

Quarterly Activities Report

For the period ending 31 March 2025

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

US\$:A\$ FX rate of 1.59

Q1-2025 Ekati operational performance

- 0.6 million ore tonnes mined.
- 2.8 million waste tonnes mined.
- 0.6 million tonnes processed.
- 0.8 million carats recovered.
- Operational transition from Sable to Point Lake completed by the end of March.

Q1-2025 Sales performance

- 1.2 million carats sold over three auction events and other sales channels.
- US\$62/ct achieved for total proceeds of US\$73 million (A\$116 million).
- Like for like sales in February & March saw improvement of 8% to 10% over December & January sales

Q1-2025 Corporate

- Diesel fuel offtake agreement reached with subsidiary of Macquarie Bank Ltd.
- During the quarter the Misery mine surpassed 10 million carats recovered.
- Adjusted EBITDA of US\$6.5 million (A\$10.3 million).
- Cash of US\$38.8 million (A\$61.7 million).
- Diamond inventory valued US\$48.4 million (A\$77.0 million).
- Net Debt of US\$1.0 million (A\$1.6 million), including diamond inventories.
- Progressed non-dilutive working capital opportunities.
- Continued to progress cost reduction activities (including reducing headcount).
- The capital expenditure program for 2025 optimised.

Q1-2025 Mine life extension work

- On track to release the first Burgundy developed mine plan by the end of Q2-2025 that will solidify mine life to 2030 (underpinned by upgraded reserves).
- Burgundy will subsequently release a longer-term mine plan in the second half of the year which is expected to extend mine life to mid-2030 and beyond.



Burgundy Diamond Mines Limited (ASX: BDM) (Burgundy or the Company) is pleased to provide its quarterly activities report for the period ended 31 March 2025 (Q1-2025, March quarter).

Chief Executive Officer and Managing Director Commentary

“ During the quarter, Ekati’s operational team fully relocated surface mining equipment to Point Lake and production personnel across to the Misery camp. This co-location of Pt Lake and Misery unlocks improved operational efficiencies, increases effective shift time and enables a downward step change in mining costs. The transition to Point Lake has not proceeded without disruption to ore supply due to wet and muddy mining conditions hampering ore and waste removal. By the end of the quarter this has been dealt with setting up Q2 for much improved performance.

Misery production was also lower than planned due to cold winter conditions freezing the ore blanket and inhibiting free ore flow through the underground draw points. A campaign to increase production ring drilling, blast the frozen ore and increase underground haul capacity ensured Misery production was back on track by the end of the quarter.

We were pleased to announce that agreement had been reached with Macquarie Bank for an innovative fuel offtake contract that improves working capital and has potential for a multi-year agreement.”

Ekati Operational Performance

Table 1.1: Key quarterly operating performance metrics.

	Units	Q1 2025	Q1 2024	% Variance
Waste tonnes mined	Mwmt	2.8	1.5	81%
Ore tonnes mined	Mwmt	0.6	1.4	-57%
Tonnes processed	Mdmt	0.6	1.0	-46%
Carats recovered	Mcts	0.8	1.2	-33%
Carats sold	Mcts	1.2	1.3	-11%
Diamond inventories	Mcts	0.6	1.1	-44%
Carats recovered per tonne processed	C/t	1.4	1.1	25%

Ekati has two active mines that contributed to the results in the March quarter. An open pit operation at Sable and an underground operation at Misery, with approximately 48% of the total ore processed generated from Sable during the period and 29% generated from Misery and 18% generated from the Fox stockpile; the balance of the processed ore was from Point Lake. During the March quarter the transition from Sable to the Point Lake open pit was largely completed.

Ore mined during the March quarter was 57% lower than the prior corresponding period, due to the transition from the Sable mine to the Point Lake open pit. Waste tonnes mined in the March quarter were 81% higher than the prior corresponding period, due to the waste stripping at Point Lake as operations prepare for commercial production.



