



28 January 2025  
ASX Announcement

## Q4-2024 Results Investor Presentation

Calgary, Alberta – Burgundy Diamond Mines Limited (ASX:BDM) (Burgundy or the Company) has released an updated investor presentation for its fourth-quarter results conference call scheduled for the 29<sup>th</sup> January 2025.

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

-ENDS-

### Investor enquiries

[investor@burgundydiamonds.com](mailto:investor@burgundydiamonds.com)

### Media enquiries

[communications@burgundydiamonds.com](mailto:communications@burgundydiamonds.com)

### 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 industry, including mining, production, cutting and polishing, and the sale of diamonds. By building a balanced portfolio of diamond projects in favourable jurisdictions, including the globally ranked Canadian mining asset, Ekati, and a diamond cutting and polishing facility in Perth, 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 was founded in Perth, Western Australia. The company is led by a world-class management team and Board.

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**BURGUNDY**  
DIAMOND MINES

# Q4-2024 RESULTS

28<sup>th</sup> January 2025

Burgundy Diamond Mines Limited

ASX: BDM

[BURGUNDYDIAMONDS.COM](http://BURGUNDYDIAMONDS.COM)

A reliable producer of premium diamonds to the global luxury market



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## **Ore Reserves and Mineral Resources Reporting**

The information in this announcement with respect to Ore Reserves and Mineral Resources for the Ekati Diamond Mine were released by the Company on 2nd May 2024 ("Amended Annual Mineral Resources and Ore Reserves"). The Company confirms it is not aware of any new information or data that materially affects the information included in this ASX release and, in the case of estimates of Ore Reserves and Mineral Resources, that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

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# PRESENTERS

Q4-2024 results



**Kim Truter**  
Chief Executive Officer & Managing Director



**Brad Baylis**  
Chief Financial Officer



**Michael O'Keeffe**  
Chairman



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DIAMOND MINES



Ekati wildlife

# OVERVIEW



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**Chairman opening**

# CHAIRMAN'S MESSAGE

Belief in the diamonds sector remains bullish

## Countercyclical strategy:

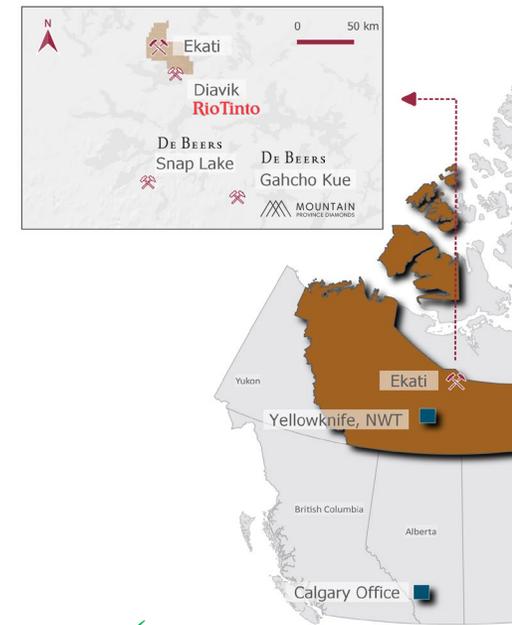
- Diamond mining “disinterest” has created a countercyclical investment environment that has worked for other commodities (iron ore, coal, uranium etc.)
- Provides an opportunity to pick-up cheap, “unloved” assets with limited competition (unlike gold, copper etc.)
- Chairman, Michael O’Keeffe, has executed on this strategy several times, most recently, Champion Iron (ASX:CIA) - now a ~A\$3-billion-dollar company acquired at the bottom of the iron ore market for ~A\$12 million

## The right asset in the diamond industry:

- 1 Tier-1 location ✓
- 2 Producing operation with impressive infrastructure ✓
- 3 Top 10 production capability based on output (carats) ✓
- 4 Long mine life extension potential ✓

## Key messages:

- **Belief in the asset and team is strong**
- **The market will turn**
- **Patience required**





