Lucara Diamond

LUCARA ANNOUNCES Q3 2026 RESULTS

VANCOUVER, BC, Nov. 13, 2026 /CNW/ -- /CNW/ (TSX: LUC) (BSE: LUC) (Nasdaq FNGM: LUC)PDF Version

Lucara Diamond Corp. ("Lucara" or the "Company") today reports its results for the quarter ended September 30, 2026. All amounts are in U.S. dollars unless otherwise noted.

Q3 2026 HIGHLIGHTS

Sales and Financial Results:

- Revenue was $61.1 million (Q3 2025: $51.2 million) from the sale of 113,227 carats, including the sale of the 1,303 carat Type IIa diamond.
- Adjusted operating earnings[1] were $32.8 million (Q3 2025: $29.2 million). Net income was $6.6 million (Q3 2025: $7.4 million).

Revenue Guidance:

- The Company increased its 2026 revenue guidance to $140 to $160 million from the previous range of $100 to $130 million, reflecting the contribution from the sale of the Motswedi and 1,303 carat Type IIa diamonds. The recovery of these diamonds continues to underscore the outstanding quality of the Karowe orebody.

Operations:

- Karowe processed 829,822 tonnes of ore in Q3 2026 at an average grade of 11.3 carats per hundred tonnes. Q3 2026 covered 97 days (June 26 to September 30) following the transition to calendar-month reporting, compared to 92 days in Q2 2026. On an average daily basis, throughput was the highest in the last five quarters.
- 94,067 carats were recovered from direct ore feed, plus a further 2,700 carats from processing of historical recovery tailings, for a total of 96,767 carats (Q3 2025: 97,651). 163 Specials[2] were recovered from direct ore feed (Q3 2025: 224), including the 1,303 carat Type IIa diamond, a 316 carat diamond and a further seven diamonds between 100 and 200 carats.
- Operating cost per tonne processed[3] guidance for the year is revised to $24.00 to $26.00 from $27.50 to $31.00. Quarterly operating costs per tonne processed decreased to $22.41 (Q3 2025: $25.65), below the revised guidance, due to higher throughput and lower in-pit mining activity, which offset increased power costs.

Karowe Underground Project:

- The Karowe Underground Project ("UGP") transitioned from shaft construction to underground lateral development during the quarter.
- The production shaft was handed over to the owner's team in August, and development waste hoisting commenced following the Botswana Department of Mines licensing of the rock winder.
- Group R Mining ("Group R") commenced underground lateral development, advancing 466 metres ("m") during the quarter.
- UGP capital expenditures were $40.7 million in Q3 2026. Remaining costs to complete, including contingency, were $245.2 million at September 30, 2026.

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[1] Adjusted operating earnings is a non-IFRS measure. Refer to "Non-IFRS Financial Measures" of the Company's Q3 2026 MD&A for discussion.

[2] Specials are defined as stones above 10.8 carats.

[3] Operating cost per tonne processed refers to operating cost per tonne of ore processed, a non-IFRS measure. Refer to "Non-IFRS Financial Measures" of the Company's Q3 2026 MD&A for discussion.

Liquidity:

- Cash and cash equivalents were $232.6 million at September 30, 2026, including $66.2 million held in the Debt Service Retention Account ("DSRA") and a $10.0 million customer security deposit.
- In September 2026, the Company's $350.0 million senior secured bonds (the "Bonds") were admitted to trading on Euronext ABM (Oslo Børs).

Lucara Botswana management changes:

- Effective November 30, 2026, Naseem Banu Lahri will conclude her tenure as Managing Director of Lucara Botswana

Proprietary Limited ("Lucara Botswana"). Naseem will continue to support Lucara Botswana through the transition period until the end of Q1 2027.

William Lamb, President & CEO commented: "On behalf of Lucara, I would like to thank Naseem for her contributions to Lucara Botswana and her commitment to stakeholder engagement, responsible mining, and the development of relationships with industry and local communities. We wish her all the best in her future endeavors.

