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ASX Announcement

Burgundy announces initial Naujaat bulk sample results

27 April 2022

Highlights

- Diamond recovery complete for 70% of the 2021 bulk sample at the Naujaat Diamond Project
- Results confirm the presence of a significant population of Fancy Orange and Yellow diamonds
- Further analysis required to fully understand the implications of these encouraging results

Burgundy Diamond Mines Limited (ASX: BDM) ("Burgundy" or "the Company") is pleased to report initial diamond recoveries from the first 70% (1,316 tonnes) of a bulk sample collected in 2021 from the Q1-4 diamond deposit at the Naujaat Diamond Project, Nunavut, Canada, completed by partner North Arrow Minerals Ltd (TSX: NAR, "North Arrow").The remaining 30% of the sample will be processed in the coming weeks, with the extended timing due to earlier success in collecting a larger bulk sample than had originally been planned.

Key Results

- 268 diamonds greater than +9 DTC (Diamond Trading Company) sieve weighing 117.98 carats were recovered from 1,316 dry tonnes of kimberlite from the A28 unit – the average size of diamonds retained on the +9 DTC sieve is ~0.21 carats
- The three largest recovered diamonds are 3.31, 3.07 and 2.76 carats respectively
- 48 of the 268 diamonds (17.9%) classify as Fancy Colour (20.9% by carat weight) – indicative of a desirable and potentially high value diamond population
- 58% of the Fancy Colour diamonds classify as either Fancy Intense or Fancy Vivid – the two highest colour saturation classes and an important indicator of potential value in Fancy Colour diamonds
- 91% of the Fancy Colour diamonds classify with orange as the primary colour – orange is considered amongst the rarest colours for natural diamonds
- +9 DTC sample grade of 9.0 cpht (carats per hundred tonnes) compares favourably with a similar sized sampled collected from the same geological unit in 2014
- Processing of the remainder of the 2021 bulk sample, collected from the A88 unit, is ongoing.

Preliminary Conclusions

The purpose of the 2021 sample is to acquire further information on the coarser sizes of the Q1-4 diamond population, with particular emphasis on potential high value Fancy Colour diamonds. The results from this first 70% of the sample provide additional information that extends the results obtained from previous bulk sampling in 2014 and 2017. Further analysis of these results is required to understand the potential implications, and this will be announced once complete.

On completion of the bulk sampling program, Burgundy will assume 40% ownership of the Naujaat Project under the terms of an earn-in option agreement with North Arrow Minerals announced on 2 June 2020.

Peter Ravenscroft, Managing Director and CEO of Burgundy, commented, "These initial results from the 2021 bulk sample add significant confidence to past results and confirm the presence of a potentially high value, Fancy Orange and Yellow diamond population in the Q1-4 kimberlite. Once further analysis has been completed, we will be able to determine how the Naujaat Project will complement our strategy of becoming a vertically integrated, end-to-end diamond company focused on Fancy Colour diamonds."

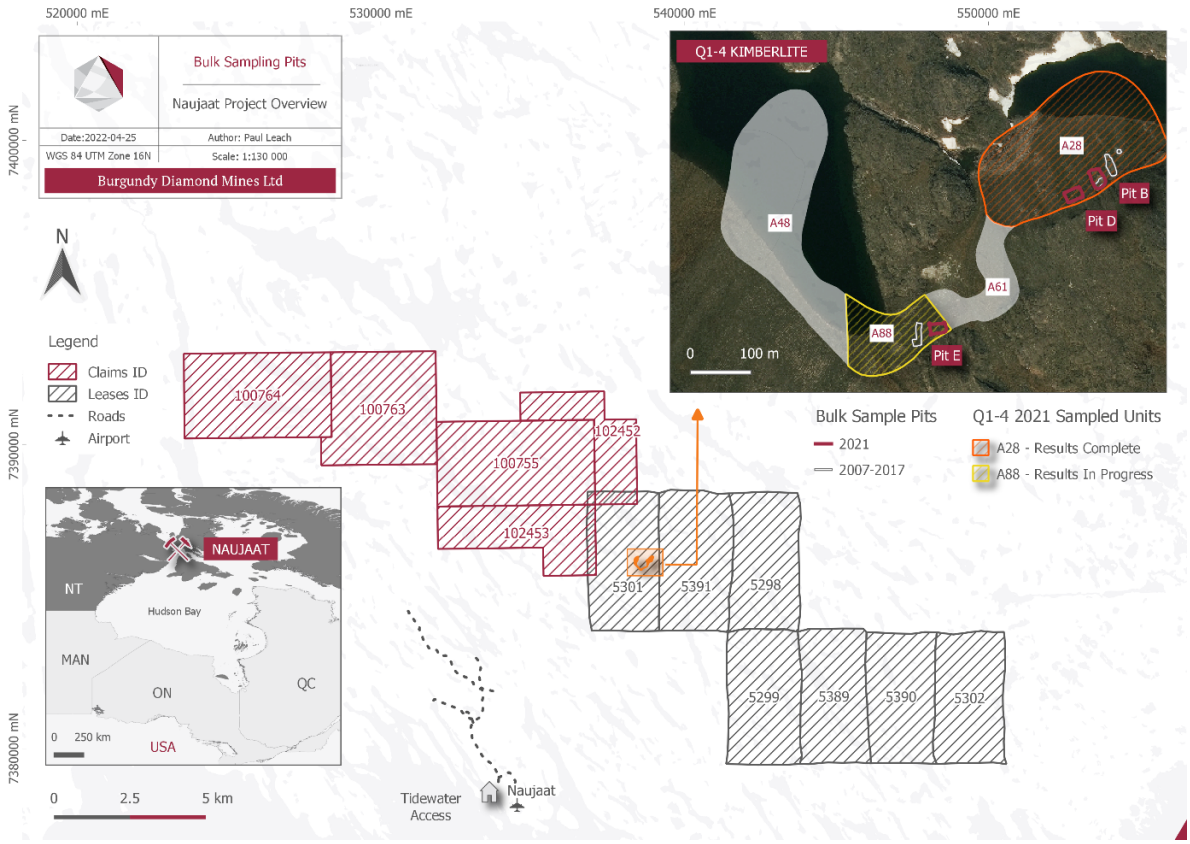
Ken Armstrong, President and CEO of North Arrow Minerals Ltd, said: “The significant proportion of Fancy Colour diamonds recovered so far from the 2021 bulk sample will provide important information needed to complete ongoing modelling of the size distributions of Fancy Colour diamonds in the Q1-4 deposit. We look forward to working with our partner Burgundy in completing this analysis, including an update of the average diamond price estimate in due course”.

