

4 July 2023

PRE-QUOTATION DISCLOSURE

Burgundy Diamond Mines (ASX:BDM) (**Company**) makes the following pre-quotations disclosures. Capitalised terms not defined have the meaning given in the Company's prospectus dated 7 June 2023 (**Prospectus**).

1 Issue of securities

The Company confirms the issue of:

- (a) 773,478,466 ordinary fully paid shares at an issue price of \$0.25 per share via a conditional fully underwritten placement (**Underwritten Placement**); and
- (b) 14,888,000 ordinary fully paid shares at an issue price of \$0.25 per share to eligible shareholders under the share purchase plan (**SPP Offer**).

2 Pro forma statement of financial position

An updated pro-forma statement of financial position based on the actual amount of funds raised under the Prospectus (~\$197.1 million before costs) is set out in Schedule 1.

3 Restricted securities

The Company confirms the following securities will be subject to voluntary escrow for the period outlined below:

Security	Number	Restriction Period
Consideration shares	129,230,769	12 months (1 July 2024)
Debt repayment shares	149,598,457	12 months (1 July 2024)

4 Capital structure

The Company's capital structure at the date of re-admission is:

Security	Number
Shares	1,416,039,887
Unquoted Options ¹	19,532,548
Convertible Notes ²	35,000,000

Notes:

1. As at 4 July 2023 these options were comprised of:

Expiry date	Exercise Price (A\$)	Number
31 July 2023	0.12	2,500,000
31 August 2023	0.12	2,500,000
30 September 2023	0.12	2,500,000
23 September 2024	0.36	10,000,000
30 August 2027	Nil	2,032,548

2. Convertible Notes which are not redeemed can be converted into Shares in the Company at a conversion price of A\$0.264 (**Conversion Price**). The face value of each Convertible Note, which is \$1.00, is divided by the Conversion Price to produce the amount of fully paid ordinary shares in the Company to be issued on conversion of the relevant Convertible Notes. As such, as at 4 July 2023, the maximum amount of shares which could be issued by the Company, if all holders of Convertible Notes elect to convert those Convertible Notes into Shares, is approximately 132,575,758 Shares.

5 Completion of agreements

The Company confirms:

- (a) satisfaction of all conditions precedent and completion of the agreement between the Company, Arctic Canadian Diamond Holding LLC and 1403432 B.C. LTD dated 13 March 2023, and as amended on 18 April 2023; and
- (b) the issue of 129,230,769 Shares (**Consideration Shares**) and 149,598,457 Shares (**Debt Repayment Shares**).

6 ASX Listing Rule 3.1

The Company confirms that it is in compliance with its continuous disclosure obligations under Listing Rule 3.1.

Schedule 1 – Unaudited pro forma statement of financial position

As at 31 December
2022

	BDM Reviewed 31-Dec-22 A\$000	Arctic Companies 31-Dec-22 A\$000	Subsequent events Unaudited 31-Dec-22 A\$000	Placement Unaudited 31-Dec-22 A\$000	Pro forma adjustments Unaudited 31-Dec-22 A\$000	Pro forma Unaudited 31-Dec-22 A\$000	Pro forma Unaudited 31-Dec-22 US\$000
Assets							
Current assets							
Cash and cash equivalents	5,557	97,760	6,678	184,201	(108,109)	186,087	126,781
Trade and other receivables	566	11,961	-	-	-	12,527	8,535
Inventories	16,653	298,337	-	-	-	314,990	214,603
Other current assets	-	7,653	-	-	-	7,653	5,214
Total current assets	22,776	415,711	6,678	184,201	(108,109)	521,257	355,132
Non current assets							
Property, plant and equipment	4,432	407,104	-	-	(31,042)	380,494	259,231
Right-of-use assets	740	37,433	-	-	-	38,173	26,007
Employee benefit plans	-	2,369	-	-	-	2,369	1,614
Other non-current assets	-	39,157	37,355	-	-	76,512	52,128
Total non current assets	5,172	486,063	37,355	-	(31,042)	497,548	338,980
Total assets	27,948	901,775	44,033	184,201	(139,151)	1,018,806	694,112
Liabilities							
Current liabilities							
Trade and other payables	1,181	66,943	-	-	-	68,124	46,413
Lease liabilities	145	-	-	-	-	145	99
Employee benefits	165	-	-	-	-	165	112
Loans and other borrowings	-	-	54,732	-	(54,732)	-	-
Consideration payable	-	21,842	-	-	22,017	43,859	29,881
Lease obligations	-	14,195	-	-	-	14,195	9,671
Reclamation provisions	-	663	-	-	-	663	452
Income taxes payable	-	27,067	-	-	-	27,067	18,441
Total current liabilities	1,491	130,710	54,732	-	(32,715)	154,218	105,069
Non current liabilities							
Loans and other borrowings	30,018	187,128	-	-	(83,876)	133,270	90,797
Lease liabilities	544	8,961	-	-	-	9,505	6,476
Provisions	95	-	-	-	-	95	65
Consideration payable	-	51,742	-	-	22,017	73,759	50,252

Employee benefit plans	-	1,171	-	-	-	1,171	798
Reclamation provisions	-	340,173	-	-	-	340,173	231,760
Deferred income tax liabilities	-	74,505	-	-	-	74,505	50,760
Total non current liabilities	30,657	663,680	-	-	(61,859)	632,478	430,907
Total liabilities	32,148	794,390	54,732	-	(94,574)	786,696	535,976
Net assets	(4,200)	107,384	(10,699)	184,201	(44,577)	232,109	158,136
Equity							
Share capital	41,121	90,590	-	184,201	(19,613)	296,299	201,869
Reserves	11,012	-	-	-	-	11,012	7,503
Retained profits/(Accumulated losses)	(56,334)	17,290	(10,698)	-	(25,460)	(75,201)	(51,235)
Non controlling interest	-	(496)	-	-	496	(0)	(0)
Total equity	(4,200)	107,384	(10,698)	184,201	(44,577)	232,110	158,137