materially differ from those reflected in the forward-looking statements including, without limitation, the following risks and uncertainties for the Company: general global financial and economic conditions; future market prices for diamonds; the supply and demand for rough diamonds; ability to access capital; fluctuations in interest rates and foreign currency exchange rates;

inherent hazards and risks associated with mining operations; estimations of the Company's production and sales volume for the Karowe Mine; costs associated with the construction of the Karowe mine; operational costs, including costs of power and diesel; operational difficulties, including failure of plant, equipment or processes to operate in accordance with specifications or expectations; industrial job disturbances; environmental and other regulatory requirements, including changes in the same; the acts of the governments of the jurisdictions in which the Company's operations are located; obtaining governmental approvals and permits; estimation of mineral resources, including the continuity of grade of diamondiferous mineralization; risks related to property titles; the dependence on transportation facilities and infrastructure; the Company is required to carry uninsurable risks; the mining industry is competitive; risks associated with current and future legal proceedings; conflicts of interest; dependence on management and technical personnel; and risks associated with volatility in the securities market.

Certain of these risks are discussed under the heading "Risk Factors" in the Company's Annual Information Form dated March 22, 2012 available at <http://www.sedar.com>. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward looking statements due to these risks, uncertainties and other factors. Accordingly, readers are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any intention or obligation to update or revise forward-looking statements if circumstances or management's beliefs, expectations, or opinions should change, except as required by law.