

Two halves of split drill core from Arctic Star's Sequoia Kimberlite with a Toonie for reference, displaying Hole DG2021-05 on top and Hole DG2021-04 below.

ARCTIC STAR RECOVERS COMMERCIAL-SIZED DIAMONDS FROM THE OTHER HALF OF THE SMALL-DIAMETER DISCOVERY HOLE AT THE NEWLY FOUND SEQUOIA KIMBERLITE, NWT

Almost exactly 30 years after the announcement by Chuck Fipke's Dia Met Minerals Ltd. in November 1991 to have found 89 microdiamonds in a 59 kg drill core sample in the vicinity of Lac de Gras, NWT, Pat Power's and Buddy Doyle's Arctic Star Exploration Corp. today announced to have recovered commercial-sized diamonds from the other half of the core from Discovery Hole DG2021-04 at the recently found Sequoia Kimberlite Complex located some 30 km east of the Ekati, North-America's first diamond mine that began mining operations in 1998.

The Ekati discovery launched "[the world's largest traditional \(on the ground\) staking rush](#)" in the 1990s and it remains to be seen what effect today's

announcement by Arctic Star may have for the region and its major mining companies fiercely looking to extend the life of its diamond operations.

Company Details



Arctic Star Exploration Corp.
1111 West Georgia Street
Vancouver, B.C. V6E 4M3, Canada
Phone: +1 604 689 1799
Email: info@arcticstar.ca
www.arcticstar.ca

Shares Issued & Outstanding: 118,491,751





IF THE OTHER HALF OF THE CORE of Discovery Hole DG2021-04 would have been sent first for caustic fusion diamond count, maybe [last week's announcement](#) by Arctic Star would have been perceived differently by the market.

On the other hand, this now gives even more credibility to Chuck Fipke, Buddy Doyle and Pat Power with respect to their expertise in conducting scientific research including diamond indicator+inclusion geochemistry analysis, aiming to predict the possibility of large diamonds at Sequoia prior to [today's news-release](#) announcing the first find of commercial-sized diamonds in drill core:

["Two of the greatest diamond mine discoverers see mounting evidence for large diamonds at Arctic Star's newly discovered Sequoia Kimberlite, Diagrass Project, NWT"](#) (September 9, 2021)

["New Diamond Discovery in Canada Now Official: Premier drill results from Arctic Star confirm Sequoia kimberlite to host diamonds"](#) (July 6, 2021)

The half of the core from Discovery Hole DG2021-04 that was sent first for assays was [announced on July 6](#) to have a "high" and "very encouraging" microdiamond count of 76 stones/100 kg (total of 224 stones in 292.6 kg of core). However, it only showed microdiamonds with sizes up to 0.6 mm, thus no commercial-sized stones (>0.8 mm) were found. The other half of the core was recently sent for caustic fusion and included 2 commercial-sized stones: One at 0.85 mm and the other at 1.18 mm. In total, 255 stones were recovered from 212.7 kg of core (120 stones/100 kg) as announced today:

TODAY'S NEWS-RELEASE FROM ARCTIC STAR:

Second Round of Caustic Fusion Diamond Results Strengthens Previous Results, Sequoia Kimberlite Complex

Drill hole	0.10 mm	0.15 mm	0.21 mm	0.3 mm	0.425 mm	0.6 mm	0.85 mm	1.18 mm	Weight Kg	Total stones	Stones/100kg
Sequoia 1 st half	146	54	11	7	4	2	0	0	292.6	224	76
Sequoia 2 nd half	136	63	28	16	6	4	1	1	212.7	255	120
Sequoia Total	282	117	39	23	10	6	1	1	505.3	479	95

Table 1. Caustic Fusion Results, Sequoia Kimberlite, Arctic Star JV. The Sequoia caustic fusion results were processed through SRC laboratories of Saskatoon, NQ core was hand split and bagged in approximately 8kg samples to fit geological intervals where possible, the first half of core was sent and processed, then the second half of the core was sent using the same sample intervals. Both samples were sent by chain of custody, SRC is an independent lab and an ISO Samples are placed in a kiln, heated to 5080C with caustic soda for 24 hours. The residue is hot poured through a 0.075mm sieve. The residue is then further chemically treated if required until just the refractory minerals remain including diamonds. The residue is sized by sieving and then the diamonds are selected by a mineralogist. Larger diamonds (>0.5mm) are described and weighed.

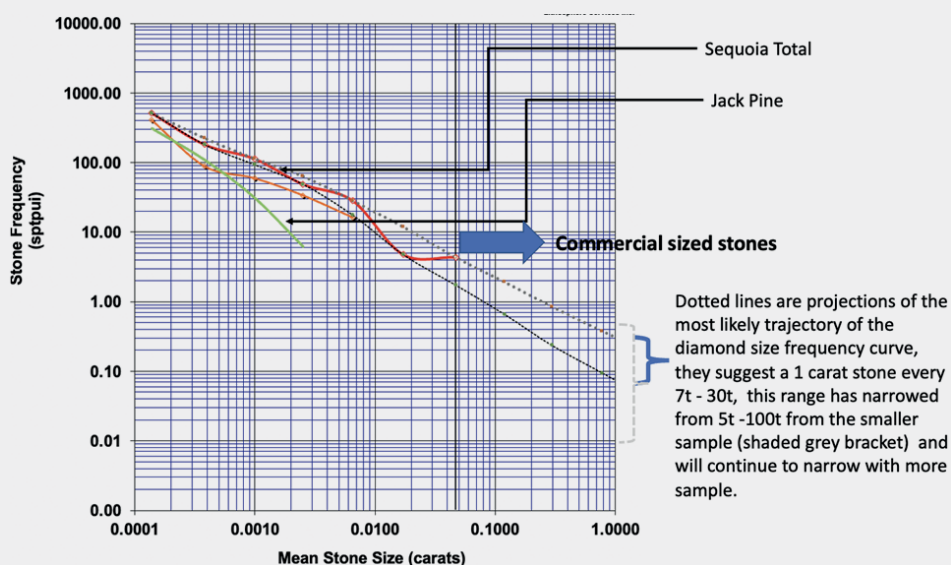


Figure 1 Size Frequency plot: Diamond size distribution. Sequoia original sample in Orange, Sequoia total sample this news release in red, Jack Pine in Green. Figure 1 also depicts possible trajectories for the Sequoia diamond distribution.

