

Mothae Diamond Project, Lesotho-Phase 1 Bulk Sample Results

VANCOUVER, BRITISH COLUMBIA--(Marketwire - July 21, 2008) - Lucara Diamond Corp. (CNQ:LUCA) and partner Motapa Diamonds Inc. (TSX VENTURE:MTP) are pleased to confirm that Phase 1 of the bulk sample program has been completed yielding 1,296 diamonds weighing a total of 585.15 carats from 25,552 dry tonnes of kimberlite for an average grade of 2.29 carats per hundred tonnes (cpht). As previously reported, an audit of diamond recovery tailings is underway using the existing continuous grease belt and an x-ray recovery system. Due to inefficiencies in the diamond recovery circuit during the processing of this initial sample, it is expected that the overall grade will increase as a result of this audit.

The objective of this initial phase of sampling was to determine if diamonds in the Mothae kimberlite were of sufficiently coarse size to justify continued sampling to recover a diamond parcel for valuation purposes. This objective has been achieved and results are positive. Diamonds recovered have a very coarse sized distribution, reflected in a large average stone size and, importantly, in a high relative frequency of larger stones. Stone frequencies in the 5 to 10 carat size range are considerably higher than those of typical diamond production from other economic kimberlites, and are very similar to those in production parcels from the nearby Letseng diamond mine.

The diamond parcel recovered in Phase 1 is too small to provide meaningful valuation data; however, the parcel has been reviewed by Galaxy Diamond Expertise SA to qualitatively assess Mothae diamonds and to compare with production from the Letseng diamond mine. Galaxy noted strong similarity between the Mothae diamonds and those from the Letseng main pipe, particularly within the +5 to +11 DTC sieve categories in which the majority of the Mothae stones were recovered; Galaxy further noted that "the Mothae sample looks a lot like the Letseng production and if mixed together it will not be possible, not even for a trained and experienced eye, to see the difference between the Mothae and the Letseng diamonds. This may give us some hope for much upside with a larger sample due to the likely presence of high value large stones which have been present in the neighbouring mine."

Motapa's CEO, Dr. Larry Ott noted 'we are excited with the outcome of this first phase of sampling. The coarse diamond size distribution and positive value characteristics indicate that Mothae has significant economic potential. We need to test this potential by completing the bulk sample and recovering a 2,500 to 3,000 carat parcel for valuation work. At this early stage of sampling however, we view the results to be very encouraging.'

William Lamb, General Manager for Lucara noted 'the results look very encouraging with the original objectives of determining the grade and potential diamond size distribution being achieved. The Mothae kimberlite definitely shows economic potential which will be of significant value to both mining companies as well as to the people of Lesotho. It is with these benefits in mind that we will continue to work on proving an economic resource at Mothae.'

Lucara has fulfilled its obligation to earn a 51% interest in the Mothae project and has notified Motapa that it will exercise its option to earn an additional 14% interest by contributing US\$4.2 million to Phase 2 of the sampling program. Phase 2 will consist of processing up to an additional 70,000 tonnes of kimberlite to recover a diamond parcel of 2,500 to 3,000 carats for valuation purposes. In addition, wide space drilling will be carried out to establish the generalized geometry of the Mothae pipe, and, to the extent possible, delineate boundaries of various kimberlite phases within the pipe. The objective of this work is to establish an inferred resource for the Mothae pipe to a depth of approximately 200 meters. Phase 2 planning is underway to incorporate information and experience gained during Phase 1.

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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