

Lucara Sales Drop in ‘Softer’ Diamond Market



Lucara Diamond Corp.'s revenue fell 21% to \$41.1 million in the second quarter as the market weakened.

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The decline also reflected a planned shift to lower-value goods at the lucrative Karowe deposit in Botswana, the miner reported Wednesday. Profit slid 60% to \$5 million.

“Following on the record high diamond prices achieved in early 2022, a softer diamond market emerged in the latter half of 2022, which has persisted into the second quarter of 2023,” the [company](#) explained.

This weakness was “the result of global economic concerns combined with geopolitical uncertainty, including the ongoing conflict in Ukraine,” management continued.

In addition, a smaller proportion of production came from the high-value south lobe in the first quarter of this year, impacting second-quarter sales, Lucara noted. The proportion of south-lobe recoveries increased in the second quarter, boding well for sales in the second half of the year.

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SALES OF KAROWE ROUGH DIAMONDS FELL 9% TO \$33.5 MILLION. THAT INCLUDED \$20.7 MILLION WORTH OF GOODS THAT LUCARA SOLD TO BELGIAN MANUFACTURER HB ANTWERP, WITH WHICH IT HAS AN AGREEMENT TO SELL ALL STONES WEIGHING 10.8 CARATS OR MORE. REVENUE ALSO INCLUDED \$3 MILLION IN SALES OF KAROWE ROUGH ON THE CLARA DIGITAL PLATFORM AND \$9.8 MILLION FROM TENDERS.

TOP-UP PAYMENTS FROM THE HB DEAL &MDASH; BASED ON THE FINAL POLISHED VALUE &MDASH; DROPPED 61% TO \$5.1 MILLION. SALES OF THIRD-PARTY GOODS ON CLARA GREW 9% TO \$2.5 MILLION.

OVERALL PRODUCTION FROM KAROWE ROSE 4.8% YEAR ON YEAR TO 90,497 CARATS IN THE SECOND QUARTER. SALES VOLUME INCREASED 10% TO 72,717 CARATS.

FIRST-HALF REVENUE SLID 30% TO \$83.9, WHILE PROFIT DECREASED 81% TO

\$6 MILLION.

MAIN IMAGE: THE KAROWE MINE AT DUSK. (LUCARA DIAMOND CORP.)