

Large Diamond Recoveries Continue at Lucara's Mothae Project

VANCOUVER, BRITISH COLUMBIA--(Marketwire - March 23, 2011) - Lucara Diamond Corp. (TSX VENTURE:LUC) ("Lucara" or the "Company") is pleased to provide an update on trial mining operations by its 75% owned indirect subsidiary Mothae Diamonds (PTY) Ltd (Mothae Diamonds) on the Mothae kimberlite project in Lesotho. Sample C9A was completed in mid-March, producing 1,937.65 carats of diamonds from 40,370 dry tonnes of kimberlite for a sample grade of 4.80 carats per hundred tonnes (cpht). C9A produced 3 stones greater than 20 carats, 8 stones between 10 and 20 carats, 28 stones between 5 and 10 carats and 82 stones between 2 and 5 carats. The three largest stones from sample C9A weighed 48.54, 33.80 and 21.82 carats. The two largest of these stones represent broken halves of a single octahedron with an original weight of 82.34 carats.

The following table summarizes trial mining results to date on C domain kimberlite.

Sample	Stones	Carats	Cts/Stone	Dry Tonnes	Grade (cpht)
C4A	1,446	756.71	0.52	29,649	2.55
C5A	3,084	1,111.25	0.36	48,542	2.29
C6A	502	248.09	0.49	7,296	3.40
C8A	3,510	1,439.85	0.41	49,152	2.93
C9A	3,815	1,927.65	0.51	40,370	4.77
Total	12,357	5,483.55	0.44	175,009	3.13

It should be noted that the diamond recovery information is provisional; Mothae Diamonds is in the process of commissioning a grease recovery system at the mine site to audit x-ray recovery tailings. The results of this work will be incorporated into revised diamond recovery and grade information when complete.

Tonnage estimates are based on daily plant weightometer readings and moisture content measurements to determine a dry tonnage estimate. The process plant is being operated by Minopex under contract to Mothae Diamonds and operates at a 2mm bottom cut off size for diamond recovery. Diamond recovery and characterization work is carried out independently by the diamond sorting staff of Remote Exploration Services, also under contract to Mothae Diamonds. Current tonnage and grade estimates are provisional and may be adjusted depending on results of planned audit work of x-ray recovery tailings and final tonnage reconciliation with survey volumes.

Lucara's CEO, William Lamb commented, "The recovery data from the C-phase being sampled continues to support the previous sample results obtained for Mothae. We enthusiastically await the results of the Mothae diamond tender to confirm the value of Mothae's coarse diamond distribution."

Mothae Diamonds is conducting a trial mining program of up to 720,000 tonnes on the Mothae kimberlite in Lesotho. Mothae Diamonds is jointly held indirectly by Lucara as to 75% and the Government of Lesotho as to 25%. One half of the interest held by the Government of Lesotho is free carried, and one half is paid through the Government of Lesotho's share of dividend.

In addition, the Company announces that it has engaged finnCapp Ltd., a London-based independent brokerage firm, to provide non-exclusive brokerage services in the U.K. as well as research coverage.

The technical content of this release has been reviewed by Dr. L.E. Ott, Lucara's vice president, Exploration, a qualified person as defined by NI 43-101.

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

Forward Looking Statements: 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 on the system for electronic document analysis and retrieval ("SEDAR") at www.sedar.com.

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