

Quarterly Activities Report

For the period ending 31 March 2024

Highlights (All currency figures in U.S. Dollars, unless otherwise stated)

Spot rate US\$:A\$ of \$1.55

Operational Performance

- 1.36 million ore tonnes mined.
- 1.54 million waste tonnes mined with lower waste mining requirements.
- Strategic ore blend increase from the Sable open pit operation (85%).
- 1.02 million tonnes processed.
- 1.15 million carats recovered.

Sales Performance

- A significant increase of 1.32 million carats sold (up 66% from Q1 2023), proving continued demand for Canadian product.
- Revenue of US\$117 million (A\$181 million), despite **no special (high value) diamond sale scheduled for the quarter.**
- US\$94 per carat normalised.
- Debut viewing scheduled in Dubai for the second quarter, increasing reach and customer base - proving Burgundy's progress on sale enhancements.

Mine Life and Surety Extension

- Point Lake open pit production preparation continued through the construction of the waste rock storage area.
- Mine life extension work completed on Sable underground, Misery underground extension, Fox stockpile and Fox underground.
- Sable underground reverse circulation (RC) drilling program was completed; samples are being tested.
- Sable underground portal development is on track to commence in August 2024.
- Ore delineation and geotechnical drill program for Sable underground and Misery underground extension is scheduled for the second quarter.
- Sable underground prefeasibility study is ~35% complete.
- **Burgundy is on track to deliver a new mine plan by the end of the year.**
- **Agreement in principle reached with Surety holders with payments made over 4-year period.**

Corporate

- EBITDA of US\$26 million (A\$40 million), up 49% from Q1 2023.
- Cash of US\$83 million (A\$128 million).
- Diamond inventory valued US\$108 million (A\$167 million).
- Net Cash of US\$64 million (A\$99 million), including diamond inventories.



Burgundy Diamond Mines Limited (ASX: BDM) (Burgundy or the Company) is pleased to provide its quarterly activities report for the period ended 31 March 2024 (Q1 2024, March quarter).

Ekati Operational Performance

Key operating performance metrics are included in the table below.

	<i>Units</i>	Q1 2024	Q1 2023	% Variance
Waste tonnes mined	<i>Mwmt</i>	1.54	4.20	(63%)
Ore tonnes mined	<i>Mwmt</i>	1.36	1.05	30%
Tonnes processed	<i>Mdmt</i>	1.02	0.96	6%
Carats recovered	<i>Mcts</i>	1.15	1.18	(3%)
Carats sold	<i>Mcts</i>	1.32	0.80	65%
Diamond inventories	<i>Mcts</i>	1.14	1.36	(16%)
Carats recovered per tonne processed	<i>C/t</i>	1.12	1.23	(9%)

Ekati has two active operations that contributed to the results in the March quarter. An open pit operation at Sable and an underground operation at Misery, with approximately 85% of the total ore processed generated from Sable during the period. Waste tonnes mined in the March quarter were lower than the prior corresponding period in 2023, due to the lower waste strip requirement in Sable open pit.

Tonnes processed in the March quarter were 6% higher than the prior corresponding period in 2023. Carats recovered of 1.2 million carats for the March quarter were down 3% compared to the prior corresponding period in 2023, because of a higher blend of lower grade Sable ore.



Figure 1 - Sable open pit mining (left) and Sable underground RC drilling program (right).

Sales Performance

During the March quarter, 1,323,140 carats were sold for total proceeds of US\$117 million, with an average selling price of US\$89 per carat. These results compare to Q1 2023, where 798,199 carats were sold for total proceeds of US\$69 million, with an average selling price of US\$86 per carat. Low value carats sold in 2023 were paid during the March quarter, which reduced the average selling price from US\$94 per carat in the March quarter, to US\$89 per carat.



Despite broad softening in the polished diamond market, Ekati product has continued to generate strong buyer interest and high sell-through rates. The quality of the Ekati product and Canadian provenance remain highly valued in the market, supporting the Company’s sales events in line with its vertically integrated business model, which is focused on capturing margins across the full diamond value chain.

The increased focus on provenance and traceability is highlighted by the ongoing efforts of the G7 sanctions to restrict the flow of Russian diamonds, which should further restrict the supply of natural diamonds to the market, ultimately leading to increased prices.

In the March quarter, the Company concluded three auction sale events, one more than usual for this period with ~US\$14 million in sales proceeds related to the March sale that will not be recognised until the second quarter. The remaining rough diamond inventory consists of product that is not yet ready for sale, but continues to progress through the normal production process managed by the Company. A high value fancy viewing event in Dubai is scheduled for the second quarter with a subsequent sale auction in Antwerp.

