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PRESS RELEASE

LUCARA ENTERS INTO COLLABORATION WITH LOUIS VUITTON TO POLISH THE HISTORIC 1758 CARAT SEWELÔ, BOTSWANA'S LARGEST DIAMOND

VANCOUVER, January 15, 2020/CNW/ - (LUC – TSX, LUC – BSE, LUC – Nasdaq Stockholm)

Lucara Diamond Corp. ("Lucara" or the "Company") is pleased to announce that it has entered into a collaboration with Louis Vuitton ("LV"), the famous luxury House, and the HB Company ("HB"), a diamond manufacturer from Antwerp, to manufacture its historic, record setting, 1758 carat Sewelô diamond recovered from its 100% owned Karowe Diamond Mine in Botswana in April 2019 (see Lucara Press Releases April 25, 2019, and July 18, 2019).

Sewelô, which means "rare find" in Setswana, is the second, +1000 carat diamond recovered from Karowe in four years and the largest ever recovered in Botswana. The diamond has been characterized as near gem of variable quality, with recent analysis confirming that it also includes domains of higher-quality white gem. Lucara believes that the full potential of this special stone will only be revealed once polished. The purpose of this unprecedented collaboration between a miner, a cutting edge manufacturer and a large luxury brand will be the planning, cutting and polishing of a collection of diamonds from Sewelô . Lucara will receive an up front non-material payment for the Sewelô and retain a 50% interest in the individual polished diamonds that result.

Further, 5% of all of the retail sales proceeds generated from this historic collection will be invested directly back into Botswana on community-based initiatives undertaken by Lucara.

Eira Thomas CEO commented: "We are delighted to be partnering with Louis Vuitton, the famous luxury House, to transform the historic, 1,758 carat Sewelô, Botswana's largest diamond, into a collection of fine jewellery that will commemorate this extraordinary discovery and contribute direct benefits to our local communities of interest in Botswana."

Eira Thomas
President and Chief Executive Officer

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Photo Credit: Louis Vuitton

ABOUT LUCARA

Lucara is a leading independent producer of large exceptional quality Type IIa diamonds from its 100% owned Karowe Mine in Botswana and owns a 100% interest in Clara Diamond Solutions, a secure, digital sales platform positioned to modernize the existing diamond supply chain and ensure diamond provenance from mine to finger. The Company has an experienced board and management team with extensive diamond development and operations expertise. The Company operates transparently and in accordance with international best practices in the areas of sustainability, health and safety, environment and community relations.

The information in this release is subject to the disclosure requirements of the Company under the EU Market Abuse Regulation. This information was publicly communicated on January 15, 2020 at 2:30 pm Pacific Time.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

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.

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 "Risks and Uncertainties"' in 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, and the level and volatility of prices of rough and polished diamonds, the actual results of interpreting, cutting, planning and polishing rough diamonds, and the inherent risks in diamond manufacturing and fluctuations in the luxury goods market.

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.