



LUCARA
DIAMOND

February 24, 2022

NEWS RELEASE

LUCARA'S 2021 ANNUAL REVENUE OF \$230.1 MILLION INCREASES 84% FROM PREVIOUS YEAR EXCEEDING GUIDANCE AMIDST STRONG AND BALANCED DIAMOND MARKET FUNDAMENTALS

VANCOUVER, February 24, 2022 /CNW/ (LUC – TSX, LUC – BSE, LUC – Nasdaq Stockholm)

Lucara Diamond Corp. (“Lucara” or the “Company”) today reports its results for the year and quarter ended December 31, 2021.

YEAR END 2021 HIGHLIGHTS:

- Revenue of \$230.1 million increased 84% over the previous year.
- Average price per carat sold increased to \$603/carat, an 80% increase over the previous year.
- Adjusted EBITDA⁽¹⁾ of \$102.5 million increased more than five-fold over the adjusted EBITDA⁽¹⁾ of \$18.4 million for the same period in 2020, attributed primarily to higher revenues.
- Net income for the year increased to \$23.8 million, or \$0.06 earnings per share.
- A total of 841 Specials (single diamonds in excess of 10.8 carats) recovered, representing 7.8% weight percent Specials, the highest annual volume of Specials recovered since Karowe commenced production in 2012.
- The third +1,000 carat diamond recovered since 2015.
- A record 2.8 million tonnes of ore processed, representing a new annual record since the start of production at the Karowe Mine.
- Equity and debt financings totalling \$250 million concluded mid-2021 will support a \$534 million underground expansion project at the Karowe Mine in Botswana.
- The Karowe underground expansion project was formally approved by the Board of Directors and a total project investment of \$86.3 million during 2021 focused on detailed design and engineering, establishing surface infrastructure and shaft pre-sinking.
- Total sales volume of \$28.7 million transacted on the Clara platform, a 168% increase from the \$10.7 million transacted in 2020.

⁽¹⁾ Adjusted EBITDA is a non-IFRS measures (See “Non-IFRS Financial Performance Measures”).

Eira Thomas, President & CEO commented: “2021 was a pivotal year for Lucara, having de-risked our future growth strategy with the sanction of the fully financed, Karowe underground expansion project, conservatively estimated to add \$4 billion to future revenues and extend mine life to at least 2040. As important, the diamond market continued to gain momentum throughout the year, supported by improving fundamentals that reflect declining global rough diamond supply combined with rising demand and record diamond jewelry sales. Higher diamond prices combined with solid operational performance at the mine and Lucara’s novel, diversified approach to diamond sales through HB, Clara and traditional tenders has delivered strong revenues for the Company in 2021, demonstrating a full recovery from the challenges of the pandemic, and reflecting a much better outlook for 2022 and beyond as we continue to benefit from one of the strongest diamond markets we have seen in the better part of a decade.”