Sample Collection and Diamond Recovery

Full technical details are given in the accompanying JORC Table 1, with summary information given below.

The 2021 bulk sample consists of 2,500 sample bags collected from three sample pits (Pits B, D, & E) at the multiphase Q1-4 kimberlite, located just seven kilometres from the project laydown near the Hamlet of Naujaat (Figure 1). The sample was divided into five subsamples for processing purposes, including four subsamples reported today: Pit B weathered kimberlite (296 bags), Pit D weathered kimberlite (445 bags), Pit B rock (325 bags) and Pit D rock (733 bags). All four subsamples are from the A28 unit of Q1-4. Processing of the fifth and final subsample, collected from the A88 unit (Pit E, 701 bags, approximately 280m southwest of Pit D), is ongoing and will be announced when received.

Figure 1 - Naujaat Project Overview and Sampling Locations



Diamond recoveries reported below have been achieved using a TOMRA Com 300 X-Ray Transmission (XRT) sorter, capable of recovering diamonds larger than 2mm. The results are reported with a bottom sieve size of +9 DTC which is the smallest sieve size for which diamonds are detected and fully recovered using the XRT. While this is a very coarse cut off for a traditional evaluation sample, it meets the needs of the current program.

A summary of the +9 DTC diamond recoveries is provided in the table below along with comparable results from the 2014 bulk sample collected from the A28 unit of Q1-4 (sample A282014).

Sample	Weight (dry tonnes)	# Diamonds (+9 DTC)	Carats (+9 DTC)	Sample Grade (+9 DTC; cpht[2])	Proportion Fancy Colours[1] by stones	by carats
Pit B Weathered	219.5	46	17.91	8.2	21.7%	13.1%
Pit D Weathered	335.7	82	35.94	10.7	19.5%	28.7%
Pit D Rock	521.2	98	48.43	9.3	12.2%	14.2%
Pit B Rock	239.6	42	15.69	6.6	23.8%	33.0%
Total[3]	1,316.0	268	117.98	9.0	17.9%	20.9%
A282014[4]	1,353.3	336	126.26	9.3	11.0%	11.9%

[1] Classification of Fancy Colour diamonds by Saskatchewan Research Council using colour-grading scale established by the Gemological Institute of America; for comparison purposes colour classification of the 2014 sample is shown based on a non-standardized empirical characterization of intense & dark yellow diamonds.

[2] Carats per hundred tonnes with bottom cut-off of +9 DTC.

[3] Totals determined by arithmetic; may differ due to rounding.

[4] Initially reported at a +1 DTC (~0.01 carat) bottom cut off in North Arrow news release dated May 5, 2015. Restated here using a +9 DTC bottom size cut off to more effectively compare to 2021 results which reflect a 2mm bottom size cut-off.

