

NEWS RELEASE

TSX: DIAM

October 21, 2022

Saskatoon, Saskatchewan

**STAR DIAMOND CORPORATION PROVIDES UPDATE ON RIO TINTO CANADA
DECISIONS REGARDING FORT A LA CORNE JOINT VENTURE**

SASKATOON, Saskatchewan, October 21, 2022 – Star Diamond Corporation (“Star Diamond”) announces that Rio Tinto Exploration Canada Inc. (“Rio Tinto Canada”) recently provided a community update to stakeholders of the Fort à la Corne joint venture (the “Project”). In this communication, Rio Tinto Canada stated that “the site continues to be in care and maintenance as we explore our commercial options for the project, however, we are actively looking to minimize our costs.” Rio Tinto Canada also stated that it intends to fully de-mobilize the leased on-site camp in early 2023, and that it continues with site care and maintenance activities to fulfill its existing obligations, including certain progressive site cleanup and remediation programs.

As previously disclosed by Star Diamond, Rio Tinto Canada exercised its voting power in June 2022 to place the Project on care and maintenance through December 31, 2022. At that time, Rio Tinto Canada also advised that, subject to fulfilling its existing obligations, it did not intend to commit additional capital to the Project during 2022 beyond what is necessary for care and maintenance. As well, Rio Tinto Canada advised that it intended to conduct a near-term review of its alternatives regarding the Project, including its potential exit.

Star Diamond continues to work with Rio Tinto Canada in assessing alternatives regarding the Project. These discussions remain at an early stage and there is no certainty that any agreement will be reached between Star Diamond and Rio Tinto Canada regarding any such potential arrangements.

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.

Caution Regarding Forward-looking Statements

This press release contains “forward-looking statements” and/or “forward-looking information” (collectively, “forward-looking statements”) within the meaning of applicable securities legislation. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements in this press release include, but are not limited to, statements with respect to Rio Tinto Canada’s intentions with respect to funding the Project, Rio Tinto Canada’s review of alternatives with respect to the Project and the terms of any possible future agreement that may be reached between Star Diamond and Rio Tinto Canada regarding the Project.

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 Canada 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 MD&A.