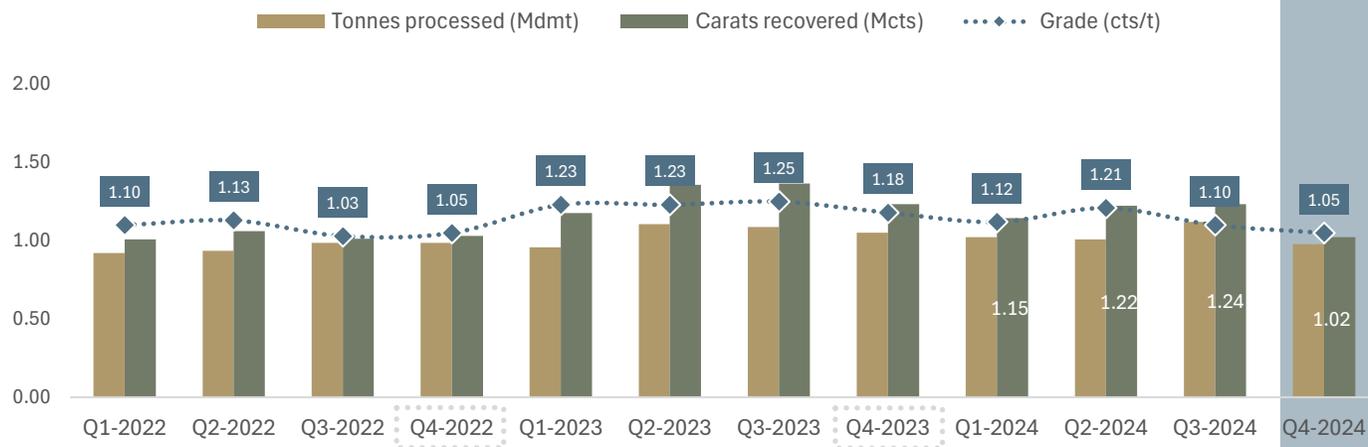
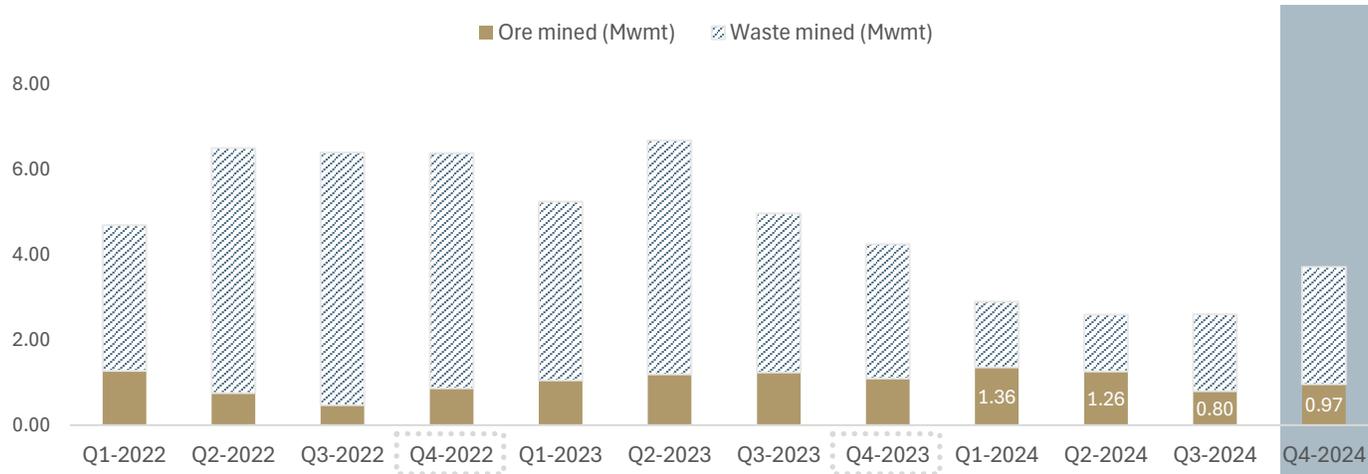
02

**Q4-2024**

**Operational and  
financial performance**

# OPERATIONAL HIGHLIGHTS

## Q4-2024



- Lower ore mined during the quarter, due to mining operations transitioning from Sable to Point Lake open pit
- Carats recovered lower than the prior corresponding period due to lower grade ore blend (plant feed supplemented with lower quality ore)

### Waste mined

(Q4-2024 vs Q4-2023)



### Ore mined

(Q4-2024 vs Q4-2023)



### Tonnes processed

(Q4-2024 vs Q4-2023)



### Carats recovered

(Q4-2024 vs Q4-2023)



