Lucara Diamond

Lucara's Exceptional Stone Tenders Bring in $136 Million in 2014

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Oct. 21, 2014) - Lucara Diamond Corp. (TSX:LUC) (BOTSWANA:LUC)(NASDAQ OMX Stockholm:LUC) ("Lucara" or the "Company") is pleased to announce the results from its third Exceptional Stone Tender of 2014. The sale of fourteen diamonds closed on October 21, 2014 with all lots being sold for gross revenues of $46.4 million ($30,129 per carat). A total of 12 of the 14 stones sold for greater than $1.0 million, including 6 stones which sold for greater than $4.0 million each. The highest value stones sold during the tender included the 203 carats, the 239 carats and the 141 carats diamonds which sold for $8.2 million, $7.2 million and $6.1 million respectively.

This tender concludes Lucara's Exceptional Stones Tenders ("EST") for 2014. Through the year, 50 diamonds were sold in EST's, generating revenues of $135.6 million at an average diamond value of $32,468 per carat. Of the 50 diamonds sold, 40 sold for greater than $1.0 million, including 8 stones which sold for greater than $5.0 million.

William Lamb, President and CEO, commented, "The results of this Exceptional Stone Tender reaffirms the demand for these remarkable diamonds that continue to be recovered at Karowe. Our sales results reflect the continued robustness of the diamond sector and the continued strong demand for our exceptional diamonds."

On behalf of the Board,

William Lamb, President and CEO

About Lucara

Lucara is a well positioned 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 production. The 75% owned Mothae Project has completed its trial mining program.

Information in this release is accurate at the time of distribution but may be superseded or qualified by subsequent news releases.

Information in this release is price sensitive and has been made public in accordance with the Swedish Securities Market Act (2077:528].

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain of the statements made and contained herein 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 herein should not be unduly relied upon. In particular, this release 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 most recent Annual Information Form 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.

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