Highlights

- Caustic fusion results from the other half of the Sequoia kimberlite 2021 drill core bolsters those reported earlier and continues to hint at the presence of large diamonds.
- Diamond indicator chemistry also points at the likelihood of larger diamonds (>50ct).
- Results suggest a 5t caustic fusion sample would be the appropriate minimum size to predict grade, by obtaining enough >1.18mm stones to understand the size vs. frequency

distribution of the global diamond population.

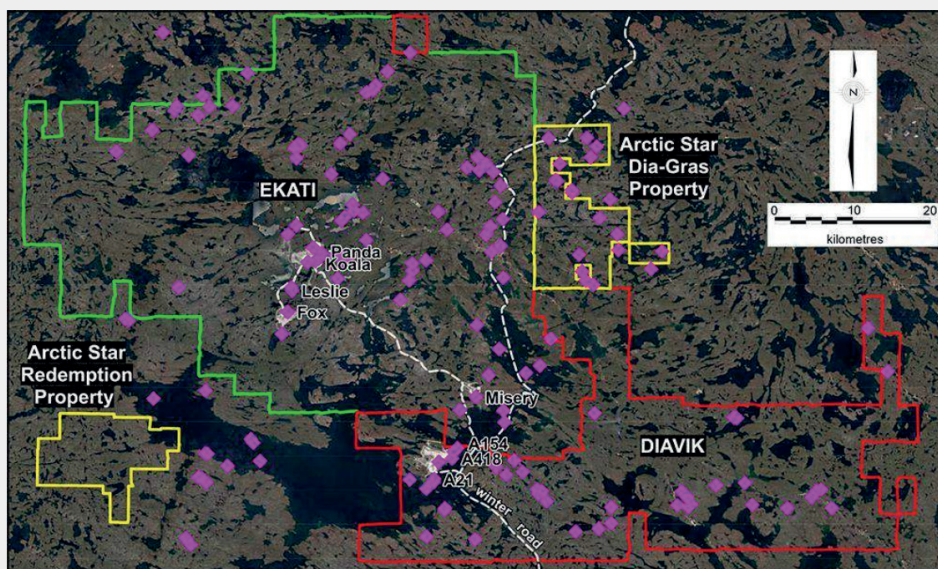
September 15th, 2021 - Vancouver, British Columbia – Arctic Star Exploration Corp. ("Arctic Star" or the "Company") (TSXV: ADD) (Frankfurt: 82A2) (WKN: A2DFY5) (OTC: ASDZF) is pleased to announce that it has received the second round of caustic fusion diamond results from the Sequoia Kimberlite complex. The results are from the remaining half of the drill core recovered from drill holes DG 2021 04 and DG 2021 05 drilled 202m apart in the central and northern parts of the Sequoia Kimberlite complex.



The results are given in Table 1. The entire core has now been fused, totaling 505 kg. Usually, half the core is kept for reference, but due to the encouraging results from the diamond assays in the first half of the core and the encouraging indicator mineral results reported in the news release dated 7th September, the decision was made to fuse the entire core.

The samples were taken at the same intervals as the first and they confirm that the different rock types have different diamond counts. The indicator minerals also demonstrate that the two main rock types, the volcanoclastic kimberlite and coherent kimberlite are different. While both have indicators equivalent to those found in the population of large diamonds found around the world, and diamond inclusion chromite, only the coherent kimberlite has significant "G10" and eclogitic garnets with diamond inclusion chemistry.

Mr. Buddy Doyle commented, "These results demonstrate how "noisy" diamond results can be, with higher diamond counts and larger diamonds showing up when we fused the second half of the core! This is not unusual, it's all down to collecting enough sample. The current results suggest that a kimberlite sample of approximately 5t, ten times the sample we have to date, would produce a smooth diamond size frequency curve from which a first (global) grade estimate could be made. Such a sample should provide further guidance to the probability of really large stones. Drilling using HQ sized core at 100m spacing within the Sequoia kimberlite complex planned for Spring 2022 will be able to achieve this. Results to date are encouraging, considering the small sample size, and suggest grades that will fall within the range of kimberlites being mined in the Lac de Gras field, (where pipes with grades of 0.3 c/t to 4.2c/t are being mined or are in mine plans), with a possible added bonus of higher propensity of larger stones as suggested by indicator data. The Sequoia complex is large and the extra drilling will also help define tonnage. More work will tell."



[Source](#)

Qualified Person

The Qualified Person for this news release is Buddy Doyle, AUSIMM, a Geologist with over 35 years of experience in diamond exploration, discovery, and evaluation. Mr. Doyle led the team that discovered the kimberlites being mined at Diavik and 100 other kimberlites in the Lac de Gras field. He also received the Hugo Dummitt award for excellence in diamond exploration in 2005.

