

LUCARA
DIAMOND

**GEM X GEMFLIX
PRESENTATION**

MARCH 10, 2021



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 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, this presentation may contain forward looking information pertaining to the following: the impact of the COVID-19 pandemic on the Company's operations and cash flows and its plans with respect to the Karowe underground expansion project; the estimates of the Company's mineral reserves and resources; estimates of the Company's production and sales volumes for the Karowe Diamond Mine; estimated costs for capital expenditures related to the Karowe Diamond Mine; production costs; exploration and development expenditures and reclamation costs; expectation of diamond prices and the potential for the supply agreement with HB Group to achieve both higher prices from the sale of polished diamonds and to provide more regular cash flow than in previous periods; expectation of diamond prices; changes to foreign currency exchange rates; assumptions and expectations related to the possible development of an underground mining operation at Karowe, including associated capital costs, financing strategies and timing; expectations in respect of the development and functionality of the technology related to the Clara platform, the intended benefits and performance of the Clara platform, including our ability to complete sales without viewing diamonds,

The growth of the Clara platform, the timing and frequency of sales on the Clara Platform, and the quantum of and timing for participation of third parties on the Clara platform; expectations regarding the need to raise capital and its availability; possible impacts of disputes or litigation; and other risks and uncertainties described under the heading "Risks and Uncertainties" in the Company's most recent Annual Information Form available at <http://www.sedar.com> (the "AIF").

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" in the "Risks and Uncertainties" section of the Company's most recent Annual Information Form available at <http://www.sedar.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.

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

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 2020 Annual Information Form for the year ended December 31, 2020, dated March 30, 2021, which can be found on the Company's website and under its profile on SEDAR at www.sedar.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.sedar.com.

The Canadian Diamond Rush 1992-1995





High operating margin
sustained since production
began in 2012

Consistent recovery of high value
+10.8ct diamonds
with additional realized input
from high value coloured diamonds
(blue, pink)

3.2 million
carats sold

\$1.7 billion
in revenue in ~8 years

Innovative design
First diamond mine to use state
of the art XRT technology for
primary diamond recovery

Total capital investment less than
\$200 million

\$271 million
in dividends paid 2014 - 2019

Top of class, only mine in
recorded history to ever recover
Two +1,000 carat diamonds

Historic Diamond Recoveries

Lucara has become renowned as one of the world's foremost producers of large, gem quality diamonds



998 ct



1,758 ct
Sewelô



813 ct
Constellation



1,109 ct
Lesedi La Rona



549 ct
Sethunya

Historic Diamond Recoveries

Lucara has become renowned as one of the world's foremost producers of large, gem quality diamonds

**Lesedi La
Rona**
1109 carat

Second largest
gem diamond
ever recovered
in the world



Constellation
813 carat

Sold for a record
US\$63.1 million

Lesedi La Rona & Constellation



The 1,109 carat Lesedi La Rona was recovered in 2015 and purchased by Graff in 2017 for US\$53 million resulting in the 302.37 carat Graff Lesedi La Rona



Graded by the GIA, one of the world's largest square emerald cut diamond; 66 satellite diamonds were also cut ranging from <1 carat to >26 carats



The 813 carat Constellation was recovered in 2015 and purchased for US\$63 million, the highest price ever achieved for the sale of a rough diamond



The resulting 313 carat Constellation One is the largest D coloured emerald cut diamond in the world today and is the largest ever graded by the GIA; 7 satellite diamonds were also cut with the largest being 102 carats



Karowe Has Recovered 4 of the World's Largest Rough Diamonds

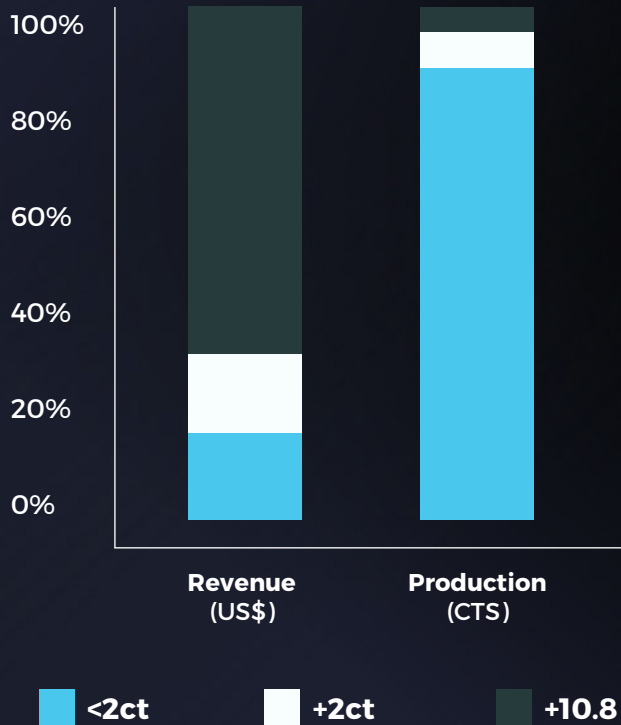
Top Rough Diamonds Reported Recovered >300 Carats

