



LUCARA
DIAMOND

Q3 2023 Results Conference Call

NOVEMBER 13, 2023

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Cautionary Statement

Forward-looking information

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 be 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 Lucara Diamond Corp. (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 accurate and such forward-looking information included herein should not be unduly relied upon.

In particular, forward-looking information and forward-looking statements may include, but are not limited to, information or statements with respect to the Company's revenues, sales, diamond recoveries, mine life, expectations regarding the updated schedule and budget for the Karowe underground expansion project (the "Karowe UGP"), ore and waste mined, ore processed, cash costs and expenses, and the Company's ability to continue as a going concern, the ability to successfully agree the Rebase Amendments with its Lenders, the ability to receive a deferral of the deadline to fill the COF, the size distribution model, including expectations regarding +10.8ct and specials production, forecast cost at completion, expectations regarding construction and production, expectations regarding the project economics and recovery, expectations regarding the first years of the Karowe UGP recovery and production, including by source, estimated capital to reach project completion, expectations regarding the sufficiency of surface stockpiles, estimates regarding after-tax cash flow, economic risks, expectations regarding longer-term market fundamentals and price growth, the disclosure under "2023 Annual Guidance – Revised in Q3" and "What Makes Us Excited", the impact of supply and demand of rough or polished diamonds, expectations regarding top-up values and processing, the the impact of the termination of the HB Antwerp ("HB") sales agreement on the Company's projected revenue and sales channels, projected capital costs associated with the Karowe UGP, estimated capital costs, expectations regarding the sales changes and margin capture, the timing, expectations regarding the focus for Q4 2023, scope and cost of additional grouting events, the Company's ability to comply with the terms of the two facilities which are required to construct the Karowe UGP, expected cash flow from operations, combined with external financing will be sufficient to complete construction of the Karowe UGP, sufficient stockpiled ore will be available to generate revenue prior to the achievement of commercial production of the Karowe underground mine, that the estimated timelines to achieve mine ramp up and full production from the Karowe UGP can be achieved, the economic potential of a mineralized area, the size and tonnage of a mineralized area, anticipated sample grades or bulk sample diamond content, expectations that the Karowe UGP will extend mine life, forecasts of additional revenues, future production activity, the future price and demand for, and supply of, diamonds, expectations regarding the scheduling of activities for the Karowe UGP in 2023, future forecasts of revenue, estimation of mineral resources, development plans, cost and timing of the development of deposits and estimated future production, interest rates, currency exchange rates, rates of inflation, requirements for and availability of additional capital, capital expenditures, operating costs, timing of completion of technical reports and studies, production and cost estimates, tax rates, government regulation of operations, environmental risks and ability to comply with all environmental regulations, the profitability and operating cost of Clara Diamond Solutions Limited Partnership ("Clara") and the digital platform for the sale of rough diamonds owned by Clara (the "Clara Platform") and the scaling of the digital platform for the sale of rough diamonds owned by Clara, expectations regarding the Clara Platform's growth, that the Company intends to continue to seek additional supply, both from third-party producers and the secondary market for Clara, and the growth potential of Clara in primary and secondary markets.

There can be no assurance that such forward looking 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 "COVID-19 Global Pandemic, Economic and Geopolitical Risks" and "Risks and Uncertainties" section in the Company's most recent MD&A and under the heading "Risks and Uncertainties" in the Company's most recent Annual Information Form available at www.sedarplus.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), and 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.

Additionally, the forward-looking statements, including any future-oriented financial information and financial outlooks contained herein, are presented solely for the purpose of conveying management's reasonable belief of the direction of the Company and may not be appropriate for other purposes.

All currencies mentioned in this presentation are in United States Dollars ("US\$") unless otherwise mentioned.

Non-IFRS Financial Measures

Certain financial measures referred to herein, such as adjusted EBITDA, total operating cash costs, operating cash flow per share, operating cash flow before working capital, Botswana G&A (including sales & marketing) and operating cost per tonne of ore processed, are not measures recognized under IFRS and do not have a standardized meaning prescribed by IFRS. These measures may differ from those made by other corporations and accordingly may not be comparable to such measures as reported by other corporations. These measures have been derived from the Company's financial statements, and applied on a consistent basis, because the Company believes they are of assistance in the understanding of the results of operations and financial position. Please see the "Non-IFRS Financial Measures" section in the Company's most recent MD&A available at www.sedarplus.com which section is incorporated by reference herein.

Qualified Persons: Dr. John Armstrong, Ph.D. P.Geol, is the Qualified Person as defined by NI 43-101. Dr. Armstrong is Vice President Technical Services for the Company and has reviewed and approved the scientific and technical information contained in this presentation. Mr. Cliff Revering, P. Eng. of SRK Consulting is the independent Qualified Person as defined by NI 43-101 responsible for the Karowe Diamond Mine Mineral Resource estimation, and Mr. Gord Doerksen of JDS Energy and Mining Inc. is the Independent Qualified person as defined by NI 43-101 responsible for the Karowe Diamond Mine Mineral Reserve estimation. The most recent Mineral Resource and Mineral Reserve estimations are located in the 2022 Annual Information Form for the year ended December 31, 2022, dated March 13, 2023, which can be found on the Company's website and under its profile on SEDAR+ at www.sedarplus.com.

Technical Reports: For further details regarding the Karowe Underground Project and Qualified Persons as defined by NI 43-101, please refer to the technical report dated December 16, 2019 with an effective date of September 26, 2019, titled "Karowe Mine Underground Feasibility Study Technical Report, Botswana, posted to the Company's website and under its profile on SEDAR+ at www.sedarplus.ca.

Q3 2023 Highlights

(All currency figures in U.S. Dollars, unless otherwise stated)



Revenues \$56.9 million; Adjusted EBITDA¹ of \$21.9 million

Cash flow of \$15.9 million Operating cost \$28.62 per tonne processed¹

Recovery of fourth diamond in excess of 1,000 carats in Karowe’s history

Karowe UGP shaft sinking and grouting programs continued; \$20.3 million invested in Q3

Strong, Safe, Reliable Production
0 lost time injuries
0 reportable environmental matters

Termination of HB Agreement
2023 Guidance revised

6.8% Specials (+10.8 carats) by weight
Including 6 diamonds >100 carats with 3 diamonds >300 carats

Project debt facility² of \$170 million (\$90 million drawn)
Working capital facility² of \$50 million (\$35 million drawn)

(1) Non-IFRS measure. See “Non-IFRS Financial Measures”.

(2) On October 31, 2023, Lucara announced the short-term extension of the maturity of its \$50 million senior secured working capital facility and a deferral to November 15, 2023 of the requirement to place \$52.9 million in a cost overrun reserve account.

Karowe Underground Expansion – Q3 Update

\$20.3 million invested in Q3

Sinking and grouting programs continued in both the ventilation and production shafts; the ventilation shaft has completed sinking through the water-bearing sandstone units and the production shaft was sinking through the bottom portion of the water-bearing sandstones by the end of Q3

Commenced mobilisation for civil works related to construction of the temporary and permanent bulk air cooler

Signed contract for fabrication of the permanent shaft winder

Mining engineering advanced with a focus on supporting shaft sinking, underground infrastructure engineering and finalizing level plans.