Combined diamond recoveries from the first four 2021 subsamples total 268 diamonds greater than +9 DTC sieve weighing 117.98 carats from 1,316 dry tonnes of kimberlite for an overall +9 DTC sample grade of 9.0 cpht. Recovered diamonds include 33 diamonds larger than the 3 grainer (~0.66 carat) size and 21 diamonds larger than 1 carat. The three largest diamonds are 3.31 carats (Fancy intense orange irregular cube aggregate), 3.07 carats (Grey (boart) cubic aggregate), and 2.76 carats (off-white irregular octahedral aggregate).

Colour characterisation studies of the diamonds have been completed using the industry standard grading scale established by the Gemological Institute of America (GIA). Forty-eight of the 268 diamonds (17.9%) classify as fancy coloured (20.9% by carat weight) with over 90% having orange as the primary colour and 58% categorised as having either intense or vivid colour saturations, the two highest colour saturations. The number of diamonds in each fancy colour grade is provided below.

Fancy Colour	Stone Count
Vivid Orange	13
Intense Orange	15
Orange	8
Light Orange	8
Light Yellow	1
Orange with brown tinge	2
Light Orange with brownish tinge	1

The GIA colour grading scale is the industry standard for polished diamonds and, although colour grading of rough diamonds is very similar to that of polished diamonds, there is no universally accepted colour grading scheme for rough diamonds. Colour grading of the Naujaat rough diamonds provides useful information for modelling the Fancy Colour diamond population. However, for individual rough stones, the graded colour does not necessarily represent the final colour of a diamond polished from the rough stone, nor does it include characterisation of a diamond's clarity (e.g. presence of inclusions or cloudiness in the diamond). Previous cutting and polishing of select Naujaat rough Fancy Colour diamonds has produced Fancy Vivid Orangey Yellow diamonds, certified by the GIA and demonstrating that the Q1-4 deposit can produce polished Fancy Colour diamonds for use in the luxury jewellery market.

-ENDS-

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

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About Burgundy Diamond Mines Limited

Burgundy Diamond Mines is focused on the mining, production and sale of polished Fancy Colour diamonds through a vertically integrated business model, with the vision to become the world's leading end-to-end diamond company.

In mid-2021, Burgundy acquired capability and facilities for the cutting and polishing of rough diamonds in Perth, Western Australia. This capability will be used for cutting and polishing of Burgundy's own production from future mining operations, as well as rough diamonds from third party producers. Marketing and sales will be conducted under a visionary brand currently under development with a view to establish a significant position in the high-value niche sector of Fancy Colour diamonds.

Competent Person's Statement

Information included in this announcement that relates to exploration results and resource estimates is based on and fairly represents information and supporting documentation reviewed by Mr Peter Ravenscroft, FAusIMM, Managing Director of Burgundy Diamond Mines Ltd, who also holds shares in Burgundy Diamond Mines Ltd. Mr Ravenscroft has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves.

Mr Ravenscroft consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

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.

Appendix 1

Reporting of bulk sampling results for the Naujaat Diamond Project

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	A surface bulk sample with a field weight of 2,206 wet tonnes (2,500 megabags) was taken from the Q1-4 kimberlite in Naujaat, Nunavut Canada. Two pits (B, D) sampled the A28 unit of the Q1-4 kimberlite, and one pit (E) sampled the A88 unit of the Q1-4 kimberlite. The sample results for Pit E (A88 unit) are in progress and are not included in this disclosure. Pit B and Pit D represent approximately 70% (1,799 megabags; 1,316 dry tonnes) of the total bulk sample. The results from Pit B and Pit D are included in this disclosure. The material from Pit B and Pit D was separated into weathered and rock classified subsamples indicated by a "W" for weathered and a "R" for rock. (E.g., Pit B weathered and Pit B rock). The material from Pit E was collected as a single, unseparated sample. Two mini excavators were used to fill 2,500 megabags with each bag approximately holding 900 kilograms (2,000 pounds). The pit sample locations are considered representative of the A28 and A88 units of the Q1-4 kimberlite phases for the objective of the bulk sampling program.

Criteria	JORC Code explanation	Commentary
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	There was no drilling for this program.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	NA
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	NA
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	A surface bulk sample with a total field weight of 2,206 wet tonnes was taken from the Q1-4 kimberlite in Naujaat, Nunavut Canada. Approximately 0-1 m of overburden was removed in order to sample the Q1-4 kimberlite. Two pits (B, D) sampled the A28 unit of the Q1-4 kimberlite, and one pit (E) sampled the A88 unit of the Q1-4 kimberlite (see figure 1). Out of the 2,500 megabags sampled, 621 megabags were collected from Pit B, 1,178 megabags from Pit D and 701 megabags from Pit E. The material from pits B and D was separated into weathered and rock classified subsamples (E.g., Pit B weathered and Pit B rock). The material from Pit E was collected as a single, unseparated sample.

