



LUCARA
DIAMOND

Q4 2023 Results Conference Call

FEBRUARY 21, 2024

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Cautionary Statement

Forward-looking information

Certain of the statements made and contained herein and elsewhere, including any accompanying oral presentation, 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", "plans", "projects", "predicts", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. These statements relate to future events or our future performance. All statements other than statements of historical fact are forward-looking statements.

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 meet its obligations under the Rebase Amendments with its Lenders, the Company's ability 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 "2024 Annual Guidance" and "What Makes Us Excited", the impact of supply and demand of rough or polished diamonds, expectations regarding top-up values and processing, the impact of the renewed and amended terms 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 H1 2024, 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 2024, 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").

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.

2023 Highlights

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



Revenues \$177.4 million; 379,287 carats from Karowe sold through three sales channels

**Cash flow of \$63.4 million
Operating cost \$28.75 per tonne processed¹**

Recovery of 1,080 ct diamond, the fourth stone in excess of 1,000 carats in Karowe’s history

\$101.3 million² invested in UGP in 2023; shaft sinking, lateral development, and grouting programs was the main focus

**Continued strong, safe, reliable production
0 lost time injuries
0 reportable environmental matters**

All key operational and financial metrics from 2023 Revised Guidance achieved

**5.3% Specials (+10.8 carats) by weight
602 Specials, including 22 diamonds >100 carats including 5 diamonds >300 carats**

**Successful execution of amended project financing debt package of \$220 million
New Diamond Sales Agreement with HB Antwerp**

(1) Non-IFRS measure. See “Non-IFRS Financial Measures”.
(2) Includes capitalized borrowing costs.

Successful Execution of Amended Lenders Agreement

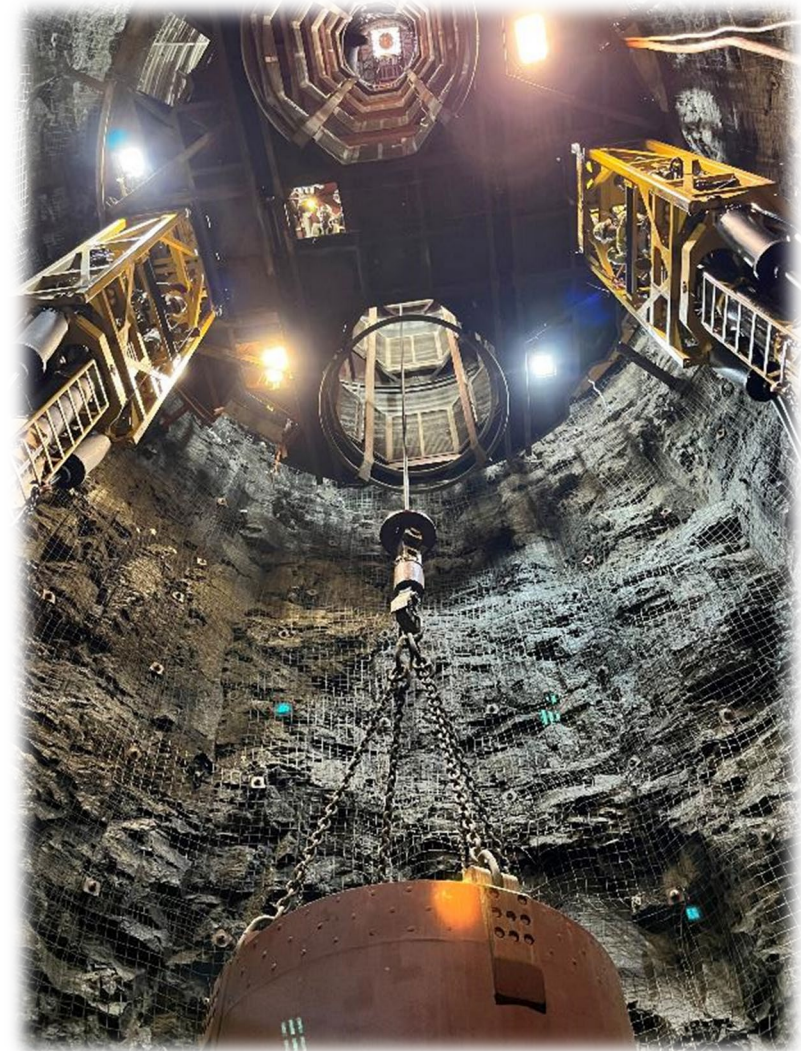
Project financing debt package of \$220 million

Debt package consists of two facilities, a **\$190 million Project Loan to fund the development of the UGP** at the Karowe Mine, and a **\$30 million senior secured working capital facility** (the "WCF") which is used **to support ongoing operations**.

Lucara has drawn **\$125 million** from the Project Loan and **\$15 million** from the WCF. In Q1, 2024 to date, \$15 million was drawn from the Project Loan and \$10 million from the WCF.

The balance in the cost overrun facility **now stands at \$36.9 million**.

The Karowe UGP is expected to be **funded using the Project Loan**, combined with projected **excess cash flow from Karowe open pit mine operations and stockpiles** processed during the underground construction period



