Corporate Update

June 2019
Forward-looking information

This investor presentation contains forward-looking statements and information as defined in applicable securities laws including: the estimates of the Company’s mineral reserve and resources; estimates of the Company’s production volumes; forecasted sales volumes and pricing; projected revenues of the Company; exploration and development plans and objectives including a new resource statement; estimated production costs, exploration and development expenditures; estimates of ore to be mined by the Company and corresponding operating and sustaining costs; and the cost, timing and results of the commercialization of Clara. 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 achieved. Forward-looking statements are based on the assumptions, 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 and uncertainties 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. In particular, such risks include 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), 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, unanticipated events relating to health safety and environmental matters, delays or failure to successfully commercialize Clara’s platform, acceptance of Clara’s platform by the diamond industry, risks relating to the technology underlying Clara’s platform and other risks inherent in the implementation of new technologies, and other risks and uncertainties describe under Risks and Uncertainties disclosed under the heading “Risk Factors” in the Company’s most recent Annual Information Form available at http://www.sedar.com.

Forward-looking statements and information 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. Readers are cautioned not to place undue reliance on forward-looking statements and information. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities and no part of it shall form the basis of or be relied upon in connection with any investment decision in relation thereto.

Technical information


The authors of these technical reports are independent of the Company and are qualified persons for the purposes of National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). The technical reports are available for review on SEDAR at www.sedar.com.

All currencies mentioned in this presentation are in United States Dollars (“US$”) unless otherwise mentioned.
KAROWE DIAMOND MINE

Large, High Value Diamonds
7.9 million carats at $673/ct (Indicated)

Open Pit Reserves to 2026
Potential underground expansion to at least 2036

Innovative Design
First diamond mine to use state of the art XRT technology for primary diamond recovery
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 $63.1 M USD
One of the largest diamonds in the world and the largest for Botswana

Only mine in recorded history to recover two diamonds greater than 1,000 carats

There are significant domains within the stone that appear as clean, white material

Appears to have a ‘kernel’ stone with windows through the diamond, (approx. 350-400ct)

*Unbroken 1,758 carat near gem quality diamond; largest diamond from Karowe to date*
The 1,109 Carat Lesedi La Rona was recovered from Karowe in 2015 and purchased by Graff in 2017 for US$53 million.

The resulting 302.37 carat Graff Lesedi La Rona is the largest highest colour, highest clarity diamond ever certified by the GIA, and the world’s largest square emerald cut diamond.

66 satellite diamonds ranging from <1 carat to >26 carats.
Q1 2019 HIGHLIGHTS

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

100% Owned
Karowe Diamond
Mine, Botswana

Continued strong safety and operational performance in Q1 2019

Record 0.76 million tonnes quarterly ore processed

1,758 carat near gem quality diamond recovered in April, largest in Karowe’s history

$48.7 million quarterly revenue; including 7 diamonds selling for >$1 million

241 carat sold for $8.1 million

100% Owned
Clara Diamond Solutions

Three sales successfully completed; achieved average of 8% over traditional tender prices

Ramp up continues; focus on increasing demand and onboarding of manufacturers

Dividend & Strong Balance Sheet

CDN $0.025 per share declared in Q1 2019 paid on April 11, 2019

US$256 million paid since 2014

Cash and cash equivalents of US$17.9 million and no debt
6.2 million man hours worked without lost time incident (LTI); 677 LTI free days
All injury frequency rate (AIFR) of zero for the quarter
Strong environmental performance and compliance; 2018 Sustainability report in Q2

Mokubilo Farm Initiative
Community focused initiative to generate, broad based sustainable income
Phase 1: butternut, tomatoes, peppers and eggs
Lucara’s Sustainability Report is prepared in accordance with the GRI Standards: Core option, and selected G4 Mining and Metals Sector Disclosures

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

Lucara is certified by the Responsible Jewellery Council (RJC), compliant with Kimberley Process, and a member of Diamond Producers Association (DPA)
Stable dynamics, but weaker prices observed in small goods (half a carat or less). Demand led by USA, followed by China; supply and demand fundamentals expected to widen post 2020 as large mines deplete synthetics ~ 5% of market, mostly in smaller goods, no threat to natural

Millennials will be the highest-spending generation from 2020 and the leaders in luxury spending, especially in China

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 2018
SPECIALS (+10.8 CARAT) DRIVE VALUE

