LUCARA DIAMOND CORP.

CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS

(Unaudited - in thousands of U.S. Dollars)

		September 30, 2019		December 31, 2018
ASSETS				
Current assets				
Cash and cash equivalents	$	4,763	$	24,355
VAT receivables and other		6,847		11,583
Inventories (Note 3)		63,974		48,146
		75,584		84,084
Investments		304		920
Plant and equipment (Note 4)		119,778		147,246
Mineral properties (Note 5)		105,782		113,109
Intangible assets (Note 6)		22,688		21,798
Other non-current assets		5,053		3,738
TOTAL ASSETS	$	329,189	$	370,895
LIABILITIES				
Current liabilities				
Trade payables and accrued liabilities	$	12,902	$	21,204
Credit facility		-		10,111
Taxes payable		10,463		3,999
		23,365		35,314
Restoration provisions		21,545		20,184
Deferred income taxes		63,495		73,482
Other non-current liabilities		1,190		-
TOTAL LIABILITIES		109,595		128,980
EQUITY				
Share capital (unlimited common shares, no par value)		314,820		313,913
Contributed surplus		7,464		7,766
Deficit		(40,130)		(21,767)
Accumulated other comprehensive loss		(62,560)		(57,997)
TOTAL EQUITY		219,594		241,915
TOTAL LIABILITIES AND EQUITY	$	329,189	$	370,895

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Approved on Behalf of the Board of Directors:

"Marie Inkster"
Director

"Brian Edgar"
Director

LUCARA DIAMOND CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited - in thousands of U.S. Dollars, except for share and per share amounts)

	Three months ended September 30, 2019	Three months ended September 30, 2018	Nine months ended September 30, 2019	Nine months ended September 30, 2018
Revenues	$ 45,317	$ 45,669	$ 136,548	$ 135,582
Costs of goods sold				
Operating expenses	23,313	18,756	57,050	49,976
Royalty expenses	4,502	4,567	13,625	13,558
Depletion and amortization	14,422	8,852	38,132	20,134
	42,237	32,175	108,807	83,668
Income from mining operations	3,080	13,494	27,741	51,914
Other expenses				
Administration (Note 8)	3,921	2,849	10,658	12,022
Exploration expenditures	1,258	785	3,261	2,630
Finance expenses	1,265	330	2,905	1,383
Foreign exchange loss	877	391	2,141	1,391
Sales and marketing	494	450	1,570	1,679
	7,815	4,805	20,535	19,105
Net income (loss) before tax	(4,735)	8,689	7,206	32,809
Income tax expense (recovery)				
Current income tax	2,529	2,844	11,279	7,468
Deferred income tax	(3,252)	709	(8,151)	7,464
	(723)	3,553	3,128	14,932
Net income (loss) for the period	$ (4,012)	$ 5,136	$ 4,078	$ 17,877
Earnings (loss) per common share				
Basic	$ (0.01)	$ 0.01	$ 0.01	$ 0.05
Diluted	$ (0.01)	$ 0.01	$ 0.01	$ 0.05
Weighted average common shares outstanding				
Basic	396,858,168	396,446,895	396,768,297	393,163,221
Diluted	397,919,875	397,265,013	397,903,131	394,398,739

The accompanying notes are an integral part of these condensed interim consolidated financial statements

LUCARA DIAMOND CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited - in thousands of U.S. Dollars, except for share and per share amounts)

	Three months ended September 30, 2019	Three months ended September 30, 2018	Nine months ended September 30, 2019	Nine months ended September 30, 2018
Net income (loss) for the period	$ (4,012)	$ 5,136	$ 4,078	$ 17,877
Other comprehensive income (loss)				
Items that will not be reclassified to net income				
Change in fair value of marketable securities	(106)	(779)	(615)	(1,274)
Items that may be subsequently reclassified to net income				
Currency translation adjustment	(7,309)	(3,001)	(3,948)	(15,016)
	(7,415)	(3,780)	(4,563)	(16,290)
Comprehensive income (loss)	$ (11,427)	$ 1,356	$ (485)	$ 1,587

