



BURGUNDY
DIAMOND MINES

Q4 2023 RESULTS CONFERENCE CALL

30 JANUARY 2024

BURGUNDY DIAMOND MINES LIMITED

ASX: BDM

BURGUNDYDIAMONDS.COM

**A reliable producer of premium
rough diamonds to the global luxury market.**

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Ore Reserves and Mineral Resources Reporting

The information in this announcement with respect to Mineral Resources and Ore Reserves for the Ekati Diamond Mine were released by the Company on 7 June 2023 (Prospectus). The Company confirms it is not aware of any new information or data that materially affects the information included in the Prospectus and, in the case of estimates of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

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Q4 HIGHLIGHTS (\$US)



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DIAMONDS

- **Revenue of \$166 million, up 37%** on the prior corresponding period (Q4 2022: \$121 million)
- Average realised price of \$93 per carat down 2% on the prior corresponding period (Q4 2022: \$95 per carat)
- **Carats recovered of 1.2 million, up 19%** on the prior corresponding period (Q4 2022: 1.0 million)
- Average grade of 1.17, up 12% on the prior corresponding period (Q4 2023: 1.05)
- **Carats sold of 1.8 million, up 41%** on the prior corresponding period (Q4 2022: 1.3 million) in line with previously announced December sales performance.
- Total tonnes mined of 4.3 million tonnes, down 33% on the prior corresponding period (Q4 2022: 6.4 million tonnes) due to lower waste stripping requirements.
- Tonnes processed of 1.1 million tonnes, up 6% on the prior corresponding period (Q4 2022: 1.0 million)
- Unaudited EBITDA of \$60 million for the December quarter.
- Strong Balance Sheet and Inventory:
 - **Cash of \$94 million, up 107%** from the prior period (Q3 2023: \$46 million)
 - Rough diamond inventory of \$121 million, down 23% from the prior period (Q3 2023: \$157 million)
 - Net debt (excl rough diamond inventory) of \$35 million, down 60% from the prior period (Q3 2023: \$89 million)

Q4 SALES UPDATE

Three months ended 31 December 2023

(All currency figures in US Dollars unless otherwise stated)

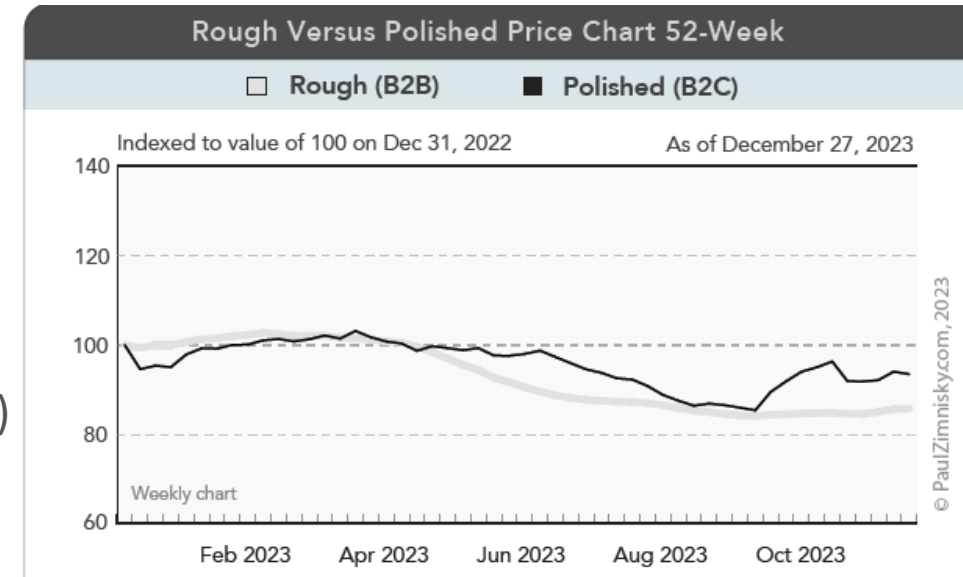
	Q4 2023	Q4 2022	Variance
Carats Sold	1,789,503	1,273,725	40%
Revenue	\$166.0	\$120.6	38%
Realised price per carat	\$93	\$95	-2%
Cash cost per carat	\$64.6	\$61.4	5%
Cash margin per carat	\$28.2	\$33.3	-15%
Cash margin %	30%	35%	-14%

- Four auctions held during the quarter (including one for special stones)
- Two auctions planned for the next quarter
- Lower value goods carried forward from previous sold in December quarter impacting \$93/carats realized price for the quarter.
- Cash cost per carat increase over Q4 2022 due to higher fuel price and higher unplanned maintenance in Q4 2023