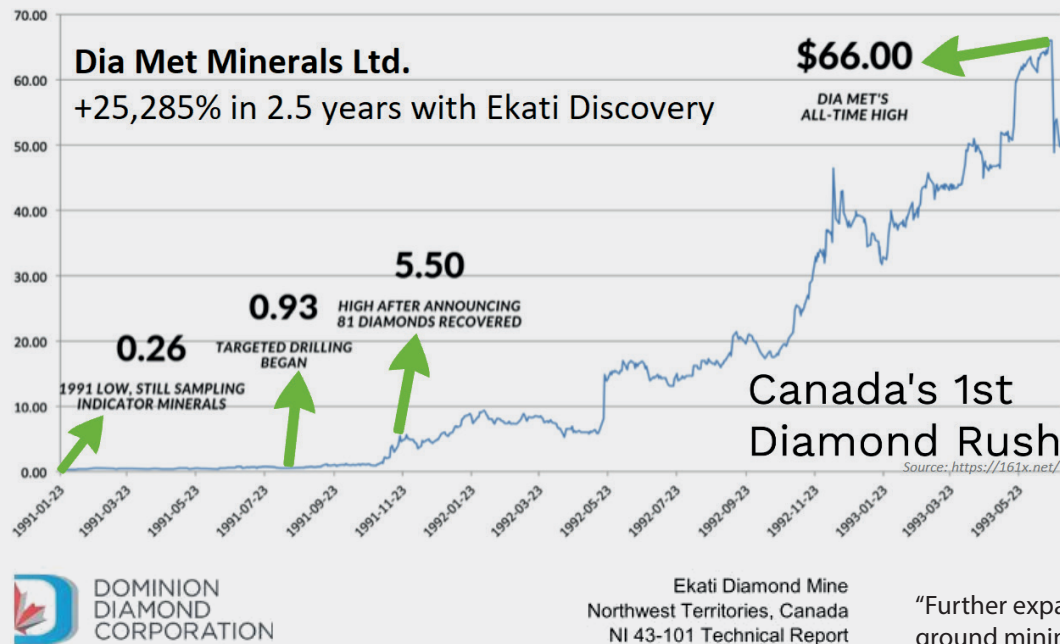
About Arctic Star

Arctic Star is predominantly a diamond explorer, recently discovering 5 new kimberlites in the prolific Lac De Gras kimberlite field that supports 2 multi-billion dollar kimberlite mining complexes. The company also has a 958Ha Exploration permit containing several diamond bearing kimberlites on its Timantti project, Kuusamo Finland. Arctic Star has optioned its Stein diamond project in Nunavut to GGL diamonds who plan work once Covid restrictions lift. The company continues to look for appropriate diamond opportunities elsewhere.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Statement Regarding "Forward-Looking" Information

This news release contains "forward-looking statements" including but not limited to statements with respect to Arctic Star's plans, the estimation of a mineral resource and the success of exploration activities. In this release it is not certain if the kimberlite discovered will be economic or not as this depends on many factors. Forward-looking statements, while based on management's best estimates and assumptions, are subject to risks and uncertainties that may cause actual results to be materially different from those expressed or implied by such forward-looking statements. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Factors that could affect our plans include our potential inability to raise funds as intended, and in such event we may require all funds raised, if any, to be used for working capital rather than the intended uses as outlined. Accordingly, readers should not place undue reliance on forward-looking statements. Arctic Star undertakes no obligation or responsibility to update forward-looking statements, except as required by law. ([Source](#))



"The Ekati mine, including the Misery underground and the Jay project, has a current mine life of 2034. To extend the operational life of the Ekati mine to 2042, certain exploration and project evaluation activities are being undertaken."
(NS Energy in December 2020)

Table 1-2 : Mineral Resource Statement

Classification	Joint Venture Agreement Area	Kimberlite Pipe	Tonnes (millions)	Grade (cpt)	Carats (millions)
Indicated	Core Zone	Koala UG	7.4	0.6	4.5
		Koala N UG	0.3	0.6	0.2
		Fox OP (+140 m rsl)	10.3	0.2	2.5
		Fox UG (-140 m rsl)	20.2	0.3	6.1
		Misery	3.7	4.5	16.8
		Pigeon	10.6	0.5	4.9
		Sable	15.4	0.9	13.3
		Stockpiles	0.1	0.6	0.05
Subtotal Indicated (Core Zone only)			68.2	0.7	48.4
	Buffer Zone	Jay	36.2	2.2	78.1
		Lynx	1.3	0.8	1.0
Subtotal Indicated (Buffer Zone only)			37.5	2.1	79.1
Total Indicated			105.7	1.2	127.5
Inferred	Core Zone	Koala UG	0.3	1.0	0.3
		Koala N UG	0.2	0.6	0.1
		Fox OP (+140 m rsl)	1.1	0.3	0.3
		Fox UG (-140 m rsl)	5.6	0.3	1.7
		Misery	0.8	2.9	2.3
		Pigeon	0.8	0.5	0.4
		Sable	-	-	-
		Stockpiles	6.6	0.2	1.0
Subtotal Inferred (Core Zone)			15.3	0.4	6.1
	Buffer Zone	Jay	9.5	1.4	12.9
		Lynx	0.1	0.8	0.1
Subtotal Inferred (Buffer Zone)			9.6	1.3	13.0
Total Inferred			24.9	0.8	19.1

Notes to Accompany Mineral Resource Table.

1. Mineral Resources have an effective date of 31 December 2012. The Mineral Resources estimate was prepared under the supervision of Mats Helmersson, P. Eng., an employee of Dominion and a Qualified Person within the meaning of National Instrument 43-101.
2. Mineral Resources are reported on a 100% basis. Dominion has an 80% participating interest in the Core Zone Joint Venture and a 58.8% participating interest in the Buffer Zone Joint Venture.
3. Mineral Resources are reported inclusive of Mineral Reserves.
4. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
5. Mineral Resources are reported at +1.0 mm (diamonds retained on a 1.0 mm slot screen).

