

From:

Groundswell Holdings (PTY) Ltd; Rational Expectations (Pty) Ltd; Rozendal & Associates Holdings Ltd; Rozendal Partners (Pty) Ltd; Peter D Wimsey & Associates (Pty) Ltd

Care of:

Groundswell Holdings (Pty) Ltd
15 Rugby Road
Oranjezicht
Cape Town

To:

Directors
Gemfields Group Limited
1 Cathedral Piazza
London
SW1E 5BP

15 June 2020

STRICTLY PRIVATE AND CONFIDENTIAL

Dear Sirs

Company: Gemfields Group Limited

Thank you for your letter dated the 8th of June 2020.

Appointment and removal of Directors

We understand that the Board agrees with our proposal that Directors should be capable of being appointed and removed from office by an ordinary resolution of shareholders, and not by a special resolution. It noted that this proposal is supported by approximately 70 per cent. of existing shareholders and that the Board's intention is to table these amendments to the Company's constitution at the 2021 AGM.

Appointment of a non-executive Director

We note that you are actively seeking to appoint an eighth Director to serve as a non-executive Board member and the Board is in the process of reviewing possible candidates.

We would collectively propose the appointment of Mr. William Marshall-Smith as the eighth Director. We have discussed this potential appointment with shareholder representing approximately 41.9% of the share capital of the Company (including the signatories to this letter) and they have indicated their support for this proposal.

Mr. Marshall-Smith is an experienced Director and has significant experience in executive and non-executive roles at many public companies, such as, Cadiz, Avusa/Times Media, Mvelaphanda Group, Myriad Medical/Litha Healthcare and York Timbers. Mr. Marshall-Smith also co-founded Blackstar Investors Plc (now Tiso Blackstar Group SE), a company currently listed on the JSE and formerly listed on AIM.

We would therefore kindly request that the vetting process is commenced in relation to the proposed appointment of Mr. Marshall-Smith, as soon as possible. Mr Marshall-Smith would be pleased to provide you with any information you may require in support of his application and we would ask you liaise directly with Mr. Marshall-Smith.

Our expectation would be that the vetting and appointment process could be concluded within a timeframe of 6 to 8 weeks, and we would be grateful if you could confirm if this is consistent with your views?

If appointed, we would expect that the Board would, following a consideration of a range of factors, including, the circumstances of his appointment, determine that Mr. Marshall-Smith is "independent" for the purposes of the rules of each exchange on which the Company's shares are traded and current investor guidelines.

Corporate governance review

We note that an in-depth review of the company's corporate governance standards is underway and the matter is being considered by Board and a number of external advisers.

As a group of shareholders who have collectively expressed their concern on this issue, we would like the opportunity to participate in discussions with the Board once this exercise has been concluded and the findings known.

Please could you kindly specify when the Board expects to be able to conclude its review.

We look forward to hearing from you

Yours Faithfully

William Marshall-Smith
William Marshall-Smith (Jun 15, 2020 11:03 GMT+2)

Groundswell Holdings (Pty) Ltd
Director

Johan
Johan Roux (Jun 15, 2020 11:10 GMT+2)

Rational Expectations (Pty) Ltd
Director

Stampan

Rozendal & Associates Holdings Ltd
Director

W. W. W.

Rozendal Partners (Pty) Ltd
Director

Diderik J Otto
Diderik J Otto (Jun 15, 2020 11:00 GMT+2)

Peter D Wimsey & Associates (Pty) Ltd

Director