Karowe Underground Expansion – Q4 Focus Areas

Up to \$105 million capital cost in 2023

Sinking within the ventilation and production shafts

Excavation of the 718 level station in the ventilation shaft and sinking to the 670 level station; **start of station development**

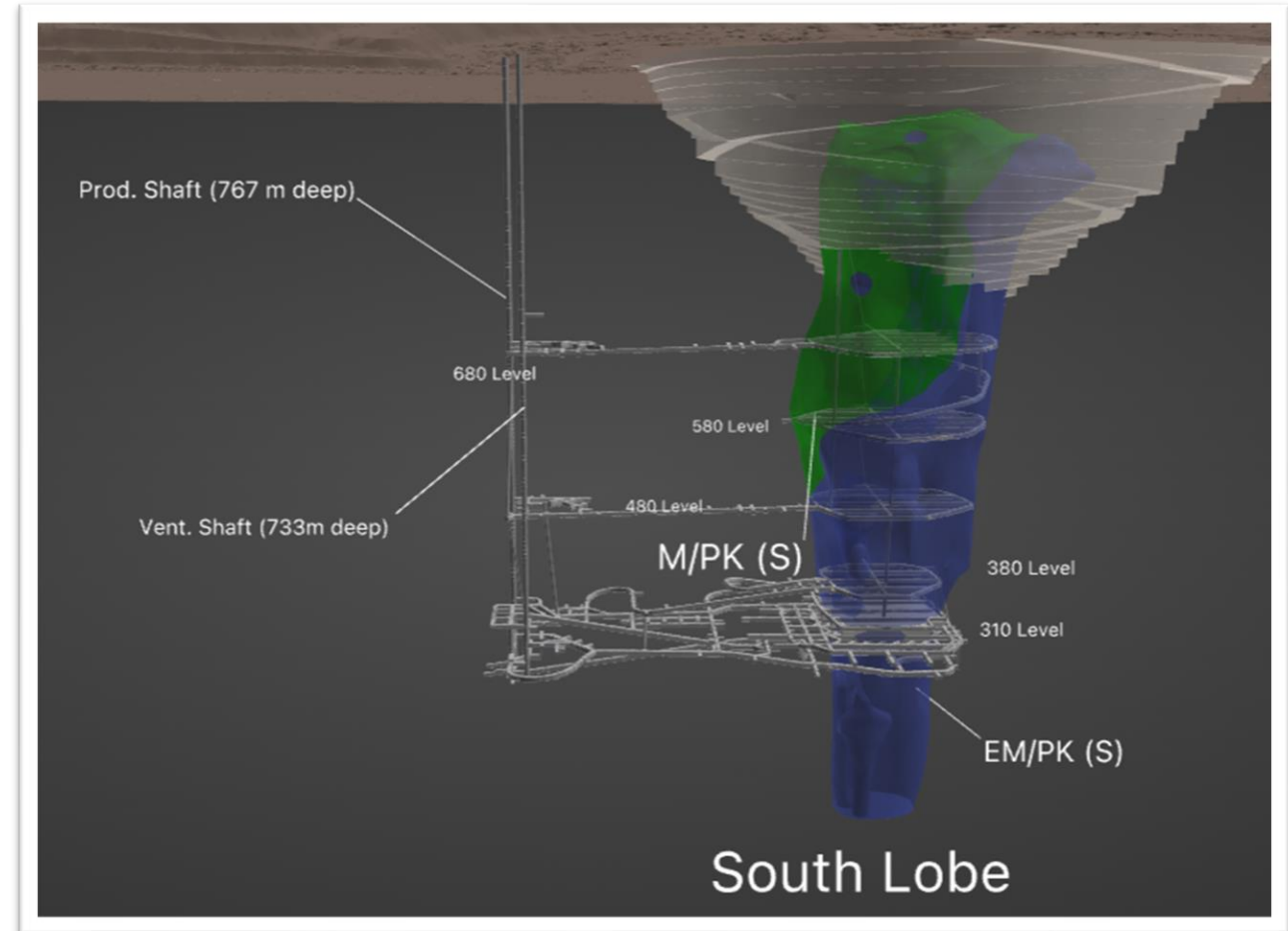
Planned grouting event to the base of the Mosolotane sandstone/mudstone transition for the production shaft.

Procurement of underground equipment

Construction of the bulk air cooler system

Preparation of underground lateral development tender documentation.

Continuation of **detailed design and engineering** of the underground mine infrastructure and layout.



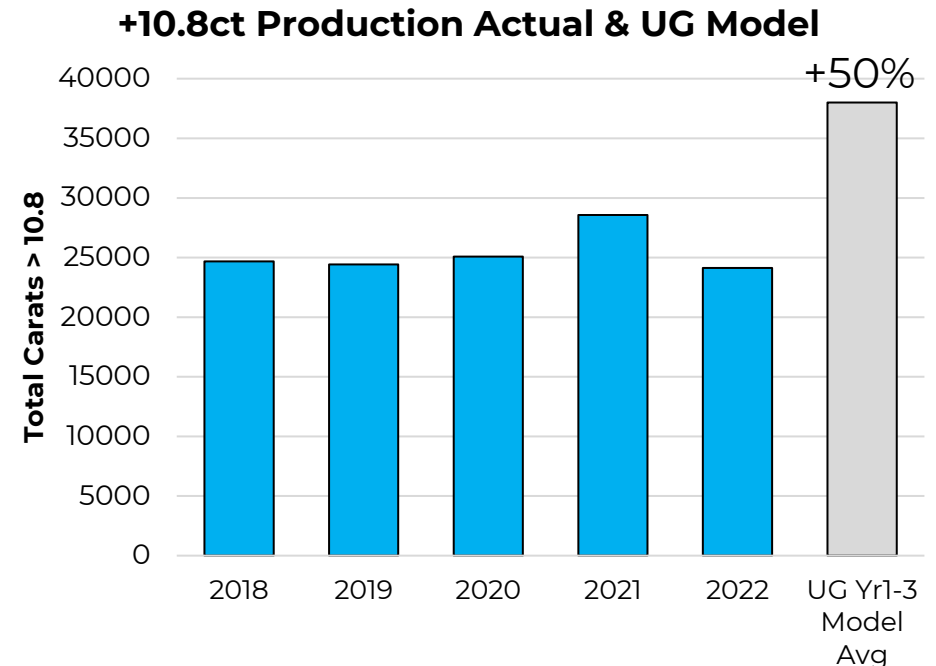
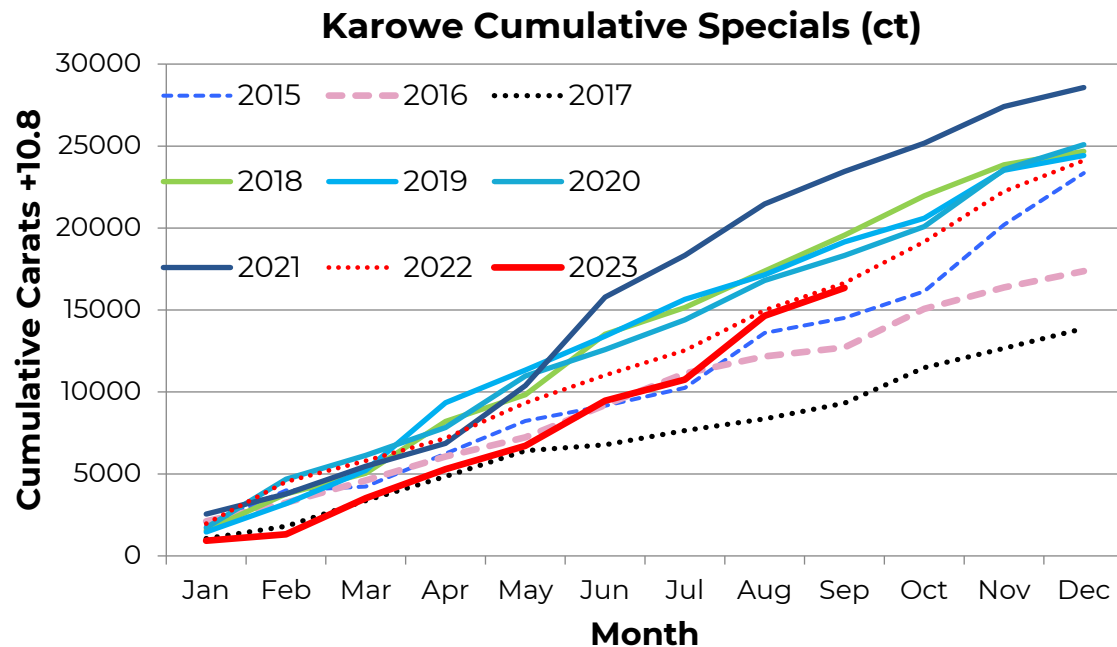
Consistent Recovery of Large Diamonds

Specials contribute ~60-70% by revenue and ~5-7% by volume historically

Since 2012: 35 diamonds in excess of 300 carats have been recovered, including 4 diamonds > 1,000ct

Over 11 diamonds sold for > US\$10 million, represents US\$237 million in revenue not modelled into the Resource.

