MOUNTAIN PROVINCE DIAMONDS

Management's Discussion and Analysis

For the Year Ended December 31, 2022

TSX: MPVD

MOUNTAIN PROVINCE DIAMONDS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2022

TABLE OF CONTENTS Page

This Management's Discussion and Analysis ("MD&A") as of March 22, 2023 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 audited consolidated financial statements and the notes thereto as at December 31, 2022 and 2021 and for the years ended December 31, 2022 and 2021. The following MD&A has been approved by the Board of Directors.

The audited consolidated financial statements of the Company were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

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

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., while that regarding mine development and operations has been reviewed and approved by Matthew MacPhail, P.Eng., MBA, both of whom are Qualified Persons 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://sedar.com/ and on EDGAR at http://www.sec.gov/edgar.shtml.

HIGHLIGHTS

- Earnings from mine operations for the three months and year ended December 31, 2022, amounted to $31,640 and $170,525 compared to $31,664 and $113,728 for the same periods in 2021.

- Net income for the three months ended December 31, 2022 amounted to $9,421 or $0.04 earnings per share (basic and diluted) and net income for the year ended December 31, 2022, were $49,195 or $0.23 earnings per share (basic and diluted) compared to $237,619 and $276,167 or $1.13 and $1.31 earnings per share (basic and diluted) for the prior comparative periods. Adjusted EBITDA for these periods were $23,409 and $177,237 compared to $37,091 and $135,314 (Adjusted EBITDA is not defined under IFRS and therefore may not be comparable to similar measures presented by other issuers; refer to the Non-IFRS Measures section).

- Cash on December 31, 2022 was $17,247 with net working capital of $129,263. Cash on December 31, 2021 was $25,000 with net working capital deficit of $275,691.

- In December 2022, the Company completed the refinancing transaction involving the issuance of US$195 million aggregate principal amount of its 9.000% Senior Secured Second Lien Notes due 2025 ('**Notes**'), to refinance US$189,150 aggregate principal amount of the Company's existing 8.000% Senior Secured Second Lien Notes due 2022 ('**Old Notes**')

- In the fourth quarter of 2022, the Company sold 758,000 carats and recognized revenue of $96,315 at an average realized value of $127 per carat (US$94) compared to sales in the fourth quarter of 2021 totaling 809,000 carats and recognized revenue of $85,144 at an average realized value of $105 per carat (US$84). Revenue for the year ended December 31, 2022 totaled $388,853 (including direct sales of fancies and specials made to De Beers Canada Inc. at an average realized value of $146 per carat (US$112) for 2,657,000 carats, compared to revenue for the year ended December 31, 2021 of $298,325 at an average realized value of $94 per carat (US$75) for 3,158,000 carats.

- Cash costs of production, including capitalized stripping costs, for the three months ended December 31, 2022 were $160 per tonne of ore treated, and $82 per carat recovered compared to $111 per tonne of ore treated, and $60 per carat recovered for the same period in 2021. Cash costs of production, including capitalized stripping costs, for the year ended December 31, 2022 were $122 per tonne and $69 per carat recovered, compared to $110 and $55 per carat recovered for the same period in 2021. (Cash costs of production per tonne and per carat are not defined under IFRS and may not be comparable to similar measures presented by other issuers; refer to the Non-IFRS Measures section). The costs per tonne including capitalized stripping for the year ended December 31, 2022 compared to the same period in 2021 have increased due to lower productivity caused by lower than planned equipment availability and utilization. The increase in cost per carat recovered reflects the reduction in average grade at 1.78 carats per tonne, for the year ended December 31, 2022, compared to 2.02 carats per tonne treated, for the comparable period in 2021.

- Mining of waste and ore combined in the 5034, Hearne and Tuzo open pits for the year end December 31, 2022 was approximately 22,221,000 tonnes, 4,651,000 tonnes and 7,075,000 tonnes, respectively, for a total of 33,947,000 tonnes. This represents a 4% decrease in tonnes mined over the comparative period in 2021, which was impacted primarily due to work force constraints in mining and mobile maintenance. Ore mined for the year ended December 31, 2022 totaled 4,114,000 tonnes, with approximately 1,759,000 tonnes of ore stockpile available at year end, an increase of 1,011,000 tonnes during the year. For the comparative year ended December 31, 2021, ore mined totaled 3,561,000 tonnes, with approximately 748,000 tonnes of ore stockpile.

- Mining of waste and ore combined in the 5034, Hearne and Tuzo open pits for the three months December 31, 2022 was approximately 7,438,000 tonnes, 224,000 tonnes and 2,483,000 tonnes, respectively, for a total of 10,145,000 tonnes. This represents a 6% decrease in tonnes mined over the comparative period in 2021, mainly due to work force constraints in mining and mobile maintenance. Ore mined for the three months totaled 706,000 tonnes, with approximately 1,759,000 tonnes of ore stockpile available at period end, a decrease of 123,000 tonnes during the quarter. For the comparative three months ended December 31, 2021, ore mined totaled 1,019,000 tonnes, with approximately 748,000 tonnes of ore stockpile.

- For the year ended December 31, 2022, the GK Mine treated approximately 3,102,000 tonnes of ore and recovered approximately 5,519,000 carats on a 100% basis for an average recovered grade of approximately 1.78 carats per tonne ("cpt"). For the comparative year ended December 31, 2021, the GK Mine treated approximately 3,083,000 tonnes of ore and recovered approximately 6,229,000 carats on a 100% basis for an average recovered grade of approximately 2.02 cpt. Grade in the year ended December 31, 2022 was impacted by unplanned external dilution from mining that was primarily due to workforce inefficiencies around shovel operations and bottom pit mining causing space constraints, in conjunction with a different ore mix than was planned. The Company worked with its joint venture partner DeBeers, who are the operator of the mine, to address these operating issues and De Beers implemented several procedures, some of which were previously prohibited due to Covid related constraints, to improve grade control.

The following table summarizes key operating highlights for the three months and years ended December 31, 2022 and 2021.

		Three months ended December 31, 2022	Three months ended December 31, 2021	**Year ended December 31, 2022**	Year ended December 31, 2021
GK operating data					
Mining					
*Ore tonnes mined	kilo tonnes	706	1,019	4,114	3,561
*Waste tonnes mined	kilo tonnes	9,439	9,794	29,833	31,886
*Total tonnes mined	kilo tonnes	10,145	10,813	33,947	35,447
*Ore in stockpile	kilo tonnes	1,759	748	1,759	748
Processing					
*Ore tonnes treated	kilo tonnes	828	814	3,102	3,083
*Average plant throughput	tonnes per day	9,303	8,848	8,593	8,447
*Average plant grade	carats per tonne	1.96	1.86	1.78	2.02
*Diamonds recovered	000's carats	1,621	1,511	5,519	6,229
Approximate diamonds recovered - Mountain Province	000's carats	794	740	2,704	3,052
Cash costs of production per tonne of ore, net of capitalized stripping **	$	101	77	89	89
Cash costs of production per tonne of ore, including capitalized stripping**	$	160	111	122	110
Cash costs of production per carat recovered, net of capitalized stripping**	$	52	42	50	44
Cash costs of production per carat recovered, including capitalized stripping**	$	82	60	69	55
Sales					
Approximate diamonds sold - Mountain Province***	000's carats	758	809	2,657	3,158
Average diamond sales price per carat	US	$ 94	$ 84	$ 112	$ 75

* 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 161 Bay Street, Suite 1410, P.O. Box 216, Toronto, ON, Canada, M5J 2S1. 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 Joint Arrangement between the Company and De Beers is governed by the 2009 amended and restated Joint Venture Agreement.

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 Project 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 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 at December 31, 2022, the Company's share of the letters of credit issued were $44.7 million (2021 - $44.1 million).

In 2020, the Company and De Beers signed an agreement to reduce the fee from 3% to 0.3%, annually, for their share of the letters of credit issued. Furthermore, a resolution was passed by the joint venture management committee to establish a decommissioning fund, where the Company will fund $15 million in 2020, and $10 million each year for four years thereafter until the Company's 49% share totaling $55 million is fully funded. In the year ended December 31, 2022, the joint venture management committee approved a funding of $5 million. The target funding can change over time, dependent on future changes to the decommissioning and restoration liability and returns on decommissioning fund investments. During the year ended December 31, 2022, the Company funded $5 million (2021 - $10 million) into the decommissioning fund, which is presented as restricted cash on the balance sheet.

Mining and Processing

For the three months and year ended December 31, 2022, on a 100% basis, a total of 10.1 million and 33.9 million tonnes of waste and ore respectively was extracted from the 5034, Hearne and Tuzo open pits. For the three months and year ended December 31, 2021, a total of 10.8 million and 35.4 million tonnes of waste and ore respectively was extracted from the 5034 and Hearne open pits. Mining in the year ended December 31, 2022 was impacted primarily due to work force constraints in mining and mobile maintenance.

Total ore tonnes mined in the three months and year ended December 31, 2022 were 706,000 tonnes and 4,114,000 tonnes compared to 1,019,000 tonnes and 3,561,000 tonnes for the same periods in 2021. The total ore tonnes mined for the three months and year ended December 31, 2022 were higher than the comparative period as a result of the unplanned operational stand-down in February 2021 due to measures taken to limit the spread of COVID-19 at Gahcho Kué.

For the three months and year ended December 31, 2022, 828,000 tonnes and 3,102,000 tonnes of kimberlite ore were treated, with 1,621,000 carats and 5,519,000 carats (100% basis) recovered, at a grade of 1.96 carats per tonne and 1.78 carats per tonne, respectively. For the three months and year ended December 31, 2021, 814,000 tonnes and 3,083,000 tonnes of kimberlite ore were treated, with 1,511,000 carats and 6,229,000 carats recovered, at a grade of 1.86 carats per tonne and 2.02 carats per tonne. The grade for 2022 was largely in-line with expectations, with some residual impacts of unplanned external dilution from mining that was primarily due to workforce constraints. The Company worked with its joint venture partner DeBeers, who are the operator of the mine, to address these operating issues and De Beers implemented several procedures to improve ore grade fed to the plant and stockpile management.

At December 31, 2022, the Company had 597,709 carats within its sale preparation channel plus 133,976 carats reflecting its share at the GK Mine and sorting facility for a total of 731,685 carats in inventory.

Diamond Sales

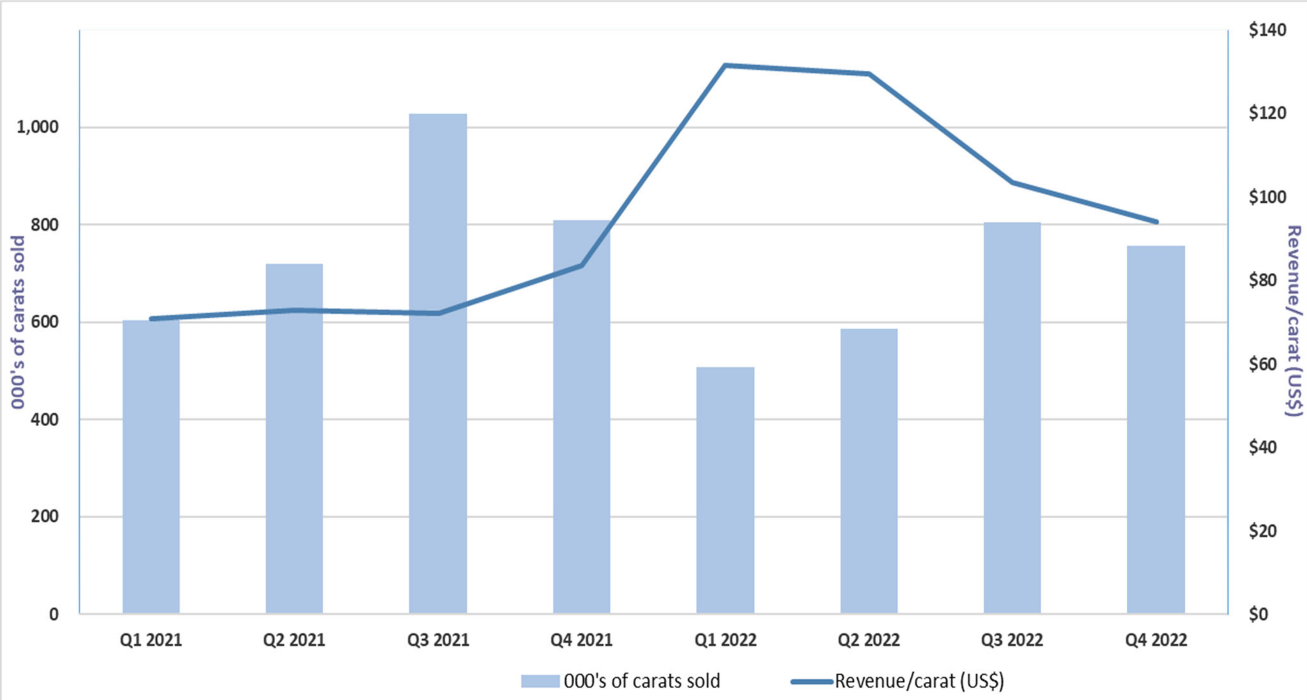
After six years of sales, the Gahcho Kué diamonds are firmly established in the rough diamond market. The Gahcho Kué ore bodies and product profiles are complex, producing a broad range of white commercial goods together with a consistent supply of exceptional, high value, gem quality diamonds as well 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, with resultant polished destined for the major diamond jewellery markets of the US, India and China. Having transitioned from an explorer and mine developer into a diamond marketer, the Company is in the early-stage development of a diamond marketing brand. Although somewhat delayed by the COVID-19 pandemic, the brand will promote the unique attributes of our diamonds and support demand through their distribution channels, with potential to reach the consumer level.