### Grade recovered

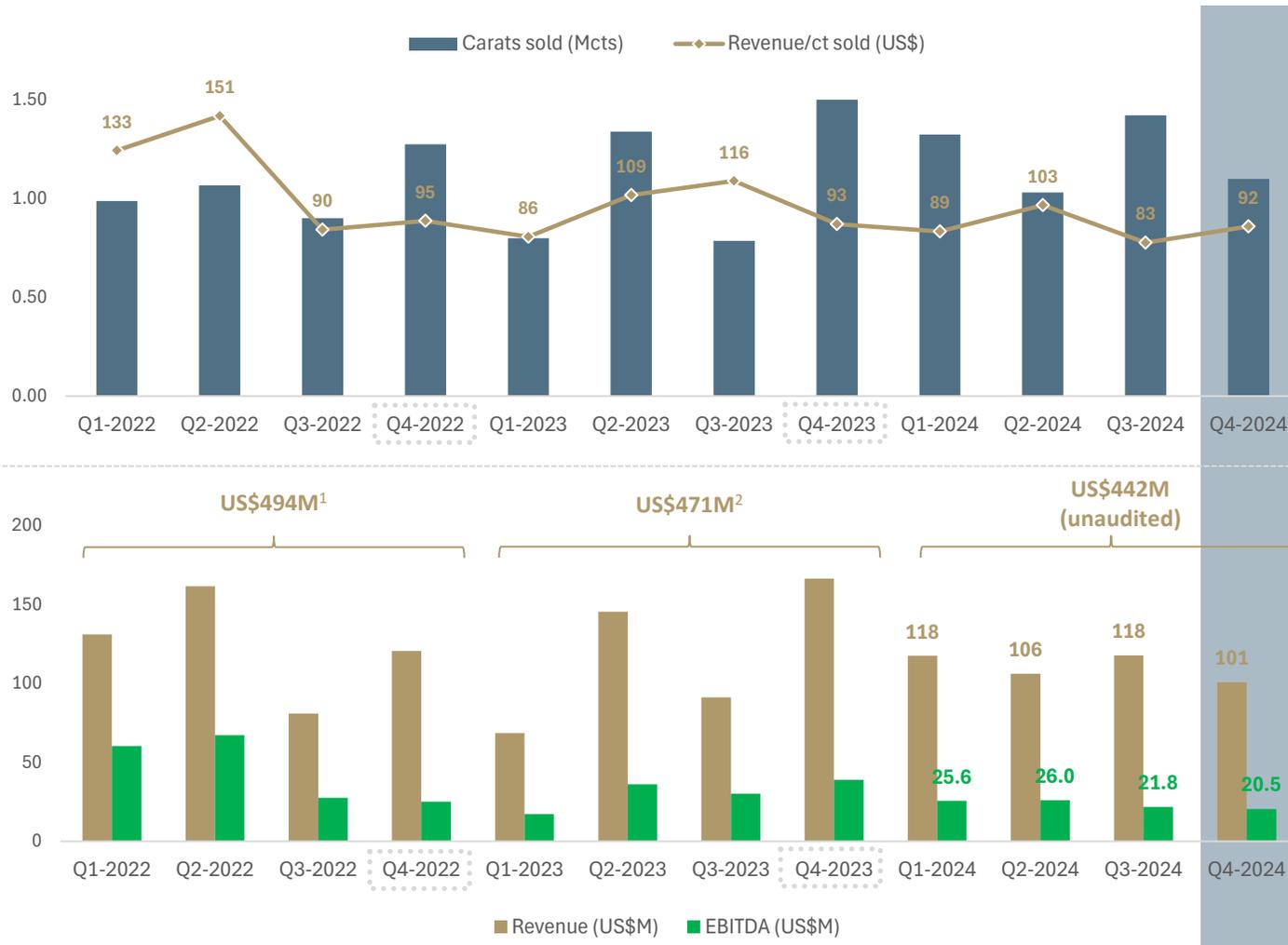
(Q4-2024 vs Q4-2023)



**Notes:** All currency values reflect US dollars unless stated otherwise. Percentage variances for the operational metrics between Q4-2024 and Q4-2023 have been calculated on a thousand (K) per unit scale. Mwmt = Million Wet Metric Tonnes; Mdmmt = Million Dry Metric Tonnes; Mcts = Million Carats; cts/t – carats per ton.

