

NOTICE OF VIRTUAL ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the VAGM of shareholders of the Company will be held electronically via a live interactive webcast, in lieu of a physical meeting, on Thursday 24 June 2021 at 10 a.m. (British Summer Time) to conduct such business as may lawfully be dealt with at the VAGM. Further details on how to access and participate at the VAGM will be made available to shareholders via a SENS/RNS announcement nearer to the date of the VAGM.

Shareholders are advised that meeting participants (including proxies) may be required to provide reasonably satisfactory identification before being entitled to participate in or vote at the VAGM. Forms of identification that will be accepted include a driver's licence or a passport.

DATES AND VOTING

The board of directors of the Company (the “**Board**” or “**Directors**”) has determined the following:

- Those shareholders registered on the Company's shareholders' register on Friday 16 April 2021 will receive notice of the VAGM.
- Those shareholders registered on the Company's shareholders' register at 11 a.m. (British Summer Time) on Friday 18 June 2021 will be eligible to participate in and vote at the VAGM. Accordingly, the last date to trade to participate in and vote at the VAGM is Monday 14 June 2021. In the event that the VAGM is adjourned, those shareholders registered on the shareholders' register five full business days (in the United Kingdom) before the time of any adjourned meeting will be eligible to participate and vote.
- Voting will be by way of a poll and every shareholder, present in person or represented by proxy and entitled to vote, shall be entitled to one vote for every share held.
- The Company will release the results of the VAGM via a SENS/RNS announcement on Thursday 24 June 2021.

PROXIES

A shareholder is entitled to attend the VAGM, electronically via a live interactive webcast, and vote or to appoint a proxy (or proxies) to attend and to speak and, on a poll, vote instead of him. A proxy need not be a shareholder. A shareholder may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. The appointment of a proxy will not prevent a shareholder from subsequently attending and voting himself at the VAGM.

To be effective, a Form of Proxy, and any power of attorney or other authority under which it is signed (or a certified or notarised copy of any such authority) must be completed, signed and lodged, not less than three business days before the time for holding the meeting or adjourned meeting. Below are the addresses for the Company's AIM and JSE registrar, to whom Forms of Proxy and accompanying documents should be sent, depending on which exchange a shareholder's shares are traded on. Separate Forms of Proxy for the AIM and the JSE are included at the end of this notice and will be made available on the Company's website at www.gemfieldsgroup.com.

AIM registrar

Computershare Investor Services (Guernsey) Limited
The Pavilions
Bridgwater Road
Bristol
BS99 6ZY
United Kingdom

JSE registrar

Computershare Investor Services (Pty) Limited
Rosebank Towers
15 Biermann Avenue
Rosebank
2196
South Africa

Postal address

Computershare Investor Services (Pty) Limited
Private Bag X9000
Saxonwold
2132
South Africa

Forms of Proxy submitted for the original meeting will remain valid for any adjourned meeting. **If you do not intend to attend the VAGM and wish to vote by proxy, please complete and return the Form of Proxy as soon as possible.**

NOTICE OF VIRTUAL ANNUAL GENERAL MEETING

ORDINARY RESOLUTIONS

For each ordinary resolution to be passed, it must be supported by more than 50% of the votes cast.

Ordinary resolution 1: To adopt the Company's Annual Report for the year ended 31 December 2020

The Group's Annual Report for the year ended 31 December 2020, including the financial statements, auditor's report and Directors' report, has been distributed as required and will be presented to shareholders at the VAGM. The Annual Report can be found on the Company's website, www.gemfieldsgroup.com.

Ordinary resolution 2: To re-elect Mary Reilly, who is retiring by rotation, as a Director of the Company

It is resolved that Mary Reilly, who was first appointed as a Director on 4 December 2020, who retires in accordance with the terms of the Company's Articles of Incorporation, and who is eligible and available for re-election, is re-elected as a Director of the Company with immediate effect.

A *curriculum vitae* for Mary Reilly is included in the Annual Report in the Governance section.