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.

The Company undertook nine sales in Antwerp, Belgium during 2022. Most of the Company's revenue is derived from open market sales, with the remainder attributed to sales of fancies and specials directly to De Beers on such occasions where De Beers has won the periodic fancies and specials bidding process. The average realized value per carat for all sales held in the year ended December 31, 2022 was US$112 per carat. The average realized value per carat for all sales held for the year ended December 31, 2021 was US$75 per carat.

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



The following table summarizes the results of sales in 2022:

	000's of carats sold		Revenue (US$ 000's)		Revenue/carat (US$)
Q1	507	$	66,693	$	132
Q2	587	$	76,019	$	130
Q3	805	$	83,322	$	104
Q4	758	$	71,261	$	94
Total	2,657	$	297,295	$	112

The following table summarizes the results for sales in 2021:

	000's of carats sold		Revenue (US$ 000's)		Revenue/carat (US$)
Q1	603	$	42,725	$	71
Q2	719	$	52,570	$	73
Q3	1,027	$	74,094	$	72
Q4	809	$	67,623	$	84
Total	3,158	$	237,012	$	75

Gahcho Kué Capital Program

During the year ended December 31, 2022, stay in business capital was $15.5 million compared to $14.5 million for the year ended December 31, 2021. Capital expenditures included generator repairs, haul trucks under construction and investments in other general infrastructure. 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. Stay in business capital is a non IFRS measure and is defined as those expenditures required to maintain the current operation.

2023 Production Outlook

The Company is providing production and cost guidance for 2023, as described below (all figures reported on 100% basis unless otherwise specified).

- 37 – 42 million total tonnes mined (ore and waste)
- 4.1 – 4.5 million ore tonnes mined
- 3.2 – 3.5 million ore tonnes treated
- 5.6 – 6.1 million carats recovered
- Production costs of $127 - $137 per tonne treated
- Production costs of $70 – $80 per carat recovered
- Sustaining capital expenditure of approximately $7 million (49% share)

2024 Production Outlook

The Company wishes to provide the following production outlook for 2024. While some additional carats have come into the plan, the aggregate quantity across the Life-of-Mine is not materially different from the NI 43-101 Technical Report filed in March 2022. Work has been done in order to smooth the production profile via mine sequence optimization. The Company will continue to review both 2024, and the entire Life-of-Mine plan in our normal strategic business plan process during 2023 to seek further optimization and improvement. The 2024 production outlook is as follows:

2024: 4.0 million to 4.4 million carats

Diamond Outlook

The outlook at the start of 2022 was positive, with strong pricing, low inventories and robust demand across all industry sectors in Q1 following easing of pandemic-related restrictions. In Q2 prices softened due to rising inflation, political uncertainty around the Russian invasion of Ukraine, and ongoing lockdowns in China. By the end of Q3 prices had stabilized and consumer holiday spending boosted market sentiment at year end. The outlook for 2023 is cautious but hopeful that movement of goods downstream will increase again.

Global rough diamond production was relatively stable throughout 2022, although the flow of Russian rough supply was disrupted by sanctions placed against companies including Alrosa. This supply disruption was most severely felt in the smaller, high quality goods that the producer is known for. Locally, covid-19 temporarily affected production at several mines, but all major producers were operating at year end.

At the start of 2022, consumer spending was boosted by post-pandemic sales, particularly bridal and luxury sales, in the US and Europe. Polished diamond prices strengthened further in Q1 on the back of this increased consumer spending. Rough diamond prices, already at record highs at the end of 2021, spiked in Q1 as polished manufacturers aggressively sought supply to replenish factories and meet high downstream demand for polished goods.

As the year progressed, retail activity decelerated as consumer spending slowed amid economic and political uncertainty around rising inflation, the war in Ukraine, and ongoing pandemic restrictions in China. Demand for polished diamonds softened and manufacturers began accumulating higher inventories. By mid year some manufacturing centres reportedly slowed activities to dampen build up of polished stocks. Higher inventories lowered demand and prices for both rough and polished diamonds through Q2 and early Q3. By year end prices had stabilized.

Global consumer spending through 2022 was stifled by rising interest rates and inflation, although Q4 holiday spending did boost revenues and some US retailers reported record Black Friday sales. The Chinese retail sector remained subdued for much of 2022 due to ongoing covid restrictions, although these were lifted at the end of the year, and a resurgence in consumer spending is expected there. General consumer trends include continued demand for ethically and sustainably sourced goods, which is driving the roll-out of digital provenance and traceability platforms by major traders, producers, and retailers.

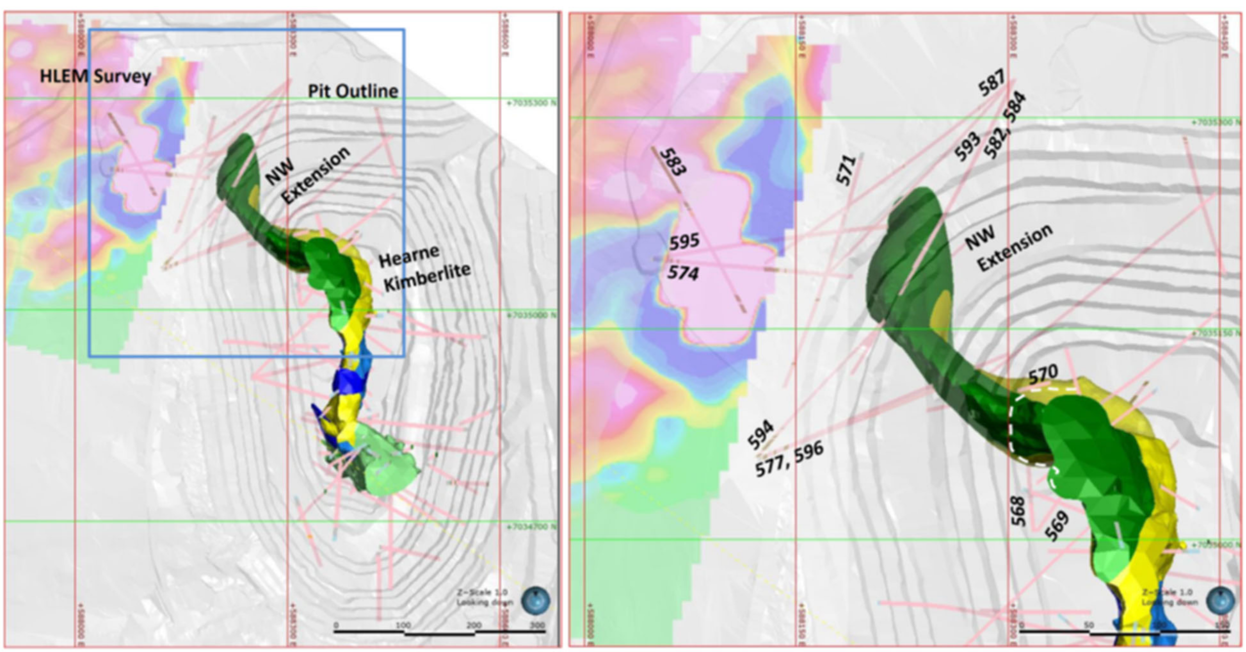
The outlook for 2023 is cautiously optomistic, with expectations that upstream inventories will reduce in Q1 as retailers restock in the post-holiday season. Global rough production is expected to be around 115-125 Mct, including a budgeted 6 Mct from Gahcho Kué, and rough inventories held by producers remain low. Russian supply is expected to remain muted while sanctions remain in place. Mid-stream inventories are higher than they were at the start of 2022 but are lower than in recent years. Consumers continue to be concerned about rising inflation but are still purchasing luxury and bridal jewellery, and the easing of restrictions in China is expected to boost spending there.

GAHCHO KUÉ EXPLORATION

The Gahcho Kué Joint Venture with De Beers Canada covers 5,216 hectares of mining leases that includes the Gahcho Kué Mine. Exploration within the GKJV has focused on near-mine and brownfield discoveries that can extend the life of the mine.

The Hearne Northwest Extension was discovered in late 2021, when kimberlite measuring 25 meters in a bench face was exposed during routine mining operations. A delineation drilling program was subsequently launched with initial results reported earlier this year (see news release, July 18, 2022). Ground-based geophysics initially suggested a west-northwest direction for the extension, but a northwest direction has been confirmed from the phase one drilling.

Drilling of the Hearne Northwest Extension as at the end of 2022 totaled 16 drillholes and 5,026 meters. Ten of the sixteen drillholes have significant kimberlite intersections that have been used to model the Hearne Northwest Extension. Completion of the phase one drilling and subsequent modeling of the data suggests that a significant volume of kimberlite may be present in the Northwest Extension. A plan view image of the drilling is provided below.

