



May 4, 2026
ASX Announcement



Arctic Canadian Diamond Company Ltd. files for CCAA protection

Calgary, Alberta – Burgundy Diamond Mines Limited (ASX:BDM) (Burgundy or the Company) advises that its subsidiary, Arctic Canadian Diamond Company Ltd. ("ACDC") has filed for insolvency protection under the Companies' Creditors Arrangement Act ("CCAA"). Incorporated in British Columbia, ACDC has obtained an initial order ("Initial Order") from the Supreme Court of British Columbia (the "Court"), granting ACDC protection under the CCAA. ACDC owns and operates the Ekati Diamond Mine. The Initial Order also extends to Burgundy by way of a non-applicant stay party order.

Burgundy intends to use the CCAA process to engage in discussions with its lenders, creditors and other stakeholders, to solicit and evaluate strategic alternatives to restructure ACDC financially and operationally, as it continues to navigate difficult geopolitical, economic and industry conditions.

The CCAA filing was necessitated by a number of factors, including the ongoing adverse impact of US tariffs on the natural diamond industry, sustained challenging demand conditions being experienced by all natural rough diamond producers globally, and increasing costs, including as a result of recent significant increases in fuel prices due to the conflict in the Middle East.

Given these and other factors, the Company believes filing for protection under the CCAA for ACDC is the most prudent course of action. Burgundy has been working consistently to cut costs and recast its business plan to focus on producing the highest quality goods within its asset base. Despite these efforts, and after careful consideration of all other available alternatives, Burgundy's board of directors determined that it is in the best interests of ACDC and all its stakeholders to seek protection under the CCAA.

Burgundy's commitment to employees and local communities remains a priority. ACDC intends to continue mining operations at Ekati Diamond Mine during the CCAA process. Burgundy continues to believe in the long-term viability of the Ekati Diamond Mine and intends to emerge stronger, better and able to deliver value to all stakeholders.

During the CCAA process, it is expected that ACDC's management will continue to be responsible for handling day-to-day operations of the Ekati Diamond Mine.

Under the terms of the Initial Order, FTI Consulting will serve as the Court-appointed Monitor of ACDC to oversee the CCAA proceedings and report to the Court. A copy of the Initial Order and other Court materials and information related to the ACDC's CCAA proceedings, may be updated or amended from time to time, and are available on the website maintained by FTI Consulting at <https://cfcanada.fticonsulting.com/ACDC/>

The Initial Order is for a period of 10 days in accordance with the provisions of the CCAA, after which a comeback hearing shall be heard. Burgundy intends to provide further updates on the CCAA proceedings when there are significant developments.

Blake, Cassels & Graydon LLP is serving as Burgundy's legal counsel.

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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, diamond company focused on the mining and production 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 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 may contain 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.

Estimates of Mineral Resources and Ore Reserves are prepared objectively and reviewed by Competent Persons as outlined in Life of Mine Update announcement release on July 31st, 2025.