



LUCARA
BOTSWANA

Making Diamond History

The Junior Indaba

02 June 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 Antwerp 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; estimates of variable consideration receivable pursuant to the HB Antwerp supply agreement; 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.



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 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

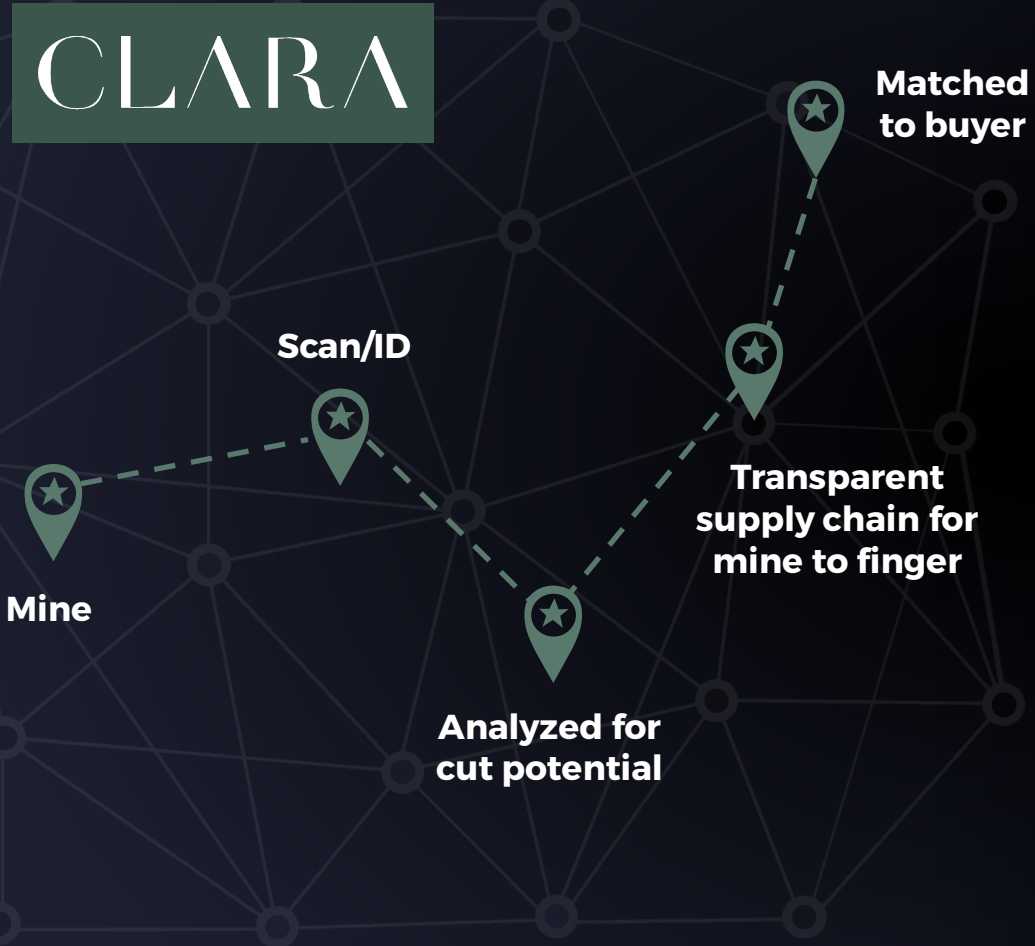
Karowe Has Recovered 4 of the World's Largest Rough Diamonds

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

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

Digital sales platform (1 to 10 carat)

47 sales completed since inception
~US\$29.4 million of diamonds sold by value through the platform

Regular Sales ongoing

>18,500 carats sold through the platform

Buyers on the platform increased from 75 to 80 in 2021:
Wait-list being maintained

Trials of **third party** supply began in 2020;

Negotiations with several third parties **resumed in Q1 2021**

Travel restrictions **accelerating adoption** of new technology



CLARA

Forty-seven sales between December 2018 and April 2021
POSITIVE RESULTS

~\$29.4 million diamonds sold by value
between one and ten carats in size,
in better colours and qualities

Supply Agreement with HB Antwerp Extended

Sale of specials +10.8 carats

All +10.8 carat stones “specials” produced from the Karowe Mine

24-month **extension** to December 2022

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 2021 **continue to be recognized**



Sethunya,
549 carats

Louis Vuitton & HB Collaboration Agreements on the Sethunya & Sewelô

Luxury Brand & Cutting Edge Manufacturing

Working together within the supply chain, creating **true alignment** for the first time, to achieve **maximum polished value** for two of Lucara's rare, exceptional diamonds

In line with its long tradition of personalisation, Louis Vuitton envisages crafting beautiful, bespoke, high value diamond jewelry, targeting Louis Vuitton's exclusive global customer base; **Lucara to receive payment for Sethunya no later than Q4 2021**

Lucara will participate in all sales of polished diamonds resulting from the Sethunya and 50% of polished sales resulting from the Sewelô with a further commitment from LV to contribute 5% of all Sewelô retail jewelry sales towards community-based initiatives in Botswana



549 ct
Sethunya



1,758 ct
Sewelô

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



Karowe Underground

Extending Mine-life to at least 2040

Underground expansion adds
~ **\$4 bln 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

Credit approvals received for up to
\$220M debt financing; due
diligence complete; **target close in
H2 2021**



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



| Thank you