"Further expansion of underground mining operations at the Ekati diamond mine could keep the mine in business until 2042, according to a preliminary economic assessment released by Dominion Diamond Corporation on Wednesday... The Fox Deep project would expand the mine by developing an underground operation below the mined-out Fox open pit. It follows on the Misery Deep project, which the company says will expand the life of the mine from 2033 to 2035. Tom Hoefer, executive director of the NWT & Nunavut Chamber of Mines, says Yellowknifers should be doing a happy dance. "A year ago we thought that Ekati had a life to 2021," says Hoefer. "And so with their work on other pipes and now adding Fox in they've created a very exciting future for the N.W.T.'s mining industry." Hoefer points to one of the Northwest Territories' other major diamond operations, Diavik Diamond Mine, which is also partially-owned by Dominion. "We know that in 2025 Diavik is going to close," Hoefer says. "That's going to be a significant hit on our economy because that's about a 1,500-person operation." Hoefer says the expansion of Ekati's underground operation will be a "significant injection" to the Northwest Territories economy." (CBC in September 2017)

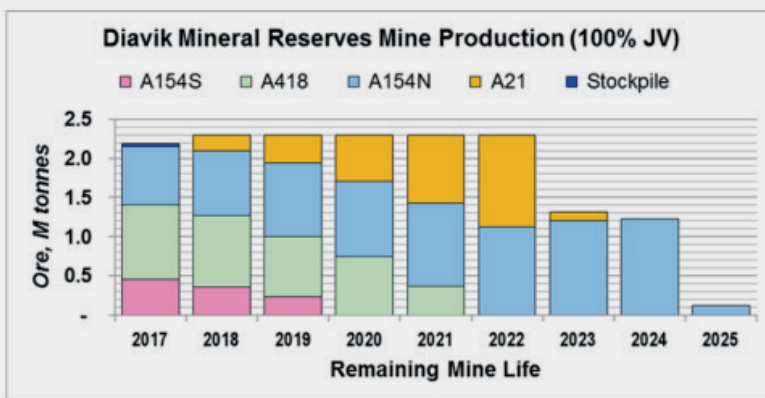
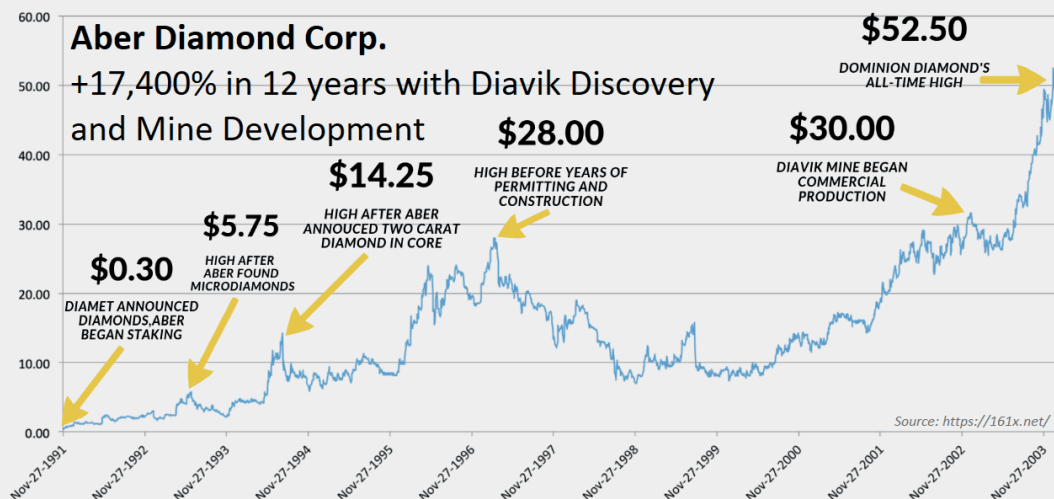


Figure 20 Mineral reserves mine production plan

Financial analysis of the operation (100% JV basis) over the life of the mine (including closure) indicates that the estimated mineral reserves are economically viable. As of December 31, 2016, the estimated mineral reserves for the Diavik Diamond Mine (100% JV basis) are:

Pipe		Proven Mineral Reserve			Probable Mineral Reserve			Proven and Probable Mineral Reserve		
		Mt	cpt	Mct	Mt	cpt	Mct	Mt	cpt	Mct
A154N	Blast hole stoping	3.6	2.4	8.5	4.6	2.3	10.8	8.2	2.3	19.3
A154S	Sub-level retreat	0.3	3.2	1.0	0.7	3.7	2.8	1.1	3.6	3.8
A418	Sub-level retreat	1.8	4.1	7.5	1.9	3.1	6.0	3.7	3.6	13.4
A21	Open pit	3.3	2.8	9.4	---	---	---	3.3	2.8	9.4
Stockpile		0.03	2.9	0.1	---	---	---	0.03	2.9	0.1
Totals		9.1	2.9	26.4	7.3	2.7	19.5	16.3	2.8	46.0

Note:

- (1) Totals may not add up due to rounding
(2) Tonnes are reported as millions of metric tonnes, diamond grades as carats per tonne (cpt), and contained diamond carats as millions of contained carats.