REVIEW FOR THE QUARTER AND YEAR ENDED DECEMBER 31, 2021

- Operational highlights for 2021 from the Karowe Mine included:
 - Ore and waste mined of 3.7 million tonnes (2020: 3.0) and 2.6 million (2020: 2.7), respectively.
 - 2.8 million tonnes (2020: 2.7) of ore processed representing a new annual record since the start of production at the Karowe Mine.
 - A total of 369,390 carats recovered at a recovered grade of 12.93 carats per hundred tonnes of direct milled ore.
 - A total of 39 diamonds greater than 100 carats were recovered during the year, including eight diamonds greater than 300 carats, eight diamonds between 200 and 300 carats, along with a further 23 stones between 100 and 200 carats in weight.
 - Highlights of Specials recoveries during the year included:
 - five top white Type Ila gem quality diamonds in excess of 200 carats, including three in excess of 300 carats.
 - a 1,174 carat clivage gem of variable quality with significant domains of high-quality white gem material, the third +1,000 carat diamond recovered from the Karowe Mine since 2015.
 - a 470 carat top light brown clivage diamond.
 - a 62.7 carat high quality, fancy pink Type Ila gem diamond.
 - Total Recordable Injury Frequency Rate ("TRIFR") in 2021 declined to 0.1 from 0.3 in 2020, with zero recordable injuries in three of four quarters of 2021.
- Financial highlights for the year ended December 31, 2021 included:
 - Total revenues of \$230.1 million (2020: \$125.3 million) or \$603 per carat (2020: \$335 per carat). The amended and extended sales agreement with HB Trading BV ("HB") accounted for 65% (44%) of total revenues recognized in 2021.
 - Operating cash costs of \$30.02 per tonne processed⁽¹⁾ (2020: \$27.80 per tonne processed) are 8% higher than the prior year because of a combination of increased mining and processing activity and higher power, labour and insurance costs.
 - Net income for the year increased to \$23.8 million (\$0.06 earnings per share) as compared to net loss of \$26.3 million (\$0.07 loss per share) in 2020.
 - As at December 31, 2021, the Company had cash and cash equivalents of \$27.0 million and \$23.0 million drawn (\$27.0 million available) from a \$50 million working capital facility.

⁽¹⁾ Operating cash cost per tonne processed is a non-IFRS measures (See "Non-IFRS Financial Performance Measures").
- First drawdown under the \$220 million senior secured project financing debt package for an underground expansion at the Karowe Mine occurred in September 2021. As at December 31, 2021, the Company had drawn \$25.0 million from the project loan facility and had reduced the outstanding balance on the working capital facility from \$50.0 to \$23.0 million. After year-end the Company completed a second draw of \$20.0 million from the project finance facility.
- Two equity financings were closed that generated net proceeds of \$31.3 million from the sale of 55,157,733 common shares at a price of C\$0.75 per share, including the acquisition of 16.4 million common shares by the Company's largest shareholder, Nemesia S.a.r.l. ("Nemesia").

RECENT DEVELOPMENTS

- As a result of strong forecast revenues for 2021 and amidst strengthening prices for large, high value diamonds, a strategic decision was taken late in 2021 to defer the sale of the Sethunya, one of the finest, gem quality, exceptional diamonds produced from the Karowe Mine.
- In February 2022, the Company's Chairman Lukas Lundin advised the Company of his intention to retire from the Board of Directors upon completion of his term at the Company's upcoming Annual General Meeting to be held May 6, 2022.

DIAMOND SALES

IN 2021, diamond sales continued to be held through a combination of regular tenders, and the Clara platform, for diamonds less than 10.8 carats, and through HB under the sales agreement for those gem and near-gem diamonds greater than 10.8 carats which are to be manufactured and sold as polished. All other diamonds are sold in quarterly tenders. The Company recognized revenue of \$230.1 million or \$603 per carat from the sale of 381,681 carats. The exceptionally strong performance throughout 2021 was driven by higher diamond prices which were reflective of the impact of strong demand for both rough and polished diamonds, combined with supply constraints in certain size classes. Beginning in Q2 2020, all +10.8 carat diamonds mined from Karowe were delivered to HB pursuant to the terms of the diamond sales agreement described below.

HB SALES AGREEMENT FOR +10.8 CARAT DIAMOND PRODUCTION FROM KAROWE

Karowe's large, high value diamonds have historically accounted for approximately 60% to 70% of Lucara's annual revenues. Though the mine remained fully operational following the declaration of COVID-19 as a global pandemic in early 2020, Lucara decided not to tender any of its +10.8-carat production after early March 2020 amidst the uncertainty caused by the global crisis and the significant weakness observed in the rough diamond market, particularly for large, high quality rough stones. In July 2020, Lucara announced a partnership agreement with HB, entering into a definitive sales agreement for the remainder of 2020, for all diamonds recovered that exceed +10.8 carats from the Company's 100% owned Karowe Diamond mine in Botswana. In April 2021, this agreement was subsequently extended for a 24-month period, effective from January 1, 2021 to December 31, 2022.