# SALES AND FINANCIAL HIGHLIGHTS

## Q4-2024



- Carats sold for the quarter was slightly below the average run rate (lower quality goods carried over to Q1-2025)
- Like for like pricing in Dec 2024 sale saw increases in the mid to larger sized categories

**Carats sold**  
(Q4-2024 vs Q4-2023)



**Revenue/ct sold**  
(Q4-2024 vs Q4-2023)



- Unaudited revenue for the year only down 6% vs 2023 despite adverse market conditions
- Revenue for the quarter lower due to fewer carats sold
- Earnings impacted by lower revenue

**Revenue**  
(Q4-2024 vs Q4-2023)



**EBITDA**  
(Q4-2024 vs Q4-2023)



**Notes:** All currency values reflect US dollars unless stated otherwise. Annual 2024 metrics are unaudited. Percentage variances for the sales metrics between Q4-2024 and Q4-2023 have been calculated on a thousand (K) per unit scale. Mcts = Million Carats. EBITDA is a non-IFRS metric and is calculated as Net income (Loss) plus Current Tax Expense (Recovery) plus Deferred Tax Expense (Recovery) plus Finance Expenses plus Depreciation and Amortisation. (1) 100% ACDM's revenue. (2) Pro-rata to include ACDM's consolidated H1-2023 financials.

# BALANCE SHEET POSITION

## Disciplined cash management

### Priorities:

- 1 Funding cash-accretive mine life optimisation and extension projects
- 2 Meeting and reducing our debt obligations
- 3 Ensuring sufficient cash reserves to fund working capital obligations relating to our operating environment
- 4 Returning surplus cash to shareholders as dividends

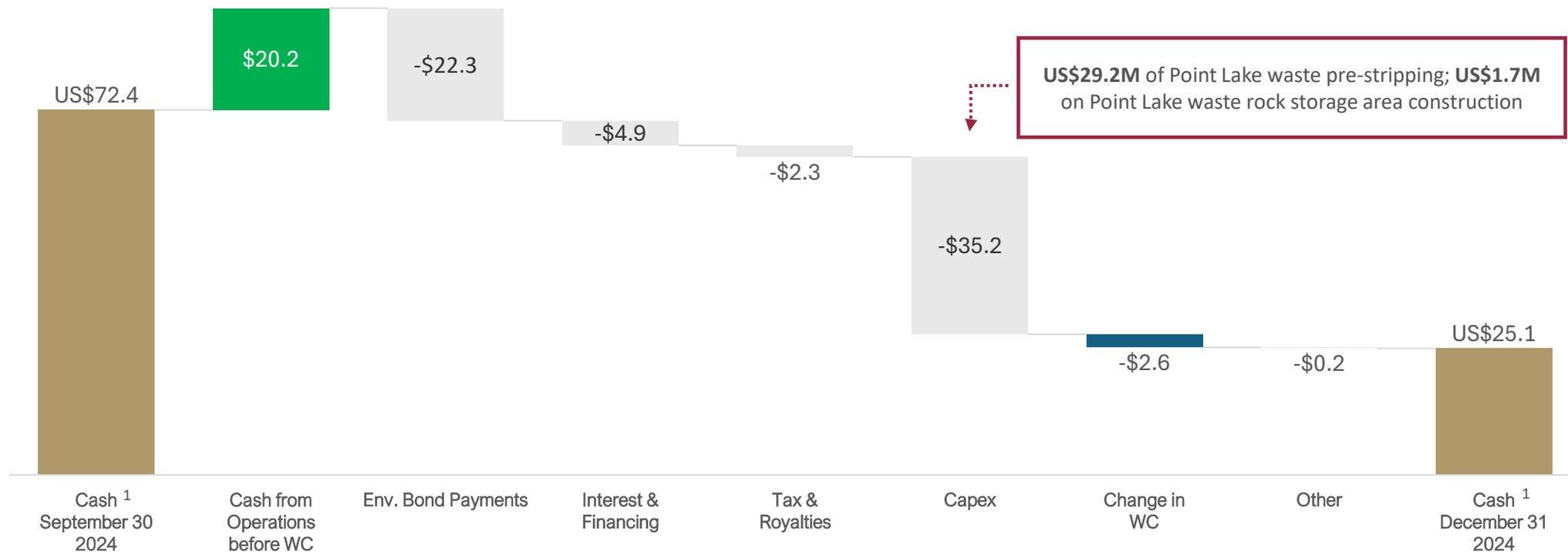
	Time →	30-Jun-23	30-Sep-23	31-Dec-23	31-Mar-24	30-Jun-24	30-Sep-24	31-Dec-24
Property, plant, equipment (US\$M)		277	205	239	224	232	264	287
Other non-current assets <sup>1</sup> (US\$M)		49	70	75	76	74	75	93
Cash and cash equivalents (US\$M)		67	46	94	83	57	72	25
Diamond inventories <sup>2</sup> (US\$M)		124	157	109	108	100	73	63
Net cash / (debt) <sup>3</sup> (US\$M)		(181)	(82)	(35)	(44)	(63)	(23)	(66)
Net cash, including diamond inventories/ (debt) <sup>4</sup> (US\$M)		(57)	75	74	64	37	51	(3)