As of December 31, 2016, the estimated remaining mineral resources for the Diavik Diamond Mine (100% JV basis) are:

Pipe	Measured Mineral Resource			Indicated Mineral Resource			Inferred Mineral Resource		
	Mt	cpt	Mct	Mt	cpt	Mct	Mt	cpt	Mct
A154N	---	---	---	---	---	---	0.5	2.3	1.1
A154S	---	---	---	---	---	---	0.4	2.8	1.2
A418	---	---	---	---	---	---	0.2	2.5	0.5
A21	---	---	---	0.4	2.4	0.9	0.8	3.5	2.7
Totals	---	---	---	0.4	2.4	0.9	1.9	2.9	5.5

Note:

- (1) Totals may not add up due to rounding
(2) Mineral resources that are not mineral reserves do not have demonstrated economic viability.
(3) Mineral resources are reported exclusive of mineral reserves, and represent material remaining after mineral reserves have been removed for reporting separately elsewhere.
(4) Tonnes are reported as millions of metric tonnes, diamond grades as carats per tonne (cpt), and contained diamond carats as millions of contained carats.

The classification of the mineral reserves into proven and probable categories and the mineral resources into measured, indicated and inferred categories is consistent with the CIM Definition Standards for Mineral Resources and Mineral Reserves.

"All mines have a finite life cycle and Diavik has planned for its closure from the outset. The buildings on site have been designed to be removed without a trace. And when mining ends, the embankments will be reclaimed and lake water will flow back into the open pit."

(Rio Tinto)

"Accordingly, we look for commercial opportunities to repurpose assets to reduce the social and economic impact of closure."

(Rio Tinto)

"About 200 kilometres south of the Arctic Circle, at the bottom of Lac de Gras, sit some of the world's most beautiful and sought-after diamonds. This is the Diavik Diamond Mine, in Canada's Northwest Territories, also home to our award-winning wind farm. Our diamonds from Diavik are stunning white gems, produced to the highest possible standards of safety and integrity. Diavik comprises four diamond-bearing pipes that we mine using a combination of open pit and underground mining. The Diavik Diamond Mine is managed by Rio Tinto and is owned by a joint venture between Diavik Diamond Mines (2012) Inc., a wholly owned subsidiary of Rio Tinto (60% ownership) and Dominion Diamond Diavik Limited Partnership, a wholly owned subsidiary of Dominion Diamond Mines (40% ownership)."

(Rio Tinto)



EXCERPTS FROM “25 YEARS OF DIAMONDS”
(SILVER ANNIVERSARY SPECIAL EDITION,
MINING NORTH, 2016):

DIAMOND DISCOVERY

A new northern mining era

By Bill Braden

Twenty-five years ago, on the morning of November 7, 1991, a remarkable press release, just 66 words long, buzzed out of fax machines across the mining world. It announced, without fanfare, that 89 tiny diamonds had been found in a 59-kilogram sample of drill core pulled from a lonely outcropping at remote Point Lake in Canada's Northwest Territories.

“Some of the diamonds are of gem quality,” it ended, as if it was holding its breath.

We know today that it was really a huge shout, the beginning of a rollicking and spectacular new chapter in Canada's already remarkable mining history.

Who could have guessed that 25 years later, the discovery would launch an industry that has so far yielded well over 200 million carats in exceptional rough gemstones, making Canada the world's third largest producer by value and transforming the NWT's lagging economy?

“If it hadn't been for diamonds, the NWT would be a basket case,” says Dave Nickerson, an Arctic mining veteran with over 50 years' experience. Indeed, as gold and base metal mining was sunsetting in the 1990s, and with exploration drying up, it was a very welcome event.

The tale of that fateful discovery, by Canadian geologists Chuck Fipke and Stu Blusson, is one of the classics of Canadian mining legend. The two, both geologists and eventually partners, met in 1969 when Blusson, also a helicopter pilot, rescued the hapless Fipke from a mountain side where weather had stranded him for days. Their junior exploration venture, Dia Met Minerals, had for years been quietly trying to prove Fipke's crazy theory that the NWT's ancient, rocky backyard was hiding a treasure trove of diamonds.

Their epic search began in the early 1980s in the rolling hills near Norman Wells. What triggered Fipke's dream was the tiny, colorful bits of gravel called indicator minerals – evidence of a possible diamond deposit – scattered around the region. Those green, red and purple crystals told a story of hidden gems – but from where?

Diamond hunters like Fipke knew that 10,000 years ago, sub-arctic glaciers creeping westward had scraped up dirt from one place and carried it to another. His plan was simple but daunting: keep sampling that dirt by backtracking eastwards until he found the source. Usually broke, impulsive and hard to deal with, his quest was littered with misfortune, but his obsession and passion were to prove him right.

Fipke's quest for the source ended on a bitterly cold spring evening in early April of 1990. Frost-bitten, down to his last day of helicopter

time and running low on daylight, Fipke and two others hammered and chipped at an ice-caked gravel esker, uncovering gleaming green indicator crystals the size of peas. Twelve years and 700 kilometres from their start, they'd found it.

Months earlier, Dia Met had connected with trusted colleagues at Australian mining giant BHP Billiton for technical support. Intrigued with the find, the company supported a small diamond drill program in the summer of 1991. BHP's geology experts soon confirmed that Fipke had found some of the best diamond-bearing ground ever seen.

A few weeks later, as word of their secretive results leaked out, their hastily-created joint venture broke the news. And a mere eight years and \$1 billion later, they celebrated the opening of Canada's first diamond mine – Ekati.



Rough diamonds from the Ekati Diamond Mine.
Photo courtesy of Dominion Diamond.

Billiton behind it. Today it is owned by Dominion Diamond Corporation, Canadian-owned and based in Yellowknife, with Stu Blusson, a Dia Met owner and one of the mine's discoverers, holding a minor position.

Ekati has produced over 63 million carats so far, harvested from seven underground

and open pit ore bodies. With the approval in 2016 of the Joy pipe, found under Lac du Sauvage, Ekati has embarked on a new road and dike development that will extend its mine life to an anticipated 2033 – far longer than any other known Northern diamond mine.