Under the amended sales agreement, +10.8 carat gem and near gem diamonds from the Karowe Mine of qualities that can directly enter the manufacturing stream are being sold to HB at prices based on the estimated polished outcome of each diamond. The estimated polished value is determined through state-of-the-art scanning and planning technology, with an adjusted amount payable on actual achieved polished sales, less a fee and the cost of manufacturing. Following the extension of the HB Agreement in Q2 of 2021, all +10.8 carat non-gem quality diamonds and all diamonds less than 10.8 carats in weight which did not meet the criteria for sale on Clara are being sold as rough through the quarterly tender. In the agreement extension, changes to the payment terms were amended to better reflect the timing of mine production and the manufacturing process. This unique pricing mechanism delivers regular cash flow for this important segment of our production profile.

For the year ended December 31, 2021 the Company recorded revenue of \$150.4 million from the HB agreement from the sale of 23,832 carats, as compared to \$55.2 million in 2020 from the sale of 19,556 carats. The increase is attributed to the contract covering twelve months in 2021, versus six months in 2020. In addition, prices achieved continued to increase through 2021 and certain high value stones delivered in 2020 were sold in 2021, resulting in higher revenue and an increase in the average price per carat sold to \$6,433 per carat in 2021 from \$2,822 per carat in 2020.

CLARA SALES PLATFORM

Clara, Lucara's 100% owned proprietary, secure, web-based digital sales platform, continues to gain scale and interest. Interest in Clara has grown considerably since 2020, sparked by global restrictions on travel, combined with a new openness to purchasing rough diamonds in an innovative way. In 2021, 21 sales took place with a total sales volume transacted of \$28.7 million, a 168% increase from the \$10.7 million transacted in 2020. During Q4 2021, the sales volume transacted was \$7.7 million (Q4 2020: \$4.0 million), a 93% increase when compared to Q4 2020. Clara also observed a steady upward price trend at each subsequent sale throughout fiscal 2021. The number of buyers on the platform increased to 88 at December 31, 2021 with the Company maintaining a waiting list to manage supply and demand.

While most of the stones transacted through the platform came from the Karowe Mine, during the last half of 2021, certain secondary market stones were also offered for sale through the platform, with good results. Additional supply is required to meet existing demand and drive the platform's growth. The Company intends to continue to seek additional supply in 2022, both from third-party producers and the secondary market.

KAROWE UNDERGROUND EXPANSION UPDATE

The Karowe underground expansion project ("UGP") will extend the mine life to at least 2040, with mining predominately from the highest value EM/PK(S) unit and is forecast to contribute approximately \$4 billion in additional revenues, using conservative diamond prices. Following Financial Close of the \$220 million senior secured project debt financing on September 2, 2021, the Company's Board of Directors formally approved the UGP, which has a \$534 million capital cost and a five-year construction period. Mine ramp up is expected in Q1 2026 with full production from the UGP expected in H2 2026.

\$86.3 million has been spent during the year ended December 31, 2021, primarily in relation to engineering and procurement of long lead items and the commencement of construction activities including:

- Pre-sink activities for both the production and ventilation shafts.
- Clearing for and construction of 40 out of 88 tower foundations for the 29 km 132kV transmission line bulk power upgrade.
- Mobilization of headframe materials and surface infrastructure including a 200-person camp and a water treatment facility.
- Pre-sinking of the ventilation and production shafts to -36 and 41m respectively below the shaft collar with shaft liner toe-in construction completed in the ventilation shaft and shaft lining continuing back to the sub-collar. Toe-in construction also was started in the production shaft by year end.
- Commissioning of the temporary generator farm, which will be used to power the shaft hoists during sinking until line power is commissioned, was completed.