Criteria	JORC Code explanation	Commentary
	• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Two mini excavators were used to fill 2,500 megabags with each bag approximately holding 900 kilograms (2,000 pounds). The size and extent of the bulk sampling is considered sufficient for the objective of the program. The sample results for Pit E (A88 unit) are in progress and are not included in this disclosure.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Diamond results reported in this release are based on dense media separation (DMS) processing and X-Ray Transmission (XRT) sensor-based diamond sorting work completed by Saskatchewan Research Council's Geoanalytical Laboratories Diamond Services, Saskatoon, SK (SRC) Canada, an independent diamond recovery laboratory. Quality assurance protocols, security and actual operating procedures for the processing, transport and recovery of diamonds conform to industry standard Chain of Custody provisions. The sample processing and diamond recovery techniques are appropriate for the type of deposit and sample collected. <u>In Field QA/QC</u> A total of 1,110 6mm coloured density tracers were added to 111 (4.4%) of the total number of megabags. The tracers were added ten at a time, by hand, to randomly selected bags during sampling. Filling of the selected bags would be stopped halfway by the supervising geologist, the tracers would be counted and added to the bag, and the bag would then be filled. The bag number and tracer colour were recorded in the field. Different tracer colours were used for each of the pits (based on the type of kimberlite in each bag) on the assumption each sub-sample would be processed separately and therefore allow tracking of tracer recoveries through the SRC processing facility. All but one tracer has been recovered to date. <u>Laboratory QA/QC</u> SRC added a total of 101 (for Pit B weathered and rock, Pit D weathered and rock) 6 – 10mm coloured density tracers at three locations within the processing flowsheet (the DMS feed hopper, the DMS mixer box and the DMS concentrate bag). The tracers were distributed across the different

Criteria	JORC Code explanation	Commentary
		subsamples (pit weathered, pit rock). 100% of the SRC tracers were recovered. Full circuit tracers or "spikes' are numbered individually and internally tracked. The process was spiked with one tracer per day. There was a three-day spike rotation to ensure each area was spiked evenly and consistently. Location, date, sample information, and tracer information were recorded and then validated by security. The tracers were selected at random. XRT concentrate is picked for tracers. Recovered tracers are reconciled with the spiking records and their condition is assessed. All tracers have been recovered to date. The quality management system (QMS) for SRC Geoanalytical Laboratories adheres to the ISO 17025:2017 standard and is subject to regular assessment by the accrediting body (Standards Council of Canada). The QMS has specific procedures for document and data control. The QA/QC protocol and accuracy for this disclosure is considered acceptable.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	Primary data including megabag ID, pit location, weight (lbs), nature of material (weathered versus rocky), tracers, and date of collection was recorded by the in-field geologist in a notebook. The receiving handlers at the helicopter megabag drop-off location recorded the seal tag ID number and the bag number in a notebook. At the end of each day, this data was entered into a secure electronic excel database and then uploaded to North Arrow Minerals' ("North Arrow") web server using a login ID. Hard-copy field notebooks and sample data sheets are stored in the project filing cabinets at North Arrow's Vancouver office with digital copies on the company data server. Field photos are also stored on the server. Processing data results were handled by SRC. North Arrow and Burgundy Diamond Mines ("Burgundy") had two site visits to their facility and are content with their data capturing system. All raw data are associated with an SRC Laboratory Information Management System (LIMS) identification number (group file) and is collected at multiple stages in the laboratory using a controlled document

Criteria	JORC Code explanation	Commentary
		system with required entry fields. Personnel are given individualized access to LIMS for electronic data entry and all data are checked for accuracy by administrative staff and reviewed by management prior to release to customers. SRC LIMS is backed up daily (overnight) by the IT department. All folders and binders containing raw data are stored in secure areas for a minimum retention time, and documents are scanned and saved electronically prior to secure document disposal. The bulk sample results were sent directly from SRC to North Arrow electronically and then made available to Burgundy through a shared online server.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	Once the sampling had been completed for the program, each pit location was surveyed using a Real Time Kinematic (RTK) differential Geographic Positioning System (GPS). WGS 84 UTM Zone 16N was used as the project co-ordinate system.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	Out of the 2,500 megabags sampled, 621 megabags were collected from pit B, 1,178 megabags from pit D and 701 megabags from pit E. Subsamples for each pit were processed in batches through SRC's processing facility separately. E.g., all the Pit B rock samples were processed separately to Pit B weathered samples. The size and spacing of the bulk sample is considered sufficient for the objectives of the sampling program. The sampling program is appropriate for the evaluation stage of the project. No mineral resource or reserve is reported and was not the objective of the program.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is*	Two pits (B, D) sampled the A28 unit of the Q1-4 kimberlite, and one pit (E) sampled the A88 unit of the Q1-4 kimberlite (see figure 1). The sampling program is appropriate for the type of deposit at this stage of project evaluation.