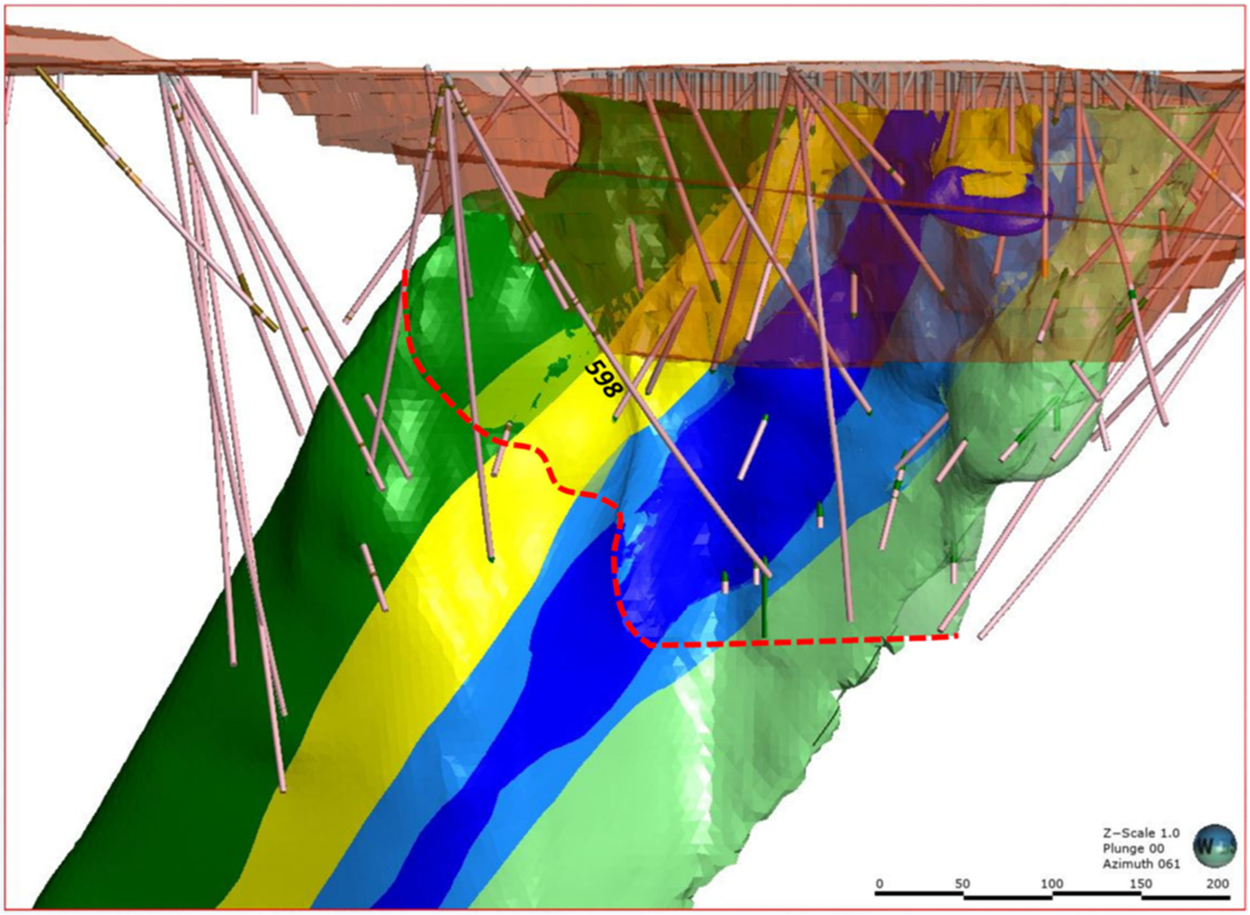


The drill intersections consist of hypabyssal kimberlite (‘HK’) and tuffisitic kimberlite (‘TK’) ranging from 23.02 to 114.53 meters. Both the HK and TK rock types are visually consistent with the known internal units at Hearne. The true thickness and depth extent of the Northwest Extension are unknown based on the limited drilling results. Drilling results that presently define the Hearne Northwest Extension are provided below.

Drill Hole	Azimuth[2]	Inclination[2]	Kimberlite Intersect[1,2] (m)			Initial	End of Hole[2](m)
			From	To	Length[1]	Rock ID[2]	
MPV-22-568C	355	-58	85.42	171.24	85.82	TK	201
MPV-22-569C	35	-46	82.51	154.00	71.49	TK	184
MPV-22-570C	255	-46	36.84	89.80	52.96	TK	130
MPV-22-571C	195	-55	--	--	--	--	294
MPV-22-574C[3]	94	-55	--	--	--	--	250
MPV-22-577C	67	-45	183.10	224.40	41.30	TK/HK	260
MPV-22-582C	205	-46	241.90	266.25	24.35	HK	333
MPV-22-583C[3]	150	-49	--	--	--	--	203
MPV-22-584C	205	-55	261.75	330.00	68.25	TK	375
MPV-22-587C	230	-60	--	--	--	--	402
MPV-22-593C	221	-65	--	--	--	--	450
MPV-22-594C	40	-61	260.29	374.80	114.51	TK	405
MPV-22-595C	80	-64	407.00	476.28	69.28	TK/HK	512
			487.60	502.26	14.66	HK	
MPV-22-596C	70	-66	308.75	325.00	16.25	TK/HK	375
			325.00	329.00	4.00	HK	
			329.00	331.77	2.77	TK	
MPV-22-597C[4]	100	-51	--	--	--	--	168[4]
MPV-22-598C	100	-51	393.30	413.13	19.83	HK	484
			413.13	456.00	42.87	TK	

[1]Intersects are not true thicknesses. [2]Initial measurements and rock ID may change with further logging. [3]Targeted on geophysics west-northwest of the geological trend of the extension. [4]Terminated early due to technical problems. HK = hypabyssal kimberlite; TK = fragmental kimberlite; TK/HK = intervals of both HK and TK.

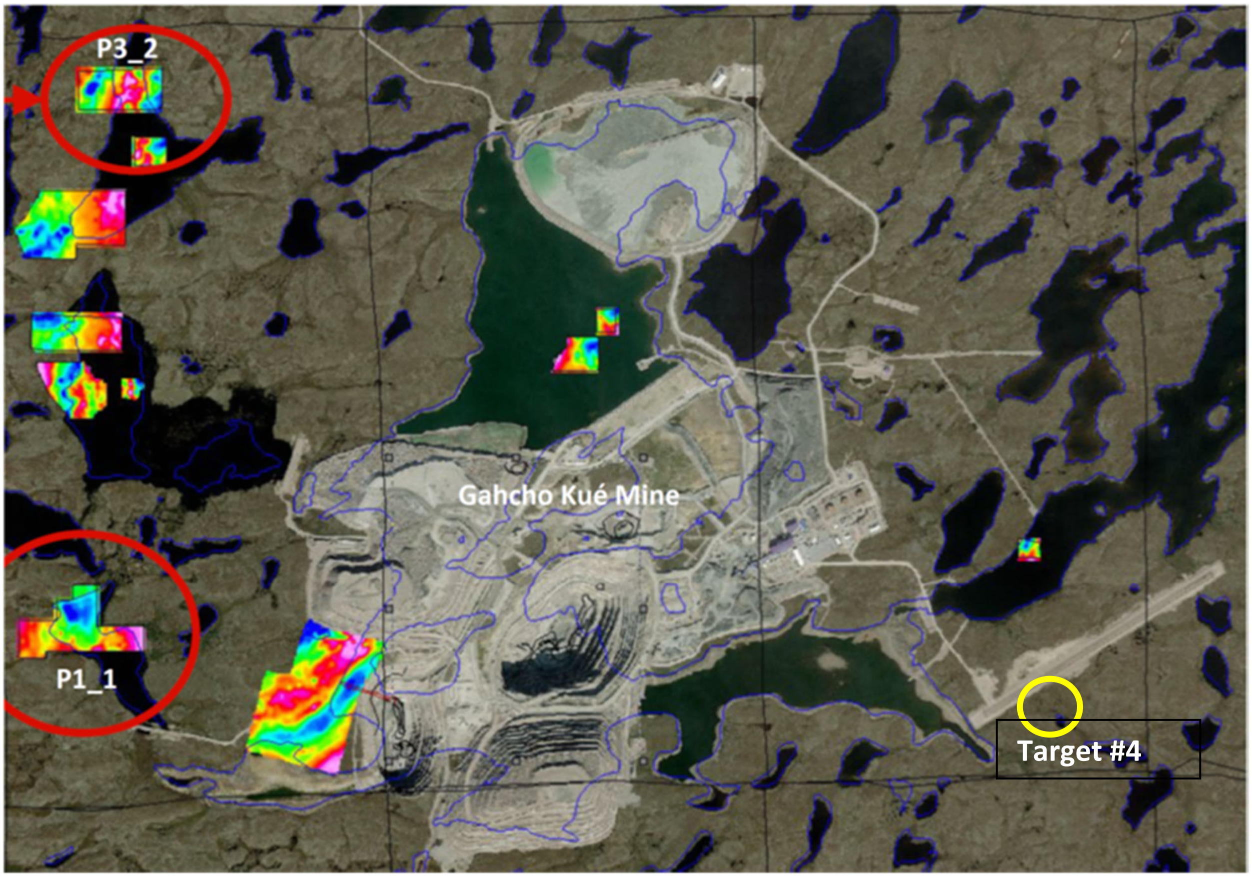
A 3D sectional view looking northeast is provided in the image below, with brown shading indicating the Hearne pit as of September 2022. Only a portion of the historical drilling is shown in the image. The red dashed line indicates the edge of Hearne before discovery of the Northwest Extension.



Logging, petrographic, mineral chemistry and microdiamond analysis is underway to properly define the HK and TK contacts in the extension and their relationship to the main Hearne kimberlite. A second phase of drilling will be required to define the volume and depth extent of the Northwest Extension and its economic viability for extraction by underground mining methods.

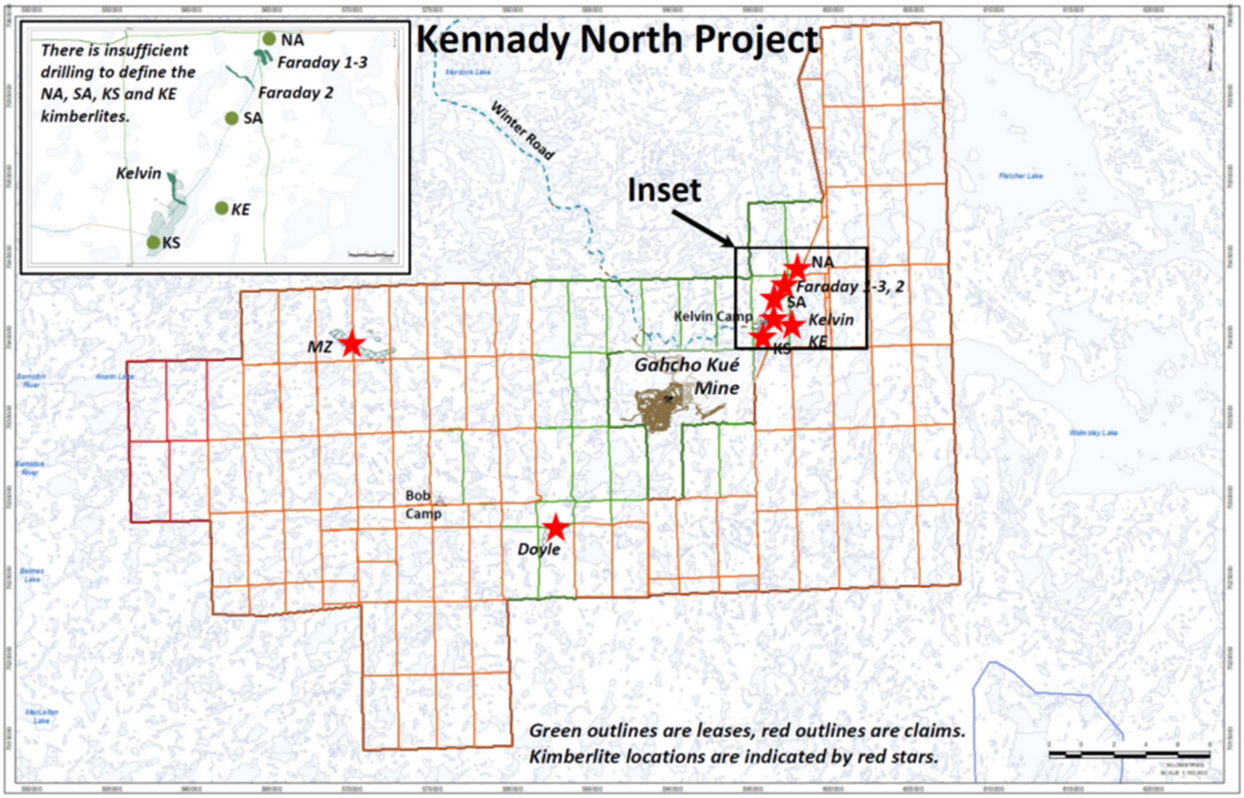
The Western Target areas of interest ('AOI') were identified from a review of historical geophysics available to the joint venture. Ground gravity surveys completed in winter 2022 prioritized two AOI for drill-testing. The lake-based target P1_1 was drill-tested in the winter (508m from five drillholes) with only 0.2m of silicified kimberlite intersected. Land-based target P3_2 was drill-tested in Q3 (270m from two drillholes) and encountered no kimberlite. No further drilling is planned for these targets.

A drill-ready geophysical anomaly from the 2020 joint venture workshop had not been tested due to its proximity to the Gahcho Kué airstrip. Target #4 was drill-tested in late 2022 with two drillholes (224m) and no kimberlite was intersected. The image below shows the locations of the drilled areas of interest.