Ore tonnes processed in the March quarter were 46% lower than the prior corresponding period due to limited ore availability due to the transition from Sable to Point Lake. 0.77 million carats were recovered at a grade of 1.40 carats per tonne for the March quarter. Carats recovered were down 33% but carats recovered per tonne processed were up 25% respectively compared to the prior corresponding period due to a higher percentage of Misery ore processed.

Sales Performance

During the March quarter, 1.2 million carats were sold for total proceeds of US\$73 million with an average selling price of US\$62 per carat from three auctions and other sales events. This quarter's lower average dollar/carat and lower revenue were largely a result of selling lower quality goods that were carried over from 2024. These results compare to Q1-2024, where 1.3 million carats were sold for total proceeds of US\$118 million, with an average selling price of US\$89 per carat.

The Company's remaining diamond inventory¹ valued at US\$48.4 million is abnormal due to the transition from Sable to Point Lake (normal inventory range US\$70M to US\$90M).

Notes: (1) Diamond inventory is valued at lower of cost or net realisable value, which is not necessarily indicative of its market value.

Corporate

Table 1.2: Corporate and financial summary for the March quarter.

	<i>Units</i>	As at 31 March 2025³	As at 31 Dec 2024⁴
Cash	<i>US\$M</i>	38.8	25.1
Diamond inventories ¹	<i>US\$M</i>	48.4	63.0
	<i>Mcarats</i>	0.6	1.1
Bank loans and Borrowings	<i>US\$M</i>	73.8	73.8
Capital leases	<i>US\$M</i>	14.4	17.1
Consolidated Net Cash/ (Debt) ²	<i>US\$M</i>	(49.4)	(65.8)
Consolidated Net Cash (Debt) including diamond inventories	<i>US\$M</i>	(1.0)	(2.8)

Notes: (1) Diamond inventory is valued at lower of cost or net realisable value, which is not necessarily indicative of its market value.

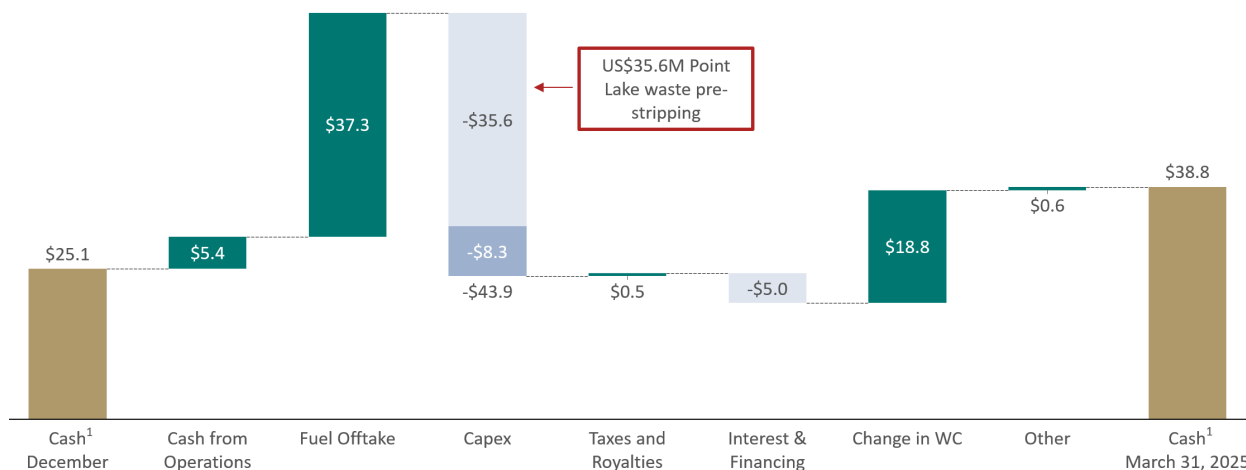
(2) Consolidated Net Cash comprises of cash less debt. Debt is defined as bank loans and borrowings, and capital leases. (3) March closing balances are unaudited. (4) December closing balances are audited.

