

NEWS RELEASE

TSX: DIAM

February 21, 2023

Saskatoon, Saskatchewan

**BUFFALO HILLS JOINT VENTURE
HIGH DIAMOND PRICES AND ELEVATED PROPORTIONS OF TYPE IIa DIAMONDS**

SASKATOON, Saskatchewan, February 21, 2023 – Star Diamond Corporation (TSX: DIAM) (“Star Diamond” or the company) is pleased to announce that the company has completed an estimate of the diamond valuation and the abundance of Type IIa diamonds from the from K6, K14, K91 & K252 kimberlites of Buffalo Hills Joint Venture in north-central Alberta. Star Diamond and Canterra Minerals Corporation (CTM: TSX.V) each hold a 50 percent interest in the Buffalo Hills project.

Highlights

- The **diamond valuation exercise** has shown that kimberlites K14 and K6 have elevated modelled diamond prices, US\$ 160 per carat and US\$ 180 per carat, respectively. The K6 parcel includes three fancy yellow stones, the K14 four fancy yellow and the K252 a fancy orange stone. The two highest value stones, which are both from the K6, are 1.06 carats (US\$ 532) and 1.07 carats (US\$ 506). These diamond parcels are too small (carats and stones) for rigorous diamond value estimates.
- The **diamond typing exercise** has shown presence of Type IIa diamonds, in elevated proportions, in all four of these Buffalo Hills kimberlites. The diamonds analysed represent a spectrum of diamond sizes from +3 DTC (+0.026 carats) to 5 grainer (1.2 carats).

Ewan Mason, Interim CEO said: "We are encouraged that the high diamond price estimates for these kimberlites are significantly above the world average rough price of US\$116 (2021). This work has also shown elevated proportions of Type IIa diamonds, in addition to the stunning colours in these sample parcels. We will be discussing with our partner what further work may be warranted at site."

Diamond Valuation

Diamond valuations and characterisations as shown in the table below were completed by Mr. Nelson Karun, Diamond Specialist, Saskatchewan Research Council (“SRC”) Diamond Services, on behalf of Star Diamond

Kimberlite	Carats	Stones	% Gem Quality	% White Colour	Faint to no Fluorescence	Average US\$/Ct Parcel	Model Price (US\$/ct)
K6	16.73	86	29.5	70.5	82.9	103.54	185*
K14	69.32	1,362	17.9	73.8	92.6	54.32	160
K91	4.17	103	17.9	54.6	89.7	53.61	N/A
K252	12.41	328	22.0	82.1	92.1	72.79	140*

*Very speculative due to the small sample size

As observed by Mr. Karun, diamonds from these kimberlite bodies exhibit good quality, colour and very low to no fluorescence. All the parcels of diamonds appear to be statistically very similar in terms of their graded characteristics. There is an inadequate sample size for K91 to model the average diamond price.

Extremely speculative model prices are given for samples K6 and K252, due to the small parcel size. K14 is a larger parcel size, and a price can be modeled, but should still be used with caution.

Diamond Typing

These four kimberlites have diamond parcels with sufficient diamonds to conduct preliminary diamond typing studies. The number and the percentage of Type IIA diamonds for the Buffalo Hills kimberlites studied are documented in the table below and shows that these kimberlites have an anomalously high percentage of Type IIA diamonds.

Diamonds +3 DTC (0.026 carats) to 5 Grainer (1.2 carats)			
	Number of Diamonds Typed	Number of Type IIA Diamonds	Percentage Type IIA Diamonds
K6 +3 (0.026 ct) & above	78	4	5.1
K14 +7 (0.12 ct) & above	126	3	2.4
K91 +3 (0.026 ct) & above	47	3	6.4
K252 +3 (0.026 ct) & above	153	7	4.6

Senior Technical Advisor to Star Diamond, George Read, states: “The presence of Type IIA diamonds in the Buffalo Hills kimberlites increases the potential for the recovery of large (plus 100 carat), high-value diamonds from a future mine. Many high-value, top colour, large specials (greater than 10.8 carats) found in existing diamond deposits are Type IIA diamonds, including all ten of the largest known rough diamonds recovered worldwide. The presence of Type IIA diamonds strengthens the future potential diamond pricing of these Buffalo Hills kimberlites.”

Type IIA diamonds are very rare and generally account for less than 2 percent of all natural rough diamonds mined world-wide from kimberlite deposits. Only a small number of active diamond mines regularly produce Type IIA diamonds with the most important of these mines being Cullinan Diamond Mine in South Africa, Letseng Diamond Mine in the Kingdom of Lesotho and, more recently, Karowe Diamond Mine in Botswana.

Fourier Transform Infrared (“FTIR”) Spectrometry is used to determine the concentration and aggregation state of nitrogen within the diamonds using industry standard methods. All analyses of nitrogen content and aggregation state were carried out at the SRC high security diamond facility, with 24-hour video surveillance. The SRC’s Geoanalytical Laboratories is accredited to the ISO/IEC 17025 standard by the Standards Council of Canada as a testing laboratory.

The Buffalo Hills Kimberlite District, which contains at least 38 individual kimberlite bodies, a number of which outcrop at surface, is located within the East Peace District of north-central Alberta, Canada. Exploration on these kimberlites started in 1996, from which small parcels of diamonds have been collected from various exploration programs on many of those considered most prospective.

Star Diamond Corporation is a Canadian based corporation engaged in the acquisition, exploration, and development of mineral properties. Shares of the Corporation trade on the TSX Exchange under the trading symbol “DIAM”.

All technical information in this press release has been prepared under the supervision of George Read, Senior Technical Advisor to Star Diamond, a registered Professional Geoscientist in the Provinces of Saskatchewan and British Columbia and Mark Shimell, Project Manager, a registered Professional Geoscientist in the Province of Saskatchewan and Alberta, who are the Corporation's "Qualified Persons" under the definition of NI 43-101.

About Star Diamond Corporation

Star Diamond is a Canadian-based corporation engaged in the acquisition, exploration and development of mineral properties. Shares of Star Diamond trade on the Toronto Stock Exchange under the trading symbol "DIAM". Star Diamond's most significant asset is its interest in the Fort à la Corne property in central Saskatchewan. These kimberlites are located in close proximity to established infrastructure, including paved highways and the electrical power grid, which provide significant advantages for future mine development.

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These forward-looking statements are based on Star Diamond's current beliefs as well as assumptions made by and information currently available to Star Diamond and involve inherent risks and uncertainties, both general and specific. Risks exist that forward-looking statements will not be achieved due to a number of factors including, but not limited to, developments in world diamond markets, changes in diamond prices, risks relating to fluctuations in the Canadian dollar and other currencies relative to the US dollar, changes in exploration, development or mining plans due to exploration results and changing budget priorities of Rio Tinto or Star Diamond, the impact of changes in the laws and regulations regulating mining exploration, development, closure, judicial or regulatory judgments and legal proceedings, operational and infrastructure risks and the additional risks described in Star Diamond's most recently filed Annual Information Form, annual and interim MDA.