

## Burgundy Eyes Ekati Expansion



Burgundy Diamond Mines has revealed plans for an expansion project at its Ekati mine in Canada that could potentially enable it to continue production until 2040.

The [miner](#) wants to extend the underground portion of its Misery pit and move to underground mining at its Sable pit, it said in an investor presentation last week. It will also take the Fox portion underground as well as process an existing low-grade ore stockpile already in that area.

The company further intends to optimize its Point Lake project and implement underwater remote mining if its trials are successful, it noted. Ekati is currently due to reach the end of its life span in 2028.

Burgundy believes the asset “still contains one of the largest undeveloped diamond resources in the world,” it explained.

This is not the first time the extension of Ekati has been considered. In 2017, former owner Dominion Diamond Mines [considered](#) spending \$628 million to go underground at Fox, before nixing the idea.

Burgundy [purchased](#) the Ekati mine from Arctic Canadian Diamond Company for \$136 million in March. Sales of rough from the deposit [surged](#) 40% to \$170 million between October 1 to December 21, despite the market slowdown. Meanwhile, sales volume jumped 55% to 2 million carats.

“We recently announced significant diamond sales...for the fourth quarter, which clearly demonstrates the strength of the Ekati asset performance,” said Burgundy managing director Kim Truter. “Furthermore, we sold all available rough-diamond inventory in the fourth quarter, except for some special stones that are consolidated for special auctions at specified times throughout the year.”

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MAIN IMAGE: THE EKATI MINE. (BURGUNDY DIAMOND MINES)