Criteria	JORC Code explanation	Commentary
	considered to have introduced a sampling bias, this should be assessed and reported if material.	
Sample security	• *The measures taken to ensure sample security.*	Each megabag was doubled-bagged prior to sampling. A security seal was added to the inside megabag immediately after the sample megabag had been filled. The sample ID, sample weight (recorded by the helicopter), tracer count and security seal number was recorded for each megabag. Once the samples had arrived at SRC's facilities, the samples were checked for any issues and secured in a closed-door location. Security seal numbers for each bag were confirmed prior to processing. During the processing of the samples, the SRC facility was under strict supervision through regular security checks, secure handling protocols and full camera monitoring.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	No audit samples were collected because of the nature of the samples. Sample processing data results were handled by SRC. North Arrow and Burgundy had two site visits to their facility and are content with their data capturing system. All but one of the QA/QC field tracers have been recovered to date. All of the QA/QC Laboratory tracers have been recovered.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national*	On 2 June 2020, Burgundy Diamond Mines ("BDM") announced that it has entered into a Phase One Option Agreement with North Arrow Minerals Ltd. (TSXV: NAR; "North Arrow") over the Naujaat Diamond Project in the Nunavut, Canada.

Criteria	JORC Code explanation	Commentary
	park and environmental settings. • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	The agreement provides Burgundy Diamond Mines Ltd with the option to earn a 40% interest in the Project in return for funding of C$5.6 million for a preliminary bulk sample of 1,500 – 2,000 tonnes to be extracted in 2021. The Naujaat property mineral tenure is 100% owned by Burgundy's JV partner, North Arrow Minerals Ltd. Mineral Claim and Lease information for the Naujaat Project: The Naujaat project has the following royalty agreements: This interest is subject to a February 15, 2017 agreement under which North Arrow Minerals agreed to pay Stornoway Diamond Corporation ("Stornoway") CAD$2.5 million at the time the first royalty payments relating to the Naujaat project are payable. In addition, Stornoway retains a 0.5% gross overriding

LEASE	HECTARES	NTS SHEET	RECORDING DATE	ANNIVERSARY DATE
5301	1072	46L/09	June 11, 2012	June 11, 2033
5391	1091	46L/09	July 5, 2002	July 5, 2033
5298	1011	46L/09	June 11, 2012	June 11, 2033
5299	1065	46L/09	June 11, 2012	June 11, 2033
5389	970	46L/09 and 46K/12	July 5, 2002	July 5, 2033
5390	952	46K/12	July 5, 2002	July 5, 2033
5302	983	46K/12	June 11, 2012	June 11, 2033
MINERAL CLAIM	**HECTARES**	**NTS**	**RECORDING DATE**	**ANNIVERSARY DATE**
100755	1544	46L/09	Sept. 23, 2014	Sept. 23, 2025
100763	1414	46L/09	Sept. 23, 2014	Sept. 23, 2025
100764	1350	46L/09	Sept. 23, 2014	Sept. 23, 2025
102452	643	46L/09	Jan 30, 2021	Jan 30, 2024
102453	885	46L/09	Jan 30, 2021	Jan 30, 2024

Criteria	JORC Code explanation	Commentary
		royalty ("GOR") and net smelter royalty ("NSR") on diamond, precious metal and base metal production from the Naujaat project. The Naujaat project is also subject to an additional 3% NSR on metals and a 3% gross production royalty ("GPR") on industrial minerals, including diamonds. Effective November 21, 2016, North Arrow Minerals reached an agreement with the underlying royalty holder where each of the NSR and GPR may be reduced from 3% to 1% subject to future contingent cash payments totalling CAD$5.15 million and future staged exploration expenditures totalling CAD$20 million. On January 31, 2022, as a result of expenditures incurred, the NSR and GPR was reduced to 2.5%.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	From 2000 – 2005, BHP-Billiton (BHP-B) discovered eight kimberlite intrusions (including the Q1-4 kimberlite) on the Naujaat property. BHB-P's work included geophysics, heavy mineral sampling and drilling (RC and diamond). From 2006-2012, Stornoway, collected additional heavy mineral samples, collected mini-bulk samples from A28, conducted geophysical surveys, prospecting, re-logging of BHP-B drill core and analysis of BHP-B data. Stornoway's primary focus was the Q1-4 kimberlite and released a resource statement, and 3D model, of the Q1-4 kimberlite in 2012. From 2013 to 2020, North Arrow's work included collection of bulk samples from the A28 and A88 units and diamond drilling.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The Q1-4 pipe is a primary, diamondiferous kimberlite deposit. The Naujaat Property sits on the Rae Isthmus, part of the Precambrian Rae subprovince, which accreted with the Hearne and Burwell subprovinces between 1.97 and 1.82 Ga to form the Churchill Structural Province of the Canadian Shield. The Property area is underlain by granitoid gneiss, paragneiss, schist, and granitic rocks of the Rae Province/Craton flanked by Paleozoic sedimentary rocks. The Naujaat kimberlite pipes and dykes were emplaced into granitic and gneissic host rocks, and contain diamonds of potential economic interest. Kimberlite emplacement occurred at ca. 546 Ma.

