

**THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to what action you should take, you are recommended to seek immediately your own financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 ("FSMA") if you are in the United Kingdom or, if you are not, from another appropriately authorised independent financial adviser.

Qualifying South African Shareholders are referred to section 4 of Part II "*Information in relation to the Rights Issue*" of this Document, which sets out the action required of them with regard to the Rights Issue. If you are in any doubt as to the action that you should take, please consult your CSDP, broker, banker, legal advisor, accountant or other professional advisor immediately.

If you have disposed of all of your Existing Shares, this Document and the Form of Instruction should be forwarded to the purchaser or the CSDP, broker or agent through whom the disposal was effected.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the official list of the United Kingdom's Financial Conduct Authority (the "FCA"). A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this Document.

This Document has been approved by the FCA, as competent authority under the Prospectus Regulation. The FCA only approves this Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval shall not be considered as an endorsement of the Company or the quality of the securities that are the subject of this Document. Investors should make their own assessment as to the suitability of investing in the New Shares, the Nil Paid Rights, the Fully Paid Rights and/or the Letters of Allocation. This Document has been drawn up as part of a simplified prospectus in accordance with Article 14 of the Prospectus Regulation.

The Company and each of the Directors and the Proposed Non-Executive Director whose names appear on page 45 of this Document, accept responsibility for the information contained in this Document. To the best of the knowledge of the Company, the Directors and the Proposed Non-Executive Director, the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

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# **GEMFIELDS**

GROUP LIMITED

## **Gemfields Group Limited**

*(Incorporated under The Companies (Guernsey) Law, 2008 and registered in Guernsey, with registered number 47656)*

*(Registered as an external company in South Africa under registration number 2009/012636/10 on 26 June 2009)*

*Share code on JSE: GML (on the General Segment of JSE Main Board)/AIM: GEM*

*ISIN: GG00BG0KTL52*

## **Prospectus**

**Rights Issue of 10 New Shares for every 21 Existing Shares  
at 4.22 pence or ZAR1.06860 per New Share**

### **Panmure Liberum Limited**

*Financial Adviser, AIM Nominated Adviser,  
Co-ordinator and Corporate Broker*

### **Investec Bank Limited**

*JSE Sponsor*

and enclosing:

- a Form of Instruction in respect of a Letter of Allocation (to be completed by Qualifying South African Shareholders who hold their Shares in certificated form); or
- a Provisional Allotment Letter (to be completed by Qualifying Non-CREST Shareholders)

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Gemfields does not accept responsibility, and shall not be held liable, for any action of, or omission by, any CSDP or broker or agent including, without limitation, any failure on the part of CSDP or broker or agent of any beneficial owner of Existing Shares to notify such beneficial owner of the details set out in this Document.

Neither the Guernsey Financial Services Commission nor the States of Guernsey take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it in this Document.

If you sell or transfer or have sold or otherwise transferred all of your Existing Shares held in certificated form (other than ex-Rights) before 8:00 a.m. (London time) on 29 May 2025 (in the case of Shareholders whose Shares are on the UK Register and which are in certificated form) or before 9:00 a.m. (South Africa Standard Time) on 23 May 2025 (in the case of Shareholders whose Shares are on the SA Register and who hold their Shares in certificated form) (the relevant “**Ex-Rights Date**”), please send this Document and any Provisional Allotment Letter or Form of Instruction (as applicable), duly renounced, if and when received, at once to the purchaser or transferee or to the bank, stockbroker, CSDP or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee except that such documents should not be sent in or into any jurisdiction where to do so might constitute a violation of local securities laws or regulations, including, but not limited to any of the Excluded Territories. If you are a Shareholder who holds Shares in certificated form and you sell or transfer or have sold or otherwise transferred only part of your holding of Existing Shares held in certificated form (other than ex-Rights) before the relevant Ex-Rights Date, you should immediately consult the bank, stockbroker, CSDP or other agent through whom the sale or transfer was effected and refer to the instructions regarding split applications in Section 2 of Part II “*Information in relation to the Rights Issue*” of this Document and in the Provisional Allotment Letter, if your Shares are on the UK Register, or refer to the section entitled “*Partial acceptance, renunciation and/or sale*” in Section 2 of Part II “*Information in relation to the Rights Issue*” of this Document and in the Form of Instruction, if your Shares are on the SA Register. If you are a Shareholder who holds Shares in uncertificated form and you sell or transfer or have sold or have otherwise transferred all or some of your Existing Shares (other than ex-Rights) held in uncertificated form before the relevant Ex-Rights Date, a claim transaction will automatically be generated by Euroclear UK & International which, on settlement, will transfer the appropriate number of Nil Paid Rights to the purchaser or transferee, if your Shares are on the UK Register, or the appropriate number of Letters of Allocation will be automatically credited to the purchaser’s or transferee’s CSDP or broker account, if your Shares are on the SA Register.

**The distribution of this Document, the Provisional Allotment Letter and/or the Form of Instruction and the transfer of Nil Paid Rights, Fully Paid Rights, Letters of Allocation and/or New Shares into jurisdictions other than the United Kingdom and South Africa may be restricted by law and, therefore, persons into whose possession this Document and any accompanying documents come should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of such jurisdictions. In particular this Document, the Provisional Allotment Letter and/or the Form of Instruction and any other related documents should not be distributed, forwarded to or transmitted in or into any of the Excluded Territories.**

**You should read the whole of this Document and the information incorporated by reference into this Document in full. Shareholders and any other persons contemplating a purchase of Nil Paid Rights, Fully Paid Rights, Letters of Allocation or New Shares should read in particular the part of this Document entitled “*Risk Factors*” for a discussion of certain risks and other factors that should be considered when deciding on what action to take in relation to the Rights Issue or deciding whether or not to purchase Nil Paid Rights, Fully Paid Rights, Letters of Allocation or New Shares.**

The Existing Shares are listed on the General Segment of the JSE Main Board and are also quoted on AIM. Application will be made for the New Shares to be admitted to trading on AIM. It is expected that AIM Admission will become effective and that trading in the New Shares (nil paid) will commence on AIM at 8:00 a.m. (London time) on 29 May 2025 and in the New Shares (fully paid) will commence on AIM at 8:00 a.m. (London time) on 13 June 2025. Application has been made to the JSE for the Letters of Allocation and the New Shares (nil paid) to be admitted to listing and trading on the General Segment of the JSE Main Board. It is expected that JSE Admission will become effective and that dealings on the JSE in the Letters of Allocation (on a deferred settlement basis) will commence at 9:00 a.m. (South Africa Standard Time) on 28 May 2025 and in the New Shares (fully paid) will commence at 9:00 a.m. (South Africa Standard Time) on 10 June 2025. The Nil Paid Rights will not be admitted to the Official List and will not be admitted to trading on the Main Market of the London Stock Exchange.

**The Nil Paid Rights, the Fully Paid Rights, the Letters of Allocation, the Provisional Allotment Letters, the Forms of Instruction and the New Shares are not transferable except in accordance with, and the distribution of this Document is subject to, the restrictions set out in paragraph 9 of Section 2 of Part II “*Information in relation to the Rights Issue*” of this Document. No action has been taken by Gemfields or Panmure Liberum that would permit an offer of the New Shares or rights thereto or possession or distribution of this Document or any other offering or publicity material or the Provisional Allotment Letters, the Forms of Instruction, the Letters of Allocation, the Nil Paid Rights or the Fully Paid Rights in any jurisdiction where action for that purpose is required, other than in the United Kingdom and South Africa.**

The Nil Paid Rights, the Fully Paid Rights, the New Shares, the Provisional Allotment Letters, the Letters of Allocation and the Forms of Instruction have not been and will not be registered under the US Securities Act, or under any securities laws of any State or other jurisdiction of the United States, and may not be offered, sold, taken up, exercised, resold, pledged, renounced, transferred or delivered, directly or indirectly in or into the United States. There will be no offer of the Nil Paid Rights, the Fully Paid Rights, the Letters of Allocation or the New Shares in the United States.

The Nil Paid Rights, the Fully Paid Rights, the New Shares, the Provisional Allotment Letters, the Letters of Allocation and the Forms of Instruction have not been and will not be registered under the securities laws of any Excluded Territory and may not be offered, sold, taken up, exercised, resold, pledged, renounced, transferred or delivered, directly or indirectly, within such jurisdictions except pursuant to an applicable exemption from, or in a transaction not subject to, any applicable securities laws. There will be no public offer of the Nil Paid Rights, the Fully Paid Rights, the Letters of Allocation or the New Shares in any of the Excluded Territories.

Qualifying Non-CREST Shareholders, other than those with registered addresses in any of the Excluded Territories, will be sent a Provisional Allotment Letter together with this Document; Qualifying South African Shareholders who hold their Shares in certificated form, other than those with registered addresses in any of the Excluded Territories, will be sent a Form of Instruction together with this Document, and those Qualifying Shareholders who hold their Shares in uncertificated

form, other than those with registered addresses in any of the Excluded Territories, will receive a credit to their appropriate stock accounts in CREST or Strate in respect of the Nil Paid Rights or Letters of Allocation to which they are entitled on 28 May 2025 (in the case of the Letters of Allocation) or 29 May 2025 (in the case of the Nil Paid Rights). Your attention is drawn to the fact that the crediting of Letters of Allocation to a CSDP or broker account in Strate of a Qualifying South African Shareholder with a registered address in any Excluded Territory will not constitute an offer in any jurisdiction in which it would be illegal to make and/or accept an offer. Accordingly, no Qualifying South African Shareholder with a registered address in any Excluded Territory receiving a credit of Letters of Allocation to a CSDP or broker account in Strate may treat the same as constituting an invitation or offer to him nor should he in any event use or deal with any Letters of Allocation credited to him in Strate unless such an invitation or offer could lawfully be made to, and accepted by, him or the Letters of Allocation could lawfully be used or dealt with without contravention of any registration or other legal requirements. In such circumstances, this Document and the formal credit of the Letters of Allocation must be treated as sent (or made available) for information purposes only, should not be copied or redistributed and such Qualifying South African Shareholder should take independent professional advice in relation thereto.

Qualifying CREST Shareholders should note that they will receive no further written communication from Gemfields in respect of the Rights Issue. They should accordingly retain this Document for, amongst other things, details of the action they should take in respect of the Rights Issue. Qualifying CREST Shareholders who are CREST Sponsored Members should refer to their CREST Sponsors regarding the action to be taken in connection with this Document and the Rights Issue.

**None of the Nil Paid Rights, the Fully Paid Rights, the New Shares, the Provisional Allotment Letters, the Letters of Allocation, the Forms of Instruction, this Document or any other offering document relating to the Existing Shares or to the New Shares has been approved or disapproved by the US Securities and Exchange Commission (the "SEC"), or any securities commission or other regulatory authority of any State or other jurisdiction of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Fully Paid Rights, the Nil Paid Rights, the Letters of Allocation, the New Shares or the Rights Issue or the accuracy or adequacy of this Document. Any representation to the contrary is a criminal offence.**

None of this Document, the Provisional Allotment Letters, the Forms of Instruction or the Letters of Allocation will be distributed in or into any of the Excluded Territories, and none of this Document, the Provisional Allotment Letters, the Forms of Instruction or the Letters of Allocation constitute an offer of Nil Paid Rights, Fully Paid Rights or New Shares to any Shareholder with a registered address in, or who is resident or located in, any of the Excluded Territories. None of the Nil Paid Rights, the Fully Paid Rights, the New Shares, the Provisional Allotment Letters, the Forms of Instruction or the Letters of Allocation has been or will be registered under the relevant laws of any State or other jurisdiction of any of the Excluded Territories. This Document does not constitute an invitation or offer to sell, or the solicitation of an invitation or an offer to buy, New Shares or to take up entitlements to Nil Paid Rights or Fully Paid Rights in any jurisdiction in which such an offer or solicitation would be unlawful. Persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities law of any such jurisdiction.

All Overseas Shareholders and any person (including, without limitation, a nominee or trustee) who has a contractual or legal obligation to forward this Document, or any Provisional Allotment Letter or any Form of Instruction if and when received, or any other document relevant to the Rights Issue, to a jurisdiction outside the United Kingdom or South Africa should read the information set out in paragraph 9 of Section 2 of Part II "*Information in relation to the Rights Issue*" of this Document.

Qualifying South African Shareholders who hold their Shares in certificated form will need to complete a Form of Instruction and cannot exercise or otherwise deal in their Letters of Allocation under the Rights Issue by way of a Provisional Allotment Letter. Any Provisional Allotment Letter (as opposed to a Form of Instruction) sent by a Qualifying South African Shareholder will be treated as invalid by Gemfields. Further information on the Form of Instruction is set out in paragraph 4 of Section 2 of Part II "*Information in relation to the Rights Issue*" of this Document. Qualifying South African Shareholders who hold their Shares in certificated form and who have not been sent a Form of Instruction by 23 May 2025 and think that they are eligible to participate in the Rights Issue should contact the SA Registrar, Computershare Investor Services (Pty) Ltd, on 0861 100 634 if calling from inside South Africa or +27 11 370 5000 from outside South Africa.

Qualifying South African Shareholders who hold Shares in Dematerialised form must instruct their CSDP or broker to act on their behalf in terms of the Custody Agreement entered into between the relevant Qualifying South African Shareholder and the CSDP or broker.

Panmure Liberum Limited ("**Panmure Liberum**") which is authorised and regulated in the United Kingdom by the FCA, is acting as Financial Adviser, AIM Nominated Adviser, Co-ordinator and Corporate Broker in connection with the Rights Issue exclusively for the Company and no one else in connection with the matters referred to in this Document, and will not be responsible to anyone other than the Company for providing the protections afforded to its clients, for the contents of this Document or for providing any advice in relation to this Document. Neither Panmure Liberum nor any of its affiliates (nor any of their respective directors, officers, employees or agents), owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Panmure Liberum in connection with this Document, any statement contained herein or otherwise.

Apart from the responsibilities and liabilities, if any, which may be imposed by the FCA, FSMA or the regulatory regime established thereunder, neither Panmure Liberum nor any person affiliated with it, accepts any responsibility whatsoever and makes no representation or warranty, express or implied, in respect of the contents of this Document, including its accuracy or completeness, or for any other statement made or purported to be made by any of them, or on behalf of them, in connection with the Company or any matter described in this Document and nothing in this Document is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. Panmure Liberum has not approved the contents of, or any part of, this Document and no liability whatsoever is accepted by Panmure Liberum

for the accuracy of any information or opinions contained in this Document and, accordingly, Panmure Liberum and its affiliates disclaim, to the fullest extent permitted by law, all and any liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have to any person, other than the Company, in respect of this Document or any such statement.

The Rights Issue is a rights offer as contemplated in Section 96(1)(d) of the South African Companies Act and accordingly will not constitute an “offer to the public”, as envisaged in Chapter 4 of the South African Companies Act. This Document does not constitute a “registered prospectus”, as contemplated in Chapter 4 of the South African Companies Act. As a result this Document does not comply with the substance and form requirements for a prospectus set out in the South African Companies Act, nor has it been filed, or been approved by, and/or registered with, the South African Companies Intellectual Property Commission. This Document is a circular as defined in the JSE Listings Requirements and has been issued by the Company in compliance with the JSE Listings Requirements and for the purpose of providing information to the Shareholders regarding the Rights Issue. Accordingly, a copy of this Document in English has been submitted to and approved by the JSE in accordance with paragraph 16.3 of the JSE Listings Requirements. Copies of this Document are also available from the SA Registrar in English at the address indicated in Part VII “Definitions” of this Document. An electronic copy of this Document may be obtained from the Company’s website, being [www.gemfieldsgroup.com](http://www.gemfieldsgroup.com) from the date of this Document. Save as expressly stated elsewhere in this Document, information contained on the Company’s website is not incorporated by reference in this Document and does not form a part of this Document. If any person who is not a Qualifying Shareholder receives this Document, they are not, and will not be, entitled to acquire any New Shares or Letters of Allocation in respect of the Rights Issue.

The information contained in this Document constitutes factual information as contemplated in section 1(3)(a) of the FAIS Act and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the New Shares or Letters of Allocation or in relation to the business or future investments of the Company, is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this Document should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. The Company is not a financial services provider licensed as such under the FAIS Act and the Company’s advisors are acting for the Company only in respect of the Rights Issue and are not giving or purporting to have given any financial advice as contemplated in the FAIS Act to any Shareholders of the Company.

Any reproduction or distribution of this Document, in whole or in part, and any disclosure of its contents or use of any information contained in or incorporated by reference into this Document for any purpose other than in considering an investment in the Nil Paid Rights, the Fully Paid Rights, the Letters of Allocation and/or the New Shares, is prohibited. By accepting delivery of this Document, each recipient agrees to the foregoing.

#### **NOTICE TO DISTRIBUTORS**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“MiFID II”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “MiFID II Product Governance Requirements”), and the product governance requirements contained within the FCA Handbook Product Intervention and Product Governance Sourcebook (the “UK Product Governance Rules”) and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements and the UK Product Governance Rules) may otherwise have with respect thereto, the New Shares have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of (a) retail investors, as defined in MiFID II and Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “EUWA”) and (b) investors who meet the criteria of professional clients as defined in MiFID II and Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of EUWA and (c) eligible counterparties, as defined in MiFID II and the FCA’s Conduct Of Business Sourcebook (“COBS”); and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “Target Market Assessment”). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the securities may decline and investors could lose all or part of their investment; the securities offer no guaranteed income and no capital protection; and an investment in the securities is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or COBS; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the securities.

Each distributor is responsible for undertaking its own target market assessment in respect of the securities and determining appropriate distribution channels. Each distributor is responsible for undertaking its own Target Market Assessment in respect of the New Shares and determining appropriate distribution channels. Without limitation, the contents of the Group’s websites (other than the information as set out in Part VI “Documents Incorporated by Reference”) do not form part of this Document.

This Document is dated 20 May 2025.

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# SUMMARY

## 1. INTRODUCTION AND WARNINGS

### ***Details of the issuer***

The issuer is Gemfields Group Limited, a non-cellular company limited by shares incorporated in Guernsey with registered number 47656 and registered in South Africa as an external company with registration number: 2009/012636/10.

The Company's registered address is at PO Box 186 Royal Chambers, St Julian's Avenue, St. Peter Port, Guernsey GY1 4HP, Channel Islands and its principal place of business is 1 Cathedral Piazza, London, SW1E 5BP, United Kingdom. The Company's telephone number is +44 (0)20 7518 3400. The Company's legal entity identifier (LEI) is 21380017GAVXTCYS5R31.

### ***Details of the securities***

On Admission, the New Shares will be registered with an ISIN of GG00BG0KTL52. The ISIN for the Nil Paid Rights will be GG00BT3PBP61. The ISIN for the Fully Paid Rights will be GG00BT3PBQ78.

### ***Identity and contact details of the competent authority approving the prospectus***

This Document has been approved by the FCA, as the competent authority, with its head office at 12 Endeavour Square, London, E20 1JN, United Kingdom and telephone number: +44 20 7066 1000. This Document was approved by the FCA on 20 May 2025.

### ***Warnings***

This summary has been prepared in accordance with Article 7 of the Prospectus Regulation and should be read as an introduction to this Document. Any decision to invest in the New Shares, the Nil Paid Rights, the Fully Paid Rights and/or the Letters of Allocation should be based on consideration of this Document as a whole by the investor, including the information incorporated by reference. An investor could lose all or part of their invested capital. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Document or where it does not provide, when read together with the other parts of this Document, key information in order to aid investors when considering whether to invest in the New Shares, the Nil Paid Rights, the Fully Paid Rights and/or the Letters of Allocation.

## 2. KEY INFORMATION ON THE ISSUER

### ***Who is the issuer of the securities?***

The Company is a non-cellular company limited by shares, incorporated and domiciled in Guernsey with registered number 47656 and registered as an external company in South Africa with registration number 2009/012636/10, with its registered office in Guernsey. The principal legislation under which the Company operates is the Companies Law. The Company's LEI is 21380017GAVXTCYS5R31.

### ***Principal activities***

Gemfields is a world-leading responsible miner and marketer of coloured gemstones. Gemfields is the operator and 75 per cent. 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 licences 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 through Fabergé designs, advancing the Group's "mine and market" vision.

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

#### *Major shareholders*

As at the Latest Practicable Date, in so far as it has been notified to the Company pursuant to Rule 5 of the Disclosure Guidance and Transparency Rules and the annual disclosure of shareholders over 5 per cent. under the JSE Listings Requirements, the name of each Shareholder who, directly or indirectly, has an interest in voting rights representing 3 per cent. or more of the total voting rights in respect of the Company's issued share capital and the amount of such Shareholder's interest, is set out below:

<b>Name</b>	<b>Number of Shares</b>	<b>Percentage of Shares</b>
Assore International Holdings Limited	340,367,121	29.14%
Rational Expectations (Pty) Ltd <sup>(1)</sup>	180,896,490	15.49%
Oasis Group Holdings (Pty) Ltd <sup>(2)</sup>	90,445,641	7.74%
Ophorst Van Marwijk Kooy Vermogensbeheer N.V.	80,938,721	6.93%
FIL Limited	69,494,857	5.95%
Van Lanschot Kempen N.V.	60,781,350	5.20%
Sean Gilbertson (CEO) <sup>(3)</sup>	48,263,928	4.13%
Diacolor International DMCC	40,062,999	3.43%

(1) The Rational Expectations holding includes interests held by Rational Expectations (Pty) Ltd (10.40%), Afrika Avontuur Kapitaal (Pty) Ltd (1.81%), Wimsey Capital (Pty) Ltd (1.28%), Groenpunt Kapitaal Limited (0.67%), Rozendal & Associates Holdings Ltd (0.61%), Potdrie (Pty) Ltd (0.29%), ZAR Ladbroke Opportunities (Pty) Ltd (0.20%), Five Words Capital (Pty) Ltd (0.19%) and Beaucourt Holdings (Pty) Ltd (0.04%).

(2) The Oasis Group shareholding includes interests held by Oasis Asset Management and Oasis Crescent Capital.

(3) Sean Gilbertson owns 17,548,327 shares directly with an indirect interest in 30,715,601 shares by virtue of being a beneficiary of the Brian Patrick Gilbertson Discretionary Settlement, a family trust.

#### *Identity of the Company's key managing directors*

The Executive Directors of the Company are Sean Gilbertson (Chief Executive Officer) and David Lovett (Chief Financial Officer).

#### *Identity of the Company's statutory auditor*

Ernst & Young LLP is the statutory auditor of the Company and is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales. Its business address is 1 More London Place, London, SE1 2AF, United Kingdom.

Ernst & Young LLP has been the statutory auditor to the Company for the years ended 31 December 2024, 2023 and 2022.

**What is the key financial information regarding the issuer?****Selected historical financial information**

The table set out below comprises selected key financial information for the Group for the financial years ended 31 December 2022, 2023 and 2024. The financial information set out in the tables below has been extracted without material adjustment from the 2022 Financial Statements, 2023 Financial Statements and the 2024 Financial Statements.

USD'000 (unless otherwise stated)	31 December 2024	31 December 2023	31 December 2022
Revenue	212,852	262,019	341,106
(Loss)/profit from operations	(97,953)	17,387	116,543
Net (loss)/profit before taxation	(103,621)	16,569	114,655
Net (loss)/profit after taxation attributable to equity holders of the parent	(82,143)	(10,090)	56,779
Net (loss)/profit	(100,796)	(2,829)	74,268
Year on year revenue performance – %	-19%	-23%	32%
Operating (loss)/profit margin – %	-46%	7%	34%
Net (loss)/profit margin attributable to equity holders of the parent – %	-39%	-4%	17%
Net (loss)/profit margin – %	-47%	-1%	22%
(Loss)/earnings per share – USD cents	(7.0)	(0.8)	4.8
Total assets	611,234	697,891	774,125
Total equity	402,777	523,493	581,097
Net financial (debt)/cash	(80,431)	11,147	104,519
Net cash generated from operating activities	12,029	35,232	119,499
Net cash (utilised) in investing activities	(84,836)	(74,531)	(40,966)
Net cash generated/(utilised) in financing activities	42,195	(25,630)	(55,539)

Other than the announcement of the Rights Issue, execution of the Pre-Funding Agreements, and the other developments described in the paragraph below, there has been no significant change in the financial position or financial performance of the Group since 31 December 2024, being the date to which the latest audited financial statement of the Group has been published.

Since 31 December 2024, the Group's working capital liquidity position has deteriorated and it has drawn down an additional USD10 million on its USD30 million term loan facility to fund the construction of PP2 at MRM, drawn USD13.4 million on the Pre-Funding Agreements and agreed a further USD2 million extension to its overdraft facilities to support its working capital requirements.

**Other key financial information**

There are no qualifications included in any audit report on the historical financial information included in this Document.

**What are the key risks that are specific to the issuer?**

The Company views the key risks as follows:

- The Company does not have sufficient working capital for its present requirements, that is, for at least the next twelve months from the date of this document. The Group's ability to sustain its mining operations and achieve its strategic objectives is heavily dependent on securing adequate funding, including utilising the proceeds from the Rights Issue. Failure to raise necessary funds could have a material adverse impact on the Group's available working capital.
- A breach of covenants contained in Group facility agreements could constitute an event of default and accelerate repayment.
- The Group faces the risk of negative impacts from any scale back of operations. In the event that the Group is required to scale back its mining and/or processing operations, including temporarily halting activities at its key mines and suspending new exploration projects, either due to the unavailability of working capital or otherwise, there could be significant adverse effects to the short-to medium term prospects of the Group.



- The Group currently maintains a high level of debt with several lenders, primarily due to significant investments aimed at driving growth. While these investments are expected to enhance the Group's long-term value, the high debt levels pose substantial risks to the ongoing solvency of the Group. In the event of a material deterioration in financial conditions, there is a consequential risk that lenders may withdraw their support and request repayment of these facilities.
- The profitability of the Group's operations and the cash flows generated by these operations are significantly affected by changes in the market price for gemstones. The market price for gemstones can fluctuate widely, caused by numerous factors beyond the Group's control. If revenue from gemstone sales falls below the cost of production for an extended period, the Group will experience losses and may be forced to curtail or suspend some or all of its capital projects and/or operations.
- The Group is subject to the variable and inconsistent nature of gemstone geology, exploration and mining. The exploration and development of gemstone deposits involves significant financial risks over a prolonged period of time, which even a combination of careful evaluation, experience and knowledge may not eliminate.
- The Group's operations face multiple security risks and loss control issues. Whilst mine security and loss control procedures have been implemented at each of the Group's operations, the risk remains of illegal mining, theft, threats to mine workers' lives and safety as well as industrial espionage, information loss and the loss of the operational efficiency of the mine.
- Changes to the current political and regulatory environment in Zambia and Mozambique, or any other markets in which the Group operates in the future may adversely affect the Group. Any changes in policy may adversely affect both the Group's ability to undertake exploration and development activities on future properties as well as its ability to continue to explore and develop those properties for which it has obtained exploration rights to date.
- Any future national or international acts of terrorism or armed conflicts in countries where the Group has operations or assets or in neighbouring countries or other parts of the world could have an adverse effect on the Group's operations, financial and commodities markets and the wider global economy and could adversely affect the Group's business and financial condition.
- Notwithstanding that the Rights Issue is successful and dealings commence in the Shares, this should not be taken as implying that there will be a liquid market for the Shares on the JSE and/or AIM, and historically the Company has experienced periods of limited liquidity.

