MOUNTAIN
PROVINCE DIAMONDS

Management's Discussion and Analysis

For the Three Months Ended March 31, 2026

TSX: MPVD

MOUNTAIN PROVINCE DIAMONDS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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This Management's Discussion and Analysis ("MD&A") as of May 12, 2026, provides a review of the financial performance of Mountain Province Diamonds Inc. (the "Company" or "Mountain Province" or "MPV") and should be read in conjunction with the annual information form and MD&A for the year ended December 31, 2025, the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2026 and the audited consolidated financial statements for the year ended December 31, 2025. The following MD&A has been approved by the board of directors of the Company (the 'Board of Directors') as of this date

The unaudited condensed consolidated interim financial statements ("interim financials statements") of the Company were prepared in accordance with IAS 34 – Interim Financial Reporting. Except as disclosed in the statements, the interim financial statements follow the same accounting policies and methods of computation as compared with the most recent annual financial statements for the year ended December 31, 2025, which were prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). Accordingly, the interim financial statements should be read in conjunction with the Company's most recent annual financial statements.

All amounts are expressed in thousands of Canadian dollars, except share and per share amounts, unless otherwise noted.

All references in this MD&A denoted with [NI] are not standardized financial measures under IFRS and these measures may not be comparable to similar financial measures disclosed by other issuers. Refer to the Non-IFRS Measures section for a discussion of the specified financial measures.

The disclosure in this MD&A of scientific and technical information regarding exploration projects on Mountain Province's mineral properties has been reviewed and approved by Tom McCandless, Ph.D., P.Geo., who is an independent advisor to the Company and **Qualified Person** as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Properties ("NI 43-101").

Additional information, related to the Company is available on SEDAR+ at http://sedarplus.ca/.

HIGHLIGHTS

- Loss from mine operations for the three months ended March 31, 2026, amounted to $36,181 compared to loss from mine operations of $22,353 for the same period in 2025. The drop in earnings from mine operations is due to a decrease in diamond sales (more carats sold but lower average price per carat achieved) and net realizable value adjustment in the three months ended March 31, 2026.

- Net loss for the three months ended March 31, 2026, amounted to $65,069 or $0.31 loss per share (basic and diluted) compared to net loss of $34,374 or $0.16 loss per share (basic and diluted) for the comparable period in 2025. Adjusted EBITDA[NI] for the three months ended March 31, 2026 was ($622) compared to $5,760 for the three months ended March 31, 2025.

- Cash at March 31, 2026, was $219 with net working capital deficit of $63,421. Cash on December 31, 2025, was $2,327 with net working capital deficit of $70,558.

- Subsequent to the quarter ended March 31, 2026, the Company has entered into a fourth amending agreement (the "Fourth Amending Agreement") with Dunebridge Worldwide Ltd., as administrative agent, security trustee and lender thereunder ("Dunebridge"), a related party of the Company, extending the maturity date on the US$40 million term loan facility (the "Term Loan") and the date for repayment of the principal amount of the US$33 million working capital facility (the "WCF") from April 30, 2026 to June 30, 2026. The WCF and Term Loan are governed by the amended and restated bridge credit facility agreement dated May 13, 2025, as further amended by amendment no. 1, amendment no. 2 and amendment no. 3 dated July 25, 2025, November 18, 2025, and March 17, 2026, respectively.

- The Company also announced that it has sold approximately US$1 million of the proceeds from the sale of diamonds from the GK Mine (the "Purchased Receivables"), to which 2435386 Ontario Inc. ("386"), a wholly owned subsidiary of the Company, is entitled under its 49% joint venture interest in such mine, to Mr. Dermot Desmond ("Mr. Desmond") under a purchase and sale agreement between the Company, 386 and Mr. Desmond (the "Purchase and Sale Agreement"). The purchase price for the Purchased Receivables will be paid to the Company immediately, providing the Company with the operating capital necessary to continue operations in the near term while the Company reviews its strategic alternatives.

- In the first quarter of 2026, the Company sold 858,000 carats and recognized revenue of $39,983 at an average realized value of $47 per carat (US$34) compared to sales in the first quarter of 2025 totaling 426,000 carats and recognized revenue of $43,995 at an average realized value of $103 per carat (US$72).

- Cash costs of production[NI], including capitalized stripping costs, for the three months ended March 31, 2026, were $139 per tonne of ore treated, and $53 per carat recovered compared to $158 per tonne of ore treated, and $192 per carat recovered for the same period in 2025. The decrease in cost per tonne treated is because $3 million of capitalized waste costs were charged in 2026, compared to $31 million in the same period of 2025 and the ore stockpile depleted by only 31,000 tonnes in the three months ended March 31, 2026, compared to depleting by 0.9 million tonnes in the same period of 2025, causing previously capitalized costs to be amortised.

- Mining of waste and ore combined in the 5034 and Tuzo open pits for the three months ended March 31, 2026, was approximately 5,466,000 tonnes and 737,000 tonnes, respectively, for a total of 6,203,000 tonnes. This represents an 39% decrease in tonnes mined over the comparative period in 2025. Ore mined for the three months ended March 31, 2026 was 741,000 tonnes, with approximately 2,279,000 tonnes of ore stockpile available at period end, a decrease of 31,000 tonnes during the period. For the comparative three months ended March 31, 2025, ore mined totaled Nil tonnes, with approximately 3,142,000 tonnes of ore stockpile.

- For the three months ending March 31, 2026, the GK Mine treated approximately 759,000 tonnes of ore and recovered approximately 2,006,000 carats on a 100% basis for an average recovered grade of approximately 2.64 cpt. For the comparative three months ending March 31, 2025, the GK Mine treated approximately 926,000 tonnes of ore and recovered approximately 763,000 carats on a 100% basis for an average recovered grade of approximately 0.82 cpt.

The following table summarizes key operating highlights for the three months ended March 31, 2026 and 2025.

		Three months ended March 31, 2026	Three months ended March 31, 2025
GK operating data			
Mining			
*Ore tonnes mined	kilo tonnes	741	-
*Waste tonnes mined	kilo tonnes	5,462	10,092
*Total tonnes mined	kilo tonnes	6,203	10,092
*Ore in stockpile	kilo tonnes	2,279	3,142
Processing			
*Ore tonnes treated	kilo tonnes	759	926
*Average plant throughput	tonnes per day	7,989	9,851
*Average plant grade	carats per tonne	2.64	0.82
*Diamonds recovered	000's carats	2,006	763
Approximate diamonds recovered - Mountain Province	000's carats	983	374
Cash costs of production per tonne of ore, net of capitalized stripping **	$	131	90
Cash costs of production per tonne of ore, including capitalized stripping**	$	139	158
Cash costs of production per carat recovered, net of capitalized stripping**	$	49	109
Cash costs of production per carat recovered, including capitalized stripping**	$	53	192
Sales			
Approximate diamonds sold - Mountain Province***	000's carats	858	426
Average diamond sales price per carat	US	$ 34	$ 72

* at 100% interest in the GK Mine

**See Non-IFRS Measures section

***Includes the sales directly to De Beers for fancies and specials acquired by De Beers through the production split bidding process

COMPANY OVERVIEW

Mountain Province is a Canadian-based resource company listed on the Toronto Stock Exchange under the symbol 'MPVD'. The Company's registered office and its principal place of business is 151 Yonge Street, Suite 1100, Toronto, ON, Canada, M5C 2W7. The Company, through its wholly owned subsidiaries 2435572 Ontario Inc. and 2435386 Ontario Inc., holds a 49% interest in the Gahcho Kué diamond mine (the "GK Mine"), located in the Northwest Territories of Canada. De Beers Canada Inc. ("De Beers" or the "Operator") holds the remaining 51% interest. The Gahcho Kué Joint Venture Arrangement ("GKJVA") between the Company and De Beers is governed by the 2025 Amended and Restated Joint Venture Agreement ("JVA").

The Company's primary assets are its 49% interest in the GK Mine and 100% owned Kennady North Project ("KNP" or "Kennady North"). The Company predominantly sells it's 49% share of diamond production in Antwerp, Belgium.

GAHCHO KUÉ DIAMOND MINE

Gahcho Kué Joint Venture Agreement

The GK Mine is in the Northwest Territories, approximately 300 kilometers northeast of Yellowknife. The mine covers 5,216 hectares held in trust by the Operator. The GK Mine hosts four primary kimberlite bodies – 5034, Hearne, Tuzo and Wilson. The four main kimberlite bodies are within two kilometers of each other.

The GK Mine is jointly managed under an unincorporated joint arrangement between De Beers (51%) and Mountain Province (49%) through its wholly owned subsidiaries. The Company accounts for the mine as a joint operation in accordance with IFRS 11, *Joint Arrangements*. Mountain Province through its subsidiaries holds an undivided 49% ownership interest in the assets, liabilities, and expenses of the GK Mine.