The accompanying notes are an integral part of these condensed interim consolidated financial statements

LUCARA DIAMOND CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited - in thousands of U.S. Dollars)

	Three months ended September 30, 2019	Three months ended September 30, 2018	Nine months ended September 30, 2019	Nine months ended September 30, 2018
Cash flows from (used in):				
Operating Activities				
Net income (loss) for the period	$ (4,012)	$ 5,136	$ 4,078	$ 17,877
Items not involving cash and cash equivalents:				
Depletion and amortization	14,679	9,357	38,852	20,611
Unrealized foreign exchange loss	877	391	2,141	1,391
Share-based compensation	252	218	971	1,152
Deferred income taxes	(3,252)	709	(8,151)	7,464
Finance costs	979	401	2,091	1,425
	9,523	16,212	39,982	49,920
Net change in working capital items:				
VAT receivables and other	(1,367)	(3,998)	3,946	(6,391)
Inventories	1,706	(12,060)	(13,557)	(16,440)
Trade payables and other current liabilities	(1,853)	2,791	(6,174)	6,449
Taxes payable	5,801	765	6,785	2,170
	13,810	3,710	30,982	35,708
Financing Activities				
Proceeds from exercise of stock options	-	219	-	327
Dividends paid	(7,520)	(7,534)	(22,380)	(22,850)
Withholding tax for share units vested	-	-	(427)	(362)
Repayments of credit facility, net	(5,000)	-	(10,000)	-
	(12,520)	(7,315)	(32,807)	(22,885)
Investing Activities				
Acquisition of plant and equipment	(761)	(2,194)	(4,519)	(9,214)
Capitalized mineral property expenditures	(2,408)	(8,721)	(10,853)	(15,029)
Capitalized production stripping costs	-	(3,248)	-	(16,724)
Acquisition and development of intangible assets	(71)	(693)	(380)	(1,420)
Acquisition of other assets	69	-	(1,810)	-
	(3,171)	(14,856)	(17,562)	(42,387)
Effect of exchange rate change on cash and cash equivalents	(460)	(30)	(205)	(355)
Decrease in cash and cash equivalents during the period	(2,341)	(18,491)	(19,592)	(29,919)
Cash and cash equivalents, beginning of period	7,104	49,637	24,355	61,065
Cash and cash equivalents, end of period [(1)]	$ 4,763	$ 31,146	$ 4,763	$ 31,146
Supplemental information				
Interest received	27	61	117	227
Taxes paid	(681)	(2,334)	(5,019)	(5,060)
Changes in accounts payable and accrued liabilities related to plant and equipment	47	275	1,385	467

(1) Cash and cash equivalents are composed of 100% cash deposits held with accredited financial institutions as at the end of the period

The accompanying notes are an integral part of these condensed interim consolidated financial statements

LUCARA DIAMOND CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited - in thousands of U.S. Dollars, except for share amounts)

	Number of shares issued and outstanding	Share Capital	Contributed surplus	Retained earnings (deficit)	Accumulated other comprehensive loss	Total
Balance, January 1, 2018	382,619,334	$ 290,846	$ 7,832	$ (3,043)	$ (38,959)	$ 256,676
Shares issued for Clara acquisition	13,100,000	21,489	-	-	-	21,489
Exercise of stock options	200,000	441	(114)	-	-	327
Share-based compensation	-	-	1,152	-	-	1,152
Change in fair value through other comprehensive income securities	-	-	-	-	(1,274)	(1,274)
Effect of foreign currency translation	-	-	-	-	(15,016)	(15,016)
Shares issued from SUs vested	590,053	1,137	(1,137)	-	-	-
Withholding tax for SUs vested	-	-	(362)	-	-	(362)
Dividends paid(1)	-	-	79	(22,929)	-	(22,850)
Net income for the period	-	-	-	17,877	-	17,877
Balance, September 30, 2018	396,509,387	$ 313,913	$ 7,450	$ (8,095)	$ (55,249)	$ 258,019
Balance, January 1, 2019	396,509,387	$ 313,913	$ 7,766	$ (21,767)	$ (57,997)	$ 241,915
Share-based compensation	-	-	971	-	-	971
Change in fair value through other comprehensive income securities	-	-	-	-	(615)	(615)
Effect of foreign currency translation	-	-	-	-	(3,948)	(3,948)
Shares issued from SUs vested	348,781	907	(907)	-	-	-
Withholding tax for SUs vested	-	-	(427)	-	-	(427)
Dividends paid (2)	-	-	61	(22,441)	-	(22,380)
Net income for the period	-	-	-	4,078	-	4,078
Balance, September 30, 2019	396,858,168	$ 314,820	$ 7,464	$ (40,130)	$ (62,560)	$ 219,594