### **3. KEY INFORMATION ON THE SECURITIES**

#### ***What are the main features of the securities?***

##### *Type, class and ISIN*

The New Shares will be fully paid ordinary shares with a nominal value of USD0.00001 each in the capital of the Company and traded in South Africa on the General Segment of the JSE Main Board and in the United Kingdom on AIM, the market operated by London Stock Exchange plc. On Admission the New Shares will be registered with an ISIN of GG00BG0KTL52. The ISIN for the Nil Paid Rights will be GG00BT3PBP61 and the ISIN for the Fully Paid Rights will be GG00BT3PBQ78.

##### *Currency, denomination, par value, the number of securities issued and the term of the securities*

The Company's Shares are denominated in USD. The issued and fully paid share capital of the Company as at the Latest Practicable Date was 1,168,027,130 Shares, each with a nominal value of USD0.00001. The Shares in issue may be held in either certificated or uncertificated form.

Pursuant to the Rights Issue, the Company will issue 556,203,396 New Shares. The Rights Issue will be made on the basis of 10 New Shares for every 21 Existing Shares.

##### *Rights attached to the securities*

Each New Share will, on Admission, rank *pari passu* in all respects with each other and with each Existing Share and will have the same rights and restrictions as each other and as each Existing Share.

### *Seniority of the securities in the Company's capital structure in the event of insolvency*

Each New Share will rank *pari passu* in all respects with each other and with each Existing Share in the event of insolvency, in accordance with the Companies Law and the Articles.

### *Restrictions on the free transferability of the securities*

There are no restrictions on the free transferability of the New Shares or the Existing Shares. However, the directors of the Company may, in limited circumstances, refuse to register a transfer of Shares where the Shares are not transferred in accordance with the Articles or where a shareholder has failed to comply with certain notification and disclosure requirements.

### *Dividend or pay-out policy*

The Company's dividend policy is to provide regular returns of capital when the business' performance and market conditions allow, at the Board's discretion and following assessment of the Company's capital allocation priorities. The Company intends to consider adopting a metric based dividend policy.

### **Where will the securities be traded?**

The Existing Shares are currently traded through a primary listing in South Africa on the General Segment of the JSE Main Board operated by JSE Limited. The JSE is not a regulated market as defined by the Markets in Financial Instruments Directive 2004/39/EC.

The Existing Shares are also quoted and traded in the United Kingdom, on AIM, the market operated by London Stock Exchange (secondary listing). AIM is a multilateral trading facility. AIM is not a regulated market as defined by the Markets in Financial Instruments Directive 2004/39/EC.

Application will be made for the New Shares to be admitted to trading on AIM, and application has been made, and approval received, for the Letters of Allocation and the New Shares to be listed and admitted to trading on the General Segment of the JSE Main Board. It is expected that trading in the Nil Paid Rights will commence on AIM on 29 May 2025 and that trading in the Letters of Allocation in Strate, the electronic clearing and settlement system used by JSE to settle trades, will commence on 28 May 2025.

### **What are the key risks that are specific to the securities?**

- The market price of the New Shares, the Nil Paid Rights and the Fully Paid Rights could be subject to volatility.
- An active trading market in the Nil Paid Rights (or the Letters of Allocation, as the case may be) may not develop.
- Liquidity in the Company's shares may not improve following the Rights Issue.
- Shareholders in certain jurisdictions outside the UK and South Africa may not be able to take up the New Shares in the Rights Issue.
- The implementation of the Rights Issue will result in the dilution of ownership of Existing Shares for Qualifying Shareholders who do not take up their Rights under the Rights Issue.

## **4. KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON A REGULATED MARKET**

### ***Under which conditions and timetable can I invest in this security?***

The Company proposes to offer New Shares pursuant to the Rights Issue to Qualifying Shareholders other than Shareholders with a registered address or which are resident or located in any of the Excluded Territories.

The Rights Issue is made on the basis of 10 New Shares for every 21 Existing Shares held by Qualifying Shareholders on the Record Date.

Pursuant to the Rights Issue, New Shares will be offered to Qualifying Shareholders on the terms and conditions set out in this Document and: (i) in the case of Qualifying Non-CREST Shareholders, the Provisional Allotment Letter; and (ii) in the case of Qualifying South African Shareholders who hold Shares in certificated form, the Form of Instruction.

The UK Issue Price of 4.22 pence per New Share represents a 19.7 per cent. discount to the theoretical ex-Rights price based on the closing price on AIM of 5.75 pence per Existing Share on 10 April 2025, being the last Business Day before the publication of the Circular. The SA Issue Price of ZAR1.06860 per New Share represents a 21.5 per cent. discount to the theoretical ex-Rights price based on the closing price on the JSE of ZAR1.50000 per Existing Share on 10 April 2025, being the last Business Day before the publication of the Circular. The Directors believe that it is necessary to offer the New Shares pursuant to the Rights Issue at a discount to allow the Company to raise the required funding and accordingly believe that such discount is in the best interests of the Shareholders, and that the Issue Price is appropriate for the Rights Issue. The offer of New Shares is payable in full on acceptance by no later than 11.00 a.m. (London time) on 12 June 2025 (in the case of Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders) and 12.00 p.m. (South Africa Standard Time) on 12 June 2025 (in the case of Qualifying South African Shareholders).

The Rights Issue will result in 556,203,396 New Shares being issued (representing approximately 47.6 per cent. of the Existing Shares of the Company and 32.3 per cent. of the enlarged issued share capital of the Company immediately following Admission of the New Shares). If a Shareholder does not (or is not permitted to) take up the offer of New Shares under the Rights Issue, such Shareholder's proportionate ownership and voting interests in the Company will be diluted by up to 32.3 per cent. as a result of the Rights Issue.

The Rights Issue is conditional, *inter alia*, upon (a) the Rights Issue and Underwriting Agreement becoming unconditional; and (b) Admission becoming effective.

It is expected that AIM Admission of the Nil Paid Rights will become effective, and that dealings in the New Shares, nil paid, will commence on 8.00 a.m. (London time) on 29 May 2025 and that dealings in the New Shares, fully paid, will commence at 8.00 a.m. (London time) on 13 June 2025. For the avoidance of doubt, the Nil Paid Rights will not be admitted to the Official List and will not be admitted to trading on the Main Market of the London Stock Exchange.

It is expected that the Existing Shares will trade ex-Rights on the General Segment of the JSE Main Board from 9.00 a.m. (South Africa Standard Time) on 23 May 2025. The Letters of Allocation in respect of the Rights Issue will be listed on the General Segment of the JSE Main Board on 9.00 a.m. (South Africa Standard Time) on 23 May 2025, under Alpha code: GMLN and ISIN: GG00BT3PBP61. The New Shares are expected to commence trading (on a deferred settlement basis) on the General Segment of the JSE Main Board on 9.00 a.m. (South Africa Standard Time) on 10 June 2025.

The Rights Issue will open on 9.00 a.m. (South Africa Standard Time) on 29 May 2025 and will close on 12.00 p.m. (South Africa Standard Time) on 12 June 2025. It is expected that listing and dealings in the New Shares, fully paid, will commence at 9.00 a.m. (South Africa Standard Time) on 10 June 2025.

The total expenses of the Rights Issue are estimated to be approximately USD3.08 million.

### ***Why is this prospectus being produced?***

#### ***Background to and reasons for the Rights Issue and the issue of this Document***

The Rights Issue is being undertaken to address a near-term working capital shortfall as a result of the cumulative impact of a number of challenges which the Company encountered in the second half of 2024 and the first quarter of 2025, all of which are considered by the existing Directors to be transient in nature, coinciding with a period of significant planned investment.

As set out in an announcement dated 23 December 2024, the Company is carrying out a widespread and ongoing cost saving programme to reduce the cost base of the business. In combination with the Rights Issue, these initiatives are intended to secure the near-term future of Gemfields, ahead of the commissioning of a second ruby processing plant at MRM ("PP2"). Once fully operational, PP2 is expected to triple the processing capacity and significantly increase the mine's ruby production, leading to a material increase in product available for sale and, therefore, the opportunity to generate additional revenue.

#### *Use of proceeds and amount of net proceeds*

The Rights Issue is expected to raise approximately USD30 million (in gross proceeds). The Rights Issue is expected to strengthen the Group's financial position in the short to medium term and to result in immediate benefits to the Group, by avoiding potential periods of very low and negative liquidity in September to November 2025 and value destructive cuts or risking of MRM's second processing plant not completing, assuming overdrafts are renewed at the respective renewal dates and waivers to potential covenant breaches are granted.

Each Underwriter entered into an individual Pre-Funding Agreement with the Company on 11 April 2025 pursuant to which they made loans in the aggregate amount of USD13,388,000 available to the Company. The loans have been drawn down in full and provided the Company with an immediate working capital injection pending the completion of the Rights Issue. Each loan acts as an advance payment by the relevant Underwriter for its Rights under the Rights Issue and repayment of each such Loan shall be set off against the amount otherwise owed by the relevant Underwriter to the Company for its Rights and the Underwritten Shares it has committed to subscribe for under the terms of the Rights Issue and the Rights Issue and Underwriting Agreement. The proceeds of the Rights Issue will be used for general corporate purposes, and specifically to provide working capital liquidity and ensure the business is able to continue operating and fulfil its ongoing obligations such as paying employee salaries and key operating costs, in-between auctions.

#### *Underwriting*

Subject to satisfaction of various conditions customary for transactions of this nature, the Rights Issue is being underwritten on a firm commitment basis by the Underwriters pursuant to the terms and conditions contained in the Rights Issue and Underwriting Agreement.

#### *Material conflicts of interest*

The Directors and Senior Executives have notified the Board of all their directorships and other interests. Save with respect to AIH and Rational acting as underwriters to the rights issue, further details of which are set out herein, it is not considered that any of these have given rise to a conflict of interest. Two of the Directors of the Board, Patrick Sacco and Kieran Daly are representatives of AIH and the Proposed Non-Executive Director, Louis du Preez, is a representative of Rational. There are no other conflicts of interest between any duties to the Company of the Directors or the Senior Executives and their private interests and/or other duties.

The Company has ensured that relevant governance safeguards have been put in place to ensure the Board has evaluated and approved the terms of the Rights Issue and Underwriting Agreement in the best interests of the Company as a whole. These safeguards include specific governance guidance for the Board and the implementation of an independent Board committee, in particular in relation to AIH's participation as an Underwriter and a significant shareholder.

## RISK FACTORS

*An investment in the New Shares, the Nil Paid Rights, the Fully Paid Rights and/or the Letters of Allocation is subject to a number of risks and uncertainties. Shareholders and prospective investors should carefully consider the following risks and uncertainties associated with an investment in the Company, the Group's business and the industry and jurisdictions in which the Group operates, together with all the other information set out in this Document and the documents incorporated herein by reference, prior to making any investment decision in relation to the Nil Paid Rights, the Fully Paid Rights, the New Shares and/or the Letters of Allocation.*

*Shareholders and prospective investors should note that the risks relating to the Group, its industry and the Nil Paid Rights, the Fully Paid Rights, the New Shares and/or the Letters of Allocation summarised in the section of this Document headed "Summary" are the risks that the Directors believe to be the most essential to an assessment by shareholders and prospective investors of whether to consider an investment in the Company. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, shareholders and prospective investors should consider not only the information on the key risks summarised on pages 8 and 9 of the Summary of this Document but also, among other things, the risks and uncertainties described below.*

*The risks and uncertainties described below are based on information known as at the date of this Document which the Directors consider to be material, but may not be the only risks and uncertainties to which the Group is exposed. Additional risks and uncertainties, which are currently unknown to the Directors or that the Directors do not currently consider to be material, may materially affect the business of the Group and could have material adverse effects on the Group's business, financial condition, results of operations or prospects. If any of the following or other risks were to occur, the Group's business, financial condition, results of operations or prospects could be materially adversely affected and the value of the New Shares, the Nil Paid Rights, the Fully Paid Rights and/or the Letters of Allocation could decline and investors could lose all or part of the value of their investment.*

*Shareholders and prospective investors should consider carefully whether an investment in the New Shares, the Nil Paid Rights, the Fully Paid Rights and/or the Letters of Allocation is suitable for them in light of the information in this Document and the documents incorporated by reference and their personal circumstances.*

*This Document contains forward-looking statements that involve risks and uncertainties. The Company's actual results could differ materially from those anticipated in the forward-looking statements as a result of many factors, including the risks faced by the Company which are described below and elsewhere in this Document. Shareholders and prospective investors should carefully consider the other information in this Document. The risks listed below do not necessarily comprise all the risks associated with an investment in the Company.*

### **1. Risks relating to working capital of the Group**

#### **1.1 The Company does not have sufficient working capital for its present requirements, that is, for at least the next twelve months from the date of this document.**

The Group's ability to sustain its mining operations and achieve its strategic objectives is heavily dependent on securing adequate funding, including utilising the proceeds from the Rights Issue.

Notwithstanding that the net proceeds of the Rights Issue are underwritten, in the ordinary course of business, the Group's working capital position is reliant on term and overdraft facilities available to the Company's two operating subsidiaries, Kagem and MRM. These overdraft facilities are not committed beyond the renewal dates of each of these facilities, as further detailed below. As a result of the requirements for preparing working capital statements the Company cannot rely on uncommitted facilities for the purposes of making a working capital statement and these are assumed to be removed at the date of renewal.

The Kagem FNB Zambia – USD21 million overdraft and the Montepuez Ruby Mining LDA – BCI Mozambique – USD20 million overdraft are both subject to annual renewal on 31 May 2025. In the event these are not renewed and become repayable, this would lead to a shortfall of USD10.9 million on 31 May 2025.

Additionally, the Group's term facilities are subject to certain covenants, including financial covenants. Based upon the Company's forecast models, MRM may become in breach of certain covenants under the Montepuez Ruby Mining LDA – USD25 million Facility Agreement for the twelve month period measured as at 30 June 2025.

The Company requested a waiver of the covenants under such agreement from the lending bank, ABSA, to which ABSA has provided a non-binding letter of support on 24 March 2025 confirming that it remains committed to working closely with the Group and its stakeholders to support its financial stability and strategic objectives.

Whilst the Company is confident that the lender will continue to support MRM and will provide a waiver of any covenant breach, any un-waived default under this facility would enable other lenders to constitute a cross-default under the remaining debt facilities, namely, the Montepuez Ruby Mining LDA – USD30 million Facility Agreement, the Montepuez Ruby Mining LDA – ABSA Bank Mozambique, SA – USD15 million overdraft and the Kagem ABSA Bank Zambia Plc ("ABSA Zambia") – USD20 million overdraft.

In this scenario, and where a waiver is not forthcoming from ABSA in connection with the covenant breach, defaults and cross-default events under the facilities listed above could be triggered by the lenders, the Company would then be required to repay all amounts outstanding at such date under the above facilities and a further shortfall would occur in September 2025 of USD100.5 million.

The Company expects to renew each of the overdraft facilities ahead of their expiry dates, in the ordinary course of business, and the existing Directors are confident of the renewal of these facilities based on the relationships with the respective lenders.

In the event that the Company breaches covenants, waivers would be sought from the lender in respect of the loan's covenants to avoid a default situation. The Company is in regular dialogue with the relevant lender in respect of covenant compliance, however the receipt of covenant waivers is not within the Company's sole control should there be a breach of one or more covenants, therefore there is no guarantee that waivers will be granted.

Whilst the Company is confident that the lenders will renew existing overdrafts and provide waivers, if the Company is unable to procure overdraft renewals or waivers for the expected covenant breaches and lenders demand mandatory prepayments of the relevant facilities, new sources of capital would be required immediately.

The options available to the Company include, but are not limited to:

- entering into a new borrowing facility or restructuring existing debt. Based on the Board's investigations to date, if available at all, such a facility is likely to be available on unattractive terms and it may prove difficult to complete in the available timeframe;
- seeking to accelerate auctions of gemstone inventory. Whilst this measure can be implemented in a short timeframe, the quantum of working capital raised at additional auctions may be insufficient to cover the shortfall;
- completing asset sales. Despite having received non-binding offers for assets in the past (most notably the recent offers received in respect of Fabergé), there is no guarantee that any asset sale can be completed in a short timeframe or raise sufficient funds to cover the shortfall;
- extending the group-wide cost-cutting exercise. Whilst these measures are within the control of the Company and can be implemented within a short timeframe to limit the outflow of working capital, these measures are likely to be detrimental to the longer-term viability of the Group.

Whilst the Company would seek to carry out these actions concurrently, collectively they may raise an insufficient quantum of working capital to cover the shortfall required.

In the event that the overdraft facilities are not renewed and the Company breaches covenants and is not granted required waivers, cross-defaults on other facilities could be triggered and, should the lenders demand that repayment is made, the Group will be required to repay a number of facilities.

If the Company does not successfully implement the actions detailed above in the appropriate timeframe, or the actions do not raise sufficient working capital to cover the shortfall required, the Company and other material subsidiaries in the Group could enter into administration or liquidation in September 2025.

Furthermore, the Company may look to raise additional funds in the future in order to develop further exploration and development programmes. Whether as a result of fluctuating market conditions, lack of market interest in the Company's industry sector or otherwise, this additional financing may not be available to the Company on acceptable terms. Additional equity financing may be dilutive to Shareholders and could contain rights and preferences superior to those of the Shares, while debt financing may involve restrictions on the Company's financing and operating activities or may not be available at reasonable cost. If the Company is unable to raise additional funds as needed, the scope of its operations may be reduced and or its interest in concessions may be diluted or may expire and, as a result, the Company may be unable to fulfil its medium to long-term exploration and development programme.

### 1.2 ***A breach of covenants contained in Group facility agreements could constitute an event of default and accelerate repayment***

MRM and Kagem have entered into facility agreements in their capacity as borrowers. The facility agreements typically require the relevant borrower entity to comply with certain customary covenants, including financial covenants. A breach of a covenant in any such facility agreement could be an event of default which could potentially accelerate repayment, if enforced by a lender, and may have knock-on effects on other facility agreements in the event that cross-default provisions apply and are enforced by lenders. In such circumstances, the borrower entity would typically look to obtain a waiver of the relevant covenant (or cross-default provisions) but there is no guarantee that a lender would grant this.

On 17 October 2024 MRM entered into a USD25 million facility agreement with, *inter alia*, ABSA Mozambique, SA ("**ABSA**") as lender. There has been no breach of any financial covenants contained therein for the financial year ended 31 December 2024 however, based upon the Company's forecast models, MRM may become in breach of certain covenants for the six month period to 30 June 2025 measured over the preceding twelve months. The Company requested a waiver of these covenants from ABSA, to which ABSA provided a non-binding letter of support on 24 March 2025 confirming that it remains committed to working closely with the Group and its stakeholders to support its financial stability and strategic objectives. The letter is a non-binding letter of support as opposed to a waiver and in the event that there is any breach of covenant, now or in the future, there is no guarantee that further support will be provided.

In the event that a breach of covenant does occur and a lender does not provide a waiver or similar support to the relevant Group company and exercises the right to repayment of outstanding sums, this scenario would severely impact the Group's liquidity and financial stability, potentially forcing the Group to undertake distressed asset sales, renegotiate debt terms under unfavourable conditions, or even face insolvency.

### 1.3 ***The Group faces the risk of negative impacts from any scale back of operations***

In the event that the Group is required to scale back its mining and/or processing operations, including temporarily halting activities at its key mines and suspending new exploration projects, either due to the unavailability of working capital or otherwise, there could be significant adverse effects to the short-to medium term prospectus of the Group.

For example, the Company announced in December 2024 that mining was to be temporarily paused at Kagem from the start of 2025 and would utilise its upgraded wash plant to process its significant stockpiles. Such actions may lead to increased re-start costs when operations resume, as well as potential illegal mining activities within the Group's licensed areas. There may be an adverse effect on the Company's revenue as a result of the temporary pause on mining.

Furthermore, prolonged inactivity could jeopardise the validity of the Group's mining licences, posing additional legal and financial risks.

Any prolonged period of scaling back of operations could collectively impact the Group's operational efficiency, financial stability, and long-term strategic goals resulting in a material adverse effect on the Group's financial condition, business, prospects and results of operations.

**1.4 *The Group maintains a high-level of debt which poses substantial risks in the event of default and may not be capable of refinancing***

The Group currently maintains a high level of debt with several lenders, primarily due to significant investments aimed at driving growth. While these investments are expected to enhance the Group's long-term value, the high debt levels pose substantial risks to the ongoing solvency of the Group. In the event of a material deterioration in financial conditions, there is a consequential risk that lenders may withdraw their support and request repayment of these facilities.

Such circumstances could constitute cross-defaults under the Group's debt agreements, which may lead to a cascade of defaults across the Group's multiple loan facilities. In the event that lenders then demand repayment of amounts outstanding, it would severely impact the Group's liquidity and financial stability, potentially forcing the Group to undertake distressed asset sales, renegotiate debt terms under unfavourable conditions, or even face insolvency.

In May 2025, two overdraft facilities totaling USD41.0 million are set to be renewed, a further USD20.0 million facility would renew in November 2025 and a USD15.0 million facility renews in March 2026. If the overdrafts were not to be renewed, there could be a deficit as early as May 2025 of USD10.9 million.

Shareholders and prospective investors should be aware that the Group's high debt levels and the associated risk of cross-default could materially affect the Group's financial health and operational capabilities.

In addition, in the medium and longer term, it is not certain that the Group will be able to refinance its indebtedness as it matures or enter into new facilities on acceptable terms or at all. There is also the risk that the Group needs to refinance its debt facilities at substantially higher rates, which could have a material impact on financing costs.

In such circumstances, the absence of availability of debt finance on terms acceptable to the Group may have a significant material adverse effect on the Group's financial condition, business, prospects and results of operations and the Company's ability to make distributions to Shareholders.

**1.5 *Fabergé is currently a loss-making business which could require further funding from the Company***

Whilst the Company is of the view that Fabergé is now largely self-sufficient from a cashflow perspective, Fabergé is currently a loss-making business and may require a significant amount of working capital before reaching sustained profitability. It is likely that Fabergé's existing working capital levels are insufficient to meet Fabergé's long-term working capital requirements and the Group may be required to contribute further working capital to the business. This could reduce the available working capital of the Group as a whole and the short-term profitability of the Group which may result in a material adverse effect on the Group's financial condition, business, prospects and results of operations.

The Company also announced on 23 December 2024 that it was assessing strategic options in respect of Fabergé. The Company engaged with a number of parties who have expressed an interest in the Fabergé business, and received a number of non-binding offers. Due to the Company's requirement for external funding in the short-term, the Board did not believe that the non-binding offers were sufficiently sound alternatives within the time frame required to meet the Group's funding needs. The strategic review has been paused due to the Rights Issue and will only recommence following the completion of the Rights Issue. There can be no guarantee that any such process will result in the sale of the Fabergé business, nor can there be any guarantee of the terms of any such sale.



## **2. Risks relating to mining and the market in which the Group operates**

### **2.1 *The Group's mining licences and contracts are reliant on regulatory and other approvals***

The Group's current exploration and mining operations are dependent upon the grant, renewal or continuance in force of appropriate surface and/or subsurface use contracts, licences, permits (including environmental) and regulatory approvals (including planning permissions) and consents which may be valid only for a defined time period, and which may be subject to limitations and may provide for withdrawal in certain circumstances. Whilst the Group has not, to date, suffered any material repercussions resulting from the grant, renewal or continuance in force of its contracts, licences, permits (including environmental) and regulatory approvals (including planning permissions) and consents, there can be no assurance that such surface and/or subsurface use contracts, licences, permits, regulatory approvals or consents would be granted, renewed or continue in force, or, if so, on what terms.

The Group's surface and/or subsurface use contracts, licences, permits and related working programmes contain a range of obligations on the Group including requirements to obtain certain use consents and planning permission, file various security documents and guarantees and make various applications for environmental and other licences. Whilst the Group endeavours to make all necessary filings and applications on time, the granting of certain licences, permissions and consents can take time and therefore the group often continues to operate with certain licences, permissions and consents not being in place. There may be adverse consequences of breach of these obligations, ranging from penalties to, in extreme cases, suspension or termination of the Group's surface and/or subsurface use licences and/or surface and/or subsurface use contracts. Withdrawal of licences, termination of surface and/or subsurface use contracts or failure to secure requisite licences or the cessation thereof or surface and/or subsurface use contracts in respect of any of the Group's operations may have a material adverse impact on the Group's business, operating results and financial condition.

### **2.2 *The Group is party to a number of litigation/dispute matters in the ordinary course of its activities***

In the ordinary course of business, the Group is subject to various disputes and claims with a range of third parties relating to its business and mining operations, the outcome of which cannot be predicted. For example, Kagem, a Group company, is currently a defendant in number of claims before the Zambian High Court brought by a neighbouring mine operated by Grizzly Mining Limited, relating primarily to licence boundary disputes. Whilst management is of the view that these claims are substantially without merit, and whilst Kagem has material claims of its own against Grizzly and its associated entities, there can be no guarantee as to the outcome of these various proceedings nor that the resolution of such legal claims will not have a material adverse effect on the Group's financial position, results or operations.

Companies operating in the mining industry, as in all industries, may be subject to legal claims, both with and without merit, from time to time. The Directors cannot preclude that such litigation, arbitration, regulatory investigation and/or government proceedings may be brought against the Group in the future, and there can be no guarantee that the past, current or future actions of the Group will not result in such proceedings. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a material adverse effect on the Group's financial position, results or operations. The Group's business may be materially adversely affected if the Group and/or its employees or agents are found or alleged not to have met the appropriate standard of care or not exercised their discretion or authority in a prudent or appropriate manner in accordance with accepted standards.