Between 2014 and 2020, the Company and De Beers signed agreements to utilize De Beers' credit facilities to issue reclamation and restoration security deposits to the federal and territorial governments. In accordance with these agreements, the Company agreed to a 3% fee annually for their share of the letters of credit issued. As of March 31, 2026, the Company's share of the letters of credit issued were $44.7 million (December 31, 2025 - $44.7 million).

As of December 31, 2024, the Company's estimated remaining share of decommissioning payments under the joint venture with De Beers was approximately $60.6 million, net of its existing contributions to the Decommissioning Fund. On March 18, 2025, the Company entered into a Payment and Security Agreement with De Beers, which established a revised schedule for these payments. Under this agreement, the Company is required to fund one-third of its outstanding decommissioning obligation as at December 31, 2025 on or before June 30, 2026, half of the remaining balance as at December 31, 2026 by June 30, 2027, and the remaining outstanding balance as at December 31, 2027 by June 30, 2028. Additional annual payments may be required thereafter based on updated estimates.

During the quarter ended March 31, 2026, the Company made no new contributions to the decommissioning fund (December 31, 2025 – $Nil). As of March 31, 2026, the Company's total funded amount, including interest earned, which is presented as restricted cash on the balance sheet, was $1,450 (December 31, 2025 – $34,907), against the Company's estimated share of the decommissioning cost as of March 31, 2026 of $127,501. The decrease reflects amounts that were used by the joint venture partner to fund the Company's cash call obligation that were yet to be paid at the end of the period. The amount owed in respect of the cash call obligation is included in accounts payable and accrued liabilities of the Financial Statements as at March 31, 2026.

Mining and Processing

For the three months ended March 31, 2026, on a 100% basis, a total of 6,203,000 tonnes of waste and ore was extracted from the 5034 and Tuzo open pits. For the three months ended March 31, 2025, a total of 10,092,000 tonnes of waste and ore was extracted from the 5034 and Tuzo open pits.

Total ore tonnes mined in the three months ended March 31, 2026, was 741,000 tonnes compared to Nil for the same period in 2025. In 2025, the focus waste on waste stripping to access NEX and the processing plant fed mostly from stockpile in the first quarter of 2025.

For the three months ended March 31, 2026, 759,000 tonnes of kimberlite ore were treated, with 2,006,000 carats (100% basis) recovered, at a grade of 2.64 carats per tonne. For the three months ended March 31, 2025, 926,000 tonnes of kimberlite ore were treated, with 763,000 carats recovered, at a grade of 0.82 carats per tonne. The average grade for the first quarter of 2025 was lower primarily due to treating ore fed from the ore stockpile while in the first quarter of 2026, NEX ore were fed resulting in higher grade.

On December 31, 2025, the Company had 558,883 carats within its sale preparation channel plus 209,278 carats reflecting its share at the GK Mine and sorting facility for a total of 768,161 carats in inventory. This compares to a total of 642,575 carats in inventory on December 31, 2025.

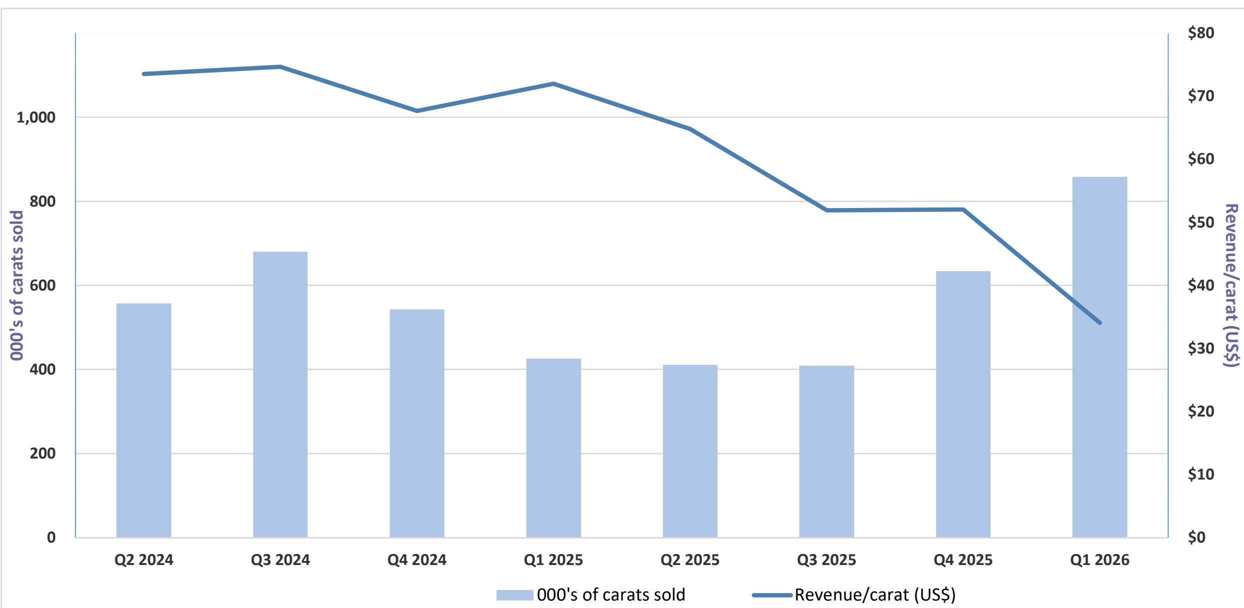
Diamond Sales

After nine years of sales, the Gahcho Kué diamonds are firmly established in the rough diamond market. The Gahcho Kué ore bodies and product profiles are complex, producing a broad range of white commercial goods together with a consistent supply of exceptional, high value, gem quality diamonds, as well as large volumes of small and brown diamonds. The Gahcho Kué product also exhibits varying degrees of fluorescence, for which the Company has attracted specialist customers who are developing strategies to market this characteristic.

The Company's diamonds have established a strong market presence and customer base. Except for some industrial, non-gem quality diamonds the majority of the Company's diamonds are sold into market segments that cut and polish the rough diamonds, with resultant polished diamonds destined for the major diamond jewelry markets of the US, India and China. Given the variety across the Gahcho Kué rough diamond profile and the variability of the mining plan through the period, the mix of diamond categories may differ from sale to sale.

Most of the Company's revenue is derived from open market and contract sales, with the remainder attributed to sales of fancies and specials directly to De Beers on those occasions where De Beers has won the periodic fancies and specials bidding process. The Company undertook two sales in Antwerp, Belgium during the first quarter of 2026. In addition to changes in broader market performance, a different mix of diamonds was sold in Q1 2026, compared with Q1 2025, which also impacted the average realized sales value per carat. The average realized value per carat for all sales held in the three months ended March 31, 2026, was US$34 per carat. The average realized value per carat for all sales held for the three months ended March 31, 2025, was US$72 per carat.

The following chart summarizes the sales for the trailing eight quarters:



The following table summarizes the results of sales in 2026:

	000's of carats sold	Revenue (US$ 000's)	Revenue/carat (US$)
Q1	858	$ 29,238	$ 34
Total	858	$ 29,238	$ 34

The following table summarizes the results for sales in 2025:

	000's of carats sold	Revenue (US$ 000's)	Revenue/carat (US$)
Q1	426	$ 30,662	$ 72
Q2	411	$ 26,636	$ 65
Q3	409	$ 21,233	$ 52
Q4	634	$ 32,999	$ 52
Total	1,880	$ 111,530	$ 59

Gahcho Kué Capital Program

During the three months ended March 31, 2026, stay in business capital[NI] was $2.7 million compared to $7.8 million for the three months ended March 31, 2025. Capital expenditures included earthmoving equipment, truck repairs, equipment repairs and other general repairs. All capital additions in the period are considered stay in business capital and were largely on budget. Stay in business capital does not include capital waste stripping and is defined as those expenditures required to maintain the current operation.

2026 PRODUCTION AND COST GUIDANCE

The Company wishes to provide operating and cost guidance for 2026, as follows (all figures quoted on a 100% basis unless otherwise specified):

- 23–26 million total tonnes mined (ore and waste; assuming Tuzo deferral)
- 3.9 – 4.3 million ore tonnes mined
- 3.3 – 3.6 million ore tonnes treated
- 6.6 – 7.2 million carats recovered
- Sustaining Capital Expenditure of $6 million (49% share: assuming Tuzo deferral)

Note. Discussions with De Beers regarding revised operating costs with deferral of Tuzo are on-going. Management will issue production cost per tonne treated and production cost per carat when those costs are finalised.

In addition to these guidance figures, the Company wishes to provide guidance for 2026 carats sold as follows:

- 3.4 – 3.8 million carats sold (49% share)

Diamond Outlook

This summary of current market conditions is based on publicly available and subscription-based industry reports, market data, and analyst commentaries.

