



Lucara Diamond Corp.

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NEWS RELEASE

LUCARA COMPLETES FIRST SALE OF KAROWE DIAMONDS

June 11, 2012 (LUC – TSX, LUC – BSE, LUC – NASDAQ OMX First North) ... Lucara Diamond Corp. (“Lucara” or the “Company”) is pleased to announce the sale today of 26,196 carats of Karowe diamonds through its new online auction system.

A total of 35 individual lots containing 29,339 carats of diamond were put up for sale through the on-line auction. Of the 35 lots, 30 were sold for a total revenue of \$5.64 million at an average diamond value of \$215/ct. Of the diamonds sold, the parcel included a 25.9ct stone which sold for \$5,022/ct.

William Lamb, President and CEO, commented, “With the first sale of Karowe production Lucara has achieved the final milestone in its transition to an operating company. It is a direct reflection of the current status of global markets that not all diamonds were sold during this first auction, however, we are extremely bullish about the market outlook overall and look forward to our future sales. Our new Karowe mine produces high quality diamonds and we can expect to always see steady demand regardless of the cycle the market is in.”

Ramp-up to full production is making good progress with the primary focus being on early development of the mine dewatering systems. The weathered nature of the ore currently being processed requires more water than anticipated during project evaluation. Plans are currently being executed to advance the installation of additional pumps to ensure sustainable water provision to support the ramp-up activities. It is envisaged that ramp-up to full production will continue into Q3, 2012.

At the end of May, 2012, greater than 33,500 carats of diamond were recovered from 85,000 tonnes of ore processed at Karowe. The recovered grade of 39 carats per hundred tonnes supports the resource grade estimate for the area of the pit being mined. The mine production plan for the remainder of 2012 includes ore from the North and Centre Lobes and will deliver an average ore grade of approximately 20cpht.

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 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.