Ordinary resolution 3: To re-elect Kwape Mmela, who is retiring by rotation, as a Director of the Company

It is resolved that Kwape Mmela, who was first appointed as a Director on 31 July 2017, who retires in accordance with the terms of the Company's Articles of Incorporation, and who is eligible and available for re-election, is re-elected as a Director of the Company with immediate effect.

A *curriculum vitae* for Kwape Mmela is included in the Annual Report in the Governance section.

Ordinary resolution 4: To re-elect each of Carel Malan, Mary Reilly (subject to her re-election as a Director pursuant to ordinary resolution 2) and Lumkile Mondi to the Company's Audit Committee

It is resolved that Carel Malan, an Independent Non-Executive Director of the Company, is re-elected to the Company's Audit Committee.

It is resolved that Mary Reilly (subject to her re-election as a Director pursuant to ordinary resolution 2), an Independent Non-Executive Director of the Company, is re-elected to the Company's Audit Committee.

It is resolved that Lumkile Mondi, an Independent Non-Executive Director of the Company, is re-elected to the Company's Audit Committee.

Curricula vitae for Carel Malan, Mary Reilly and Lumkile Mondi are included in the Annual Report in the Governance section.

Ordinary resolution 5: To reappoint BDO LLP as the Company's auditor (until the conclusion of the 2022 Annual General Meeting) and to authorise the Directors to fix their remuneration

It is resolved that BDO LLP be reappointed as the Company's auditor until the conclusion of the 2022 Annual General Meeting, in line with the recommendation of the Audit Committee of the Board, and to authorise the Directors to fix their remuneration.

SPECIAL RESOLUTIONS

For each special resolution to be passed, it must be supported by more than 75% of the votes cast.

Special resolution 1: General authority to issue shares for cash

It is resolved that the Directors are hereby authorised pursuant to Article 5 of the Articles of Incorporation to issue up to 58,437,802 ordinary shares (representing 5.0% (five percent) of the issued share capital of the Company at the date of this notice) for cash, representing a class of share already in issue, subject to the following conditions, inter alia:

- that this authority shall not extend beyond the next Annual General Meeting (AGM) or 15 (fifteen) months from the date of this VAGM, whichever date is the earliest;
- that an RNS and SENS release/press announcement giving full details will be published at the time of any issue representing, on a cumulative basis, 5% or more of the number of shares in issue prior to the issue/s from the date of this VAGM until the date of the next AGM or 15 (fifteen) months from the date of this VAGM, whichever date is the earliest;

- that the shares must be issued to public shareholders and not to related parties;
- that any issue in the aggregate in any one year shall not exceed 58,437,802 shares of the Company's issued ordinary share capital; and
- that in determining the price at which an issue of shares will be made in terms of this authority, the minimum price shall be the higher of: (i) the weighted average traded price of the shares over the 30 (thirty) days prior to the date that the price of the issue is determined or agreed to by the Directors; and (ii) ZAR3.00. In the event that shares have not traded in the said 30 (thirty) day period, a ruling will be obtained from the committee of the JSE Limited.

Subject to the approval of the general authority proposed in terms of this special resolution, and in terms of the JSE Listings Requirements, shareholders, by their approval of this resolution, grant a waiver of any pre-emptive rights to which ordinary shareholders may be entitled in favour of the Directors for the allotment and issue of ordinary shares in the share capital of the Company for cash other than in the normal course by way of a rights offer or a claw-back offer or pursuant to the Company's share incentive schemes or acquisitions utilising such shares as currency to discharge the purchase consideration.

The proposed resolution to issue up to 58,437,802 ordinary shares represents approximately 5.0% (five percent) of the issued share capital of the Company at the date of this notice.

The reasons and effects of this special resolution are fully described in the Explanatory Memorandum.