Going into 2026, overall market sentiment was cautious but optimistic as prices were beginning to stabilize and recover in some categories, despite ongoing uncertainty over US tariffs and the pending sale of De Beers. The outbreak of war in the Middle East in February has caused new disruptions, with several rough diamond tender houses cancelling sales in Dubai due to safety concerns and travel suspensions. So far, the situation has mainly created logistical challenges rather than structural market shifts, although Dubai has been well established as a major trading hub, as well as important source of rough diamonds supplying Indian manufacturers. The longer-term impacts of the war on the diamond industry and wider global economy remain unclear.

Producers continue to face challenges due to subdued market conditions. In response, some operators are adjusting production to manage supply and operating costs. Production at Diavik in Canada ceased as scheduled in March, resulting in only two active Canadian diamond mines, Gahcho Kue and Ekati. With fewer mines in operation, Canadian diamond supply is expected to tighten. This reduction could increase the strategic importance of remaining mines and drive greater focus on responsible sourcing and traceability if Canadian diamonds become more exclusive within the market.

Rough prices for larger stones (above 2 carats) stabilized in Q1, while smaller goods experienced further price declines. Producers and manufactures have continued to manage inventories and supply, as midstream buyers' favour purchasing to fulfill specific product gaps and orders rather than to maintain inventories, with an ongoing trend of last-minute orders and transactions.

China continues to show signs of gradual recovery, although with slower growth than before the pandemic. In India, retail remains supported by bridal demand and investment purchases, with Indian consumers still showing strong preference for natural diamonds over lab-grown diamonds (LGDs). In the Middle East, recent disruptions have resulted in weakened regional short-term retail demand.

The US market is steady but, as reflected in rough and polished prices, showing greatest demand for large sizes. US retail sales are projected to show modest growth in 2026, supported by steady employment, tax refunds, and easing inflation despite ongoing economic and geopolitical uncertainty. Consumer spending is expected to remain resilient, although momentum will be uneven, with higher-income consumers driving most of the gains, a trend also observed in luxury goods markets.

Growth in luxury goods continues, with the wealthiest consumers still active while aspirational spenders are presently more cautious or seeking lower cost options. Demand for luxury jewellery remains solid in Japan and Asia, with strong performance in luxury and premium goods in Hong Kong especially, further boosted by Chinese New Year in February.

LGDs now represent a key driver of sales and a significant revenue stream, though higher-value purchasers continue to favor natural diamonds, reflecting a growing gap between affluent buyers favouring naturals, and those prioritizing size and cost who are increasingly opting for LGDs. LGD engagement ring sales recently surpassed naturals, primarily due to competitive pricing. Retailers are reporting better margins on LGDs, though these may decline as LGD prices fall further. Industrial applications for LGDs are also expanding due to improvements in quality and uniformity suited for technology purposes.

As LGDs gain traction, particularly among younger consumers seeking larger, high-quality stones while prioritising cost, strategic marketing efforts remain essential. Marketing efforts continue by all segments, and the World Federation of Diamond Bourses recently announced a dedicated budget for the global promotion of natural diamonds.

Heading into 2026, the diamond industry faces uncertainty despite robust consumer spending and continued growth in premium and luxury segments. Ongoing macroeconomic pressures, regulatory shifts, lab-grown diamond competition, and changing consumer trends are expected to affect market volatility. The natural diamond industry continues to emphasise traceable origins and responsible sourcing to build consumer trust and differentiate natural diamonds from lab-grown alternatives, helping to maintain resilience and support long-term growth in a competitive market.

GAHCHO KUÉ EXPLORATION

The Gahcho Kué joint venture with De Beers covers 5,216 hectares of mining leases that includes the Gahcho Kué Mine. Exploration within the leases has focused on near-mine and brownfield discoveries that would extend the life of the mine. Near-mine discoveries since 2018 include the NEX and SWC extensions to 5034, the Wilson kimberlite adjacent to Tuzo, and the Hearne Northwest Extension. Although exploration has led to significant potential outside of the presently-defined mine limits, further development of this potential is presently on hold. Furthermore, a review of the economics for Tuzo Phase 3 has also resulted in the suspension of mining of this kimberlite for the present time.

The NI 43-101 Technical Report completed by JDS Energy & Mining in Q3 of 2024 includes a target for further exploration (TFFE) for the Hearne Northwest Extension. The estimate of TFFE is conceptual in nature as there has been insufficient exploration to define a Mineral Resource, and it is uncertain if future exploration will result in the estimate being delineated as a Mineral Resource. Further core drilling and assessment of the core following the protocols described above will be required to increase confidence above a TFFE. The range of tonnes and grade for the Hearne Northwest Extension is provided below.

TFFE Estimate for the Hearne Northwest Extension (as of April 2024 as referenced in the September 30, 2024 NI 43-101 Compliant Technical Report)

Kimberlite	Tonnes (Mt)		Grade (cpt)	
	Low	High	Low	High
Hearne Northwest Extension	7.2	10.9	1.8	2.2

Notes:

1. Grade ranges are expressed at a 1.0mm bottom cutoff and exclude incidental diamonds
2. The Hearne Deep Extension is modeled to a depth of 130m below average sea level.
3. The Hearne Deep Extension is open at depth.

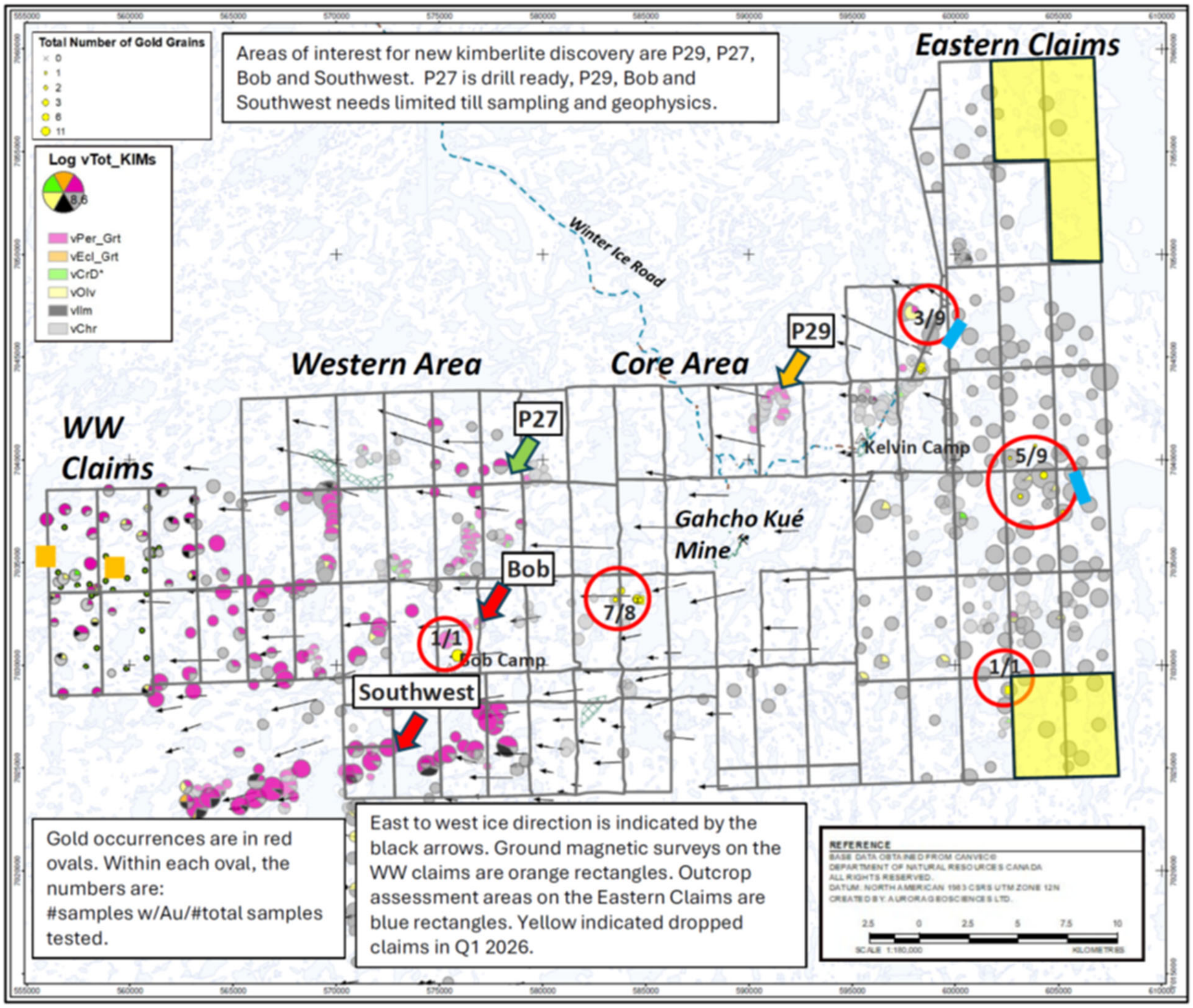
KENNADY NORTH PROJECT ("KNP") EXPLORATION

The Kennady North Project includes 58 federal leases and 44 claims covering an area of over 90,000 hectares that surround the GK Mine on all sides. The project includes nine kimberlites: Kelvin, Faraday 2, Faraday 1-3, MZ, Doyle, NA, SA, KS and KE. Exploration through 2022 confirmed the presence of strong historic kimberlite indicator mineral dispersions in the Western Area. Four areas of interest merited further sampling and/or localized geophysics to confirm drill targets, identified as the P29, P27, Bob, and Southwest areas of interest as shown on the map image below. These four areas of interest remain a priority for future economic kimberlite discovery.