Rank	Carats	Name	Country	Mine	Date
1	3106,75	Cullinan Diamond	South Africa	Premier Mine	1905
2	1758	Sewelô	Botswana	Karowe Mine	2019
3	1109	Lesedi La Rona	Botswana	Karowe Mine	2015
4	998		Botswana	Karowe Mine	2020
5	995,2	Excelsior Diamond	South Africa	Jagersfontein Mine	1893
6	969	Star of Sierra Leone	Sierra Leone	Diminco Mine	1973
7	910	Lesotho Legend	Lesotho	Letseng Mine	2018
8	890	Incomparable Diamond	DRC	Société Minière de Bakwanga	1984
9	813	The Constellation	Botswana	Karowe Mine	2015
10	793	Koh-i-Noor	India	Kollur Mine	13th Century
29	549	Sethunya	Botswana	Karowe Mine	2020
30	544		Botswana	Karowe Mine	2018
36	472,37		Botswana	Karowe Mine	2018
47	378		Botswana	Karowe Mine	2021
48	375,24		Botswana	Karowe Mine	2019
49	373		Botswana	Karowe Mine	2015
50	372,83		Botswana	Karowe Mine	2019
53	355,52		Botswana	Karowe Mine	2015
54	354,97		Botswana	Karowe Mine	2018
56	347		Botswana	Karowe Mine	2016
58	341,9	Queen of Kalahari	Botswana	Karowe Mine	2015
59	341,1		Botswana	Karowe Mine	2020
60	336,4		Botswana	Karowe Mine	2015
61	327,48		Botswana	Karowe Mine	2018
62	321,06		Botswana	Karowe Mine	2018