Upcoming Activities for the UGP – 2022

Activities for the UGP in 2022 are expected to include the following:

- Commissioning of the four main sinking winders.
- Completion of the steel headframe structure for the production and ventilation shafts.
- Transition and sustained main sinking for the production and ventilation shafts.
- Continuation of detailed design and engineering of the underground mine infrastructure and layout.
- Commissioning of the 29 km 132kV bulk power supply powerline by December 2022.



DIAMOND MARKET

Diamond price recovery began in the fourth quarter of 2020 and had largely improved to pre-pandemic levels by the end of 2021, owing to strengthening diamond jewelry demand against a backdrop of declining global diamond supply. Importantly, this price strength has been broad based, observed across a range of sizes, qualities and colors for both rough and polished diamonds, highlighting a return to a healthier, balanced supply chain and a positive outlook for sustained price strength going forward. The price performance of very large (+50 carat polished), high value diamonds remained somewhat of an outlier to this trend owing to the significant volume of large, high value rough diamond inventory that was sold by others at deep discounts during the pandemic. Our novel, committed sales agreement with HB, initiated during 2020 and subsequently extended in 2021, afforded us the opportunity to begin protecting and defending prices for this important segment of our production and by December 31, 2021 this market segment had stabilized and begin to strengthen also.

UPDATE ON COVID-19 RESPONSE

Measures and guidelines implemented by the Government of Botswana in late March 2020 have allowed the Karowe Mine to remain fully operational throughout the pandemic. These measures designated mining as an essential service in Botswana and included increased travel restrictions, reduced overall staffing levels and appropriate social distancing, among other restrictions. The Government of Botswana extended the state of emergency several times before it was lifted on September 30, 2021. The Company was able to continue mining and processing activities during the state of emergency as most of the workforce (+98%) are Botswana Nationals.

The Company continues to operate under its approved crisis management plan, designed to protect the health and well-being of our employees in Botswana and Canada as well as the financial well-being of the business. The Company has permission to conduct COVID-19 testing at our operations in Botswana which began in January 2021, and regular health screening, temperature checks and the use of infrared measurements are also routine. All contractors and visitors are required to have negative COVID-19 tests and adhere to all COVID-19 protocols while conducting work at company operations in Botswana. A government-sponsored vaccination program commenced in Botswana mid-year. At the end of December 2021, 94% of the Company's workforce was fully vaccinated and 3% had received a first dose.

QUARTERLY AND ANNUAL FINANCIAL HIGHLIGHTS

<i>In millions of U.S. dollars, except carats or otherwise noted</i>	Three months ended		Year ended	
	December 31		December 31	
	2021	2020	2021	2020
Revenues	\$ 57.9	\$ 42.4	\$ 230.1	\$ 125.3
Operating expenses	(22.3)	(21.7)	(80.3)	(72.6)
Net income (loss) for the period	1.7	(3.9)	23.8	(26.3)
Earnings (loss) per share (basic and diluted)	0.00	(0.01)	0.06	(0.07)
Operating cash flow per share ¹	0.05	0.02	0.24	0.04
Cash on hand	27.0	4.9	27.0	4.9
Amounts drawn on working capital facility	23.0	30.5	23.0	30.5
Average price per carat sold (\$/carat)	560	402	603	335
Operating expenses per carat sold (\$/carat)	215	205	210	194
Operating margin per carat sold (\$/carat) ¹	345	197	393	141
Carats sold	103,501	105,648	381,681	373,748

¹ Operating cash flow per share before working capital adjustments and operating margin per carat sold are non-IFRS measures. See "Use of Non-IFRS Financial Performance Measures".