The 2022 work also recovered visible gold grains in the +0.25-0.50mm range, with three grains on the Eastern Claims showing features of minimal transport. To confirm these anomalies, the -0.25mm fractions of these and an additional 24 samples were processed for gold recovery. Gold was confirmed in 18 of the 28 samples. The locations of the gold-bearing till samples are circled in red in the image below, with the number of gold-bearing samples listed within the circles. A total of 28 claims surveyed to lease in the Western Area were confirmed as leases in Q3 of 2025.

A review of data for certain portions of the project in Q1 resulted the dropping of five claims due to their low potential for further kimberlite or gold discovery. This reduced the claim coverage by ~6,000 hectares.

In Q1 2026 the inspection and repair of the Kelvin exploration camp was completed as per the requirements of the GNWT land use permit. The GNWT had also requested removal of waste materials from Kelvin Camp, which was accomplished in a short winter program. A small crew that occupied the camp from late February to early March established an ice trail from camp to a loading zone on the Gahcho Kué spur road. This enabled the removal of over 300 tonnes of waste that was loaded on 19 trucks and shipped back to Yellowknife for final disposal or recycling. None of the waste removed from camp has compromised the future use of the camp and its facilities.



The Kennady North Project includes both an Indicated Resource for the Kelvin kimberlite and Inferred Resources for the Faraday kimberlites. Geological model domains for the Kelvin, Faraday 2 and Faraday 1-3 kimberlites were adopted as the resource domains for the estimation of Mineral Resources. The volumes of these domains were combined with estimates of bulk density to derive tonnage estimates. Bulk sampling programs using large diameter RC drilling were conducted to obtain grade and value information. Microdiamond data from drill core were used to forecast grades for the different kimberlite lithologies. Details of the modeling are available in NI 43-101 Compliant Technical Reports (filed in 2016 and 2017 under Kennady Diamonds Inc.) and the NI43-101 Compliant Technical Report filed April 11, 2019, under Mountain Province. All reports are available on SEDAR+ and on the Company website. Details for the estimated resources are provided in the table below.

Mineral Resource Estimates for the Kelvin and Faraday Kimberlites (as of February 2019 as referenced in the April 11, 2019 NI43-101 Compliant Technical Report)

Resource	Classification	Tonnes (Mt)	Carats (Mct)	Grade (cpt)	Value (US$/ct)
Kelvin	Indicated	8.50	13.62	1.60	$63
Faraday 2	Inferred	2.07	5.45	2.63	$140
Faraday 1-3	Inferred	1.87	1.90	1.04	$75

(1) Mineral Resources are reported at a bottom cut-off of 1.0mm. Incidental diamonds are not incorporated into grade calculations.
(2) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

RESULTS OF OPERATIONS

The Company, as discussed above, held two diamond sales during the three months ended March 31, 2026.

SUMMARY OF QUARTERLY RESULTS

Table 1 - Quarterly Financial Data

Expressed in thousands of Canadian dollars

		Three months ended			
		March 31 2026	**December 31 2025**	**September 30 2025**	**June 30 2025**
Earnings and Cash Flow					
Number of sales		2	2	2	2
Sales	$	39,983	45,742	29,164	36,824
Operating loss	$	(39,826)	(156,717)	(31,418)	(55,140)
Net loss for the period	$	(65,069)	(151,553)	(55,863)	(37,743)
Basic loss per share	$	(0.31)	(0.71)	(0.26)	(0.18)
Diluted loss per share	$	(0.31)	(0.71)	(0.26)	(0.18)
Adjusted EBITDA[NI]	$	(622)	5,253	(4,275)	(2,215)
Cash flow provided by (used in) operating activities	$	(17,837)	8,615	(3,014)	(26,831)
Cash flow provided by (used in) investing activities	$	27,752	(35,133)	(6,004)	(31,851)
Cash flow provided by (used in) financing activities	$	(11,879)	23,803	12,494	55,829
Balance Sheet					
Total assets	$	699,237	709,357	806,744	832,189

		Three months ended			
		March 31 2025	**December 31 2024**	**September 30 2024**	**June 30 2024**
Earnings and Cash Flow					
Number of sales		2	2	2	3
Sales	$	43,995	69,413	56,818	89,438
Operating income (loss)	$	(25,102)	(14,393)	9,071	26,760
Net (loss) income for the period	$	(34,374)	(18,988)	(6,524)	6,864
Basic (loss) earnings per share	$	(0.16)	(0.09)	(0.03)	0.03
Diluted (loss) earnings per share	$	(0.16)	(0.09)	(0.03)	0.03
Adjusted EBITDA[NI]	$	6,075	17,274	24,041	49,953
Cash flow provided by (used in) operating activities	$	(916)	56,416	(35,055)	39,953
Cash flow provided by (used in) investing activities	$	(38,725)	(18,839)	(18,901)	(16,623)
Cash flow provided by (used in) financing activities	$	37,672	(15,472)	4,675	(47)
Balance Sheet					
Total assets	$	875,262	871,528	878,379	907,917

The Company typically holds between nine to ten sales per year in Antwerp, Belgium, and has typically alternated between two and three sales per quarter since the start of commercial production.

During the three months ended March 31, 2026, the Company sold 858,000 carats and recognized revenue of $39,983 at an average realized value of $47 per carat (US$34) over two sales in Antwerp, Belgium. The Company had operating loss [NI] of $39,826.

During the three months ended December 31, 2025, the Company sold 634,000 carats and recognized revenue of $45,742 at an average realized value of $72 per carat (US$52) over two sales in Antwerp, Belgium. The Company had operating loss of $53,622.

During the three months ended September 30, 2025, the Company sold 409,000 carats and recognized revenue of $29,164 at an average realized value of $71 per carat (US$52) over two sales in Antwerp, Belgium. The Company had operating loss of $31,418.

During the three months ended June 30, 2025, the Company sold 411,000 carats and recognized revenue of $36,824 at an average realized value of $90 per carat (US$65) over two sales in Antwerp, Belgium. The Company had operating loss of $55,140.

During the three months ended March 31, 2025, the Company sold 426,000 carats and recognized revenue of $43,995 at an average realized value of $103 per carat (US$72) over two sales in Antwerp, Belgium. The Company had operating loss of $25,102.

During the three months ended December 31, 2024, the Company sold 543,000 carats and recognized revenue of $51,996 at an average realized value of $96 per carat (US$68) over two sales in Antwerp, Belgium. The Company had operating loss of $16,933.

During the three months ended September 30, 2024, the Company sold 680,000 carats and recognized revenue of $69,413 at an average realized value of $102 per carat (US$75) over two sales in Antwerp, Belgium. The Company had operating loss of $14,393.

During the three months ended June 30, 2024, the Company sold 557,000 carats and recognized revenue of $56,818 at an average realized value of $102 per carat (US$74) over two sales in Antwerp, Belgium. The Company had operating income of $9,071.

SUMMARY OF FIRST QUARTER FINANCIAL RESULTS

Three months ended March 31, 2026, compared to the three months ended March 31, 2025, expressed in thousands of Canadian dollars.

For the three months ended March 31, 2026, the Company recorded net loss of $65,069 or $0.31 basic and diluted loss per share compared to a net loss of $34,374 or $0.16 basic and diluted loss per share for the same period in 2025. The higher net loss for the three months ended March 31, 2026, compared to 2025 is largely attributed a decrease in earnings from mine operations reflecting lower sales in the period (lower average price per carat achieved but higher carats sold), net realizable value adjustment to inventory of $19 million, higher finance expenses from the new debt facilities and higher foreign exchange losses in 2026 compared to 2025.

Loss from mine operations

Loss from mine operations for the three months ended March 31, 2026, were $36,181 compared to loss from mine operations of $22,353 for the same period in 2025. For the three months ended March 31, 2026, the Company held two sales and sold 858,000 carats for proceeds of $39,983 with diamond sales value per carat of US$34. For the three months ended March 31, 2025, the Company held two sales and sold 426,000 carats for proceeds of $43,995 with diamond sales value per carat of US$72. Additionally, the higher loss from mine operations for the three months ended March 31, 2026 compared to the same period of 2025 was attributable to the net realizable value write-down of rough diamond inventory of $12,235 (three months ended March 31, 2025: $9,905) and ore stockpile of $6,809 (three months ended March 31, 2025: $5,680).

