

Lucara Announces Dividend Policy and Exceptional Stone Tender

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Feb. 24, 2014) - Lucara Diamond Corp. (TSX:LUC) (BOTSWANA:LUC)(NASDAQ OMX First North:LUC) ("Lucara" or the "Company") is pleased to announce that its Board of Directors has approved a dividend policy providing for the payment of semi-annual dividends. The Board has also approved the issuance, from time to time, of a special dividend based on revenues generated from Exceptional Stone Tenders, subject to the Company's overall financial position and other factors existing at the time under consideration. The Board intends to declare in May its first semi-annual dividend of \$0.02 per share for payment in June. This proposed dividend payment and the payment of any cash dividend under the policy is subject to the Board's determination at the appropriate time that the declaration of a dividend is in the best interests of Lucara and Lucara's shareholders and is in compliance with all laws and agreements of Lucara applicable to the declaration and payment of cash dividends.

Lucara is also pleased to announce its first Exceptional Stone Tender of 2014. The tender will comprise 20 individual diamonds with a combined weight of 1,191.71 carats. Client viewings will take place in both Gaborone and Antwerp with the tender closing at 4.00pm CET on April 10, 2014.

William Lamb, President and CEO commented, "The intention of the Board to declare a maiden dividend payment is a significant step forward for Lucara. The adoption of a dividend policy demonstrates our confidence in our business, recognizes the quality and cash flow generation of the Company's asset and our commitment to our shareholders. With Karowe's operational performance and cash flow generation ability we believe that Lucara is well positioned to provide a return to our shareholders while continuing to seek growth opportunities."

The Exceptional Stone Tender brochure can be viewed on the Company's website at www.lucaradiamond.com.

The Company will hold a telephone conference at 9:00am ET, 15:00 CET, 06:00am PT today, Monday, February 24, 2014.

Please call in 10 to 15 minutes before the conference starts and stay on the line (an operator will be available to assist you).

Call-in number for the conference call (North America): +1 416-340-8527

Call-in number for the conference call (North America Toll Free): +1 800-565-0813

Call-in number for the conference call (Europe Toll Free): +001-800-6578-9898

A replay of the telephone conference will be available approximately one hour after the completion of the conference call until March 3, 2014.

Replay number in North America: +1 905-694-9451

North America (Toll Free) is: +1 800-408-3053

Europe (Toll Free) is: +001-800-3366-3052

The pass code for the replay is: 3011776

On Behalf of the Board,

William Lamb, President and CEO

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

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 <http://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.

<https://lucaradiamond.mediaroom.com/index.php?s=2429&item=122613>