(1) On April 12, June 21, and September 20, 2018 the Company paid a cash dividend of CA$0.025 per share.
(2) On April 11, June 20, and September 19, 2019 the Company paid a cash dividend of CA$0.025 per share.

The accompanying notes are an integral part of these condensed interim consolidated financial statements

1. NATURE OF OPERATIONS

Lucara Diamond Corp. together with its subsidiaries (collectively referred to as the "Company") is a diamond mining company focused on the development and operation of diamond properties in Africa. The Company holds a 100% interest in the Karowe Mine located in Botswana. The Company is also developing a secure, digital diamond sales platform (Clara Diamond Solutions Limited Partnership) that uses proprietary analytics together with cloud and blockchain technologies.

The Company's common shares are listed on the TSX, NASDAQ Stockholm and Botswana Stock Exchanges. The Company was continued into the Province of British Columbia under the Business Corporations Act (British Columbia) in August 2004 and its registered office is located at Suite 2000 - 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

2. SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, IAS 34: Interim Financial Statements, and do not contain all of the information required for annual financial statements. These statements follow the same accounting policies and methods of application as the most recent annual audited financial statements except for the adoption of *IFRS 16, Leases*. Accordingly, they should be read in conjunction with the most recent annual audited financial statements of the Company. These financial statements were approved by the Board of Directors for issue on November 4, 2019.

(ii) Adoption of new accounting policy

The following accounting policy was amended as a result of the adoption of IFRS 16, Leases as of January 1, 2019. The new Leases standard requires lessees to recognize leases traditionally recorded as operating leases in the same manner as financing leases. The Company has several office leases previously treated as operating leases that have been recorded to the balance sheet by recognizing an asset for the use of the leased premises and a corresponding obligation. These amendments were adopted retrospectively using the modified retrospective approach with the cumulative effect of initially applying the new standard recognized through opening retained earnings on January 1, 2019. The cumulative effect of the change in treatment of the Company's leases is not material and is disclosed in Note 4. Comparatives for the 2018 financial year have not been restated.

IFRS 16 – Leases

Leases
Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use. Assets and liabilities arising from a lease are initially measured on a present value basis. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The Company leases various properties. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

(All amounts expressed in thousands of U.S. Dollars, unless otherwise indicated.)

3. INVENTORIES

	September 30, 2019	December 31, 2018
Rough diamonds	$ 25,053	$ 16,847
Ore stockpile	27,326	20,435
Parts and supplies	11,595	10,864
	$ 63,974	$ 48,146

Inventory expensed during the nine months ended September 30, 2019 totaled $57.1 million (nine months ended September 30, 2018 – $50.0 million). There were no inventory write-downs during the nine months ended September 30, 2019 and 2018.