Karowe Underground Expansion – 2023 Progress

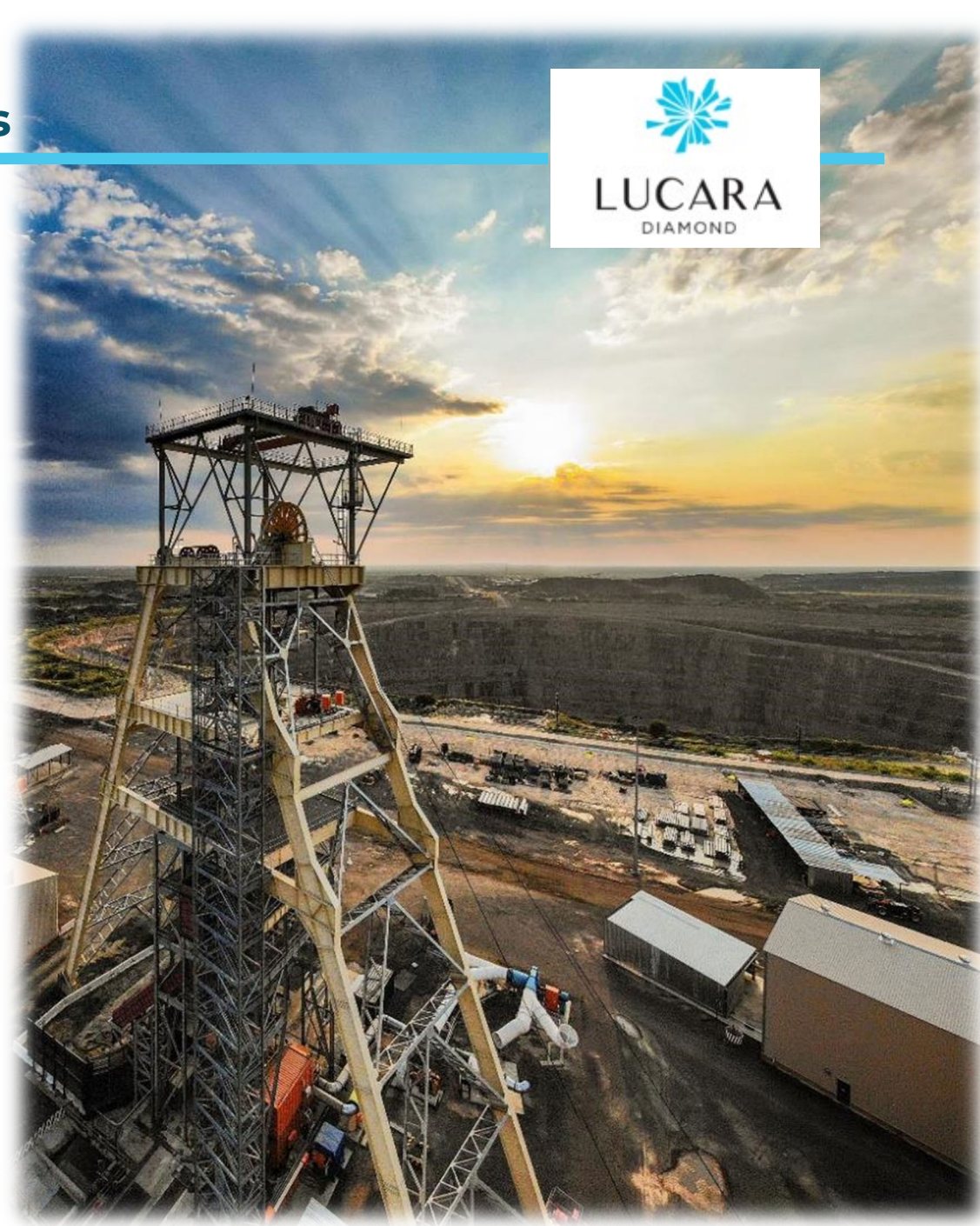


\$101.3 million invested in 2023

At the end of 2023, the **production and ventilation shafts** were both **at 348 metres below collar** and in the process of establishing the first shaft stations and lateral connection between the two shafts (670-level).

Commissioning of the temporary bulk air coolers at each shaft was completed and **construction of the permanent bulk air coolers** at the production shaft continued.

Detailed engineering and fabrication of the permanent men and materials winder commenced during the quarter, representing the last major component for the permanent winders.



Karowe Underground Expansion – Q1 2024 Focus



Up to \$100 million capital cost in 2024

Resumption of sinking within the ventilation and production shafts

Completion of mining and construction activities on the 670-level station, including **connection of the two shafts**

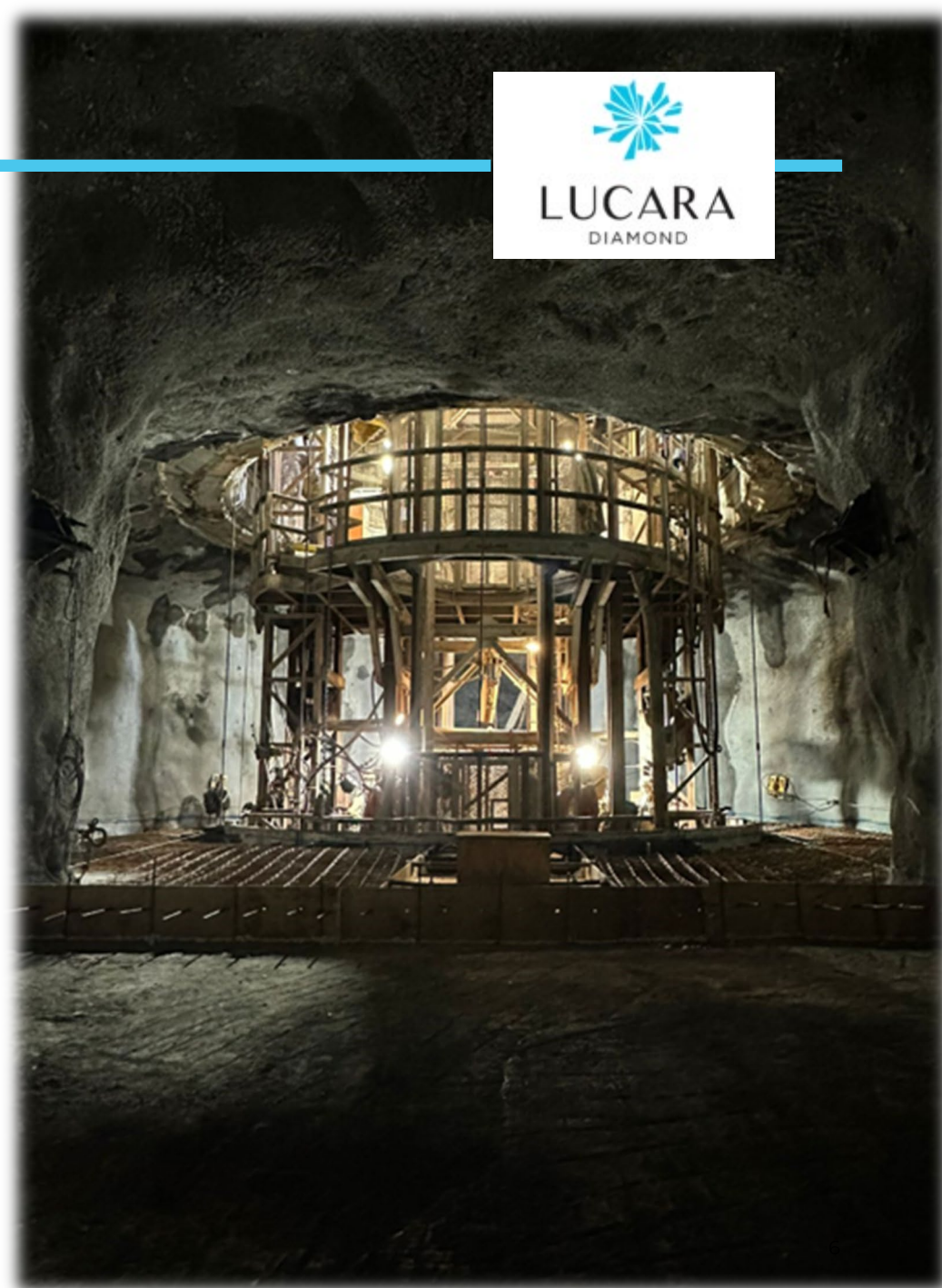
Planned grouting events at the base of the Tlapana carbonaceous shale and top of Mea formation expected in the production shaft

Procurement of underground equipment

Commissioning of the permanent bulk air cooler system

Preparation of underground lateral development tender documentation.