Criteria	JORC Code explanation	Commentary
		The Q1-4 pipe comprise root zone to lower diatreme facies rocks characterized by a complex internal geology, which includes volcaniclastic kimberlite, lesser-coherent hypabyssal kimberlite, and varying proportions of country-rock xenoliths. The A28 sampled unit is a green volcaniclastic phlogopite kimberlite and the A88 sampled unit is brown-green to blue-green volcaniclastic to volcaniclastic transitional phlogopite kimberlite. These volcaniclastic kimberlites are extensively altered and have a massive texture. They consist of varying amounts of olivine, magmaclasts, and country rock xenoliths that are poorly sorted, typically loosely packed and less commonly clast-supported, all set within a highly altered interclast matrix.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		There was no drilling for this program.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	NA

Criteria	JORC Code explanation	Commentary
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	NA
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Maps presented in the body of this report reference WGS UTM Zone 16N and indicate the project location, claims and leases, Q1-4 kimberlite outline and all bulk sampling locations (see Figure 1)
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All recovered grades for previous and the current bulk sample of the A28 unit have been reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	A 2,206 wet tonne bulk sample (field weight, 2,500 megabags) was taken from the Q1-4 kimberlite. The sampling was performed from the surface once a thin layer of overburden was removed (approximately 0-1 m). The bulk sample was shipped to SRC in Saskatchewan which was processed through a Dense Media Separation (DMS) plant. The concentrate from the DMS was then processed through a TOMRA X-Ray Transmission (XRT) Com 300 for the final diamond recovery. A summary of North Arrow's work on the Naujaat Project includes: 2014: 1,353 dry tonnes collected from Q1-4 kimberlite. Recovered grade of 28.4 cpht (+1mm lower cut-off/+1 DTC). 2017: 11 core holes totalling 3,469m of Q1-4 kimberlite drilling for microdiamond analysis and to update the geological model. A bulk sample totalling 209.8 dry tonnes was collected. A total of 64.25 carats were recovered giving at grade of 30.6 cpht at a +1mm lower cut-off (+1 DTC).

Criteria	JORC Code explanation	Commentary
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	To be determined once the full bulk sample has been completed.

Section 3 (Estimation and Reporting of Mineral Resources) does not apply to this report.

Section 4 (Estimation and Reporting of Ore Reserves) does not apply to this report.

Section 5 Estimation and Reporting of Diamonds and Other Gemstones

(Criteria listed in other relevant sections also apply to this section. Additional guidelines are available in the 'Guidelines for the Reporting of Diamond Exploration Results' issued by the Diamond Exploration Best Practices Committee established by the Canadian Institute of Mining, Metallurgy and Petroleum.)

Criteria	JORC Code explanation	Commentary
Indicator minerals	• *Reports of indicator minerals, such as chemically/physically distinctive garnet, ilmenite, chrome spinel and chrome diopside, should be prepared by a suitably qualified laboratory.*	NA
Source of diamonds	• *Details of the form, shape, size and colour of the diamonds and the nature of the source of diamonds (primary or secondary) including the rock type and geological environment.*	268 diamonds greater than +9 DTC weighing 117.98 carats were recovered from 1,316 dry tonnes of kimberlite from the A28 unit. The three largest recovered diamonds are 3.31, 3.07 and 2.76 carats 48 of the 268 diamonds (17.9%) classify as fancy coloured (20.9% by carat weight).