First Years of Underground Production are **dominated by EM/PK(S) ore** with a modelled +50% increase in +10.8ct diamonds recovered



Q3 2023 Recovered Specials

Highlights

6 diamonds greater than 100 carats including 3 diamonds greater than 300 carats

- ✓ 189 recovered Specials
- ✓ 6.8 wt.% of production
- ✓ 84% of carats recovered from the South Lobe
- ✓ 16% of carats recovered from the Centre Lobe

1,080 carat Type IIa white gem quality



692 carat Type IIa white gem



Sales Channels

Optimized Sales of Rough and Polished Diamonds to Create Alignment Along the Supply Chain and Maximize Revenues



Rough



Clara



Polished

Increasing Margin Capture Along the Value Chain

Tenders (Auctions) of
Rough Diamonds < 10.8
carats in size

25%
of Revenue

Proprietary Digital
Marketplace for Rough
Diamonds 1-15 carats in size

8%
of Revenue

Manufacturing into
Polished Diamonds

67%
of Revenue



88 sales completed

+\$100 million sold by value

~56,000 carats sold by weight

Low operating cost

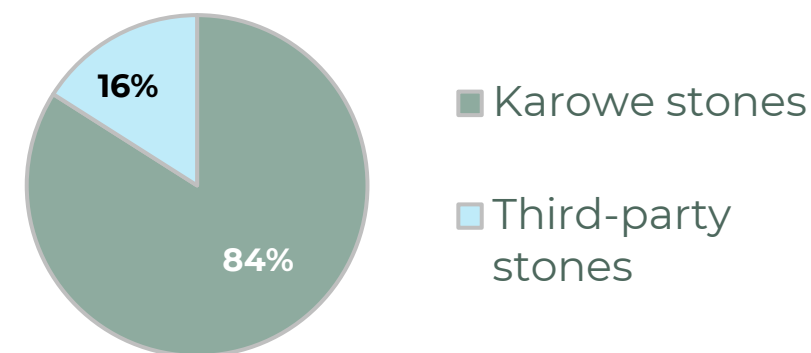
103 buyers

\$4.4 million transacted in Q3 2023

Continuing to focus on adding third-party supply, both from primary diamond producers and secondary market sources; **16% of goods from third-party sources**

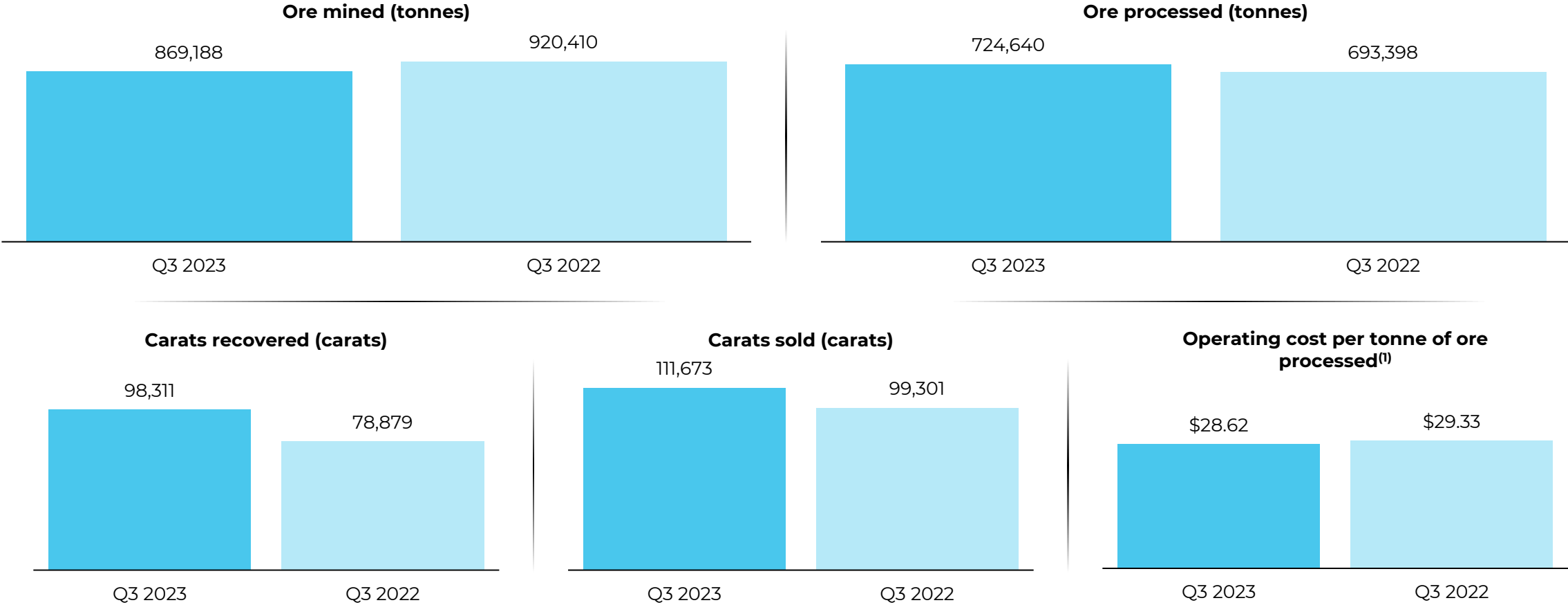
Growth potential in primary & secondary markets

Scalable business solution for the industry



Q3 2023 Operational Highlights – Karowe Mine

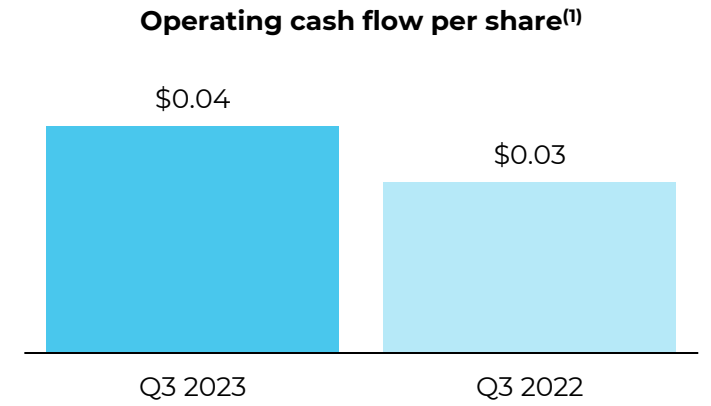
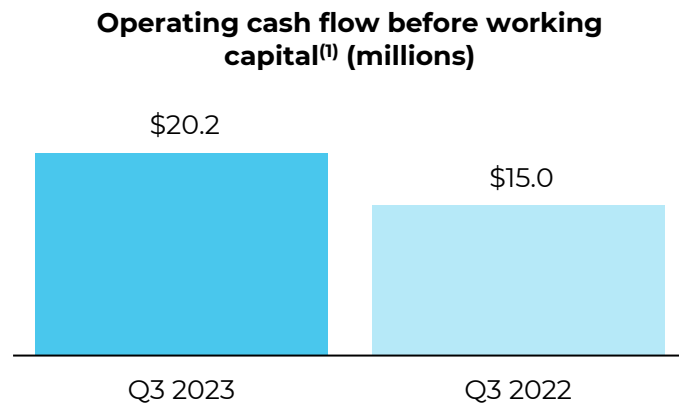
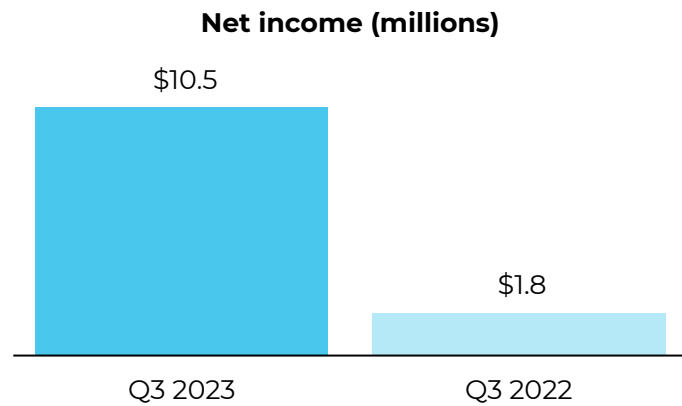
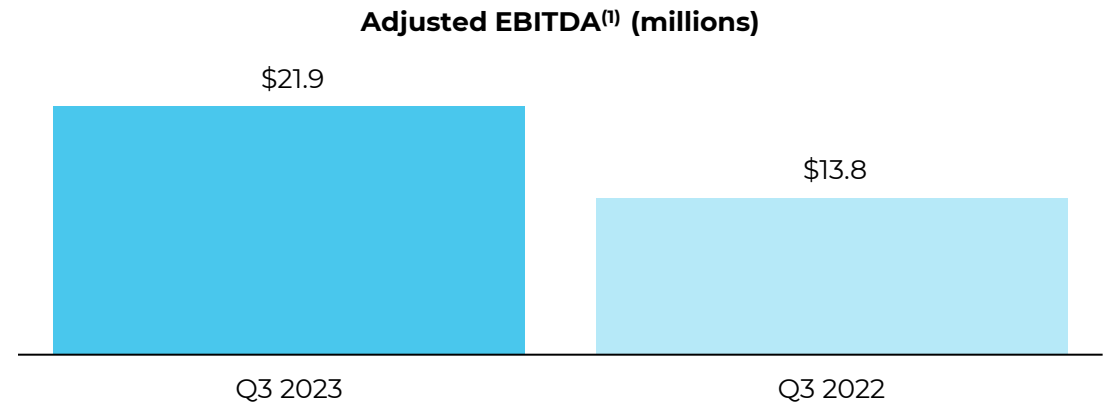
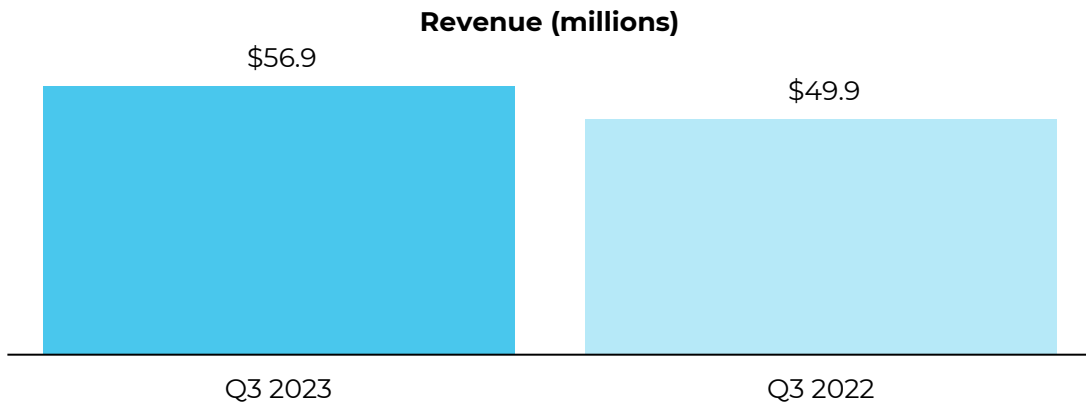
Three months ending September 30, 2023
(All currency figures in U.S. Dollars)