Historic litigation against the Company has included allegations of human rights abuses by employees and contracted private security of the Company's local subsidiaries, and government security forces (including police). There is no guarantee that similar claims will not be raised in the future. There was no admission by the Company or its subsidiaries of any liability on their part with respect to the alleged abuses and the Company has always maintained that it is not liable for any such claims. Settlements were reached which included the establishment of Operational Grievance Mechanisms ("OGMs") to provide a specific forum for individuals who wish to raise grievances. It is

possible that the Company may incur further costs as part of resolving disputes raised via the OGMs and/or the failure to implement the terms of the relevant settlement agreements.

The Group operates security arrangements in the areas surrounding its mines in Mozambique and Zambia. There is a risk that further claims could arise from illegal artisanal and small-scale miners in connection with those arrangements.

The Group is also engaged in disagreements and/or potential disputes with tax authorities in relation to various of the taxation aspects of its business in Mozambique and Zambia.

Notwithstanding the Group's assessment of the merits of the current litigations to which it is subject, any outcome of the current, or future, litigation matters could have a material adverse financial and reputational effect, which could, in turn, have a material adverse effect on the Group's business, financial condition, results of operations.

### **2.3 *The profitability of the Group's operations and the cash flows generated by these operations are significantly affected by changes in the market price for gemstones***

The market price for gemstones can fluctuate widely. These fluctuations are caused by numerous factors beyond the Group's control, including: speculative positions taken by investors or traders in gemstones; changes in the demand for gemstone use in jewellery and for investment; actions by the Group's competitors; changes in the supply of gemstones from production; financial market expectations regarding the rate of inflation; the strength of the US dollar (the currency in which the price of gemstones is denominated) relative to other currencies; changes in interest rates; global or regional political or economic events; and costs of gemstone production in major gemstone-producing nations.

If revenue from gemstone sales falls below the cost of production for an extended period, the Group will experience losses and may be forced to curtail or suspend some or all of its capital projects and/or operations. In addition, the Group would have to assess the economic impact of low gemstone prices on its ability to recover any losses it may incur during that period and on its ability to maintain adequate cash and accounting reserves.

The Group's operations in Zambia, which involve selling emeralds through periodic auctions, are currently facing significant competitive pressures. Recently, one of the Group's major competitors has taken strategic actions to impact the market by increasing the volume of emeralds sold at lower prices. This aggressive pricing strategy has the potential to depress market prices for emeralds, adversely affecting the Group's revenue and profitability. The increased supply of lower-priced emeralds could lead to reduced demand for the Group's higher-priced offerings, forcing the Group to either lower its prices or risk unsold inventory. Additionally, this pricing pressure may impact the perceived value and market positioning of the Group's emeralds, potentially leading to longer-term challenges in maintaining market share and profitability.

Shareholders and prospective investors should be aware that these competitive dynamics could materially affect the Group's financial performance and strategic objectives. The Group may need to implement countermeasures, such as marketing initiatives or cost reductions, to mitigate the impact of this increased competition. The Group has also seen some softening in the pricing of the rubies it sells in auctions, mainly attributable to lower demand from China.

Any prolonged period of lower market prices for the Group's gemstone inventory could have a material adverse impact on the Group's business, operating results and financial condition.

### **2.4 *Information on Reserves and Resources is not indicative of future results of operations***

The Group's reported mineral resources and ore reserves were reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code), 2012 Edition, in SRK Consulting (UK) Limited's third-party competent person report of 2020. Annual internal updates are reported in compliance with the requirements of The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (the SAMREC Code or SAMREC), 2016 Edition. There are numerous uncertainties inherent in estimating mineral resources, including factors beyond the control of the Group. The estimation of mineral resources and ore reserves is a detailed process and the accuracy of any such estimation

is a function of the quality of available data and of engineering and geological interpretation and judgement, and of necessary assumptions. Results of drilling, testing, production, evaluation of mine plans and exploration activities subsequent to the date of any estimate may justify revision (up or down) of such estimates. Additionally, there is no assurance that mineral resources can be economically mined. Mineral resources that have not been converted to mineral ore reserves do not have demonstrated economic viability. Mineral reserves are a statement of resources that are considered as commercially mineable according to governing economic parameters at the time, following a defined life of mine plan.

Only a certain proportion of estimated mineral resources will be translated into reserves and recovered as the Group proceeds to production on its development and exploration sites. There is no guarantee that they will be recovered at the volume, grade and rates estimated.

These production estimates are dependent on, among other things, the accuracy of mineral resource and reserve estimates, the accuracy of assumptions regarding mineral grades and recovery rates, ground conditions (including hydrogeology and geotechnics), physical characteristics of ores, such as hardness, the presence or absence of particular characteristics and the accuracy of estimated rates and costs of mining, ore haulage and processing.

The failure of the Group to achieve its production estimates is likely to have a material and adverse effect on any or all of its future cash flows, profitability, results of operations and financial condition.

Additionally, changes in the Group's capital costs and operating costs are likely to have a significant impact on its profitability. The Group's main planned production expenses will be mining contracting costs, transport costs, treatment costs and overheads. Changes in costs of the Group's mining and processing operations can occur as a result of unforeseen events and could result in changes in profitability or resource estimates, including rendering certain mineral resources uneconomic to mine. Many of these changes may be beyond the Group's control. The volume and grade of the ore the Group recovers may not conform to current expectations. Lower market prices, increased production costs, reduced recovery rates and other factors may render the Group's mineral resources and ore reserves uneconomic to exploit and may result in revision of its ore reserve estimates from time to time.

As a result, the Group's mineral reserve data is not necessarily indicative of future results of operations. If the Group's actual mineral reserves are less than current estimates, this could have a material adverse impact on the Group's business, operating results and financial condition.

## **2.5 *The Group is subject to the variable and inconsistent nature of Gemstone Geology, Exploration and Mining***

The exploration and development of gemstone deposits involves significant financial risks over a prolonged period of time, which even a combination of careful evaluation, experience and knowledge may not eliminate. While discovery of a gemstone structure may result in substantial rewards, few properties that are explored are ultimately developed into economically viable operating mines. Major expenditure may be required to establish reserves by drilling and for constructing mining and processing facilities at a site, and it is possible that even preliminary due diligence will show adverse results, leading to the abandonment of projects.

It is impossible to ensure that preliminary feasibility studies or full feasibility studies on the Group's exploration projects or the current or proposed exploration programmes on any of the properties in which the Group has exploration rights will result in a profitable commercial mining operation. The Group's operations will be subject to all of the hazards and risks normally incidental to the exploration, development and production of gemstones, any of which could result in damage to life or property, environmental damage and possible legal liability for any or all such damage caused.

The Group's activities may be subject to prolonged disruptions due to weather conditions depending on the location of operations in which the Group has interests. Hazards, such as unusual or unexpected formations, rock bursts, pressures, cave-ins, flooding or other conditions may be encountered in the drilling and removal of material. By way of example, heavy rainfall at MRM can result in production difficulties. Whether a gemstone deposit will be commercially viable

depends on a number of factors, some of which are the particular attributes of the deposit (such as its size and quality), proximity to infrastructure, financing costs and governmental regulations (including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of gemstones and environmental protection) and other factors including the availability of equipment.

Each coloured gemstone is unique and, although geological methods can help identify areas where both emeralds and rubies should be found, currently there can be no certainty on the quantity, quality or value of such gemstones, until they are brought to the surface and processed. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Group not receiving an adequate return on invested capital.

## **2.6 *The Group's operations face multiple security risks and loss control issues***

Whilst mine security and loss control procedures have been implemented at each of the Group's operations, the risk remains of illegal mining, theft, threats to mine workers' lives and safety as well as industrial espionage, information loss and the loss of the operational efficiency of the mine.

More particularly, illegal mining poses a significant risk to loss of the Group's gemstone resources, the health and safety of the Group's workers (in particular its security personnel), increased likelihood of potential human rights abuses being committed by public security forces not operating to our high standards, and the ability of the Group to attract quality workers to work at mine sites because of a potentially dangerous working environment.

For example, on 24 December 2024, more than 200 persons, including those associated with illegal mining, staged an attempt to invade the MRM's principal residential infrastructure and during their approach set fire to external structures built by MRM. This event resulted in the temporary relocation of MRM's personnel to offsite locations given the increased risk profile before a phased return and MRM has been operating as usual since the start of 2025.

Any breach of security or loss of control at the Group's operations could have a material adverse impact on the Group's business, operating results and financial condition.

## **2.7 *The Group may be impacted by the introduction of import tariffs by the United States***

On 2 April 2025, the United States announced a series of tariffs targeting imports from various countries, including India and Thailand, where the majority of Gemfields' emeralds and rubies are sold at auction to cutters and polishers. These tariffs included a baseline 10% tariff on all imports, with significantly higher rates for specific nations. India faced a 26% tariff and Thailand faced a 36% tariff, before the United States announced a 90-day pause on the higher rates. The tariffs would increase the cost of cutters and polishers exporting gemstones to the United States, which is a significant market for the Group's products. This could lead to higher prices for the Group's auction participants and end consumers and potentially reduce demand. The intricate nature of the gemstone supply chain, where raw materials are sourced from Zambia and Mozambique and processed in other countries may face inefficiencies and additional costs at multiple stages. The tariffs could have a material adverse effect on the Group's business, financial condition, and results of operations.

## **2.8 *The Group may be impacted by potential negative changes to consumer demand for, and perception of, coloured gemstones***

The coloured gemstone industry is subject to changes in customer preferences, perceptions and spending habits. The Group's performance depends on factors which may affect the worldwide desirability of coloured gemstones. Such factors include adverse media coverage (including as a result of litigation), consumer incomes and consumer preferences, especially around the provenance of what they buy.

For example, treatments used to enhance the appearance of coloured gemstones became a significant concern, resulting in erosion in product confidence and price during the mid to late 1990s (although, as Zambian emeralds are prized for their unique rich bluish green colour, there is less perceived need for treatment of this material). On the other hand, the market for coloured gemstones has not suffered to same extent as that for white diamonds as a result of the advent

of lab-grown diamonds. Furthermore, by their nature, coloured gemstones are luxury consumer goods and a change in consumer spending habits may result in reduced demand and lower prices for the coloured gemstones produced by the Group.

Furthermore, major jewellery brands (which account for a significant proportion of demand for coloured gemstones) are increasingly conducting extensive due diligence exercises on their supply chains and there is a risk that demand for the Company's gemstones could be negatively impacted in the event of a due diligence exercise being carried out in relation to Gemfields which results in negative outcomes.

Any changes in consumer preferences, levels of consumer spending, or the perception of coloured gemstones supplied by Gemfields, or in general, may have a material adverse effect on the Group's results of operations or financial condition.

**2.9 *The Group faces current and potential competition for exploration and development rights of gemstone properties***

The gemstone exploration and mining business is competitive in all of its phases. The Group will compete with numerous other companies and individuals, including competitors with greater financial, technical and other resources than the Group, in the search for and acquisition of exploration and development rights on attractive gemstone properties. The Group's ability to acquire exploration and development rights on properties in the future will depend not only on its ability to develop the properties on which it currently has exploration and development rights, but also on its ability to select and acquire exploration and development rights on suitable properties for exploration and development.

There is no assurance that the Group will be able to compete successfully with its competitors in acquiring exploration and development rights on such properties and failure to do so may have a material adverse effect on the Group's longer term business prospects, results of operations or financial condition.

**2.10 *The Group is dependent on third party contractors and providers of capital equipment which can be scarce***

The Group contracts or leases services and capital equipment from third party providers. Such equipment and services can be scarce and may not be readily available at times and in the places required. In addition, costs of third-party services and equipment have increased significantly over recent years and may continue to rise.

Scarcity of equipment and services and increased prices may result from any significant increase in exploration and development activities on a region-by-region basis which might be driven by high demand for gemstones or other minerals. In some of the regions in which the Group operates there is significant demand for capital equipment and services. By way of example, the prevailing security conditions in and around MRM likely make it more difficult to source appropriate third-party contractors at reasonable prices.

The unavailability of, or high costs incurred to obtain, such services and equipment could result in a delay or restriction in the Group's projects and adversely affect the feasibility and profitability of such projects and therefore have an adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group has made and continues to make significant investments in a second processing plant in Mozambique, with expected completion by the end of June 2025, which is critical to addressing premium ruby production concerns. Any material delay in the completion of the processing plant could have significant adverse consequences on the future growth of the Group's revenue. Delays could result from various factors, including construction challenges, regulatory approvals, supply chain disruptions, or unforeseen technical issues. Such delays would hinder the Group's ability to process and sell additional premium rubies, potentially leading to limited growth in revenue and amid increasing costs, impact its profitability. Shareholders and prospective investors should be aware that the Group's reliance on the timely completion of the second processing plant

introduces a substantial risk to its financial performance and strategic objectives. It should be noted that the Group has already experienced non-material logistical issues in the construction of the new processing plant due to the recent political unrest in Mozambique.

**2.11 *The Group could be materially adversely affected by any prolonged work stoppages as a result of labour unions or otherwise***

Labour union membership of the Group's employees is voluntary. As at 31 December 2024, approximately 67% of MRM's employees are members of a trade union. At Kagem approximately 98% of the workforce are members of a trade union.

Unionised staff are normally those below supervisor level (unskilled, semi-skilled and some skilled workers). At MRM the collective agreement is with Sindicato Nacional dos Trabalhadores da Indústria de Construção Civil, Madeiras e Minas de Moçambique. At Kagem there is a collective agreement with the National Union of Miners and Allied Workers and Mineworkers Union of Zambia.

As a result of the material levels of union membership, there is a risk that strikes or other types of conflict with unions or employees could occur at any one of the Group's operations. Labour disruptions may be used not only for reasons specific to the Group's business, but also to advocate labour, political or social goals. Any labour disruptions could increase operational costs and decrease revenues, and if such disruptions are material, they could adversely affect, possibly significantly, the Group's results of operations, cash flows and financial condition.

If increasing numbers of the Group's employees become members of labour unions and the members of the Group enter into collective bargaining agreements with unions, which agreements usually contain provisions covering issues such as working hours and compensation, members of the Group may not be able to extend existing employment agreements, renew them on their current terms or, negotiate such employment agreements in a favourable and timely manner or without work stoppages, strikes or similar industrial actions.

Any increase in membership of labour unions and/or any deterioration in the Group's relationships with its employees, unions, and other employee representatives could have a material adverse effect on its business, financial condition, and results of operations.

**2.12 *Fabergé is dependent to a significant extent on economic conditions which allow discretionary consumer spending***

The success of Fabergé's operations depends to a significant extent upon factors that affect discretionary consumer spending (including economic conditions and perceptions of such conditions by consumers) within the economy as a whole, and in regional and local markets where Fabergé operates. Retail sales in particular are sensitive to economic conditions. Any downturn or perceived downturn in such conditions could negatively impact on Fabergé's sales and profits.

**2.13 *Fabergé is dependent on its ability to protect its rights in intellectual property***

Fabergé's success depends in part on its ability to protect its rights in its intellectual property. Fabergé, (and the Group) will rely upon various intellectual property protections, including copyright, trademarks, trade secrets and contractual provisions, to preserve its intellectual property rights. Despite these precautions, it may be possible for third parties to obtain and use Fabergé's (and the Group's), intellectual property without its authorisation. Enforcing intellectual property rights can be difficult and expensive. To protect the Group's intellectual property, the Group may become involved in litigation which, even if successful, could result in substantial expense, divert the attention of its management cause significant delays and materially disrupt the conduct of the Group's business.

Any failure to defend Fabergé, (and the Group's) intellectual property may have a material adverse effect on its business, financial condition, and results of operations.

## 2.14 ***The Group's operations can be impacted by Acts of God and contagious diseases***

Acts of God such as natural disasters and outbreaks of highly contagious diseases are beyond the control of the Group and may adversely affect the economy, infrastructure and livelihood of people in the countries in which the Group is operating or proposing to operate. The Group's business and profitability may be adversely affected should such acts of God and/or outbreaks occur and/or continue. For example, the Covid-19 pandemic and associated global lockdowns severely restricted the Company's ability to generate revenues at auctions for a sustained period of time.

Any future Acts of God or contagious diseases may have a material adverse effect on the Group's business, financial condition, and results of operations.

## 3. **Risks relating to the jurisdictions in which the Group operates**

### 3.1 ***Changes to the current political and regulatory environment in Zambia and Mozambique, or any other markets in which the Group operates in the future may adversely affect the Group***

The Group's exploration, development and mining activities are and will continue to be conducted in a variety of countries and markets. The Group's primary operations are in Zambia, where it owns 75 per cent. and operates the Kagem emerald mine, and Mozambique, where it owns 75 per cent. and operates Montepuez ruby mine.

The political and economic conditions that currently exist in each of these countries and markets may change and national governments may adopt different policies with respect to foreign investment and to ownership of natural resources at any time. Any changes in policy may result in changes in laws affecting the ownership of assets, licence tenure, taxation, royalties, exchange rates, environmental protection, labour relations, repatriation of income and return of capital. These may adversely affect both the Group's ability to undertake exploration and development activities on future properties as well as its ability to continue to explore and develop those properties for which it has obtained exploration rights to date. Regulatory changes, if any, in extraction or investment policies or shifts in political attitude may adversely affect the Group's operations and future profitability. The Group's operations may be affected in varying degrees by Government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income and other taxes, foreign investment, maintenance of claims, environmental legislation, water use, employment and contractor selection.

For example, the Group's operations in Mozambique have been currently facing significant risks due to ongoing civil unrest following the recent presidential election. The election, held on 9 October 2024, resulted in widespread protests and violent clashes, particularly in the capital, Maputo, and other major cities. The unrest intensified after the official results were announced on 24 October 2024, which declared the ruling Frelimo party as the winner. Opposition parties and many citizens have rejected the results, alleging electoral fraud. Since early November 2024, the situation has escalated, with security forces responding to protests with tear gas, rubber bullets, and, in some instances, live ammunition. On 23 December 2024, groups associated with illegal ruby mining took advantage of the prevailing political unrest and set fire to, *inter alia*, community buildings built by MRM, and on 24 December 2024, more than 200 persons staged an attempt to invade the MRM Village. A number of the Group's personnel were temporarily relocated to offsite locations given the increased risk profile, with a phased return which commenced days later.

Additionally, the government of Mozambique has imposed restrictions on internet access and public gatherings, further complicating the operational environment. Shareholders and prospective investors should be aware that the ongoing civil unrest poses substantial risks to the Group's operations, including potential delays (to both mining operations and construction of the new processing plant), increased security costs, potential industrial action and the risk of damage to property and equipment.

Whilst the operations at MRM have since returned to normal, the unrest has led to significant disruptions, including road blockages and damage to infrastructure, which could adversely affect the Group's mining operations and logistics. The instability may also impact the Group's ability to maintain its workforce and ensure the safety of its employees.

Any continued or prolonged period of unrest may have a material adverse effect on the Group's production levels, business, financial condition, and results of operations.

### **3.2 *The Group is exposed to any change in laws and policy in Zambia and Mozambique***

The political and economic conditions that currently exist in the jurisdictions in which the Group operates means that laws can change at short notice, and without consultation. Any such changes may adversely impact upon the Group.

On 8 January 2025, the Company announced that it had become aware that a new statutory instrument in Zambia dated 30 December 2024 and which came into effect on 1 January 2025 (S.I. No. 88 of 2024, the Customs and Excise (Precious Stones) (Export Duty) (Suspension) (Revocation) Order, 2024) had revoked the 2019 suspension of a 15 per cent. export duty on precious gemstones. This directly impacted the Zambian emeralds mined by Kagem Mining Limited, bringing its effective tax on revenues to 21 per cent., in addition to corporation tax of 30 per cent. On 19 February 2025, the Company announced that the 15 per cent. export duty had been suspended, effective immediately.

Whilst the Group has successfully engaged with the Zambian Government to suspend this export duty, the Group cannot guarantee that the suspension will not be revoked again in the future. The Mozambican government is reviewing legislation governing mining concessions, which may impose higher state participation, increased local content requirements, and stricter environmental and community engagement obligations.

Any further amendments to corporate tax and royalties on mineral resources could alter the cost structures for mining operations may have a material adverse effect on the Group's cash flow, financial condition, and results of operations.

### **3.3 *The Group faces potential financial and reputational risks relating to bribery and corruption***

The Group operates in a range of regions where its representatives may be exposed to potentially corrupt practices. Whilst the Group has robust policies and procedures to prevent any such practises occurring, there is no guarantee that the Group's policies and their implementation will successfully protect the Group from such practices and their legal and financial consequences, which could result in financial penalties and reputational damage.

Any actual or perceived breach of the Group's anti-bribery and corruption policies or the imposition of financial penalties may have a material adverse effect on the Group's reputation, its business, financial condition, and results of operations

### **3.4 *The Group is subject to, and has obligations under, a number of Environmental, Social and Health and Safety Requirements***

Mining operations in Africa are subject to stringent environmental and social regulations. Failure to comply with environmental impact assessments, waste management policies, and community engagement requirements may lead to fines, operational suspensions, and/or reputational damage. Moreover, disputes with local communities over land rights, environmental impact, or benefit-sharing arrangements can lead to project delays and legal challenges.

The Group has an obligation to undertake restoration, rehabilitation and environmental work when environmental disturbance is caused by the development or ongoing production of a mining property. In order to assess the Group's obligations, the Group has developed cost estimates as part of its various environmental impact assessments obligations. A provision in the Financial Statements is recognised for the present value of such costs, based on management's best estimate of the legal and constructive obligations incurred.

In Zambia, the requirement for Environmental Impact Assessments ("EIA") was introduced for new mining projects commenced after 1997. As the Kagem mine pre-dates this, there is no formal EIA for Kagem. Notwithstanding this, Kagem has an Environmental Management Plan ("EMP"), which is updated on an ongoing basis and fully refreshed every two years. Kagem's EMP forms the basis for agreed environment actions. At MRM, an EIA was concluded in 2015, following commencement of mining operations. This is updated when there are material changes to mining



operations (for example the construction of PP2) and forms the basis for an EMP, which forms the basis for agreed environmental actions. Progression with these environmental actions are monitored by the Mozambique environmental regulator.

There is a risk that actual costs will exceed the estimates. Any material increase in the Group's environmental, social and health and safety obligations would have an adverse impact on the Group's business, financial condition and/or results of operations.

**3.5 *Some territories in which the Group operates in have imposed, or may impose, Exchange Control Regulations***

Some of the territories in which the Group operates employ, or may employ in the future, exchange control regulations which may adversely affect the Group's ability to transfer funds in and from such territories, and therefore the Group's ability to carry on its operations in such territories.

For example, the shortage of USD currency in Mozambique in 2024 resulted in a delay in the utilisation of a term loan, highlighting how exchange control regulations or currency fluctuations in certain territories could occasionally affect the Group's ability to transfer funds, with potential implications for operations.

Any unexpected imposition of such exchange control regulations would have a material adverse impact on the Group's ability to remit its funds in the ordinary course of business which may in turn have a material adverse impact on the Group's financial condition and/or results of operations.

**3.6 *Power stoppages, fluctuations and energy cost increases could adversely affect the Group's results of operations and financial condition***

The Group's mining operations are dependent on electrical power generated by local power companies. Historically, the incidence of power outages has resulted in mining companies being required to reduce power consumption at operations to minimise the load on that country's power grid, leading to notable losses in production across the mining industry.

Whilst the Group sources back-up power from diesel generators, the Group cannot give assurance as to a resumption of rolling power outages, voltage imbalances or reductions in availability that may impact future operations.

The occurrence of power stoppages or fluctuations in supply could result in a delay or restriction in the Group's operations and have an adverse effect on the Group's business, financial condition, results of operations and prospects.

**3.7 *Shortages and interruptions in the water supply or significant increases in water tariffs could have an adverse effect on the business and financial condition***

The Group's mining operations require significant amounts of water. The Group procures water from local water authorities in the Group's areas of operations. The Group is dependent on the availability of water in its areas of operations. If the local water authorities significantly increase prices, the Group could suffer from a reduction in its operating capacity and significantly higher production costs.

Any shortage or interruption of the Group's water supply could result in a delay or restriction in the Group's operations and have an adverse effect on the Group's business, financial condition, results of operations and prospects.

**3.8 *The Group's operations are exposed to foreign currency risks***

The Group operates in a number of jurisdictions. The Group's revenue from gemstone sales and other financing activities will primarily be received in US dollars, while a significant portion of its operating expenses will be incurred in other currencies, particularly those of the countries in which it operates, namely the United Kingdom, Zambia and Mozambique. Accordingly, currency fluctuations may affect the Group's revenue from its operations and the profitability of the Group. Any adverse changes in foreign currency fluctuations may adversely affect the Group's financial position and operational results.

**3.9 *The legal system in many emerging markets countries is less certain than more developed legal systems***

Many emerging markets countries have a less developed legal system than more established economies, particularly with respect to mining operations, which may result in risks such as: (i) potential difficulties in obtaining effective legal redress in their courts, whether in respect of a breach of law or regulation, or in an ownership dispute; (ii) a higher degree of discretion on the part of governmental authorities; (iii) the lack of judicial or administrative guidance when interpreting applicable rules and regulations; (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or (v) relative inexperience of the judiciary and courts in such matters.

In addition, the commitment of local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be uncertain, creating particular concerns with respect to licences and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. Any difficulties faced by the Group arising from these uncertainties could have an adverse effect on the Group's business and financial condition and prospects.

**4. *Other Financial Risks***

**4.1 *The preparation of the Group's financial statements involves the use of estimates and assumptions***

Preparation of consolidated financial statements requires the Group to use estimates and assumptions. Accounting for estimates requires the Group to use its judgement to determine the amount to be recorded in its financial statements in connection with these estimates. The Group's accounting policies regarding exploration and evaluation require management to make certain estimates and assumptions as to future events and circumstances, in particular, the assessment of whether economic quantities of ore reserves or mineral resources have been found.

In addition, the carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. If the estimates and assumptions are inaccurate, the Group could be required to write down the value of certain assets. On an ongoing basis, the Group re-evaluates its estimates and assumptions. However, the actual amounts could differ from those based on estimates and assumptions.

**4.2 *The Company is a holding company with no direct mining operations and is dependent on the receipt of distributions from its operating subsidiaries***

The Company's operating results and its financial condition are dependent on the trading performance of members of the Group. The Company's ability to pay dividends will depend on the level of distributions, if any, received from the Company's operating subsidiaries. The Group's members may, from time to time, be subject to restrictions on their ability to make distributions to the Company, as a result of factors such as restrictive covenants contained within loan agreements, foreign exchange limitations and regulatory or fiscal restrictions. There can be no assurance that such restrictions will not have a material adverse effect on the Group's business, operating results and financial condition.