Measured in person-years for both direct

and contract workforce, the mine created 1,819 person years of employment in 2015, with over half (962) filled by Northerners. Its supply and service agreements with NWT businesses totaled \$258 million in 2015, more than half of the \$450 million total mine spending in 2015.



**EXCERPTS FROM "25 YEARS OF DIAMONDS"
(SILVER ANNIVERSARY SPECIAL EDITION,
MINING NORTH, 2016):**

Diamonds: A FOUNDATION FOR FUTURE GROWTH

By Bill Braden

In the high stakes, high risk diamond mining world, it helps to be an optimist. Just ask Brooke Clements.

"It's striking that the first discovery was only 25 years ago," says the former president of Peregrine Diamonds, and of the NWT & Nunavut Chamber of Mines. "And here we are 18 years later, (after the Ekati opening) with two new mines (Gahcho Kué and Stormway's Renard in northern Quebec) opening this year within a month of each other."

Along with Canada's five other diamond mines (three currently producing and two closed) says Clements, "that's quite a run."

The global supply/demand picture is improving and so will the NWT's future, he says. Supply will be squeezed as older mines close, consumer demand is growing and prices for rough diamonds – the uncut and unpolished stones that Canada's mines produce – are recovering. All this helps make expensive Northern projects possible.

Large-scale expansions at the Ekati and Diavik mines will open over the next two years, and two advanced exploration projects, Peregrine Diamond's Chidliak near Iqaluit, and Kennady, next door to Gahcho Kué, are among several others proving their potential.

A recent best-case forecast by Yellowknife economist Graeme Clinton suggests the NWT will see a \$500 million surge in GDP as Gahcho Kué's full impact takes hold by 2020 or so. As Diavik closes by 2024, employment and production will settle back to today's levels before all existing mines are slated to close around 2033.

But Clements sees a lot more potential.

"The positive is that it's a vast amount of land, that has the right geologic setting for diamonds, and I believe there's more to come," he says. As gem values increase, so will exploration, he forecasts, along with new technologies to find and produce diamonds. "If a couple more mines come in the next 10 years, Canada is really on the map," Clements says.

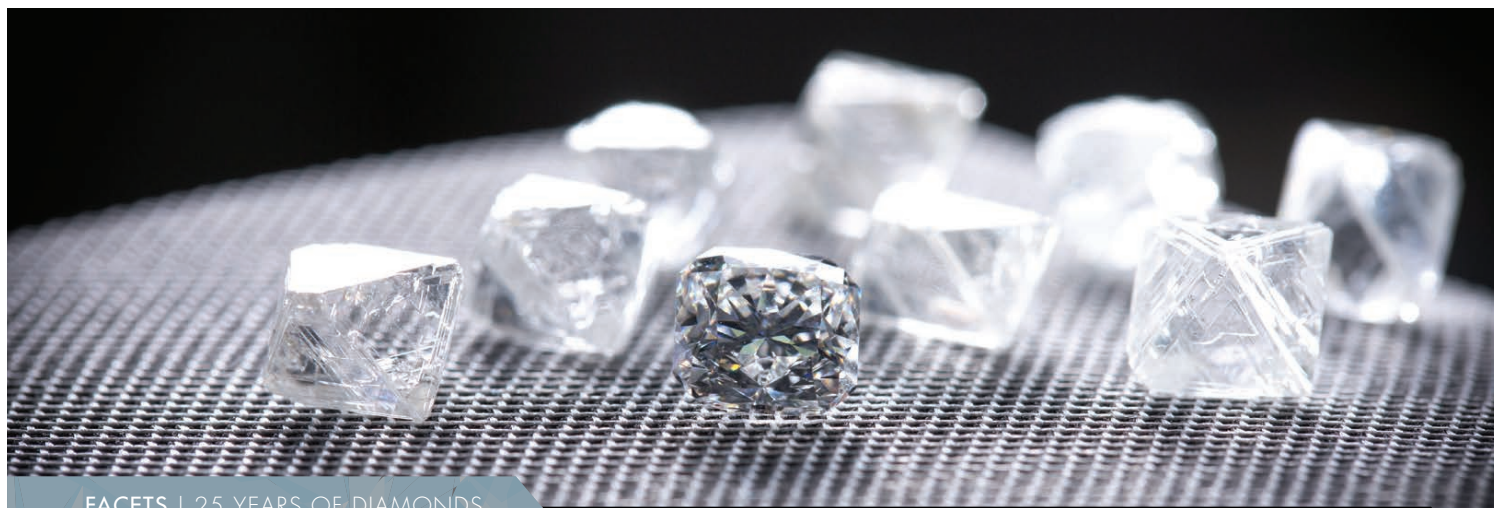
The developing northern diamond industry has already brought big changes and benefits to the NWT.

The NWT Mine Training Society is an outstanding example. A partnership of industry and government, over the past 12 years it has helped launch 1,300 mining-related careers, almost all of them from among the NWT's indigenous population. Its ambitious goal by 2020, says general manager Hilary Jones, is to train and place another 375.

Mining has fostered dozens of business start-ups in many communities. The North's aboriginal entrepreneurs and corporations have jumped in with both feet, earning \$5.37 billion from diamond mine spending – almost half the \$12.2 billion spent to date in the NWT.

The NWT's chronic infrastructure shortage has also advanced. The Dehcho Bridge, Diavik's bold \$30 million investment in wind energy, a seasoned aviation sector, and big improvements in year-round and winter roads have all been spurred by diamonds. The next decade could see a plan first set out in the 1950s: a road and port network to Grays Bay on the Arctic coast, a permanent asset of national importance.