(1) Non-IFRS measure. See "Non-IFRS Financial Measures".

Q3 2023 Financial Highlights

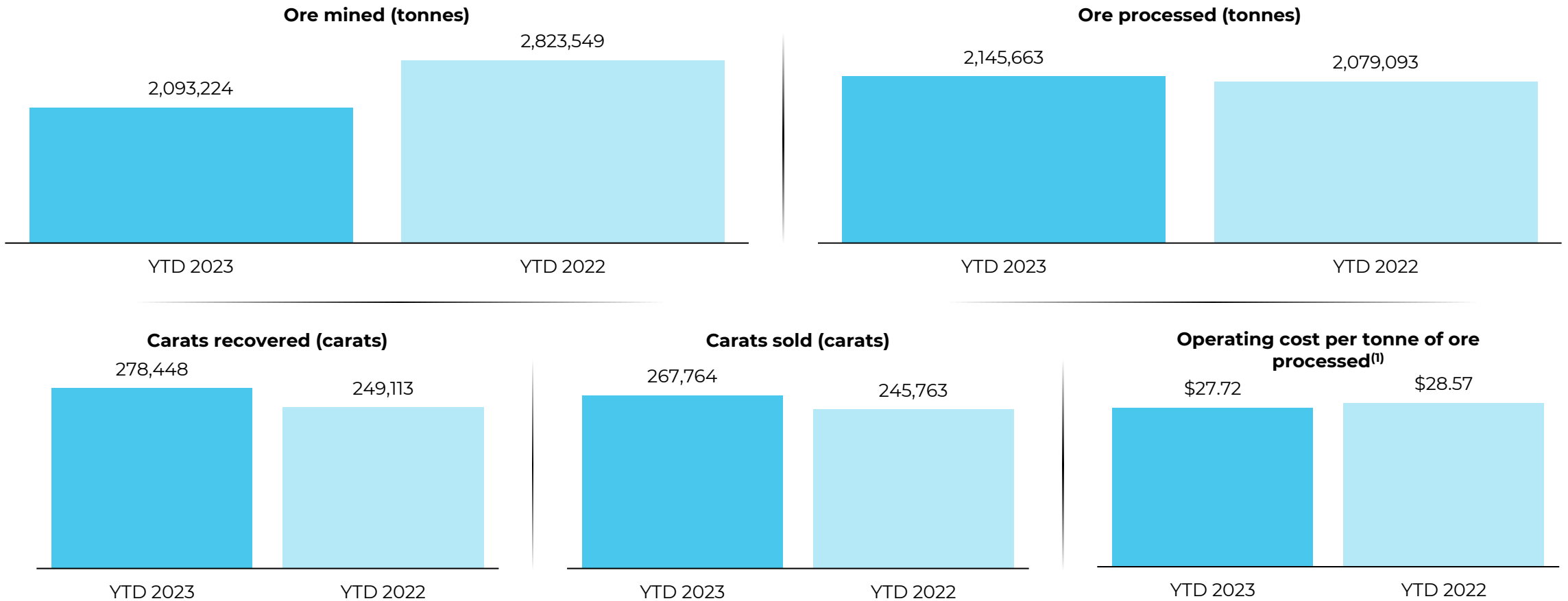
Three months ending September 30, 2023
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YTD 2023 Operational Highlights – Karowe Mine