Special resolution 2: General authority to acquire (repurchase) ordinary shares

It is resolved that the Company and/or any subsidiary is hereby authorised, by way of a general authority, from time to time, to acquire ordinary shares in the share capital of the Company from any person in accordance with the requirements of Article 4 of the Company's Articles of Incorporation, the Companies (Guernsey) Act 2008, the JSE Listings Requirements and the AIM Rules for Companies, from time to time, provided that:

- any such acquisition of ordinary shares shall be effected through the order book operated by the JSE trading system, subject to the approval of the JSE, where necessary, and done without any prior understanding or arrangement with the counterparty (reported trades are prohibited);
- this general authority shall be valid until the earlier of the Company's next AGM or the variation or revocation of such general authority by special resolution at any subsequent general meeting of the Company, provided that it shall not extend beyond 15 months from the date of passing of this special resolution;
- an announcement containing full details of such acquisitions will be published as soon as the Company or any of its subsidiaries shall have acquired ordinary shares constituting, on a cumulative basis, not less than 3% of the number of ordinary shares in issue as at the date of this approval and for each subsequent acquisition constituting, on a cumulative basis, not less than 3% in aggregate of the number of ordinary shares in issue as at the date of this approval, in compliance with paragraph 11.27 of the JSE Listings Requirements;
- acquisitions of ordinary shares in aggregate in any one financial year may not exceed 20% of the Company's issued ordinary share capital, as at 24 June 2021;
- ordinary shares may not be acquired at a price greater than 10% above the weighted average of the market value at which such ordinary shares are traded on the JSE as determined over the five business days immediately preceding the date of acquisition of such ordinary shares;
- the Company has been given authority by its Articles of Incorporation;
- a resolution is passed by the Board that it has authorised the acquisition, that the Company and its subsidiaries will pass the solvency and liquidity test immediately after the acquisition and that from the time that the test is done, there are no material changes to the financial position of the Company or the group;
- at any point in time, the Company and/or its subsidiaries may only appoint one agent to effect any such acquisition;
- the Company and/or its subsidiaries may not acquire any ordinary shares during a prohibited period, as defined in the JSE Listings Requirements, unless a repurchase programme is in place, where dates and quantities of the shares to be traded during the prohibited period are fixed and full details of the programme have been submitted to the JSE in writing, prior to the commencement of the prohibited period;
- the Company and its subsidiaries shall not be entitled to acquire ordinary shares issued by the Company if the acquisition of the shares will result in them holding, on a cumulative basis, more than 10% of the number of ordinary shares in issue in the Company; and
- no voting rights attached to the ordinary shares acquired by the Company's subsidiaries may be exercised while the shares are held by them and they remain subsidiaries of the Company.

The reasons for and effects of this special resolution are fully described in the Explanatory Memorandum.

NOTICE OF VIRTUAL ANNUAL GENERAL MEETING

Special resolution 3: General authority to cancel shares

It is resolved that the Company and/or any subsidiary is hereby authorised in accordance with Article 12.1 of the Articles of Incorporation of the Company, by way of a general authority, to cancel any shares in the Company (including ordinary shares and/or treasury shares) which the Company holds in itself. This authority shall not extend beyond the next AGM or 15 (fifteen) months from the date of this VAGM, whichever date is the earliest.

The reasons for and effects of this special resolution are fully described in the Explanatory Memorandum.

Special resolution 4: Amendments to the Articles of Incorporation

It is resolved that the Articles of Incorporation of the Company (the “Articles”) be amended as set out in the amended version of the Articles attached as Appendix A to this notice of VAGM, which amendments are reflected as tracked changes.

The amendments to the Company’s Articles shall be effective from the close of the VAGM, assuming the special resolution 4 is passed.

The reasons for and effects of this special resolution are fully described in the Explanatory Memorandum.

NON-BINDING ADVISORY VOTES

For each non-binding advisory vote to be passed, it must be supported by more than 75% of the votes cast.

Endorsement of the Company’s Remuneration Policy

The Board asks shareholders to cast a non-binding advisory vote on the Company’s Remuneration Policy as set out within the Remuneration Committee Report within the Governance section of the Annual Report. The Remuneration Committee will consider the outcome of this vote, although it will not be binding on the Company or the Board.