**4.3 *The Group may be subject to uninsured risks***

Although the Group endeavours to obtain insurance coverage from insurance providers to cover risks and liabilities as it considers appropriate, it is not always possible to obtain insurance against all risks facing the Group and the Group may decide not to insure against certain risks because of high premiums or other reasons.

For example, it is extremely difficult and costly to obtain a fulsome political, violence and terrorism insurance policy for an African gemstone mining company such as Gemfields. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Group or to other companies in the mining industry on acceptable terms.

Although the Group maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and have an adverse effect on the Group's business and financial condition.

**4.4 *The Group is dependent on the recruitment and retention of key personnel to deliver its strategy***

The Group's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group, and with appropriate expertise. To manage its growth and execute its strategy, the Group must attract and retain additional highly qualified management and technical personnel and continue to implement and improve operational, financial and management information systems.

Shareholders and prospective investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors. Further, key senior employees and management are heavily relied upon to manage the Group's businesses and a loss of key employees and management, for example, due to the Company's financial distress, could negatively impact the Company's ability to comply fully with its current regulatory regime.

The loss of and failure to attract senior management and key personnel could have a material adverse effect on the Group and inhibit its ability to implement its business strategy and could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects.

**4.5 *Any downgrading of prevailing debt rating by an international rating agency could have a negative impact on the Group***

The Group utilises a number of debt facilities provided by domestic financial institutions in the jurisdictions where the Group operates. Any adverse revision to the prevailing credit rating for domestic and international debt by any of the international rating agencies may adversely impact the Group's ability to raise future project financing and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on the Group's financial performance and its ability to obtain financing to fund its growth on favourable terms or at all.

**5. *Risks relating to the Rights Issue and the Shares, the Nil Paid Rights and the Fully Paid Rights***

**5.1 *The market price of the New Shares, the Nil Paid Rights and the Fully Paid Rights could be subject to volatility***

Publicly traded securities from time to time experience price and volume fluctuations that may be unrelated to the operating performance of the companies that have issued them. In addition, the market price of the Shares, the Nil Paid Rights and the Fully Paid Rights may prove to be volatile. The market price of the New Shares, the Nil Paid Rights and the Fully Paid Rights may fluctuate in response to a number of factors, many of which are beyond the Group's control, including: variations in operating results in the Group's reporting periods; changes in financial estimates by securities analysts; changes in market valuation of similar companies; announcements by the Group of significant contracts, acquisitions, strategic alliances, joint ventures or capital commitments; changes to mineral resource and reserve statements; additions or departures of key personnel; any shortfall in revenues or net income or any increase in losses from levels expected by securities analysts; future issues or sales of Shares; and stock market price and volume fluctuations. Any of these events could result in a material decline in the price of the Shares, the Nil Paid Rights and the Fully Paid Rights.

**5.2 *An active trading market in Nil Paid Rights (or Letters of Allocation, as the case may be) may not develop***

The trading period for the Nil Paid Rights on AIM is expected to commence on 29 May 2025 and to end on 12 June 2025. The trading period for the Letters of Allocation on the JSE is expected to commence on 23 May 2025 and to end on 12 June 2025. The Nil Paid Rights will not be admitted to trading on any exchange other than AIM and the Letters of Allocation will not be admitted to trading on any exchange other than the JSE. Because the trading price of Nil Paid Rights (or Letters of Allocation, as the case may be) depends on the trading price of the New Shares, the price of Nil Paid Rights (or Letters of Allocation) will be subject to the same risks as the price of the New Shares. Furthermore, given that the Nil Paid Rights and Letters of Allocation are expected to have a lower value than the New Shares and will only have a limited trading life, an active trading market in the Nil Paid Rights (or Letters of Allocation, as the case may be) may not develop during that period. Accordingly, the market for Nil Paid Rights (or Letters of Allocation) may be highly illiquid and the price of the Nil Paid Rights (or Letters of Allocation, as the case may be) may be highly volatile.

**5.3 *Liquidity in the Company's shares may not improve following the Rights Issue***

Notwithstanding that the Rights Issue is successful and dealings commence in the Shares, this should not be taken as implying that there will be a liquid market for the Shares on the JSE and/or AIM, and historically the Company has experienced periods of limited liquidity. An investment in the Shares may thus be difficult to realise on the JSE and/or AIM. Shareholders and prospective investors should be aware that the value of the Shares may be volatile and may go down as well as up. Shareholders and prospective investors may, on disposing of Shares, realise less than their original investment or may lose their entire investment.

The Shares may, therefore, not be suitable as a short-term investment. In addition, the market price of the Shares may not reflect the underlying value of the Company's net assets. The price at which the Shares will be traded and the price at which Shareholders and prospective investors may realise their Shares will be influenced by a large number of factors, some specific to the Company and its proposed operations, and some which may affect the business sectors in which the Company operates. Such factors could also include the performance of the Company's operations, large purchases or sales of the Shares, liquidity or the absence of liquidity in the Shares, legislative or regulatory changes relating to the business of the Group and general economic conditions.

**5.4 *National or regional instability could disrupt the Group's business and affect the price of the Shares***

Ongoing terrorist activity and armed conflicts in Africa and the Middle East and elsewhere have had a significant effect on international finance and commodity markets. Any future national or international acts of terrorism or armed conflicts in countries where the Group has operations or assets or in neighbouring countries or other parts of the world could have an adverse effect on the Group's operations, financial and commodities markets and the wider global economy and could adversely affect the Group's business and financial condition.

ISIS-linked militants have been reported as operating within Mozambique's northern Cabo Delgado province since June 2019. The Company's assets in Mozambique are situated within Montepuez, an area located within the Cabo Delgado province. The Company's operations in Mozambique could be affected in the event that conflict escalates.

The Group operates in African countries where there is a heightened risk of nationalist actions by host governments. These actions could include the seizure of assets and mining licences, particularly in the context of increasing resource nationalism. Recent political developments and changes in government policies in the region have demonstrated a trend towards greater state control over natural resources. Such actions could have severe implications for the Group, including the loss of key assets, disruption of operations, and significant financial losses. The risk of asset seizure is compounded by the potential for legal disputes and lengthy arbitration processes, which could further strain the Group's financial and operational resources. Shareholders and prospective investors should be aware that the Group's operations are subject to the political and

regulatory environments of the host countries, and any adverse changes could materially impact the Group's business and financial performance.

**5.5 *There can be no assurance that the Company will be able to pay dividends in the future***

There can be no assurance that the Company will be able to pay dividends in the future, as the Company is reliant on favourable business performance and market conditions in order to have sufficient surplus profits available for distribution to shareholders.

The Company may not pay dividends if the Directors believe that this would cause the Company to be less than adequately capitalised or if for any other reason the Directors determine, in the exercise of their statutory duties as directors, that it would not be in the best interests of the Company to do so. Future dividends will depend on, amongst other things, the Group's future profits, financial position, working capital requirements, macro-economic conditions and other factors that the Directors deem significant from time to time.

**5.6 *Risk of complexities arising from the Company's dual-listed structure***

Gemfields has been dual-listed since February 2020 (listed on the JSE and quoted on AIM). There are restrictions on cross-border transfer of shares and limited liquidity on both exchanges, to allow efficient arbitrage to equalise the share prices between the two markets.

However, there can be no assurance that the market price of the Shares on the different exchanges will equate. Any disparity between the market prices will give rise to the possibility of arbitrage between the different exchanges, which could adversely affect the market price of Gemfields' shares, as the case may be.

The Company has recently transferred its market segmentation on the Main Board of the JSE from the 'Prime Segment' to the 'General Segment' which provides for regulatory relief in relation to certain matters contained within the JSE Listings Requirements. Any future changes in capital market regulations in the UK and South Africa could result in more onerous and additional regulatory requirements being imposed on the Company. This may result in higher costs, delay the completion of corporate actions and add complexities for shareholders.

**5.7 *Shareholders in certain jurisdictions outside the UK and South Africa may not be able to take up the New Shares in the Rights Issue***

The securities laws of certain jurisdictions may restrict the Company's ability to allow participation by certain Shareholders in such jurisdictions in the Rights Issue or any future issue of shares carried out by the Company. In particular, Shareholders who are located in any Excluded Territory shall not be able to participate in the Rights Issue. The Rights Issue will not be available to any person resident in the United States and will not be registered under the US Securities Act.

Qualifying Shareholders who have a registered address in or who are resident in countries other than the United Kingdom or South Africa should consult their professional advisers as to whether they require any governmental or other consents, or need to observe any other formalities to enable them to take up their Nil Paid Rights (or Letters of Allocation, as the case may be) or to subscribe for New Shares. Any Shareholder who is not entitled to participate in the Rights Issue or any future issue of Shares carried out by the Company will suffer significant dilution if the Rights Issue proceeds, as more fully described below.

**5.8 *The implementation of the Rights Issue will result in the dilution of ownership of Existing Shares for Qualifying Shareholders who do not take up their Rights under the Rights Issue***

If Qualifying Shareholders do not take up the offer of New Shares under the Rights Issue, their proportionate ownership and voting interests in the Company will be significantly reduced and the percentage of the enlarged share capital their Shares will represent will accordingly be significantly reduced. Even if a Qualifying Shareholder elects to sell their unexercised Nil Paid Rights (or Letters of Allocation, as the case may be), the consideration they receive may not be sufficient to compensate them fully for the dilution of their percentage ownership of the Company's share capital which results due to the Rights Issue.

Qualifying Shareholders who do not take up their Rights and do not elect to sell their unexercised Rights under the Rights Issue will not receive compensation following the lapsing of the Nil Paid Rights. Accordingly, Qualifying Shareholders will not receive any monies to compensate them for the dilution of their percentage ownership of the Company's share capital that may be caused as a result of the Rights Issue.

If a Qualifying Shareholder neither takes up the offer of New Shares nor sells their unexercised Nil Paid Rights (or Letters of Allocation, as the case may be), then the Underwriters shall subscribe for such New Shares pursuant to the Rights Issue and Underwriting Agreement.

**5.9 *Any future issue of Shares may further dilute the holdings of Shareholders***

Although the Group has no current plans for a subsequent offering of Shares, it is possible that it may decide to undertake such an offering in the future. If Shareholders of the Company do not take up such offer of Shares or are not eligible to participate in such offering, their proportionate ownership and voting interests in the Company would be reduced and the percentage that their Shares would represent of the total share capital of the Company would be reduced accordingly. An additional offering could have an adverse effect on the market price of the Shares.

**5.10 *The Rights Issue may increase the holding held by significant shareholders***

The Rights Issue is being underwritten by AIH and Rational, both major Shareholders of the Company. In the event that no Qualifying Shareholders (save for the Underwriters and the Committed Shareholders) take up their Rights, AIH would be required to subscribe for, in aggregate, 329,659,331 New Shares, representing approximately 19.1 per cent. of the voting rights of the Company's issued share capital immediately following the Rights Issue. This would mean that AIH (when taking into account the existing 340,367,121 Shares it holds as at the Latest Practicable Date), together with any persons acting in concert with AIH, would have a maximum shareholding of 670,026,452 Shares, representing 38.9 per cent. of the issued share capital of the Company following completion of the Rights Issue.

In the event that no Qualifying Shareholders (save for the Underwriters and the Committed Shareholders) take up their Rights, Rational would be required to subscribe for, in aggregate, 175,191,987 New Shares, representing approximately 10.2 per cent. of the voting rights of the Company's issued share capital immediately following the Rights Issue. This would mean that Rational itself and together with the parties it represents (when taking into account the existing 180,896,490 Shares it holds itself and together with the parties it represents as at the Latest Practicable Date), would have a maximum shareholding of 356,088,477 Shares, representing 20.7 per cent. of the issued share capital of the Company following completion of the Rights Issue.

As a result, AIH in particular may, following the Rights Issue, be able to influence decision making within, and may exert substantial influence over, the Company, and AIH's interests may differ from or conflict with those of the Company's other shareholders.

The market price of the Shares may decline if AIH or Rational uses its influence over the Company's voting capital in ways that are, or may be, adverse to the interests of other shareholders.

Further, the concentration of ownership in AIH or Rational may have the effect of delaying, deferring or preventing a change of control, merger, consolidation, takeover or other business combination or discouraging a potential acquirer from making an offer for, or otherwise attempting to obtain control of, the Company, which, in turn, could have an adverse effect on the trading price of the Shares.

**5.11 *An increase in AIH's holding could lead to change of control provisions being triggered***

AIH's increased shareholding will not exceed 50 per cent. and should not result in any change of control, however there is a risk that regulatory authorities in certain of the jurisdictions where the Group operates could argue there could be an indirect change of control in mining rights which requires governmental consent. For instance, in Zambia, the transfer, assignment, encumbrance or other dealings concerning a mining right, or an interest in a mining right, requires ministerial consent. The Company does not believe the Rights Issue, and the increased

shareholding of either Underwriter that results from the Rights Issue, is a transaction that requires ministerial consent. However, there can be no guarantee that governmental and regulatory authorities reach the same conclusions.

**5.12 *Fluctuations in exchange rates may lead to variability in the capital raised and its reported value***

When shares are issued in GBP or ZAR, the funds received are denominated in those currencies. Fluctuations in the exchange rates between GBP/USD or ZAR/USD may result in variations in the USD equivalent of the amounts received. For instance, a depreciation of GBP relative to USD would result in a lower USD amount received. As the Group reports in USD, the capital raised from share issues must be translated into USD at the transaction date, and consequently, exchange rate movements may impact the reported value of the capital raised. The Company may consider using hedging strategies or setting exchange rate target for capital transactions.

**5.13 *The Company's largest shareholder could trigger a potential mandatory offer***

The Company's largest shareholder, AIH, currently holds under 30% of the voting rights in the Company. However, AIH may end up holding over 30% following completion of the Rights Issue. Under Rule 9 of the Takeover Code, if AIH, either alone or in concert with others, acquires additional shares that increase their percentage of voting rights beyond the 30% threshold or, in the situation where they hold over 30% following completion of the Rights Issue and their percentage of voting rights increases further, in the absence of obtaining any waiver to make a general offer to shareholders of the Company pursuant to Rule 9 of the Takeover Code, they would be required to make a mandatory offer to all other shareholders. The prospect of a mandatory offer could create uncertainty in the market, potentially affecting the Company's share price and investor confidence.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Each of the times and dates in the table below is indicative only and may be subject to change. Shareholders should note the footnotes at the bottom of this table.

Publication of the Circular and the declaration information in relation to the Rights Issue	11 April 2025
Record date for Shareholders to receive the Prospectus	15 May 2025
Publication of the finalisation information in relation to the Rights Issue by 11:00 a.m. SAST or as soon as practicable thereafter	19 May 2025
Restrictions on transfers between UK Register and SA Register begin	Close of business on 20 May 2025
Prospectus approved and made available on the Company's website and the FCA's National Storage Mechanism	20 May 2025
In South Africa: Last Day to Trade Existing Shares on the JSE to qualify to participate in the Rights Issue (cum Rights)	22 May 2025
Despatch of Forms of Instruction to Qualifying South African Shareholders who hold their Shares in certificated form	Close of business on 22 May 2025
Existing Shares marked "ex" by the Johannesburg Stock Exchange	9:00 a.m. SAST on 23 May 2025
<b>Listing of Letters of Allocation commence on JSE</b> under Alpha code GMLN and ISIN:GG00BT3PBP61	9:00 a.m. SAST on 23 May 2025
United Kingdom: Record date for entitlement under the Rights Issue for Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders	6.00 p.m. London time on 27 May 2025
South Africa: Record date for entitlements under the Rights Issue for Qualifying South African Shareholders	27 May 2025
Despatch of Provisional Allotment Letters (to Qualifying Non-CREST Shareholders only) <sup>(1)</sup>	28 May 2025
Prospectus printed and posted to all Qualifying Shareholders	28 May 2025
Qualifying South African Shareholders who hold their Shares in uncertificated form will have their accounts at their CSDP or broker automatically credited with their Letters of Allocation	9:00 a.m. SAST on 28 May 2025
Qualifying South African Shareholders who hold their Shares in certificated form will have their Letters of Allocation credited to an account held with the SA Registrar	9:00 a.m. SAST on 28 May 2025
Existing Shares marked "ex" by the London Stock Exchange	8.00 a.m. London time on 29 May 2025
Rights Issue opens	29 May 2025
<b>Admission and dealings in New Shares, nil paid, commence on AIM</b>	<b>29 May 2025</b>



Nil Paid Rights credited to stock accounts in CREST (Qualifying CREST Shareholders only) <sup>(1)</sup>	Post 8.00 a.m. London time on 29 May 2025
United Kingdom: Recommended latest time and date for requesting withdrawal of Nil Paid Rights and Fully Paid Rights from CREST (i.e. if your Nil Paid Rights and Fully Paid Rights are in CREST and you wish to convert them to certificated form)	4.30 p.m. London time on 5 June 2025
United Kingdom: Latest time for depositing renounced Provisional Allotment Letters, nil or fully paid, into CREST or for dematerialising Nil Paid Rights or Fully Paid Rights into a CREST stock account (i.e. if your Nil Paid Rights and Fully Paid Rights are represented by a Provisional Allotment Letter and you wish to convert them to uncertificated form)	3.00 p.m. London time on 6 June 2025
South Africa: In respect of Qualifying South African Shareholders who hold their Shares in certificated form wishing to sell all or part of their Letters of Allocation, latest time and date for submission of Form of Instruction to SA Registrar	9:00 a.m. SAST on 9 June 2025
South Africa: Last day to trade Letters of Allocation on the JSE to settle trades by the closing date of the Rights Issue in order to participate in the Rights Issue	9 June 2025
United Kingdom: Latest time and date for splitting Provisional Allotment Letters, nil or fully paid	3.00 p.m. London time on 10 June 2025
<b>Listing and trading of New Shares on the JSE dealings in New Shares on a deferred settlement basis commence</b>	<b>9:00 a.m. SAST on 10 June 2025</b>
<b>United Kingdom: Latest time and date for acceptance, payment in full and registration or renunciation of Provisional Allotment Letters</b>	<b>11.00 a.m. London time on 12 June 2025</b>
Rights Issue closes	
Record date for Letters of Allocation on the JSE	12 June 2025
Restriction on transfers between UK Register and SA Register ends	Close of business on 12 June 2025
CSDP/broker accounts credited with New Shares and debited with payments due in respect of New Shares in uncertificated form	13 June 2025
United Kingdom and South Africa: Results of the Rights Issue announced <sup>(2)</sup>	13 June 2025
<b>Listing and trading of New Shares on AIM</b>	<b>8.00 a.m. London time on 13 June 2025</b>
<b>United Kingdom: New Shares credited to CREST stock accounts as soon as possible after</b>	<b>8.00 a.m. London time on 13 June 2025</b>
Expected despatch of definitive share certificates or share statements for the New Shares in certificated form	Within ten Business Days of AIM Admission

- (1) The Rights Issue is subject to certain restrictions relating to Shareholders with registered addresses in the Excluded Territories, details of which are set out in Section 2 of Part II "*Information in relation to the Rights Issue*" of this Document.
- (2) The results of the Rights Issue will be announced by way of a simultaneous RIS and SENS announcement on 13 June 2025.
- (3) The times and dates set out in the expected timetable of principal events above and mentioned throughout this Document may be adjusted by Gemfields in consultation with Panmure Liberum, in which event details of the new times and dates will be notified to the London Stock Exchange and, where appropriate, Qualifying Shareholders by way of a simultaneous RIS and SENS announcement.
- (4) Unless stated otherwise, references to times in this timetable are to London time or South Africa Standard Time (SAST), as specified therein.
- (5) The Rights Issue will open two days post the record date to allow for distribution of this Prospectus, as is customary in the United Kingdom.
- (6) No excess applications are allowed. Qualifying Shareholders will not have the right to apply for any excess New Shares not taken up by other Qualifying Shareholders. Any New Shares not taken up by Qualifying Shareholders pursuant to the Rights Issue shall be subscribed for by the Underwriters pursuant to the terms and subject to the conditions of the Rights Issue and Underwriting Agreement.
- (7) Qualifying South African Shareholders who hold their Shares in uncertificated form are required to inform their CSDP or broker of their instructions in terms of the Rights Issue in the manner and time stipulated in the agreement governing the relationship between the shareholder and their CSDP or broker.
- (8) Qualifying South African Shareholders who hold their Existing Shares in uncertificated form will have their accounts at their CSDP or broker automatically credited with their Letters of Allocation and Qualifying South African Shareholders who hold their Existing Shares in certificated form will have their Letters of Allocation credited to an account with the SA Registrar and will be sent a Form of Instruction.
- (9) South African Shareholders may not rematerialise or dematerialise their Existing Shares from 9 June 2025 until 12 June 2025 both days inclusive.
- (10) If you have any queries on the procedure for acceptance and payment, you should contact the South African Shareholder Helpline on 0861 100 634 (from inside South Africa) or +27 11 370 5000 (from outside South Africa). This Shareholder Helpline is available from 8:00 a.m. to 4:00 p.m. (South Africa Standard Time) Monday to Friday (except public holidays). Please note that for legal reasons, the South African Shareholder Helpline is only able to provide information contained in this Document and information relating to Gemfields' register of members and is unable to give advice on the merits of the Rights Issue, or provide legal, financial, tax or investment advice.
- (11) If you have any queries on the procedure for acceptance and payment, you should contact the UK Shareholder Helpline on 0370 707 4040 (from inside the United Kingdom) or +44 370 707 4040 (from outside the United Kingdom). This Shareholder Helpline is available from 8:30 a.m. to 5:30 p.m. (London time) Monday to Friday (except bank holidays). Calls to the UK Shareholder Helpline from outside the United Kingdom will be charged at the applicable rates. Please note that for legal reasons, the UK Shareholder Helpline is only able to provide information contained in this Document and information relating to Gemfields' register of members and is unable to give advice on the merits of the Rights Issue, or provide legal, financial, tax or investment advice.

## RIGHTS ISSUE STATISTICS

Basis of Rights Issue	10 New Shares for every 21 Existing Shares
Price per New Share <sup>(3)</sup>	4.22 pence or ZAR1.06860
Discount to the theoretical ex-Rights price based on the closing price of 5.75 pence per Share on 10 April 2025, being the last Business Day prior to the publication of the Circular	19.7%
Discount to the theoretical ex-Rights price based on the closing price of ZAR1.50000 per Share on 10 April 2025, being the last Business Day prior to the publication of the Circular	21.5%
Number of Shares in issue at the date of this Document <sup>(1)(2)</sup>	1,168,027,130
Number of New Shares to be issued by Gemfields pursuant to the Rights Issue	556,203,396
Number of Shares in issue immediately following completion of the Rights Issue <sup>(1)(2)</sup>	1,724,230,526
New Shares as a percentage of enlarged issued share capital of Gemfields immediately following completion of the Rights Issue <sup>(1)(2)</sup>	32.3%
Gross proceeds of the Rights Issue	USD30,000,000
Estimated fees and expenses of the Rights Issue <sup>(3)</sup>	USD3,075,736
Estimated net proceeds receivable by Gemfields after expenses <sup>(3)</sup>	USD26,924,264

(1) No Shares are held in treasury.

(2) On the basis that no further Shares are issued as a result of the exercise of any options or vesting of awards under any Employee Share Schemes between the date of this Document and the completion of the Rights Issue.

(3) Based on the following spot exchange rates as at the close of business on 10 April 2025, being the last Business Day prior to the date of the publication of the Circular sourced from Bloomberg: USD1.00 = GBP0.7726, GBP1.00 = ZAR25.32117.

## IMPORTANT INFORMATION

### Financial Information

This Document incorporates by reference:

- from the Company's Annual Report and Accounts for the year ended 31 December 2024, the audited consolidated financial statements of the Group as at and for the year ended 31 December 2024 and the related auditor's report of Ernst & Young LLP ("EY") (the "**2024 Financial Statements**");
- from the Company's Annual Report and Accounts for the year ended 31 December 2023, the audited consolidated financial statements of the Group as at and for the year ended 31 December 2023 and the related auditor's report of EY (the "**2023 Financial Statements**"); and
- from the Company's Annual Report and Accounts for the year ended 31 December 2022, the audited consolidated financial statements of the Group as at and for the year ended 31 December 2022 and the related auditor's report of EY (the "**2022 Financial Statements**" and, together with the 2023 Financial Statements and the 2024 Financial Statements, the "**Financial Statements**").

The documents incorporated by reference herein are important and should be reviewed along with this Document. Copies of the documents incorporated by reference will be available for inspection in accordance with paragraph 20 of Part V "*Additional Information*".

Any statement contained in this Document which is incorporated by reference shall be deemed to be modified or superseded for the purpose of this Document to the extent that a statement contained herein (or in a later document which is incorporated by reference herein) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute part of this Document.

In this Document, references to "financial information" in relation to Gemfields and/or the Group are to the information which has been extracted without material adjustment from the Financial Statements or from the Group's accounting records which have been used to prepare that financial information.

Unless otherwise indicated, financial information for the Group in this Document has been prepared in accordance with International Financial Reporting Standards ("**IFRS**") and is presented in US dollars. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in the Group's applicable Financial Statements.

Shareholders and prospective investors should ensure that they read the whole of this Document and the documents incorporated by reference herein and should not rely solely on key information or information summarised within it.

In addition, and unless stated otherwise, all trading information included in this Document not extracted from the documents incorporated by reference is derived from the unaudited management accounts or internal financial reporting systems supporting the preparation of financial statements for the relevant periods. These management accounts and internal financial reporting systems are prepared using information derived from accounting records used in the preparation of the Group's financial statements, but may also include certain other management assumptions and analyses.

None of the financial information included or incorporated by reference herein was prepared in accordance with generally accepted accounting principles in the United States ("**US GAAP**") or audited in accordance with auditing standards generally accepted in the United States ("**US GAAS**") or auditing standards of the Public Company Accounting Oversight Board (United States) ("**PCAOB Standards**"). No opinion or any other assurance with regard to any financial information was expressed under US GAAP, US GAAS or PCAOB Standards.

Certain numerical figures set out in this Document, including financial data presented in millions or thousands, have been subject to rounding adjustments and, as a result, the totals of the data in this Document may vary slightly from the actual arithmetic totals of such information.

