

Burgundy Diamond Mines announces an innovative diesel fuel offtake agreement with a subsidiary of Macquarie Bank Ltd

Calgary, Alberta – Burgundy Diamond Mines Limited (ASX:BDM) (Burgundy or the Company) is pleased to announce the successful completion of a fuel offtake agreement for 2025 between its subsidiary and a subsidiary of Macquarie Bank Ltd (“Macquarie”) with a replicable structure that has the potential to be a multi-year arrangement.

Due to the remote Arctic location of Burgundy’s cornerstone Ekati mine, an inventory resupply campaign is conducted annually via the *Tibbitt to Contwoyto Winter Road*, typically over an eight-week period. As a result, the majority of Ekati’s annual procurement cash outflows occur over several short months resulting in working capital challenges each year.

Through this new agreement, Macquarie owns the diesel in the Ekati fuel tanks and supplies diesel to Ekati as it is required. This agreement provides a mechanism that enables Burgundy to better manage the levels of working capital and reduce seasonal volatility of its operating cash outflows. For 2025, this will provide a working capital (cash inflow) benefit of approximately US\$45M¹ which will be realised during this first quarter.

Burgundy Diamond Mines Ltd CEO, Kim Truter said: “We are very pleased to confirm this innovative approach which spreads our fuel resupply expenditures over the full year versus one quarter. This promising strategy offers potential to become an annual process for Burgundy and is structured with potential for it to be a multi-year agreement.”



Figure 1: Trucks carrying supplies on the Tibbitt to Contwoyto Winter Road.

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

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1. Based on a fuel spot price as of 14 February 2025.

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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 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.

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.

