



# COMMUNITY NEWSLETTER

*Burgundy Diamond Mines is pleased to present the May 2024 issue of the community newsletter. This edition highlights the successful progress we have made at Point Lake and the development of the Sable Underground Project. It also details some of the community engagement activities that took place since the beginning of the year with several community leaders and members regarding our plans and the future of Ekati, and the progression of various employee initiatives and programs, that continue to support Indigenous culture and career advancement opportunities.*

## Point Lake Project

Final mining permits for Point Lake were received in December and Phase 2 dewatering is complete, with a small amount of residual water being pumped out in June. Currently work is fully underway to prepare for open pit mining operations, with production expected to begin in the last quarter of 2024.

Burgundy collaborated with communities and regulators about specific details of the project, including the design of the waste rock storage area. We continue to engage with our stakeholders on the post-closure environmental monitoring at the project site, to ensure that Point Lake is executed in an environmentally and socially responsible manner. Point Lake was the first diamondiferous pipe discovered on the Ekati property and is the latest to be mined. The project adds 24 million carats to Ekati's indicated resources.



*Point Lake dewatering process during September 2023.*



*Construction is now underway to build the waste rock storage area.*



**YOU ARE INVITED!**

<p><b>Multiplex Arena</b> 41 Kam Lake Rd, Yellowknife</p>	<p><b>Friday, June 14</b> 8:30 a.m. - 3 p.m. Underground mining competition</p>	<p><b>Saturday, June 15</b> 8:30 a.m. - 3 p.m. Surface mining competition</p>
	<p><b>Miners' Picnic Family Event</b> 12 p.m. - 3 p.m. BBQ, door prizes, kids games and other family fun events.</p>	

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## Sable Underground Project

Sable open pit is located 20 km north of the main camp on the Ekati lease block. The pit has been in operation since 2018, with full production achieved in 2019, and scheduled to continue until 2024.

The Sable Underground Project will extend the operating life of Ekati mine and reduce short-term operating risks related to reliance on a single source of kimberlite. The project will also increase cashflow and time available for evaluation, permitting and implementation of additional development projects.

“Input from our communities is crucial to the success of the project and Ekati’s future growth plans. We are committed to transparent communication and collaboration with Indigenous leaders, government, community members and IBA partners,” said Shelia Chernys, Head of Health, Safety, Environment & Communities at Burgundy.

Development of Sable underground will require an estimated two year-scope beginning in 2024, with production slated for 2026. The project will link to existing site-wide infrastructure such as the Sable road and the Ekati’s main camp process plant.

Application for the project was filed with the Wek’èezhìi Land and Water Board in mid-April 2024, and letters of support for early works portal construction to commence in August 2024, were received from North Slave Métis Alliance and the Tłı̨chǫ Government.

Further information on the project can be found in the attached Sable Underground Project factsheet, on the last two pages of this newsletter.

*Pictured above: ongoing operations at Sable pit.*

## Upcoming events

**Bring your resume and connect with a Burgundy Diamonds talent specialist at our onsite booths!**

**Career Fair - Kátł’odeeche First Nation  
May 25, 2024**

Chief Lamalice Complex  
Post Office Box 3060  
Hay River, NT  
**11 a.m. to 3 p.m.**

**NWT/NU Mine Rescue Competition  
June 14 - 15, 2024**

Multiplex Arena  
41 Kam Lake Rd,  
Yellowknife, NT  
**10 a.m. to 3 p.m.**



Interested in a career with Burgundy Diamond Mines?  
Please contact [careers@burgundydiamonds.com](mailto:careers@burgundydiamonds.com) or visit [burgundydiamonds.com/careers](http://burgundydiamonds.com/careers)



## Strengthening connections:

Therese Lafferty joins Burgundy's HR team as Northern Development Coordinator

Therese Lafferty is a familiar face for many on site at Ekati, having worked at the mine for over 25 years. During her long career, she has supported various teams and departments, some of which include human resources, security, site services, and maintenance.

In her new role as Northern Development Coordinator, Therese will focus on re-establishing and building stronger connections with northern communities by meeting with community leaders, attending career fairs, and facilitating various other community meetings.

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*"I really think I can make a difference by working closely with our northern employees to provide them with the right resources and make working at Ekati a great experience."*

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Therese will be using her in-depth experience and knowledge of Ekati to provide greater understanding and support to community members at site with job training resources and available employee programs.

