

Lucara Recovers 23.4 Carat Type IIa Diamond From Mothae

VANCOUVER, BRITISH COLUMBIA--(Marketwire - Oct. 7, 2008) - Lucara Diamond Corp. ("Lucara" or "the Company") (TSX VENTURE:LUC) and partner Motapa Diamonds Inc. (TSX VENTURE:MTP) are pleased to report the recovery of a 23.4 carat type IIa diamond in the initial stage of Phase 2 bulk sampling at the Mothae project in Lesotho. The diamond is a white anhedral stone that has been confirmed as a type IIa diamond using a frequency specific ultra-violet light type IIa tester developed by the Swiss Gemological Institute. Type IIa diamonds provide a high proportion of the world's highest value stones on account of their exceptional colour clarity, which is ascribed to having no detectable nitrogen within the diamond crystal structure. Type IIa diamonds also typically have a coarse size distribution and can be present as very large stones. The presence of a population of type IIa diamonds in any kimberlite greatly enhances its economic potential.

Additional type IIa diamonds have been identified among the diamonds recovered during the audit of recovery tailings from Phase 1 of the Mothae bulk sample. The Company's original identification of Mothae as a large, low-grade kimberlite suitable to bulk sample was premised on the potential for Mothae to produce such diamonds. The identification of a population of type IIa stones in diamonds recovered from Mothae, and the recovery of the 23.4 carat, white type IIa diamond is a major step forward for the project.

Phase 2 of the Mothae bulk sample program, in which up to 70,000 tonnes of kimberlite will be processed, commenced in mid-August. Approximately 50,000 tonnes of kimberlite have been mined and stockpiled and processing of this material was started in mid-September. The 23.4 carat type IIa diamond was recovered from the C kimberlite domain of the Mothae pipe. The volumetric extent of domain C is not well constrained; based on current information, domain C appears to be the largest kimberlite domain within the Mothae pipe, making up approximately one third of the surface area.

Planned maintenance and repair work on the process plant crushing circuit is currently in progress and kimberlite processing is expected to resume by mid-October. A preliminary valuation of recovered diamonds is planned for November, 2008, and completion of Phase 2 sample processing is anticipated in February, 2009.

Motapa's CEO, Dr. Larry Ott noted, "The recovery of this large type IIa diamond is a very positive development for the project. Statistical analysis of results from Phase 1 of the program indicated that these large stones were likely to occur in the Mothae kimberlite, and this was a primary motivator for proceeding with Phase 2. The presence of large type IIa diamonds in the Mothae kimberlite, together with the higher than anticipated grade bodes well for the commercial viability of the project. We are greatly looking forward to additional results of this final phase of the bulk sample."

The sampling program is being carried out under the supervision of Dr. Tom Nowicki of Mineral Services Canada, a Qualified Person in terms of NI43-101.

On behalf of the Board

Lukas H. Lundin, President and CEO

Forward-looking statements: This press release contains statements about expected or anticipated future events and financial results that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties, such as 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. Actual results may differ materially from those projected by management.

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