Consistent Recovery of Large Diamonds

Specials contribute ~70% by revenue and ~5% by volume

Revenue and production includes 2015 to 2019

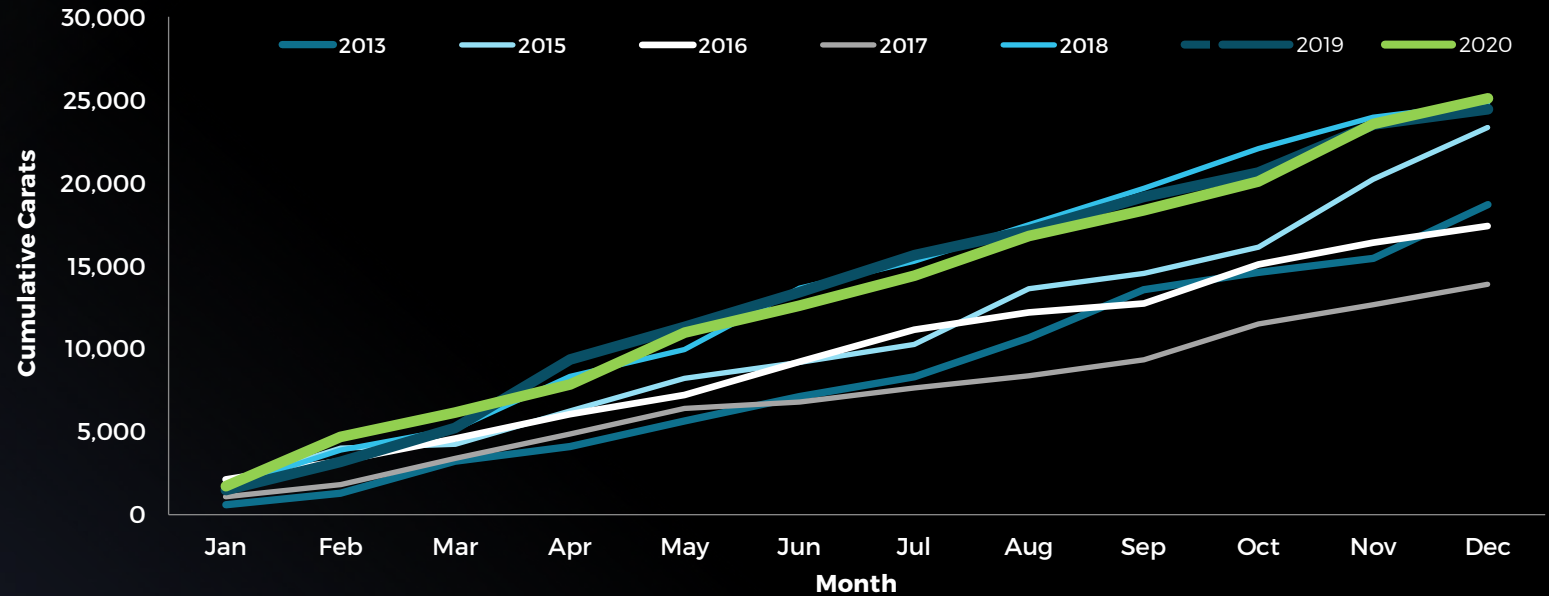


Life of mine recovery of +182,000 carats of individual stones > 10.8ct (over 6,200 diamonds; all sources)

Since 2012: 19 diamonds in excess of 300 carats have been recovered, including 2 diamonds > 1,000ct

10 diamonds sold for > US\$ 10 million each (not included in resource value models)

Karowe Cumulative Specials (ct)



COVID-19 Response

Operations consistent, Diamond sales continue

The Botswana Government declared mining an essential service in late March 2020 and recently extended the State of Emergency to the end of March 2021. Guidelines being followed include increased travel restrictions, work from home, implementation of social distancing and additional cleaning protocols.

We continue to focus on protecting the health and well-being of our employees, contractors and host communities and the financial well being of the Company. We've also contributed to the Botswana Government's COVID-19 Relief Fund and local initiatives.

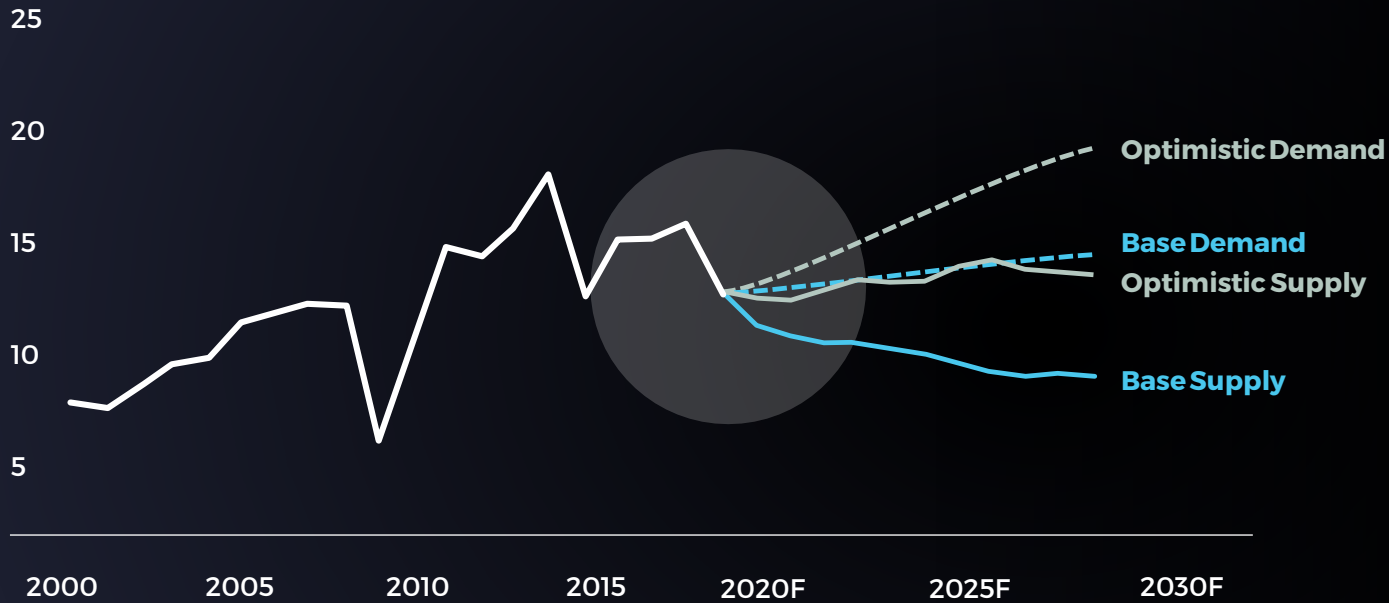
The Government of Botswana recently granted permission to conduct COVID-19 testing at our operations in Botswana. The Company has also constructed several isolation pods for use by the community in the Letlhakane area.