Lucara delivered strong results in the third quarter of 2026, highlighted by exceptional diamond recoveries and strong revenue performance, once again demonstrating the quality and value of the Karowe resource. These results, which have led in an increase in the Company's revenue guidance for 2026, reinforce Karowe's position as one of the world's most remarkable diamond mines and its continued ability to produce rare, high-value diamonds. Our strong operational performance reflects the dedication of our team at Karowe and our continued focus on safety, cost discipline, and operational efficiency, which remain critical to maintaining financial resilience and mitigating the impact of sustained weakness in certain sectors of the diamond market.

As we enter the final months of 2026, we are pleased with our performance and the momentum across the business. We continue to make meaningful progress on the UGP, supported by our strengthened financial position following the successful completion of our financing strategy earlier this year. Our priorities remain firmly focused on maintaining operational excellence and advancing the safe and timely delivery of the UGP, positioning Lucara to continue recovering extraordinary diamonds and creating sustainable long-term value for our shareholders and stakeholders."

KAROWE UNDERGROUND PROJECT UPDATE

The UGP is designed to access the highest value portion of the Karowe orebody, with initial planned underground carat production predominantly from EM/PK(S)[4]. The UGP is expected to extend the mine life to 2038.

On January 30, 2026, the Company announced an update to the UGP schedule and budget (link to news release). Full-scale production from the UGP is anticipated in H1 2028, with a total estimated cost at completion of $779.2 million (including contingency). As at September 30, 2026, remaining costs to complete the UGP, including contingency, were $245.2 million[5]. Remaining costs to complete reflect current exchange rates and the Company's latest estimates. Committed, not yet incurred, UGP costs were $92.9 million. See "Liquidity and UGP Funding" in the Company's Q3 2026 MD&A for further information on the funding of the UGP.

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[4] EM/PK(S): Eastern magmatic/pyroclastic kimberlite (south).

[5] Total estimated cost at completion and remaining costs to complete are presented on a cash basis and represent the expected cash outflows required to complete the UGP. UGP capital expenditures are presented on an accrual basis. The difference between the reduction in remaining costs to complete and UGP capital expenditures for the period reflects the timing of payments, including costs incurred but not yet paid at period end.

Project Development

During the quarter, the Company incurred $40.7 million[6] in capital expenditures compared to $22.7 million in Q3 2025. Year-to-date capital expenditures totalled $81.8 million compared to $55.5 million in the comparable period of 2025. Expenditures were primarily directed toward shaft equipping, lateral development, including acquisition of the lateral development fleet, and surface infrastructure.

Following completion of the production and ventilation shaft sinking in 2025, the project transitioned from shaft construction to underground development. In July 2026, the Botswana Department of Mines licensed the production shaft auxiliary winder and the man and material winder, enabling lateral development equipment to be deployed underground. In August 2026, the reconfigured production shaft rock winder was licensed, enabling development waste hoisting to begin, and the production shaft was handed over to the owner's team. The ventilation shaft was fully equipped in September 2026 and handed over to the owner's team.

Group R began underground lateral development in August 2026. During the quarter, the primary lateral development fleet, including jumbo drill rigs and load-haul-dump units, and auxiliary equipment were slung down the production shaft to support lateral development. During the quarter, 466 m of lateral development was advanced on the 285, 310 and 335 levels, bringing project-to-date lateral development to 2,121 m. Development rates were slightly lower than planned due to Group R ramp up, the availability of the primary fleet, and by two water intersections encountered during probe drilling, both of which were sealed and grouted. Raiseboring of the 2.1 m diameter muck pass between the 470 and 285 levels was substantially completed in September 2026, well ahead of schedule. Following licensing of the rock winder in August 2026, waste hoisting through the production shaft commenced. In September 2026, 1,603 skips were hoisted, representing approximately 33,663 tonnes of development waste. Installation of the main surface ventilation fans was completed during the quarter with commissioning taking place in September 2026.

The UGP has achieved 2,427 lost-time injury free days. The project-to-date Total Recordable Injury Frequency Rate ("TRIFR") was 0.60, below the project target of 0.90, with a 12-month rolling TRIFR of 0.64.

Upcoming Project Development Milestones
Key activities and milestones planned for Q4 2026 include:

- Handover of the main surface ventilation fans to the owner's team.
- Ramp-up of lateral development on the 285, 310, 335 and 470 levels.
- Completion of the 470-level to 285-level muck pass.
- Completion of auxiliary fleet slinging and continued delivery of the second phase of the lateral development fleet.
- Commencement of mass excavation of the underground crusher and conveyor chambers, and continued procurement of structural steel and conveyor components.

