

Operational Update

Calgary, Alberta – Burgundy Diamond Mines Limited (ASX:BDM) (Burgundy or the Company) advises that, in response to continuing challenging market conditions for the rough diamond market, it is prioritising mining and processing of its higher margin ore at Ekati at reduced costs. In this context, the Company provides the following operational update:

Point Lake Open Pit Operation

Point Lake is a kimberlite pipe located approximately 2 kilometres from the established Misery underground operation. Burgundy began the process of preparing Point Lake for mining in mid-2024, with work continuing through to March 2025.

Burgundy took a bulk sample at Point Lake in May 2025. Approximately 67,700 carats were recovered from the sample and processed in June. The bulk sample was used to determine the diamond grade of Point Lake and provided important data on characteristics of the deposit, relevant to the marketability of the diamond population. Following the completion of the bulk sample, in June 2025, the Company carried out the process to determine the pricing Point Lake stones would receive in the rough diamond marketplace.

While Burgundy's technical team modelled various production scenarios at Point Lake, regrettably in the current depressed diamond price environment, the Point Lake operation is sub-economic.

Accordingly, Burgundy has made the decision to temporarily suspend open pit mining at Point Lake, which constitutes a shift from surface mining operations in the short term. This has necessitated the layoff of some employees and the reduction of contractors mobilized to Point Lake.

The Company will continue to maintain Point Lake to ensure that it can quickly and efficiently re-start operations, should market conditions allow.

Misery Underground Operation and Operating Model

Misery has been the principal production centre at Ekati for many years. Mining continues at Misery underground, unaffected by the suspension of activities at Point Lake. More importantly, production rates at Misery have significantly improved in recent months, via improved mining techniques and equipment utilization.

Linked to these improvements, the Company is re-setting its operating model to support a viable adjusted mine plan without near term surface operations.

Burgundy will provide a quarterly production update toward the end of July.

Mine Life Extension and Fox Underground Pre-feasibility Study

The work to publish the first Burgundy issued mine plan is near completion, and the Company will release it by the end of July 2025.



In addition, Burgundy will also release a pre-feasibility study on the proposed development of Fox underground as a long-term project. Fox is a high value per carat deposit situated approximately 8 kilometres from the Ekati processing plant that was last mined as an open pit operation in 2014.

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About Burgundy Diamond Mines Limited

Burgundy Diamond Mines is a premier, independent, global-scale diamond company focused on capturing margins across the entire value chain from mining and production to the sale of diamonds. Burgundy's strategic approach involves building a balanced portfolio of diamond projects located in favourable jurisdictions, including the globally ranked Canadian mining asset Ekati. Burgundy's unique mine to market business model ensures total chain of custody and provides traceability along every step of the process, safeguarding the ethical production of the diamonds from mine to point of sale. Founded in Perth, Western Australia, Burgundy is led by a world-class management team and Board, combining global expertise with a commitment to sustainable and responsible diamond operations.

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.