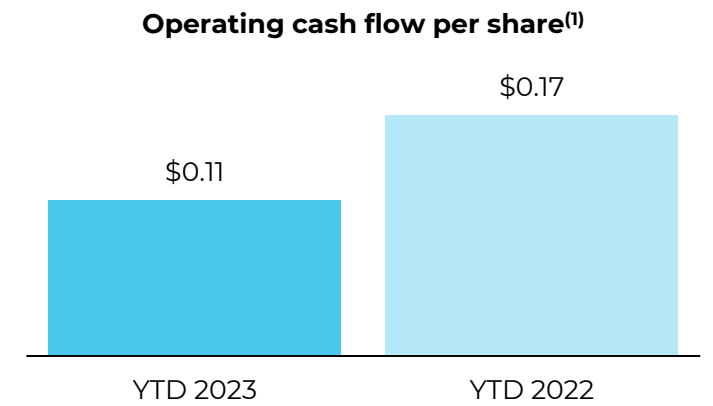
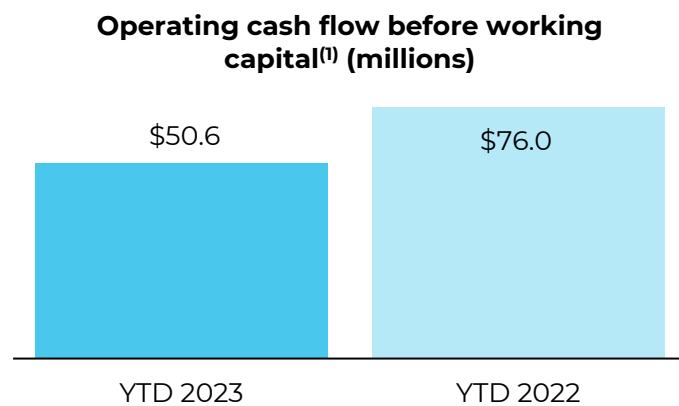
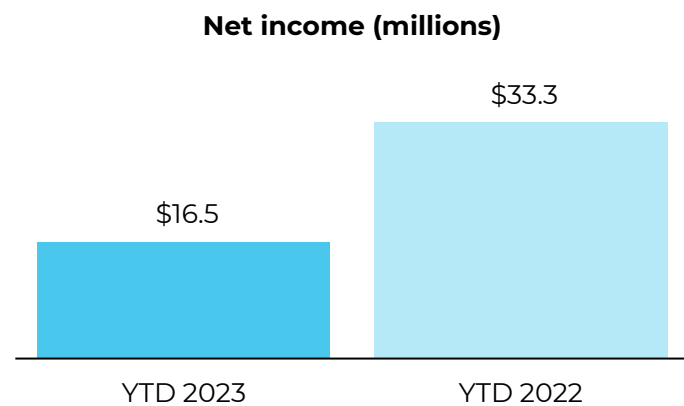
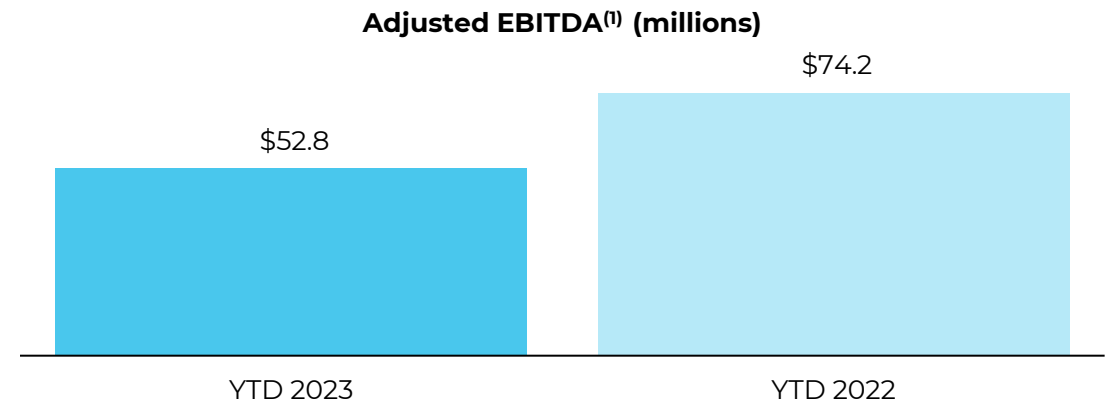
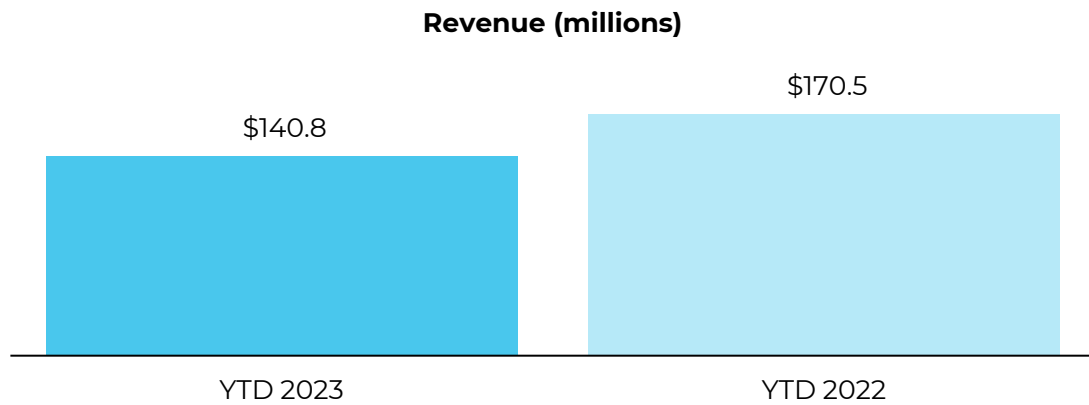
Nine months ending September 30, 2023
(All currency figures in U.S. Dollars)



(1) Non-IFRS measure. See "Non-IFRS Financial Measures".

YTD 2023 Financial Highlights

Nine months ending September 30, 2023
(All currency figures in U.S. Dollars)



(1) Non-IFRS measure. See "Non-IFRS Financial Measures".

Q3 2023 Sales Channels – Karowe Mine

Sales through HB Antwerp, Clara, and Quarterly Tender

- High value Specials (+10.8 carats) were manufactured and sold as polished through the HB Antwerp supply agreement (terminated September 2023).
- Diamonds between 1 and 10 carats that meet specific criteria are sold through Clara.
- All other diamonds are sold through quarterly tenders.

Sales Channel	Q3 2023		Q3 2022	
	Rough Carats Sold	Revenue Recognized (USD millions)	Rough Carats Sold	Revenue Recognized (USD millions)
HB Antwerp	3,038	37.5	2,412	18.1
Clara ¹	2,487	3.7	2,403	4.9
Tender ²	106,148	14.1	94,486	14.5
Total – Karowe carats	111,673	55.3	99,301	37.5
Top-up Payments		0.9		9.0
Total Revenue - Karowe		56.2		46.5



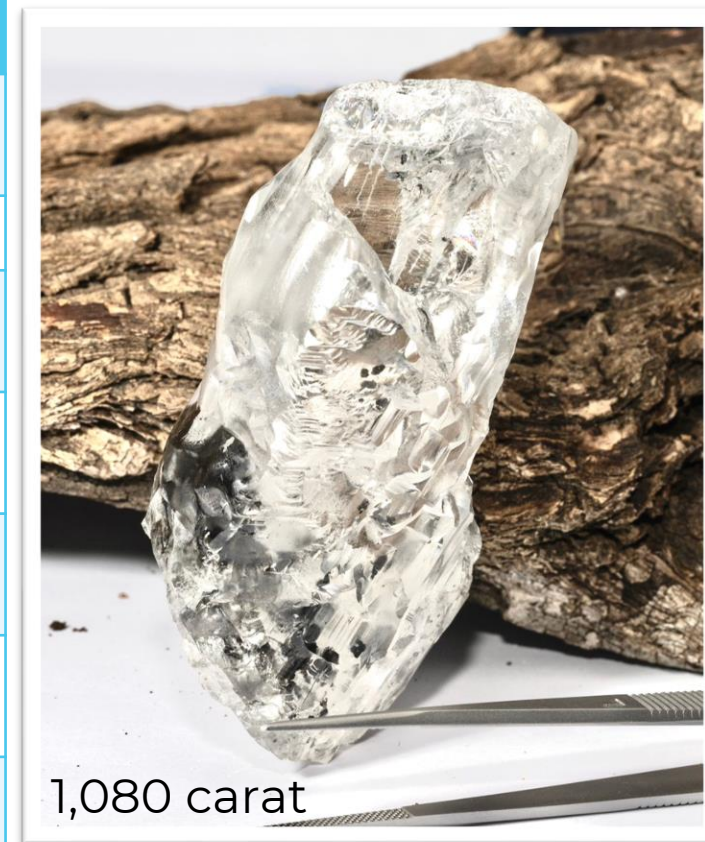
(1) Four sales were completed on Clara in Q3 2023 (Q3 2022: four).

(2) Non-gem +10.8 carat diamonds and diamonds less than 10.8 carats in size which did not meet characteristics for sale on Clara were sold through tender.

2023 Annual Guidance – Revised in Q3

(All currency figures in U.S. Dollars)

Karowe Diamond Mine	Initial – FY 2023	Revised – FY 2023
Diamond revenue ¹ (millions)	\$200 to \$230	\$160 to \$190
Diamond sales (carats)	385,000 to 415,000	365,000 to 385,000
Diamonds recovered (carats)	395,000 to 425,000	395,000 to 405,000
Ore tonnes mined (millions)	1.9 to 2.3	2.4 to 2.6
Waste tonnes mined (millions)	2.2 to 2.8	2.8 to 3.1
Ore tonnes processed (millions)	2.6 to 2.9	2.6 to 2.9
Total operating cash costs ² including waste mined ³ (per tonne processed)	\$32.50 to \$35.50	\$28.00 to \$30.50



(1) Diamond revenue guidance does not include revenue related to the sale of exceptional stones, or the Sethunya

(2) Non-IFRS measure. See “Non-IFRS Financial Measures”.

(3) Includes ore and waste mined cash costs of \$6.00 to \$6.50 (per tonne mined) and processing cash costs of \$9.00 to \$10.00 (per tonne processed).