The financial information included in this Document is not intended to comply with the applicable accounting requirements of the US Securities Act and the related rules and regulations of the SEC which would apply if the New Shares were being registered with the SEC.

### **Sourcing of information**

Certain information in this Document has been sourced from third parties. Save as set out below, where information in this Document has been sourced from third parties, the source of such information has been clearly stated adjacent to the reproduced information.

All information contained in this Document which has been sourced from third parties has been accurately reproduced and, as far as Gemfields is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Unless otherwise indicated, all sources for industry data and statistics are estimates or forecasts contained in or derived from internal or industry sources that the Directors believe to be reliable. Market data used throughout this Document was obtained from independent experts, independent industry publications and other publicly available information. Although the Directors believe that these sources are reliable, it has not independently verified and does not guarantee the accuracy and completeness of this information.

Market data and statistics are inherently unpredictable and speculative and are not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market. In addition, the value of comparisons of statistics for different markets is limited by many factors, including that (i) the markets are defined differently, (ii) the underlying information was gathered by different methods and (iii) different assumptions were applied in compiling the data. Accordingly, the market statistics included in this Document should be viewed with caution and no representation or warranty is given by any person as to their accuracy.

Data relating to currency exchange rates on 10 April 2025, being the latest Business Day prior to the publication of the Circular, and on the last Business Day prior to the date of this Document has been sourced from Bloomberg.

### **No incorporation of website information**

The Group's website is [www.gemfieldsgroup.com](http://www.gemfieldsgroup.com) and this Document is available on that website. The information on that website, any website mentioned in this Document, or any website directly or indirectly linked to these websites, has not been verified and does not form part of this Document and Shareholders and prospective investors should not rely on it, other than the information incorporated by reference into this Document, which will be made available on the Group's website.

### **Currencies and exchange rates**

In this Document, references to "**sterling**" or "**£**" or "**GBP**" or "**pence**" are to the currency of the United Kingdom, references to "**Rand**" or "**ZAR**" or "**R**" are to the currency of South Africa, references to "**US dollar(s)**" or "**dollar(s)**" or "**USD**" or "**\$**" or "**US cents**" are to the currency of the United States.

In this Document, certain information relating to the anticipated proceeds of the Rights Issue is stated in US dollars. Such information takes into account the amounts anticipated to be raised in pounds sterling and ZAR pursuant to the Rights Issue converted into US dollars at the following rates, being the spot exchange rate at the close of business on 10 April 2025, being the last Business Day prior to the date of the Circular, derived from Bloomberg:

GBP0.7726 to USD1.00; and  
ZAR25.32117 to £1.00.

The Group plans to exchange a substantial proportion of the pounds sterling and Rand proceeds of the Rights Issue into US dollars and has entered into and may in the future enter into appropriate arrangements in this respect. There can be no guarantee that such arrangements, if and when entered into, will result in the Group receiving, in US dollar terms, proceeds of the same amount as is stated in this Document.

### **Forward-looking statements**

This Document includes forward-looking statements within the meaning of the securities laws of certain applicable jurisdictions. These forward-looking statements include, but are not limited to, statements other than statements of historical facts contained in this Document, including, without limitation, those regarding the Group's intentions, beliefs or current expectations concerning, amongst other things, the Group's future financial condition and performance, results of operations, financial resources and liquidity; the Group's strategy, plans, objectives, prospects, growth, goals and targets; future developments in the industry and markets in which the Group participates or is seeking to participate; and anticipated regulatory changes in the industry and markets in which the Group operates. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "forecast", "guidance", "intend", "may", "plan", "project", "should" or "will" or, in each case, their negative, or other variations or comparable terminology.

By their nature, forward-looking statements are subject to known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. Shareholders and prospective investors are cautioned that forward-looking statements are not guarantees of future performance and that the Group's actual financial condition, results of operations, cash flows and distributions to shareholders and the development of its financing strategies, and the development of the industry in which the Group operates, may differ materially from the impression created by the forward-looking statements contained in this Document. In addition, even if the Group's financial condition, results of operations, cash flows and distributions to shareholders and the development of its financing strategies, and the development of the industry in which the Group operates, are consistent with the forward-looking statements contained in this Document, those results or developments may not be indicative of results or developments in subsequent periods. Important risks, uncertainties and other factors that could cause these differences include, but are not limited to, those relating to:

- adverse changes in the markets for and pricing of the Group's products;
- currency exchange rate fluctuations;
- increasing costs and declining productivity;
- changes in mining, environmental, tax and other laws and regulations and the impact of current South African laws concerning areas such as exchange control restrictions;
- the impact on the Group's business of inflation and other macroeconomic conditions;
- the capital intensive nature of the mining business and the Group's ability to fund further exploration and new business plans;
- insufficient insurance coverage;
- adverse changes in social, legal, economic or political conditions in South Africa or neighbouring countries or the effect of governmental efforts to address present or future economic or social problems;
- competition in the mining industry to recruit and retain workers and senior management;
- environmental laws, regulations and rehabilitation obligations;
- risks related to the New Shares and the Rights Issue.

Forward-looking statements should, therefore, be construed in light of the foregoing risk factors and the other factors identified in the part of this Document entitled “*Risk Factors*”. Undue reliance should not be placed on these forward-looking statements. These forward-looking statements are made as at the date of this Document and are not intended to give any assurance as to future results. The Company will update this Document as required by applicable law, including the AIM Rules, Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the Companies Law and/or the JSE Listings Requirements, but otherwise expressly disclaims any obligation or undertaking to update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

You are advised to read this Document and the information incorporated by reference into this Document in their entirety, and, in particular, the “*Summary*” section, the part of this Document entitled “*Risk Factors*” included or incorporated by reference into this Document for a further discussion of the factors that could affect the Group’s future performance and the industries and markets in which it operates. In light of these risk, uncertainties and assumptions, the events described in the forward-looking statements in this Document and/or the information incorporated by reference into this Document may or may not occur. Shareholders and prospective investors should note that the contents of these paragraphs relating to forward-looking statements are not intended to qualify the statements made as to sufficiency of working capital and have not been reviewed nor reported on by the external auditor.

### **No forecasts or estimates**

Nothing in this Document is intended as a profit forecast or estimate for any period and no statement in this document should be interpreted to mean that earnings or earnings per share or dividend per share for the Company for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share or dividend per share for the Company.

### **Own investigation**

In considering whether to participate in the Rights Issue, Shareholders must rely on their own examination, analysis and enquiry of Gemfields and the terms of the Rights Issue, including the merits and risks involved. Neither of Gemfields nor Panmure Liberum nor any of their respective affiliates (nor any of their respective directors, officers, employees or agents), is making any representation to any Shareholder or prospective investor regarding the legality or advisability of an investment in the securities of Gemfields or related or other securities or instruments (including, but not limited to, Nil Paid Rights, Fully Paid Rights, Provisional Allotment Letters, Forms of Instruction, Letters of Allocation and/or New Shares) under the laws applicable to such Shareholder or prospective investor. The contents of this Document are not to be construed as legal, business, tax or financial advice. Each Shareholder or prospective investor should consult with his or her own advisers as to legal, tax, business, financial and related aspects of participation in the Rights Issue.

Any decision in connection with the Rights Issue should be made solely on the basis of the information contained in this Document. Without limitation to the foregoing, reliance should not be placed on any information in any announcements released by Gemfields prior to the date hereof, except to the extent that such information is repeated or incorporated by reference into this Document and not superseded or revised.

Apart from the responsibilities and liabilities, if any, which may be imposed on it or them under FSMA or the regulatory regime established thereunder, or by JSE, as applicable: (i) neither Panmure Liberum nor any of its affiliates (nor any of their respective directors, officers, employees or agents) accepts any responsibility whatsoever and makes no representation or warranty, express or implied, in relation to the content of this Document, including its accuracy, completeness or verification or in relation to any other statement made or purported to be made by it, or on its behalf, in connection with Gemfields, the Nil Paid Rights, the Letters of Allocation, the Fully Paid Rights, the New Shares or the Rights Issue and nothing in this Document is or shall be relied upon as a promise or representation in this respect, whether as to the past or future; and (ii) Panmure Liberum accordingly disclaims, to the fullest extent permitted by law, all and any liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above) which it (and any of its affiliates (including their respective directors, officers, employees or agents)), might otherwise have in respect of this Document or any such statement.

Neither Panmure Liberum nor any of its affiliates (nor any of their respective directors, officers, employees or agents), nor any person acting on behalf of any of them, accepts any responsibility or obligation to update, review or revise the information in this Document or to publish or distribute any information which comes to its or their attention after the date of this Document, and the distribution of this Document shall not constitute a representation by Panmure Liberum, or any such person, that this Document will be updated, reviewed or revised or that any such information will be published or distributed after the date hereof.

Recipients of this Document acknowledge that: (i) they have not relied on Panmure Liberum or any person affiliated with it (nor any of their respective directors, officers, employees or agents), in connection with any investigation of the accuracy of any information contained in or incorporated by reference into this Document or their investment decision; and (ii) they have relied only on the information contained in or incorporated by reference into this Document, and that no person has been authorised to give any information or to make any representation concerning any member of the Group or the New Shares (other than as contained in or incorporated by reference into this Document) and, if given or made, any such other information or representation should not be relied upon as having been authorised by Gemfields, Panmure Liberum or any other person. None of the above take any responsibility for, or can provide assurance as to the reliability of, other information that you may be given.

Subject to the requirements of the Prospectus Regulation Rules, neither the delivery of this Document nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Gemfields since the date of this Document or that the information in or incorporated by reference into this Document is correct as of any time subsequent to the date hereof.

#### **Notice to Shareholders and prospective investors in South Africa**

The Rights Issue is a rights offer as contemplated in Section 96(1)(d) of the South African Companies Act and accordingly will not constitute an “offer to the public”, as envisaged in Chapter 4 of the South African Companies Act nor does it intend to constitute a “registered prospectus”, as contemplated in Chapter 4 of the South African Companies Act. As a result this Document does not comply with the substance and form requirements for a prospectus set out in the South African Companies Act, nor has it been filed, or been approved by, and/or registered with, the South African Companies Intellectual Property Commission. This Document is a circular as defined in the JSE Listings Requirements. Accordingly, a copy of this Document in English has been submitted to and approved by JSE in accordance with paragraph 16.3 of the JSE Listings Requirements. This Document has also been submitted to the Financial Surveillance Department of the SARB as part of the exchange control approval process, but not separately approved by SARB. Copies of this Document are also available from the SA Registrar in English at the address indicated in Part VII “*Definitions*” of this Document. If any person who is not a Qualifying Shareholder receives this Document, they are not, and will not be, entitled to acquire any New Shares or Letters of Allocation in respect of the Rights Issue.

#### **Notice to Shareholders, including those in the United States of America**

None of the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters, the Letters of Allocation, the Forms of Instruction or the New Shares have been or will be registered under the US Securities Act, or under the securities laws of any State or other jurisdiction of the United States, and may not be offered for subscription or purchase, taken up, sold, exercised, resold, pledged, delivered, renounced or transferred, directly or indirectly in or into the United States. There will be no offer of the Nil Paid Rights, the Fully Paid Rights, the Letters of Allocation or the New Shares in the United States.

None of this Document nor the Provisional Allotment Letters nor the Forms of Instruction nor the Letters of Allocation constitute or form part of, or will constitute or form part of, any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, Nil Paid Rights, Fully Paid Rights and/or New Shares to any person in, or with a registered address in, or who is resident in, the United States. If you are in the United States, you may not exercise your Nil Paid Rights or Fully Paid Rights and/or acquire any New Shares offered hereby.

Any envelope containing a Provisional Allotment Letter or Form of Instruction and post-marked from the United States will not be valid. The payment paid in respect of the Provisional Allotment Letters or Forms of Instruction that does not meet the foregoing criteria will be returned without interest.



Any person in the United States who obtains a copy of this Document, a Provisional Allotment Letter, Letters of Allocation or a Form of Instruction is required to disregard it.

#### **Notice to Shareholders and prospective investors in the European Economic Area**

In relation to each Member State of the European Economic Area (each a “**Relevant State**”), no New Shares, Nil Paid Rights, Fully Paid Rights or Letters of Allocation have been offered or will be offered pursuant to the Rights Issue to the public in that Relevant State prior to the publication of a prospectus in relation to the New Shares, Nil Paid Rights, Fully Paid Rights and Letters of Allocation which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in the Relevant State, all in accordance with the EU Prospectus Regulation, except that, offers of New Shares, Nil Paid Rights, Fully Paid Rights or Letters of Allocation may be made to the public in that Relevant State:

- (a) to any legal entity which is a qualified investor (as defined under Article 2(e) of the EU Prospectus Regulation) in such Relevant State;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Article 2(e) of the EU Prospectus Regulation) in such Relevant State; or
- (c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of New Shares, Nil Paid Rights, Fully Paid Rights or Letters of Allocation shall result in a requirement for the publication by Gemfields of a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For this purpose, the expression “an offer of any New Shares, Nil Paid Rights, Fully Paid Rights or Letters of Allocation to the public” in relation to any New Shares, Nil Paid Rights, Fully Paid Rights or Letters of Allocation in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the Rights Issue and any New Shares, Nil Paid Rights, Fully Paid Rights and Letters of Allocation to be offered so as to enable an investor to decide to acquire any New Shares, Nil Paid Rights, Fully Paid Rights or Letters of Allocation.

In the case of any New Shares, Nil Paid Rights, Fully Paid Rights or Letters of Allocation being offered to a financial intermediary as that term is used in Article 5(1) of the EU Prospectus Regulation, such financial intermediary will also be deemed to have represented, warranted and agreed that it is a “qualified investor” within the meaning of Article 2(e) of the EU Prospectus Regulation and (a) the New Shares, the Nil Paid Rights, the Fully Paid Rights or Letters of Allocation acquired by it have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant State other than qualified investors, or in circumstances in which the prior consent of Panmure Liberum has been obtained to each such proposed offer or resale; or (b) where New Shares, or Nil Paid Rights or Fully Paid Rights or Letters of Allocation have been acquired by it on behalf of persons in any Relevant State other than qualified investors, the offer of those New Shares, Nil Paid Rights, Fully Paid Rights or Letters of Allocation to it is not treated under the EU Prospectus Regulation as having been made to such persons. The Company and Panmure Liberum and each of their respective affiliates and others will rely upon the truth and accuracy of the foregoing representation, acknowledgements and agreement.

#### **Notice to Shareholders and prospective investors in Canada**

Neither the New Shares, Nil Paid Rights, the Fully Paid Rights nor the Letters of Allocation have been or will be qualified by prospectus for offer or sale to the public in Canada under applicable Canadian securities laws and, accordingly, no offer or sale of New Shares, Nil Paid Rights, Fully Paid Rights or the Letters of Allocation will be made in Canada and no Provisional Allotment Letters or Forms of Instruction will be sent to any Shareholder in or with a registered address in Canada, nor will any Nil Paid Rights be credited to a stock account in CREST on behalf of any Shareholder with a registered address in Canada.

The crediting of Letters of Allocation to a CSDP or broker account in State of a Qualifying South African Shareholder who holds Shares in uncertificated form with a registered address in Canada will not constitute an offer and no such Qualifying South African Shareholder who holds Shares in uncertificated form with a registered address in Canada, receiving a credit of Letters of Allocation to a CSDP or broker

account in Strate may treat the same as constituting an invitation or offer to him nor should he in any event use or deal with any Letters of Allocation credited to him in Strate unless such an invitation or offer could lawfully be made to and accepted by him or the Letters of Allocation could lawfully be used or dealt with without contravention of any registration or other legal requirements. In such circumstances, this Document, and the formal credit of the Letters of Allocation must be treated as sent (or made available) for information only, should not be copied or redistributed and such Qualifying South African Shareholder should take independent professional advice in relation thereto.

#### **Notice to Shareholders and prospective investors in Japan**

The New Shares, the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters, the Forms of Instruction and the Letters of Allocation have not been and will not be registered under the Financial Instruments and Exchange Law of Japan, as amended (the “FIEL”). This Document is not an offer of securities for sale and the New Shares, the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters, the Forms of Instruction and the Letters of Allocation may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan, except pursuant to an exemption from the registration requirements under the FIEL and otherwise in compliance with such law and any other applicable laws, regulations and ministerial guidelines in Japan. Therefore the Rights Issue will not be made within Japan and Provisional Allotment Letters or Forms of Instruction will not be sent to any Shareholder in or with a registered address in Japan, nor will any Nil Paid Rights be credited to a stock account in CREST on behalf of any Shareholder with a registered address. As used in this paragraph, the term “resident of Japan” means any natural person having his place of domicile or residence in Japan, or any corporation or other entity organised under the laws of Japan or having its main office in Japan.

The crediting of Letters of Allocation to a CSDP or broker account in Strate of a Qualifying South African Shareholder who holds Shares in uncertificated form with a registered address in Japan will not constitute an offer and no such Qualifying South African Shareholder who holds Shares in uncertificated form with a registered address in Japan, receiving a credit of Letters of Allocation to a CSDP or broker account in Strate may treat the same as constituting an invitation or offer to him nor should he in any event use or deal with any Letters of Allocation credited to him in Strate unless such an invitation or offer could lawfully be made to and accepted by him or the Letters of Allocation could lawfully be used or dealt with without contravention of any registration or other legal requirements. In such circumstances, this Document, and the formal credit of the Letters of Allocation must be treated as sent (or made available) for information only, should not be copied or redistributed and such Qualifying South African Shareholder should take independent professional advice in relation thereto.

#### **Notice to Shareholders and prospective investors in Australia**

Due to restrictions under the securities laws of Australia, no copies of this Document and no Provisional Allotment Letters or Forms of Instruction will be sent to, and no Nil Paid Rights will be credited to a stock account in CREST of, Qualifying Shareholders with registered addresses in Australia (and no Letters of Allocation will be credited to a CSDP or broker account in Strate of such Qualifying Shareholders), and the Nil Paid Rights, the Fully Paid Rights, the Letters of Allocation and the New Shares may not be offered, sold, taken up, exercised, resold, pledged, renounced, transferred or delivered, directly or indirectly, in Australia. Accordingly, no offer of Nil Paid Rights, Fully Paid Rights, Letters of Allocation or New Shares is being made by way of this Document, any Provisional Allotment Letter or any Form of Instruction to Shareholders with registered addresses in, or who are resident or located in, or citizens of, Australia.

The crediting of Letters of Allocation to a CSDP or broker account in Strate of a Qualifying South African Shareholder who holds Shares in uncertificated form with a registered address in Australia will not constitute an offer and no such Qualifying South African Shareholder may treat the same as constituting an invitation or offer to him nor should he in any event use or deal with any Letters of Allocation credited to him in Strate unless such an invitation or offer could lawfully be made to and accepted by him or the Letters of Allocation could lawfully be used or dealt with without contravention of any registration or other legal requirements. In such circumstances, this Document, and the formal credit of the Letters of Allocation must be treated as sent (or made available) for information only, should not be copied or redistributed and such Qualifying South African Shareholder should take independent professional advice in relation thereto.

For the purposes of this notice to Shareholders and prospective investors in Australia, Australia means the Commonwealth of Australia, its territories and possessions.

### **Notice to Shareholders and potential investors in Guernsey**

This Document and the information contained in it has not been approved or authorised by the Guernsey Financial Services Commission or the States of Guernsey nor has it been registered with, or delivered to, the Guernsey Financial Services Commission pursuant to the Prospectus Rules and Guidance, 2021 issued under the POI Law and therefore this Document may not be circulated by way of public offer in the Bailiwick of Guernsey.

To the extent that the offering of the New Shares amounts to an offer to the public, this Document may only be distributed or circulated directly or indirectly in or from within the Bailiwick of Guernsey (a) by persons licensed to do so by the Guernsey Financial Services Commission under the POI Law or (b) to persons licensed under the POI Law; the Banking Supervision (Bailiwick of Guernsey) Law, 2020, as amended; the Insurance Business (Bailiwick of Guernsey) Law, 2002, as amended; the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002, as amended; the Regulation of Fiduciaries, Administration Businesses and Company Directors etc. (Bailiwick of Guernsey) Law, 2020, as amended or the Lending, Credit and Finance (Bailiwick of Guernsey) Law, 2022, as amended.

### **Notice to nominees, custodians and financial intermediaries**

In the case of any New Shares, Nil Paid Rights, Fully Paid Rights or Letters of Allocation being offered to a financial intermediary as that term is used in the Prospectus Regulation, such financial intermediary will be deemed to have represented, acknowledged and agreed that (i) it is a “qualified investor” within the meaning of Article 2(e) of the Prospectus Regulation and (ii) the New Shares, Nil Paid Rights, Fully Paid Rights and/or Letters of Allocation acquired by it in the Rights Issue have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any New Shares, Nil Paid Rights, Fully Paid Rights or Letters of Allocation to the public other than their offer or resale in a Relevant State to qualified investors as so defined or in circumstances in which the prior consent of Gemfields and Panmure Liberum has been obtained to each such proposed offer or resale. Each of Gemfields and Panmure Liberum and their respective affiliates, and others, will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement. Notwithstanding the above, a person who is not a qualified investor as so defined and who has notified Gemfields and Panmure Liberum in writing of such fact, may, with the consent of Gemfields and Panmure Liberum be permitted to acquire or purchase New Shares, Nil Paid Rights, Fully Paid Rights or Letters of Allocation in the Rights Issue.

Any person, including nominees, custodians and other financial intermediaries who would, or otherwise intends to, or has a contractual or legal obligation to, forward this Document or any information relating to the Rights Issue to any jurisdiction outside of the United Kingdom or South Africa should adhere to the restrictions set out below and in paragraph 9 of Section 2 of Part II “*Information in relation to the Rights Issue*”. In connection with any subscriptions of the New Shares or any sales or purchases of the Nil Paid Rights, Fully Paid Rights or Letters of Allocation, nominees, custodians and financial intermediaries will be deemed to have represented and warranted that they have complied with the terms of the Rights Issue.

### **Defined terms**

Certain terms used in this Document, including capitalised terms and certain technical and other terms, are defined and explained in Part VII “*Definitions*” of this Document.

### **WHERE TO FIND HELP**

Section 1 of Part II “*Information in relation to the Rights Issue*” of this Document answers some of the questions most often asked by shareholders about rights issues. If you have further questions, please telephone the appropriate Shareholder Helpline on the numbers set out below. The UK Shareholder Helpline is available from 8:30 a.m. to 5:30 p.m. (London time) Monday to Friday (except bank and other public holidays) and will remain open until 27 June 2025. The South African Shareholder Helpline is available from 08:00 a.m. to 4:00 p.m. (South Africa Standard Time) Monday to Friday (except public holidays) and will remain open until 27 June 2025.

### **UK Shareholder Helpline**

0370 707 4040 (from inside the United Kingdom)  
or +44 370 707 4040 (from outside the United Kingdom)

### **South African Shareholder Helpline**

0861 100 634 (from inside South Africa)  
or +27 11 370 5000 (from outside South Africa)

*Please note that, for legal reasons, the Shareholder Helplines are only able to provide information contained in this Document and information relating to Gemfields' register of members and are unable to give advice on the merits of the Rights Issue, or provide legal, financial, tax or investment advice.*

Calls to the UK Shareholder Helpline number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes.

Calls to the South African Shareholder Helpline from within South Africa are charged at your service provider's applicable rate for calls to a standard Telkom telephone number. Calls to the South African Shareholder Helpline from outside South Africa are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes.

## DETAILS OF REGISTERED OFFICE AND ADVISERS

### **Directors**

Bruce Cleaver  
Sean Gilbertson  
David Lovett  
Patrick Sacco  
Kieran Daly  
Kwape Mmela  
Mary Reilly  
Simon Scott  
Louis du Preez

*Independent Non-Executive Chair*  
*Chief Executive Officer*  
*Chief Financial Officer*  
*Non-Executive Director*  
*Non-Executive Director*  
*Lead Independent Non-Executive Director*  
*Independent Non-Executive Director*  
*Independent Non-Executive Director*  
*Proposed Non-Executive Director*

all care of:  
PO Box 186  
Royal Chambers  
St. Julian's Avenue  
St. Peter Port  
Guernsey  
GY1 4HP  
Channel Islands

### **Company Secretary**

#### **Toby Hewitt**

BSc (Hons) Geology, Dip. Law, Qualified to Practise  
Law in England & Wales and Victoria, Australia,  
Fellow of Chartered Governance Institute

care of: 1 Cathedral Piazza  
London  
SW1E 5BP  
United Kingdom

### **Registered Address of the Company**

#### **Gemfields Group Limited**

PO Box 186  
Royal Chambers  
St Julian's Avenue  
St. Peter Port  
Guernsey GY1 4HP  
Channel Islands

### **Financial Adviser, AIM Nominated Adviser, Co-ordinator and Corporate Broker**

#### **Panmure Liberum Limited**

Ropemaker Place, Level 12  
25 Ropemaker Street  
London  
EC2Y 9LY  
United Kingdom

### **JSE Sponsor**

#### **Investec Bank Limited**

100 Grayston Drive  
Sandton  
2196  
South Africa

### **Legal advisers to the Company**

#### **DWF Law LLP**

20 Fenchurch Street  
London  
EC3M 3AG  
United Kingdom

**Guernsey Legal Advisers  
to the Company**

**Mourant Ozannes (Guernsey) LLP**

Royal Chambers  
St. Julian's Avenue  
St. Peter Port  
Guernsey  
GY1 4HP  
Channel Islands

**South African Legal Advisers  
to the Company**

**Thomson Wilks Inc**

1st Floor Building 8  
Pebble Beach  
54 Wierda Road West  
Wierda Valley  
Sandton  
South Africa

**Mozambiquan Legal Advisers  
to the Company**

**SAL & Caldeira Advogados, Lda**

Av. Marginal 4985  
ZEN Buildings  
P.O. Box 2830  
Maputo  
Mozambique

**Zambian Legal Advisers  
to the Company**

**Chibesakunda & Co Advocates**

2nd Floor Maanu Center  
Stand No. 4647 Beit Road  
P.O. Box 30279  
Lusaka  
Zambia

**Legal Advisers to the Financial Adviser,  
AIM Nominated Adviser, Co-ordinator  
and Corporate Broker**

**Fieldfisher LLP**

Riverbank House  
2 Swan Lake  
London  
EC4R 3TT  
United Kingdom

**Auditors and Reporting Accountants**

**Ernst & Young LLP**

1 More London Place  
London  
SE1 2AF  
United Kingdom

**Registrars**

**Computershare Investor Services  
(Guernsey) Limited**

2nd Floor, Lefebvre Place  
Lefebvre Street  
St Peter Port  
Guernsey  
GY1 2JP

**Computershare Investor Services (Pty) Limited**

Rosebank Towers  
15 Biermann Avenue  
Rosebank, 2196  
South Africa

## PART I – LETTER FROM THE CHAIRMAN OF GEMFIELDS

### *Directors*

Bruce Cleaver (*Independent Non-Executive Chair*)  
Sean Gilbertson (*Chief Executive Officer*)  
David Lovett (*Chief Financial Officer*)  
Patrick Sacco (*Non-Executive Director*)  
Kieran Daly (*Non-Executive Director*)  
Kwape Mmela (*Lead Independent Non-Executive Director*)  
Mary Reilly (*Independent Non-Executive Director*)  
Simon Scott (*Independent Non-Executive Director*)  
Louis du Preez (*Proposed Non-Executive Director*)

**Gemfields Group Limited**  
PO Box 186  
Royal Chamber  
St Julian's Avenue  
St. Peter Port  
Guernsey GY1 4HP

20 May 2025

*To holders of Existing Shares and for information purposes to the holders of options over Shares*

Dear Shareholder,

### **Rights Issue of 10 New Shares for every 21 Existing Shares at 4.22 pence or ZAR1.06860 per New Share**

#### **1. Introduction**

Gemfields Group Limited ("**Gemfields**" or the "**Company**") announced on 11 April 2025 that it was sending a Circular to Shareholders in order to convene a General Meeting at which the Company requested shareholder approval to, amongst other things, issue 556,203,396 New Shares to raise approximately USD30 million by way of a Rights Issue.