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

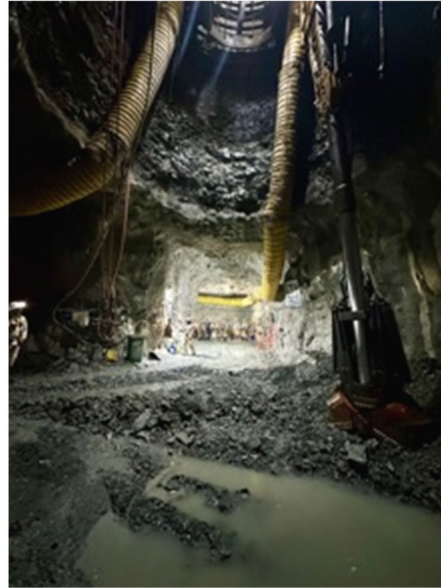


Underground Project – Ventilation Shaft Lateral Development



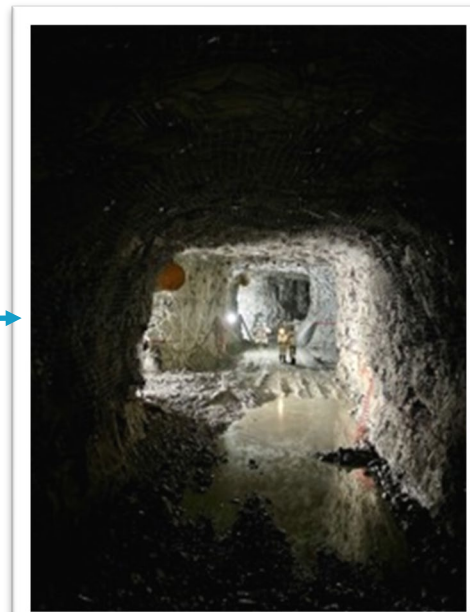
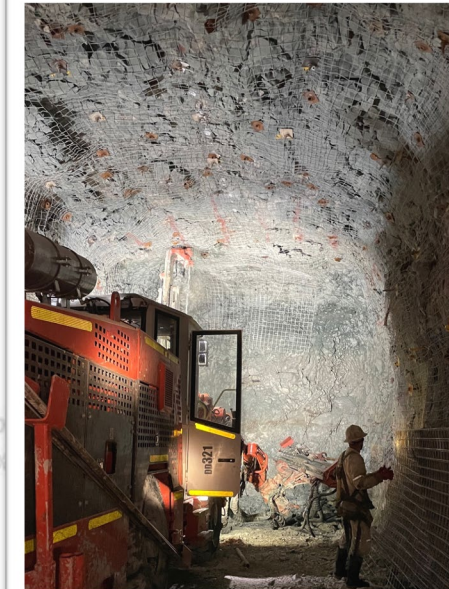
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1. View east from shaft into 670-level station

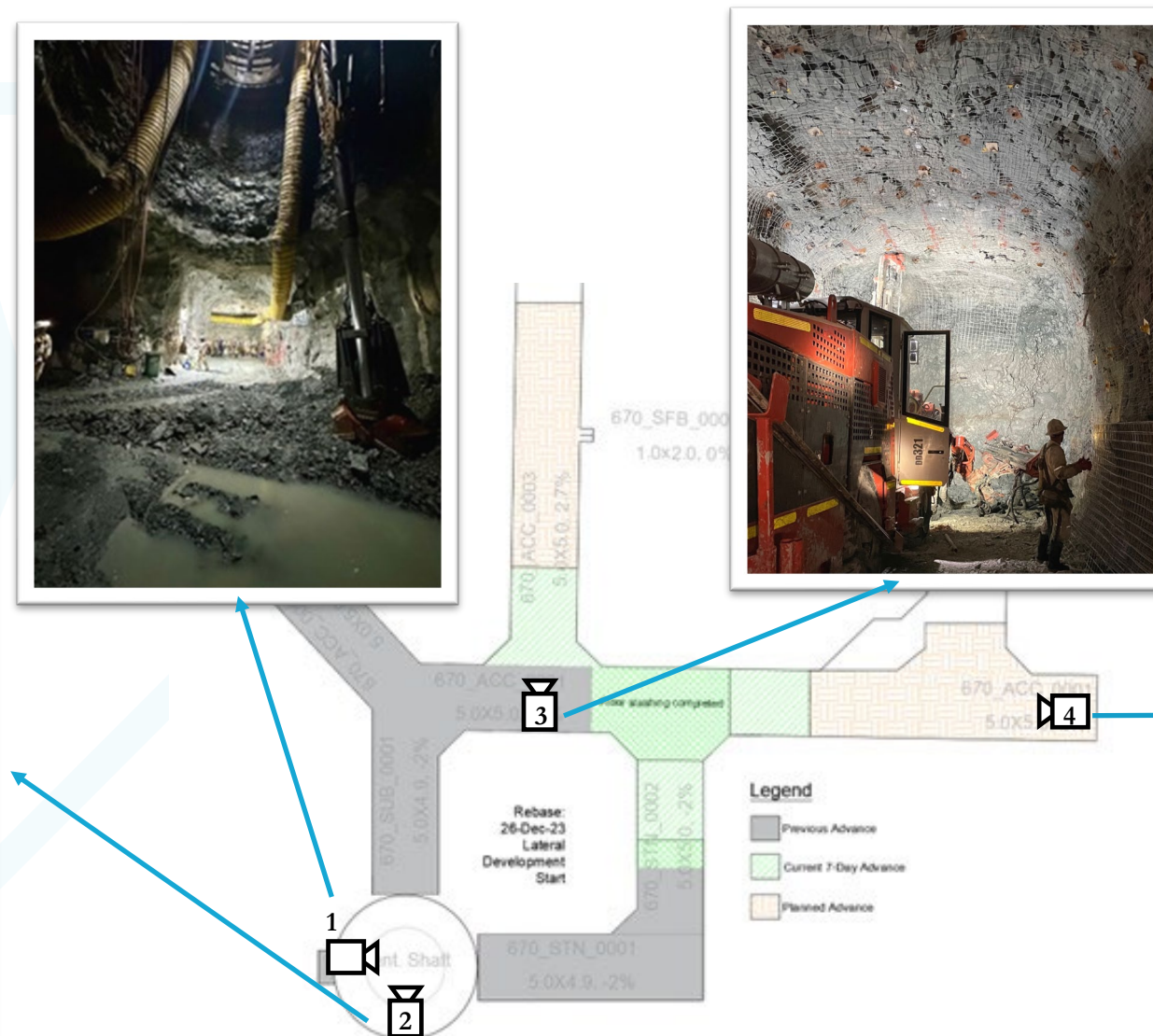


2. View North from shaft along Substation location

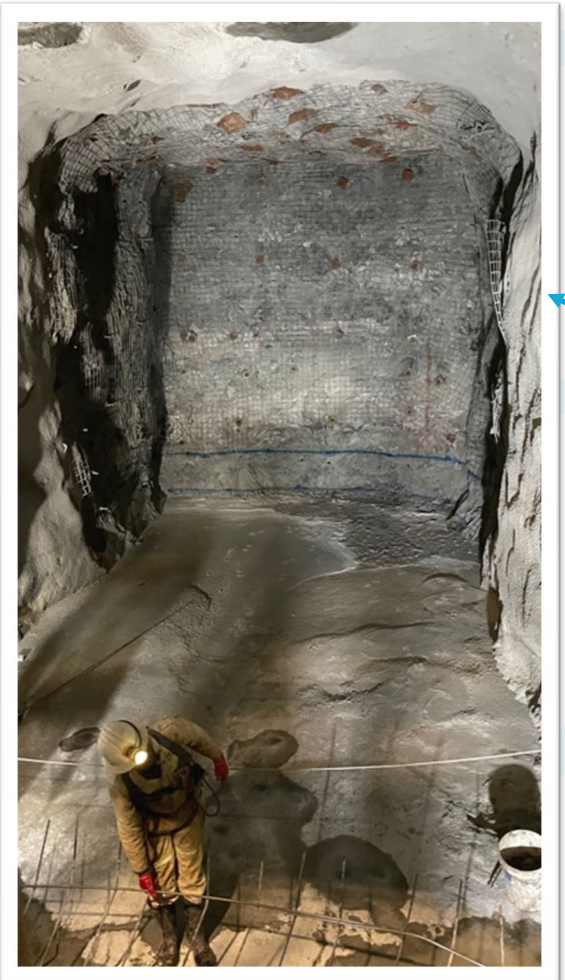
3. View North along drift axis to Production Shaft connections