Notes: (1) Other non-current assets includes sample diamond, restricted cash associated with letter of credit and reclamation deposits. (2) Diamond inventories are shown at the lower of cost and net realisable value and also include samples diamonds. (3) Net cash is a non-IFRS metric and is calculated as cash less debt, debt is defined as Terms Loans plus Convertible Debt plus Promissory (Earn out) Notes plus Capital Leases. (4) Net Cash (including diamond inventories) is a non-IFRS metric and is calculated as Net Cash less Diamond Inventories at the lower of cost and net realisable value.

# CASH CHANGE DETAILS

September 30, 2024 to December 31, 2024 (US\$M)

- Cash and cash equivalent balance of US\$25.1M
- The major cash movements included:
  - Two environmental bond payments totalling US\$22.3M
  - US\$35.2M capital expenditures, including ~US\$31M for Point Lake mining preparation



Notes: Please refer to Q4-2024 quarterly activities report. (1) Cash and cash equivalents.



**Growth**

# MISERY UNDERGROUND MINE

Active drilling targeting significant mine life extension

## Update on activities:

- Misery deep drilling 100% complete
- Misery deep drilling results being analysed for Mineral Resource and Ore Reserve reporting
- Misery Southwest extension drilling is 40% complete;
- Misery Southwest extension bulk sample completed (results pending). A second bulk sample will be taken in Q2-2025

## Reminder:

- Negligible capital spend for additional ore at Misery due to existing infrastructure
- Highly profitable operation (approximately US\$235M annual production value)<sup>1</sup>
- Targeting operational efficiencies to increase output in 2025

Notes: Misery “Deep” refers to Misery Main ore body. (1) Refer to ASX announcement dated 10<sup>th</sup> July 2024.



2024 Misery underground drilling programme

# POINT LAKE OPEN PIT MINE

Ekati's next mine in Q1-2025

## Update on activities:

- Open pit benches established
- Point Lake ore exposed (as of 31<sup>st</sup> December)
- Bulk sample from the main Point Lake kimberlite to be recovered in Q1-2025
- First ore production on track for Q1-2025 using a modified pit design focused on the main Point Lake kimberlite, significantly reducing strip ratio

## Reminder:

- 10th mining operation to enter ore production at Ekati
- 24 million carats in Indicated Resources, containing yellow diamond population<sup>1</sup>
- Operation will make use of nearby Misery camp infrastructure (~2 km away)
- Significant hauling efficiencies given proximity to Misery (Sable was in opposite direction)

Notes: (1) Including Probable Ore Reserves (see appendix), as of 31<sup>st</sup> December 2023.



Point Lake open pit mine preparation for Q1-2025 ore production start date  
Early January 2025

04

2024 achievements

# CY-2024 GUIDANCE RESULTS

Majority of targets achieved in difficult market conditions & transition to Point Lake

- CY-2024 carats recovered target was narrowly missed by 2%
- CY-2024 EBITDA missed by 6% due to lower revenue in Q3-2024/Q4-2024
- Remaining targets were achieved

		Operational guidance			
	Units	CY-2024 low	CY-2024 high	2024 (actual)	Status
Waste tonnes mined	Mwmt	10.5	11.0	7.4	Exceeded
Ore tonnes mined	Mwmt	4.2	4.7	4.4	Achieved
Tonnes processed	Mdmt	4.0	4.4	4.1	Achieved
Carats sold	Mcts	4.9	5.3	4.9	Achieved
Carats recovered	Mcts	4.7	5.0	4.6	Missed

		Financial guidance			
		CY-2024 low	CY-2024 high	2024 (actual)	Status
Revenue		US\$430M	US\$460M	US\$442M	Achieved
EBITDA		US\$100M	US\$120M	US\$94M	Missed

Notes: Annual metrics are unaudited and therefore subject to change.