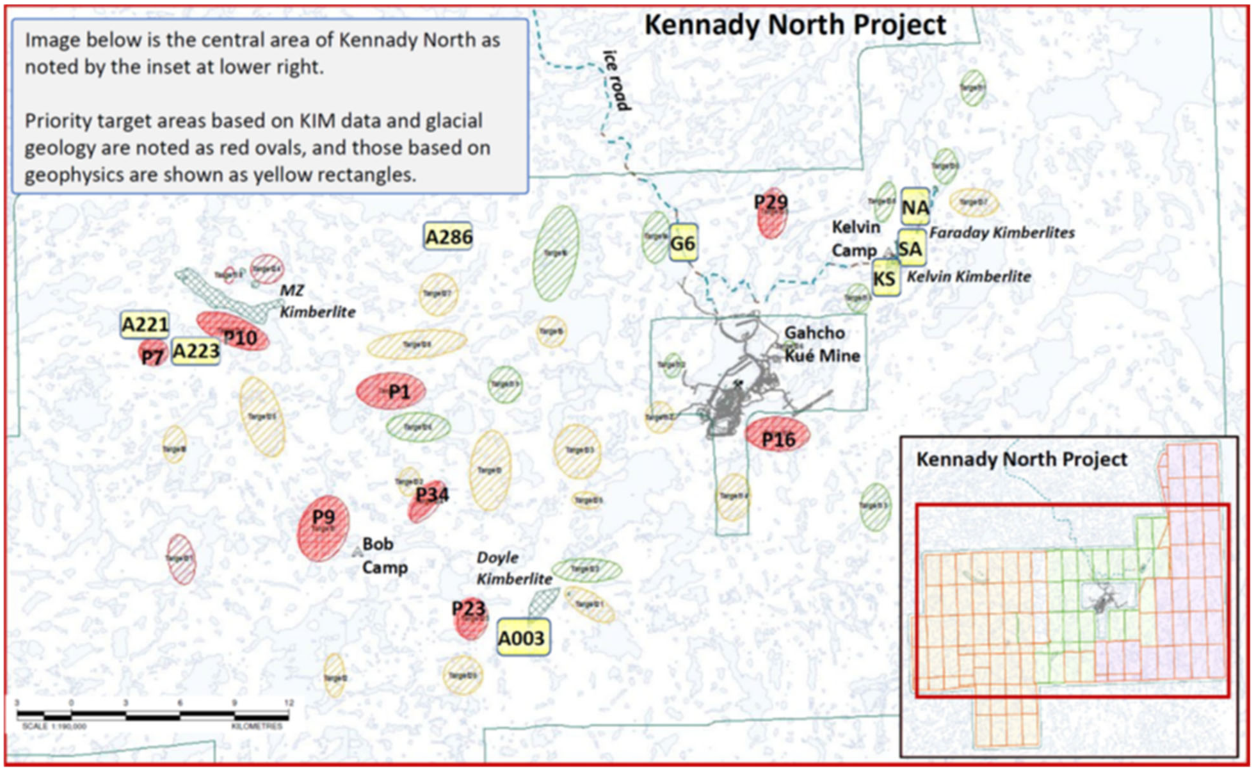


KENNADY NORTH PROJECT EXPLORATION

The Kennady North Project includes 22 federal leases and 97 claims covering an area of over 113,000 hectares that surround the Gahcho Kué Mine on all sides. Kennady North has five historic kimberlites: Kelvin, Faraday 2, Faraday 1-3, MZ, and Doyle. Four new areas of kimberlite were discovered in 2022, NA, SA, KS and KE. The project area was expanded with addition of the eastern claims in early 2020, three strategic claims near the center of the project area in 2021, and five claims on the far west in 2022. The claim, lease, and kimberlite locations relative to Gahcho Kué are shown in the map image below.



An in-house exploration workshop held in December 2021 prioritized eight target areas of interest ('AOI') that were previously identified using glacial geology and kimberlite indicator data. The eight AOI were selected for follow-up ground geophysics (including ARRT) with drilling planned for winter 2022. A second in-house workshop defined additional AOI from historical geophysics with six AOI selected for follow-up drilling in winter 2022. A third workshop with the Gahcho Kué exploration team was held in February 2022 and the combined AOI were prioritized in order of receiving winter ground geophysics followed by drilling. The AOI received ARRT and ground gravity surveys with a total of 188.8 line-km of ARRT and 3,139 gravity stations completed over the AOI. A map image of the AOI that received ground geophysics for drill-targeting is shown below.

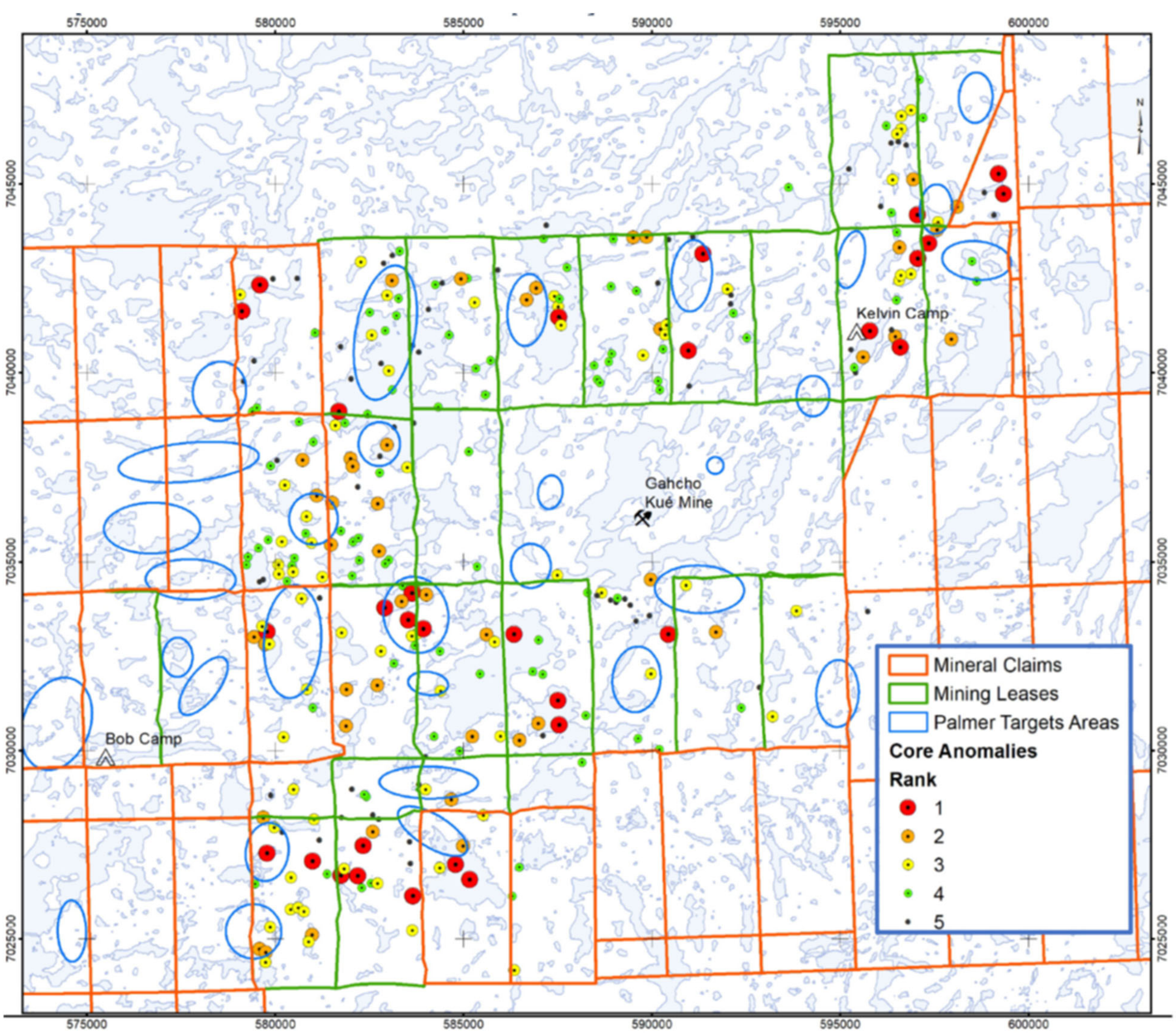


During the winter 2022 exploration program 3,844 meters from 26 drillholes were completed on the North Anomaly ('NA'), South Anomaly ('SA'), KS Anomaly ('KS'), and G6 Anomaly. At the North Anomaly depth-extensive zones of highly altered country rock intermixed with intersects of hypabyssal kimberlite ('HK') ranging from 0.03 to 6.93 meters in thickness (average thickness 1.69m), along with volcaniclastic kimberlite ('VK') in three drillholes and ranging from 0.16 to 3.50 meters in thickness (average 1.38m). Drilling at the South Anomaly encountered HK with thicknesses from 0.68 to 6.96 meters (average 3.23m). Four of six drillholes at the KS anomaly intersected HK kimberlite ranging from 0.22 to 1.49 meters in thickness. Details of the winter drilling were provided in Q2 of 2022.

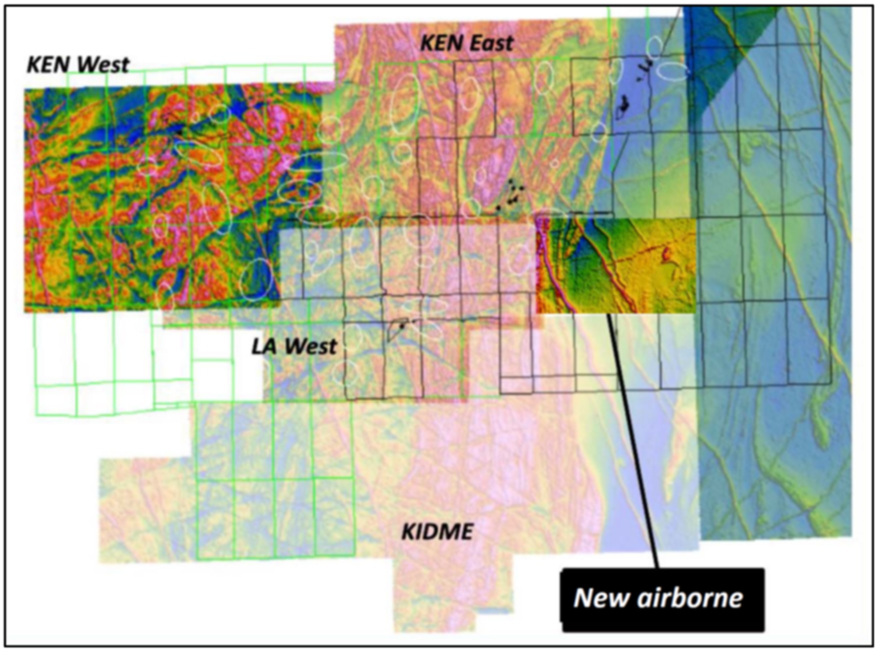
In Q3 a summer exploration program included two land-based drillholes into the North Anomaly, with no kimberlite intersected in two drillholes (352m). Two land-based drillholes were also completed on a coincident geophysical anomaly in the southeast portion of A003 but no kimberlite was encountered (214m). Two drillholes completed on a coincident anomaly at P1 (370m) encountered hydrothermal breccia consisting of granitoid fragments supported in a matrix of quartz with subordinate pyrite. Intervals of altered granitic and diabase country rock occur within the hydrothermal breccia. The longest continuous intervals of hydrothermal breccia and country rock alteration is 60.25 meters. Whole rock and metals analyses of the hydrothermal breccia and altered country rock were received in late 2022; no significantly elevated pathfinder or ore metal elements were detected.

