



ASX Announcement

## Burgundy provides update on drilling program in Botswana

1 March 2021

Burgundy Diamond Mines Limited (ASX: BDM; "Burgundy" or "the Company") is pleased to provide an update on its drilling programs in Botswana being conducted by Botswana alliance partner Diamond Exploration Strategies Pty Ltd ("DES").

As previously forecast (see BDM news release of 2 October 2020), a drilling program was completed at the Mmashoro project in February 2021, with two reverse circulation holes drilled into the delineated target. Samples recovered have been prepared in Botswana and shipped to South Africa for kimberlite indicator mineral analysis. Due to Covid-related border delays and a growing backlog in the selected South African laboratories, results from this analysis are now expected in 3 to 4 weeks.

Environmental permits for the planned drilling program at the Nata project are still in process, and it is hoped that these will be granted soon. Meanwhile DES is planning ongoing programs in a number of other target areas, including on new prospecting licenses granted late in 2020.

Commenting on this update, Burgundy Managing Director and CEO Peter Ravenscroft said: *"We are pleased that our activities in Botswana finally got underway in February, despite Covid-related delays and a particularly intense rainy season in Botswana. Further delays on sampling results are frustrating, but we are working sensitively with people on the ground in Botswana and South Africa during these difficult times. In the meantime, further targeting work and continued consolidation of promising exploration ground in Botswana is preparing us for an exciting year ahead in this highly-prospective diamond jurisdiction."*

*The Company also actively continues to explore other acquisition opportunities as has previously been announced, and we look forward to being able to provide shareholders details of these as they progress."*

-Ends-

This announcement was authorised for release on the ASX by the Board of Burgundy Diamond Mines Ltd.

Further Information:

**Investors**

Peter Ravenscroft  
Managing Director  
Burgundy Diamond Mines Ltd  
[info@burgundy-diamonds.com](mailto:info@burgundy-diamonds.com)  
+61 8 6313 3945

**Media**

Adrian Rauso / Steve Suleski  
FTI Consulting  
+61 8 9321 8533

### About Burgundy Diamond Mines Limited

Burgundy is focused on global diamond exploration and project development with a vision to become a leading mid-cap diamond producer.



## Diamonds

Since late 2019, Burgundy has acquired interests in three diamond projects:

- An earn-in agreement with North Arrow Minerals Inc. over the Naujaat diamond project in Nunavut, Canada. The world class Naujaat project contains an exceptional population of uniquely coloured and rare high value stones. Burgundy has the option to earn-in to a 40% interest in the project by funding a C\$5.6 million preliminary 1,500 to 2,000 tonne bulk sampling program in 2021. The Company has already successfully raised the funds for this program, and delivery of fuel and sampling materials to the site is currently underway in preparation for next year. Burgundy has also made a preliminary proposal to earn an additional 20% interest by funding a larger 10,000 tonne bulk sample pending positive results from the first phase.
- An Exploration Alliance Agreement in Botswana with Diamond Exploration Strategies Ltd, a privately-owned company with an excellent management team. Burgundy is providing funding of US\$1.5 million over three years to finance exploration activities, earning 50% ownership of any discoveries made. Burgundy will have the option to sole fund a Scoping Study on a designated project to earn-in to a 70% ownership interest, with a further option to reach a 90% ownership interest by sole funding a Feasibility Study. The Alliance is initially over five areas that have existing prospecting licenses, but extends to cover other prospective areas of Botswana that may be identified. Drilling programs on two of the initial areas are scheduled to start early in the first quarter of 2021.
- 100% ownership of the Nanuk Diamonds project east of the Ungava Bay in Northern Quebec. The 274 sq.km area contains several occurrences of diamond-bearing kimberlite dykes that were originally found in the early 2000's but were left unexplored for the last 15 years.

In addition to these projects, Burgundy continues to evaluate other investment opportunities, principally in Canada, Botswana and Australia, as it seeks to build a world-class portfolio of diamond exploration, development and mining projects.

## Gold and Silver

Burgundy holds an 18% interest in the La Victoria Gold/Silver Project, located in the prolific North-Central Mineral Belt of Peru, which it acquired through an earn-in arrangement with Eoro Resources Ltd (TSX-V: ELO) starting in 2017. Proposed drilling at this project has been impacted by permitting delays, but Burgundy remains enthusiastic about the potential of this project and expects to participate in the next drilling program when Covid-19 restrictions are eased and drill permits are granted.

## **Caution regarding Forward Looking Information**

*This document contains forward looking statements concerning Burgundy Diamond Mines Limited. Forward looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements in this document are based on Burgundy's beliefs, opinions and estimates as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions or estimates should change or to reflect other future developments.*