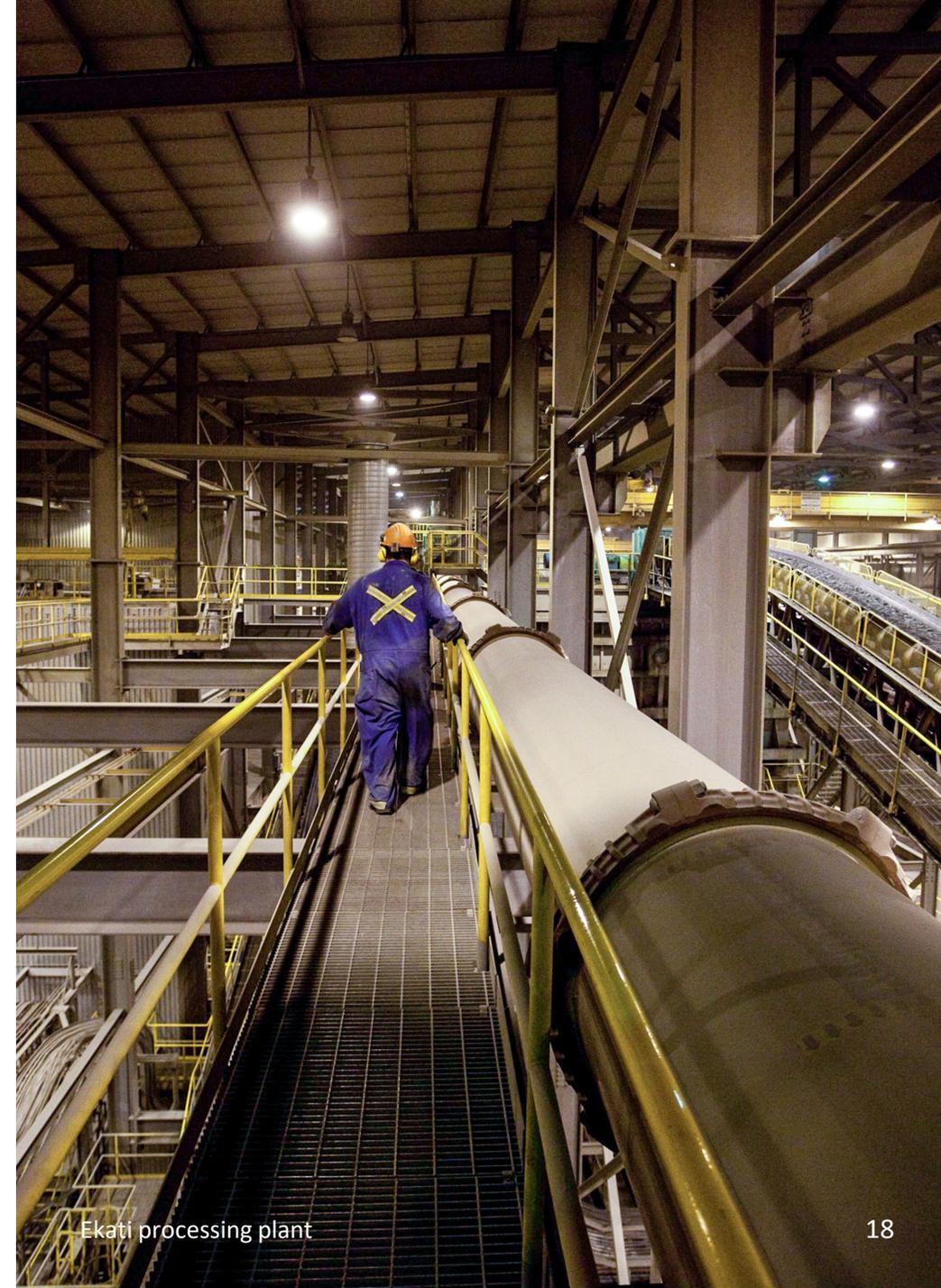
Ekati light vehicle

# 2024 REVIEW

## Strides towards executing Company strategy

- Successful transition from Sable to Point Lake open pit
- Convertible Notes of US\$23M repaid
- Renegotiated environmental bond payment schedule enabling the Company to amortise its payments over the Ekati life of mine (current and/or updated), and a minimum cash protection of US\$30M<sup>1</sup>
- Qualifying environmental trust established, with a total cash contribution of US\$58M made in 2024 with refundable tax credit
  - The qualifying environmental trust tax credits can be applied to 2024 taxable income, carry back to tax period ended December 2023 or carry forward to future years
- Strong progress made on mine life extension opportunities
- Multiple innovative sales channels implemented outside of the traditional auction process; double the number of government royalty valuations for 2025 - increased from 10 to 20, improving cash flow
- Weathered a very difficult diamond market with prices well below normal

Notes: See ASX announcement dated 14<sup>th</sup> August 2024 and 17<sup>th</sup> December 2024.