Approach to Sustainability

Focused on transparency, the protection of our people, and stakeholder engagement

- ✓ **No lost time injuries** in Q3; the mine has operated for 1,047 days without a lost time injury
- ✓ No reportable environmental matters during quarter
- ✓ ISO 450001 surveillance audit underway, with expected completion in Q4 2023
- ✓ Global Industry Standards Tailing Management
- ✓ Towards Sustainable Mining
- ✓ Code of Business Conduct and Ethics
- ✓ Whistleblower Policy
- ✓ Responsible Mining Policy
- ✓ Corporate Social Responsibility Charter
- ✓ Certified by the Responsible Jewellery Council (RJC), compliant with the Kimberley Process, and a member of the Natural Diamond Council (NDC)
- ✓ UN GC participant and contributes to 10 of the 17 UN SDGs
- ✓ Lucara's Sustainability Report is prepared in accordance with the GRI Standards: Core option, and selected G4 Mining and Metals Sector Disclosures

SUSTAINABLE DEVELOPMENT

UN GOALS

17 GOALS TO TRANSFORM OUR WORLD



Q3 2023 Community Impact Update

Projects – Supporting SDGs

- ✓ Mokubilo and Khwee co-operative farms
- ✓ Mmadikola Hardware store
- ✓ Kolonkwaneng Horticulture
- ✓ Abattoir
- ✓ Community Sports Complex in Letlhakane

Community Engagement

- ✓ GM's cycling challenge in Letlhakane, raising funds for the Community Libraries initiative – **raised ~US\$115,000 (BWP 1.6M)**
- ✓ Q3 Kgotla meetings
- ✓ Moot court and public speaking competitions
- ✓ Pre-season football tournament
- ✓ Library research project commissioning
- ✓ School donations



What Makes Us Excited

The resource never disappoints

Karowe's AK6 kimberlite has consistently produced some of the world's largest and highest value diamonds and we have only scratched the surface

Significant grout covers which affect the UG development are behind us

A significant knowledge base has been compiled from past experience which will allow us to manage the future better

Open pit operations support UG development

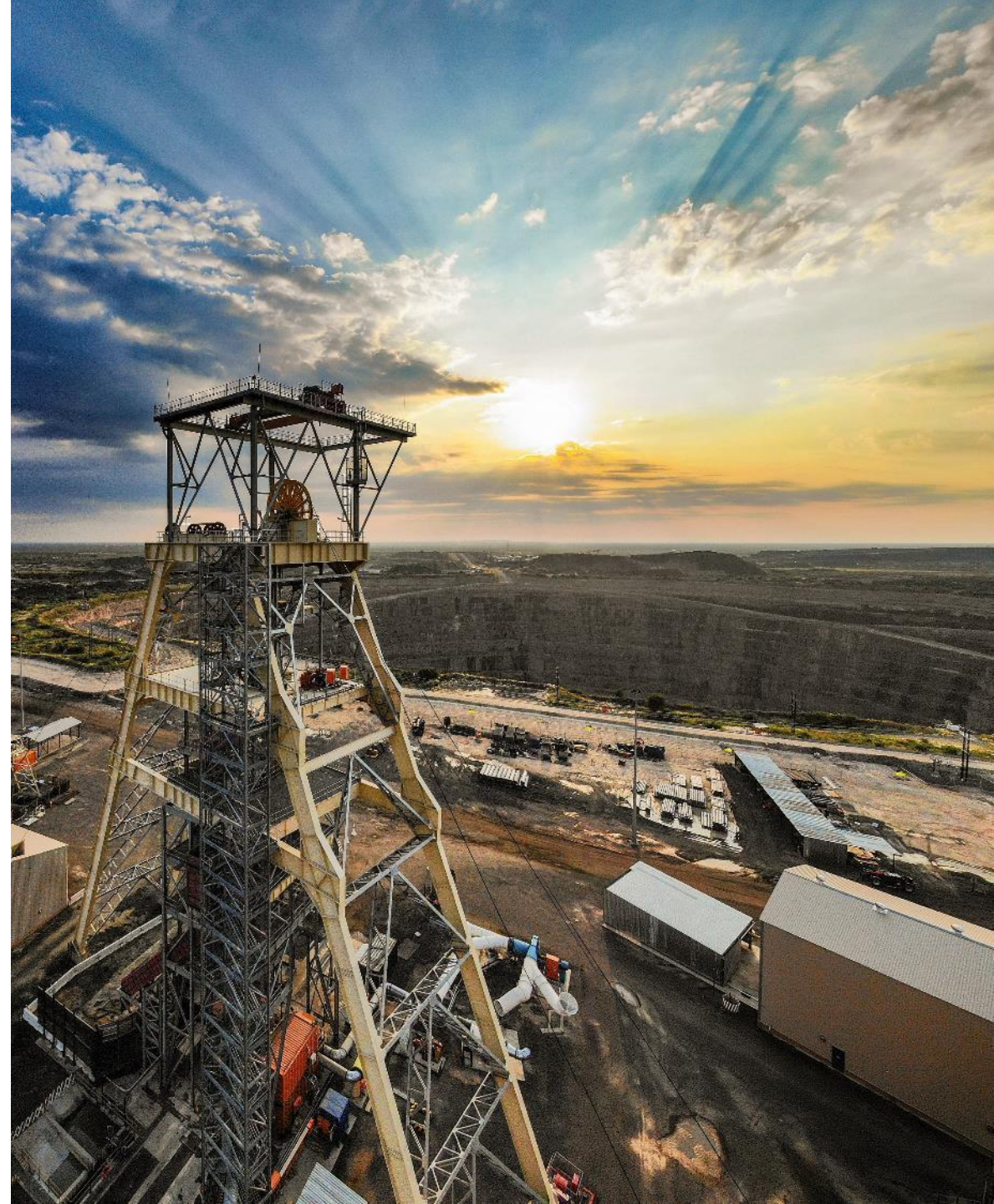
Strong operational performance from the existing operations continues to produce strong returns for development of the future

Resources and support

Management structures have been established to focus on deliverables while the major shareholder remains supportive

Social and environmental focus

Ongoing social and community projects; investigating options for GHG emission reduction





LUCARA
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Contact

Suite 502
1250 Homer St.
Vancouver, BC
V6B 2Y5 Canada

Tel: +1 604 674 0272
Email: info@lucaradiamond.com

LucaraDiamond.com | LUC.TSX | LUC.XSTO | LUC.BSE



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APPENDIX

2023 Annual Guidance & Nine months ended September 30, 2023 Actuals

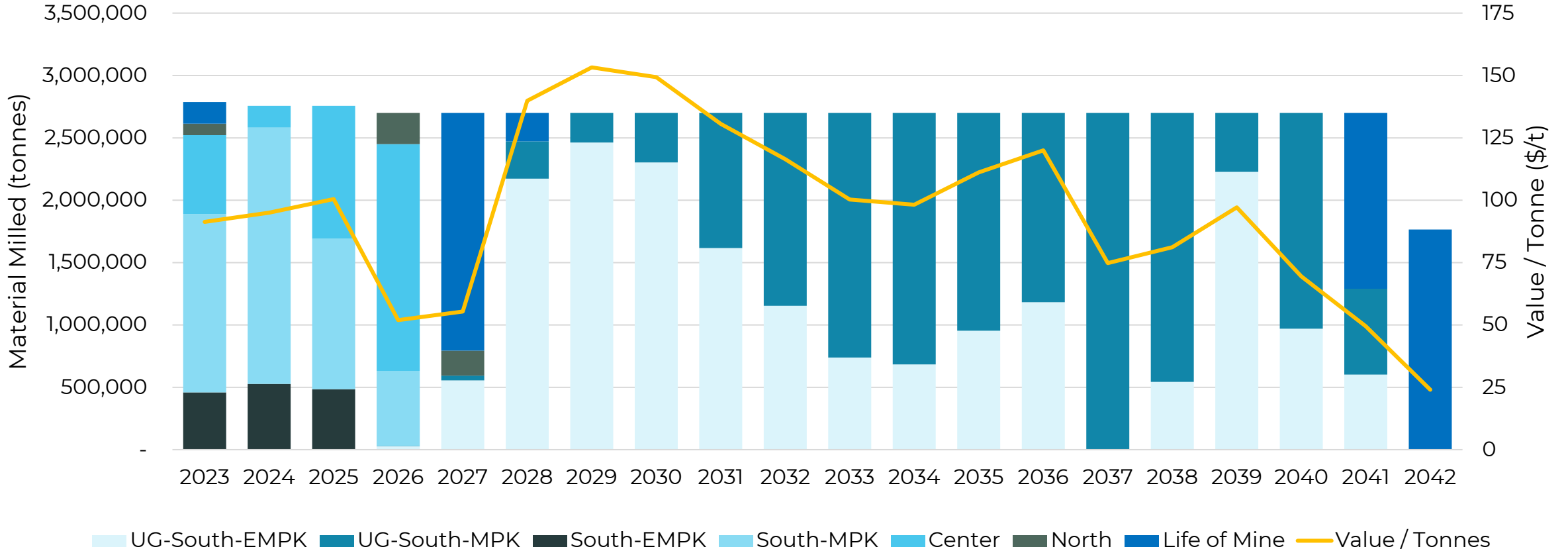
(All currency figures in U.S. Dollars)