QUARTERLY RESULTS OF OPERATIONS – KAROWE MINE, BOTSWANA

	UNIT	Q4-21	Q3-21	Q2-21	Q1-21	Q4-20
Sales						
Revenues generated from the sale of Karowe diamonds in the quarter	US\$M	56.5	72.5	45.9	53.1	42.3
Carats recovered from Karowe sold for revenues recognized during the period	Carats	102,791	117,162	68,806	91,734	105,329
Average price per carat for proceeds received during the period	US\$	550	619	667	579	401
Production						
Tonnes mined (ore) ¹	Tonnes	610,072	1,190,856	900,660	967,089	748,296
Tonnes mined (waste) ¹	Tonnes	276,263	696,907	787,227	859,347	434,082
Tonnes processed	Tonnes	705,877	738,986	726,379	673,646	684,768
Average grade processed	cpht ^(*)	12.8	13.2	13.9	11.9	14.6
Carats recovered	Carats	90,634	97,412	101,330	80,014	100,059
Costs						
Operating expense per carat sold	US\$	217	198	219	215	205
Sustaining capital expenditures	US\$M	9.1	3.4	2.4	0.4	4.4
Underground expansion project ²	US\$M	21.8	32.0	22.6	9.9	8.3

(*) carats per hundred tonnes

(1) The ore and waste tonnes for Q1 2021, Q2 2021 and Q3 2021 were adjusted in Q4 2021 to reflect the results of the year-end depletion reconciliation, which impacted the allocation of tonnes mined between ore and waste.

(2) Excludes qualifying borrowing cost of \$1.5 million capitalized during Q4 2021.

2022 OUTLOOK

This section of the press release provides management's production and cost estimates for 2022. These are "forward-looking statements" and subject to the cautionary note regarding the risks associated with forward-looking statements. Based on updated expectations for revenue in 2022, attributed to the recent and expected strength in the rough and polished diamond markets, diamond revenue guidance has been increased to between \$195.0 million and \$225.0 million (from \$185.0 million to \$215.0 million). Diamond revenue guidance does not include revenue related to the sale of exceptional stones, or the Sethunya.

Karowe Diamond Mine	Full Year – 2022
<i>In millions of U.S. dollars unless otherwise noted</i>	
Diamond revenue (millions) <i>(revised)</i>	\$195 to \$225
Diamond sales (thousands of carats)	300 to 340
Diamonds recovered (thousands of carats)	300 to 340
Ore tonnes mined (millions)	3.1 to 3.5
Waste tonnes mined (millions)	1.5 to 2.1
Ore tonnes processed (millions)	2.6 to 2.8
Total operating cash costs ⁽¹⁾ including waste mined ⁽²⁾ (per tonne processed)	\$29.50 to \$33.50
Botswana general & administrative expenses including marketing costs (per tonne processed)	\$3.50 to \$4.00
Tax rate ⁽³⁾	0%
Average exchange rate – USD/Pula	11.0

(1) Operating cash costs are a non-IFRS measure. See "Non-IFRS Financial Performance Measures".

(2) Includes ore and waste mined cash costs of \$5.75 to \$6.25 (per tonne mined) and processing cash costs of \$12.00 to \$13.00 (per tonne processed).

(3) The Company is subject to a variable tax rate in Botswana based on a profit and revenue ratio which increases as profit as a percentage of revenue increases. The lowest variable tax rate is 22% while the highest variable tax rate is 55% (only if taxable income were equal to revenue). Capital expenditures are deductible when incurred. With planned capital expenditures of up to \$110 million for the UGP, a tax rate of 0% is forecast for 2022. Should capital expenditures vary from plan, the Company could be subject to current tax.

In 2022, the Company's revenue forecast assumes that 100% of the carats recovered will come from the higher value M/PK(S) and EM/PK(S) units within the South Lobe in accordance with the mine plan.

The assumptions for carats recovered and sold are consistent with achieved performance in recent years. The number of tonnes processed is also consistent with recent achievements, noting that actual tonnes processed in 2021 was about 6% higher than 2020 due to improving plant reliability because of the success of the preventative maintenance plan that has been implemented.

Waste tonnes that were deferred in 2021 as other mining areas in the open-pit were prioritized are expected to be caught up in between 2022 and 2024. The estimated processing cost per tonne processed is higher than previous years, reflecting expected inflationary pressure on labour and commodity costs.