Production costs (net of capitalized stripping costs) related to diamonds sold for the three months ended March 31, 2026, were $50,536; depreciation and depletion on the GK Mine assets related to the three months ended March 31, 2026, were $23,992; and cost of acquired diamonds for the three months ended March 31, 2026, were $1,636.

Production costs (net of capitalized stripping costs) related to the three months ended March 31, 2025, were $39,289; and depreciation and depletion on the GK Mine commissioned assets related to the three months ended March 31, 2025, were $23,069; and the cost of acquired diamonds for the three months ended March 31, 2025, were $3,990. The increase in production costs for the three months ended March 31, 2026, reflects the impact of higher carats sold in the period and the net realizable value adjustment to inventory recorded in the period of $19.0 million compared to $15.6 million in the same period of 2025.

Selling, general and administrative expenses

Selling, general and administrative expenses for the three months ended March 31, 2026, were $2,500 compared to $2,542 for the same period in 2025. The main expenses included in these amounts for the three months ended March 31, 2026, were $1,369 relating to selling and marketing, $327 related to consulting fees and payroll, $457 related to professional fees, $146 relating to office and administration and $30 related to share-based payments (reversal due to forfeitures). The main expenses included in these amounts for the three months ended March 31, 2025, were $1,251 relating to selling and marketing, $501 related to consulting fees and payroll, $249 related to professional, $154 related to share-based payment and $170 relating to office and administration. The slight decrease in total selling, general and administrative costs for the three months ended March 31, 2026, compared to the same period in 2025, can mainly be attributed to share-based payment expenses (as some stock options and restricted share units were forfeited and some have fully vested), as well as decreases in consulting fees and payroll, and director fees; with some offset from higher selling and marketing fees and professional fees.

Exploration and evaluation expenses

Exploration and evaluation expenses for the three months ended March 31, 2026, were $224 compared to $207 for the same period in 2025. The entire $224 total exploration and evaluation expenses incurred in the three months ended March 31, 2026 is related to expenditure on the KNP. Of the $207 total exploration and evaluation expenses incurred in the three months ended March 31, 2025, $247 is related to expenditure on the KNP while the balance of ($40) relates to the Company's 49% share of the exploration and evaluation expenses on the GK mine.

Finance expenses

Finance expenses for the three months ended March 31, 2026, were $22,961 compared to $10,078 for the same period in 2025. Included in the amount for the three months ended March 31, 2026, were $21,962 relating to finance costs and $999 relating to accretion expense on the decommissioning liability. Included in the amount for the three months ended March 31, 2025, were $9,377 relating to finance costs, $701 relating to accretion expense on the decommissioning liability. Finance costs were higher for the three months ended March 31, 2026, compared to the same period in 2025, largely due to the full impact of the bridge credit and working capital facilities (both entered into in 2025) being reflected in the 2026 period; as well as higher amortization of deferred financing costs and accrual for the expected true-up costs for the secured notes payable, partially offset by the foreign exchange impact of the translation of the interest expense of the US$-denominated borrowings.

Foreign exchange losses

Foreign exchange losses for the three months ended March 31, 2026, were $6,670 compared to foreign exchange losses of $2,756 for the same period in 2025. The foreign exchange losses for the three months ended March 31, 2026, were mainly a result of the Canadian dollar weakening relative to the US dollar at a higher rate compared to the same period of 2025. The spot rate on March 31, 2026, was $1.3916/US$1 compared to $1.3724/US$1 at December 31, 2025 which represents a 1.40% weakening. This compares to the rate of $1.4387/US$1 at March 31, 2025 and $1.4383/US$1 at December 30, 2024 which represent 0.03% weakening.

Derivative (losses) gains

Derivative losses for the three months ended March 31, 2026, were $130 compared to derivative gain of $815 for the same period in 2025. Included in these amounts for the three months ended March 31, 2026 were losses of $56 relating to currency derivative contracts; and losses of $74 relating to the embedded derivative on the Notes payable. Included in these amounts for the three months ended March 31, 2025 were $2,118 gains relating to currency derivative contracts and $1,303 losses relating to the prepayment option of the embedded derivative. The loss on the currency derivative contracts in the three months ended March 31, 2026 is attributed to the net impact of carrying amount of the contracts and the payout received for the termination of the hedges ($108); compared to the gains at March 31, 2025 which resulted from the U.S. dollar/Canadian dollar spot exchange rate of $1.4387/US$1 being favourable to the contractual rates of the underlying contracts. The loss on the embedded derivative largely resulted from the changes in the inputs used in calculating the fair value of the Notes payable as at March 31, 2026.

INCOME AND MINING TAXES

The Company is subject to income and mining taxes in Canada with the statutory income tax rate at 26.5% and the variable mining tax rate, which is on a tiered basis from 5% to 14%.

Deferred income taxes

Deferred income tax recovery for the three months ended March 31, 2026, was $4,500 compared to a deferred income tax recovery of $3,800 for the same period in 2025. In the three months ended March 31, 2026 and 2025, deferred income tax recoveries occurred due to the impact of the net realizable value adjustment creating a production loss.

At this time, no deferred tax asset has been recorded in the condensed consolidated interim financial statements as a result of the uncertainty associated with the ultimate realization of these tax assets.

The Company is subject to assessment by Canadian authorities, which may interpret tax legislation in a manner different from the Company. These differences may affect the final amount or the timing of the payment of taxes. When such differences arise, the Company makes provision for such items based on management's best estimate of the outcome of these matters.

The Company's current tax expenses are associated with mining royalty taxes in the Northwest Territories. There are no other current tax expenses for income tax purposes, as there are significant losses carried forward that are available to offset current taxable income.

FINANCIAL POSITION AND LIQUIDITY

The Company originally funded its share of construction and commissioning costs of the GK Mine through a combination of equity and a project lending facility. In December 2017, the Company terminated its project lending facility through the issuance of the US$330 million in second lien notes payable (the 'Old Notes'). On December 14, 2022, the Old Notes were settled, and the Company issued US$195 million notes (the "Notes") (Financial Statements, Note 8) due 15th December 2025. The Notes includes a covenant that the consolidated financial statements do not include a qualification as to scope or going concern. For the years ended December 31, 2025 and 2024, the Company obtained a waiver from the Note holders to waive the unqualified financial statements covenant which is an annual requirement. In addition, the Notes include a cash sweep mechanism where any excess cash held by the Company that is greater than US$20 million at quarter end, after accounting for working capital, is required to be used to redeem the Notes, commencing with fiscal quarter ending March 31, 2023.

Effective March 18, 2025, the Company and the Note Trustee entered into the Amended and Restated Indenture pursuant to which the terms of the Notes were amended to, among other things, permit the first ranking security interest of De Beers and to extend the maturity date of the Notes from December 15, 2025 to December 15, 2027. The June 15, 2025 and December 15, 2025 interest payments are deferred to June 15, 2026 and the rate of interest applicable on the Notes during the deferred interest period was increased to 9.6075%.

On March 28, 2022, the Company executed a junior secured term loan facility (the "Dunebridge JCF") agreement with Dunebridge Worldwide Ltd. ("Dunebridge"), for US$50 million (Financial statements Note 9).

On March 18, 2025, the Company, as borrower, the guarantors named therein and Dunebridge as administrative agent, security trustee and lender entered into the Bridge Credit Facility Agreement for up to US$40 million, US$30 million of which will be readily available to the Company and the remaining US$10 million of which will only be available to the Company at the discretion of Dunebridge, and upon terms and conditions to be agreed to. In connection with the Bridge Facility, Dunebridge was issued 10 million common share purchase warrants with an exercise price of CAD$0.20 per share and an expiry date of December 15, 2029 (Financial Statements Note 13). Also, the existing warrants held by Dunebridge were amended with the exercise price changing from US$0.61 to CAD$0.20 per share (Note 9 and 13 of the financial statement). The Company entered into an amendment to the amended and restated bridge credit facility agreement with Dunebridge Worldwide Ltd., and the additional US$10 million funds were drawn in July 2025.

On May 13, 2025, the Company, as borrower, the guarantors named therein and Dunebridge as administrative agent, security trustee and lender entered into an amended and restated bridge credit facility agreement (the "A&R Bridge Facility Agreement") to add a US$23.6 million ($33 million) working capital credit facility (the "WCF"). The WCF has a maturity date of June 30, 2026 and carries a rate of interest of 10.50% per annum, capitalized and compounded quarterly on the principal amount and payable on maturity, to be increased to 13.0%, if not repaid on December 31, 2025.

On November 14, 2025 the Company and the lender entered into Amendment to the A & R Bridge Facility Agreement pursuant to which the terms of the facility were amended to, among other things, permit the Company to borrow funds up until the earlier of (i) repayment of the full WC Facility amount, or (ii) March 31, 2026. Previously funds could only be drawn until November 13, 2025; and the Company can repay the principal and interest outstanding by March 31, 2026 (previously December 31, 2025) without an event of default having occurred.