The General Meeting took place on 19 May 2025, with the required approvals received from Shareholders. The full details of the Resolutions that were put to Shareholders can be found in the Circular.

The proposed Rights Issue is being undertaken to address a near-term working capital shortfall as a result of the cumulative impact of a number of challenges the Company encountered in the second half of 2024 and the first quarter of 2025, all of which are considered by the existing Directors to be transient in nature, coinciding with a period of significant planned investment. As set out in an announcement dated 23 December 2024, the Company is carrying out a widespread and ongoing cost saving programme to reduce the cost base of the business. In combination with the Rights Issue, these initiatives are intended to secure the near-term future of Gemfields, ahead of the commissioning of a second ruby processing plant at MRM ("PP2"). Once fully operational, PP2 is expected to triple the processing capacity and significantly increase the mine's ruby production, leading to a material increase in product available for sale and, therefore, the opportunity to generate additional revenue.

The Company also announced on 23 December 2024 that it was assessing strategic options in respect of Fabergé, the iconic luxury-brand owned by the Group. Since the date of that announcement and up to the announcement of the proposed Rights Issue on 11 April 2025, the Company had engaged with a number of parties who had expressed an interest in the Fabergé business, and had received a number of non-binding offers. Due to the Company's requirement for external funding in the short-term, the Board did not believe that the non-binding offers were deliverable within the timeframe required to meet the Group's funding needs, and therefore sought shareholder approval for the Rights Issue as announced on 11 April 2025. Due to the Rights Issue the assessment of strategic options for Fabergé has been paused and will only recommence following its completion.

**As a result, the Board is of the view that the Rights Issue is in the best interests of the Company and its shareholders as a whole at this time in order to meet the funding needs of the Group.**

The Board does not expect the completion of the Rights Issue to impact negatively on the Company's current interests, strategic plans and/or operations nor have any repercussions on employment and/or the locations of the Group's places of business.

**This Document should be read in its entirety and you should not rely solely on the information in this Part I.**

The Rights Issue will involve the issue of 556,203,396 New Shares, representing approximately 47.6 per cent. of Gemfields' share capital in issue as at the Latest Practicable Date.

The UK Issue Price of 4.22 pence per New Share represents:

- a 19.7 per cent. discount to the theoretical ex-Rights price based on the closing price of 5.75 pence per Share; and
- a 35.0 per cent. discount to the 30-day volume weighted average price per share of 6.50 per Share,

in each case on 10 April 2025, being the last Business Day before the publication of the Circular.

The SA Issue Price of ZAR1.06860 per New Share represents:

- a 21.5 per cent. discount to the theoretical ex-Rights price based on the closing price of ZAR1.50000 per Share; and
- a 28.8 per cent. discount to the 30-day volume weighted average price per share of 1.50049 per Share,

in each case on 10 April 2025, being the last Business Day before the publication of the Circular.

In order to provide certainty of funding to the Company the Rights Issue is being underwritten by the Underwriters, (1) Assore International Holdings Limited ("**AIH**"); and (2) Rational Expectations (Pty) Ltd ("**Rational**"), in accordance with the terms of the Rights Issue and Underwriting Agreement. Accordingly, AIH, which currently holds approximately 29.14 per cent of the issued share capital of Gemfields, and Rational, which, together with the parties it represents as set out in more detail in paragraph 16 of Part II "*Information in relation to the Rights Issue*", currently holds approximately 15.49 per cent. of the issued share capital of Gemfields, in each case at the Latest Practicable Date, have undertaken to take up their respective entitlements in full in the Rights Issue and to collectively underwrite, in the Agreed Proportions, the entirety of the Rights Issue in excess of their respective entitlements. The Rights Issue is being underwritten by the Underwriters such that the Rights Issue shall result in gross proceeds of approximately USD30 million being raised.

The Committed Shareholders, including the Underwriters, have given irrevocable undertakings to take up the Committed New Shares (being, in aggregate, 299,572,845 New Shares). Further details of the irrevocable undertakings are set out at paragraph 12 of Part I of this Document.

In addition, each Underwriter had each entered into an individual Pre-Funding Agreement with the Company on 11 April 2025 pursuant to which: (1) AIH made a loan in the amount of USD8,742,000 available to the Company; and (2) Rational made a loan in the amount of USD4,646,000 available to the Company (each being a "**Loan**"). The Company has drawn down the Loans from AIH and Rational in full. This provided the Company with an immediate working capital injection pending the completion of the Rights Issue. Each Loan is acting as an advance payment by the relevant Underwriter for its Rights under the Rights Issue and repayment of each such Loan shall be set off against the amount otherwise owed by the relevant Underwriter to the Company for its Rights and the Underwritten Shares it has committed to subscribe for under the terms of the Rights Issue and the Rights Issue and Underwriting Agreement. Further details of each Pre-Funding Agreement are set out in paragraph 9 of Part V "*Additional Information*" of this Document.

In the event that no Qualifying Shareholders (save for the Underwriters and the Committed Shareholders) take up their Rights, AIH would be required to subscribe for, in aggregate, 329,659,331 New Shares, representing approximately 19.1 per cent. of the voting rights of the Company's issued share capital immediately following the Rights Issue. This would mean that AIH (when taking into account the existing 340,367,121 Shares it holds as at the Latest Practicable Date), together with any persons acting in concert with AIH, would have a maximum shareholding of 670,026,452 Shares, representing 38.9 per cent. of the issued share capital of the Company following completion of the Rights Issue. The maximum



shareholding of Rational, together with the parties it represents as set out in more detail in paragraph 5 of Part V “*Additional Information*”, in such circumstances would be 356,088,477 Shares, representing 20.7 per cent. of the issued share capital of the Company following completion of the Rights Issue.

The Directors believe that the receipt of proceeds from the Rights Issue will strengthen the Group's financial position.

## **2. The Group's business**

Gemfields is a world-leading responsible miner and marketer of coloured gemstones. Gemfields is the operator and 75 per cent. 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 licences 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 through Fabergé's designs, advancing the Group's “mine and market” vision.

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

The Company is incorporated in Guernsey and has a primary listing on the General Segment of the JSE Main Board and is quoted on AIM in London (as a secondary listing), with a market capitalisation at the Latest Practicable Date of circa USD65.59 million. Shareholders who hold at least 3% of the Shares include:

1. Assore International Holdings Limited (29.14%);
2. Rational Expectations (Pty) Limited (15.49%);
3. Oasis Group Holdings (Pty) Limited (7.74%);
4. Ophorst Van Marwijk Kooy Verogensbeheer N.v. (6.93%);
5. FIL Limited (5.95%);
6. Van Lanschot N.V (5.20%);
7. Sean Gilbertson, Gemfields Group Limited CEO (4.13%); and
8. Diacolor International DMCC (3.43%),

with a combined holding of approximately 76.33% of the Shares.

## **3. Background to and Reasons for the Rights Issue**

### ***Introduction***

Since the second half of 2023, Gemfields has undertaken material capital expenditure investment programmes across its business in order to secure the future operational performance of the business and to position the Group for growth. The key investment projects have been:

- i. the 18-month construction of MRM's second processing plant, PP2, the single largest investment Gemfields has ever made with an initial capital expenditure outlay of c. USD70 million. The plant is due to go online by the end of the first half of 2025 and has been funded through USD55 million of in-country debt facilities with the remaining from existing cash reserves. There will be additional mining fleet related capital expenditure expected from December 2025 to December 2026 of c. USD15 million;
- ii. an upgraded and enlarged processing plant at Kagem (project completed July 2024) (aggregate capital investment of USD1.3 million);

- iii. increase of yellow goods and fleet at both Kagem and MRM, and replacing aged equipment (project completed December 2024) (aggregate capital investment of USD35.4 million); and
- iv. development assets to expand, and diversify risk across the business (aggregate capital investment of USD16.7 million in 2024).

The investment required to deliver these projects has required significant deployment of available working capital alongside a material increase in the Group's net debt. Additional debt facilities totalling USD66 million have been entered into since the start of 2024 and the Group's net debt position as at 31 December 2024 was USD80.4 million, compared to a net cash position of USD11.1 million as at 31 December 2023. It is expected that the Group's net debt position will exceed USD100 million at points during 2025 as it fully draws down on its debt.

Gemfields' management was aware of the careful financial path it was leading the business along through 2024 and into 2025, and was confident that it would be able to achieve all of the Group's objectives, without the need for additional funding.

Unfortunately, four simultaneous and material challenges, which management believe are transient, have been impacting the business and have resulted in the need for additional external funding in the short term.

#### ***Four simultaneous challenges are and have been materially impacting Gemfields***

As stated in the Company's announcement dated 23 December 2024, Gemfields has been experiencing four significant negative impacts to its business simultaneously, at the same time as it funds a growth-focused investment cycle for the future development of the business.

These challenges are viewed by management as being transient, whilst having a direct impact on Gemfields' recent auction revenues and an expectation that they will impact future auction revenues in 2025. Whilst the civil unrest and associated supply chain and logistical interruptions in Mozambique have since materially improved, further unrest cannot be ruled out.

The principal factors that have resulted in materially lower auction revenues in the second half of 2024 and which could also impact auction revenues in 2025 are:

- i. disturbed emerald market dynamics arising from an oversupply of Zambian emeralds at discounted prices by a competing Zambian emerald producer during the second half of 2024, compounded by conflicting auction dates and giving rise to a poor Zambian emerald market outlook during the first half of 2025;
- ii. lower production of premium rough rubies at MRM;
- iii. uncertainty in the luxury-goods and gemstone market generally given economic headwinds in China and geopolitical turbulence; and
- iv. civil unrest, illegal mining, insurgency and associated supply chain and logistical interruptions in Mozambique.

Further details on the ongoing challenges and how Gemfields is addressing them follows:

#### ***The First Challenge: disturbed emerald market dynamics from the actions of a competing Zambian emerald producer***

Gemfields' principal competitor for the production and marketing of Zambian emeralds has taken recent actions that, the existing Directors believe, have had the effect of damaging the supply and demand dynamics of the emerald market in the short to medium term. This competitor conducted three rough emerald auctions in three consecutive months (September to November 2024), the timing and pricing of which impacted Gemfields' own auctions. This is at odds with their prior approach and caused uncertainty in the emerald market.

In November 2024, this was demonstrated when an auction was promoted as "the largest emerald auction in history" and was scheduled to start the day after Gemfields' higher-quality auction closed. The effect of this was that customers were less likely to bid fair market price if there were large quantities of potentially cheap emeralds on offer the day after Gemfields' auction closed.

This has markedly impacted Gemfields' performance at its last two emerald auctions (commercial-quality in September 2024 and higher-quality in November 2024), with significantly lower bids for the mid and lower quality emeralds and ultimately resulting in Gemfields' emerald revenues materially underperforming in the second half of 2024. In its additional auction in February 2025 of higher-quality emeralds which were previously unsold in the November 2024 auction, the Company saw an improvement in both demand and pricing, although the market remains subdued.

#### ***How Gemfields is addressing the first challenge:***

Gemfields has no appetite to change its fundamental approach to auctions, which focuses on generating the most value for the emeralds mined at Kagem, for the benefit of all stakeholders, including its customers.

This also maximises the value generated for the local community and Zambian government in the form of mineral royalties, corporation tax paid, dividends to the government and export taxes/levies. In 2023 this amounted to 31 per cent. of Gemfields' emerald revenue, and 19 per cent of revenue from 2008 to 2023. Gemfields repatriates auction revenues for all of its emeralds sold, ensuring the value is recognised in country and at the full sale price rather than a materially lower export price.

Gemfields remains committed to leadership and market stability in the emerald market and takes proactive steps to support the market by withholding certain lots that do not achieve satisfactory bidding. This approach helps foster a more secure and sustainable market for all stakeholders including our customers.

Kagem is ensuring its costs are carefully managed during this period of uncertainty and has paused mining in Kagem's pits, only processing its considerable stockpile of pre-mined emerald bearing-ore through its recently upgraded wash plant to produce emeralds. This mining pause was introduced from 1 January 2025 and was due to be in place for 6 months or until such a time that Gemfields has confidence that the recent and transient over-supply of emeralds has subsided and the market returns to a normalised state. Not mining for any period of time may limit near-term production, as there is uncertainty as to the quantity and quality that would result from processing the stockpile, but would save approximately USD1.5 million per month in operating costs. Based on recent production statistics, overall emerald production at the wash plant is broadly aligned with internal expectations, while a lower proportion of premium emeralds have been recovered.

On 8 May 2025, following positive emerald auction results in 2025 so far, Gemfields announced that Kagem was recommencing a programme of focused open-pit mining of two key production points in the Chama pit, with minimal waste mining, to recover premium emeralds for Kagem's future higher-quality auctions. The decision to recommence full scale mining continues to be assessed.

#### ***The Second Challenge: lower production of premium rough rubies at MRM***

Each coloured gemstone is unique and, although geological methods can help identify areas where both emeralds and rubies should be found, currently there can be no certainty on the quantity, quality or value of such gemstones, until they are brought to the surface and processed.

Gemfields is significantly reliant for revenue on the discovery of 'premium' rough gemstones (the largest or best quality gemstones), especially so for rubies. Tumbled rubies also make a significant contribution to revenue. Based on recent analysis, 90 per cent. of Gemfields' ruby auction revenues since 2021 has come from just 5 per cent. of the weight of gemstones mined. Unfortunately, the Group's premium ruby production across 2024 has been significantly below historic averages.

In 2024, 40,006 carats of premium rubies were recovered, against a three-year average (2021-2023) of 74,931 carats produced. This reflects both a reduction in the grade achieved but, most importantly, the quantity of top-value rubies brought to auction and therefore the Group's revenues.

#### ***How Gemfields is addressing the second challenge***

There is no indication so far that the lower production of 'premium' rubies, is due to any specific driver other than the natural variability of the geological conditions where the rubies are mined, and therefore management has the expectation that the production will improve again more towards such historic averages.

The relative lack of premium production at MRM will be significantly addressed by the completion of PP2, which will triple the ruby ore processing capacity from 200 tonnes per hour to 600 tonnes per hour. The new processing plant will allow Gemfields to:

- a) process MRM's sizable stockpile of ruby ore standing at 1,476 thousand tonnes, on a 100% basis, based on MRM's resources and reserves statement in the 2024 Annual Report;
- b) bring to market additional sizes and colour variations of rubies – previously not practical given limited processing capacity; and
- c) explore more of MRM's untapped licence areas, with currently only ~10 per cent. included within the life-of-mine calculation.

The plant will diversify the risk of future lower producing pockets of supply and expand the customer base as new types of rubies are brought to market.

**The Third Challenge: uncertainty in the luxury-goods and gemstone market generally given economic headwinds in China and geopolitical turbulence.**

Gemfields takes the cost of mining, processing, sorting and grading rough coloured gemstones in Zambia and Mozambique, before selling them in sealed-bid auctions. These typically take place four times a year for emeralds and twice a year for rubies.

Gemfields is subject to the dynamics of supply and demand with regards to pricing for its coloured gemstones but uses an intricate reserve price model to ensure the gemstones maintain a fair market price. The market demand for emeralds and rubies can vary over time and currently there are concerns over the luxury-goods industry, which is the primary market that buys the Company's 'premium' coloured gemstones.

Concerns over China's consumption of luxury-goods and other macroeconomic uncertainty raises the risk that Gemfields' future auctions could see lower demand and fewer coloured gemstones being sold for fair market prices. Lower demand could materially reduce the revenue Gemfields earns.

As announced on 22 November 2024, Gemfields' recent higher-quality emerald auction saw lesser bids for the lower-quality gemstones on offer and ultimately under-performed against internal expectations. In the additional auction in February 2025 of the higher-quality emeralds that were previously unsold at the November 2024 auction, the results indicated an improvement in both demand and pricing, although the market remains subdued.

Similarly, as announced on 12 December 2024, the mixed-quality ruby auction in December 2024 saw some softer prices and thinner bidding but represented a positive outcome under the current market conditions, reaffirming the stability of demand for Gemfields' rubies, and prices for fine-quality aligning well with the limited supply of these rare gemstones.

Additionally, Gemfields has limited visibility into its customers' levels of coloured gemstone stock, changes in the cost of cutting and polishing and the availability of credit to purchase coloured gemstones at its auctions.

***How Gemfields is addressing the third challenge:***

Consumption patterns for luxury-goods are typically cyclical and inter-linked with wider macroeconomic trends. Gemfields has previously seen these cycles play out, with coloured gemstones (specifically emeralds, rubies and sapphires) maintaining their underlying value during such periods of lower demand for luxury-goods.

By materially increasing the scale of production at MRM, through the construction of PP2 (the second processing plant due to complete by the end of the first half of 2025), Gemfields expects to be able to produce more higher-quality rubies which are more immune to market variability. This increased production will also open up new sizes and colours of rubies that previously were not produced at scale in order to focus on producing the highest-quality rubies. This will diversify Gemfields' customer base and expand the reach of coloured gemstones globally to new end-point consumers.

Gemfields' proprietary grading system alongside high-quality sorting and auction processes provides transparency to market participants in what they are purchasing. This can reduce the uncertainty in the value of the coloured gemstones being sold and help limit the natural variability in market pricing over time. Despite the recent market disruption, Gemfields will maintain its approach as a leader in standards and promoter of responsibly-mined coloured gemstones.

In addition, in 2025 so far, there have been signs of improved demand for jewellery. LVMH reported 3 per cent. quarterly organic growth in revenue in its 'Watches & Jewelry' business group in the fourth quarter of 2024.<sup>1</sup>

#### **The Fourth Challenge: Impact of civil unrest in Mozambique.**

The fourth challenge, which has already materially improved, relates to the civil unrest and associated supply chain and logistical interruptions in Mozambique between October 2024 and mid-January 2025 because of the contested presidential election. This civil unrest related disruption resulted in higher costs to access essential goods and fuel, and a three day pause in mining and processing in December 2024 as a number of employees were temporarily relocated in reaction to an attempted invasion of the MRM Village. The civil unrest is in general no longer taking place. However, lingering challenges remain amid heightened illegal miner intrusions onto MRM's licence area and a recent increase in insurgent activities.

#### **How Gemfields is addressing the fourth challenge:**

Gemfields worked carefully with its employees, contractors and suppliers during the period of civil unrest to limit any operational impact beyond increased costs and temporary pause of production as described above. Notwithstanding the ongoing insurgency risks and risk of any further disruption or re-escalation, MRM has operated as usual since the start of 2025.

Additional actions taken by Gemfields to reduce costs and streamline business activity

As announced on 23 December 2024, Gemfields has taken and continues to undertake actions to cut costs and streamline business activity, while prioritising construction and commissioning of PP2, which is regarded by Gemfields as a critical project to increase premium ruby production and deliver additional revenue for the Group by the end of 2025.

Gemfields is also considering the timing of emerald and ruby auctions to best match the requirements for working capital across the year, and accordingly held a ruby mini-auction and a commercial-quality emerald auction in April 2025.

In terms of cost cutting and operational changes, the actions include:

- i. suspending, for a period expected to be up to 6 months, all mining at Kagem (with the suspension commencing from 1 January 2025). Instead, Kagem will focus on processing ore from Kagem's significant ore stockpile utilising the recently upgraded processing plant;
- ii. halting all non-essential spend and suspending planned capital expenditure at its ruby development assets in northern Mozambique, namely Megaruma Mining Limitada ("MML") and Campos De Joia Limitada ("CDJ"). Eastern Ruby Mining ("ERM") will continue core developmental work but will delay the capital expenditure associated with its originally planned processing plant;
- iii. halting operations at Nairoto Resources Limitada ("NRL"), the gold project situated north of MRM and seeking potential buyers;
- iv. assessing strategic options in respect of Fabergé, the iconic luxury-brand owned by the Gemfields Group; and
- v. targeted rationalisation of operations and businesses across the Group.

This list of actions is not exhaustive and Gemfields will continue to adjust its actions as circumstances change, such as recommencing focused open-pit mining of two production points at Kagem in May 2025.

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<sup>1</sup> [www.lvmh.com/en/publications/lvmh-achieves-a-solid-performance-despite-an-unfavorable-global-economic-environment](https://www.lvmh.com/en/publications/lvmh-achieves-a-solid-performance-despite-an-unfavorable-global-economic-environment)

Additionally, the Company intends to continue the assessment of strategic options for Fabergé and in light of the progress made to date (as referenced above), the Board will consider viable and deliverable options following the conclusion of the Rights Issue.

#### **4. Use of proceeds**

The Rights Issue is expected to raise approximately USD30 million (in gross proceeds).

The proceeds of the Rights Issue will be used for general corporate purposes, and specifically to provide working capital liquidity and ensure the business is able to continue operating and fulfil its ongoing obligations such as paying employee salaries and key operating costs, in-between auctions.

#### **5. Current Trading and Outlook**

##### ***Current Trading***

Since the end of the previous reporting period to 31 December 2024, Gemfields has held the following auctions:

- i. in February 2025 an auction of higher-quality emeralds that were previously unsold from the November 2024 auction, earning total auction revenues of USD4.8 million, with 77 per cent. of lots sold at an average price of USD105.49 per carat;
- ii. rough ruby mini auction in April 2025, earning total auction revenues of USD7.2 million, with 73 per cent. of lots sold at an average price of USD39.47 per carat; and
- iii. commercial-quality emerald auction in April 2025, earning total auction revenues of USD16.4 million, with 89 per cent. of lots sold at an average price of USD6.87 per carat.

This resulted in total auction revenues of USD28.4 million in the first half of 2025 to-date.

This excludes any weight lost during the packaging process and therefore small adjustments to the ultimately invoiced amounts.

In relation to production, further to the information included in the circular to Shareholders published on 11 April 2025, Gemfields has seen coloured gemstone production continue to underperform at MRM for premium rubies, whilst Kagem has seen steadier production when taking into account the pause of mining since 1 January 2025.

### Recent Kagem Production

KAGEM Monthly Summary	Units	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
<b>PRODUCTION</b>										
Gemstone production (emerald+beryl), of which	'000 carats	2,373	4,224	3,902	2,951	4,776	2,452	1,662	1,417	1,418
Premium emerald	'000 carats	8.9	32.0	18.8	5.7	9.1	6.5	3.6	5.2	4.1
Emerald	'000 carats	666	1,364	1,287	758	985	710	402	370	381
Beryl-1	'000 carats	703	1,398	1,255	902	1,677	844	496	477	488
Beryl-2	'000 carats	995	1,429	1,342	1,285	2,104	892	760	565	544
Ore processed (from Jan 2025)	'000 tonnes	–	–	–	–	–	–	21	20	22
Grade (emerald+beryl/ore processed) (from Jan 2025)	carats/tonne	–	–	–	–	–	–	80	71	64
Ore production (reaction zone)	'000 tonnes	28.70	18.58	25.22	21.94	23.82	14.18	–	–	–
Grade (emerald+beryl/ reaction zone)	carats/tonne	83	227	155	135	201	173	–	–	–
Waste mined (including TMS)	'000 tonnes	1,486	1,510	1,694	1,413	1,275	617	9	5	16
Total rock handling	'000 tonnes	1,515	1,529	1,719	1,435	1,298	631	9	5	16
Stripping ratio		45	69	63	63	52	41	–	–	–

### Recent MRM Production

MONTEPUEZ Monthly Summary	Units	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
<b>PRODUCTION</b>										
Gemstone total production, of which	'000 carats	293	206	182	156	117	199	76	181	73
Premium ruby	'000 carats	3.69	3.14	3.54	2.84	2.22	1.52	3.58	2.63	4.49
Tumble ruby	'000 carats	29.19	14.05	27.82	29.58	51.93	42.39	48.46	41.81	38.29
Ruby	'000 carats	–	–	–	–	1	–	–	–	–
Low ruby	'000 carats	8	4	2	3	5	32	5	1	2
Corundum	'000 carats	7	6	3	3	3	3	1	2	5
Sapphire	'000 carats	18	11	11	6	4	20	2	4	4
Low sapphire	'000 carats	227	167	135	111	50	100	16	129	20
Ore production (primary+secondary)	'000 tonnes	98.4	90.0	97.9	83.6	76.9	63.0	59.8	69.6	74.6
Ore processed (primary+secondary)	'000 tonnes	93.0	97.2	85.1	97.7	83.9	79.9	76.2	74.6	94.6
Grade (total production/ ore processed)	carats/tonne	3.1	2.1	2.1	1.6	1.4	2.5	1.0	2.4	0.8
Waste mined	'000 tonnes	693.2	709.9	746.6	761.9	703.7	351.9	283.1	341.6	283.8
Total rock handling	'000 tonnes	791.6	799.9	844.5	845.5	780.6	414.9	342.9	411.2	358.4
Stripping ratio		6.0	6.3	6.2	7.3	7.5	4.7	4.7	4.8	3.6

## Outlook

Subject to the completion of the Rights Issue that will address the immediate working capital deficits, Gemfields will expect to be in a materially stronger position both financially and strategically. The cost cutting and strategic changes taken in recent months is significantly streamlining the business, improving efficiency and materially reducing the cost base. The level of capital expenditure at the business' development assets will also be remaining low through 2025 while Gemfields establishes a clear strategy and capital allocation policy for the future. At a high level, Gemfields' cost saving programme, as described in the section '*Additional actions taken by Gemfields*', is expected to reduce Gemfields' annual operating cash cost base down by USD35-40 million to approximately USD130 million, compared to 2024.