4. PLANT AND EQUIPMENT

Cost	Construction in progress	Mine and plant facilities	Vehicles	Furniture and office equipment	Total
Balance, January 1, 2018	$ 8,560	$ 208,149	$ 1,918	$ 5,797	$ 224,424
Additions	17,438	-	-	10	17,448
Disposals and other	-	-	-	(47)	(47)
Reclassification	(19,756)	16,131	804	1,520	(1,301)
Translation differences	(581)	(17,856)	(198)	(551)	(19,186)
Balance, December 31, 2018	$ 5,661	$ 206,424	$ 2,524	$ 6,729	$ 221,338
Additions[1]	2,903	224	-	1,584	4,711
Disposals and other	-	-	-	(3)	(3)
Reclassification[2]	(2,863)	1,750	4	936	(173)
Translation differences	(167)	(5,909)	(72)	(256)	(6,404)
Balance, September 30, 2019	$ 5,534	$ 202,489	$ 2,456	$ 8,990	$ 219,469
Accumulated depreciation					
Balance, January 1, 2018	$ -	$ 52,304	$ 1,300	$ 3,244	$ 56,848
Depletion and amortization	-	21,595	320	1,167	23,082
Disposals and other	-	-	-	(2)	(2)
Translation differences	-	(5,388)	(123)	(325)	(5,836)
Balance, December 31, 2018	-	68,511	1,497	4,084	74,092
Depletion and amortization	-	27,174	265	1,075	28,514
Disposals and other	-	-	-	(3)	(3)
Translation differences	-	(2,726)	(51)	(135)	(2,912)
Balance, September 30, 2019	$ -	$ 92,959	$ 1,711	$ 5,021	$ 99,691
Net book value					
As at December 31, 2018	$ 5,661	$ 137,913	$ 1,027	$ 2,645	$ 147,246
As at September 30, 2019	$ 5,534	$ 109,530	$ 745	$ 3,969	$ 119,778

(1) Additions include $1,577 recorded to furniture and office equipment upon the adoption of IFRS 16, Leases.
(2) Karowe mine related expenditure of $173 was reclassified to mineral properties in 2019 from construction in progress.

(All amounts expressed in thousands of U.S. Dollars, unless otherwise indicated.)

5. MINERAL PROPERTIES

Cost	Capitalized production stripping asset	Karowe Mine	Total
Balance, January 1, 2018	$ 56,668	$ 57,609	$ 114,277
Additions	21,425	20,990	42,415
Reclassification	-	599	599
Translation differences	(5,741)	(5,826)	(11,567)
Balance, December 31, 2018	72,352	73,372	145,724
Additions	-	10,853	10,853
Reclassification[1]	-	173	173
Translation differences	(2,120)	(2,481)	(4,601)
Balance, September 30, 2019	$ 70,232	$ 81,917	$ 152,149
Accumulated depletion			
Balance, January 1, 2018	$ 5,431	$ 18,287	$ 23,718
Depletion	6,955	4,471	11,426
Translation differences	(802)	(1,727)	(2,529)
Balance, December 31, 2018	11,584	21,031	32,615
Depletion	9,928	5,235	15,163
Translation differences	(637)	(774)	(1,411)
Balance, September 30, 2019	$ 20,875	$ 25,492	$ 46,367
Net book value			
As at December 31, 2018	$ 60,768	$ 52,341	$ 113,109
As at September 30, 2019	$ 49,357	$ 56,425	$ 105,782

(1) Karowe mine related expenditure of $173 was reclassified from plant and equipment to mineral properties in 2019.

Karowe Mine

A royalty of 10% of the sales value of diamonds sold from Karowe is payable to the government of Botswana.

(All amounts expressed in thousands of U.S. Dollars, unless otherwise indicated.)

6. INTANGIBLE ASSETS

Cost	$	-
Acquisition of intangible assets		21,868
Development expenditures		1,139
Translation differences		(1,209)
Balance, December 31, 2018		21,798
Development expenditures		380
Translation differences		617
Balance, September 30, 2019	$	22,795
Accumulated Depletion		(107)
Net book value, September 30, 2019	$	22,688

On March 2, 2018, the Company completed the acquisition of 100% of the issued and outstanding common shares of Clara Diamond Solutions Corporation ("Clara"), a company whose primary asset is a secure, digital sales platform for rough diamonds. The total initial purchase consideration was $21.5 million, based on the closing price of the Company's common shares on the acquisition date, plus transaction costs and other adjustments of $0.4 million. The consideration paid was allocated entirely to the intangible assets.

