BURGUNDY
DIAMOND MINES

7 October 2025
ASX Announcement

Notification of Breach of Listing Rule 10.1

Burgundy Diamond Mines Limited (***BDM*** or the **Company**) (ASX:BDM) announces that following correspondences with ASX, the Company has become aware that the $24.9 million short-term financing provided to the Company by the Choron Group (***Choron***), a related party of a substantial shareholder in the Company and a related party of a BDM director, secured by and settled through the sale of rough diamond inventories over time to Choron, was undertaken in breach of Listing Rule 10.1. Listing Rule 10.1 requires shareholders to approve agreements for the sales of assets to related parties in certain circumstances.

Sales of rough diamonds to Choron, in settlement of the related party loan, were priced at the average of two independent valuations conducted by experienced diamond valuators appointed by an independent third party. This approach accelerated the inventory turnover cycle and ensured there was no unsold inventory, as is often the case in the Company's traditional sales channels.

The Company is in discussions with ASX concerning the matter. The Company has suspended sale of inventory to Choron, pending ASX's determination and anticipates seeking shareholder approval in relation to the matter as well as an expert report to opine on whether the transaction was fair and reasonable, with further details to be announced in due course.

Sales of diamonds to BDM's other customers are continuing.

Approval

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, 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.