"I like to challenge myself when it comes to learning and doing new things. I am very excited for this role because I like to help people as much as I can," said Lafferty. "I really think I can make a difference by working closely with our northern employees to provide them with the right resources and make working at Ekati a great experience."

Therese will also be responsible for identifying whether there are educational gaps and potential for new skill sets that are required for northern employees to work at the mine, and how we can work towards closing those gaps. Part of this will involve building relationships with education and training providers such as Aurora College and other northern educational institutions, and working collaboratively with career development coordinators across the Northwest Territories, as well as the communities where our employees reside. Therese can be reached by email at [therese.lafferty@burgundydiamonds.com](mailto:therese.lafferty@burgundydiamonds.com).



For more information about the programs and projects mentioned in this newsletter, please contact **Nicholas Ballantyne** at [nicholas.ballantyne@burgundydiamonds.com](mailto:nicholas.ballantyne@burgundydiamonds.com) or **Rebecca Plotner** at [rebecca.plotner@burgundydiamonds.com](mailto:rebecca.plotner@burgundydiamonds.com). Information is also available on our website at [burgundydiamonds.com](http://burgundydiamonds.com).

# 2023 Ekati Plus Post-Secondary Scholarship recipients

Burgundy is proud to fund the Ekati Plus Post-Secondary Scholarship Program, created to provide people living in the North with an opportunity to make a positive difference in their communities. The scholarships support students with their education costs to develop the next generation of leaders in the Northwest Territories. For more information on Ekati Plus Post-Secondary Scholarships and how to apply, please visit [burgundydiamonds.com/sustainability](http://burgundydiamonds.com/sustainability).

Tamara Mathison was born and raised in Yellowknife and is currently enrolled in Health Sciences at the University of Manitoba. As a student and an athlete, Mathison has ambitiously enrolled in a program that will facilitate her career path toward a medical degree. She plans to return to the Northwest Territories and contribute toward the improvement of the northern healthcare system by increasing staff availability at Yellowknife's Stanton Territorial Hospital.

"My hope for the future of the Northwest Territories is that healthcare facilities are

never short of people. I know I can make a difference in the future of the North in healthcare, and this scholarship can help me do that."

She is contemplating a career as a general surgeon, which would allow her to eventually join the surgical team at Stanton and provide services that are not available or are scarcely available in the North. Along with her understanding of the North, Mathison will contribute by learning advanced procedures to reduce the need for medical travel and make health care more accessible in the North.



Tamara Mathison, Yellowknife  
*Bachelor of Health Sciences student*



Tori Bayha, Tulita  
*Bachelor of Nursing student*

Tori Bayha is enrolled working towards her Bachelor of Nursing at the University of Calgary. She grew up in Tulita, Northwest Territories, and sees the importance and need for fair and equitable access to high-quality, culturally appropriate healthcare in her community. In her experience as a young Indigenous woman living in a remote community that is predominantly Indigenous, there is a major gap in healthcare regarding accessibility

and resources. Despite efforts to increase culturally sensitive and safe healthcare, many Indigenous people still experience disparities.

"I plan to be a voice for Indigenous people in a healthcare system that has oppressed Indigenous people for a long period of time. This scholarship will be a stepping stone to reach my goal of providing a safe environment for Indigenous people."



Burgundy invests in projects that support healthy, vibrant Northern communities through the Ekati Plus Program. Applications to request funding or in-kind support for projects that support people and community development in the Northwest Territories may be submitted to [ekatiplus@burgundydiamonds.com](mailto:ekatiplus@burgundydiamonds.com). More information about the program can be found on the website at [burgundydiamonds.com/sustainability](http://burgundydiamonds.com/sustainability).



## Community engagement: Strengthening relationships and collaboration with local communities

Effective engagement with local communities and Ekati mine Impact Benefit Agreement (IBA) partners is essential in helping Burgundy Diamond Mines understand concerns, meet challenges together and collaborate to incorporate traditional knowledge into our plans.

From March 12 to 14, 2024, a team of Burgundy senior leaders, HR, community engagement, and operations representatives, visited the communities of Kugluktuk in Nunavut and Łutsel K'e and Behchokò. The meetings included many practical and valuable conversations for building relationships in support of extending life of mine efforts at Ekati and expediting the regulatory process. Burgundy incorporates various input from stakeholders to efficiently manage other programs such as wildlife monitoring, aquatics activities, as well as improving northern and Indigenous employment opportunities.

