

GEMFIELDS

GROUP LIMITED

Incorporated in Guernsey. Guernsey registration Number: 47656.
South African external company registration number 2009/012636/10
Share code on JSE:GML / AIM:GEM
ISIN: GG00BG0KTL52 | LEI: 21380017GAVXTCYS5R31
("Gemfields" or the "Company")

Mining operations and auction update

LONDON, 1 MARCH 2021

Gemfields Group Limited ("Gemfields") hereby provides an update regarding its mining operations and planned auction programme for the first half of 2021.

Mining operations

Gemfields is pleased to announce that both its 75% owned Kagem Mining Limited ("Kagem") emerald mine and 75% owned Montepuez Ruby Mining Limitada ("MRM") ruby mine are set to restart production in a phased manner during March 2021, with mining operations ramping up to full-scale by the end of April 2021. It is expected that MRM's treatment plant and sorting house - which have already restarted - will reach full capacity by the end of March 2021, while the washing plant at Kagem is projected to restart in mid-March 2021.

As a result of the assorted cash saving measures implemented by the Group in response to the impact of Covid-19, all but critical operations at Kagem and MRM were suspended since 30 March 2020 and 22 April 2020, respectively.

Auction programme

Gemfields' typical annual auction schedule consists of five to six auctions per year: two of mixed-quality rubies and three to four of emeralds (split between higher quality and commercial quality).

In 2019, Gemfields' six auctions accounted for 93% of total group revenue (approximately USD 200 million out of some USD 216 million) with USD 120 million of revenue derived from two ruby auctions and USD 80 million derived from four emerald auctions.

Gemfields' 2020 auction schedule was severely impacted by the many travel, quarantine and

congregating restrictions put in place internationally to mitigate Covid-19 contagion. The pandemic has meant that no traditional Gemfields auctions have been held since February 2020, when USD 11.5 million was realised from the sale of commercial quality emeralds in Lusaka. The Company subsequently conducted a series of sequential emerald mini-auctions, whereby bids were placed online after multi-city, in-person viewings of the gemstones by customers in November and December 2020, generating total revenues of USD 10.9 million (the “**Interim Auction Model**”). In 2020 therefore, aggregate auction revenues were USD 22.4 million, a fall of USD 178.3 million (or approximately 89%) when compared with 2019. There was no ruby revenue in 2020.

Due to the widespread ongoing restrictions arising from the pandemic, Gemfields will continue with its Interim Auction Model in the near term in respect of both emeralds and rubies. Auctions of emeralds and rubies, using the Interim Auction Model, are scheduled to commence on 15 March 2021. The series of 7 ruby auctions is expected to complete on 8 April 2021 and the series of 5 emerald auctions is expected to complete on 17 April 2021. As part of this programme, selected lots are being made available for in-person and private viewings by customers in Bangkok, Dubai, Jaipur, Singapore and Tel Aviv.

Subject to Covid-19 developments, the Company is hopeful that it will be able to return to a more regular auction format during the fourth quarter of 2021.

Sean Gilbertson, CEO of Gemfields, commented:

“After a grisly 2020 for Gemfields, there is palpable excitement across our worldwide team at the prospect of restarting production this month at our Kagem and MRM mines. With the world’s largest emerald and ruby mines producing no gemstones for a year, we look forward to seeing the supply and demand picture play out in 2021. No ruby auctions have been held since December 2019 and there has been no new ruby supply produced by MRM since April 2020, meaning the forthcoming auctions represent an important offering for both mid-stream players and jewellers seeking to secure inventory.

We would like to thank our 2,400 team members for their exceptional response to the Covid-19 pandemic. Their dedication, effort and countless sacrifices made, have ensured that Gemfields could navigate the manifold challenges posed by the pandemic and is now well positioned for recovery in 2021.”

- E N D S -

Further information on Gemfields Group Limited can be found at:

GEMFIELDSGROUP.COM

To join our investor mailing list, contact us on:

companysecretary@gemfields.com

For any press enquiries please contact us on:

gemfields@camarco.co.uk

ENQUIRIES

GEMFIELDS	Sean Gilbertson / David Lovett / Mark Lawrie T: +44(0) 20 7518 3400
SPONSOR (JSE)	Investec Bank Limited
SEDIBELO SALE PROCESS	Liberum Nehal Patel T: +44(0) 20 3100 2222
NOMINATED ADVISER (AIM) & JOINT BROKER	finnCap Christopher Raggett / Tim Redfern / Edward Whiley T: +44(0) 20 7220 0500
JOINT BROKER	Liberum Clayton Bush / Scott Mathieson / Kane Collings T: +44(0) 20 3100 2222

FINANCIAL PR/ IR	<p>Camarco</p> <p>Gordon Poole / Nick Hennis</p> <p>T: +44(0) 20 3757 4980</p>
------------------	--

ADDITIONAL INFORMATION ON GEMFIELDS

Gemfields is a world-leading supplier of responsibly sourced coloured gemstones. Gemfields is the operator and 75% owner of both the Kagem emerald mine in Zambia (believed to be the world's single largest producing emerald mine) and the Montepuez ruby mine in Mozambique (one of the most significant recently discovered ruby deposits in the world). In addition, Gemfields also holds controlling interests in various other gemstone mining and prospecting licenses in Zambia, Mozambique, Ethiopia and Madagascar.

Gemfields' outright ownership of Fabergé - an iconic and prestigious brand of exceptional heritage - enables Gemfields to optimise positioning, perception and consumer awareness of coloured gemstones, advancing the wider group's "mine and market" vision.

Gemfields has developed a proprietary grading system and a pioneering auction and trading platform to provide a consistent supply of coloured gemstones to downstream markets, a key component of Gemfields' business model and has played an important role in the growth of the global coloured gemstone sector.

GEMFIELDS

[GEMFIELDS.COM](https://www.gemfields.com) | [INVESTORS](#) | [FOUNDATION](#)
[INSTAGRAM](#) | [FACEBOOK](#) | [TWITTER](#) | [YOUTUBE](#)

FABERGÉ

[FABERGÉ.COM](https://www.faberge.com) | [INSTAGRAM](#) | [FACEBOOK](#) | [TWITTER](#) | [YOUTUBE](#)

KAGEM MINING [LINKEDIN](#)

MONTEPUENZ RUBY MINING [LINKEDIN](#)