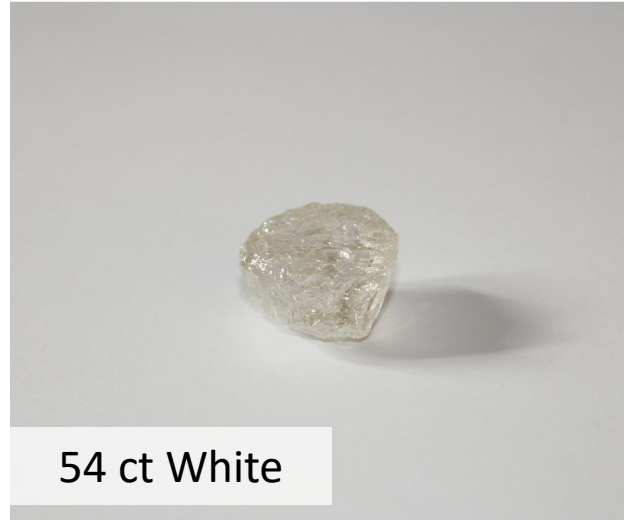
DIAMOND MARKET

- Market has demonstrated stability in last few months
- Prices achieved in our last few auctions have improved
- Some improvement in retail sales in some sectors
- General supply to mid-stream has slowed (sale suspensions by majors)
- Moratorium on Indian import lifted
- G7 Sanctions to be fully implemented this year
- Supply chain has shown signs of stability
- Stronger focus on provenance (including use of technology to track diamonds)
- Source of origin and sustainability appeals to younger generation
- Lab grown diamond prices continue to drop (largely selling in a different segment (cheaper fashion jewellery))
- The quality of the Ekati product and Canadian provenance remain highly valued in the market



SAMPLE SPECIAL STONES RECOVERED IN DECEMBER QUARTER

Available for purchase at Specials Sale in late March/Early April



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Q4 OPERATIONS UPDATE

Three months ended 31 December 2023

	Units	Q4 2023	Q4 2022	Variance
Total tonnes mined	Wmt	4.25	6.38	-33%
Ore tonnes mined	Wmt	1.1	0.87	26%
Tonnes processed	Dmt	1.05	0.99	6%
Carats recovered	mCts	1.23	1.03	19%
Grade	cts/t	1.17	1.05	12%
Rough diamond inventories	mCts	1.33	0.93	43%

- Tonnes processed in FY2023 highest since 2013
- Rough diamond inventory increase primary due to higher plant throughput and better grade material processed through the plant during 2023.



POINT LAKE PROJECT UPDATE

Progress during Q4 2023

- Phase 2 dewatering completed
 - 95% of water volume pumped out & completed to the level prescribed in permit for Q4
 - Barge/pump retrieval completed
- Open pit mining approval received
- Pre-stripping expected to start in March 2024
- Mining expected to start in Q4



Early Works
Land Use
Permit

Early Works
Construction

Minister
Approval

Fisheries
Authorisation

Fish-Out &
Phase 1
Dewatering

Phase 2
Dewatering

Waste Rock
Storage Area
pad
construction

Pre-
Stripping

Mining

Q4 FINANCIAL UPDATE

Three months ended 31 December 2023

(All currency figures in US Dollars unless otherwise stated)

	As at 31 December 2023	As at 30 September 2023
Cash	\$94.4m	\$45.5m
Diamond inventories	\$120.6m	\$156.9m
Bank loans and Borrowings	\$73.8m	\$73.8m
Other Obligations (capital leases and notes)	\$55.7m	\$60.8m
Consolidated Net Debt(Cash)	\$35.1m	\$89.1m
Consolidated Net Debt(Cash) including diamond inventories	-\$85.5m	-\$67.8m

Despite difficult rough diamond market ending cash & net debt in a strong position to end the year.



2024 GUIDANCE

- Ore tonnes mined - 4.2 to 4.7 million tonnes
- Total tonnes mined – 14.7 to 15.7 million tonnes
- Tonnes processed - 4.0 to 4.4 million tonnes
- Carats recovered – 4.9 to 5.3 million carats
- Carats sold – 4.9 to 5.3 million carats



BUSINESS UPDATE AND PRIORITIES

Good progress against strategic priorities and continuing work underway across the value chain

UPSTREAM



- Fleet Optimisation
- Benchmarking
- Roster Changes
- Mine Extensions
- Drill Program in Q1 2024

MIDSTREAM



- Sales Viewing Location(s)
- Rough Diamond Sorting Location
- Sales Partnerships
- Assortment review