A quarter century of diamond mining has created these remarkable legacies. They are the hard-won benefits of a shared vision for a sustainable mining future: each mine enhances the skills and adds to the capacity to find the next discovery that will lead to the next mine.



FACETS | 25 YEARS OF DIAMONDS



NWT Diamonds History Timeline

1969

Stu Blusson, geologist and helicopter pilot, rescues Chuck Fipke from mountainside; form Dia Met to search for diamonds in 1980s in NWT.

1990

Fipke and two others find pea-size green indicator crystals near Point Lake. Dia Met contacts BHP Minerals.

1991

Dia Met finds diamonds near Lac de Gras, 300 km NE of Yellowknife, triggering the largest staking rush ever in Canada.

1993

BHP Minerals and Dia Met find three kimberlites with high grade diamonds.

1994

Aber Resources and Kennecott Canada find four kimberlites under Lac de Gras; start Diavik mine with Rio Tinto in 1996.

1995

Mountain Province finds two kimberlites at Kennady Lake; forms joint venture with De Beers.

2010

Ekati finds the 78-carat Ekati Spirit diamond; sells in 2011 for \$6 million.

2012

Dominion Diamond buys BHP Billiton's share of Ekati Mine; Dominion also owns 40 percent of Diavik.

2012

Diavik builds NWT's first wind farm with four turbines; saves 5 million litres diesel/year.

2013

Dominion files for permits for Jay pipe mine expansion.

2014

A diamond staking rush occurs around Ekati and Diavik and in the Kennady lake area.

2014

Diavik announces development of A21 kimberlite. Mine life extended to 2024.

2015

De Beers' stops work at Snap Lake in December; offers it for sale in 2016.

2008

Snap Lake opens as Canada's first all-underground diamond mine.

2006

Ekati starts underground mining in first two completed open pit kimberlites.

2006

De Beers operates Gahcho Kué; Mountain Province starts Kennady Diamonds as sole owner.

2005

De Beers files for permits for Gahcho Kué project at Kennady Lake.

2003

Diavik, Canada's second and highest grade diamond mine, starts production.

2001

De Beers buys Snap Lake deposit from Winspear.

2001

BHP Billiton buys Dia Met for \$687 million; Stu Blusson and Chuck Fipke retain minority shares.

1998

Canada's first diamond mine, Ekati, opens in October. Total cost about \$1 billion.

2016

De Beers begins production at Gahcho Kué. Official opening September 20, 2016.

2016

Dominion receives approval in May for the Jay pipe; extends mine life to 2033.

2016

Diavik - 100 million carats since opening in 2003.
Ekati - 58.8 million carats since October 1998

2016

Kennady Diamonds moves project to advanced exploration phase.

2015

The Diavik Foxfire diamond, 187.7 carats, found in December.





DISCLAIMER AND INFORMATION ON FORWARD LOOKING STATEMENTS

Rockstone Research, Zimtu Capital Corp. ("Zimtu") and Arctic Star Exploration Corp. ("Arctic Star"; "ADD") caution investors that any forward-looking information provided herein is not a guarantee of future results or performance, and that actual results may differ materially from those in forward-looking information as a result of various factors. The reader is referred to ADD's public filings for a more complete discussion of such risk factors and their potential effects which may be accessed through ADD's documents filed on SEDAR at www.sedar.com. ADD's news release contains "forward-looking statements" including but not limited to statements with respect to Arctic Star's plans, the estimation of a mineral resource and the success of exploration activities. In this release it is not certain if the kimberlite discovered will be economic or not as this depends on many factors. Forward-looking statements, while based on management's best estimates and assumptions, are subject to risks and uncertainties that may cause actual results to be materially different from those expressed or implied by such forward-looking statements. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Factors that could affect our plans include our potential inability to raise funds as intended, and in such event we may require all funds raised, if any, to be used for working capital rather than the intended uses as outlined. Accordingly, readers should not place undue reliance on forward-looking statements. Arctic Star undertakes no obligation or responsibility to update forward-looking statements, except as required by law. All statements in this report, other than statements of historical fact, should be considered forward-looking statements. Statements in this report that are forward looking include that the found indications point to the existence of large diamonds; that large diamonds will be found; that ADD will start another exploration phase; that there will be large diamonds at Sequoia; that today's news-release will be an epic twist in history for ADD, its backers and shareholders; that if the other half of the core of Discovery Hole DG2021-04 would have been sent first for caustic fusion diamond count, maybe last week's announcement by Arctic Star would have been perceived differently by the market; that on the other hand, this epic twist in history now gives even more credibility to Chuck Fipke, Buddy Doyle and Pat Power with respect to their expertise in conducting scientific research including diamond indicator-inclusion geochemistry analysis, aiming to predict the possibility of large diamonds at Sequoia prior to today's news-release announcing the first find of commercial-sized diamonds in drill core. Such forward-looking statements are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. It is important to note that ADD's actual business and legal outcomes, and exploration results, could differ materially from those in such forward-looking statements. Risks that could change or prevent these statements from coming to fruition include that ADD will not find large diamonds although indicators point to the existence of large diamonds; that ADD will not find any large diamonds even if large diamonds exist on the property; that ADD will not find any commercial quantities of diamonds; and even if ADD finds large diamonds, these may not be economically recoverable with a mine; that ADD may not continue any exploration at its projects, and even if it does, the mineral claims may prove to be unworthy of further expenditure; there may not be an economic mineral resource; methods ADD or Chuck Fipke thought would be effective may not prove to be in practice or on ADD's claims; economic, competitive, governmental, environmental and technological factors may affect ADD's operations, markets, products and prices; ADD may not have access to or be able to develop any minerals because of cost factors, type of terrain, or availability of equipment and technology; ADD may also not raise sufficient funds to carry out our plans; that management members, directors or partners will leave the company; that the property returns back to the government or other companies; that ADD will not fulfill its contractual obligations; there may be no or little geological or mineralization similarities between the property and other properties in Canada or elsewhere; that uneconomic mineralization will be encountered with sampling or drilling; that the targeted prospects can not be reached; that exploration programs, such as mapping, sampling or drilling will not