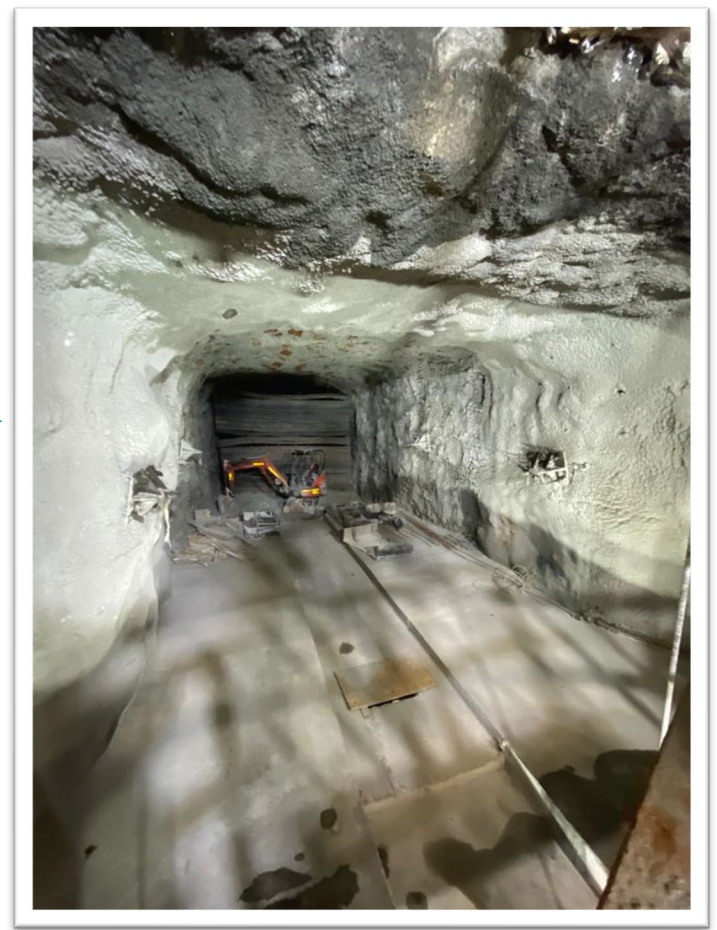
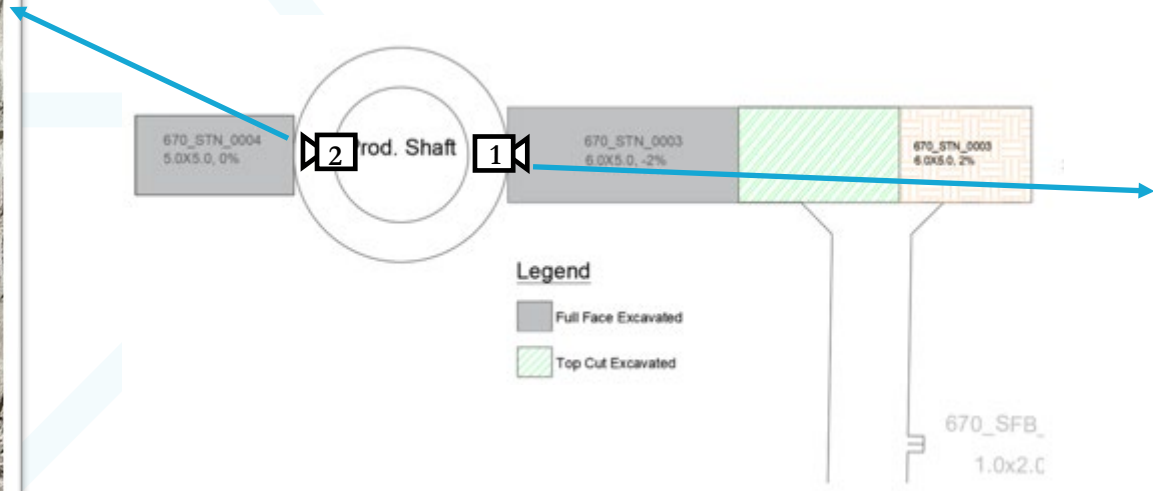
4. View west toward connection to Production and 670-level raise bore cutout



Underground Project – Production Shaft 670 Level Station



2. View from shaft into cubby, pouring Final floor cement pad



1. View east, temporary blast screen with Floor civils and rail bed

Consistent Recovery of Large Diamonds



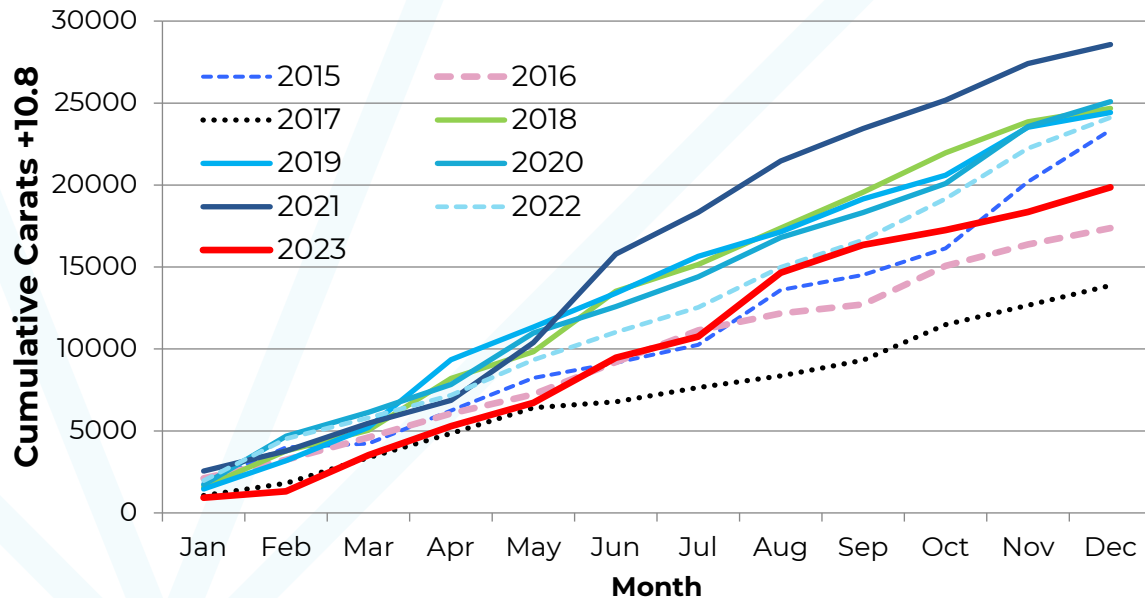
Specials contribute ~60-70% by revenue and ~5-7% by volume historically

Since 2012: 34 diamonds in excess of 300 carats have been recovered, including 4 diamonds > 1,000ct

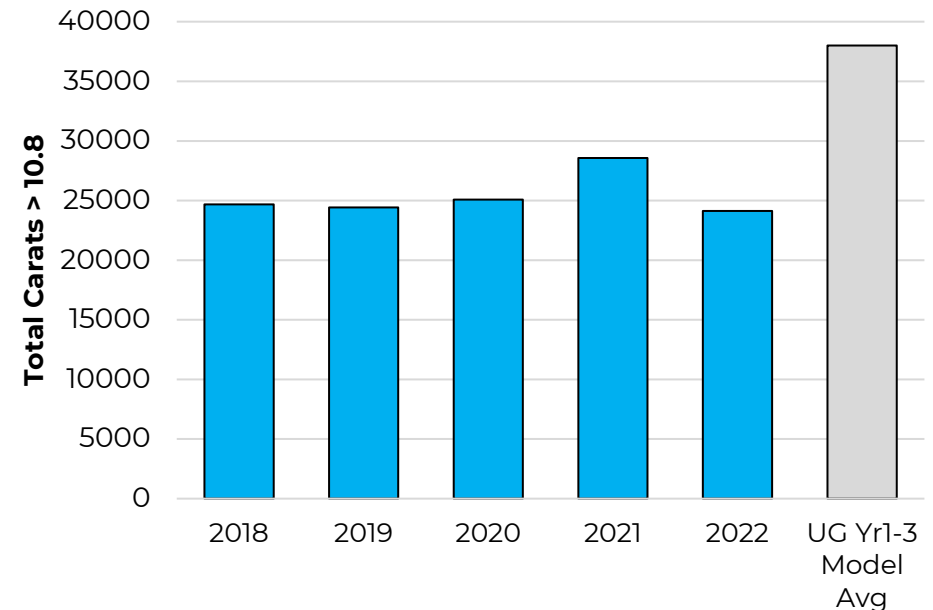
Over 11 diamonds sold for > US\$10 million, represents US\$237 million in revenue not modelled into the Resource.