Diamond sales through HB Antwerp, Clara and quarterly tenders in Antwerp have continued.

Diamond Market

Restocking activity in the midstream late 2020, continues in 2021 driving better prices; Longer term outlook remains strong supported by supply constraints

Rough diamond supply and demand



**Demand pick up in the US & China;
Strong Retail Holiday Season**

Note: Rough-diamond demand has been converted from polished-diamond demand using a historical ratio of rough to polished diamond values Source: Bain & Company - Global Diamond Report

Supply Agreement with HB Antwerp

Sale of specials (+10.8 carats) 2020

+10.8 carat stones produced from the Karowe Mine

Initial price is based on an **estimated polished outcome**, determined through state of the art scanning and planning technology, with a **true-up paid** on actual achieved polished sales, less a fee and cost of manufacturing

Regular cash flow from the large, high value segment of production

Revenue from shipments in 2020, and recoveries to end of year, **will continue to be recognized in 2021**



Sethunya,
549 carats

Sewelô Collaboration with Louis Vuitton

Botswana's Largest Diamond

Sewelô “rare find”, an unbroken 1,758 carat near gem quality diamond recovered in April 2019

Collaboration between Lucara (50%), Louis Vuitton (25%), HB Company (25%) – planning, cutting and polishing a collection of diamonds from Sewelô

Lucara has received an upfront non-material payment from the JV partners; Lucara will participate in 50% of the proceeds of the polished diamonds that result

5% of all the retail sales proceeds from the historic jewellery collection will be invested back into community-based initiatives in Botswana



Collaboration Agreement on “Sethunya” with Louis Vuitton and HB Antwerp

November 2020

549 carat white gem diamond “**Sethunya**”, meaning flower in Setswana, recovered from the Karowe Mine in February 2020

Lucara, Louis Vuitton and HB will collaborate and plan the creation of the **highest value polished diamonds** from the Sethunya rough, which will be made available **exclusively** to Louis Vuitton

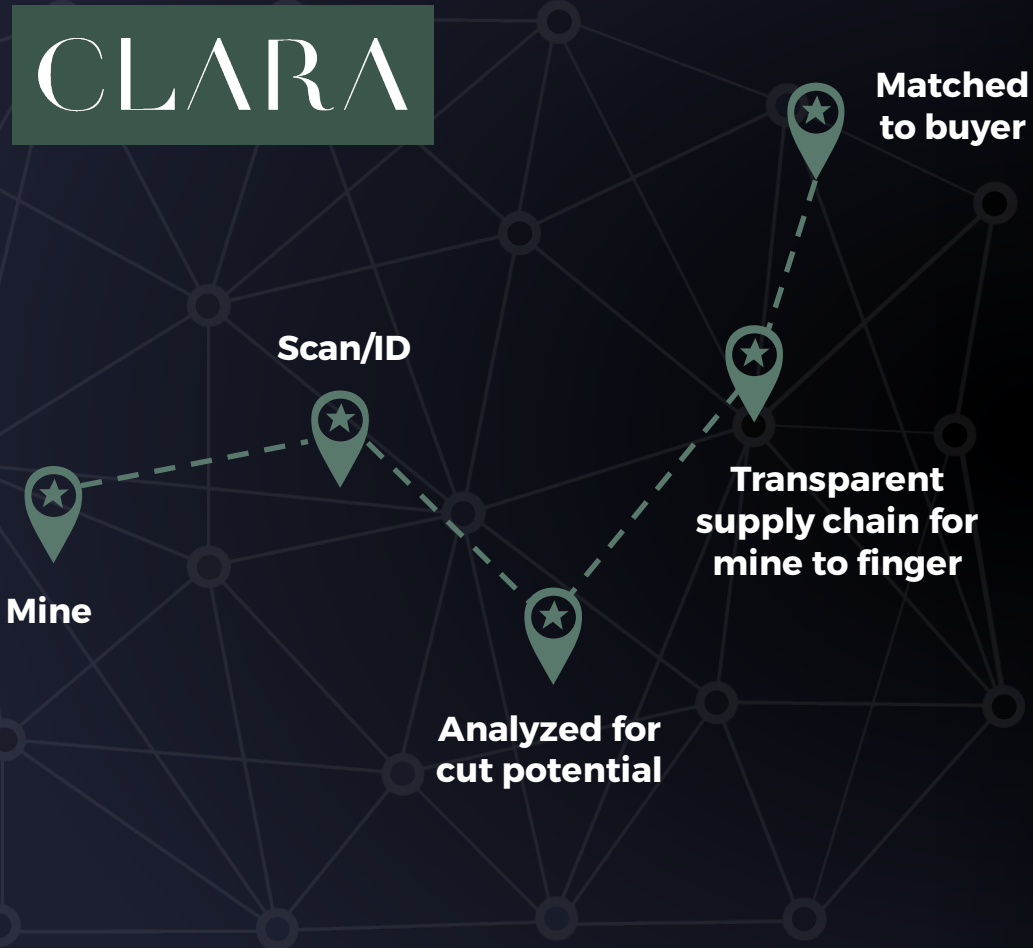
In line with its long tradition of personalisation, **Louis Vuitton** envisages crafting beautiful, bespoke and made-to-order, high value polished stones of variable size and shape; The opportunity to create a **storied family heirloom**

