

Lucara Announces Formal Approval for AK6 Diamond Mine Construction

VANCOUVER, BRITISH COLUMBIA--(Marketwire - Nov. 2, 2010) - Lucara Diamond Corp. ("Lucara" or the "Company") (TSX VENTURE:LUC) and joint venture partner African Diamonds plc ("AFD") are pleased to announce the formal, positive decision to proceed with the construction of the AK6 diamond mine in Botswana. Construction of AK6 will begin over the next couple of months with full commissioning of the new mine targeted to be achieved in early 2012. AK6 will be one of the very few new hard rock diamond mines coming into production in the near term to meet the growing strong demand for high quality diamonds.

Project development activities commenced upon completion of the feasibility study in June of this year with the selection of Dowding Reynard and Associates ("DRA") as the EPCM contractor. DRA's focus areas have been the critical path activities which ensure that the ramp-up to full production in Q1, 2012 is achieved. These activities included the placing of orders for long lead time equipment, including the autogeneous mill and crushers, as well as the award of the earthworks contract for the site civil works and the access road upgrade. The earthworks contractor mobilized to site in September. Detailed engineering has also been advanced in support of the project schedule which is on track.

An agreement with the Botswana Power Corp. for the supply of bulk power has been concluded and the contract for the powerline construction has been issued for tender.

Senior staff have been recruited, including the CEO, General Manager, Finance Manager, Safety, Health Environment and Community Relations Manager, and the Human Resources Manager. Excellent progress has been made on environment and community relations tasks, human resource policy, staff housing, and recruitment timelines to ensure operational capacity in support of the project development and transition to operations.

Mr. William Lamb, Lucara's President and CEO, commented, "We are very pleased that the decision to proceed with the full development and construction of a mine on the AK6 diamond project has been made. Even more encouraging is that the critical path activities are already well advanced, helping to ensure that our commissioning schedule is met. In less than 1.5 years we anticipate Lucara to become one of the very limited number of producing hard rock diamond miners in the world. This, coupled with the increasing demand for high quality diamonds puts Lucara in a strong position for future growth."

Mr. Lamb further added, "The recruitment of a strong mine management team, who are an integral part of the project development team, will enable a smooth transition into operations".

On Behalf of the Board,

William Lamb, President and CEO

Forward-looking Information

This document contains statements about expected or anticipated future events and financial results of Lucara that are forward-looking in nature and are based on Lucara's current expectations, estimates and projections. This forward-looking information is subject to certain risks and uncertainties, such as legal and political risk, civil unrest, general economic, market and business conditions, the regulatory process and actions, technical issues, new legislation, competitive and general economic factors and conditions, the uncertainties resulting from potential delays or changes in plans, the occurrence of unexpected events and management's capacity to execute and implement its future plans. The actual results, activities, performance or achievements of Lucara may differ materially from those projected by management. 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 2009 annual MD&A filed on April 27, 2010 on the system for electronic document analysis and retrieval ("SEDAR") at www.sedar.com.

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