The condensed consolidated interim financial statements have been prepared using the going concern basis of preparation which assumes that the Company will realize its assets and settle its liabilities in the normal course of business.

The Company experienced operating losses of $39,826 for the three months ended March 31, 2026 (three months ended March 31, 2025: operating loss of $25,102). Included in the operating losses is a net realizable value adjustment on rough diamond inventory of $12,235 (three months ended March 31, 2025: $9,905).

As at March 31, 2026, the Company has a working capital deficit of approximately $63 million (December 31, 2025: $71 million). The Company had cash flows used for operating activities of $17,837 in the three months ended March 31, 2026 (March 31, 2025: cash flows used for operating activities of $1,231) and has $219 cash on hand at March 31, 2026 (December 31, 2025: $2,327). The Company's revenues, operating results and cash inflows are highly dependent on achieving certain thresholds of diamond production, sales and prices. Based on management's expectations of diamond production, sales, prices, operating and capital costs, the Company is forecasting continuing negative operating and investing cash flows and a cash shortfall during the next 12 months.

On March 17, 2026, the Company announced that it had entered into a third amending agreement to the Amended and Restated Bridge Credit Facility ("BCF") with Dunebridge Worldwide Ltd. ("Dunebridge"), extending the maturity date of the BCF to April 30, 2026. As a result of this amendment, the amounts outstanding became subject to an increased interest rate of 12.5% per annum, payable on maturity. In addition, this amending agreement also extended the maturity date of the working capital facility ("WCF") to April 30, 2026.

On May 1, 2026, the Company entered into a fourth amending agreement with Dunebridge to further extend the maturity date on the BCF and the date for repayment of the principal amount of the WCF from April 30, 2026 to June 30, 2026.

The Company also sold approximately US$1 million of the proceeds from the sale of diamonds from the GK Mine (the "Purchased Receivables"), to which 2435386 Ontario Inc. ("386"), a wholly owned subsidiary of the Company, is entitled under its 49% joint venture interest in such mine, to Mr. Dermot Desmond ("Mr. Desmond") under a purchase and sale agreement between the Company, 386 and Mr. Desmond (the "Purchase and Sale Agreement").

The purchase price for the Purchased Receivables will be paid to the Company immediately, providing the Company with the operating capital necessary to continue operations in the near term while the Company reviews its strategic alternatives (Note 20 of Financial Statements).

The rights of Mr. Desmond to payment of Purchased Receivables are subject to the rights of De Beers Canada Inc. ("De Beers") to such Purchased Receivables under the in-kind election notices (each, an "IKE Notice") received to date from De Beers to effectively garnish 386's portion of the diamonds from the Mine under the amended and restated joint venture agreement between the Company, 386 and De Beers dated March 18, 2025 (the "JVA").

In the period ended March 31, 2026, the Company failed to meet its obligations for cash calls under the GK Mine joint venture agreement when due and so De Beers used its overdraft facility to make payments, resulting in the Company's share of the facility being $40,891 as at March 31, 2026 (December 31, 2025: $52,766). Note 19. Failure to meet the obligations for cash calls to fund the Company's share of expenditures at the GK Mine may lead to De Beers Canada Inc. enforcing its remedies under the joint venture agreement with De Beers (the 'JV Agreement'), which could result in, amongst other things the dilution of the Company's interest in the GK Mine, and at certain dilution levels (40% of the rights, title and interest in the Joint Venture), trigger cross-default clauses within the 9.00% Senior Secured Loan Notes ('Notes'), Junior Secured Credit Facility ('Dunebridge JCF'), Bridge Credit Facility ('Bridge Facility') and the Working Capital Facility ('WCF') with Dunebridge Worldwide Ltd.

Commencing January 17, 2026 De Beers issued a series of In-Kind Election Notices and related Activation Notices to Bonas (the Company's Sales agent), giving De Beers the right to receive 100% of the proceeds from future sales events whilst the Notices remain in place (Note 20 of Financial Statements). Each In-Kind Election Notice provides a 60-day period for settlement, upon expiry of which an event of default would arise. Where an event of default is not exercised and cash call obligations remain unsettled, additional In-Kind Election Notices may continue to be issued in respect of unpaid amounts. As at May 11, 2026, an aggregate amount of $132,018 (the "Cash Call Amount", inclusive of accumulated interest), net of payments received by De Beers, remained outstanding. For amounts where the 60-day notice period has passed, to date DeBeers has re-issued new In-Kind Notices for the amounts outstanding extending the due dates of amounts due by another 60 days however, there is no assurance that further extensions will be granted for amounts remaining unpaid beyond their applicable due dates.

The Company's projected negative operating and investing cash flows, balances of debt maturing on June 30, 2026 and failure to meet its obligations for cash calls under the GK Mine joint venture agreement and environmental obligations under the Payment and Security Agreement will require the Company to either renegotiate such agreements or seek additional financing, which may not be available or on terms satisfactory to the Company. An inability to meet existing obligations under these agreements, renegotiate such agreements or obtain additional financing may result in an event of default, whereby the lenders and joint venture partner will be able to exercise their rights under the respective agreements. Should the Company be unable to obtain sufficient financing, or if the Company's lenders and joint venture partner were to demand repayment of outstanding amounts, the Company would not have sufficient funds to repay its obligations when due and could cause the Company to seek protection from its creditors or seek to restructure its obligations.

These factors represent material uncertainties that cast significant doubt as to the Company's ability to continue as a going concern.

The condensed consolidated interim financial statements do not include the adjustments to the amounts and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. These adjustments may be material.

Cash flows provided by operating activities, including changes in non-cash working capital for the three months ended on March 31, 2026, were ($17,837) compared to cash flows of ($1,231) for the same period in 2025. The cash generated from the operating activities excluding changes in non-cash working capital for the three months ended March 31, 2026, at ($13,566) compared with ($2,361) in the same period in 2025. The respective cash flows reflect the net loss of $65,355 for the three months ended March 31, 2026, and net loss of $34,374 for the three months ended March 31, 2025, which are impacted by differing non-cash adjustments in those respective periods. The major differences in adjustments for the period ended March 31, 2026, compared to the period ended March 31, 2025 comprised the foreign exchange losses of $6,670 compared to a loss of $2,756 in 2025, depreciation and depletion of $23,998 compared to $23,075 in 2025, net finance expenses of $22,934 compared to $9,855 in 2025, derivative losses of $130 compared to gain of $815 in 2025, and a deferred income tax recovery of $4,500 compared to $3,800 in 2025.

In respect of the adjustments for changes in non-cash working capital for the three months ended March 31, 2026, the adjustments amounted to ($4,271) compared to $1,130 for the comparative period. The difference is largely explained by the adjustment in respect of inventories consumed and expensed in the period ended March 31, 2026, being $25,631 higher than for the same period of 2025, partially offset by the adjustment in respect of accounts payable and accrued liabilities that was $21,523 higher than the same period of 2025.

Cash flows provided by investing activities for the three months ended March 31, 2026, were $27,752 compared to $38,725 cash flows used for investing activities for the same period in 2025. For the three months ended March 31, 2026, the outflows for the purchase of property, plant and equipment were $5,723 compared to $38,610 for the same period in 2025, reflecting the decrease in capitalised waste stripping activity for the period ended March 31, 2026 compared to the same period of 2025. For the three months ended March 31, 2026, the inflow for restricted cash was $33,457 compared to outflow of $325 in the same period in 2025. The Q1 2026 drawdown of $33,457 relates to amounts used by the joint venture partner from the GK Mine's decommissioning fund to temporarily fund the Company's cash call obligations, as the Company was unable to fund those cash calls directly at the end of the period. For the three months ended March 31, 2026, interest income was $18 compared to $210 for the same period in 2025.

Cash flows used by financing activities for the three months March 31, 2026 was $11,879 compared to cash flows provided of $37,672 for the same period in 2025. The cash flows for 2026 reflect a $11,875 decrease in the Company’s share of the overdraft at the GK Mine. Cash flows provided by financing activities for the 2025 period reflect a US$20 million inflow from the bridge facility, net of the transaction costs (Note 10 of the Financial Statement); and $13,724 bank overdraft representing the increase in the Company’s share of the overdraft at the GK Mine.

As part of the liquidity management by De Beers as the JV operator of the GK Mine, the mine may overdraw its bank account occasionally. When this happens, the overdrawn position is usually temporary and reverts to a credit balance once cash call funds are received. The Company’s share of the bank overdrafts as at March 31, 2026 was $40,891 (December 31, 2025 - $52,766).

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

MATERIAL ACCOUNTING POLICIES ADOPTED IN THE CURRENT PERIOD

The new accounting policies and amendments that became effective in the current period are disclosed in Note 3 of the condensed consolidated interim financial statements.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

Significant accounting estimates and assumptions are disclosed in Note 4 of the consolidated financial statements for the year ended December 31, 2025.