Jeff Reinson, Vice-President of Operations at Burgundy said, "Our next big focus is the Sable Underground Project. If approved, it

will extend the operating life of Ekati mine and increase cashflow and time available for evaluation, permitting, and implementation of additional development projects."

"Several members of our leadership team have meaningful prior connections to the North. It has been great to renew these rapport and to meet with community leaders and Indigenous partners, to strengthen our relationships and share Burgundy's future development plans as the new owner of the Ekati mine," added Reinson.

*Pictured above is the visiting Burgundy team (left to right): Jeff Reinson (Vice-President of Operations); Kurtis Trefry (Team Leader, Environmental Management and Reporting); Mike Sluggett (Senior Manager, Fixed Asset and Planning); Brittney Flaig (HR Business Partner); Sheila Chernys (Head of Health, Safety, Environment & Communities); Lindsay Seier (Senior Advisor, Environment); Eric Ingle (Vice-President of Corporate Development); Nicholas Ballantyne (Team Lead, Communities).*

## Łutsel K'e Dene First Nation



Located on the East Arm of Great Slave Lake in Northwest Territories, Łutsel K'e is accessible only by air, boat or snowmobile. The Burgundy team flew in from Yellowknife to meet with Chief James Marlowe and council

members for the first time and talk about upcoming plans at Ekati mine.

"We covered a variety of topics during the course of our meeting, including the development of the Sable Underground Project and permitting application, which I think gave us a lot of information and ideas for projects we can do in the community in the future," said Chernys. "We also discussed facilitating an Ekati site visit for Łutsel K'e's leadership this summer and got invited back for a public meeting with community members. Overall, I think it was a very positive visit that set the foundation for further engagement work and relationship building."



## Hamlet of Kugluktuk

Situated on the shores of the Arctic Ocean, the Hamlet of Kugluktuk is located the furthest North out of the four IBA groups in the Territory of Nunavut. Arriving by plane from Yellowknife, the Burgundy team met with Mayor Ryan Nivingalok and council members. The purposes of the meeting was introducing the Burgundy team, discussing the purchase of Arctic Canadian Diamond Company by Burgundy in July 2023, presenting future growth plans for Ekati mine, and addressing any questions regarding the Sable Underground Project.

During the meeting with Kugluktuk leaders there were discussions about plans for another potential visit this summer, further involving Burgundy's attendance at community events and organizing a public meeting to collaborate, consult and meet with Kugluktuk community members.

*Members of our Burgundy team attended a meeting with Hamlet of Kugluktuk Mayor Ryan Nivingalok and council members and covered a variety of topics regarding projects at Ekati and in the community.*

## Behchokò

While conducting the two-day visits between Kugluktuk and Łutsel K'e, the Burgundy team was invited to attend the Learning and Working Together Tłıchǫ Gathering in Behchokò. With a population of about 2,000 people, Behchokò is the largest Dene community in the Northwest Territories and serves as the headquarters of the Tłıchǫ Government, the largest of the four IBA groups.

The two-day event included an opening fire ceremony, drummers and prayer, followed by a trades entrance practice exam and a resource and career fair. A variety of workshop sessions were also available, including resume writing, learning about various trades, and mock-interview practice.

Burgundy contributed a \$5,000 donation and a booth to the event, where Burgundy's HR representative fielded questions from community members about jobs at Ekati mine and encouraged young adults in attendance to consider careers in mining.

"Community organized events such as the Learning and Working Together Gathering are important from a recruitment perspective, but also offer the opportunity to interact directly with people, build relationships and celebrate their achievements." said Reinson. "These interactions are invaluable to building our future workforce at Ekati."



*Burgundy's Eric Ingle, Vice-President of Corporate Development and Sheila Chernys, Head of Health, Safety, Environment & Communities participated in the opening fire ceremony to kick off the Learning and Working Together Tłıchǫ Gathering in Behchokò.*

Burgundy is committed to maintaining the relationships built over the years with northern communities and local and territorial organizations. We will continue to engage with our IBA partners regarding the Ekati Mine Engagement Plan while delivering on our regulatory commitments and building future value for our shareholders.