Ekati processing plant



2025 outlook

# 2025 HIGHLIGHTS

## Positive year ahead

### Market:

- Global rough diamond supply dipped below 105 Mcts in 2024 for first time since 1995<sup>1</sup>. Medium to long term thesis for strong diamond prices is maintained
- Indications are that the industry has hit pricing bottom

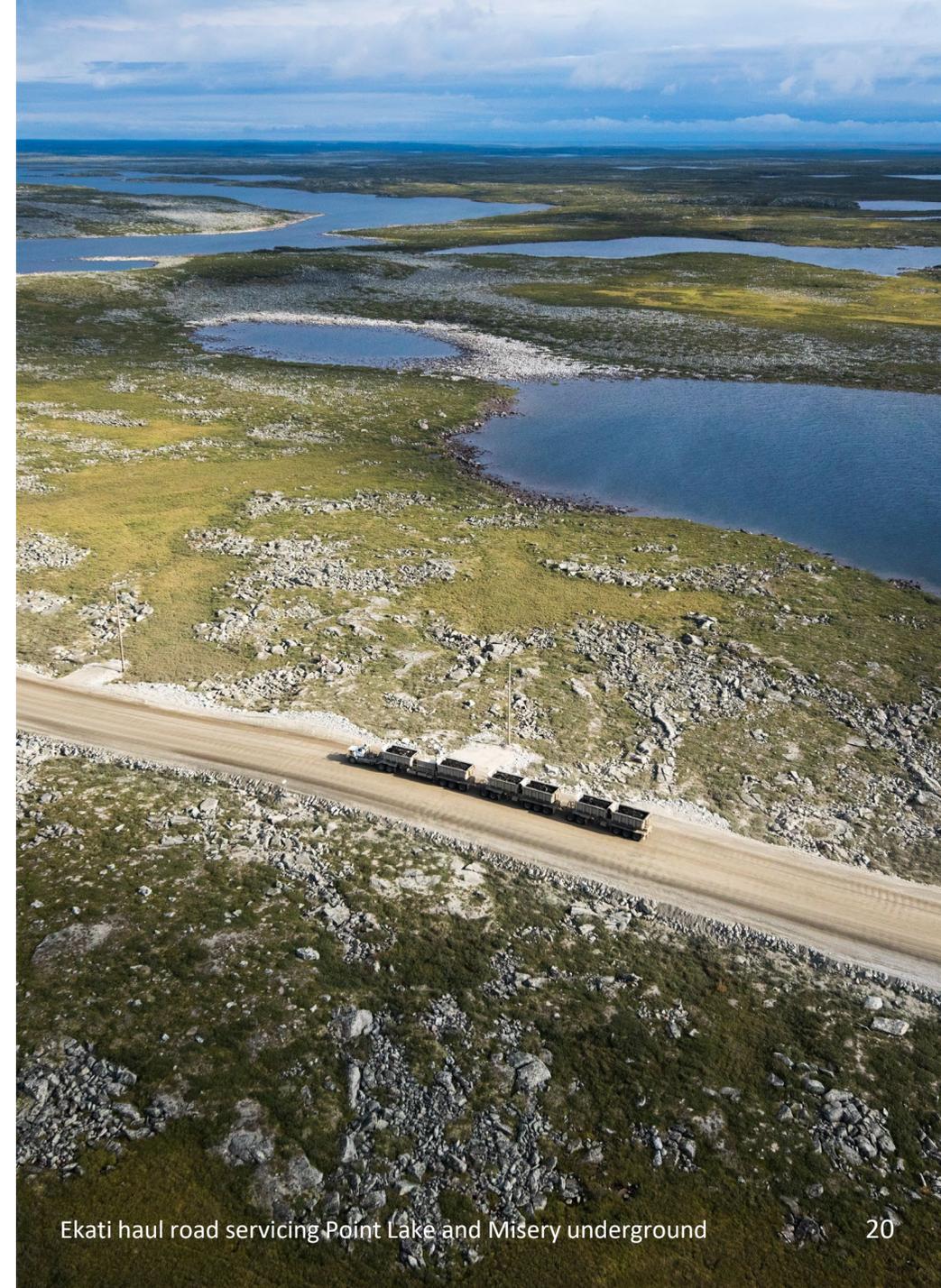
### Operations:

- Major production, hauling and cost efficiencies projected due to co-location of Misery Underground and Point Lake open pit (~2 km from one another)
- Mining production workforce all located in Misery accommodation – less travel time
- All ore long haul now in one direction
- This will “simplify” Ekati’s operation, significantly reducing costs
- On track to release first mine plan by the end of Q1-2025, followed by longer-term mine plan in the second half of the year

### Financial:

- Robust business plan in place for 2025
- Significant focus on strengthening our balance sheet, including advancing non-dilutive working capital opportunities

Notes: (1) Paul Zimnisky Analytics (estimate).



Ekati haul road servicing Point Lake and Misery underground

# ENSURING LIQUIDITY STAYS ROBUST

## Improving Burgundy's cash position

- Several initiatives focussed on cash management and working capital management
- Double the royalty valuations (from 10-20) to smooth revenue from increased number of sales and to further shorten the diamond inventory pipeline
- Several credible innovative diamond purchase options available
- Work underway on fuel consignment opportunity to reduce one off cash outflows and improve working capital management
- Progress on non-dilutive working capital facility through existing and new providers



Ekati main camp adjacent to historic open pit

**ASX: BDM**

ABN: 33 160 017 390

[www.burgundydiamonds.com](http://www.burgundydiamonds.com)

**Investor enquiries**

[investor@burgundydiamonds.com](mailto:investor@burgundydiamonds.com)

**Media enquiries**

[communications@burgundydiamonds.com](mailto:communications@burgundydiamonds.com)

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# MINERAL RESOURCE AND ORE RESERVE – BURGUNDY DIAMOND MINES

As of 31st December 2023

Kimberlite pipes		Measured Resources			Indicated Resources			Inferred Resources		
Pipe Name	Type	Mt	Ct/t	Mcts	Mt	Ct/t	Mcts	Mt	Ct/t	Mcts
Sable	OP	-	-	-	7.1	0.9	6.8	0.3	1.0	0.3
Point Lake	OP	-	-	-	31.7	0.8	24.0	9.6	0.8	7.3
Phoenix	OP	-	-	-	0.0	0.0	0.0	1.8	1.4	2.5
Challenge	OP	-	-	-	0.0	0.0	0.0	2.6	1.3	3.4
Leslie	OP	-	-	-	0.0	0.0	0.0	50.8	0.3	16.3
Misery Main	UG	-	-	-	0.5	5.1	2.7	1.2	5.6	6.9
Fox	UG	-	-	-	45.6	0.4	16.5	5.1	0.4	2.2
Stockpile	OP	-	-	-	0.1	1.7	0.1	6.7	0.2	1.0
Jay	OP	-	-	-	48.1	1.9	89.8	4.2	2.1	8.7
Lynx	OP	-	-	-	0.5	0.8	0.4	0.2	0.8	0.2
<b>Total Mineral Resources</b>					<b>133.7</b>	<b>1.0</b>	<b>140.3</b>	<b>82.6</b>	<b>0.6</b>	<b>48.7</b>

Project/Operation	Proven Ore Reserves			Probable Ore Reserves		
	Mt	Ct/t	Mcts	Mt	Ct/t	Mcts
Sable Open Pit	-	-	-	3.0	0.7	2.2
Point Lake Open Pit	-	-	-	9.1	0.6	5.3
Misery Underground	-	-	-	0.7	3.3	2.3
Fox Underground	-	-	-	31.0	0.3	10.3
Run of Mine Stockpiles	-	-	-	0.1	0.8	0.1
<b>Total Ore Reserves</b>	-	-	-	<b>43.9</b>	<b>0.5</b>	<b>20.3</b>

Notes: As at 31 December 2023. Excludes depletion from mining activities undertaken in 2024. Rounding may affect the stated value. Mineral Resources (Measured and Indicated) are inclusive of Ore Reserves. Mineral resources are stated at a 0.5 mm bottom cut-off, whereas Ore Reserves are stated at a 1.0 mm bottom cut-off. More information on Burgundy's Ore Reserve and Mineral Resource estimate can be found in the ASX announcement dated 2<sup>nd</sup> May 2024 "Amended Annual Mineral Resources and Ore Reserves".