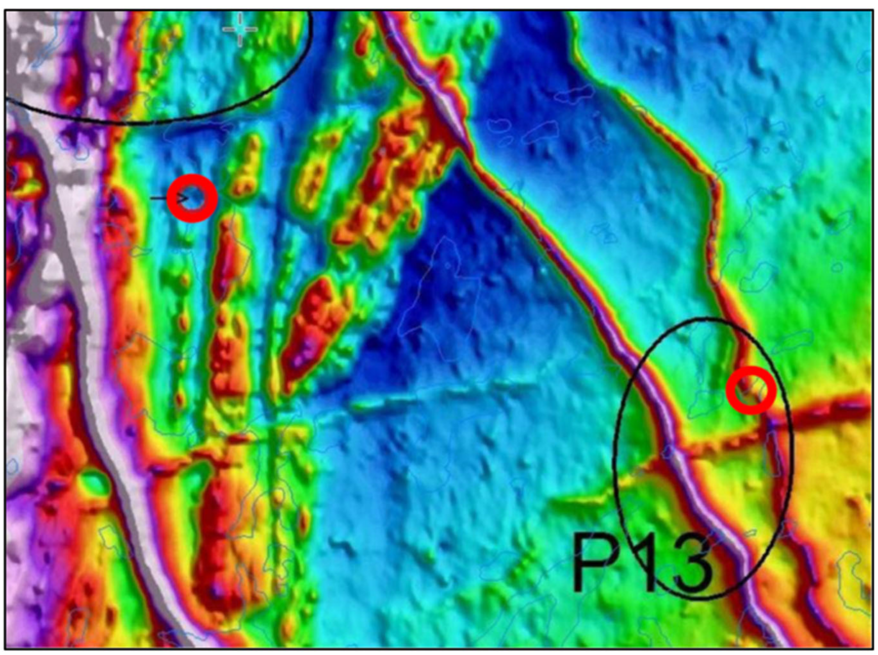
In the combined winter and summer programs, a total of 5,355.9m of core was drilled 25 of 35 drillholes intersecting kimberlite.

A reassessment of historic horizontal loop electromagnetic (HLEM) data for the project area identified several areas of interest proximal to the Kelvin and Faraday kimberlites. The KE anomaly was one of these areas and drilling at the end of the summer drilling program intersected hypabyssal kimberlite ranging from 0.10 to 0.95 meters in thickness. The KE anomaly is located roughly 400 meters east of the Kelvin kimberlite and is not believed to be part of the Kelvin kimberlite system. Additional geophysics and drilling of the KE anomaly is planned for the winter 2023 exploration program. A map image showing the distribution of HLEM anomalies by rank is provided below.



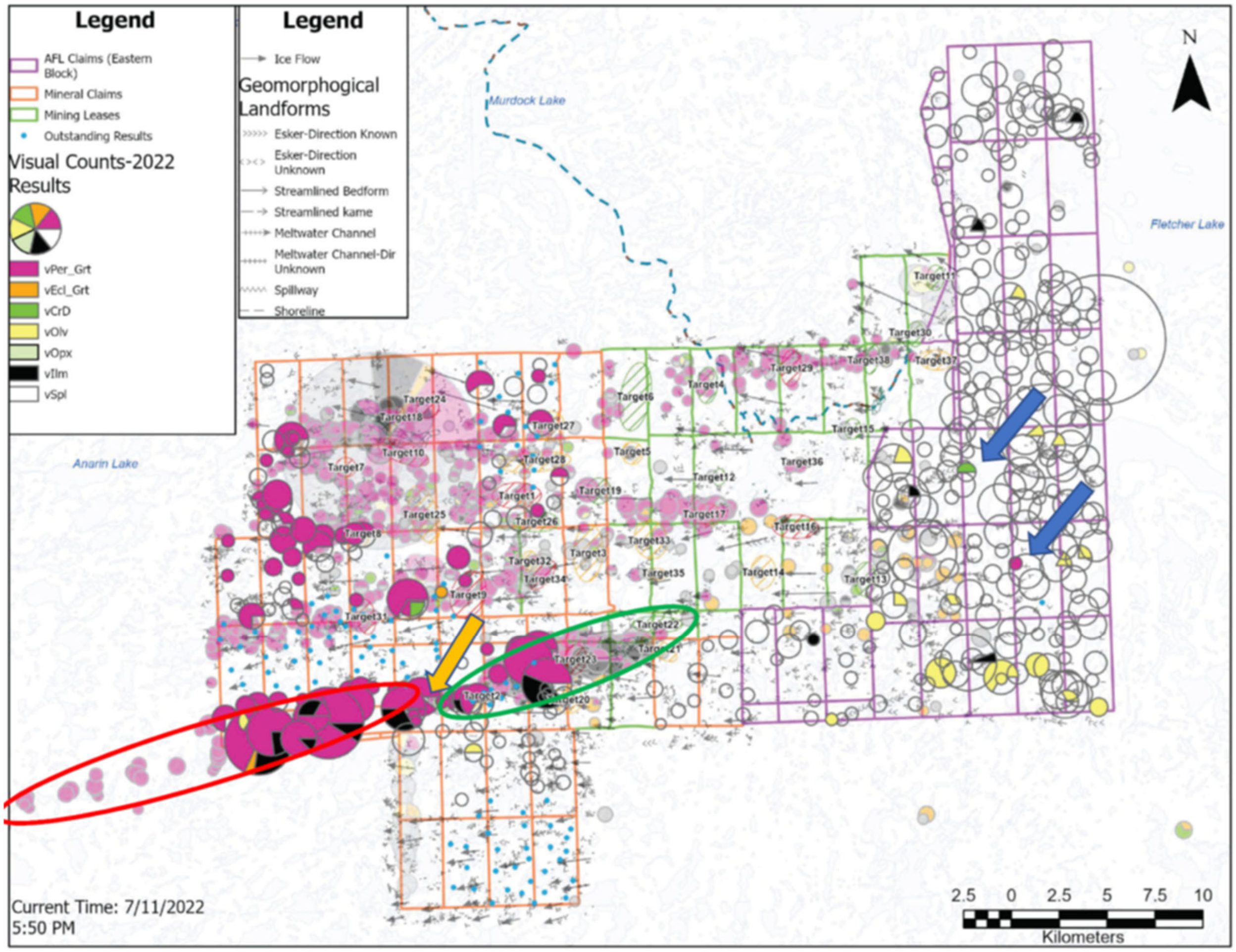
An airborne magnetic/electromagnetic survey was conducted over an area located immediately southeast of Gahcho Kué for which there was no historical geophysical coverage. A total of 1,291 line-km of data were collected over the area. One anomalous area that lies within the P13 KIM area of interest was surveyed with ground magnetics and gravity. The two anomalies identified on the new survey are indicated as red circles on the map images below.



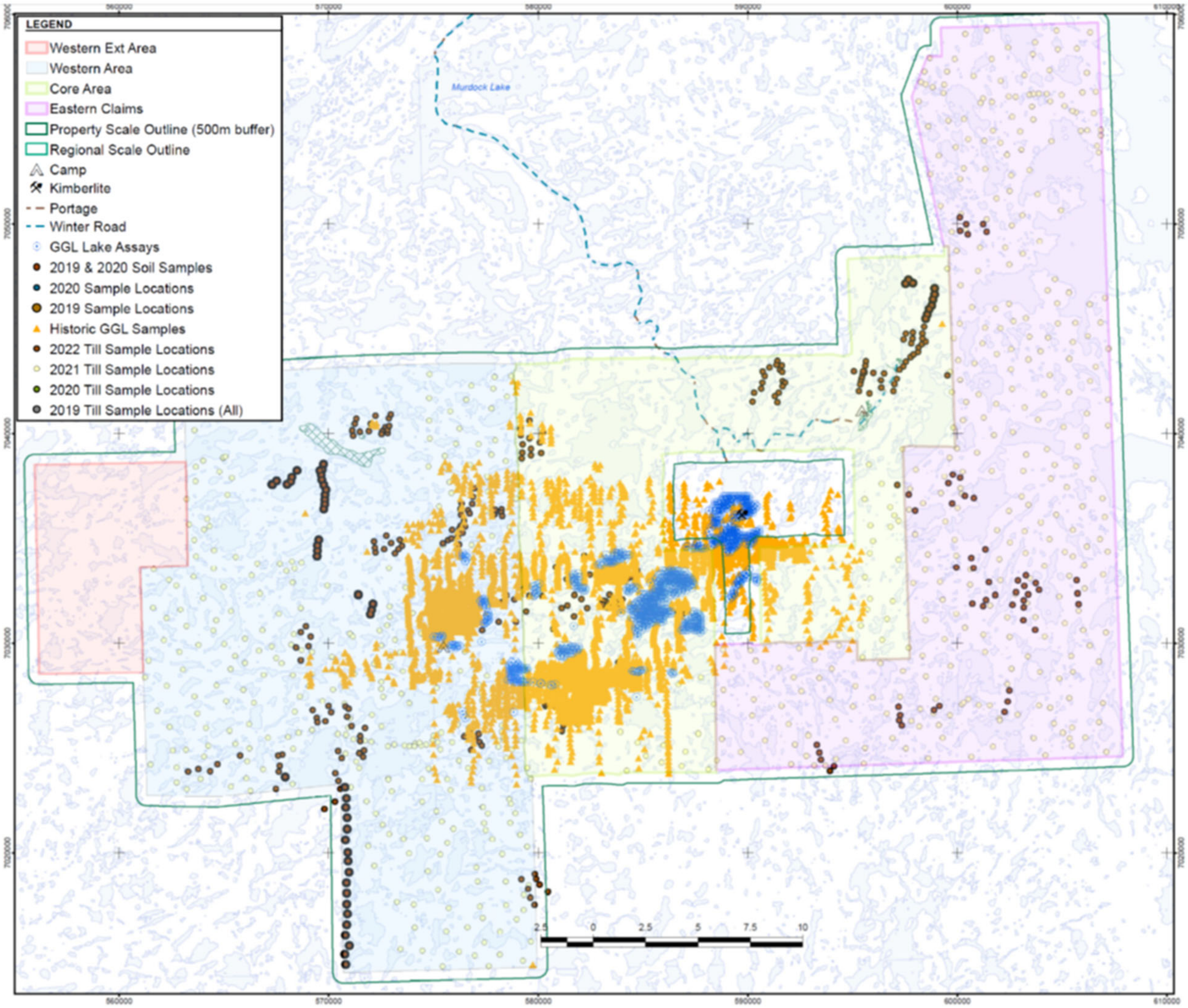


Over 600 till samples were collected over the project area in 2021, with half of those covering the recently staked Kennady East claims. The results have confirmed that a ubiquitous dispersion of chromite is present on the Kennady East claims. Based on morphology and surface features, the chromite are believed to be non-kimberlitic and are eroded from metavolcanics and metasediments that dominate the geology of these claims. Non-kimberlitic olivine is also present and likely derived from the same sources as the chromite.

Within the background chromite, two KIM dispersions are supported by pyrope and by chrome diopside and follow-up sampling was conducted in 2022 to fill in the dispersions. On the western claims, results from the 2022 sampling have also confirmed the presence of strong KIM dispersions in the southwest of the project area, with 29 pyrope in one sample at the suspected head of one of the dispersions. Results for the remaining samples collected in 2022 are expected in early 2023. The distribution of 2021 till sample results is shown in the image below, with blue arrows indicating pyrope and chrome diopside anomalies on the Kennady East Claims, and the orange arrow showing the location of the sample containing 29 pyrope.



An extensive geochemical and drilling database exists over the Kennady North project area. In 2019 a due diligence review of historical drilling and glacial sediment geochemical data was started, to ensure that both diamonds and metals discovery potential was not overlooked. Historic drillhole MPV-97-021C was logged from 108 to 176 meters as granite/quartz syenite with magnetite veinlets throughout the interval and 2% molybdenite based on visual estimations. Consequently, five claims were secured over rocks of interest associated with this drillhole. The Western Extension claims are noted on the image below, which also shows the distribution of glacial sediment geochemistry samples for the project area.



KDI applied for and received a new Type A Land Use Permit and Type B Water Licence from the Mackenzie Land and Water Board to enable future drilling on mineral claims that were acquired in 2020, 2021, and 2022. Community engagement in Q4 was centered around the Land Use Permit and Water Licence applications as well as ongoing socioeconomic opportunities and environmental data collection activities. 2022 baseline environmental data collection programs, including hydrology, water quality, fish and fish habitat, wildlife, and archaeological programs, concluded successfully. Kinetic geochemical analysis of kimberlite and its host rock continued through Q4.

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 Diamonds. 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 nine diamond sales during the year ended December 31,2022.

