

December 1, 2025

NEWS RELEASE

LUCARA ANNOUNCES UNDERGROUND PROJECT LATERAL DEVELOPMENT CONTRACT EXECUTION

VANCOUVER, B.C., December 1, 2025 /CNW/ (LUC – TSX, LUC – BSE, LUC – Nasdaq FNGM)

Lucara Diamond Corp. ("Lucara" or the "Company") is pleased to announce the execution of the lateral development contract (the "Contract") for the Karowe underground project (the "UGP" or the "Project") with Group R Mining and Exploration Botswana (Pty) Ltd. ("Group R"). The Company has entered into the Contract for the execution of all underground lateral development from the production and ventilation shafts to the orebody, including construction of the extraction level, underground crushing chamber, fine ore bins, pump stations with associated vertical dams, drilling horizons, workshop facilities, and all connecting infrastructure required to advance development toward the kimberlite in accordance with the Project schedule. The decision aligns with Lucara's commitment to the successful development of the UGP, which will extend the life of mine at Karowe and maintain its position as a leading producer of large, world-class, high-quality diamonds.

Group R are expected to mobilize in Q2 2026, with lateral development work commencing in July 2026. Recruitment and work permits will start in early 2026, with a focus on local employment. Lucara has initiated detailed engineering of the lateral development portion of the UGP and is finalizing an updated life-of-mine plan based on the results of the simulation work (see [Q3 2025 Results news release](#) for more details).

William Lamb, President and CEO of Lucara, commented, "We are pleased to announce the award of this critical Contract to Group R, marking an important milestone in the continued development of our underground project. The award of the last major contract for the UGP reflects our commitment to maintaining momentum on the Project and delivering the Project safely, responsibly, and in accordance with our schedule. We are confident that Group R's expertise and proven track record will support our vision for a world-class underground mine."

Hannes van Staden, CEO of Group R, remarked, "We are honoured to partner with Lucara on this crucial phase of the Karowe underground project. Our team is dedicated to upholding the highest standards of safety, quality, and operational excellence as we collaborate to open the next chapter of this world-class asset. We look forward to utilising our expertise and contributing to the long-term success of the mine and the communities it benefits."

On behalf of the Board,

William Lamb
President and Chief Executive Officer

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ABOUT LUCARA

Lucara is a leading independent producer of large exceptional quality Type IIa diamonds from its 100% owned Karowe Diamond Mine in Botswana. The Karowe Mine has been in production since 2012 and is the focus of the Company's operations and development activities. Lucara has an experienced board and management team with extensive diamond development and operations expertise. Lucara and its subsidiaries operate transparently and in accordance with international best practices in the areas of sustainability, health and safety, environment, and community relations. Lucara is certified by the Responsible Jewellery Council, complies with the Kimberley Process, and has adopted the IFC Performance Standards and the World Bank Group's Environmental, Health and Safety Guidelines for Mining (2007). The development of the UGP adheres to the Equator Principles. Lucara is committed to upholding high standards while striving to deliver long-term economic benefits to Botswana and the communities in which the Company operates.

The information in this release is subject to the disclosure requirements of Lucara pursuant to the EU Market Abuse Regulation. The Company's certified adviser on the Nasdaq First North Growth Market is Bergs Securities AB, ca@bergssecurities.se, +46 739 49 62 50. This information was submitted for publication, through the agency of the contact person set out above, on December 1, 2025, at 2:00 p.m. Pacific Time.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements made in this news release contain "forward-looking information" and "forward-looking statements" as defined in applicable securities laws. Generally, any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance and often (but not always) using forward-looking terminology such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "budgets", "scheduled", "forecasts", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions, are not statements of historical fact and may be forward-looking statements.

Forward-looking information and forward-looking statements may include, but are not limited to, information or statements with respect to the Company's ability to continue as a going concern, the Company's ability to continue operations, realize assets, and settle its liabilities as they become due, the project schedule and capital costs for the UGP, diamond sales, projection and outlook disclosure, the Company's ability to meet its obligations under the Rebase Amendments with its lenders, the future issuances of shares in the capital of the Company, the impact of supply and demand of rough or polished diamonds, estimated capital costs, future forecasts of revenue and variable consideration in determining revenue, cost and timing of the development of deposits and estimated future production, interest rates, including expectations regarding the impact of market interest rates on future cash flows and the fair value of derivative financial instruments, currency exchange rates, rates of inflation, credit risk, price risk, requirements for and availability of additional capital, capital expenditures, operating costs, production and cost estimates, tax rates, timing of drill programs, government regulation of operations, and the potential impacts of economic and geopolitical risks, including potential impacts from the ongoing world conflicts, and the resulting indirect economic impacts that strict economic sanctions may have.

While these factors and assumptions are considered reasonable by the Company as at the date of this news release in light of management's experience and perception of current conditions and expected developments, these statements are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and



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unknown factors could cause actual results to differ materially from those projected in the forward-looking information and undue reliance should not be placed on such information. Such factors include, but are not limited to: the timing, scope and cost of additional grouting events at the UGP, the Company's ability to comply with the terms of the Facilities (as defined in the Company's most recent MD&A) which are required to construct the UGP, the impact of the Non-Financial Covenant Breaches (as defined in the Company's most recent MD&A), and any associated consequences, on the Company's business, whether the lenders will demand payment of the Facilities because of the Non-Financial Covenant Breaches, that expected cash flow from operations, combined with external financing will be sufficient to complete construction of the UGP, that the estimated timelines to achieve mine ramp up and full production from the UGP can be achieved, that sufficient stockpiled ore of sufficient grade and value will be available to generate revenue prior to the achievement of commercial production of the UGP, 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 UGP and the pit steepening project will extend mine life, forecasts of additional revenues, future production activity, that depletion and amortization expense on assets will be affected by both the volume of carats recovered in any given period and the reserves that are expected to be recovered, the future price and demand for, and supply of, diamonds, expectations regarding the scheduling of activities for the UGP.

Forward-looking information and statements are based on the opinions and estimates of management as of the date such statements are made, and they are subject to several 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 due to a variety of risks, uncertainties, and other factors, including, without limitation, those referred to in this news release. The foregoing is not exhaustive of the factors that may affect any of our 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 correct. Certain risks which could impact the Company are discussed under the heading "Risks and Uncertainties" in the Company's most recent MD&A and in the Company's most recent Annual Information Form available on SEDAR+ at www.sedarplus.ca.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Accordingly, readers and investors should not place undue reliance on forward-looking statements. Forward-looking information and statements contained in this news release are made as of the date of this news release and accordingly are subject to change after such date. Except as required by law, the Company disclaims any obligation to revise any forward-looking information and statements to reflect events or circumstances after the date of such information and statements. All forward-looking information and statements contained or incorporated by reference in this news release are qualified by the foregoing cautionary statements.