



Lucara Diamond Corp.

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NEWS RELEASE

LUCARA RECOVERS RARE BLUE DIAMOND

November 5, 2012 (LUC-TSX, LUC-BSE, LUC-NASDAQ OMX First North) ... Lucara Diamond Corp. is pleased to announce the recovery of a 9.46 carat rare Type II blue diamond from its wholly owned Karowe Mine in Botswana. The diamond, the first of its kind to be identified at Karowe, will be sold on tender at the upcoming sale of Karowe diamonds which will take place on November 26, 2012. At this sale, more than 57,000 carats of diamonds will be sold on tender, the fourth sale of Karowe diamonds this year.

Mr. William Lamb, Lucara's President and CEO noted: "The recovery of such a rare stone is of great importance to the Karowe asset. We had previously identified a population of Type II diamonds at Karowe and the recovery of this rare blue diamond confirms the quality distribution of the diamonds being mined at Karowe."

Pictures of the blue diamond recovered at Karowe are attached and can also be viewed on the Company's website www.lucaradiamond.com

About Lucara

Lucara is a well positioned emerging new diamond producer. The Company has an experienced board and management team with extensive diamond development and operations expertise. The Company's two key assets are the Karowe Mine in Botswana and the Mothae Project in Lesotho. The 100% owned Karowe Mine is in the production. The 75% owned Mothae Project is currently in the trial mining stage.

Qualified Person

Mr. Anthony George, P. Eng., a mining engineer and Lucara's V.P. Development, is the Company's Qualified Person pursuant to NI 43-101 and has reviewed the technical contents of this news release.

On Behalf of the Board,

William Lamb
President and CEO

Lucara's Certified Advisor on NASDAQ OMX First North is Pareto Öhman AB.

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Forward Looking Statements

This Press Release contains "forward-looking information" that is based on Lucara's expectations, estimates and projections as of the dates as of which those statements were made. This forward-looking information includes, among other things, statements with respect to the use of the proceeds of the credit facility. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as "outlook", "anticipate", "project", "target", "believe", "estimate", "expect", "intend", "should", "scheduled", "will", "plan", "would" and similar expressions. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause Lucara's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information and is developed based on assumptions about such risks, uncertainties and other factors. A discussion of factors that may affect Lucara's actual results, performance, achievements or financial position is contained in the filings by Lucara with the Canadian provincial securities regulatory authorities, including Lucara's 2011 annual information form filed on SEDAR on March 22, 2012.

Forward-looking statements are based on assumptions management believes to be reasonable, including but not limited to the continued general market conditions, development of the AK6 project, no material adverse change in the market price of commodities and that the costs of development and operation of the AK6 project will be line with management's expectations. Although Lucara attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate. Accordingly, readers should not place undue reliance on forward-looking statements. Lucara disclaims any intent or obligations to update or revise publicly any forward-looking statements whether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law.

