

Financing Update

Calgary, Alberta – Burgundy Diamond Mines Limited (ASX:BDM) (Burgundy or the Company) provides an update on the Company's efforts to obtain external funding.

The Company has applied for funding to the Canada Enterprise Emergency Funding Corporation (CEEFC) under its Large Enterprise Tariff Loan Scheme. The Company has been advised that it has been approved as eligible for such funding of up to CAD 150 million and is now undergoing a due diligence process with CEEFC. That process is expected to conclude in a matter of weeks.

External funding, whether from the CEEFC or via a combination of other sources, is necessary to ensure the continued financial viability of the Company and the operations at the Ekati mine, which, as previously announced, has been the subject of ongoing challenging market conditions. A further drop in rough diamond prices can be directly attributed to the imposition of the US tariffs applicable to the global diamond trade — in particular the 50% tariff on imports from India, which accounts for over 90% of global diamond manufacturing. These tariff measures have placed additional downward pressure on rough diamond prices and materially impacted the Company's revenues.

Separately, the Board and management of the Company continue to pursue all other avenues of attracting external funding in what is a highly challenged time for the global diamond industry.

Until the Company is able to secure sufficient external funding, the Company has voluntarily requested ASX to suspend trading in its securities. The Company expects the suspension to be lifted upon release of an announcement confirming that sufficient external funding has been secured.

This announcement has been approved for release by the Board.

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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.