Criteria	JORC Code explanation	Commentary
		58% of the Fancy Colour diamonds classify as either “intense” or “vivid” - the two highest colour saturation classes and an important indicator of potential value in Fancy Colour diamonds. 91% of the Fancy Colour diamonds classify with orange as the primary colour – orange is considered amongst the rarest colours for natural diamonds An overall +9 DTC sample grade of 9.0 cpht (carats per hundred tonnes) is reported. The Q1-4 pipe is a primary diamondiferous kimberlite deposit. It comprises root zone to lower diatreme facies rocks characterised by a complex internal geology, which includes volcaniclastic kimberlite, lesser coherent hypabyssal kimberlite, and varying proportions of country-rock xenoliths. The A28 sampled unit is a green volcaniclastic phlogopite kimberlite and the A88 sampled unit is brown-green to blue-green volcaniclastic to volcaniclastic transitional phlogopite kimberlite. These volcaniclastic kimberlites are extensively altered and have a massive texture. They consist of varying amounts of olivine, magmaclasts, and country rock xenoliths that are poorly sorted, typically loosely packed and less commonly clast-supported, all set within a highly altered interclast matrix.
Sample collection	• *Type of sample, whether outcrop, boulders, drill core, reverse circulation drill cuttings, gravel, stream sediment or soil, and purpose (eg large diameter drilling to establish stones per unit of volume or bulk samples to establish stone size distribution).* • *Sample size, distribution and representivity.*	The purpose of the Q1-4 surface bulk sample of in-situ Q1-4 kimberlite is to determine the size and quality of the population of Fancy Orangey Yellow diamonds above a 2mm cut-off. The bulk sample was collected from three pits (B,D,E). Dimensions: Pit B: 20 m x 31 m x ca.2 m (459.10 dry tonnes) Pit D: 27 m X 18 m x ca. 2 m (856.90 dry tonnes) Pit E: 25 m x 15 m x ca. 2m (sample in process) The distribution of the 2021 sample pits can be seen in comparison to previous sampling locations on Figure 1. The size and spacing of the bulk sample is considered acceptable for the objective of the sampling program. The pit sample locations are considered representative of the A28 and A88 units of the Q1-4 kimberlite for the objective of the bulk sampling program.

Criteria	JORC Code explanation	Commentary
		The sample results for Pit E (A88 unit) are in progress and are not included in this disclosure. Pit B and Pit D represent approximately 70% of the total sample (1,799 of 2,500 megabags). These results are included in this disclosure.
Sample treatment	• *Type of facility, treatment rate, and accreditation.* • *Sample size reduction. Bottom screen size, top screen size and re-crush.* • *Processes (dense media separation, grease, X-ray, hand-sorting, etc).* • *Process efficiency, tailings auditing and granulometry.* • *Laboratory used, type of process for micro diamonds and accreditation.*	All samples were transported to the Saskatchewan Research Council (SRC) for processing, sieving and diamond colour analysis. The quality management system (QMS) for SRC Geoanalytical Laboratories adheres to the ISO 17025:2017 standard and is subject to regular assessment by the accrediting body (Standards Council of Canada). The QMS has specific procedures for document and data control. Diamond results reported in this release are based on dense media separation (DMS) processing and X-Ray Transmission (XRT) sensor-based diamond sorting work completed by Saskatchewan Research Council Diamond Services Laboratory, Saskatoon, SK (SRC) Canada, an independent diamond recovery laboratory. The sample was processed through a DMS plant configured to recover diamonds retained on a 0.85mm square mesh sieve. Kimberlite was fed directly into the DMS plant with plus 50mm oversize material first crushed to 30mm as required. All +12.5mm material was subsequently reduced through a secondary cone crushing circuit and re-introduced into the plant. Plus 0.85-12.5mm DMS concentrates were dewatered, dried, and screened into -2mm, 2-4mm, 4-8mm and +8mm fractions. Dried +2mm DMS concentrate fractions were passed through a TOMRA COM300 XRT optical sorter, configured to detect and recover diamonds greater than 2mm in size. XRT accepts (concentrates) were transported to SRC's secure sorting lab for diamond sorting, cleaning, sieving and weighing in accordance with SRC handling protocols. Audits of +2mm XRT rejects (tails), using grease table and magnetic separation techniques, were completed on selected fractions. Dried +0.85-2mm DMS concentrates have been stored for future diamond recoveries, if and as required. Microdiamonds were not the focus of this program and therefore not recovered.
Carat	• *One fifth (0.2) of a gram (often defined as a metric carat or*	One fifth (0.2) of a gram (often defined as a metric carat or MC).