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[6] Excludes qualifying borrowing costs capitalized.

RESULTS OF OPERATIONS – KAROWE MINE

		YTD 2026	Q3-26	Q2-26	Q1-26	Q4-25	Q3-25
Sales							
Revenues	$M	123.9	61.1	41.0	21.8	34.5	51.2
Carats sold	Carats	251,524	113,227	58,553	79,744	101,842	101,422
Production							
Tonnes mined (ore)(4)	Tonnes	789,920	391,626	392,695	5,599	312,148	517,155
Tonnes mined (waste)	Tonnes	-	-	-	-	-	5,682
Tonnes processed	Tonnes	2,310,074	829,822	761,848	718,404	705,513	744,753
Average grade processed(1)	cpht(*)	10.8	11.3	10.9	10.0	12.2	12.8
Carats recovered	Carats	249,237	94,067	83,109	72,061	86,110	95,302
Costs							
Operating cost per tonne processed(2)	$	23.55	22.41	23.76	24.74	32.88	25.65
Capital Expenditures							
Sustaining	$M	7.2	2.4	2.9	1.9	4.8	3.0
UGP(3)	$M	81.8	40.7	22.1	19.0	20.3	22.7

(*) Carats per hundred tonnes
(1) Average grade processed is from direct processing carats and excludes carats recovered from re-processing historical recovery tailings.
(2) Operating cost per tonne processed is a non-IFRS measure. Refer to "Non-IFRS Financial Measures" of the Company's Q3 MD&A.
(3) Excludes qualifying borrowing costs capitalized.
(4) Q1 2026 tonnes mined (ore) have been revised to 5,599 tonnes (previously reported: 6,231 tonnes) to reflect an updated rock density assumption in the resource model.

DIAMOND MARKET

Global natural diamond production is forecast to drop below 100 million carats in 2026, down from over 150 million carats less than a decade ago, reflecting the depletion of legacy mines, limited new discoveries, and the suspension or closure of several mines industry-wide. Synthetic diamond wholesale and retail prices have continued to decline through 2026, consistent with continued growth in production capacity.

In the near term, the natural diamond market is showing signs of a price recovery in certain size categories. Larger, rarer and higher-value goods have shown stronger price performance, supported by constrained supply and resilient demand, while smaller commercial categories continue to face pricing pressure from macroeconomic uncertainty and lab-grown substitution. Tightening natural diamond supply and emerging price momentum in larger categories support a more positive outlook for the remainder of 2026.

QUARTERLY SALES BY SALES CHANNEL

In millions of U.S. dollars	2026	2025	2026	2025
Sales Channel				
HB	$ 48.5	$ 38.0	$ 96.0	$ 91.3
Tender	11.2	11.2	23.9	28.3
Clara	1.4	2.0	4.1	5.6
Total Revenue[(1)]	$ 61.1	$ 51.2	$ 123.9	$ 125.2

(1) Figures may not add due to rounding.

Diamonds from Karowe are sold through three sales channels: through a diamond sales agreement with HB Trading BV ("HB"), through quarterly tenders, and on the Clara Diamond Solutions ("Clara") sales platform.

For the three months ended September 30, 2026, revenue increased 19% to $61.1 million, compared to $51.2 million in Q3 2025, primarily driven by the sale of the 1,303 carat Type IIa diamond. Revenue from HB was $48.5 million, or 79% of total revenue (Q3 2025: $38.0 million, 74%). Carats sold increased 12% to 113,227 carats. Tender revenue was $11.2 million, in line with Q3 2025, as an 11% decrease in the average price per carat offset higher volume of carats. Clara revenue was $1.4 million (Q3 2025: $2.0 million), largely reflecting a 26% decrease in the average sales price per carat. The lower average price reflects a greater proportion of smaller and lower-quality diamonds from run-of-mine stockpile material and continued price pressure in smaller diamond categories.

HB revenue includes "top-up" and "top-down" payments, which are received by the Company or made to HB when the final polished diamond sales price differs from the agreed initial polished value. Given the time required to fully monetize a stone through this process, top-up and top-down payments can introduce variability into HB revenue on a quarter-to-quarter basis.