SELECTED ANNUAL INFORMATION

Expressed in thousands of Canadian dollars	December 31 2022	December 31 2021	December 31 2020
	$	$	$
Sales	388,853	308,723	226,993
Earnings (loss) from mine operations	170,525	113,728	(1,485)
Impairment reversal (loss) on property, plant and equipment	-	240,593	(217,366)
Operating income (loss)	141,027	334,916	(235,811)
Net Income (loss) for the year	49,195	276,167	(263,429)
Basic and diluted earnings (loss) per share	0.23	1.31	(1.25)
Cash flow provided by operating activities	172,630	112,578	51,748
Cash flow provided by (used in) investing activities	(64,639)	(53,743)	(53,686)
Cash flow provided by (used in) financing activities	(115,495)	(69,794)	2,009
Balance Sheet			
Total assets	898,541	877,497	595,329
Total financial liabilities	491,383	526,726	521,629
Total cash dividends declared per common share	-	-	-

In the year ended December 31,2022, diamond sales related to 2,657,000 carats sold for $388,853 (US$297,295), compared to 3,158,000 carats sold for $298,325 (US$237,012) and to 3,329,000 carats sold for $226,993 (US$171,278) for the same periods in 2021 and 2020, respectively. In the year ended December 31, 2021, all of the original diamonds sold to Dunebridge Worldwide Ltd (‘Dunebridge’) in 2020 have been sold by Dunebridge to third parties. Included in the sales of $308,723 for the year ended December 31,2021, is $10,399 of upside proceeds related to this Dunebridge agreement (Financial statement note 17). During the year ended December 31, 2022 and 2021, the Company benefited from higher realized diamond prices, and was able to experience a recovery from the Covid 19 lows. These factors resulted in operating income during the years ended December 31, 2022 and 2021, compared to significant operating losses in the year ended December 31, 2020. Net income (loss) is also affected by unrealized foreign exchange gains (losses) from period-to-period on our US$ denominated debt. The higher realized prices of diamonds also contributed to higher operating cash flow reported for 2022 compared to years of 2021 and 2020. Cash flow from investing activities mainly represent the capital expenditure and development costs spent on the GK Mine, which were all largely in line with budgeted expectations. Cash flow from financing activities have significantly decreased during 2022, because of the full repayment of the Dunebridge Revolving Credit Facility (Dunebridge RCF) and the repayment of theOld Notes.

The Company typically holds between eight to ten sales per year in Antwerp, Belgium, and had typically alternated between two and three sales per quarter since the start of commercial production. The COVID-19 pandemic caused a significant postponement and altering of the regular sales schedule in 2020.

Overall total assets have increased in 2022 compared to 2021 and total assets from 2021 have increased compared to 2020 and the main reason of increase of assets during 2021 was related to the impairment reversal on property, plant and equipment.

SUMMARY OF FULL YEAR 2022 FINANCIAL RESULTS

Year ended December 31, 2022, compared to the year ended December 31, 2021, expressed in thousands of Canadian dollars.

For the year ended December 31, 2022, the Company recorded a net income of $49,195 or $0.23 earnings per share compared to $276,167 net income or $1.31 earnings per share for the same period in 2021.

A significant difference was reported in earnings from mine operations of $170,525 in the year ended December 31, 2022, compared to earnings from mine operations of $113,728 for the same period in 2021. Furthermore, the significant net income for the year ended December 31, 2021 was due to the impairment reversal of $240,593 on property, plant and equipment.

Earnings from mine operations

Earnings from mine operations for the year ended December 31, 2022, were $170,525 compared to earnings from mine operations of $113,728 for the same period in 2021. For the year ended December 31, 2022, diamond sales of 2,657,000 carats generated $388,853 (US$297,295), or approximately $146 per carat sold, compared to 3,158,000 carats for $298,325 (US$237,012), or approximately $94 per carat sold. During the year ended December 31, 2022 and 2021, the Company benefited from higher realized prices compared to Covid-19 impacted lows during 2020. The earnings from mine operations for the year ended December 31, 2021 also included the $10,399 of upside profit related to the Dunebridge sales agreement. The prices realized in 2022 exemplify continued improved sentiment and demand in the rough diamond market recovering from the peak of the COVID-19 pandemic effects.

For the year ended December 31, 2022 production costs (excluding capitalized stripping costs) related to diamonds sold were $131,596 ; depreciation and depletion charges on the GK Mine commissioned assets related to diamonds sold for the year ended December 31, 2022 were $56,935; and the cost of acquired diamonds for the year ended December 31, 2022 was $29,797,which had been previously paid to De Beers when winning the periodic fancies and specials bids. The total cost of production of $218,328, equates to a per carat cost of approximately $82 per carat sold. Earning from mine operations were $170,525. For the year ended December 31, 2021, production costs (net of capitalized stripping costs) related to diamonds sold were $140,099; depreciation and depletion charges on the GK Mine commissioned assets related to diamonds sold for the year ended December 31, 2021 were $39,173; and the cost of acquired diamonds for the year ended December 31, 2021 was $15,723, which had been previously paid to De Beers when winning the periodic fancies and specials bids. The total production of $194,995, equates to a per carat cost of approximately $62 per carat sold. Resultant earnings from mine operations were $113,728.

Selling, general and administrative expenses

Selling, general and administrative expenses for the year ended December 31, 2022, were $17,171 compared to $13,858 for the same period in 2021. The increase in overall selling, general and administrative costs for the year ended December 31, 2022, compared to the same period in 2021, can mainly be attributed to an increase in consulting and payroll fees and selling and marketing expenses. The payroll increase reflects the appointment of the Chief Sustainability Officer plus an office administration support post along with a payout to the former CFO of the Company. Selling and marketing increased due to the return to normal operations and resumption of travel to the sorting facility. The share-based payment expense also increased compared to prior period as more stock options and RSUs were granted compared to prior periods.

Exploration and evaluation expenses

Exploration and evaluation expenses for the year ended December 31, 2022, were $12,327 compared to $5,547 for the same period in 2021. Exploration and evaluation expenses have increased for the year ended December 31, 2022 compared to same period in 2021, as targeted exploration activities continued to develop in 2022. Of the $12,327 total exploration and evaluation expenses incurred in the year ended December 31, 2022, $1,667 is related to the Company's 49% share of the exploration and evaluation expenses on the GK Mine, while the remaining $10,660 is related to activity on the KNP. Of the $5,547 total exploration and evaluation expenses incurred in the year ended December 31, 2021, $604 related to the Company's 49% share of the exploration and evaluation expenses on the GK Mine, while the remaining $4,943 related to those spent on the KNP.

Net finance expenses

Net finance expenses for the year ended December 31, 2022, were $46,440 compared to $40,373 for the same period in 2021. Included in these amounts for the year ended December 31, 2022 were $35,916 relating to financing costs, $10,031 relating to loss on loan, $1,865 relating to accretion expense on decommissioning liability and $1,372 related to interest income. Included in these amounts for the year ended December 31, 2021 were $39,865 relating to financing costs, $710 related to accretion expense on decommissioning liability and $202 relating to interest income. Finance costs have increased due to a loss on loan, that was recorded in relation to the Dunebridge JCF amendment. This is offset by a higher interest income earned in the period ended December 31, 2022 and lower financing costs due to repayment of secured notes during the year.

Foreign exchange (losses) gains

Foreign exchange losses for the year ended December 31, 2022, were $28,162 compared to foreign exchange gains of $2,268 for the same period in 2021. The foreign exchange losses for the year ended December 31, 2022 were a result of the Canadian dollar weakening relative to U.S dollar and the translation of the Notes and Dunebridge JCF, net of U.S dollar cash balances, to Canadian dollar at the spot rate at year end. The majority of the foreign exchange losses for the year ended December 31, 2022 relates to unrealized losses associated with the translation of the U.S dollar based secured notes payable and Dunebridge JCF, which is not closely tied to operational metrics. At December 31, 2022 the spot exchange rate was $1.3554/US$1 compared to $1.2637/US$1 at December 31, 2021 and $1.2575/US$1 at December 31,2020. The foreign exchange gains for the year ended December 31, 2021 was a result of the Canadian dollar strengthening relative to U.S dollar and translation of the secured notes payable, net of U.S. dollar cash balances, to Canadian dollar at the spot rate at the year end.

Deferred income taxes

Deferred income taxes for the year ended December 31, 2022 were $21,200 compared to $20,720 for the same period in 2021. For the year ended December 31, 2022, the deferred tax liability and corresponding expense increased due to the utilization of tax pools to offset the production income generated. For the year ended December 31,2021, deferred income taxes recognized as a result of the impairment reversal for which the value of the property, plant and equipment exceeded the mining royalty tax pools available to the Company.

SUMMARY OF QUARTERLY RESULTS

Table 1 - Quarterly Financial Data

Expressed in thousands of Canadian dollars

		Three months ended			
		December 31 2022	**September 30 2022**	**June 30 2022**	**March 31 2022**
Earnings and Cash Flow					
Number of sales		2	2	3	2
Sales	$	96,315	110,124	97,761	84,653
Impairment reversal on property, plant and equipment	$	-	-	-	-
Operating income	$	25,257	37,705	43,047	35,018
Net income (loss) for the period	$	9,421	(7,187)	22,634	24,327
Basic and diluted (loss) earnings per share	$	0.04	(0.03)	0.11	0.12
Adjusted EBITDA*	$	23,409	54,104	55,127	44,597
Cash flow provided by (used in) operating activities	$	68,938	59,368	37,316	7,008
Cash flow provided by (used in) investing activities	$	(30,795)	(9,721)	(9,736)	(14,387)
Cash flow provided by (used in) financing activities	$	(97,533)	(1,894)	(15,674)	(394)
Balance Sheet					
Total assets	$	898,541	966,173	936,017	935,753

*Adjusted EBITDA is not defined under IFRS and therefore may not be comparable to similar measures presented by other issuers; refer to the Non-IFRS Measures section.

		Three months ended			
		December 31 2021	**September 30 2021**	**June 30 2021**	**March 31 2021**
Earnings and Cash Flow					
Number of sales		2	2	2	2
Sales	$	85,144	94,208	75,147	54,224
Impairment reversal on property, plant and equipment	$	240,593	-	-	-
Operating income	$	265,491	30,137	28,756	10,532
Net income for the period	$	237,619	8,764	22,472	7,312
Basic and diluted earnings per share	$	1.13	0.04	0.11	0.03
Adjusted EBITDA*	$	37,091	41,171	37,874	19,178
Cash flow provided by (used in) operating activities	$	48,012	51,905	22,465	(9,805)
Cash flow provided by (used in) investing activities	$	(26,476)	(8,849)	(7,803)	(10,615)
Cash flow provided by (used in) financing activities	$	(41,014)	(33,545)	5,471	(706)
Balance Sheet					
Total assets	$	877,497	624,288	632,728	613,723

*Adjusted EBITDA is not defined under IFRS and therefore may not be comparable to similar measures presented by other issuers; refer to the Non-IFRS Measures section.

The Company typically holds between eight 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. The Covid-19 pandemic caused a significant postponement and altering of the regular sales schedules in 2021 and 2020.

During the three months ended December 31, 2022, the Company sold 758,000 carats and recognized revenue of $96,315 at an average realized value of $127 per carat (US$94) over two sales in Antwerp, Belgium. The Company had operating income of $25,257 (not defined under IFRS and may not be comparable to similar measures presented by other issuers).

During the three months ended September 30, 2022, the Company sold 805,000 carats and recognized revenue of $110,124 at an average realized value of $137 per carat (US$104) over three sales in Antwerp, Belgium. The Company had operating income of $37,705.

During the three months ended June 30, 2022, the Company sold 587,000 carats and recognized revenue of $97,761 at an average realized value of $167 per carat (US$130) over three sales in Antwerp, Belgium. The Company had operating income of $43,047.

During the three months ended March 31, 2022, the Company sold 507,000 carats and recognized revenue of $84,653 at an average realized value of $167 per carat (US$132) over two sales in Antwerp, Belgium. The Company had operating income of $35,018.

During the three months ended December 31, 2021, the Company sold 809,000 carats and recognized revenue of $85,144 at an average realized value of $94 per carat (US$84) over two sales in Antwerp, Belgium. Before considering the effects of the impairment reversal on property plant and equipment in the three months ended December 31, 2021, the operating income was $24,898.