be completed; changing costs for exploration and other matters; increased capital costs; interpretations based on current data that may change with more detailed information; potential process methods and mineral recoveries assumption based on limited test work and by comparison to what are considered analogous deposits may prove with further test work not to be comparable; intended methods and planned procedures may not be feasible because of cost or other reasons; the availability of labour, equipment and markets for the products produced; fluctuating or falling world and local prices for diamonds and minerals; and even if there are considerable resources and assets on any of the mentioned companies' properties or on those under control of ADD, these may not be minable or operational profitably. Stated projects and companies are not necessarily indicative of the potential of ADD and its property and should not be understood or interpreted to mean that similar results will be obtained from ADD and its properties. Results of stated past producers, active mines, exploration and development projects in the region or globally are not necessarily indicative of the potential of ADD's property and should not be understood or interpreted to mean that similar results will be obtained. Additional risk factors are discussed in the section entitled "Risk Factors" in ADD's Management Discussion and Analysis for its recently completed fiscal period, which is available under ADD's SEDAR profile. Readers are cautioned that the foregoing list of factors is not exhaustive and are cautioned not to place undue reliance on these forward-looking statements. The writer assumes no responsibility to update or revise such information to reflect new events or circumstances, except as required by law.

DISCLOSURE OF INTEREST AND ADVISORY CAUTIONS

Nothing in this report should be construed as a solicitation to buy or sell any securities mentioned. Rockstone, its owners and the author of this report are not registered broker-dealers or financial advisors. Before investing in any securities, you should consult with your financial advisor and a registered broker-dealer. Never make an investment based solely on what you read in an online or printed report, including Rockstone's report, especially if the investment involves a small, thinly-traded company that isn't well known. The author of this report, Stephan Bogner, is not a registered financial advisor and is paid by Zimtu Capital Corp. ("Zimtu"), a TSX Venture Exchange listed investment company. Part of the author's responsibilities at Zimtu is to research and report on companies in which Zimtu has an investment or is being paid to conduct shareholder communications. So while the author of this report may not be paid directly by Arctic Star Exploration Corp. ("ADD"), the author's employer Zimtu is being paid and will benefit from appreciation of ADD's stock price. The author also owns equity of ADD, as well as equity of Zimtu Capital Corp., and thus would also benefit from volume and price appreciation of its stocks. ADD pays Zimtu to provide this report and other investor awareness services. [As per news on 08/30/2021](#): "Under the terms of the agreement, Arctic Star will pay Zimtu \$12,500 per month for a period of 12 months. Arctic Star will pay the full year's payments when it next raises financing. The Zimtu-Advantage contract is being filed with the TSX-V." ADD may have one or more common directors with Zimtu. Overall, multiple conflicts of interests exist. Therefore, the information provided should not be construed as a financial analysis but as an advertisement. The author's views and opinions regarding the companies featured in reports are his own views and are based on information that he has researched independently and has received, which the author assumes to be reliable but may not be. Rockstone and the author of this report do not guarantee the accuracy, completeness, or usefulness of any content of this report, nor its fitness for any particular purpose. Lastly, the author does not guarantee that any of the companies mentioned will perform as expected, and any comparisons made to other companies may not be valid or come into effect. Please read the [entire Disclaimer](#) carefully. If you do not agree to all of the Disclaimer, do not access this website or any of its pages including this report in form of a PDF. By using this website and/or report, and whether or not you actually read the Disclaimer, you are deemed to have accepted it. Information provided is for entertainment and general in nature. Data, tables, figures and pictures, if not labeled or hyperlinked otherwise, have been obtained from ADD, Stockwatch.com, and the public domain.

Author Profile & Contact

Stephan Bogner (Dipl. Kfm., FH)
Rockstone Research
8260 Stein am Rhein, Switzerland
Phone: +41 44 5862323
Email: sb@rockstone-research.com



Stephan Bogner studied Economics, with specialization in Finance & Asset Management, Production & Operations, and Entrepreneurship & International Law, at the

International School of Management (Dortmund, Germany), the European Business School (London, UK) and the University of Queensland (Brisbane, Australia). Under Prof. Dr. Hans J. Bocker, Stephan completed his diploma thesis ("Gold In A Macroeconomic Context With Special Consideration Of The Price Formation Process") in 2002. A year later, he marketed and translated into German Ferdinand Lips' bestseller "Gold Wars". After working in Dubai's commodity markets for 5 years, he now lives in Switzerland and is the CEO of [Elementum International AG](#) specialized in the storage of gold and silver bullion in a high-security vaulting facility within the St. Gotthard Mountain in central Switzerland.

Rockstone Research is specialized in capital markets and publicly listed companies. The focus is set on exploration, development, and production of resource deposits, as well as technology ventures. Through the publication of basic geological, technological, and stock market knowledge, the individual company and sector reports receive a background in order for the reader to be inspired to conduct further due diligence and to consult with a financial advisor.

All Rockstone reports are being made accessible free of charge, whereas it is always to be construed as non-binding research addressed solely to a readership that is knowledgeable about the risks, experienced with stock markets, and acting on one's own responsibility.

For more information and sign-up for free email newsletter, please visit:

www.rockstone-research.com