The Company has given notice to terminate its agreement with Clara. Beginning in Q1 2027, the diamonds previously sold on Clara will be sold through the Company's regular tender process.

2026 OUTLOOK

This section of the news release provides management's production and cost estimates for 2026. These are forward-looking statements and are subject to the cautionary note regarding the risks associated with such statements.

Karowe Diamond Mine *In millions of U.S. dollars unless otherwise noted*	**2026** Original Guidance	**2026** Revised Guidance
Diamond revenue (millions)	$100 to $130	$140 to $160
Diamond sales (thousands of carats)	340 to 360	340 to 360
Diamonds recovered (thousands of carats)	340 to 360	340 to 360
Ore tonnes mined (millions)	Up to 0.6	**Up to 0.9**
Waste tonnes mined (millions)	Up to 0.2	Up to 0.2
Ore tonnes processed (millions)	2.6 to 2.9	**2.8 to 3.0**
Operating cost per tonne of ore processed[(1)]	$27.50 to $31.00	**$24.00 to $26.00**
UGP capital expenditure	Up to $110 million	Up to $110 million
Sustaining capital expenditure	Up to $11.5 million	Up to $11.5 million
Average exchange rate – Botswana Pula per United States Dollar	14.0	14.0

(1) Operating costs per tonne of ore processed is a non-IFRS measure. See "*Non-IFRS Financial Measures*".

Revenue guidance for 2026 has been increased to $140 to $160 million from the original guidance of $100 to $130 million, reflecting Legacy Stones[7] sales including the Motswedi and 1,303 carat Type IIa diamond. Ore tonnes mined guidance has also been increased, reflecting higher ore tonnes mined from the open pit ahead of the conclusion of open pit mining in Q4 2026. Ore tonnes processed guidance has been increased to 2.8 to 3.0 million tonnes, reflecting higher than planned plant throughput, supported by the processing of weathered stockpile material. Operating cost per tonne of ore processed guidance has been reduced to $24.00 to $26.00, reflecting higher throughput. All other guidance remains unchanged.

The 2026 outlook reflects the natural variability in the resource, including variations in recovered grade and diamond quality, which may influence revenue. The assumptions for carats recovered and sold as well as tonnes of ore processed are consistent with achieved plant performance in recent years. Run-of-mine stockpiled material (North, Centre, South Lobe) and life-of-mine stockpiles are expected to provide mill feed through 2027 when UGP development ore is scheduled to supplement stockpile feed with high-grade EM/PK(S). Full scale underground production is planned for H1 2028.

[7] Legacy Stones refer to rough stones that may be sold for a value greater than $10.0 million.

UGP capital expenditures are expected to be up to $110.0 million in 2026 with remaining expenditures focused on lateral development and the materials handling system. Sustaining capital expenditure is expected to be up to $11.5 million primarily directed to the replacement and refurbishment of key asset components and tailings storage facility advancement.

RESULTS CALL

The Company will host a conference call and webcast to discuss the results on Monday, November 16, 2026 at 6:00 a.m. Pacific Time (British Columbia). Conference call and webcast details:

Listen only webcast: LINK

Dial in for investor and analyst Q&A: LINK

To participate in the call, click on the dial link above and complete the online registration form. Once registered you will receive the dial-in information and a unique PIN the join the call and ask questions.

On behalf of the Board,

William Lamb

President and Chief Executive Officer

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ABOUT LUCARA

Lucara is a leading independent producer of large exceptional quality Type IIa diamonds from its 100% owned Karowe Diamond Mine in Botswana. Karowe is the only diamond mine in the world to have recovered ten diamonds in excess of 1,000 carats in weight. The Karowe Mine has been in production since 2012 and is the focus of the Company's operations and development activities. Karowe is transitioning from open pit to underground mining with the development of the UGP, which is designed to access the highest value portion of the Karowe orebody.

The information in this release is subject to the disclosure requirements of Lucara pursuant to the EU Market Abuse Regulation. The Company's certified adviser on the Nasdaq First North Growth Market is Bergs Securities AB, ca@bergssecurities.se, +46 739 49 62 50. This information was submitted for publication, through the agency of the contact person set out above, on November 13, 2026, at 3:45 p.m. Pacific Time (British Columbia).