## Out and about:

### Yellowknives Dene First Nation Spring Carnival

Burgundy’s communities team had a great time volunteering at the Yellowknives Dene First Nation Spring Carnival in April. The team traveled to the community of Dettah in the Northwest Territories where they cooked and served food during the carnival’s pancake breakfast—building and strengthening relationships with community members.

“Volunteering and giving back to the North is a goal of ours, we are committed to continuing to build relationships with our IBA groups. Seeing and meeting with community members is an important part of our job,” said Rebecca Plotner, community relations advisor.



*Nicholas Ballantyne (Team Lead, Communities) and Rebecca Plotner (Communities Relations Advisor) attended the Yellowknives Dene First Nation Spring Carnival in Dettah.*



## Back by popular demand:

### Beading workshop at Ekati

*Beading workshop led by Therese Lafferty and Martha Kodzin showcases in-house talent.*

Therese Lafferty and Martha Kodzin brought their passion for beading to Ekati through an all-levels beading workshop held onsite last month. Some of the creations attendees learned to make included necklaces, hairpins, bracelets, and uppers for slippers and moccasins. A father beaded earrings for his daughter and expressed how excited he was to go home and teach her how he made them.

“It brings me joy to see people get into it and how happy they are when they get the hang of it,” said Martha Kodzin.

Therese relates beading to mechanics. For her it’s like putting pieces together to create something beautiful for others to enjoy. She was taught to bead by her mother when she was very young and loves how relaxing it is, while still challenging her to be creative.

“Beading has been in my culture all my life and it helps nourish my soul. It brings me clarity, and puts me at ease,” said Therese Lafferty. “I absolutely love it!”



## Sable Underground January 2024 update



### EKATI DIAMOND MINE

Ekati is located about 200 km south of the Arctic Circle and 300 km northeast of Yellowknife, NWT.



### 2023 COMPANY ACQUISITION

In 2023, Burgundy purchased Ekati Diamond Mine.

Arctic Canadian is the wholly-owned subsidiary of Burgundy Diamond Mines Ltd.



### SUSTAINABILITY LEADERS

Burgundy is dedicated to sustainable development, prioritizing environmental and social responsibility, economic benefit sharing, and minimizing adverse impacts in all mining phases.

## Sable Pit

Sable is located 30 km north of the main camp on the lease block. Open-pit mining was approved in 2001 as part of the Sable, Pigeon, and Beartooth Expansion Project.

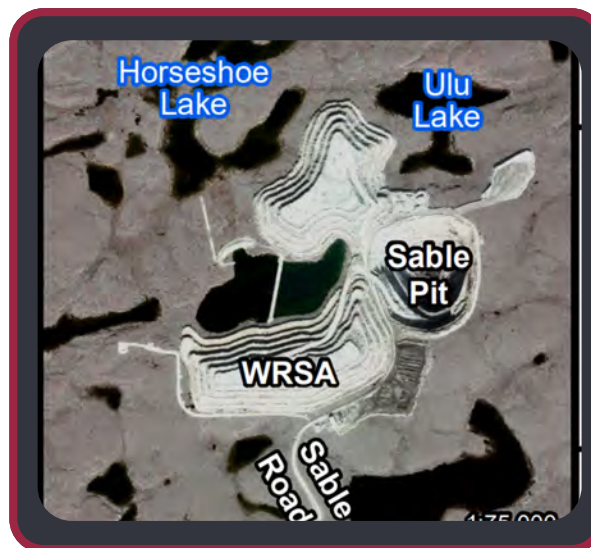
Construction began in 2017, including the Sable Road, laydown pads, and the Two-Rock Sedimentation Pond. Hauling of kimberlite to the processing plant started in 2018 and will continue until 2024.

Non-potentially acid-generating waste rock is stored in designated areas, while open pit mine water is managed in compliance with Water Licence regulations, discharged into Horseshoe Lake.

Ongoing monitoring aligns with licence, permit, and regulatory requirements.

## SABLE UNDERGROUND

The Sable Underground Project significantly reduces operational risks and prolongs the mine's lifespan, enabling its potential continued operation through 2032. The proposed project expands underground mining operations, like Misery, and integrates with existing infrastructure like the Sable road and main camp. Development activities will span an estimated two years, starting in 2024, with production slated for 2026. This project will secure approximately three additional years of kimberlite ore for the process plant, extending the mine's scheduled operations.