Lucara will receive payment based on the polished outcome no later than **Q4 2021**



Transforming the Diamond Sales Process

Using Innovation and Technology



Opportunity to disrupt the existing supply chain, driving efficiencies and unlocking value



Rough diamonds are sold stone by stone based on polished demand



Diamond provenance is assured



Exclusive collaboration with Sarine Technologies fundamental to the platform

Clara

Clara sales platform (<10.8 carat)

42 sales completed since inception
~US\$23.7 million of diamonds sold by value through the platform

Regular Sales ongoing

>15,000 carats sold through the platform

Manufacturers on the platform have **significantly grown to 75** customers (180% increase in 2020)

Trials of third party supply **began in the third quarter** of 2020

Travel restrictions **accelerating adoption** of new technology in 2020



The graphic features a background image of a hand holding a diamond. At the top, the word "CLARA" is written in white serif font on a dark green rectangular background. Below this, the text "Forty-two sales between December 2018 and January 2021" is displayed in white, followed by "POSITIVE RESULTS" in a larger, bold white font. A white circle with a downward-pointing triangle is positioned in the center. At the bottom, a dark green box contains the text "~\$23.7 million diamonds sold by value" in white, with a subtitle "between one and ten carats in size, in better colours and qualities" in a smaller white font below it.

Karowe Underground

Extending Mine-life to at least 2040

UG adds ~ **\$4 billion**
in additional net revenue

NPV \$1,266 million/\$718 million
(pre/post tax) @ 5%; **No real
escalation** in price

Conservative Price Assumptions:
highest value stones removed from
the economic model

EM/PK(S) unit dominant;
Highest value unit of Karowe ore
body

Mining license extended to 2046
received Q4 2020

Continue to progress debt
financing options - targeting H2
2021



Approach to Sustainability

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

Code of Business Conduct and Ethics

Whistleblower Policy

Responsible Mining Policy

Corporate Social Responsibility Charter

Lucara is certified by the Responsible Jewellery Council (RJC), compliant with the Kimberley Process, and a member of the Natural Diamond Council (NDC)

In 2018, Lucara became a UN GC participant and contributes to 10 of the 17 UN SDGs

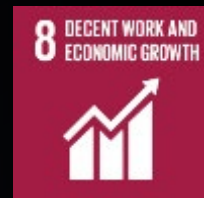
Lucara's Sustainability Report is prepared in accordance with the GRI Standards: Core option, and selected G4 Mining and Metals Sector Disclosures



SUSTAINABLE DEVELOPMENT

GOALS

17 GOALS TO TRANSFORM OUR WORLD



Conclusion

Lucara is a premier, mid-tier, investible diamond company, positioned for long term, sustainable growth



High margin diamond producer



Botswana - a low risk jurisdiction



Strong balance sheet and available liquidity



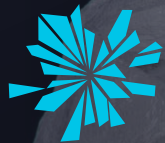
Consistent recovery of high value Specials (+10.8 carats);
Open pit mineable reserves to 2026 with underground
expansion extending the mine life to at least 2040



Asset diversification and additional revenue
stream opportunity through Clara



1,758 carat Sewelô



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