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements made in this news release contain "forward-looking information" and "forward-looking statements" as defined in applicable securities laws. Generally, any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance and often (but not always) using forward-looking terminology such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "budgets", "scheduled", "forecasts", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.

Forward-looking information and forward-looking statements may include, but are not limited to, information or statements with respect to the project schedule and capital costs for the UGP, diamond sales projections and outlook disclosure under "2026 Outlook", the Company's ability to meet its obligations under the Bond terms, future price stability, supply and demand of rough or polished diamonds, estimated capital costs, the focus of future expenditures, future forecasts of revenue and variable consideration in determining revenue, the outcome of tax assessments and the likelihood of recoverability of tax payments made, activities planned for the UGP, including to advance lateral development, and continue operational readiness, estimation of mineral resources including the determination of the boundary between South Lobe M/PK(S) and EM/PK(S) domains due to the significant grade difference between these two domains, cost and timing of the development of deposits and estimated future production, currency exchange rates, rates of inflation, requirements for and availability of additional capital, capital expenditures, operating costs, production and cost estimates, tax rates, timing of drill programs, government regulation of operations, environmental risks and compliance obligations, limitations on insurance coverage, and geopolitical and economic risks affecting the Company's operational viability including sanctions, trade restrictions and tariffs, the impact of the growing supply of laboratory grown diamonds on the demand for and pricing of the Company's natural diamond production, and the risk that continued expansion in laboratory grown diamond production and shifts in consumer preferences could further adversely

impact revenues achievable by the Company, the ability of HB to perform its obligations, including making timely payments to the Company, and the concentration of credit risk associated with HB representing a significant proportion of the Company's total revenue, that carat production and revenues from the processing of run-of-mine ore stockpiles will be sufficient to support the Company's operations and liquidity requirements during the period prior to the achievement of commercial production from the UGP, and the ability of key contractors, including the lateral development contractor, to perform their obligations under their respective agreements in the manner and timeframe contracted for, and the risk that any failure or delay in contractor performance could result in material delays to the UGP and increased project costs.

While these factors and assumptions are considered reasonable by the Company as at the date of this news release in light of management's experience and perception of current conditions and expected developments, these statements are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking information and undue reliance should not be placed on such information. Such factors include, but are not limited to: the timing, scope and cost of additional grouting events at the UGP, the Company's ability to comply with the terms and covenants of the Bonds, the consequences of any defaults under the Bonds including the potential enforcement of security granted to bondholders over the assets of the Company and its subsidiaries, that expected cash flow from operations, combined with external financing will be sufficient to complete construction of the UGP, credit risk, price risk, that the estimated timelines to achieve mine ramp up and full production from the UGP can be achieved, that sufficient run-of-mine stockpiled ore of sufficient grade and value will be available to generate revenue prior to the achievement of commercial production from the UGP, the economic potential of a mineralized area, the size and tonnage of a mineralized area, anticipated sample grades or bulk sample diamond content, expectations that the UGP will extend mine life, forecasts of additional revenues, future production activity, that depletion and amortization expense on assets will be affected by both the volume of carats recovered in any given period and the reserves that are expected to be recovered, the future price and demand for, and supply of, diamonds, expectations regarding the scheduling of activities for the UGP.

Forward-looking information and statements are based on the opinions and estimates of management as of the date such statements are made, and they are subject to several 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 due to a variety of risks, uncertainties, and other factors, including, without limitation, those referred to in this news release. The foregoing is not exhaustive of the factors that may affect any of our 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. Certain risks which could impact the Company are discussed under the heading "Risks and Uncertainties" in the Company's most recent MD&A and in the Company's most recent AIF available at SEDAR+ at www.sedarplus.ca.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Accordingly, readers and investors should not place undue reliance on forward-looking statements. Forward-looking information and statements contained in this news release are made as of the date of this news release and accordingly are subject to change after such date. Except as required by law, the Company disclaims any obligation to revise any forward-looking information and statements to reflect events or circumstances after the date of such information and statements. All forward-looking information and statements contained or incorporated by reference in this news release are qualified by the foregoing cautionary statements.

SOURCE Lucara Diamond Corp.

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Additional assets available online: Documents (1)

https://lucaradiamond.mediaroom.com/2026-11-13-LUCARA-ANNOUNCES-Q3-2026-RESULTS