During the three months ended September 30, 2021, the Company sold 1,027,000 carats and recognized revenue of $94,208 at an average realized value of $92 per carat (US$72) over two sales in Antwerp, Belgium. The Company had operating income of $30,137.

During the three months ended June 30, 2021, the Company held two formal sales in Antwerp, Belgium resulting in the sale of 719,000 carats and recognized revenue of $64,748 at an average realized value of $90 per carat (US$73). This total does not include any upside profit related to the Dunebridge diamonds. During the three months ended June 30, 2021, all of the original diamonds sold to Dunebridge in 2020 have been sold by Dunebridge to third parties. Included in the diamond sales of $75,147 for the three months ended June 30, 2021, is $10,399 of upside proceeds related to the Dunebridge agreement (See related party transactions section below). The Company had operating income of $28,756.

During the three months ended March 31, 2021, the Company held two formal sales in Antwerp, Belgium resulting. in the Company selling 603,000 carats and recognized revenue of $54,224 at an average realized value of $90 per carat (US$71). The Company had operating income of $10,532.

SUMMARY OF FOURTH QUARTER FINANCIAL RESULTS

Three months ended December 31, 2022 compared to the three months ended December 31,2021, expressed in thousands of Canadian dollars.

For the three months ended December 31,2022, the Company recorded a net income of $9,421 or $0.04 earnings per share compared to a net income of $237,619 or $1.31 earnings per share for the same period in 2021. The significant decrease in the net income for the three months ended December 31, 2022 compared to the same period in 2021, is largely attributed to the impairment reversal of $240,593 on property, plant and equipment in the year ended December 31, 2021.

Earnings (loss) from mine operations

Earnings from mine operations for the three months ended December 31, 2022, were $31,640 compared to earnings from mine operations of $31,664 for the same period in 2021. For the three months ended December 31, 2022, the Company sold 758,000 carats for proceeds of $96,315 with diamond sales value per carat of US$94 (three months ended December 31, 2021 – 809,000 carats for $85,144 at US$84 per carat. The prices realized in 2022 exemplify improved sentiment and demand in the rough diamond market recovering from the peak of the COVID-19 pandemic effects.

Production costs (net of capitalized stripping costs) related to diamonds sold for the three months ended December 31, 2022 were $38,449; depreciation and depletion on the GK Mine commissioned assets related to the three months ended December 31, 2022, were $17,748; and the cost of acquired diamonds for the three months ended December 31, 2022 were $8,478, which had been previously paid to De Beers when winning the periodic fancies and specials bids. Resultant earnings from mine operations for the three months ended December 31, 2022 were $31,640. Included in production costs, for the three months ended December 31, 2022 are the Company's 49% costs specifically arising related to COVID-19 of $3.4 million. Production costs (net of capitalized stripping costs) related to the three months ended December 31, 2021 were $38,025; and depreciation and depletion on the GK Mine commissioned assets related to the three months ended December 31, 2021 were $10,326; and the cost of acquired diamonds for the three months ended December 31, 2021 were $5,129. The production costs for the three months ended December 31, 2022, over the same period in 2021 are higher due to lower depreciation and depletion in 2021 because of the impairment reversal taken at end of 2021.

Selling, general and administrative expenses

Selling, general and administrative expenses for the three months ended December 31, 2022, were $5,476 compared to $5,467 for the same period in 2021. The main expenses included in these amounts for the three months ended December 31, 2022 were $2,180 relating to selling and marketing, $1,593 related to consulting fees and payroll, $393 related to professional fees, $496 related to share-based payment and $322 relating to office and administration. The main expenses included in these amounts for the three months ended December 31, 2021 were $2,032 relating to selling and marketing, $596 related to consulting fees and payroll, $279 relating to office and administration, and $420 related to professional fees. The increase in overall selling, general and administrative costs for the year ended December 31, 2022, compared to the same period in 2021, can mainly be attributed to an increase in consulting and payroll fees and selling and marketing expenses. The payroll increase reflects the appointment of the Chief Sustainability Officer plus an office administration support and the payment of bonuses to management and staff. Selling and marketing increased due to the return to normal operations and resumption of travel to the sorting facility. The share-based payment expense also increased compared to prior period as more stock options and RSUs were granted compared to prior periods.

Exploration and evaluation expenses

Exploration and evaluation expenses for the three months ended December 31, 2022, were $907 compared to $1,299 for the same period in 2021. As a result of some of the resumption of exploration activities, the three months ended December 31, 2022 and 2021, had an increase of these costs. Of the $907 total exploration and evaluation expenses incurred in the three months ended December 31, 2022, $2 is related to the Company's 49% share of the exploration and evaluation expenses on the GK Mine, while the remaining $905 related to those spent on the KNP. Of the $1,299 total exploration and evaluation expenses incurred in the three months ended December 31, 2021, $278 is related to the Company's 49% share of the exploration and evaluation expenses on the GK Mine, while the remaining $1,021 related to those spent on the KNP.

Net finance expenses

Net finance expenses for the three months ended December 31, 2022, were $19,067 compared to $9,254 for the same period in 2021. Included in the amount for the three months ended December 31, 2022, were $9,211 relating to finance costs, $619 relating to accretion expense on decommissioning liability and $794 relating to interest income. Included in the amount for the three months ended December 31, 2021, were $9,077 relating to finance costs, $236 relating to accretion expense on decommissioning liability and $59 relating to interest income. Finance costs were higher for the three months ended December 31,2022, compared to the same period in 2021, due to a loss on loan of $10,031 because of the Dunebridge JCF amendment. This is offset by lower financing costs paid as a result of the secured notes repayment, resulting in lower interest expense.

Foreign exchange gains

Foreign exchange gains for the three months ended December 31, 2022, were $5,592 compared to foreign exchange gains of $1,865 for the same period in 2021. The foreign exchange gains for the three months ended December 31, 2022, were mainly a result of the Canadian dollar strengthening relative to the US dollar on the translation of the Notes and Dunebridge JCF, net of US dollar cash balances. The spot rate on December 31, 2022 was $1.3554/US$1 compared to $1.2637/US$1 at December 31, 2021.

Deferred income taxes

Deferred income taxes for the three months ended December 31, 2022 were $5,520 compared to $20,720 for the same period in 2021. For the three months ended December 31, 2021, deferred income taxes were recognized as a result of the impairment reversal for which the value of the property, plant and equipment exceeded the mining royalty tax pools available to the Company. In the three months ended December 31, 2022, deferred income taxes increased due to the utilization of tax pools to offset the production income generated in the period.

INCOME AND MINING TAXES

The Company is subject to income and mining taxes in Canada with the statutory income tax rate at 26.5%.

No deferred tax asset has been recorded in the 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 secured notes payable. On December 14, 2022, the Old Notes were settled and the Company issued US$195 million Notes.

On March 28, 2022, the Company executed a credit facility with Dunebridge, for US$50 million (Financial Statements Note 10) in respect of the Dunebridge RCF.

Cash flows provided by operating activities, including changes in non-cash working capital for the three months and year ended on December 31, 2022, were $68,938 and $172,630 compared to cash flows provided of $48,012 and $112,578 for the same periods in 2021. The cash generated from the operating activities for the three months and year ended December 31, 2022, were significantly higher compared to the same periods in 2021 as a result of the strong earnings from mine operations.

Cash flows used in investing activities for the three months and year ended December 31, 2022, were $30,795 and $64,639 compared to $26,476 and $53,743 for the same periods in 2021. For the three months and year ended December 31, 2022, the outflows for the purchase of property, plant and equipment were $26,302 and $60,432 compared to $16,494 and $43,820 for the same periods in 2021. For the three and year ended December 31, 2022, the outflow for restricted cash was $5,287 and $5,579 compared to $10,041 and $10,125 for the same periods in 2021, which relates to the reclamation funding and interest earned on the decommissioning fund of the GK Mine.

For the three months and year ended December 31, 2022, the amount of cash used in the acquisition of property, plant and equipment and restricted cash was offset by $794 and $1,372 of interest income, compared to $59 and $202 for the same periods in 2021. The increase of cash used in investing activities during the three months and year ended December 31, 2022, compared to the same periods in 2021, can be attributed to the increased stripping activity.

Cash flows used in financing activities for the three months and year ended December 31, 2022, were $97,533 and $115,495 compared to cash flows used of $41,014 and $69,794 for the same periods in 2021. Cash flows used in financing activities for the three months and year ended December 31, 2022, relate to the cash provided by the Dunebridge JCF and Notes, offset by the repurchase and repayment of the Old Notes, payment of interest on the Old Notes and Dunebridge JCF and Dunebridge RCF, the payment of deferred financing costs on the Dunebridge JCF and refinancing of the Notes and the payment of lease liabilities. Cash flows used by financing activities for the three months and year ended December 31, 2021, related to cash provided by the Dunebridge Term Facility, offset by the full repayment of Dunebridge Term Facility and Dunebridge RCF, the payment of lease liabilities and the payment of interest on the Old Notes.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

FINANCIAL INSTRUMENT RISKS

The Company examines the various financial instruments risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk, liquidity risk, market risk, foreign currency risk and interest rate risk.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company's exposure to credit risk is for its amounts receivable of which all of the outstanding amounts of $912 and $877 as at December 31, 2022 and 2021, respectively, were collected.

On December 31, 2022 and 2021, the Company does not have any allowance of doubtful accounts, and does not consider that any such allowance is necessary.

All of the Company's cash and restricted cash is held with a major Canadian financial institution and thus the exposure to credit risk is considered insignificant. Management actively monitors the Company's exposure to credit risk under its financial instruments, including with respect to amounts receivable. The Company considers the risk of loss for its amounts receivable to be remote and significantly mitigated due to financial strength of the parties from whom most of the amount receivable are due- the Canadian government for harmonized sales tax ("HST") refunds receivable in the amount of approximately $822 (2021 - $722).

The Company's current policy is to hold excess cash in bank balances.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to monitor forecast cash flows so that it will have sufficient liquidity to meet liabilities when due. The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support its ongoing requirements. The Company coordinates this planning and budgeting process with its financing activities through its capital management process. To achieve this, the Company relies on regular sales throughout the year, generally nine or ten tender sales, in addition to occasional sales of fancies and special diamonds to De Beers, to fund ongoing operations.

Being able to maintain positive cash flows from operations and/or maintain sufficient liquidity is dependent upon many factors including, but not limited to, diamond prices, exchange rates, operating costs and levels of production.

Adverse changes in one or more of these factors negatively impact the Company's ability to comply with the covenants and/or maintain sufficient liquidity.

As of December 31, 2022, the Company has an obligation of US$195 million or $264.3 million Canadian dollar equivalent (2021 – US$299.9 million or $379 Canadian dollar equivalent) from the Notes. The Notes are secured by a second-priority lien on substantially all of the assets which includes the 49% participating rights to the GK Mine. Failure to meet the obligations of the secured notes payable as they come due may lead to the sale of the 49% participating interest in the GK Mine.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income and the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns.

(i) Interest rate risk

The Company does not have significant exposure to interest rate risk at December 31, 2022 and 2021, since the secured notes payable and Dunebridge JCF do not have variable interest rates. At December 31, 2022, the total secured notes payable was US$195 million (2021 – US$299.9 million) and the Dunebridge JCF was US$50 million (2021 - $Nil).

(ii) Foreign currency

The Company is exposed to market risk related to foreign exchange rates. The Company operates in Canada and has foreign currency exposure to transactions in U.S. dollars. The majority of the ongoing operational costs of the GK Mine are in Canadian dollars and are funded through operating cash flows. The Company's operating cash flows include the sale, in U.S. dollars, of its 49% share of the GK Mine diamonds produced.

As at December 31, 2022 and 2021, the Company had cash, derivative assets, accounts payable and accrued liabilities, the Dunebridge JCF and the secured notes payable that are in U.S. dollars. The Canadian dollar equivalent is as follows:

	December 31, 2022	December 31, 2021
Cash	$ 11,417	$ 11,968
Derivative assets	2,214	731
Accounts payable and accrued liabilities	(2,950)	(1,949)
Dunebridge JCF	(67,770)	-
Secured notes payable	(264,303)	(379,034)
Total	**$ (321,392)**	$ (368,284)

A 10% appreciation or depreciation of the Canadian dollar relative to the U.S. dollar at December 31, 2022 and 2021 would have resulted in an increase or decrease to net income for the year of approximately $32.1 million and $36.8 million, respectively.