STANDARDS AND AMENDMENTS TO EXISTING STANDARDS

New standards applicable to the Company are disclosed in Note 3 of the condensed consolidated interim financial statements.

RELATED PARTY TRANSACTIONS

The Company's related parties include Mr. Dermot Desmond, Dunebridge Worldwide Ltd. ("Dunebridge") and Vertigol Unlimited Company ("Vertigol") (Dunebridge and Vertigol being corporations ultimately beneficially owned by Mr. Dermot Desmond), the Operator of the GK Mine, key management, and the Company's directors. Mr. Dermot Desmond, indirectly through Vertigol, is the ultimate beneficial owner of greater than 10% of the Company's shares. International Investment and Underwriting UC ("IIU") is also a related party since it is ultimately beneficially owned by Mr. Dermot Desmond.

Related party transactions are recorded at their exchange amount, being the amount agreed to by the parties.

Transactions with key management personnel and directors are in respect of remuneration. The transactions with the Operator of the GK Mine relate to the funding of the Company's interest in the GK Mine for the current period's expenditures, capital additions, management fee, and production sales related to the 49% share of fancies and special diamonds. The transactions with IIU are for the director fees of the chairman of the Company.

As of December 31, 2024, the Company's estimated remaining share of decommissioning payments under the joint venture with De Beers was approximately $60.6 million, net of its existing contributions to the decommissioning fund. On March 18, 2025, the Company entered into a payment and security agreement with De Beers, which established a revised schedule for these payments. Under this agreement, the Company is required to fund one-third of its outstanding decommissioning obligation as at December 31, 2025 on or before June 30, 2026, half of the remaining balance as at December 31, 2026 by June 30, 2027, and the remaining outstanding balance as at December 31, 2027 by June 30, 2028. Additional annual payments may be required thereafter based on updated estimates.

During the three months ended March 31, 2026, the Company made no new contributions to the decommissioning fund (December 31, 2025 – $Nil). As of March 31, 2026, the Company's total funded amount, including interest earned, was $1,450 (December 31, 2025 – $34,907) and is presented as restricted cash on the balance sheet. The decrease reflects amounts that were used by the joint venture partner to fund the Company's cash call obligation that were yet to be paid at the end of the period. The amount owed in respect of the cash call obligation is included in accounts payable and accrued liabilities on the balance sheet as at March 31, 2026.

As at March 31, 2026, the Company's share of the letters of credit issued were $44.7 million (December 31, 2025 - $44.7 million).

Failure to meet the obligations for cash calls to fund the Company's share in the GK Mine may lead to De Beers enforcing its remedies under the JV Agreement, which could result in, amongst other things the dilution of the Company's interest in the GK Mine, and at certain dilution levels (40% of the rights, title and interest in the Joint Venture) trigger cross-default clauses within the 9.00% Senior Secured Loan Notes ('Notes') and the Junior Secured Credit Facility with Dunebridge Worldwide Ltd. ('Dunebridge JCF'). Subsequent to the quarter ended March 31, 2026, the Company received in-kind election notices from De Beers. Please refer to the Financial Statement Note 20 for more information.

The balances on March 31, 2026 and December 31, 2025, were as follows:

	March 31, 2026	December 31, 2025
Payable to De Beers Canada Inc. as the operator of the GK Mine*	$ 16,297	$ 16,395
Share of the overdraft balance at GK Mine#	40,891	52,766
Payable to De Beers Canada Inc. for interest on letters of credit	122	89
Payable to De Beers Canada Inc. for interest on IKE notices*	731	-
Loans payable to Dunebridge Worldwide Ltd. (including accrued interest)	206,421	197,198
Payable to key management personnel	226	160

*included in accounts payable and accrued liabilities

#included in accounts payable and accrued liabilities; relates to cash call funding shortfall as at March 31, 2026. See Financial Statement Note 19.

The transactions with related parties for the three months ended March 31, 2026 and 2025 were as follows:

	Three months ended March 31, 2026	Three months ended March 31, 2025
The total of the transactions:		
International Investment and Underwriting	$ -	$ 30
Remuneration to key management personnel	126	441
Diamonds sold to De Beers Canada Inc.	8,423	-
Diamonds purchased from De Beers Canada Inc.	1,876	4,323
Finance costs incurred from De Beers Canada Inc.	33	33
New financing received from Dunebridge Worldwide Ltd.**	-	28,652
Financing fees incurred from Dunebridge related to new financing ##	-	(4,701)
Finance costs incurred from Dunebridge Worldwide Ltd.	6,466	3,435
Management fee charged by the Operator of the GK Mine	1,063	1,042

**relates to funding provided by the bridge credit facility and the working capital facility

##related to facility fees and commitment fees incurred in respect of the Dunebridge facilities.

The remuneration expense of directors and other members of key management personnel for the three months ended March 31, 2026 and 2025 were as follows:

	Three months ended March 31,2026	Three months ended March 31,2025
Consulting fees, payroll, director fees, bonus and other short-term benefits	$ 119	$ 384
Share-based payments	7	87
	$ 126	$ 471

Key management personnel are those people who have authority and responsibility for planning, directing, and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. In addition to the directors of the Company, key management personnel include the Chief Executive Officer (“CEO”) and Chief Financial Officer.

CONTRACTUAL OBLIGATIONS

The following table summarizes the contractual maturities of the Company's significant financial liabilities and capital commitments, including contractual obligations:

	Less than 1 Year	1 to 3 Years	4 to 5 Years	After 5 Years	Total
Gahcho Kué Diamond Mine commitments	$ 1,101	$ -	$ -	$ -	$ **1,101**
Gahcho Kué Diamond Mine decommissioning fund	40,400	20,200	-	-	**60,600**
Bridge Loan - Principal & Interest	64,897	-	-	-	**64,897**
Working Capital Facility - Principal & Interest	38,208	-	-	-	**38,208**
Junior Credit facility - Principal	-	69,580	-	-	**69,580**
Junior Credit facility - Interest	-	66,095	-	-	**66,095**
Notes payable - Principal	-	277,566	-	-	**277,566**
Notes payable - Interest	46,581	22,168	-	-	**68,749**
	$ 191,187	**$ 455,609**	**$ -**	**$ -**	**$ 646,796**

NON-IFRS MEASURES

The MD&A refers to the terms "Cash costs of production per tonne of ore processed" and "Cash costs of production per carat recovered", both including and net of capitalized stripping costs and "Operating Income", "Adjusted Earnings Before Interest, Taxes Depreciation and Amortization (Adjusted EBITDA)" and "Adjusted EBITDA Margin". Each of these is a non-IFRS performance measure and is referenced in order to provide investors with information about the measures used by management to monitor performance. These measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. They do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers.

Cash costs of production per tonne of ore processed and cash costs of production per carat recovered are used by management to analyze the actual cash costs associated with processing the ore, and for each recovered carat. Differences from production costs reported within cost of sales are attributed to the amount of production cost included in ore stockpile and rough diamond inventories.

Operating (loss) income is used by management to analyze the profitability of the Company that is generated during the regular course of its mining operations. It excludes income and expenses that are derived from activities not related to the Company's core business operations such as finance expenses, derivative gains (losses), and foreign exchange revaluation gains (losses).

Adjusted EBITDA is used by management to analyze the operational cash flows of the Company, as compared to the net income for accounting purposes. It is also a measure which is defined in the Notes documents. Adjusted EBITDA margin is used by management to analyze the operational margin % on cash flows of the Company.

The following table provides a reconciliation of the Adjusted EBITDA and Adjusted EBITDA margin with the net (loss) income on the condensed consolidated interim statements of comprehensive loss:

		Three months ended March 31, 2026		Three months ended March 31, 2025
Net loss for the period	$	(65,069)	$	(34,374)
Add/deduct:				
Non-cash depreciation and depletion		23,998		23,075
Derecognition of obsolete capital assets		921		-
Net realizable value adjustment included in production costs		10,863		10,181
Change in restoration liability included in production costs		3,317		(315)
Share-based payment expense		30		154
Fair value loss of warrants		-		1,099
Gain on lease		-		4
Finance expenses		22,961		10,078
Derivative losses (gains)		130		(815)
Deferred income recovery		(4,500)		(3,800)
Current income taxes		-		160
Unrealized foreign exchange losses		6,727		313
Adjusted earnings before interest, taxes, depreciation and depletion (Adjusted EBITDA)	$	(622)	$	5,760
Sales		39,983		43,995
Adjusted EBITDA margin		(2%)		13%

The following table provides a reconciliation of the cash costs of production per tonne of ore processed and per carat recovered and the production costs reported within cost of sales on the condensed consolidated statements of comprehensive loss:

(in thousands of Canadian dollars, except where otherwise noted)		Three months ended March 31, 2026	Three months ended March 31, 2025
Cost of sales production costs	$	50,536	39,289
Timing differences due to inventory and other non-cash adjustments	$	(1,944)	1,541
Cash cost of production of ore processed, net of capitalized stripping	$	48,592	40,830
Cash costs of production of ore processed, including capitalized stripping	$	51,609	71,597
Tonnes processed	kilo tonnes	372	454
Carats recovered	000's carats	983	374
Cash costs of production per tonne of ore, net of capitalized stripping	$	131	90
Cash costs of production per tonne of ore, including capitalized stripping	$	139	158
Cash costs of production per carat recovered, net of capitalized stripping	$	49	109
Cash costs of production per carat recovered, including capitalized stripping	$	53	192

OTHER MANAGEMENT DISCUSSION AND ANALYSIS REQUIREMENTS

Risks

The Company’s business of developing and operating mineral resources involves a variety of operational, financial and regulatory risks that are typical in the mining industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future, and investing in the Company’s common shares should be considered speculative.