For capital expenditure, the business expects a total spend in 2025 of c. USD50 million, split between c. USD43 million at MRM, c. USD6 million at Kagem and c. USD1 million on development assets, primarily ERM. MRM's capital expenditure in 2025 largely relates to the remaining payments for the construction of the second processing plant of USD21 million, with USD10.2 million already paid this so far this year.

Gemfields expects that, following the conclusion of the Rights Issue, a number of the transient challenges set out above will have seen signs of improvement while it approaches the completion of its USD70 million investment in the second ruby processing plant at MRM, significantly transforming the production capacities of the mine.

The Company have two overdraft facilities which are both subject to annual renewal on 31 May 2025. In the event these are not renewed and become repayable, this would lead to a working capital shortfall of USD10.9 million on 31 May 2025. Additionally, the Group's term facilities are subject to certain covenants, including financial covenants. Notwithstanding the proceeds which the Company expects to receive from the Rights Issue, based upon the Company's forecast models, MRM may become in breach of certain covenants under the Montepuez Ruby Mining LDA – USD25 million Facility Agreement for the six month period to 30 June 2025 measured over 12 months. The Company has requested a waiver of these covenants from ABSA, to which ABSA provided a non-binding letter of support on 24 March 2025 confirming that it remains committed to working closely with the Group and its stakeholders to support its financial stability and strategic objectives.

In the event a waiver is not forthcoming from the lender, defaults could constitute cross-defaults under other agreements in September 2025 and, should the lenders demand repayment of the debts, the Company could have a working capital shortfall which would occur in September 2025 of USD100.5 million, if all lenders recall all remaining loans. This could result in the Company and other material subsidiaries in the Group entering into administration or liquidation. See paragraph 6 of Part V "*Additional Information*" for details on the Company's working capital position.

## 6. Mineral Reserves and Resources

This is a condensed overview of Gemfields' Gemstone Resources and Gemstone Reserves Report 2024, which contains a comprehensive review of the Gemstone Resources and Gemstone Reserves for Kagem and MRM as at 31 December 2024 and details the location, geology, mining, processing and operational statistics at Kagem and MRM.

Gemfields' Gemstone Resources and Gemstone Reserves Report 2024 has been incorporated by reference as set out within Part VI "*Documents incorporated by reference*".

Gemfields' attributable Gemstone Resources and Gemstone Reserves are reported according to, and in compliance with the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (the **SAMREC Code** or **SAMREC**), 2016 edition, with special reference to sections 60 to 72 of SAMREC related to the reporting of results for diamond and other gemstone properties.

As at 31 December 2024, Gemfields had total attributable mineral resources of 1,088 million carats ("**Mct**") of combined emerald and beryl at an average value of USD2.06/ct, which is due to lower prices experienced in the second half of 2024, and 491 Mct of ruby and corundum at an average value of USD22.98/ct (average 2014–2024).

All Gemstone Resources are inclusive of the Gemstone Reserves.

The competent persons in terms of SAMREC who take responsibility for the reporting of Gemstone Resources and Gemstone Reserves for Kagem and MRM in the 2024 report are respectively:



- Hemant Azad, Head, PE and MSc (Geology), FAusIMM, and MAIG is the Competent Person responsible for reporting of Gemstone Resources and Gemstone Reserves at Kagem in this report. Mr Azad was Head of Geology with MRM until October 2021 before transferring to Kagem. He has more than ten years' relevant experience in this style of mineralisation. The Competent Person's address is Kagem Mining Ltd, PO Box 21657, Plot 6374, Corner Dr. Aggrey and Kariba Roads, Light Industrial Area, Kitwe, Zambia.
- Murlidhar Gautam, Head of Geology, MRM, MTech (Applied Geology), MAusIMM, is the Competent Person responsible for reporting Gemstone Resources and Gemstone Reserves at MRM. Mr Gautam was Head of Production and Exploration with Kagem until October 2021 before transferring to MRM. He has over 22 years' experience in exploration and mining various commodities, including diamond, emerald, copper, bauxite and ruby. He has relevant experience in this style of mineralisation. The Competent Person's address is Montepuez Ruby Mining Lda, Avenida Eduardo Mondlane, No. 178, Edificio Cruz Vermelha, Cidade De Pemba, Cabo Delgado, Mozambique.

### ***Abridged review per operation***

#### **Kagem**

Kagem is located in the Ndola Rural Emerald Restricted Area (“**NRERA**”) within the Kafubu area of the Zambian Copperbelt Province. Kagem operates in terms of a large-scale gemstone licence 14105HQ LSGL over an area of 42.4 square kilometres issued on 27 April 2010. The licence was renewed on 10 December 2019 for a further 25 years to 26 April 2045. A large-scale mining licence 8749HQ LML for the Chibolele mine was renewed on 30 August 2019 for 25 years and transferred to Kagem on 1 October 2019.

The emerald deposits are hosted by talc-magnetite schists (“**TMS**”) of the Muva Supergroup. The Gemstone Resources are reported within an optimised pit shell using the same input parameters as those in the mining study, but with a 30% mark-up on the anticipated prices to reflect an optimistic view. All grades quoted reflect beryl and emerald, expressed as carats per tonne.

Conventional open-pit mining using drill-blast-load-haul methods is done with Kagem-owned in-house fleet and contractor provided labour.

Open-pit optimisations determined the economic pit shells, which were used for mine design and production scheduling.

The steeply dipping reaction zones (“**RZs**”) are mined using manual intensive methods with the assistance of hydraulic excavators under close supervision during daylight hours. All large and high-quality coloured gemstones are hand-sorted at the mining face and are placed in a drop-safe-type container that is tagged and closed with security-controlled locks. The remaining RZ material is loaded into trucks and transported directly to the processing facility.

The processing/wash plant (capacity 330 ktpa ore) processes RZ material mined directly from the open pit through a simple series of comminution, screening, washing and sorting facilities.

The wash plant products, together with the high-quality product recovered directly from the mine, are essentially hand-sorted in a secure sort house facility where gemstones are upgraded using manual methods to produce emerald (subdivided into premium emerald and emerald) and beryl (subdivided into beryl-1, beryl-2, specimen and fines categories).

The life-of-mine (“**LoM**”) plan provides for plant feed of 146 thousand tonnes per annum (“**ktpa**”) with an average feed grade of 194 ct/t through to 2044. Kagem forecasts to recover 977 Mct (or 733 Mct on a 75% attributable basis) over the LoM.

For the year ended 31 December 2024, Kagem recovered 40.3 Mct of emeralds and beryl from 316 thousand tonnes (“**kt**”) of RZ ore at an average grade of 127ct/t.

The rock handling cash unit cost for 2024 of USD3.42/t ore (2023: USD4.10/t).

The auctions in 2024 realised USD50.9 million from the sale of 0.350 Mct of higher-quality emeralds and USD27.8 million from the sale of 6.27 Mct commercial-grade quality emeralds.

### Kagem gemstone resources and gemstone reserves estimates

The Kagem Gemstone Resources and Gemstone Reserves estimate (75% basis) for 31 December 2023 is set out below. Resources are reported at a bottom screen cut-off of 3 mm and are inclusive of the Gemstone Reserves. No Inferred Gemstone Resources are included in the LoM plans, which support the Gemstone Reserve declaration.

#### Kagem Attributable Gemstone Resource and Gemstone Reserve Estimate at 31 December 2024

Gemstone Resource				Gemstone Reserves			
Attributable to Gemfields	Tonnage (kt)	B+E Grade (ct/t)	Contained B+E (Mct)	Attributable to Gemfields	Tonnage (kt)	B+E Grade (ct/t)	Contained B+E (Mct)
<b>Chama</b>				<b>Chama</b>			
Measured	70	282	20	Proved	56	187	11
Indicated	3,228	270	872	Probable	2,583	218	563
<b>Total Measured + Indicated</b>	<b>3,299</b>	<b>270</b>	<b>891</b>	<b>Total Gemstone Reserve</b>	<b>2,639</b>	<b>217</b>	<b>574</b>
Inferred	—	—	—				
<b>Fibolele</b>				<b>Fibolele</b>			
Measured	—	—	—	Proved	—	—	—
Indicated	76	160	12	Probable	61	139	9
<b>Total Measured + Indicated</b>	<b>76</b>	<b>160</b>	<b>12</b>	<b>Total Gemstone Reserve</b>	<b>61</b>	<b>139</b>	<b>9</b>
Inferred	900	160	144				
<b>Libwente</b>							
Measured	—	—	—				
Indicated	—	—	—				
<b>Total Measured + Indicated</b>	<b>—</b>	<b>—</b>	<b>—</b>				
Inferred	150	46	7				
<b>Stockpiles</b>				<b>Stockpiles</b>			
Measured	586	139	81	Proved	586	139	81
Indicated	—	—	—	Probable	—	—	—
<b>Total Measured + Indicated</b>	<b>586</b>	<b>139</b>	<b>81</b>	<b>Total Gemstone Reserve</b>	<b>586</b>	<b>139</b>	<b>81</b>
Inferred	—	—	—				
<b>Chibolele</b>				<b>Chibolele</b>			
Measured	350	160	56	Proved	280	128	36
Indicated	259	180	47	Probable	207	160	33
<b>Total Measured + Indicated</b>	<b>608</b>	<b>169</b>	<b>103</b>	<b>Total Gemstone Reserve</b>	<b>487</b>	<b>142</b>	<b>69</b>
Inferred	413	200	83				
<b>Total M+I Gemstone Resources</b>	<b>4,570</b>	<b>238</b>	<b>1,088</b>	<b>Total Gemstone Reserves</b>	<b>3,773</b>	<b>194</b>	<b>733</b>
Total Inf Gemstone Resources	1,463	160	233				

Gemstone Resource Grade and Value	Recovered Grade in 2024 (ct/t)				2024 Parcel Value (USD/ct)
	Chama	Fibolele	Chibolele	Libwente	
Premium Emerald	0.66	0.21	0.03	—	249.74
Emerald	38.20	21.96	11.60	—	4.67
Beryl-1	47.17	18.46	25.58	—	0.14
Beryl-2	53.54	32.28	56.50	—	0.01

Note: The 'Emerald' category is sold via three sales channels: Higher quality auctions, Commercial Quality auctions, and Direct Sales. This price is the weighted average of (a) auction revenue per carat for 'Emerald' lots at Higher quality auctions, (b) auction revenue per carat for 'Emerald' lots at Commercial Quality auctions, and (c) Export prices per carat for Direct Sale 'Emerald' grades, whereas weighted average of Direct Sale export prices per carat for Beryl-1 (<16mm) and Beryl-1 (>16mm) and Beryl-2. Kagem assumes an allowance of three months between a stone coming out of the ground and becoming available for auction (cleaning, grading, quality control, shipping, viewing, etc.), hence we have used the auction revenue figures for the 12-month period from October 2023 to September 2024.

The comparative Kagem Gemstone Resource and Gemstone Reserve estimate attributable to Gemfields (75% basis) at 31 December 2023 is set out on the following page. The key differences between the 2023 and 2024 attributable Gemstone Resource and Gemstone Reserve estimates are explained as follows:

*Gemstone Resources:*

- For Chama, the base data used was mining and production data. From July 2019 to December 2024, 890Kt of RZ has been mined, with 151 million carats produced, which caters confidence of the ore mineralisation pattern over the life of mine and gave reference for the upgrade of the resources in previous years.
- For Chibolele, the base data used was actual bulk sampling mining and production, where 341Kt of RZ has been mined, with 40 million carats produced carats from Dec 2017 to Dec 2024. This caters confidence of the ore mineralisation pattern over the life of mine and gave reference for the upgrade of the resources in previous years.
- For 2024, no Resource upgrades were made, with the year-on-year movement representing ore depletion in Chama, Chibolele and Fibolele and addition of Measured Gemstone Resources in surface stockpiles for Chama and Chibolele.

*Gemstone Reserves:*

- No increase in the Proved Gemstone Reserves in Chama.
- Maiden declaration of Proved and Probable Gemstone Reserves at Chama and Chibolele. Previous drilling confirmed the geological understanding, and the Measured Resources converted into Proved Reserves; and
- Ore depletion in Chama, Chibolele and Fibolele and addition in Chama and Chibolele of Proved Gemstone Resources in surface stockpiles.

Kagem Attributable Gemstone Resource and Gemstone Reserve Estimate at 31 December 2023

Gemstone Resource Attributable to Gemfields	Tonnage (kt)	B+E Grade (ct/t)	Contained B+E (Mct)	Gemstone Reserves Attributable to Gemfields	Tonnage (kt)	B+E Grade (ct/t)	Contained B+E (Mct)
<b>Chama</b>				<b>Chama</b>			
Measured	216	282	61	Proved	173	187	32
Indicated	3,257	270	879	Probable	2,606	218	568
<b>Total Measured + Indicated</b>	<b>3,473</b>	<b>271</b>	<b>940</b>	<b>Total Gemstone Reserve</b>	<b>2,778</b>	<b>216</b>	<b>600</b>
Inferred	—	—	—				
<b>Fibolele</b>				<b>Fibolele</b>			
Measured	—	—	—	Proved	—	—	—
Indicated	92	160	14	Probable	69	139	10
<b>Total Measured + Indicated</b>	<b>92</b>	<b>160</b>	<b>14</b>	<b>Total Gemstone Reserve</b>	<b>69</b>	<b>139</b>	<b>10</b>
Inferred	900	160	144				
<b>Libwente</b>							
Measured	—	—	—				
Indicated	—	—	—				
<b>Total Measured + Indicated</b>	<b>—</b>	<b>—</b>	<b>—</b>				
Inferred	150	46	7				
<b>Stockpiles</b>				<b>Stockpiles</b>			
Measured	469	139	65	Proved	469	139	65
Indicated	—	—	—	Probable	—	—	—
<b>Total Measured + Indicated</b>	<b>469</b>	<b>139</b>	<b>65</b>	<b>Total Gemstone Reserve</b>	<b>469</b>	<b>139</b>	<b>65</b>
Inferred	—	—	—				

Gemstone Resource Attributable to Gemfields	Tonnage (kt)	B+E Grade (ct/t)	Contained B+E (Mct)	Gemstone Reserves Attributable to Gemfields	Tonnage (kt)	B+E Grade (ct/t)	Contained B+E (Mct)
<b>Chibolele</b>				<b>Chibolele</b>			
Measured	397	160	63	Proved	317	128	41
Indicated	259	180	47	Probable	207	160	33
<b>Total Measured + Indicated</b>	<b>656</b>	<b>157</b>	<b>110</b>	<b>Total Gemstone Reserve</b>	<b>524</b>	<b>141</b>	<b>74</b>
Inferred	413	200	83				
<b>Total M+I Gemstone Resources</b>	<b>4,690</b>	<b>241</b>	<b>1,130</b>	<b>Total Gemstone Reserves</b>	<b>3,841</b>	<b>195</b>	<b>749</b>
Total Inf Gemstone Resources	1,463	160	234				

Gemstone Resource Grade and Value	Recovered Grade in 2024 (ct/t)				2024 Parcel Value (USD/ct)
	Chama	Fibolele	Chibolele	Libwente	
Premium Emerald	0.88	–	0.89	–	231.81
Emerald	39.14	–	124.80	–	8.28
Beryl-1	50.50	–	245.60	–	0.14
Beryl-2	47.35	–	478.25	–	0.01

Note: The 'Emerald' category is sold via three sales channels: Higher quality auctions, Commercial Quality auctions, and Direct Sales. This price is the weighted average of (a) auction revenue per carat for 'Emerald' lots at Higher quality auctions, (b) auction revenue per carat for 'Emerald' lots at Commercial Quality auctions, and (c) Export prices per carat for Direct Sale 'Emerald' grades, whereas weighted average of Direct Sale export prices per carat for Beryl-1 (<16mm) and Beryl-1 (>16mm) and Beryl-2. Kagem assumes an allowance of three months between a stone coming out of the ground and becoming available for auction (cleaning, grading, quality control, shipping, viewing, etc.), hence we have used the auction revenue figures for the 12-month period from October 2022 to September 2023.

### **MRM**

MRM is located in Cabo Delgado province in northeastern Mozambique, approximately 170 kilometres west of Pemba. MRM is the world's single-largest producing ruby mine. The single mining licence 4703C Ref. 1588/CM/INAMI/2015 (combining the two initial licences 4702 and 4703) covering an area of 34,996 ha was issued by the Government of Mozambique to MRM in December 2015, valid until 11 November 2036.

The Montepuez ruby deposit is hosted by the Montepuez Complex, a strongly ductile-deformed, wedge-shaped, metamorphic terrane.

Ruby and corundum mineralisation is found in two styles: primary amphibolite, and a secondary gravel bed. The main source of rubies and corundum is secondary mineralisation, although mining has also occurred from the primary mineralisation. The gravel bed horizon is generally less than two metres thick, with an average thickness of 0.45 metres.

Grade control is constrained to visual inspection and mining of the mineralised zones is only undertaken during daylight hours. Geologists on site direct the mechanical loader from within the pit area to ensure that the gravel bed is mined correctly. An owner-operated fleet undertakes all material movement.

A processing plant including a scrubber, rated at 200 tph of RoM feed, and a dense medium separation plant ("DMS"), rated at 83 tph of washed –25 mm+1.6 mm material, was commissioned in December 2016. A new thickener was installed in 2019-20 to meet the operating capacity. The wash plant flowsheet incorporates wet scrubber screening to remove –1.6 mm solids, followed by a log washer to break up clay balls and a double deck wet screen to remove +25 mm stone fraction and –1.6 mm fines.

An additional processing plant is currently being constructed at MRM. This will increase the processing capacity from 200 tonnes per hour to 600 tonnes per hour. The project is expected to be completed by the end of the first half of 2025.

After washing and separation in the plant, the resulting gravity concentrate is sorted by hand in the high-security area under strict supervision incorporating automatic colour sorting machines.

The current life-of-mine (“LoM”) plan production involves a ramp-up from 7.9 Mtpa total ore and waste to 15 Mtpa by 2026, with ore mining increasing to 3.6 Mtpa by 2026, and is projected to extend to 2029 (LoM of 5 years). The future LoM plan expects to achieve an overall stripping ratio of 3.3 over the LoM.

For the year ended 31 December 2024, MRM recovered 1.56 Mct from 1,072 kt ore at an average grade of 1.4 ct/t.

The rock handling cash unit cost was USD7.24/t in 2024 (2023: USD5.90/t).

The auctions in 2024 realised USD117.2 million from the sale of 6.03 Mct of mixed- and commercial-quality rubies.

### **MRM gemstone resources and gemstone reserves estimates**

The MRM Gemstone Resources and Gemstone Reserves estimate attributable to Gemfields (75% basis) at 31 December 2024 is set out below. Gemstone Resource grades are quoted with a bottom cut-off stone size of 1.6 mm and are inclusive of Gemstone Reserves. The stockpile grades are derived from the reported grades for the respective source materials. No Inferred Gemstone Resources are included in the LoM plans, which supports the Gemstone Reserve declaration.

#### *MRM Attributable Gemstone Resource and Gemstone Reserve Estimate at 31 December 2024*

Gemstone Resource Attributable to Gemfields	Tonnage (kt)	B+E Grade (ct/t)	Contained B+E (Mct)	Gemstone Reserves Attributable to Gemfields	Tonnage (kt)	B+E Grade (ct/t)	Contained B+E (Mct)
<b>Maninge Nice</b>				<b>Maninge Nice</b>			
Indicated – Primary	842	99.4	83.7	Probable – Primary	830	99.4	82.5
Indicated – Secondary	111	107.3	12.0	Probable – Secondary	111	106.7	11.9
<b>Total Indicated</b>	<b>953</b>	<b>100.3</b>	<b>95.7</b>	<b>Total Probable Reserve</b>	<b>942</b>	<b>100.3</b>	<b>94.4</b>
Inferred – Primary	180	97.9	17.6				
Inferred – Secondary	9,994	12.7	127.0				
<b>Inferred – Total</b>	<b>10,174</b>	<b>14.2</b>	<b>144.7</b>				
<b>Mugloto</b>				<b>Mugloto</b>			
Indicated – Primary	–	–	–	Probable – Primary	–	–	–
Indicated – Secondary	6,053	3.2	19.1	Probable – Secondary	5,960	3.0	18.1
<b>Total Indicated</b>	<b>6,053</b>	<b>3.2</b>	<b>19.1</b>	<b>Total Probable Reserve</b>	<b>5,960</b>	<b>3.0</b>	<b>18.1</b>
Inferred – Secondary	13,788	14.8	203.6				
<b>Glass</b>				<b>Glass</b>			
Indicated – Secondary	5,073	2.4	12.1	Probable – Secondary	5,066	2.2	11.2
<b>Total Indicated</b>	<b>5,073</b>	<b>2.4</b>	<b>12.1</b>	<b>Total Probable Reserve</b>	<b>5,066</b>	<b>2.2</b>	<b>11.2</b>
Inferred – Secondary	5,670	0.9	5.1				
<b>Stockpiles</b>				<b>Stockpiles</b>			
Indicated – Primary	12	100.1	1.2	Probable – Primary	12	100.1	1.2
Indicated – Secondary <sup>(1)</sup>	1,094	1.8	1.9	Probable – Secondary <sup>(1)</sup>	1,094	1.8	1.9
<b>Total Indicated</b>	<b>1,107</b>	<b>2.9</b>	<b>3.2</b>	<b>Total Probable Reserve</b>	<b>1,107</b>	<b>2.9</b>	<b>3.2</b>
<b>Total Indicated Gemstone Resources</b>	<b>13,185</b>	<b>9.9</b>	<b>130.0</b>	<b>Total Probable Gemstone Reserves</b>	<b>13,075</b>	<b>9.7</b>	<b>126.8</b>
<b>Natete</b>							
Inferred – Secondary	18,140	0.3	5.3				
<b>Nathapo</b>							
Inferred – Secondary	3,915	0.5	2.0				
<b>Total Inf Gemstone Resources</b>	<b>51,687</b>	<b>7.0</b>	<b>360.6</b>				

(1) – Combination of material from Maninge Nice, Mugloto and Glass.

Gemstone Grade and Value	Recovered Grade (ct/t)			Av. Parcel Value (2014–2024) <sup>1</sup> (USD/ct)	Av. Parcel Value 2024 (USD/ct)
	Maninge Nice	Mugloto	Glass <sup>(1)</sup>		
Premium Ruby	0.042	0.037	0.031	1,227.83	1,403.16
Ruby	0.287	0.268	0.253	58.40	110.30
Low Ruby	0.073	0.059	0.159	3.35	–
Corundum	0.080	0.030	0.055	1.10	3.95
Sapphire	0.045	0.080	0.108	0.40	1.66
Low Sapphire	0.310	0.931	0.738	0.08	0.05
–4.6mm	–	–	–	10.55	–
Reject with some Low Sapphire	n/r	n/r	n/r	0.05	–
<b>Weighted Average Value (USD/ct)</b>				<b>22.98</b>	<b>19.41</b>

(1) – Average parcel value for 2014 to 2024 applied.

The comparative MRM Gemstone Resource and Gemstone Reserve statement attributable to Gemfields (75% basis) at 31 December 2023 is set out on the following pages. The key differences between the 2023 and 2024 Gemstone Resource and Gemstone Reserve estimates are explained as follows:

*Gemstone Resources:*

- The primary and secondary resources and reserves at Maninge Nice have decreased due to mining depletion. However, the grade of the secondary resources has increased because of the extraction of comparatively lower-grade ore from Maninge Nice Pit 5;
- A reduction in tonnage and contained gemstones in the Indicated Gemstone Resources at Mugloto due to mining depletion. The grade has slightly increased due to the mining of lower-grade areas;
- There are no changes in tonnage, grade, or contained gemstones for the Inferred Gemstone Resources in the Maninge Nice, Glass, Nakete, and Nathepo areas. However, there is a slight change in the inferred resource for the Mugloto area (specifically the Mugloto East domain) due to mining depletion;
- The tonnage, grade, and contained carats of the Glass Indicated Resources remain unchanged; and
- There has been an overall increase in the tonnage of secondary stockpiles of indicated resources following a detailed stock balancing exercise conducted in 2024 while the stockpile of indicated primary resource has decreased.

*Gemstone Reserves:*

- Reduction in tonnage and contained gemstones in Probable Gemstone Reserves of Mugloto and Maninge Nice, due to mining depletion;
- The grade at Mugloto and Maninge Nice has increased due to the mining of comparatively lower-grade secondary material from Mugloto Pit 9 and Maninge Nice Pit 5;
- The tonnage, grade, and contained carats of the Glass Probable Reserves remain unchanged; and
- There has been an increase in the secondary stockpiles of probable primary and secondary reserve tonnages following a detailed stockpile balancing exercise conducted in 2024 while the stockpile of primary probable reserve tonnages has decreased.