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

Karowe Cumulative Specials (ct)



+10.8ct Production Actual & UG Model

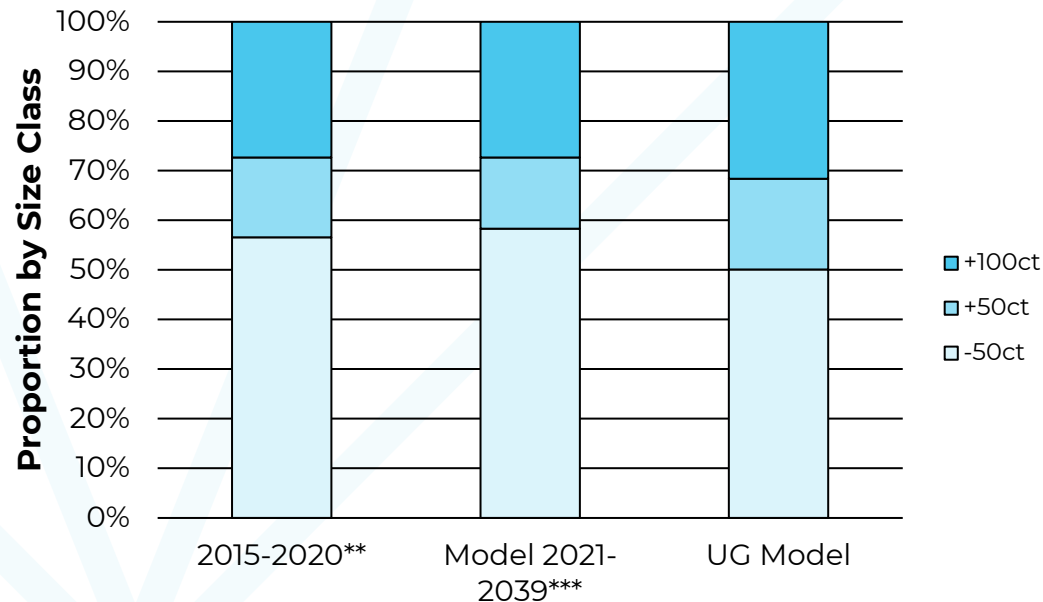


Underground – Large Diamond Potential

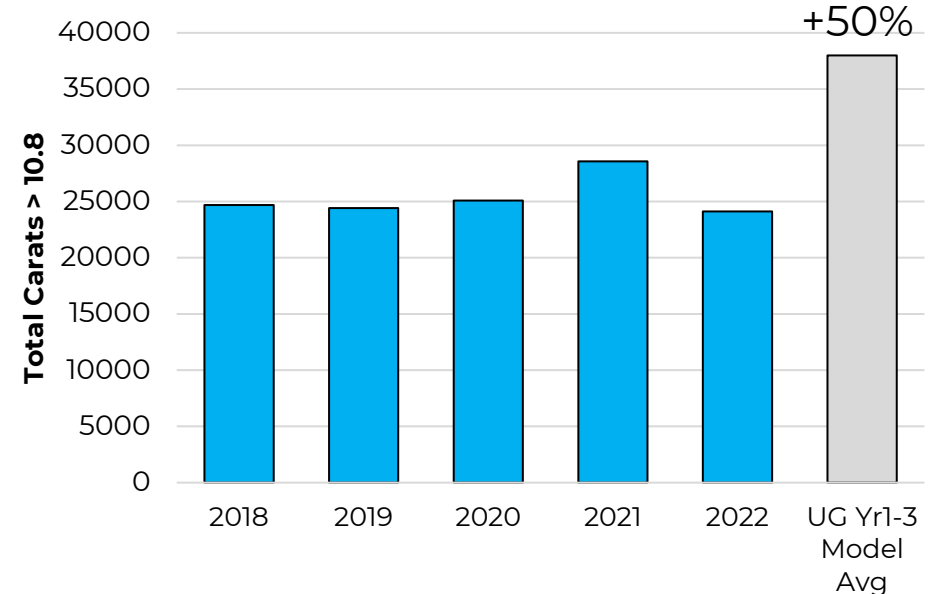


- Size distribution model for +10.8 carat diamonds indicates that 30% of the +10.8ct production are expected to be in excess of 100 carat stones, based on historical production
- Model for remaining Life of Mine indicates Karowe will produce over 450kct of Specials
- First three years of UG production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

South Lobe Specials Split



+10.8ct Production Actual & UG Model



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

2023 Recovered Specials

22 diamonds greater than 100 carats including 5 diamonds greater than 300 carats

- ✓ 602 recovered Specials
- ✓ 5.3 wt.% of production
- ✓ 71% carats recovered from the South Lobe
- ✓ 26% carats recovered from the Centre Lobe and 3% carats recovered from the North 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

30%
of Revenue

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

10%
of Revenue

Manufacturing into
Polished Diamonds

60%
of Revenue

CLARA



History

92 sales completed

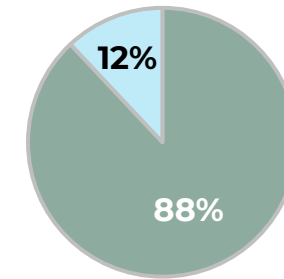
+\$104 million sold by value

~57,500 carats sold by weight

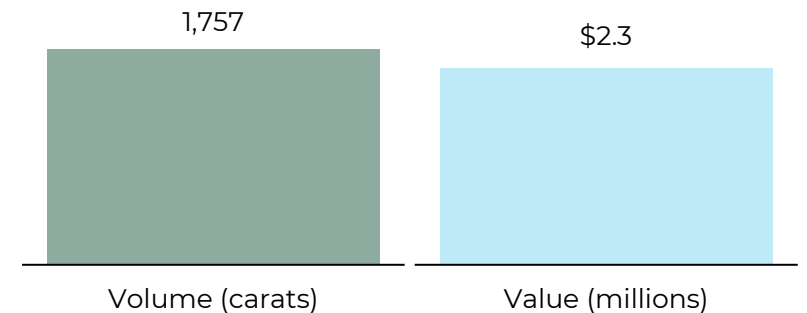
\$2.3 million transacted in
Q4 2023

104 buyers

Q4 2023



■ Karowe stones
■ Third-party stones



Q4 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 arrangements (shipments to HB resumed in December 2023, NDSA renewed in February 2024).
- Diamonds between 1 and 10 carats that meet specific criteria are sold through Clara.
- All other diamonds are sold through quarterly tenders.