Endorsement of the Company’s Remuneration Implementation Report

The Board asks the shareholders to cast a non-binding advisory vote on the Company’s Remuneration Implementation Report as set out within the Remuneration Committee Report within the Governance section of the Annual Report. The Remuneration Committee will consider the outcome of this vote, although it will not be binding on the Company or the Board.

By order of the Board

Computershare Investor Services (Guernsey) Limited

The Pavilions
Bridgwater Road
Bristol
BS99 6ZY
United Kingdom

29 April 2021

VAGM EXPLANATORY MEMORANDUM

Special resolution 1: General authority to issue shares for cash

The reason for proposing special resolution 1 is that the Directors consider it advantageous to have the authority to issue ordinary shares for cash in order to enable the Company to take advantage of any business opportunity which might arise in the future and to make available a means of financing to the Company should it need further equity funding for general business purposes.

The number of ordinary shares that can be issued pursuant to special resolution 1 has been capped at 5.0% (five percent) of the issued share capital of the Company as at the date of this notice. The minimum price that such ordinary shares can be issued at has been set at the higher of: (i) the weighted average traded price of the shares over the 30 (thirty) days prior to the date that the price of the issue is determined or agreed to by the Directors; and (ii) ZAR3.00 (this representing a circa 100% premium to the Gemfields share price as at the date of this notice). This has been put in place in order to ensure that any potential dilution of shareholders' holdings in the Company is not effected at a discount to the prevailing market share price.

The Directors note that the special resolution to issue shares for cash, proposed at the Company's 2020 Annual General Meeting, held on 24 June 2020, was voted down by shareholders. This resolution sought shareholders' approval for the Directors to issue up to 10% of the then issued share capital of the Company (representing 116,875,603 ordinary shares). The minimum price that such shares were proposed to be issued at was a 10% (ten percent) discount to the then 30-day VWAP prior to the date the price of the issue would be determined or agreed by the Directors.

Whilst the Company endured an extremely challenging market in 2020, the Company expects a recovery in its performance in 2021, with auctions and mining operations resuming. However, given ongoing levels of uncertainty, there can be no guarantee that the Company's planned recovery goes exactly according to plan and therefore Directors are of the view that it would be prudent for the Company to have arrangements in place that may provide access to additional capital, at relatively short notice, should it be needed. At present, the Directors have no specific intention to use this authority, and the authority will thus only be used if circumstances are appropriate. The Directors appreciate that shareholders may be reluctant to allow the Company to issue shares for cash whilst the Company's share price remains at historically low levels and have therefore reduced the size of the proposed issue of shares for cash to a maximum of 5.0% (five percent) of the issued share capital of the Company at the date of this notice and have included the above-mentioned floor price at which the shares can be issued.

Special resolution 2: General authority to acquire (repurchase) ordinary shares

The reason for and effect of special resolution 2 is to grant the Company and its subsidiaries a general authority to facilitate the acquisition by the Company and/or its subsidiaries of the Company's ordinary shares, which general authority shall be valid until the earlier of the next AGM of the Company or the variation or revocation of such general authority by special resolution at any subsequent general meeting of the Company, provided that this general authority shall not extend beyond 15 (fifteen) months from the date of the passing of this special resolution.

Any decision by the Directors, after considering the effect of an acquisition of up to 20% of the Company's issued ordinary shares, to use the general authority to acquire shares of the Company will be taken with regard to the prevailing market conditions and other factors and provided that, for the period of 12 (twelve) months after such acquisition, the Directors are of the opinion that:

- the Company and the Group will be able to pay their debts in the ordinary course of business;
- recognised and measured in accordance with the accounting policies used in the latest audited annual group financial statements which comply with the Companies (Guernsey) Law, 2008, the assets of the Company and the Group will exceed the liabilities of the Company and the Group;
- the share capital and reserves of the Company and the Group will be adequate for the purposes of the business of the Company and the Group; and
- the working capital of the Company and the Group will be adequate for the purposes of the business of the Company and the Group.

