

NEWS RELEASE

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Saskatoon, Saskatchewan

**STAR DIAMOND CORPORATION ANNOUNCES RIO TINTO
DECISIONS REGARDING STAR – ORION SOUTH DIAMOND PROJECT**

SASKATOON, Saskatchewan, June 28, 2022 – Star Diamond Corporation (“Star Diamond”) announces that, at a meeting of the Fort à la Corne joint venture management committee held earlier today, Rio Tinto Exploration Canada Inc. (“Rio Tinto”) exercised its voting power to place the Star – Orion South Diamond Project (the “Project”) on care and maintenance through December 31, 2022. As part of this, Rio Tinto has advised that, subject to fulfilling its existing obligations, it does not intend to commit additional capital to the Project during 2022 beyond what is necessary for care and maintenance.

Rio Tinto also advised Star Diamond during today's joint venture management committee meeting that Rio Tinto intends to conduct a near-term review of its alternatives regarding the Project, including its potential exit.

During today's meeting, Rio Tinto stated that it remains pleased with the results of the comprehensive studies and bulk sampling program that have been completed to date at the Project.

The board of directors of Star Diamond is disappointed by these decisions. Star Diamond intends to work with Rio Tinto in assessing alternatives regarding the Project.

About Star Diamond Corporation

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

Caution Regarding Forward-looking Statements

This press release contains "forward-looking statements" and/or "forward-looking information" (collectively, "forward-looking statements") within the meaning of applicable securities legislation. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements in this press release include, but are not limited to, statements with respect to Rio Tinto's intentions with respect to funding of the Fort à la Corne project, Rio Tinto's intention to review its alternatives with respect to the project and Star Diamond's intention to work with Rio Tinto in assessing alternatives regarding the project.

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