The purchase consideration was as follows:

- 13.1 million Lucara shares.
- Contingent consideration of profit sharing: cash payments based on 3.45% of the annual EBITDA generated by the sales platform. Lucara also assumed the existing 13.3% annual EBITDA performance based contingent payments within Clara payable to the founders of the technology. This totals to 16.75% of the annual EBITDA generated by the sales platform, to a maximum of $20.9 million per year, for 10 years.
- Contingent consideration of share payments: additional Lucara shares to be issued if the revenue triggers detailed below are reached. In total, a maximum of 13.4 million shares may become payable upon the achievement of the performance milestones related to revenue generated from the digital sales platform.

Revenue Trigger	Number of shares	Expiry date
$200 million of cumulative revenue generated by the sales platform up to the expiry date	3 million	March 2, 2028
$400 million of cumulative revenue generated by the sales platform up to the expiry date	3 million	March 2, 2030
$800 million of cumulative revenue generated by the sales platform up to the expiry date	3.2 million	March 2, 2032
$1.6 billion of cumulative revenue generated by the sales platform up to the expiry date	4.2 million	March 2, 2034

The contingent considerations will be recognized as additional purchase consideration for the intangible asset, if and when the obliging events occur (Note 9).

(All amounts expressed in thousands of U.S. Dollars, unless otherwise indicated.)

6. INTANGIBLE ASSETS (continued)

As of September 1, 2019, management has determined that the sales platform is operating as intended. The definite-lived intangible asset is being amortized over the 20 year life of the patents. All costs incurred following September 1, 2019 have been recorded to the statement of operations.

7. SHARE BASED COMPENSATION

a. Stock options

The Company's stock option plan (the 'Option Plan') was approved by the shareholders of the Company initially on May 13, 2015, with amendments approved on May 10, 2019. Under the terms of the Option Plan, a maximum of 20,000,000 shares are reserved for issuance upon the exercise of stock options. The Option Plan provides the Board of Directors with discretion to determine the vesting period for each stock option grant. Options typically vest in thirds over a three-year period and expire four years from the date of grant.

Movements in the number of stock options outstanding and their related weighted average exercise prices are as follows:

	Number of shares issuable pursuant to stock options	Weighted average exercise price per share (CA$)
Balance at December 31, 2017	**3,738,337**	**$ 2.48**
Granted	1,490,000	2.36
Exercised(1)	(200,000)	2.15
Forfeited	(750,001)	2.79
Balance at December 31, 2018	**4,278,336**	**2.40**
Granted	1,437,000	1.64
Expired	(703,336)	2.13
Forfeited	(490,000)	2.55
Balance at September 30, 2019	**4,522,000**	**$ 2.19**

(1) The weighted average share price on the exercise dates for the 2018 stock option exercises was CA$2.18.

Options to acquire common shares have been granted and are outstanding at September 30, 2019 as follows:

	Outstanding Options			Exercisable Options		
Range of exercise prices CA$	Number of options outstanding	Weighted average remaining contractual life (years)	Weighted average exercise price (CA$)	Number of options exercisable	Weighted average remaining contractual life (years)	Weighted average exercise price (CA$)
$1.50 - $2.00	1,437,000	3.41	1.64	-	-	-
$2.01 - $2.50	2,700,000	1.38	2.39	1,861,667	0.84	2.43
$2.51 - $3.00	385,000	1.50	2.76	256,667	1.50	2.76
	4,522,000	2.03	$ 2.19	2,118,334	0.92	$ 2.47

(All amounts expressed in thousands of U.S. Dollars, unless otherwise indicated.)

7. SHARE BASED COMPENSATION (continued)

During the nine months ended September 30, 2019, an amount of $0.3 million (2018 – $0.3 million) was charged to operations in recognition of stock-based compensation expense, based on the vesting schedule for the options granted.