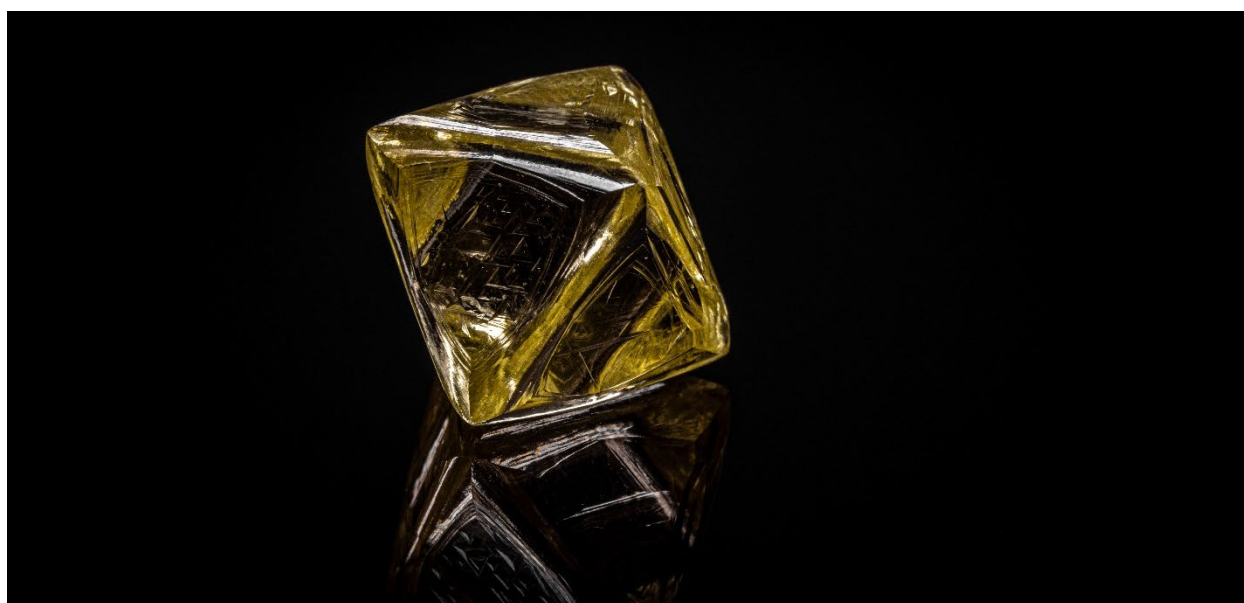


Figure 2 – 23.15 carat intense fancy yellow stone (Z1) recovered from the Ekati diamond mine during the March quarter. The stone will feature at Burgundy’s debut viewing event in Dubai during the second quarter .

Corporate

Corporate and financial summary 31st March 2024

	Units	As at 31 March 2024 ²	As at 31 December 2023 ³
Cash	US\$M	82.5	94.4
Diamond inventories	US\$M	107.8	109.1
	Mcarats	1.1	1.3
Bank loans and Borrowings	US\$M	73.8	73.8
Convertible Notes	US\$M	21.8	22.3
Earn-out promissory notes	US\$M	7.2	7.1
Capital leases	US\$M	23.4	26.1
Consolidated Net Cash ¹	US\$M	(43.7)	(34.9)



Consolidated Net Cash including diamond inventories	US\$M	64.1	74.2
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Notes:

1. Consolidated Net Cash comprises of cash less debt. Debt is defined as bank loans and borrowings, convertible notes, earn-out promissory notes and capital leases.
2. March closing balances are unaudited
3. December closing balances are audited

Burgundy Diamond Mines Chief Executive Officer & Managing Director, Kim Truter said:

“The opening quarter of 2024 represents our third period in charge after our Arctic Canadian Diamond Company acquisition in June last year, and we are pleased with the number of improvements made in less than eleven months of ownership. We remain focused on three key points, including meeting our mining targets, operational optimisation, and mine life extension; and I believe we have delivered on this already. As the diamond market strengthens, we are enviably positioned to benefit – this will mark an exciting time to be a Burgundy shareholder.

During the March quarter, we strategically increased our mine blend with Sable ore and lowered our mining output from Misery, as extremely cold operating conditions over a couple of weeks in the winter can be challenging. We know we are sitting on a rich, and highly sought after diamond inventory, so by selling more of our market ready product this quarter, whilst simultaneously decreasing our underground output, we were able to record revenue of US\$117 million and maintain a robust EBITDA of US\$26 million (up 49% from Ekati’s Q1 2023 under different ownership). This is the type of strategic work that has been developed through a new 24-month rolling forecast, where we are able to pull certain levers ahead of time to optimise our operational and financial performance.

Last quarter we mentioned enhancing our sales process. That is exactly what we did by adding an extra sale, and launching our debut viewing event in Dubai. The more access we have to the global market, the more bids we receive from clients looking for a reliable, long-term, high-quality product from an unwavering ethical standard – it’s that simple, and in five years’ time, we will potentially be the only producer in the largest diamond-consuming continent, North America.