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>MC).</td><td></td></tr>
<tr><td>Sample grade</td><td>• Sample grade in this section of Table 1 is used in the context of carats per units of mass, area or volume.
• The sample grade above the specified lower cut-off sieve size should be reported as carats per dry metric tonne and/or carats per 100 dry metric tonnes. For alluvial deposits, sample grades quoted in carats per square metre or carats per cubic metre are acceptable if accompanied by a volume to weight basis for calculation.
• In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive sample grade (carats per tonne).</td><td>An overall +9 DTC sample grade of 9.0 cpht (carats per hundred tonnes) from 1,316 dry tonnes.</td></tr>
<tr><td>Reporting of Exploration Results</td><td>• Complete set of sieve data using a standard progression of sieve sizes per facies. Bulk sampling results, global sample grade per facies. Spatial structure analysis and grade distribution. Stone size and number distribution. Sample head feed and tailings particle granulometry.
• Sample density determination.
• Per cent concentrate and undersize per sample.
• Sample grade with change in bottom cut-off screen size.
• Adjustments made to size distribution for sample plant performance and performance on a commercial scale.
• If appropriate or employed, geostatistical techniques applied to model stone size, distribution or frequency from size distribution of exploration diamond samples.
• The weight of diamonds may only be omitted from the report when the diamonds are considered too small to be of commercial significance. This lower cut-off size should be stated.</td><td>The aim of the program was to determine the size and quality distribution of +9 DTC Fancy Orangey Yellow diamonds. A +9 DTC sample grade of 9.0 cpht (carats per hundred tonnes) was obtained from 1,316 dry tonnes.
The kimberlite material was screened to a bottom cut-off of 2mm. All the fine material was stockpiled for use at a later point should further analysis be required.
The average DMS wet concentrate across all the sub-samples of the A28 unit was 0.21%.
A lower cut-off size of 2mm was used which is considered commercially acceptable.
<table>
<tr><th>Sample</th><th>Weight (dry tonnes)</th><th># Diamonds (+9 DTC)</th><th>Carats (+9 DTC)</th><th>Sample Grade (+9 DTC; cpht)</th></tr>
<tr><td>Pit B Weathered</td><td>219.5</td><td>46</td><td>17.91</td><td>8.2</td></tr>
<tr><td>Pit D Weathered</td><td>335.7</td><td>82</td><td>35.94</td><td>10.7</td></tr>
<tr><td>Pit D Rock</td><td>521.2</td><td>98</td><td>48.43</td><td>9.3</td></tr>
<tr><td>Pit B Rock</td><td>239.6</td><td>42</td><td>15.69</td><td>6.6</td></tr>
<tr><td>Total[3]</td><td>1,316.0</td><td>268</td><td>117.98</td><td>9.0</td></tr>
</table></td></tr>
</table>

Criteria	JORC Code explanation	Commentary
Grade estimation for reporting Mineral Resources and Ore Reserves	• *Description of the sample type and the spatial arrangement of drilling or sampling designed for grade estimation.* • *The sample crush size and its relationship to that achievable in a commercial treatment plant.* • *Total number of diamonds greater than the specified and reported lower cut-off sieve size.* • *Total weight of diamonds greater than the specified and reported lower cut-off sieve size.* • *The sample grade above the specified lower cut-off sieve size.*	No mineral resource or reserve is reported and was not the objective of the program.

Value estimation	• *Valuations should not be reported for samples of diamonds processed using total liberation method, which is commonly used for processing exploration samples.*
	• *To the extent that such information is not deemed commercially sensitive, Public Reports should include:*
	  ○ *diamonds quantities by appropriate screen size per facies or depth.*
	  ○ *details of parcel valued.*
	  ○ *number of stones, carats, lower size cut-off per facies or depth.*
	• *The average $/carat and $/tonne value at the selected bottom cut-off should be reported in US Dollars. The value per carat is of critical importance in demonstrating project value.*
	• *The basis for the price (eg dealer buying price, dealer selling price, etc).*
	• *An assessment of diamond breakage.*
		Diamond valuation work has not been completed and is therefore not reported. Every stone has been examined from the different collection streams, and there is no appreciable fresh damage or breakage observed. Whilst a formal breakage study has not been undertaken at this point, it has not been deemed necessary based off SRC's observations.

Security and integrity	• *Accredited process audit.* • *Whether samples were sealed after excavation.* • *Valuer location, escort, delivery, cleaning losses, reconciliation with recorded sample carats and number of stones.* • *Core samples washed prior to treatment for micro diamonds.*	Each megabag was doubled-bagged prior to sampling. A security seal was added to the inside megabag immediately after the sample megabag had been filled. The sample ID, sample weight (recorded by the helicopter), tracer count and security seal number was recorded for each megabag.

Criteria	JORC Code explanation	Commentary
	• *Audit samples treated at alternative facility.* • *Results of tailings checks.* • *Recovery of tracer monitors used in sampling and treatment.* • *Geophysical (logged) density and particle density.* • *Cross validation of sample weights, wet and dry, with hole volume and density, moisture factor.*	Once the samples had arrived at SRC's facilities, the samples were checked for any issues and secured in a closed-door location. During the processing of the samples, the SRC facility was under strict supervision through regular security checks, secure handling protocols and full camera monitoring. Quality assurance protocols, security and actual operating procedures for the processing, transport and recovery of diamonds conform to industry standard Chain of Custody provisions. 100% of lab density and XRT tracers inserted into the sample processing stream were recovered during processing and diamond extraction. As part of North Arrow's and Burgundy's ongoing QA/QC programs, DMS tails, sorted XRT accepts, and other materials are subject to audit. Any significant changes in recovered diamond contents will be reported when available. Microdiamonds were not processed. No audit samples were collected because of the nature of the samples. Tailings have not been checked for indicators. Geophysical densities were not determined. Cross validation of weights with pit volume and density is not considered appropriate.
Classification	• *In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive grade (carats per tonne). The elements of uncertainty in these estimates should be considered, and classification developed accordingly.*	No resource is classified in this report.