Sales Channel	Q4 2023		Q4 2022	
	Rough Carats Sold	Revenue Recognized (USD millions)	Rough Carats Sold	Revenue Recognized (USD millions)
HB Antwerp	1,629	10.6	2,812	20.5
Clara ¹	1,757	2.0	2,188	3.8
Tender ²	108,137	16.9	76,264	12.2
Total – Karowe carats	111,523	29.5	81,264	36.5
Top-up Payments		6.8		3.6
Total Revenue - Karowe		36.3		42.5



1,080 carat – Eva Star

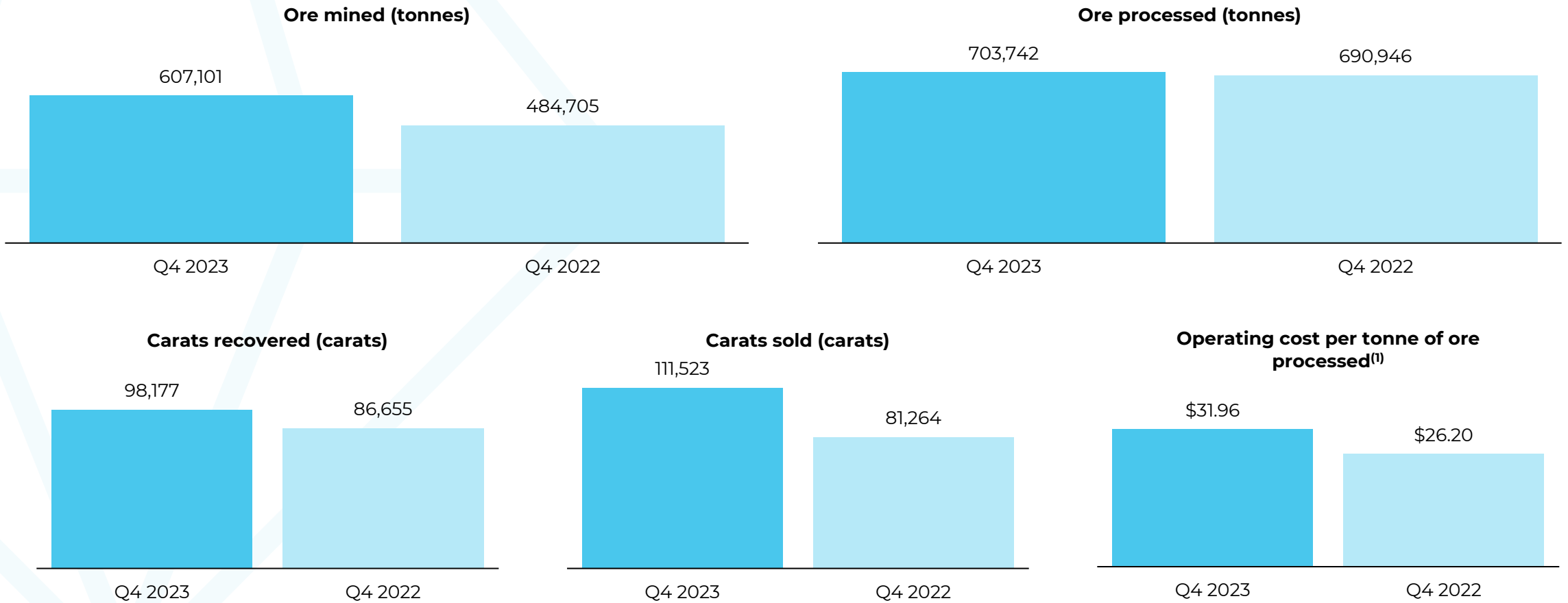
(1) Four sales were completed on Clara in Q4 2023 (Q4 2022: three).

(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.

Q4 2023 Operational Highlights – Karowe Mine



Three months ending December 31, 2023
(All currency figures in U.S. Dollars)

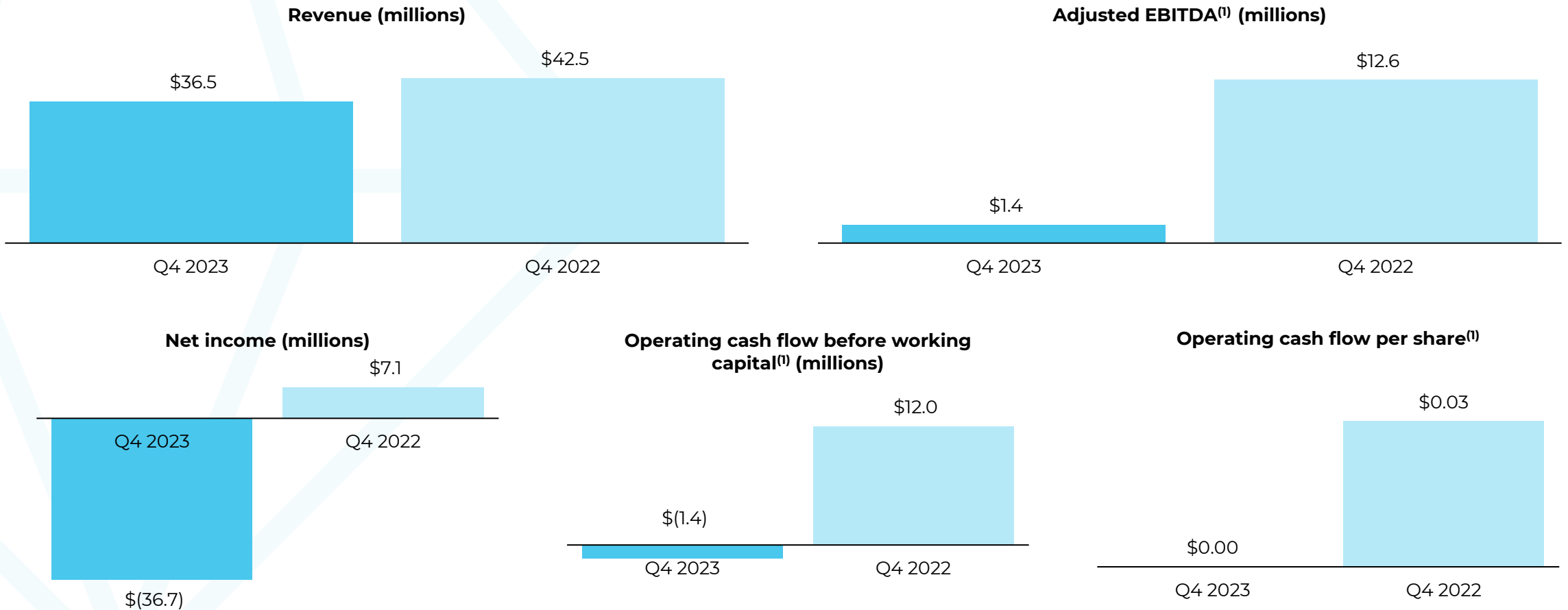


(1) Non-IFRS measure. See "Non-IFRS Financial Measures".

Q4 2023 Financial Highlights



Three months ending December 31, 2023
(All currency figures in U.S. Dollars)