Cash Change over the Period

The US\$43.9M of capital expenditures included US\$35.6M for Point Lake waste pre-stripping and US\$8.3M of sustaining capital.



Figure 2 – Cash change details from December 31st, 2024, to March 31st, 2025 (US\$M).



Notes: (1) Cash and cash equivalents.

Mine Life Extension Work

Diamond drilling at Misery underground continued throughout Q1. The target was shifted from the Misery Southwest Extension (SWE) to the Misery main pipe in mid-February to support on-going resource update work. Approximately 350 m were drilled in the SWE and 150 m in the main pipe in Q1. Chip sampling of drawpoints on the 1950 level of Misery main pipe was also started at the end of March for microdiamond analysis to support the resource model update.

The development of benches and ramps to establish the Point Lake open pit and extract a bulk sample from the Point Lake kimberlite pipe is in progress. The main access ramp on the northeast side of the pit reached the 390m elevation. This ramp will provide access to the Point Lake main kimberlite pipe, while a secondary access ramp established in the west of the pit provides access to the Phoenix pipe. The first ore from the Point Lake pit was released and processed in Q1. The bulk sample location was adjusted deeper to avoid dilution from overburden and lakebed sediments.

Mining reached the deepest part of the lakebed surface which significantly improved material movement resulting in the highest waste rock movement in March. Due to a deeper than modelled overburden surface, less ore was recovered from the top of the kimberlite pipes than planned, resulting in lower than budgeted ore release in Q1. Soft ground conditions in the lakebed sediments presented operational challenges resulting in lower mine operation productivity. Extensive in-pit material movement was required to provide stable working surfaces in the soft lakebed material. A contractor was mobilized in March to focus specifically on removal of ice, water and saturated till in the center of the pipe, which allowed the production fleet to continue with planned mining.

Fox underground studies continued in Q1, focused on a revised mine design and cost model. Comparisons of various haulage methods are underway, along with ongoing ventilation and pit dewatering studies. Planning for the low-grade stockpile wash-plant is ongoing, with long-lead items having arrived on the 2025 winter road.



The Company is on track to deliver its first Burgundy mine plan by the end of Q2-2025. Burgundy will release the longer-term mine plan in the second half of the year. This plan could extend the life of mine to the mid-2030s.



Figure 3 – Point Lake mine operations in Q1-2025, showing the waste rock storage area (top) and the upper benches in the open pit (bottom).

Q2-2025 Company Outlook

During the upcoming quarter, operations will focus on the Point Lake open pit entering full ore production. A bulk sample from Point Lake will occur to improve the understanding of the ore and its processing properties.

The exploration drilling in Misery deep will continue with the purpose of expanding mine life and staying ahead of production by multiple levels.

The prefeasibility studies for Fox and Sable underground will be progressed during the quarter. The Company is on track to release the first Burgundy developed mine plan by the end of Q2-2025 that will solidify mine life to 2030 (underpinned by upgraded reserves).

Three sale events will occur during the quarter.

The Company continues to assess non-dilutive opportunities to strengthen its balance sheet.

With the ongoing work at the Point Lake open pit, the Company continues to work on operational guidance for CY-2025 and expects to provide this during Q2-2025.

Notes: The Company outlook for the upcoming quarter is an estimate. Actual activities and results scheduled or completed may vary.



Investor Conference Call

A first-quarter investor conference call will be held on Wednesday, 30th April 2025 at 6:00 pm MST (Canada/US) / Thursday, May 1st at 10:00 am AEST (Australia).

Conference call registration link:

https://bellpotter.zoom.us/webinar/register/WN_j67OoVbQQmOFykeTECmahg

Other Projects

Naujaat Project (40% Burgundy Joint Venture)

No substantive activities occurred during the December quarter.

-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 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.