The Company’’s business of developing and operating mineral properties is subject to a variety of risks and uncertainties, including, without limitation the:

- risk that the production from the mine will not be consistent with the Company’s expectation;
- risk that production and operating costs are not within the Company’s estimates;
- risk that financing required to manage liquidity cannot be maintained on acceptable terms;
- risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits;
- risk that the future exploration, development, or mining results will not be consistent with the Company's expectations;
- risks that accidents, equipment breakdowns or other unanticipated difficulties interrupt production;
- risk of delays in exploration activities or the completion of studies;
- risks that exploration costs are not within the Company’s estimates;
- risks related to foreign exchange fluctuations, the price of diamonds, and the growth in demand for laboratory grown diamonds;
- risks in market stability causing the sale of diamond inventory at below cost;
- risks related to price fluctuations in respect of critical production related commodities;
- risks relating to failure to comply with the covenants in the Dunebridge JCF, Bridge Facility, and Working Capital Facility;
- risks relating to failure to comply with covenants of the Notes;
- risks of weather (climate change and other) adverse to the building and use of the Tibbitt to Contwoyto winter road
- risks related to environmental regulation, environmental liability and permitting;
- risks related to legal challenges to operating permits that are approved and/or issued;
- political and regulatory risks associated with mining, exploration, and development, particularly in environmentally sensitive areas;
- risks of new aboriginal rights and title being raised;
- risks of failure of the specialised plant, equipment, processes, and transportation services to operate as anticipated;
- risk of material variations in ore grade or recovery rates;
- risk that failure to satisfy the outstanding cash call obligations under the IKE Notices issued by De Beers within the prescribed 60-day period will constitute a formal event of default under the Joint Venture Agreement, which could result in dilution of the Company's interest in the GK Mine;
- risk that dilution of the Company's interest in the GK Mine at certain levels would trigger cross-default clauses within the Notes, Dunebridge JCF, Bridge Facility, and Working Capital Facility (refer to Note 20 of the Financial Statements); and
- other risks and uncertainties related to the Company's prospects, properties, and business strategy.

Also, there can be no assurance that any further funding required by the Company will become available to it, and if it is, that it will be offered on reasonable terms, or that the Company will be able to secure such funding. Furthermore, there is no assurance that the Company will be able to secure new mineral properties or projects, or that they can be secured on competitive terms.

DISCLOSURE OF OUTSTANDING SHARE DATA

The Company's common shares are traded on the Toronto Stock Exchange under the symbol MPVD.

On May 12, 2026, there were 212,612,443 common shares issued, 7,027,838 stock options and 2,141,965 restricted share units outstanding. There were 51,000,000 warrants outstanding on May 12, 2026.

There are an unlimited number of common shares without par value authorized to be issued by the Company.

CONTROLS AND PROCEDURES

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

The Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109") based on the Internal Control – Integrated Framework (2013) developed by COSO (Committee of Sponsoring Organizations of the Treadway Commission).

DC&P are designed to provide reasonable assurance that material information relating to the Company is made known to the CEO and CFO during the reporting period and the information required to be disclosed by the Company under securities legislation is recorded, processed, summarized, and reported within the time periods specified in securities legislation. ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Due to the inherent limitations associated with any such controls and procedures, management recognizes that, no matter how well designed and operated, they may not prevent or detect misstatements on a timely basis.

The Company's management, under the supervision of, and with the participation of, the CEO and the CFO, has evaluated its DC&P and ICFR as defined under NI 52-109 and concluded that, as of March 31, 2026, they were designed effectively to provide reasonable assurance regarding required disclosures and the reliability of financial reporting and the preparation of financial statements for external purposes.

NI 52-109 also requires Canadian public companies to disclose in their MD&A any change in ICFR that has materially affected, or is reasonably likely to materially affect, ICFR. No material changes were made to the internal controls during the three months ended March 31, 2026. The Company's CEO and CFO have evaluated the design of the Company's disclosure controls and procedures as of March 31, 2026.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

This MD&A contains certain "forward-looking statements" and "forward-looking information" under applicable Canadian and United States securities laws concerning the business, operations and financial performance and condition of Mountain Province Diamonds Inc. Forward-looking statements and forward-looking information include, but are not limited to, statements with respect to the future financial or operating performance of the Company; operational hazards, including possible disruption due to pandemic such as COVID-19, its impact on travel, self-isolation protocols and business, operations and prospects; estimated production and mine life of the project of the Company; the realization of mineral resource estimates; the timing and amount of estimated future production; costs of production; the future price of diamonds; the estimation of mineral reserves and resources; the ability to manage debt; capital and operating expenditures; use of proceeds from financings; the ability to obtain permits or approvals for operations; liquidity and requirements for additional capital; government regulation of mining operations; environmental risks; reclamation expenses; title disputes or claims; limitations of insurance coverage; tax rates; and currency exchange rate fluctuations. Except for statements of historical fact relating to the Company, certain information contained herein constitutes forward-looking statements. Forward-looking statements are frequently characterized by words such as "anticipates," "may," "can," "plans," "believes," "estimates," "expects," "projects," "targets," "intends," "likely," "will," "should," "to be," "potential," "budget," "scheduled," "forecasts" and other similar words and variations of such words (including negative variations), or statements that certain events or conditions "may," "should," "could," "would," "might" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the time such statements are made, and, by their nature, are based on a number of assumptions and subject to a variety of inherent risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Many of these assumptions are based on factors and events that are not within the control of the Company and are difficult to predict, and there is no assurance they will prove to be correct.

Factors that could cause actual results to vary materially from results anticipated by such forward-looking statements include the development of operation hazards that could arise in relation to the return of COVID-19, including, but not limited to protocols which may be adopted to reduce the spread of COVID-19 and any impact of such protocols on Mountain Province's business, operations and prospects; variations in ore grade or recovery rates; changes in market conditions; the global economic climate; changes in project parameters; mine sequencing; production rates and estimates; dependence on the GK mine; cash flow; risks relating to financing requirements; insurance risks; failure by the Company to maintain its obligations under its debt facilities; risks relating to the availability and timeliness of permitting and governmental approvals; regulatory and licensing risks; environmental and climate risks; supply of, and demand for, diamonds; fluctuating commodity prices and currency exchange rates; the possibility of project cost overruns or unanticipated costs and expenses; the availability of skilled personnel and contractors; labour disputes and other risks of the mining industry; and failure of plant, equipment or processes to operate as anticipated.

These and other factors are discussed in greater detail in this MD&A and in Mountain Province's most recent Annual Information Form filed on SEDAR, which also provides additional general assumptions in connection with these statements. the Company's cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon.

Although the Company has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The forward-looking statements and forward-looking information contained herein is given as of the date of this MD&A, and The Company undertakes no obligation to update forward-looking statements, whether as a result of new information, future events, or results or if circumstances or management's estimates or opinions should change, except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements. Statements concerning mineral reserve and resource estimates *may also be deemed to constitute forward-looking statements to the extent they involve estimates of the mineralization that will be encountered as the property is developed. Mineral resources are not mineral reserves and do not have demonstrated economic viability.*

Further, the Company may make changes to its business plans that could affect its results. The principal assets of the Company are administered pursuant to a joint venture under which the Company is not the operator. The Company is exposed to actions taken or omissions made by the operator within its prerogative and/or determinations made by the joint venture under its terms. Such actions or omissions may impact the future performance of Mountain Province. Under its Notes and credit facilities, The Company is subject to certain limitations on its ability to pay dividends on common shares. Subject to these limitations under the Company's debt facilities, the declaration of dividends is otherwise at the discretion of Mountain Province's Board of Directors, and will depend on Mountain Province's financial results, cash requirements, future prospects, and other factors deemed relevant by the Board.

Cautionary note to US Investors – Information Concerning Preparation of Resource Estimates

This MD&A has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of United States securities laws. Unless otherwise indicated, all resource and reserve estimates included in this MD&A have been prepared in accordance with NI 43-101 and the Canadian Institute of Mining and Metallurgy Classification System. NI 43-101 is a rule developed by the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. As such, the information included herein concerning mineral properties, mineralization and estimates of mineral reserves and mineral resources is not comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of the United States Securities and Exchange Commission.