The Directors consider that such a general authority in relation to the ordinary shares should be put in place so that, during the year, it will provide the Directors with flexibility to effect a repurchase of the Company's shares, should it be in the interests of the Company to do so whilst the general authority is in power. The Directors are of the opinion that it would be in the best interests of the Company to extend such general authority and thereby allow the Company or any of its subsidiaries to be in a position to acquire the shares issued by the Company through the order book of the JSE or on AIM, should the market conditions, tax dispensation and price justify such an action.

NOTICE OF VIRTUAL ANNUAL GENERAL MEETING

Special resolution 3: General authority to cancel shares

The reason for and effect of special resolution 3 is to grant the Company and its subsidiaries a general authority to cancel any shares in the Company (including ordinary shares and/or treasury shares) which the Company holds in itself. This is so that, if the Company acquires any ordinary shares in itself, then it can reduce the issued share capital of the Company for the benefit of shareholders, whose proportional shareholding would thereafter increase. The Company does not currently hold any shares in itself.

Special resolution 4: Amendments to the Articles of Incorporation

The reason for and effect of special resolution 4 is to make amendments to the Company's Articles to better align the Company with appropriate AIM and JSE market practice and further improve its corporate governance framework. On 9 October 2020, the Company invited feedback and commentary on the proposed amendments to the Company's Articles. Further to this, no comments were received from shareholders. Material amendments that shareholders should be aware of include the following:

Article 19: Proceedings at general meetings

At any general meeting, the number of Investors required to demand a poll vote has increased from 2 to 5, save that a poll vote may still be demanded by one Investor or Investors representing at least one-tenth of the issued capital.

A new provision has been included stating that the Board may make any health, safety, and security arrangements which it considers appropriate to the holding of general meetings. Entry may be refused to any person who does not comply with the arrangements. In addition, any person who causes proceedings at a general meeting to be disorderly may be ejected.

Article 22: Appointment and removal of Directors

The Company may by ordinary resolution, rather than a special resolution (as the Article formerly read), appoint or remove a Director. If an Investor proposes a person for appointment, as long as the requisite notice and particulars are received, the Board (through the nomination committee) is no longer required to recommend their eligibility.

Article 27: Conflict of interest

At the sole discretion of the Board, Directors will no longer be able to attend Board discussions, vote or sign any documents in respect of a matter in which they have an interest.

Shareholders may note that the proposed amendments to the Articles, as published on the Company's website on 9 October 2020, included an amendment to Article 16.1 (Alteration of capital). This proposed amendment sought to provide that the Company may by ordinary resolution, rather than a special resolution (as this Article currently reads), cancel shares which have not been taken or agreed to be taken by any Investor and reduce the issued share capital accordingly. However, the Company has been informed by the JSE that the JSE Listing Requirements dictate that this amendment is not possible on the basis that a special resolution is required to effect any alteration to the Company's share capital or rights attaching to a class of share. Therefore, the proposed amendment to Article 16.1 has not been included in the proposed amendments to the Articles included in Appendix A.

DISCLOSURES

The JSE Listings Requirements require, in terms of paragraph 11.26, the following disclosures in relation to a special resolution, which appear on the Company's website at www.gemfieldsgroup.com:

- Major shareholders – refer to the Directors' Report of the 2020 Annual Report which appears on the Company's website at www.gemfieldsgroup.com;
- Directors' interests in securities – refer to the Directors' Report of the 2020 Annual Report which appears on the Company's website at www.gemfieldsgroup.com; and
- Share capital of the Company – there are 1,168,756,030 ordinary shares of USD0.00001 each and 2 management shares of USD1 each.

Directors' Responsibility Statement

The Directors, whose names appear in the Directors' Report of the 2020 Annual Report, which appears on the Company's website at www.gemfieldsgroup.com, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statements false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this special resolution contains all information required by law, the JSE Listings Requirements and the AIM Rules for Companies.

Material changes

Other than the facts and developments reported on in terms hereof, there have been no material changes in the financial or trading position of the Company and its subsidiaries since the date of signature of the latest Audit Report and up to the date of the notice of VAGM.