



Lucara Diamond Corp.

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NEWS RELEASE

LUCARA RECOVERS 13 DIAMONDS GREATER THAN 100 CARATS

May 20, 2014 (LUC – TSX, LUC – BSE, LUC – NASDAQ OMX First North) ... Lucara Diamond Corp. (“Lucara” or the “Company”) is pleased to announce the recovery of thirteen diamonds larger than 100 carats, two of which exceed 200 carats, since the start of the second quarter. Of the thirteen stones recovered, eight are gem quality diamonds. The five largest gem quality stones weigh 259cts, 239cts, two stones weighing 153cts each and a 133cts stone. Since the beginning of the second quarter, Karowe has produced 239 diamonds larger than 10.8 carats, including 27 diamonds with weights between 50 and 100 carats.

Lucara is also pleased to announce its second Exceptional Stone Tender on July 18, 2014. Client viewings will take place in both Antwerp and Gaborone with the tender closing at 4.00pm CET. The Company is in the process of selecting stones for this tender and will post this information along with a brochure on the Company’s website when available.

William Lamb, President and CEO, commented, “The ongoing recovery of these large and exceptional white diamonds continues to drive increased value for Lucara and its shareholders and has established the Karowe mine as a rare source of truly exceptional diamonds. The ongoing recovery of such stones is encouraging for a potential third exceptional stone tender during the fourth quarter of 2014.”

On Behalf of the Board,

William Lamb
President and CEO

Lucara’s Certified Advisor on NASDAQ OMX First North is Pareto Securities AB.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain of the statements made and contained herein in the MD&A and elsewhere constitute forward-looking statements as defined in applicable securities laws. Generally, these forward-looking statements 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. 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 and such forward-looking information included in this MD&A should not be unduly relied upon. In particular, this MD&A may contain 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; possible impacts of disputes or litigation and other risks and uncertainties describe under Risks and Uncertainties disclosed in the Company's Annual Information Form.

There can be no assurance that such statements will prove to be accurate, as the Company's results and future events could differ materially from those anticipated in this forward-looking information as a result of those factors discussed in or referred to under the heading "Risk Factors" in the Company's Annual Information Form dated March 27, 2013 available at www.sedar.com, as well as changes in general business and economic conditions, changes in interest and foreign currency rates, the supply and demand for, deliveries of and the level and volatility of prices of rough diamonds, costs of power and diesel, acts of foreign governments and the outcome of legal proceedings, inaccurate geological and recoverability assumptions (including with respect to the size, grade and recoverability of mineral reserves and resources), unanticipated operational difficulties (including failure of plant, equipment or processes to operate in accordance with specifications or expectations, cost escalations, unavailability of materials and equipment, government action or delays in the receipt of government approvals, industrial disturbances or other job actions, adverse weather conditions, and unanticipated events relating to health safety and environmental matters)

Accordingly, readers are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date the statements were made, and the Company does not assume any obligations to update or revise them to reflect new events or circumstances, except as required by law.