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

- Specials consistently high value and gem quality
- Since 2012 a total of 181 diamonds in excess of 100 carats have been recovered; 13 diamonds in excess of 300 carats have been recovered
- 187 diamonds sold for >$1 million each and 10 single diamonds have sold for >$10 million
GLOBAL ACHIEVED AVERAGE DIAMOND PRICES 2018/2019

(All amounts in U.S. Dollars unless otherwise indicated)

Q1 2019 Median $123/Carat
Underground Feasibility study initiated 2018 scheduled for completion H2 2019

All support/technical programs completed Q2; significant de-risking since PEA in 2017

Recognition that the EM/PK(S) is volumetrically the dominant unit at depth within the South Lobe

EM/PK(S) is higher grade and has larger diamonds – source of Lesedi La Rona and Constellation diamonds and the 1,758 carat diamond recovered in April 2019
Opportunity to **transform** the existing supply chain, driving efficiencies and unlocking value

Exclusive collaboration with Sarine Technologies fundamental to the platform

Moving from push to pull style sales system where rough diamonds are sold stone by stone based on polished demand

Diamond provenance is assured
Three sales completed during the first quarter of 2019

Participants included large, vertically integrated jewelry houses and global diamond manufacturers

Sales continue to ramp up; focused on growing demand in short term

Manufacturers on the platform have doubled since initial trial

Discussions are underway to add third party supply to the platform before year end

~US $2.6 million diamonds sold by value between one and four carats in size in better colors and qualities
Q1 2019 FINANCIAL HIGHLIGHTS
(All amounts in U.S. Dollars unless otherwise indicated)

REVENUE (MILLIONS)

- Q1 2018: $25.4
- Q1 2019: $48.7

ADJUSTED EBITDA$^{(1)} (MILLIONS)

- Q1 2018: $1.4
- Q1 2019: $23.4

NET INCOME (MILLIONS)

- Q1 2018: $(7.0)
- Q1 2019: $7.4

TOTAL SALES (AVERAGE $/CARAT)$^{(1)}

- Q1 2018: $401
- Q1 2019: $512

OPERATING COST ($/TONNE PROCESSED)$^{(1)}

- Q1 2018: $39.97
- Q1 2019: $30.52

EARNINGS PER SHARE

- Q1 2018: $(0.02)
- Q1 2019: $0.02

$^{(1)}$ Non-IFRS measure
Q1 2019 OPERATIONAL HIGHLIGHTS

(All amounts in U.S. Dollars unless otherwise indicated)

ORE MINED (TONNES)

Q1 2018: 630,242
Q1 2019: 1,011,048

ORE PROCESSED (TONNES)

Q1 2018: 599,407
Q1 2019: 763,313

CARATS RECOVERED

Q1 2018: 81,507
Q1 2019: 132,336

CARATS SOLD

Q1 2018: 63,317
Q1 2019: 95,057

REVENUE ($MILLIONS)

Q1 2018: 25.4
Q1 2019: 48.7
2019 OUTLOOK
(all amounts in U.S. Dollars)

$170 – $200 million
DIAMOND REVENUE

300,000 – 320,000
DIAMOND SALES (CARATS)

300,000 – 330,000
DIAMONDS RECOVERED (CARATS)

2.5 – 2.8 million
ORE TONNES MINED

2.5 – 2.8 million
ORE TONNES PROCESSED

$32 - $37 per tonne of ore processed
OPERATING CASH COSTS(1)

6.0-9.0 million
WASTE TONNES MINED

< 2.46*
AVERAGE STRIP RATIO

*CHANGED FROM PREVIOUS GUIDANCE
(1) Non-IFRS measure
CONCLUSIONS

Lucara is a high margin diamond producer located in a top tier mining jurisdiction, positioned for long term, sustainable growth

- High margin diamond producer
- Botswana - a low risk jurisdiction
- Strong balance sheet
- Open pit mineable reserves to 2026, potential for underground to least 2036
- Asset diversification and additional revenue stream through Clara
# Capital Structure

Lucara is a publicly listed company trading under the symbol “LUC”

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Cap</td>
<td>~C$570M</td>
</tr>
<tr>
<td>Debt</td>
<td>$Nil (March 2019)</td>
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<tr>
<td>Issued Shares</td>
<td>396.7M (March 2019)</td>
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<tr>
<td>Fully Diluted Shares</td>
<td>403.7M (March 2019)</td>
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<td>Credit Facility</td>
<td>US$50.0M (available)</td>
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<tr>
<td>Cash on Hand</td>
<td>US$17.9M (March 2019)</td>
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<tr>
<td>Insider Holdings</td>
<td>22% Fully Diluted Basis</td>
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