SIGNIFICANT ACCOUNTING POLICIES ADOPTED IN THE CURRENT PERIOD

There was one significant accounting policy adopted in the current period disclosed in Note 3 of the financial statements.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

Significant accounting estimates and assumptions are disclosed in Note 4 of the financial statements.

STANDARDS AND AMENDMENTS TO EXISTING STANDARDS

There is currently one new standard disclosed in Note 3 of the financial statements.

RELATED PARTY TRANSACTIONS

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

On March 28, 2022, the Company executed a credit facility with Dunebridge, for US$50 million (Financial Statements Note 10).

On September 30, 2020, the Company entered into the Dunebridge RCF for US$25 million to reassign the previous revolving credit facility provided by Bank of Nova Scotia, with first ranking lien terms. On September 24, 2021, the Dunebridge RCF was extended to March 31, 2022 (Note 9).

In 2020, the Company entered into an agreement to sell up to US$50 million of diamonds to Dunebridge (the "Dunebridge Sales Agreement"). The agreement permits the Company to sell its run of mine diamonds (below 10.8 carats) at the estimated prevailing market price at the time of each sale. The transaction also allows the Company to participate, after fees and expenses, in a portion of any increase in the value of diamonds realized by Dunebridge upon its future sale of diamonds to a third party. Dunebridge is entitled to receive 10% annualized returns in respect to these future sales of Dunebridge diamonds, calculated with reference to each specific Dunebridge sales parcel. These fees are fixed at 10% of the amount of the future sales for the first year. In the second and third year following the date of Dunebridge diamond purchase from the Company, an additional 10% of the amount of the future sale is compounded and pro-rated based on the amount of time in each of the second and third years have passed. After three years, the agreement is effectively terminated, and any upside realized by Dunebridge will not be shared with the Company. The expenses relate to any future sale costs. Once all fees and expenses have been deducted any surplus will be shared equally between Dunebridge and the Company. The purchase price has been determined using the Company's price book, adjusted for the estimated current underlying market conditions. As at December 31, 2020, approximately US$49.4 million of run of mine diamonds have been sold under the agreement. On September 29, 2020, the shareholders approved to have this agreement amended to increase the total sales value from US$50 million of diamonds, to US$100 million. Effective November 6, 2020, the new agreement with the incremental increase to US$100 million was executed. Included in the diamond sales of $308,723 for the year ended December 31, 2021, was $10,399 of upside proceeds which was realized and received related to this Dunebridge agreement.

Between 2014 and 2020, the Company and De Beers signed agreements allowing De Beers ("the Operator") 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 the Company's share of the letters of credit issued. In 2020, the Company and De Beers signed an agreement to reduce the fee from 3% to 0.3%, annually, for their share of the letters of credit issued. Furthermore, a resolution was passed by the joint venture management committee to establish a decommissioning fund, where the Company will fund $15 million in 2020, and $10 million each year for four years thereafter until the Company's 49% share totaling $55 million is fully funded. In the year ended December 31, 2022, the joint venture management committee approved a funding of $5 million. The target funding can change over time, dependent on future changes to the decommissioning and restoration liability and returns on decommissioning fund investments. During the year ended December 31, 2022, the Company funded $5 million (2021 - $10 million) into the decommissioning fund, which is presented as restricted cash on the balance sheet.

As at December 31,2022, the Company's share of the letters of credit issued were $44.7 million (2021 - $44.1 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 Mountain Province's interest in the GK Mine.

The balances as at December 31,2022 and 2021 were as follows:

	December 31, 2022	December 31, 2021
Payable De Beers Canada Inc. as the operator of the GK Mine*	**$ 3,427**	$ 2,732
Payable to De Beers Canada Inc. for interest on letters of credit	**136**	99
Loan payable to Dunebridge Worldwide Ltd.	**68,923**	-
Payable to key management personnel	**592**	67

*Included in accounts payable and accrued liabilities

The transactions for the years ended December 31,2022 and 2021 were as follows:

	Year ended December 31, 2022	Year ended December 31, 2021
The total of the transactions:		
International Investment and Underwriting	**$ 120**	$ 120
Remuneration to key management personnel	**3,764**	3,329
Upside revenue on diamonds sold to Dunebridge Worldwide Ltd.	**-**	10,399
Diamonds sold to De Beers Canada Inc.	**15,376**	10,338
Diamonds purchased from De Beers Canada Inc.	**26,346**	14,990
Finance costs incurred from De Beers Canada Inc.	**136**	135
Finance costs incurred from Dunebridge Worldwide Ltd.	**1,724**	5,882
Management fee charged by the Operator of the GK Mine	**3,332**	4,763

The remuneration expense of directors and other members of key management personnel for the years ended December 31, 2022 and 2021 were as follows:

	Year ended December 31,2022	Year ended December 31, 2021
Consulting fees, payroll, director fees, bonus and other short-term benefits	**$ 2,842**	$ 2,982
Share-based payments	**1,042**	467
	$ 3,884	$ 3,449

Key management personnel are those persons having 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.

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	$ 971	$ -	$ -	$ -	**$ 971**
Gahcho Kué Diamond Mine decommissioning fund	10,000	15,000	-	-	**25,000**
Revolving Junior Credit facility - Principal	-	-	67,770	-	**67,770**
Revolving Junior Credit facility - Interest	-	-	48,223	-	**48,223**
Notes payable - Principal	-	264,303	-	-	**264,303**
Notes payable - Interest	24,184	48,301	-	-	**72,485**
	$ 35,155	**$ 327,604**	**$ 115,993**	**$ -**	**$ 478,752**

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 "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.

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 income on the consolidated statements of comprehensive income:

	Three months ended December 31, 2022	Three months ended December 31, 2021	**Year ended December 31, 2022**	Year ended December 31, 2021
Net income for the period	$ 9,421	$ 237,619	$ 49,195	$ 276,167
Add/deduct:				
Non-cash depreciation and depletion	17,805	10,537	57,159	39,384
Impariment (reversal) loss on property, plant and equipment	-	(240,593)	-	(240,593)
Share-based payment expense	496	172	1,923	868
Fair value gain of warrants	(391)	-	(6,242)	-
Net finance expenses	19,067	9,254	46,440	40,373
Derivative losses	(2,627)	(228)	2,513	67
Deferred income taxes	5,520	20,720	21,200	20,720
Unrealized foreign exchange losses (gains)	(25,882)	(390)	5,049	(1,538)
Adjusted earnings before interest, taxes, depreciation and depletion (Adjusted EBITDA)	$ 23,409	$ 37,091	$ 177,237	$ 135,448
Sales	96,315	85,144	388,853	308,723
Adjusted EBITDA margin	24%	44%	46%	44%

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 consolidated statements of comprehensive income:

(in thousands of Canadian dollars, except where otherwise noted)		**Three months ended December 31, 2022**	Three months ended December 31, 2021	**Year ended December 31, 2022**	Year ended December 31, 2021
Cost of sales production costs	$	38,449	38,025	131,596	140,099
Timing differences due to inventory and other non-cash adjustments	$	2,507	(7,273)	4,105	(6,326)
Cash cost of production of ore processed, net of capitalized stripping	$	40,956	30,752	135,701	133,773
Cash costs of production of ore processed, including capitalized stripping	$	64,858	44,124	185,536	166,661
Tonnes processed	kilo tonnes	406	399	1,520	1,511
Carats recovered	000's carats	794	740	2,704	3,052
Cash costs of production per tonne of ore, net of capitalized stripping	$	101	77	89	89
Cash costs of production per tonne of ore, including capitalized stripping	$	160	111	122	110
Cash costs of production per carat recovered, net of capitalized stripping	$	52	42	50	45
Cash costs of production per carat recovered, including capitalized stripping	$	82	60	69	55

SUBSEQUENT EVENTS

Subsequent to the year ended December 31, 2022, the Company entered into the following currency contracts:

Execution Date of Contracts	Settlement Dates of Contracts	Notional Amount (CAD)	Weighted Average Price (USD)	Notional Amount (USD)
January 10, 2023	May 1, 2023 to September 29, 2023	$ 26,640	$ 1.3320	$ 20,000
January 30, 2023*	May 1, 2023 to December 31, 2023	$ 26,200	$ 1.3100	$ 20,000
March 10, 2023	July 5, 2023 to September 28, 2023	$ 12,330	$ 1.3700	$ 9,000
Total		**$ 65,170**	**$ 1.3300**	**$ 49,000**

*On settlement date, if the spot rate exceeds 1.35, the Company will settle at 1.321 and if the spot rate is between 1.31 to 1.35, there is no obligatory settlement.

Subsequent to the year ended December 31, 2022, 2,249,234 stock options were granted, with an exercise price of $0.61.

Subsequent to the year ended December 31, 2022, 1,221,480 RSUs were granted with a fair value of $0.61 per unit.

OTHER MANAGEMENT DISCUSSION AND ANALYSIS REQUIREMENTS

Risks

Mountain Province'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.

Mountain Province's business of developing and operating mineral properties is subject to a variety of risks and uncertainties, including, without limitation:

- risk that the COVID-19 pandemic continues and materially impedes operations and/or the ability of the Company to sell and distribute diamonds;
- risk of COVID-19 affecting commodity prices and demand for diamond inventory, future sales and increased market volatility;
- 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 can be obtained with acceptable terms;
- risk that the if needed, Notes cannot be refinanced with acceptable terms and that the holders of the Notes are not willing to negotiate with the Company;

- risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits;
- results of initial feasibility, pre-feasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; mining exploration risks, including risks related to accidents, equipment breakdowns or other unanticipated difficulties with or interruptions in production;
- the potential for delays in exploration activities or the completion of studies;
- risks related to the inherent uncertainty of exploration and cost estimates and the potential for unexpected costs and expenses;
- risks related to foreign exchange fluctuations, prices of diamonds, and continued growth in demand for laboratory grown diamonds;
- risks related to challenges in the diamond market causing the sale of some or all of the diamond inventory to be sold below cost;
- risks related to commodity price fluctuations;
- risks related to failure of its joint venture partner;
- risks relating to complying with the covenants in our revolver credit facility;
- development and production risks including and particularly risks for weather conducive to the building and use of the Tibbitt to Contwoyto Winter Road upon which the GK Mine is reliant upon for the cost-effective annual resupply of key inventory including fuel and explosives, the effects of climate change may limit or make impossible the building of the Winter Road;
- risks related to environmental regulation, permitting and liability;
- risks related to legal challenges to operating permits that are approved and/or issued;
- political and regulatory risks associated with mining, exploration and development;
- the ability to operate the Company's GK Mine on an economically profitable basis;
- aboriginal rights and title;
- failure of plant, equipment, processes and transportation services to operate as anticipated;
- possible variations in ore grade or recovery rates, permitting timelines, capital expenditures, reclamation activities, land titles, and social and political developments, and other risks of the mining industry; and
- other risks and uncertainties related to the Company's prospects, properties and business strategy.

As well, there can be no assurance that any further funding required by the Company will become available to it, and if so, 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.

At March 22, 2023, there were 211,489,141 shares issued, 8,685,276 stock options and 2,942,162 restricted share units outstanding. There were 41,000,000 warrants outstanding as at March 22, 2023.

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 Corporation is made known to the CEO and CFO during the reporting period and the information required to be disclosed by the Corporation 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 Corporation'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 December 31, 2022, 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 year ended December 31, 2022. The Company's CEO and CFO have each evaluated the design and effectiveness of the Company's disclosure controls and procedures and have concluded they are operating effectively as of December 31, 2022.

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 Mountain Province; 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 Mountain Province, 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 Mountain Province 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 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 Gahcho Kué diamond 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. Mountain Province 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. Mountain Province 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 Mountain Province 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 Mountain Province 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, Mountain Province may make changes to its business plans that could affect its results. The principal assets of Mountain Province are administered pursuant to a joint venture under which Mountain Province is not the operator. Mountain Province 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, Mountain Province 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

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.