Karowe Diamond Mine	FY2023 Guidance	Nine months ended September 30, 2023 Actuals
Diamond revenue ¹	\$160 to \$190 million <i>(revised)</i>	\$140.8 million
Diamond sales	365,000 to 385,000 carats <i>(revised)</i>	267,764 carats
Diamonds recovered	395,000 to 405,000 carats <i>(refined)</i>	278,448 carats
Ore tonnes mined	2.4 to 2.6 million <i>(revised)</i>	2.1 million
Waste tonnes mined	2.8 to 3.1 million <i>(revised)</i>	2.6 million
Ore tonnes processed	2.6 to 2.9 million	2.1 million
Total operating cash costs ²	\$28.00 to \$30.50 per tonne processed <i>(revised)</i>	\$27.72 per tonne processed
Tax rate	0%	0%
Average exchange rate – USD/Pula	12.0	13.3

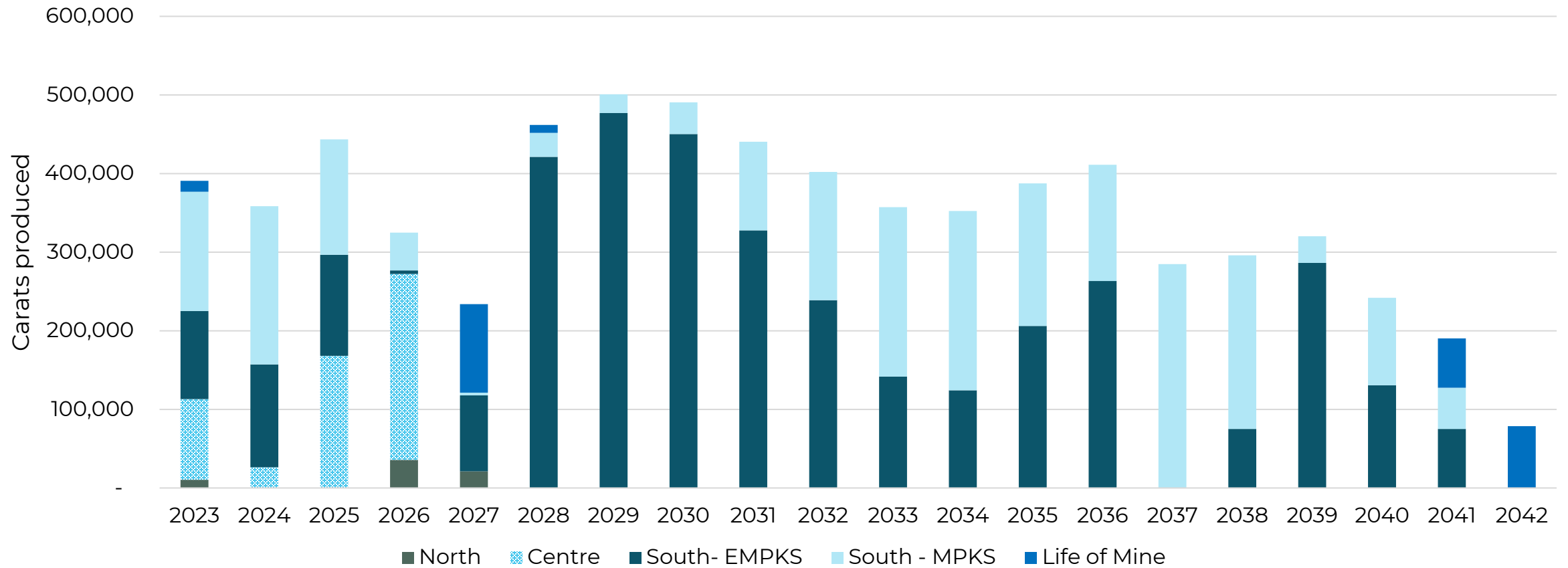
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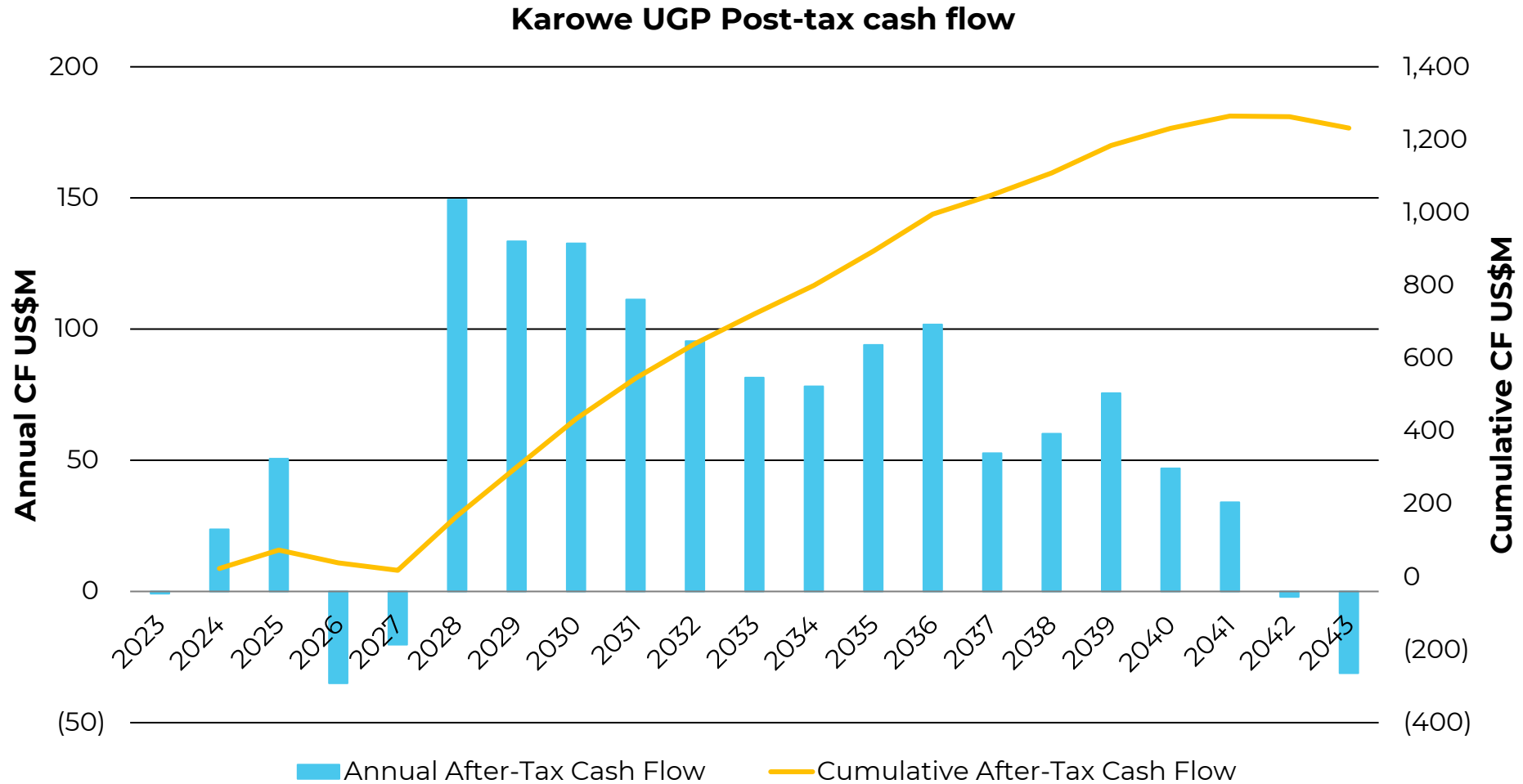
Total Blended Mine and Mill Feed from Underground