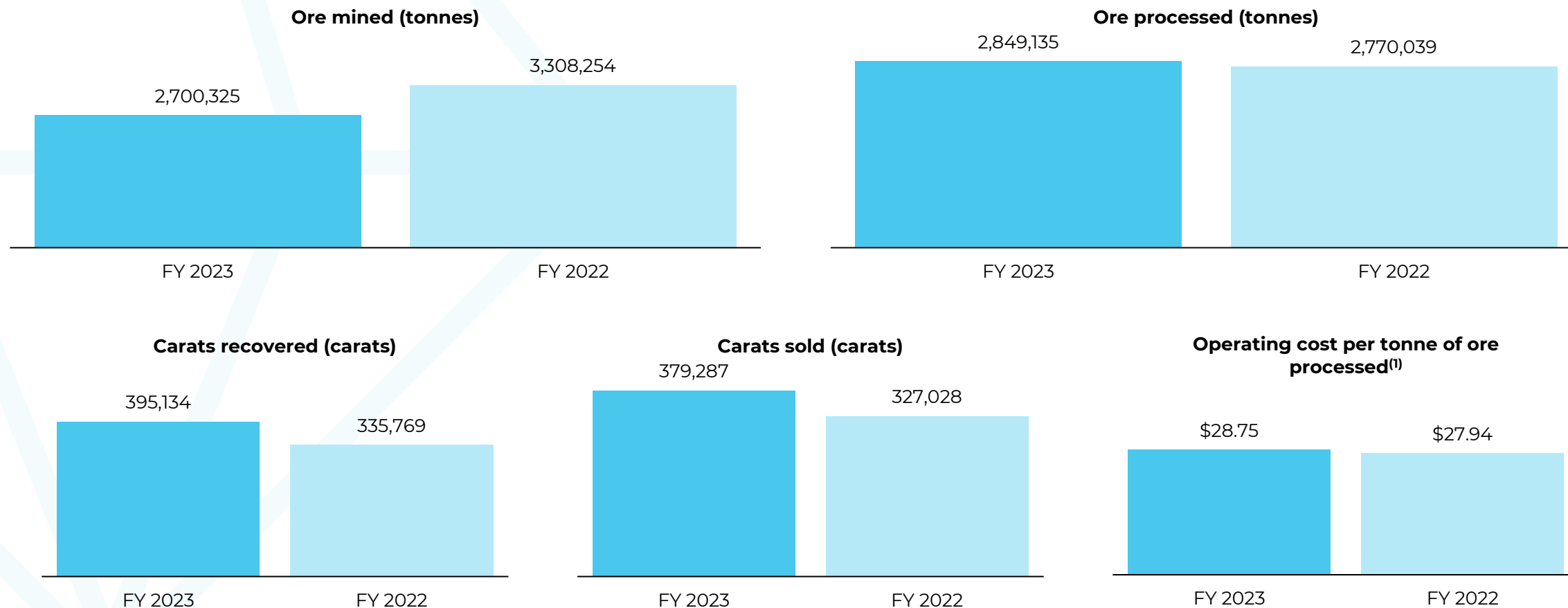


(1) Non-IFRS measure. See "Non-IFRS Financial Measures".

2023 Operational Highlights – Karowe Mine



Twelve months ending December 31, 2023
(All currency figures in U.S. Dollars)

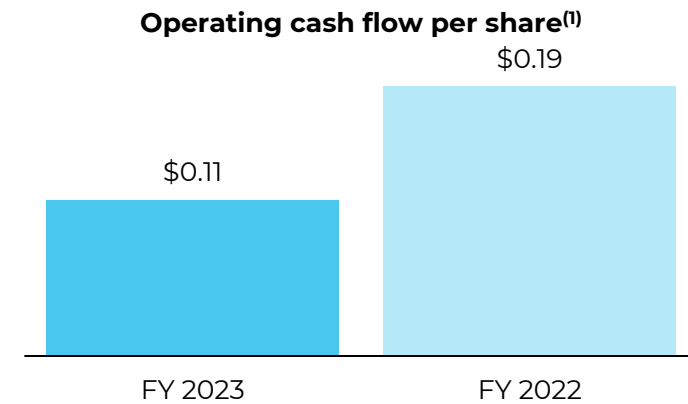
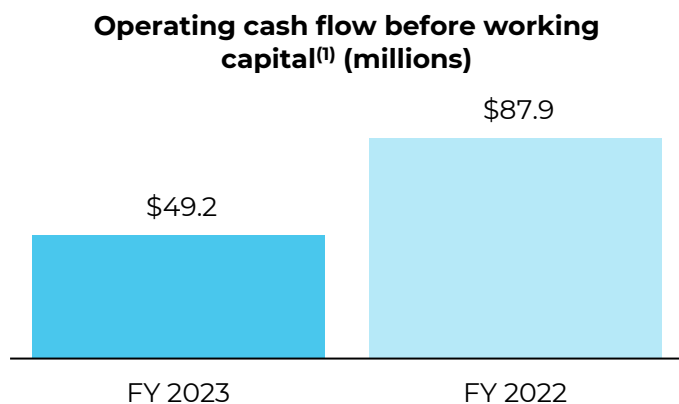
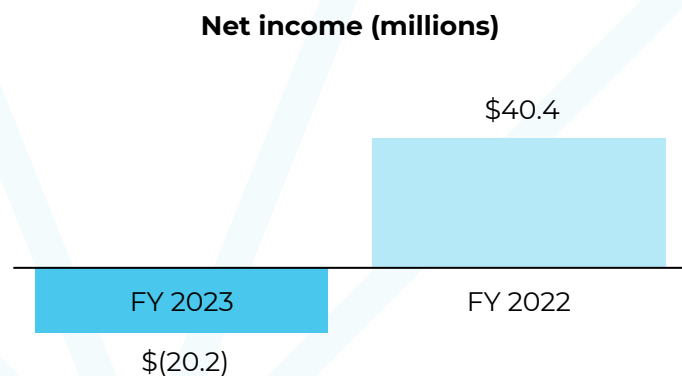
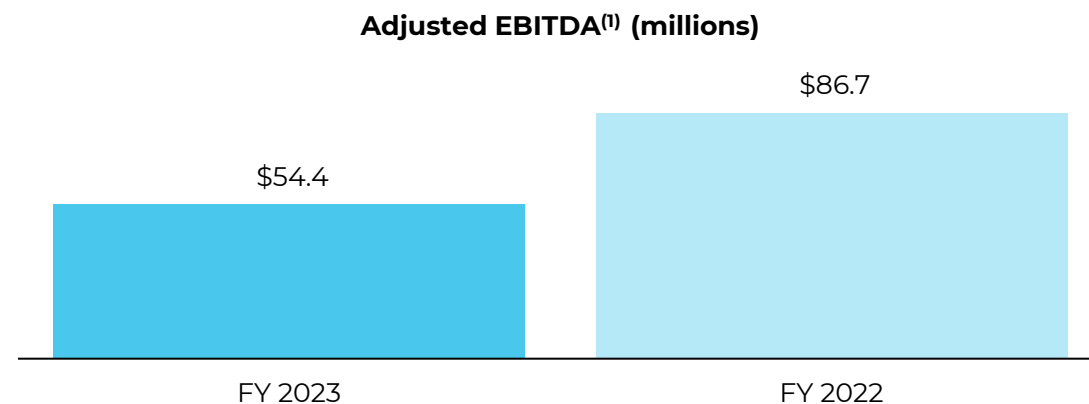
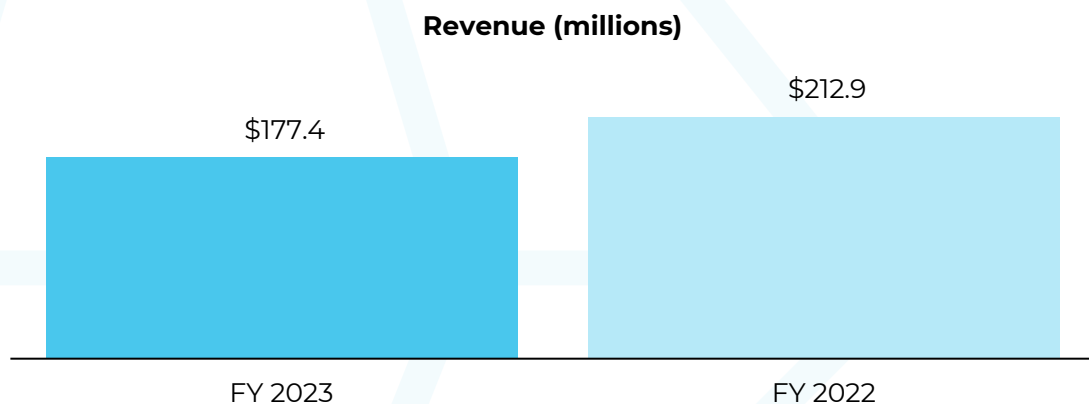


(1) Non-IFRS measure. See “Non-IFRS Financial Measures”.