From a projects and development perspective, work continued to prepare Ekati’s next mining deposit, Point Lake, scheduled for commercial production in early 2025. Over the years our Ekati team has successfully transitioned to several new ore sources, so we have full confidence in our team doing it again at Point Lake. During the quarter we completed a ~1,000 m Sable underground RC drilling program. The samples are being processed as we speak, and the results will be integrated into our Sable underground prefeasibility study and Ekati’s updated Ore Reserve and Mineral Resource. We are pleased to announce that our Sable underground application was submitted two weeks ago, and we remain on schedule to start the portal development in August this year – indicating our commitment to extending our mine life. Other exciting news includes favourable pre-screening results for our Fox unprocessed stockpile (almost seven million tonnes), showing carat upgrade potential by simply removing the fine material before it enters our main production plan. The economics of this ore source should not be underestimated given its strong margin potential.

We look forward to a busy second quarter, in particular our Misery underground extension drilling which we expect to yield positive results. This would add substantial tonnage to the life of a highly cash flow generative asset. We will be releasing more information on this to the market shortly, including a plan to evaluate the



Misery Southwest (lateral) extension, in addition to the vertical extension test work on the main pipe previously announced.”

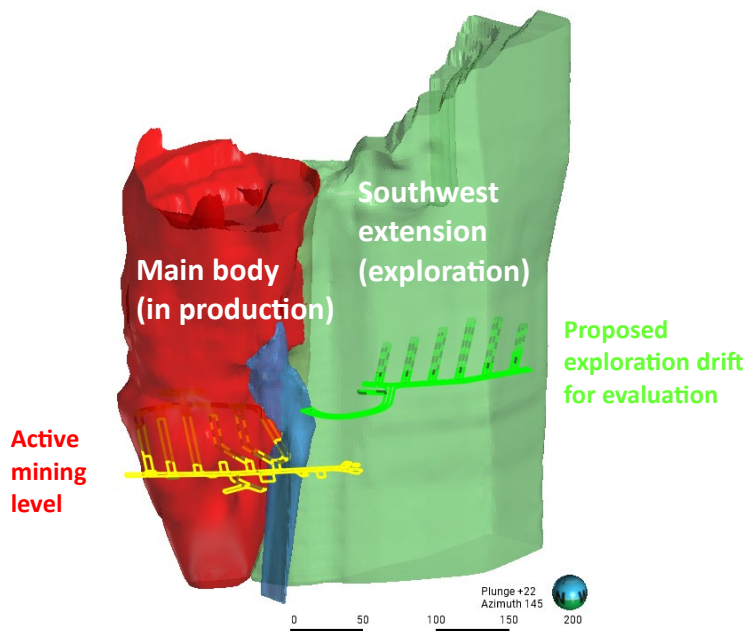


Figure 3 - Misery Southwest extension modelled body (green) relative to the Main Misery body (primary production target – red). Burgundy is planning to evaluate the economic potential of the Southwest extension body. Please note, depletion through underground mining activities has not been shown in this diagram. The purpose of the diagram is to demonstrate scale only, and there is insufficient data to support the Southwest extension as a viable mining target.

Other Projects

Naujaat Project

No substantive activities occurred during the March quarter.

Ellendale

Reclamation of the Ellendale project was completed in August 2023. The Company continues to monitor and report on the project as required by Federal and State Government agencies and other stakeholders in Australia.

Investor Webinar

A webinar presentation for institutional investors and analysts will be held on **Sunday, April 28 at 9:00pm PST (Canada/US) / Monday, April 29 at 2:00 p.m. AEDT (Australia).**

Please register for the conference call via the link provided:

<https://us06web.zoom.us/j/86909837007?pwd=AYJ9qKbj1NXJ6qXwySueMxeL7E72EP.1>

Passcode: 745436



-ENDS-

This announcement was authorised for release by the Board of Burgundy Diamond Mines Limited.

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About Burgundy Diamond Mines Limited

Burgundy Diamond Mines is a premier independent global scale diamond company focused on capturing the end-to-end value of its unique vertically integrated business model.

Burgundy's innovative strategy is focused on capturing margins along the full value chain of the diamond market, inclusive of mining, production, cutting and polishing, and sale of diamonds. By building a balanced portfolio of the world's best diamond projects in favourable jurisdictions, including the globally ranked Canadian mining asset Ekati, a world class diamond cutting and polishing facility in Perth, and a high value diamond brand (Canadamark™), Burgundy has unlocked access to the full diamond value chain.

This end-to-end business model with total chain of custody provides traceability along every step of the process, with Burgundy able to safeguard the ethical production of the diamonds from mining to marketing and discovery to design.

Burgundy is founded in Perth, Western Australia and is led by a world-class management team and Board.

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.