The fair value of each option granted is estimated on the date of grant using the Black-Scholes option pricing model with weighted average assumptions and resulting values for grants as follows:

	2019	**2018**
Assumptions:		
Risk-free interest rate *(%)*	1.82	2.02
Expected life *(years)*	3.63	3.72
Expected volatility *(%)*	38.20	39.30
Expected dividend	CA$0.025/share quarterly	CA$0.025/share quarterly
Results:		
Weighted average fair value of options granted *(per option)*	CA$0.30	CA$0.50

b. Share units

The Company has a share unit ('SU') plan that provides for the issuance of SUs as a long-term incentive for certain members of the management team. SUs vest three years from the date of grant. Each SU entitles the holder to receive one common share and the cumulative dividend equivalent SU earned during the SU's vesting period. The value of each SU at the vesting date is equal to the closing value of one Lucara common share plus the cumulative dividend equivalent which was earned over the vesting period.

For the nine month period ended September 30, 2019, the Company recognized a share-based payment charge against income of $0.6 million (2018: $0.8 million) for the SUs granted during the period.

(All amounts expressed in thousands of U.S. Dollars, unless otherwise indicated.)

7. SHARE BASED COMPENSATION (continued)

	Number of share units	Estimated fair value at date of grant (CA$)
Balance at December 31, 2017	**1,401,590**	**$ 2.53**
February 27, 2018 grant	364,000	2.36
April 2, 2018 grant	125,000	2.05
April 12, 2018 dividend	21,213	2.08
May 14, 2018 vesting	(490,661)	2.30
May 31, 2018 vesting	(327,049)	2.66
June 21, 2018 dividend	12,601	2.17
June 29, 2018 grant	140,000	2.11
September 20, 2018 dividend	13,848	2.25
December 20, 2018 dividend	22,503	1.40
Balance at December 31, 2018	**1,283,045**	**$ 2.41**
February 25, 2019 grant	439,000	1.63
February 26, 2019 vesting	(445,567)	2.57
April 2, 2019 vesting	(247,393)	2.52
April 11, 2019 dividend	19,822	1.61
April 11, 2019 vesting	(3,841)	1.61
June 20, 2019 dividend	16,641	1.57
September 19, 2019 dividend	23,283	1.14
Balance at September 30, 2019	**1,084,990**	**$ 1.95**

8. ADMINISTRATION

	Three months ended September 30, 2019	Three months ended September 30, 2018	Nine months ended September 30, 2019	Nine months ended September 30, 2018
Salaries, benefits and severance	$ 1,670	$ 936	$ 4,063	$ 5,649
Professional fees	665	393	1,722	1,067
Office and general	385	412	1,277	1,072
Marketing	208	235	621	829
Stock exchange, transfer agent, shareholder communication	100	76	317	360
Travel	214	181	581	854
Share based compensation (Note 7)	252	218	971	1,152
Management fees	124	142	371	340
Depreciation	301	134	657	436
Donation	2	122	78	263
	$ 3,921	$ 2,849	$ 10,658	$ 12,022

(All amounts expressed in thousands of U.S. Dollars, unless otherwise indicated.)

9. RELATED PARTY TRANSACTIONS

a) Key management compensation

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's named executive officers and members of its Board of Directors. The remuneration of key management personnel was as follows:

		Nine months ended September 30,		
		2019		**2018**
Salaries and wages	$	1,332	$	2,360
Severance		-		2,311
Short term benefits		62		243
Share based compensation		496		1,009
	$	1,890	$	5,923

b) Clara acquisition

At the time of Lucara's acquisition of Clara, a current director and a current officer of the Company were also shareholders of Clara and received 1,192,000 common shares and 50,000 common shares, respectively, of Lucara. If all of the Clara performance milestones (Note 6) are reached, these individuals will receive an additional 1,788,001 common shares and 74,999 common shares, respectively, of Lucara. Following the acquisition of Clara, Lucara appointed a new director and a new officer, each of whom had been a shareholder of Clara at the time of its acquisition by the Company. If all of the Clara performance milestones are reached, these individuals will be entitled to receive an additional 600,000 common shares and 74,999 common shares of Lucara.