2023 Financial Highlights



Twelve months ending December 31, 2023
(All currency figures in U.S. Dollars)



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

2024 Annual Guidance



(All currency figures in U.S. Dollars)

Karowe Diamond Mine	2024 Guidance
Diamond revenue ¹ (millions)	\$220 to \$250
Diamond sales (carats)	345,000 to 375,000
Diamonds recovered (carats)	345,000 to 375,000
Ore tonnes mined (millions)	2.8 to 3.2
Waste tonnes mined (millions)	0.8 to 1.4
Ore tonnes processed (millions)	2.6 to 2.9
Total operating cash costs ² including waste mined ³ (per tonne processed)	\$28.50 to \$33.50
Underground Expansion Project (millions)	Up to \$100
Sustaining capital (millions)	Up to \$10
Average exchange rate – Botswana Pula per United States Dollar	12.5

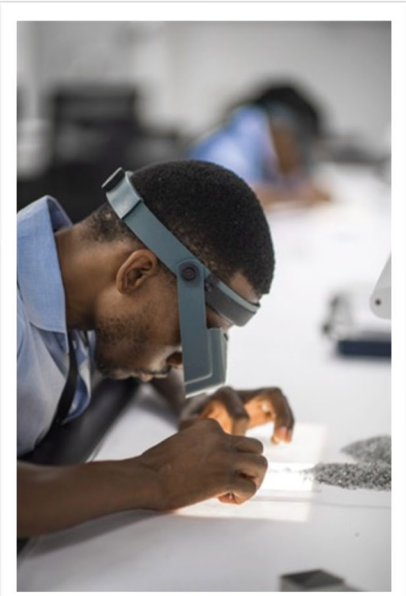
(1) Diamond revenue guidance does not include revenue related to the sale of exceptional stones, or the Sethunya

(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).

Botswana – Relationship with Diamonds

(All currency figures in Pula)



Community Impact – Q4 Update



Mokubilo Integrated Farm

Horticulture & Egg Production

Total Investment:
BWP 2,373,270

Generated Revenue: BWP 1,962,589

8192 benefited students



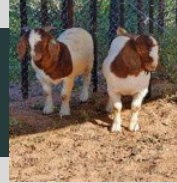
Mmadikola Hardware Store

Building Material

Total Investment:
BWP 689,729

Generated Revenue: BWP 17,401

Beneficiaries: 1430



Khwee Small Stock & Fodder

Small Stock and Fodder Production

Total Investment:
BWP 1,611,588

Generated Revenue: BWP 33,600

Beneficiaries: 49



Kolonkwaneng Horticulture

Vegetable Production

Total Investment:
BWP 944,426

Generated Revenue: BWP 22,810

Beneficiaries: 640



Letlhakane Abattoir

Upgrade from slaughterhouse to an abattoir

Total Investment:
BWP 13,300,000

Generated Revenue: BWP 262,880

Beneficiaries: 57,376



Approach to Sustainability



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

- ✓ No lost time injuries in Q4; **the mine has operated for three years without a lost time injury**
- ✓ No reportable environmental matters in Q4
- ✓ ISO 450001 surveillance audit completed in Q4; work progressing on Mining Association of Canada's Towards Sustainable Mining initiative
- ✓ Global Industry Standards Tailing Management
- ✓ Towards Sustainable Mining
- ✓ Code of Business Conduct and Ethics
- ✓ Whistleblower Policy
- ✓ Responsible Mining Policy
- ✓ Corporate Social Responsibility Charter
- ✓ Compliant with the Kimberley Process and certified by the Responsible Jewellery Council (RJC) – recertification in progress
- ✓ UN GC participant and contributes to 10 of the 17 UN SDGs

SUSTAINABLE DEVELOPMENT

UN GOALS

17 GOALS TO TRANSFORM OUR WORLD



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

Learnings from past experience sets the Company up for the future.

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

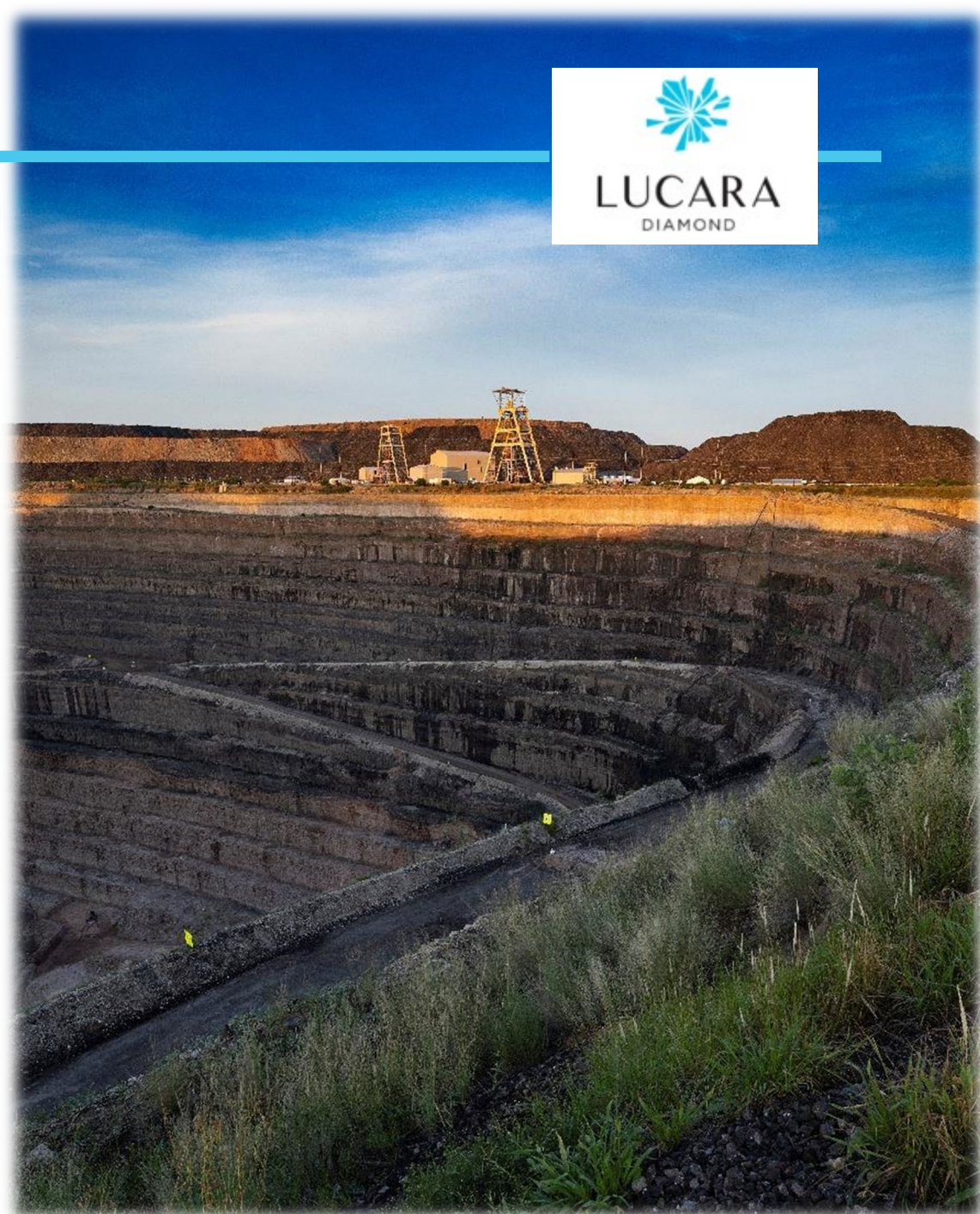
Strong operational performance from the existing operations continues to produce strong returns for development of the future

Resources and Lundin Group 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





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