Expected Carats Produced

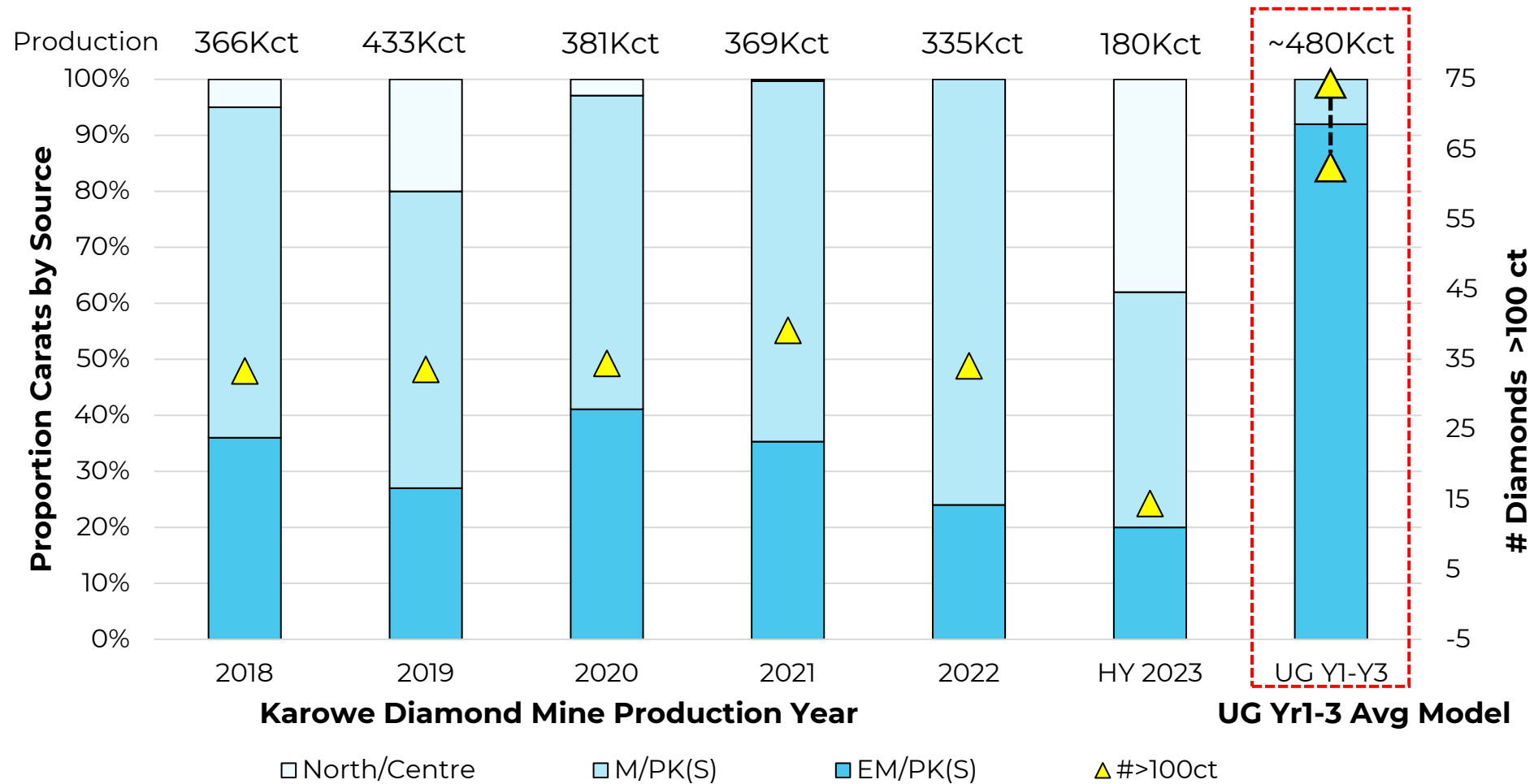


Karowe Underground Expansion – Post-tax cash flow



The after-tax cash flow model has been updated to estimate annual cash flows and sensitivities of the Karowe Project. The results laid out in the graph above are approximations.

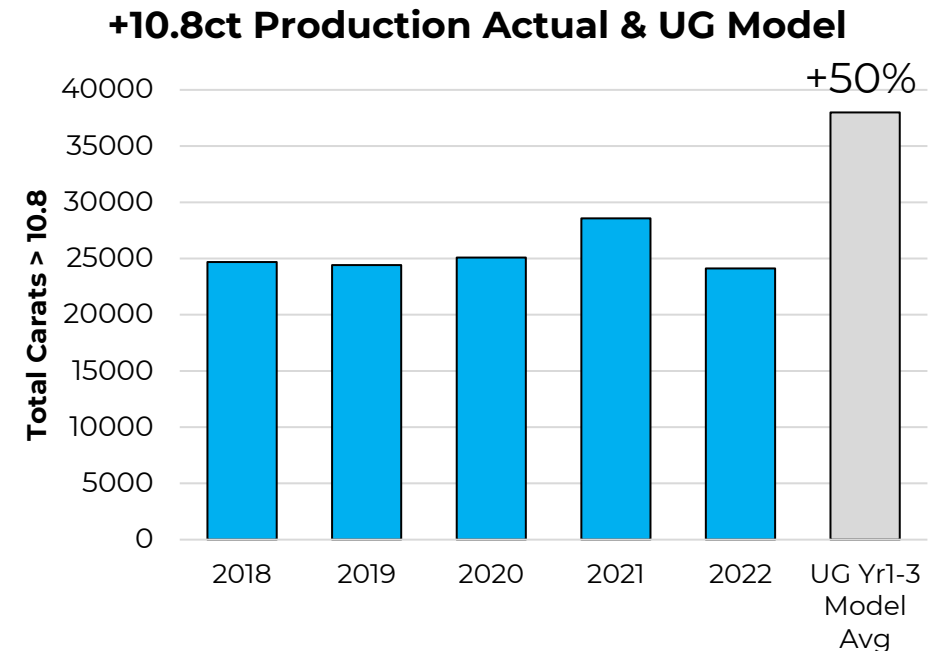
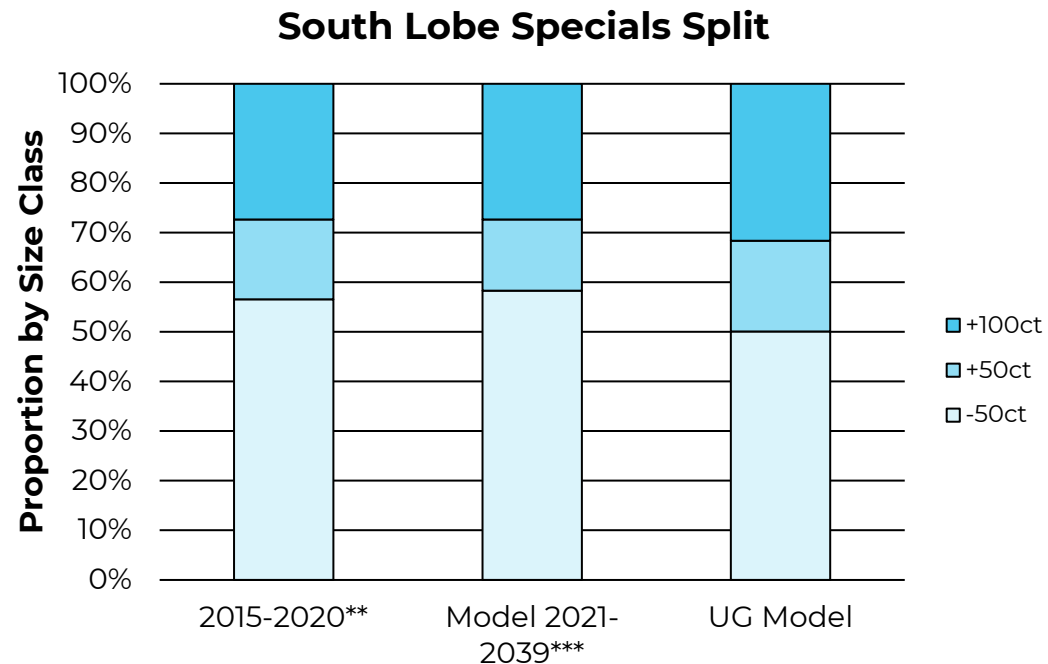
Large Diamond Recovery and Contribution of South Lobe and EM/PK(S)



Years 2015-2017 prior to geological model update, some EM/PK(S) formed part of feed but not tracked.
 2023 to end of Q2.
 UGY1 to YR3 proportion of carats based on current UG mine plan and design

Underground – Large Diamond Potential

- Size distribution model for +10.8 carat diamonds indicates that 30% of the +10.8ct production are expected to be in excess of 100 carat stones, based on historical production
- Model for remaining Life of Mine indicates Karowe will produce over 450kct of Specials, of which 30% are expected to be > 100ct
- First three years of UG production will produce almost 50% more Specials than current production



** less Lesedi La Rona, Sewelô, 998ct diamond
 *** Model 2020-29 Weighted by Source (EM/PK(S) vs M/PK(S))