

Lucara Litigation Update

VANCOUVER, BRITISH COLUMBIA--(Marketwire - Aug. 10, 2011) - As has previously been reported by Lucara Diamond Corp. (TSX VENTURE:LUC)(BOTSWANA:LUC) ("Lucara" or "the Company"), in April 2010, legal proceedings were initiated against African Diamonds Plc, Lucara's wholly-owned subsidiary, by two former directors of African Diamonds claiming entitlement to a 3% royalty on production from the AK6 diamond project.

The claim was heard in the Botswana High Court in early June, 2011. The High Court delivered its ruling today, dismissing the claims against African Diamonds, with costs awarded against the plaintiffs. The plaintiffs have 30 days to seek to appeal the ruling.

Lucara is a well positioned emerging new diamond producer. The Company has an experienced board and management team with years of diamond development expertise. The Company's two key assets are the AK6 diamond mine in Botswana and the Mothae diamond mine in Lesotho. The 100% owned AK6 project is in the construction stage with mine commissioning scheduled to commence in the fourth quarter of 2011. The 75% owned Mothae mine is currently in the trial mining stage. Both Mothae and AK6 are world class assets with tonnage and throughput upside; diamond values from both could significantly increase with the continued recovery of Type IIA and large stones.

On Behalf of the Board,

William Lamb, President and CEO

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