Pursuant to the profit sharing mechanism described in Note 6, a total of 3.45% of the EBITDA generated by the platform has been assigned to two directors of Lucara, each of whom was a founder of Clara. A further 3.22% of the EBITDA generated by the platform may be distributed to members of management, at the discretion of Lucara's Compensation Committee, based on the achievement of key performance targets. In March 2019, the EBITDA sharing agreement was amended such that one of the two founders and the Clara Management waived their respective rights to the EBITDA payment to the extent that such payment relates to net income earned by Clara on the sale of rough diamonds from the Karowe Mine. The waiver is effective from the date of the share purchase agreement in February 2018 through to December 31, 2020.

(All amounts expressed in thousands of U.S. Dollars, unless otherwise indicated.)

10. SEGMENT INFORMATION

The Company's primary business activity is the development and operation of diamond properties in Africa. The Company has two operating segments: Karowe Mine and Corporate and other.

Three months ended September 30, 2019

	Karowe Mine	Corporate and other	Total
Revenues	$ 45,021	$ 297	$ 45,317
Income (loss) from operations[1]	3,102	(22)	3,080
Exploration expenditures	(1,258)	-	(1,258)
Finance expenses	(1,162)	(103)	(1,265)
Foreign exchange loss	(782)	(95)	(877)
Other expenses	(1,627)	(2,788)	(4,415)
Tax expense	723	-	723
Net loss for the period	(1,004)	(3,008)	(4,012)
Capital expenditures	$ (3,169)	$ (71)	$ (3,240)

Three months ended September 30, 2018

	Karowe Mine	Corporate and other	Total
Revenues	$ 45,669	$ -	$ 45,669
Income from operations[1]	13,494	-	13,494
Exploration expenditures	(785)	-	(785)
Finance expenses	(297)	(33)	(330)
Foreign exchange loss	(193)	(198)	(391)
Other expenses	1,512	(4,812)	(3,300)
Tax expense	(3,003)	(550)	(3,553)
Net income (loss) for the period	10,729	(5,593)	5,136
Capital expenditures	$ 14,163	$ 693	$ 14,856

(1) Karowe Mine's depletion and amortization expense during the three months ended September 30, 2019 totaled $14.4 million (three months ended September 30, 2018 – $8.9 million).

(All amounts expressed in thousands of U.S. Dollars, unless otherwise indicated.)

10. SEGMENT INFORMATION (continued)

Nine months ended September 30, 2019

	Karowe Mine	Corporate and other	Total
Revenues	$ 136,252	$ 296	$ 136,548
Income (loss) from operations(1)	27,763	(22)	27,741
Exploration expenditures	(3,261)	-	(3,261)
Finance expenses	(2,459)	(446)	(2,905)
Foreign exchange loss	(1,851)	(290)	(2,141)
Other expenses	(4,765)	(7,463)	(12,228)
Tax expense	(3,128)	-	(3,128)
Net income (loss) for the period	12,299	(8,221)	4,078
Capital expenditures	$ (15,372)	$ (380)	$ (15,752)
Total assets	$ 302,533	$ 26,656	$ 329,189

Nine months ended September 30, 2018

	Karowe Mine	Corporate and other	Total
Revenues	$ 135,582	$ -	$ 135,582
Income (loss) from operations(1)	51,988	(74)	51,914
Exploration expenditures	(2,630)	-	(2,630)
Finance expenses	(1,036)	(347)	(1,383)
Foreign exchange loss	(1,517)	126	(1,391)
Other expenses	(1,679)	(12,022)	(13,701)
Tax expense	(14,382)	(550)	(14,932)
Net income (loss) for the period	30,744	(12,867)	17,877
Capital expenditures	$ 40,967	$ 1,420	$ 42,387
Total assets	$ 346,244	$ 28,801	$ 375,045

(1) Karowe Mine's depletion and amortization expense during the nine months ended September 30, 2019 totaled $38.1 million (nine months ended September 30, 2018 – $20.1 million).