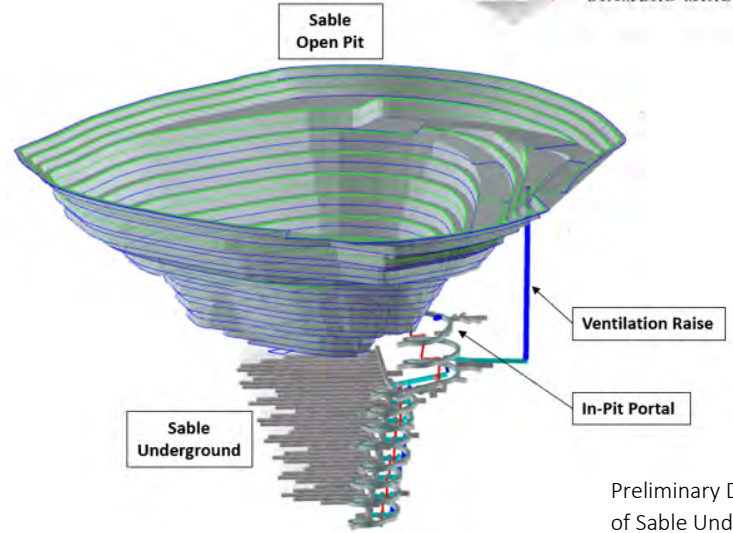




## Sable Underground Portal

Sable underground and Ekati's long-term viability success depends on starting production by 2026. A crucial component is the Sable underground portal.

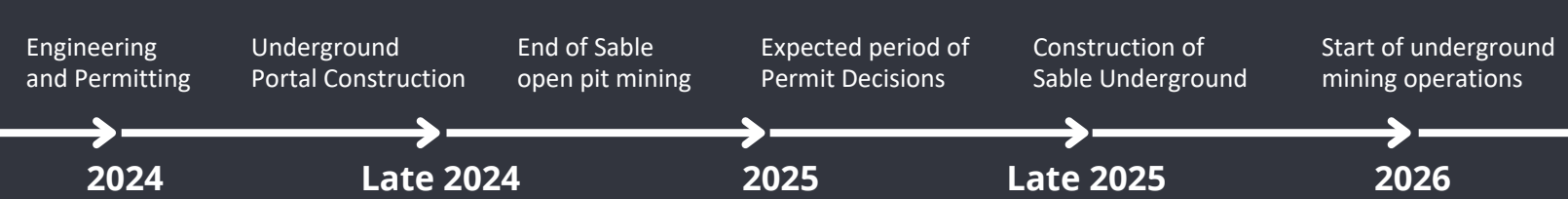
While the main mine development is scheduled for 2025, Burgundy intends to create the initial underground access (In-pit portal) in August 2024, with a planned tunnel depth of 30 meters. This operation is expected to take approximately 30 days.



Preliminary Design  
of Sable Underground

## Conceptual Timeline and Schedule

Community Engagement began in December 2023 and will continue throughout the life of the project.



## Looking Towards the Future

Burgundy is committed to ensuring the long-term future of Ekati Diamond Mine, aiming to sustain business and community benefits. While the current mining areas are expected to support operations until 2029, potential longer-term developments are being considered. However, these require more time and could risk interruptions in mining. To mitigate this risk, the Sable underground project provides a feasible short-term solution with minimal new infrastructure and environmental impact. It helps maintain business stability, employee welfare, and Northern economic benefits while securing Ekati's future.

Burgundy is immensely grateful for its Impact Benefit Agreement (IBA) partners. Their unwavering support has played a pivotal role in the success of Ekati. We recognize that without their continuous collaboration and commitment, we would not have achieved our goals in the way we have. Our partnership is a cornerstone of our shared achievements, and we look forward to continuing this collaboration for years to come. Thank you for being an essential part of our journey.

## Contact information

We invite you to contact Burgundy with any questions or comments you have about the Sable underground development.

**Phone** +1.403.910.1933

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

Arctic Canadian is a wholly-owned subsidiary of Burgundy Diamond Mines Ltd.

Burgundy is a premier independent global scale diamond company focused on capturing the end-to-end value of its unique vertically integrated business model. Burgundy is founded in Perth, Western Australia, and is led by a world-class management team and board.