In 2022, capital costs for the underground expansion are expected to be up to \$110 million and will focus on the commencement of main shaft sinking activities, the commissioning of the bulk power supply 132 kV line and substations and detailed engineering for the underground development. Sustaining capital and project expenditures are expected to be up to \$17 million with a focus on completion of a community sports facility, dewatering activities and an expansion of the tailings storage facility.

Lucara Botswana's progressive tax rate computation allows for the immediate deduction of operating costs, including capital expenditures, in the year in which they are incurred. Based on the updated 2022 revenue guidance of \$195 million to \$225 million and assuming the underground development expenditures are incurred, the expected tax rate will be 0% for 2022.

CONFERENCE CALL

The Company will host a conference call and webcast to discuss the results on Friday, February 25, 2022 at 7:00am Pacific, 10:00am Eastern, 3:00pm UK, 4:00pm CET.

CONFERENCE CALL:

Please call in 10 minutes before the conference call starts and stay on the line (an operator will be available to assist you).

Conference ID:

80467256 / Lucara Diamond

Dial-In Numbers:

Toll-Free Participant Dial-in North America	(+1) 888 390 0546
UK Toll free	0 800 652 2435
All Other International Participant Dial-In	(+1) 778 383 7413

Webcast:

To view the live webcast presentation, please log on using this direct link:

https://produceredition.webcasts.com/starthere.jsp?ei=1528332&tp_key=a5283bd7b2

The presentation slideshow will also be available in PDF format for download from the Lucara website ([Link to presentation](#)).

Conference Replay:

A replay of the telephone conference will be available two hours after the completion of the call until March 4, 2022.

Replay number (Toll Free North America) (+1) 888 390 0541
Replay number (International) (+1) 416 764 8677

The pass code for the replay is: 467256 #.

On behalf of the Board,

Eira Thomas
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 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 is information that Lucara is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Markets Act. This information was submitted for publication, through the agency of the contact person set out above, on February 24, 2022 at 3:30pm Pacific Time.

NON-IFRS FINANCIAL PERFORMANCE MEASURES

This news release refers to certain financial measures, such as adjusted EBITDA, adjusted operating earnings, operating cash flow per share, operating margin per carat sold and operating cost per tonne of ore processed, which 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 refer to the Company's MD&A for the year ended December 31, 2021 for an explanation of non-IFRS measures used.



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.

In particular, forward-looking information and forward-looking statements in this news release may include, but are not limited to, information or statements with respect to the equity and project debt financings, the intended use of proceeds, the Company's ability to comply with the terms of the Facilities which are required to construct the Karowe UGP, that expected cash flow from operations, combined with external financing will be sufficient to complete construction 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, future production activity, the future price and demand for diamonds, future forecasts of revenue and variable consideration in determining revenue, estimation of mineral resources, exploration and development plans, cost and timing of the development of deposits and estimated future production, permitting time lines, currency exchange rates, success of exploration, requirements for and availability of additional capital, capital expenditures, operating costs, timing of completion of technical reports and studies, tax rates, timing of drill programs, government regulation of operations, environmental risks and ability to comply with all environmental regulations, reclamation expenses, title matters including disputes or claims, limitations on insurance coverage, negotiations and agreements among the Company and the Botswana Mine Workers Union, the completion of transactions and timing and possible outcome of pending litigation, the profitability of Clara and the Clara Platform, and the scaling of the digital platform for the sale of rough diamonds owned by Clara, the benefits to the Company of diamond supply agreements with HB and the ability to generate better prices from the sale of the Company's +10.8 carat production as a polished stone.

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 Company's most recent MD&A and under the heading "Risks and Uncertainties" in the Company's most recent Annual Information Form, both available at <http://www.sedar.com>, as well as changes in general business and economic conditions, the ability to continue as a going concern, changes in interest and foreign currency rates, changes in inflation, the supply and demand for, deliveries of and the level and volatility of prices of rough diamonds, costs of power and diesel, impacts of potential disruptions to supply chains, 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.