DOWNSTREAM



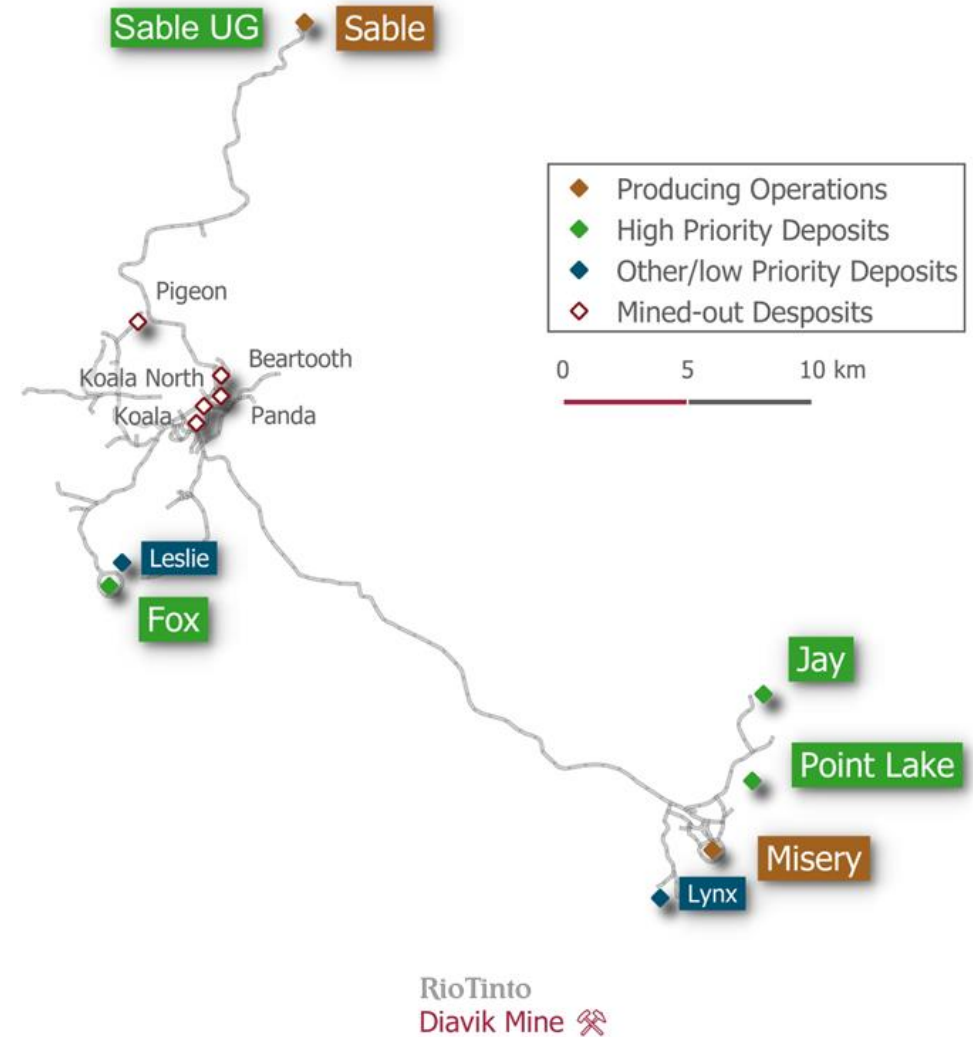
- Third Party Perth Facility & Technology Review
- Sales Platform Development
- Sales Partnerships



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SIGNIFICANT PROGRESS ON EKATI MINE LIFE EXTENSIONS

- Water licence (primary mining licence) extended for 10 years
- Long term plan updated and optimised
- Point Lake :
 - Pit optimization completed
 - Pre-strip to commence in March 2024
- Sable :
 - Underground portal location has been determined pending geotechnical review
 - Portal to be developed in Aug 2024
 - Geotech drilling in Q1 2024
 - Permit application commenced
- Fox remnant stockpile :
 - Sampled – upgrade options identified
 - Operations planned to commence in H2 2025
- Misery :
 - Geotech and orebody extension drilling in Q1 2024





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AUSTRALIA

Burgundy Diamond Mines is a premier global diamond company that proudly produces and delivers ethically sourced diamonds from its world-renowned Ekati Diamond Mine in Canada's Northwest Territories to market.

Burgundy's unique end-to-end business model with total chain of custody provides unquestionable diamond origin and traceability along every step of the process, providing the ability to safeguard the ethical production of its diamonds from mining to marketing and discovery to design.



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QUESTIONS?



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