*MRM Attributable Gemstone Resource and Gemstone Reserve Estimate at 31 December 2023*

Gemstone Resource Attributable to Gemfields	Tonnage (kt)	B+E Grade (ct/t)	Contained B+E (Mct)	Gemstone Reserves Attributable to Gemfields	Tonnage (kt)	B+E Grade (ct/t)	Contained B+E (Mct)
<b>Maninge Nice</b>				<b>Maninge Nice</b>			
Indicated – Primary	849	99.4	84.4	Probable – Primary	837	99.4	83.2
Indicated – Secondary	215	56.0	12.0	Probable – Secondary	215	55.6	12.0
<b>Total Indicated</b>	<b>1,064</b>	<b>90.6</b>	<b>96.4</b>	<b>Total Probable Reserve</b>	<b>1,052</b>	<b>90.4</b>	<b>95.2</b>
Inferred – Primary	180	97.9	17.6				
Inferred – Secondary	9,994	12.7	127.0				
Inferred – Total	10,174	14.2	144.7				
<b>Mugloto</b>				<b>Mugloto</b>			
Indicated – Primary	–	–	–	Probable – Primary	–	–	–
Indicated – Secondary	6,624	3.0	19.9	Probable – Secondary	6,531	2.89	18.9
<b>Total Indicated</b>	<b>6,624</b>	<b>3.0</b>	<b>19.9</b>	<b>Total Probable Reserve</b>	<b>6,531</b>	<b>2.89</b>	<b>18.9</b>
Inferred – Secondary	13,800	14.8	203.6				
<b>Glass</b>				<b>Glass</b>			
Indicated – Secondary	5,073	2.4	12.1	Probable – Secondary	5,066	2.2	11.2
<b>Total Indicated</b>	<b>5,073</b>	<b>2.4</b>	<b>12.1</b>	<b>Total Probable Reserve</b>	<b>5,066</b>	<b>2.2</b>	<b>11.2</b>
Inferred – Secondary	5,670	0.9	5.1				
<b>Stockpiles</b>				<b>Stockpiles</b>			
Indicated – Primary	28	112.8	3.2	Probable – Primary	28	112.8	3.2
Indicated – Secondary <sup>(1)</sup>	460	10.7	4.9	Probable – Secondary <sup>(1)</sup>	460	10.7	4.9
<b>Total Indicated</b>	<b>488</b>	<b>16.6</b>	<b>8.1</b>	<b>Total Probable Reserve</b>	<b>488</b>	<b>16.6</b>	<b>8.1</b>
<b>Total Indicated Gemstone Resources</b>	<b>13,249</b>	<b>10.3</b>	<b>136.5</b>	<b>Total Probable Gemstone Reserves</b>	<b>13,138</b>	<b>10.1</b>	<b>133.3</b>
<b>Nakete</b>							
Inferred – Secondary	18,140	0.3	5.3				
<b>Nathepo</b>							
Inferred – Secondary	3,915	0.5	2.0				
<b>Total Inf Gemstone Resources</b>	<b>51,699</b>	<b>7.0</b>	<b>360.6</b>				

(1) – Combination of material from Maninge Nice, Mugloto and Glass.

Gemstone Grade and Value	Recovered Grade (ct/t)			Av. Parcel Value (2014–2024) <sup>1</sup> (USD/ct)	Av. Parcel Value 2024 (USD/ct)
	Maninge Nice	Mugloto	Glass <sup>(1)</sup>		
Premium Ruby	0.011	0.058	0.016	1,210.94	1,503.78
Ruby	0.504	0.445	0.161	55.38	89.63
Low Ruby	6.656	0.075	0.332	3.35	1.77
Corundum	0.341	0.033	0.394	0.96	–
Sapphire	1.295	0.034	0.077	0.24	–
Low Sapphire	10.331	0.344	1.696	0.08	–
–4.6mm	–	–	–	10.55	–
Reject with some Low Sapphire	n/r	n/r	n/r	0.05	–
<b>Weighted Average Value (USD/ct)</b>				<b>23.46</b>	<b>107.22</b>

(1) – Average parcel value for 2014 to 2023 applied.

## **7. Investments/Other Assets**

The construction of the USD70 million second processing plant at MRM is the only material ongoing investment at Gemfields as at the date of this Document. Progress is ongoing with completion on track by the end of June 2025 as previously guided. Gemfields has paid USD57.8 million, as capital expenditure, to the construction partner, Consulmet, to May 2025 as part of the payment schedule and will pay the remaining cost of USD10.2 million in July 2025 and with the final payment expected in January 2026.

The Group holds five mining titles and three exploration licences related to rubies. All scheduled work programmes for the year 2025 relating to these titles/licences, other than those relating to MRM, have been either materially modified or suspended due to financial constraints. The appropriate regulatory authorities (INAMI) have been informed.

The Group also holds six mining titles and six exploration licences for gold at Nairoto, Mozambique.

The Nairoto mining titles are meant to be in a production phase as per the prevailing regulation of Mozambique. However, they have been put under care and maintenance and force majeure has been declared in respect of these licences, due to the civil unrest and insurgency situation in this region.

The Nairoto exploration licences are past their initial five year life span (the last of which expired in 2024), Applications have been filed on time for their renewal and the Group is still awaiting communication from the regulatory authorities (INAMI) in respect of the same. Although there is no regulation to govern such circumstances, it is a generally accepted practice to treat all licences as valid unless INAMI rejects the renewal applications. Force majeure has also been declared in respect of these exploration licences due to the civil unrest and insurgency situation in the Nairoto region.

## **8. Trend Information**

For Gemfields' latest mining and production data please refer to the section 'Current Trading and Outlook'.

For Gemfields' latest auction result please refer to the section 'Current Trading and Outlook'. For 2024 auction results please refer to pages 36 and 42 in Gemfields Group Limited's Annual Report 2024 incorporated into this prospectus by reference.

For the latest market trends in luxury-goods and jewellery please refer to the section 'Background to the Reasons for the Rights: How Gemfields is addressing the third challenge'.

No additional material changes have occurred since the release of Gemfields' full year results to 31 December 2025 on 11 April 2025.

## **9. Summary of the principal terms of the Rights Issue**

The Rights Issue is intended to raise net proceeds of approximately USD30 million via the issue of 556,203,396 New Shares. The Rights Issue is being co-ordinated by Panmure Liberum.

The Rights Issue is being underwritten by the Underwriters in accordance with the terms of the Rights Issue and Underwriting Agreement. A summary of the material terms of the Rights Issue and Underwriting Agreement is set out in paragraph 9.8 of Part V "*Additional Information*".

Subject to the fulfilment of, amongst others, the conditions described below, the New Shares will be offered for subscription to Qualifying Shareholders (other than Qualifying South African Shareholders) by way of Rights Issue at 4.22 pence per New Share, or, in the case of Qualifying South African Shareholders, ZAR1.06860 per New Share, payable in full on acceptance. The Rights Issue will be on the basis of:

### **10 New Shares for every 21 Existing Shares**

held by and registered in the names of Qualifying Shareholders (other than such Shareholders resident or with registered addresses in any of the Excluded Territories) on the relevant Record Date and so in proportion to any other number of Existing Shares each Qualifying Shareholder then holds and otherwise on the terms and conditions set out in this Document and, in the case of Qualifying Non-CREST Shareholders or Qualifying South African Shareholders holding Shares in certificated form



(other than such Shareholders resident or with registered addresses in any of the Excluded Territories), the Provisional Allotment Letters or Forms of Instruction respectively.

The allocation of New Shares will be such that Qualifying Shareholders will not be allocated a fraction of a New Share and only whole numbers of New Shares will be issued to Qualifying Shareholders. Fractional entitlements to New Shares of 0.5 or greater will be rounded up and fractional entitlements of New Shares of less than 0.5 will be rounded down.

No excess applications are allowed. Qualifying Shareholders will not have the right to apply for any excess New Shares not taken up by other Qualifying Shareholders. Any New Shares not taken up by Qualifying Shareholders pursuant to the Rights Issue, shall be subscribed for by the Underwriters, in the Agreed Proportions, pursuant to the terms and subject to the conditions of the Rights Issue and Underwriting Agreement.

Holdings of Existing Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Rights Issue.

Application will be made for the New Shares to be admitted to trading on AIM. It is expected that AIM Admission will become effective and dealings will commence (nil paid) in the New Shares at 8.00 a.m. (London time) on 29 May 2025 and in the New Shares (fully paid) will commence at 9.00 a.m. (London time) on 30 June 2025. For the avoidance of doubt, the Nil Paid Rights will not be admitted to the Official List and will not be admitted to trading on the Main Market of the London Stock Exchange.

Application has been made to the JSE for the Letters of Allocation and the New Shares to be admitted to listing and trading on the General Segment of the JSE Main Board. It is expected that JSE Admission will become effective and that dealings on the JSE in the Letters of Allocation will commence at 9.00 a.m. (South Africa Standard Time) on 23 May 2025 and in the New Shares (fully paid) will commence at 9.00 a.m. (South Africa Standard Time) on 30 June 2025.

Any changes to the timetable of the Rights Issue will be announced by the Company in accordance with applicable rules in the United Kingdom and South Africa.

The Rights Issue is conditional upon:

- (a) AIM Admission becoming effective by no later than 8.00 a.m. (London time) on 29 May 2025 or such later date as may be agreed between the Company, Panmure Liberum and the Underwriters being a date not later than 8.00 a.m. (London time) on 30 June 2025);
- (b) approval by the JSE of the listing and trading of the New Shares and the Letters of Allocation on the General Segment of the JSE Main Board and JSE Admission becoming effective by not later than 9.00 a.m. (London time) on 23 May 2025 (or such later date as may be agreed between the Company, Panmure Liberum and the Underwriters being a date not later than 9.00 a.m. (London time) on 30 June 2025); and
- (c) the Rights Issue and Underwriting Agreement becoming unconditional in all respects and not having been terminated in accordance with its terms prior to AIM Admission and JSE Admission.

The New Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Shares, including the right to receive all future dividends and other distributions declared, made or paid after the date of their issue.

The Rights Issue will result in the issue of 556,203,396 New Shares, which will form approximately 32.3 per cent. of the Shares in issue immediately following completion of the Rights Issue.

The Rights Issue and Underwriting Agreement provides that the Underwriters will receive a commission of 2 per cent. of the gross proceeds raised from the issue of the Underwritten Shares, in the Agreed Proportions, to each respective Underwriter.

Further information on the Rights Issue, including the terms and conditions of the Rights Issue and the procedure for acceptance and payment and the procedure in respect of Rights not taken up is set out in Section 2 of Part II “*Information in relation to the Rights Issue*” of this Document and, where relevant, will be set out in the Provisional Allotment Letter or the Form of Instruction.

## **10. Effects of Implementation of the Rights Issue**

Pursuant to the Rights Issue, the Company is proposing to offer 556,203,396 New Shares to Qualifying Shareholders at 4.22 pence per New Share. Each New Share is expected to be issued at a discount of 19.7 per cent. to the theoretical ex-Rights price based on the closing price on AIM of 5.75 pence per Existing Share on 10 April 2025, being the last Business Day before the publication of the Circular. The SA Issue Price of ZAR1.06860 per New Share represents a 21.5 discount to the theoretical ex-Rights price closing price on the JSE of ZAR1.50000 per Existing Share on 10 April 2025, being the last Business Day before publication of the Circular. The Directors believe that it is necessary to offer the New Shares at a discount to complete the Rights Issue to allow the Company to raise the required funding and accordingly believe that such discount is in the best interests of the Shareholders, and that the Issue Price is appropriate for the Rights Issue.

If a Qualifying Shareholder does not take up any of its entitlements under the Rights Issue, such Qualifying Shareholder's ownership and voting interest in the Company, as a percentage of the enlarged issued share capital, will be diluted by up to 32.3 per cent. as a result of the Rights Issue.

Additionally, Shareholders in Excluded Territories will not be able to participate in the Rights Issue and will therefore experience dilution as a result of the Rights Issue.

Shareholders who are otherwise not Qualifying Shareholders will not be able to participate in the Rights Issue and will therefore experience dilution as a result of the Rights Issue.

## **11. Waiver of Rule 9 of the City Code on Takeovers and Mergers**

As set out in the Circular, the Takeover Panel had been consulted and agreed to waive the requirement for AIH to make a general offer for the Company to the other Shareholders under Rule 9 of the Takeover Code which might otherwise arise as a result of AIH's obligations under the Rights Issue and Underwriting Agreement to underwrite the Rights Issue, subject to the Rule 9 Waiver Resolution being passed on a poll of Independent Shareholders. As noted in the Circular, Rational was not considered to be acting in concert with AIH in connection with the Rights Issue but was not considered independent of AIH and was therefore not an Independent Shareholder. The Rule 9 Waiver Resolution was passed at the General Meeting on 19 May 2025.

If all of the Qualifying Shareholders (including the Underwriters) take up their Rights and participate in the Rights Issue, AIH and any persons acting in concert with AIH would, in aggregate, continue to be interested in 29.14 per cent. of the voting rights of the issued share capital of the Company immediately following Admission.

However, assuming that:

- (a) all Qualifying Shareholders (save for the Underwriters and the Committed Shareholders) renounce their Rights;
- (b) no Shareholders who are resident or located in any one of the Excluded Territories subscribe for any New Shares;
- (c) no other person converts any convertible securities or exercises any options or any other right to subscribe for Shares;
- (d) the Rights Issue and Underwriting Agreement becomes unconditional in all respects and is not terminated in accordance with its terms prior to Admission;
- (e) there are no other changes to the Company's issued share capital,

AIH and any persons acting in concert with AIH could, in aggregate, potentially be interested in a maximum of 670,026,452 Shares, representing approximately 38.9 per cent. of the voting rights of the Company's issued share capital immediately following the Rights Issue.

## 12. Irrevocable Undertakings

Each of the Underwriters, Sean Gilbertson, David Lovett, Ophorst Van Marwijk Kooy Verogensbeheer N.V. (in respect of 28,067,686 of its Ordinary Shares) and Van Lanschot Kempen N.V. (being the “**Committed Shareholders**”), have irrevocably undertaken to subscribe, in aggregate, for the Committed Shares, representing their Rights under the Rights Issue and as more specifically set out below:

Name	Rights taken up
AIH	162,079,581
Rational	86,141,186
Sean Gilbertson	8,356,346
David Lovett	686,667
Ophorst Van Marwijk Kooy Verogensbeheer N.V.*	13,365,565
Van Lanschot Kempen N.V.**	28,943,500

\* Ophorst Van Marwijk Kooy Verogensbeheer N.V. entered into two separate irrevocables, one in respect of 5,739,341 Rights and one in respect of 7,626,223 Rights

\*\* Entered into on behalf of Stichting Value Partners Family Office

Save for the undertakings given by the Underwriters, which shall lapse in accordance with the terms of the Rights Issue and Underwriting Agreement, each Irrevocable Undertaking shall lapse and be of no further effect at 5.00 p.m. on 30 June 2025 (or such later date as the Company and each of the relevant parties may agree).

## 13. Related Party Transactions

The entry into the Rights Issue and Underwriting Agreement with the Underwriters and the entry into each of the AIH Pre-Funding Agreement and the Rational Pre-Funding Agreement with the Underwriters were each “related party transactions” for the purposes of Rule 13 of the AIM Rules. The independent Directors considered, having consulted with Panmure Liberum, the Company’s nominated adviser for the purposes of the AIM Rules, that the terms of the related party transactions were fair and reasonable insofar as the Shareholders of the Company are concerned.

For purposes of the JSE Listings Requirements, the Rights Issue and Underwriting Agreement is not regarded as a related party transaction as the commission payable to the related parties (being the Underwriters) is not greater than the current market related rates as confirmed by the independent Non-Executive Directors of the Company, and as such falls within the exemptions contemplated under paragraph 10.6(c)(vii) of the JSE Listings Requirements pertaining to transactions that do not constitute related party transactions.

The Pre-Funding Agreements, for purposes of the JSE Listings Requirements were not regarded as a related party transaction as each is an agreement involving the lending of money by a related party (being each Underwriter) to the Company on normal commercial terms and on an unsecured basis and as such falls within the exemption contemplated in paragraph 10.6(c)(i) of the JSE Listings Requirements pertaining to transactions that do not constitute related party transactions.

## 14. Risk Factors

The part of this Document entitled “*Risk Factors*” sets out a number of risks and uncertainties which Shareholders should carefully consider in relation to the Rights Issue.

## 15. Taxation

Your attention is also drawn to Part III “*Taxation*” of this Document, which sets out certain information in relation to UK, Guernsey and South African taxation matters. The information contained in Part III “*Taxation*” is intended only as a general guide to certain aspects of the current tax position in the UK, Guernsey and South Africa and Shareholders in the UK, Guernsey and South Africa should consult their own tax advisers regarding the tax treatment of the Rights Issue and the holding of New Shares in the light of their own circumstances. If you are in any doubt as to your tax position, you should consult your own professional adviser without delay.

Qualifying Shareholders should note that the tax legislation of their jurisdiction of tax residence may, for example, have an impact on the tax treatment of any dividends which they receive in respect of the New Shares.

## **16. Employee Share Schemes**

Options and conditional awards granted under the Employee Share Schemes, to the extent not exercised or vested (as the case may be) by the UK Record Date, will not be adjusted to compensate for the effect of the Rights Issue.

## **17. Dividend Policy**

The Company's dividend policy is to provide regular returns of capital when the business' performance and market conditions allow, at the Board's discretion and following assessment of the Company's capital allocation priorities. The Company intends to consider adopting a metric based dividend policy.

On 25 March 2024, a final dividend for the year ended 31 December 2023 of USD10.0 million, being a gross dividend of 0.85712 USD cent per Share, was declared and then paid to Shareholders on 24 June 2024.

## **18. Overseas Shareholders**

The attention of Overseas Shareholders is drawn to the information in paragraph 9 of Section 2 of Part II *"Information in relation to the Rights Issue"*.

Shareholders who are resident or located in any of the Excluded Territories will not be entitled to participate in the Rights Issue. The provisions of paragraph 9 of Section 2 of Part II *"Information in relation to the Rights Issue"* will apply generally to Qualifying Shareholders (including Overseas Shareholders) who cannot or do not take up the New Shares provisionally allotted to them.

Any person in one of the Excluded Territories who obtains a copy of this Document, a Provisional Allotment Letter or a Form of Instruction, or who has their account at their CSDP or broker automatically credited with their Letters of Allocation, is required to disregard the aforementioned, except with the consent of the Company and Panmure Liberum.

## **19. Exchange Control Regulations**

### *Qualifying South African Shareholders who are resident in the CMA*

Qualifying Shareholders who hold Shares on the SA Register (including institutional investors, private individuals, corporates, trusts or partnerships) who are South African Resident Shareholders may participate in the Rights Issue in South Africa without restriction.

### *Qualifying South African Shareholders who are emigrants from the CMA*

Where a former resident of the CMA acquires a Nil Paid Right in respect of Shares blocked in terms of the Exchange Control Regulations, then only emigrant blocked funds may be used to:

- (a) take up the Rights in terms of the Rights Issue;
- (b) purchase Letters of Allocation on the JSE; and
- (c) subscribe for the New Shares arising in respect of Letters of Allocation purchased on the JSE.

All applications by emigrants using blocked funds for the above purposes must be made through the Authorised Dealer controlling their blocked assets. Share statements issued to such emigrants will be endorsed "non-resident" and placed under the control of the Authorised Dealer through whom the payment was made. The proceeds due to emigrants from the sale of the Letters of Allocation, if applicable, will be returned to the Authorised Dealer for credit to such emigrants' blocked account. Electronic statements issued in terms of Strate and any share statements issued pursuant to blocked Rand transactions will be endorsed "non-resident" and placed under the control of the Authorised Dealer through whom the payment was made. The proceeds arising from the sale of Letters of Allocation or arising from the sale of blocked Shares will be credited to the blocked account of the emigrants concerned.

### *Qualifying South African Shareholders who are non-resident in the CMA*

Pursuant to the Exchange Control Regulations, non-residents of the CMA will be allowed to:

- (a) take up Rights in terms of the Rights Issue;
- (b) purchase Letters of Allocation on the JSE; and
- (c) subscribe for New Shares pursuant to the acquisition of Letters of Allocation on the JSE,

provided payment is received either through normal banking channels from abroad or from a non-resident account.

All applications by non-residents of the CMA for the above purposes must be made through an Authorised Dealer in foreign exchange. Electronic statements issued in terms of Strate and any share statements issued pursuant to such applications will be endorsed "non-resident".

## **20. Actions to be taken**

If you are a:

- Qualifying Non-CREST Shareholder (other than a Qualifying Non-CREST Shareholder with a registered address in any of the Excluded Territories), it is expected that you will be sent a Provisional Allotment Letter giving you details of your Nil Paid Rights by post;
- Qualifying South African Shareholder who holds Shares in certificated form (other than a Qualifying South African Shareholder with a registered address any of the Excluded Territories), it is expected that you will be sent a Form of Instruction giving you details of your Letters of Allocation;
- Qualifying CREST Shareholder (other than a Qualifying CREST Shareholder with a registered address in any of the Excluded Territories), it is expected that you will not be sent a Provisional Allotment Letter. Instead, it is expected that you will receive a credit to your appropriate stock accounts in CREST in respect of your Nil Paid Rights;
- Qualifying South African Shareholder who holds Shares in uncertificated form, it is expected that (other than if you are a Qualifying South African Shareholder with a registered address in any of the Excluded Territories) you will not be sent a Form of Instruction. Instead, it is expected that your CSDP/broker account in Strate will be credited with Letters of Allocation in respect of your Nil Paid Rights. You will be contacted by your CSDP or stockbroker (as the case may be) who will provide you with instructions on how you can exercise your rights to subscribe for New Shares on the basis of the terms of the Rights Issue in accordance with the terms of the Custody Agreement between you and your CSDP or stockbroker. However, the crediting of Letters of Allocation to a CSDP or broker account in Strate of a Qualifying South African Shareholder with a registered address in any Excluded Territory will not constitute an offer in those jurisdictions in which it would be illegal to make and/or accept an offer. Accordingly, no Qualifying South African Shareholder with a registered address in any Excluded Territory receiving a credit of Letters of Allocation to a CSDP or broker account in Strate, may treat the same as constituting an invitation or offer to him nor should he in any event use or deal with any Letters of Allocation credited to him in Strate unless such an invitation or offer could lawfully be made to and accepted by him or the Letters of Allocation could lawfully be used or dealt with without contravention of any registration or other legal requirements. In such circumstances, this Document and the formal credit of the Letters of Allocation must be treated as sent (or made available) for information purposes only, should not be copied or redistributed and such Qualifying South African Shareholder should take independent professional advice in relation thereto.

If you sell or transfer or have sold or otherwise transferred all of your Existing Shares (other than ex-Rights) held in certificated form before the relevant Ex-Rights Date, please send any Provisional Allotment Letter or Form of Instruction (as applicable), duly renounced, if and when received, at once to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee, except that such documents should not be sent in or into any jurisdiction where to do so might constitute a violation of local securities laws or regulations, including, but not limited to, any of the Excluded Territories.

If you sell or transfer or have sold or otherwise transferred only part of your holding of Existing Shares (other than ex-Rights) held in certificated form before the relevant Ex-Rights Date, you should immediately consult the bank, stockbroker or other agent through whom the sale or transfer was effected and refer to the instructions regarding split applications or, in the case of Qualifying South African Shareholders, to the section entitled “*Partial acceptance, renunciation and/or sale*”, in Section 2 of Part II “*Information in Relation to the rights Issue*” of this Document and in the Provisional Allotment Letter or Form of Instruction (as the case may be).

If you hold your Shares in CREST and you sell or transfer or have sold or otherwise transferred all or some of your Existing Shares (other than ex-Rights) held in uncertificated form before the relevant Ex-Rights Date, a claim transaction will automatically be generated by Euroclear UK & International which, on settlement, will transfer the appropriate number of Nil Paid Rights to the purchaser or transferee.

If you hold your Shares in Strate and you sell or transfer or have sold or otherwise transferred all or some of your Existing Shares (other than ex-Rights) held in uncertificated form before the relevant Ex-Rights Date, the appropriate number of Letters of Allocation will be automatically credited to the purchaser’s or transferee’s CSDP or broker account.

**The latest time and date for acceptance and payment in full in respect of the Rights Issue by Qualifying Shareholders (other than South African Qualifying Shareholders) is expected to be 11.00 a.m. (London time) on 12 June 2025 and in respect of South African Qualifying Shareholders, the latest time and date for acceptance (and in the case of those who hold their Shares in certificated form, payment in full) in respect of the Rights Issue is expected to be 12.00 p.m. (South Africa Standard Time) on 12 June 2025 unless otherwise announced by the Company. The procedure for acceptance and payment is set out in Section 2 of Part II “*Information in relation to the Rights Issue*” of this Document and, in respect of Qualifying Non-CREST Shareholders and Qualifying South African Shareholders who hold their Shares in certificated form (other than such Shareholders with registered addresses in any of the Excluded Territories), in the Provisional Allotment Letter or Form of Instruction, as the case may be.**

If you are in any doubt as to the action you should take, you should immediately seek your own financial advice from your stockbroker, solicitor, accountant, fund manager or other appropriate independent financial adviser authorised under FSMA if you are in the United Kingdom or, if you are outside the United Kingdom, by another appropriately authorised independent financial adviser.

## **21. Recommendation**

**The Board considers the Rights Issue to be consistent with Gemfields’ strategic objectives and to be in the best interests of the Company and the Shareholders taken as a whole. The current trading and outlook of the Company is set out in paragraph 5 Part I: *Letter from the Chairman of Gemfields*. Having considered these factors, the Board is of the opinion that the prospects of Gemfields are satisfactory.**

Yours faithfully

**Bruce Cleaver**  
*Independent Non-Executive Chair*

## PART II – INFORMATION IN RELATION TO THE RIGHTS ISSUE

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### Section 1: Some Questions and Answers about the Rights Issue

*The questions and answers set out in Section 1 of this Part II are intended to be in general terms only and, as such, you should read Section 2 of this Part II for full details of the terms of the Rights Issue and what action you should take if you wish to participate in the Rights Issue. If you are in any doubt as to what action you should take, you are recommended to seek immediately your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser, duly authorised under FSMA, or from another appropriately authorised independent financial adviser.*

*Section 1 of this Part II deals with general questions relating to the Rights Issue and more specific questions relating to Shares held by persons resident in the United Kingdom who hold their Shares in certificated form and persons whose Shares are on the SA Register. If you are an Overseas Shareholder, you should read paragraph 9 of Section 2 of Part II “Information in relation to the Rights Issue” and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your Rights. If you hold your Shares in uncertificated form (through CREST or through a broker or CSDP account in Strate) you should read Section 2 of this Part II “Information in relation to the Rights Issue” for full details of what action you should take. If you are a CREST Sponsored Member, you should also consult your CREST Sponsor. If you are a Qualifying South African Shareholder holding your Shares in uncertificated form, you should also consult your CSDP or stockbroker. If you do not know whether your Shares are in certificated or uncertificated form, please call the UK Shareholder Helpline on 0370 707 4040 (from inside the United Kingdom), or +44 370 707 4040 (from outside the United Kingdom) or the South African Shareholder Helpline on 0861 100 634 (from inside South Africa), or +27 11 370 5000 (from outside South Africa), as appropriate. Lines to the UK Shareholder Helpline are open from 8:30 a.m. to 5:30 p.m., Monday to Friday (excluding English and Welsh public holidays). Calls to the UK Shareholder Helpline from outside the United Kingdom will be charged at the applicable international rates. The South African Shareholder helpline will be open between 8:00 a.m. and 4:00 p.m. Monday to Friday (except South African public holidays). Calls to the South African Shareholder Helpline from within South Africa are charged at your service provider’s applicable rate for calls to a standard Telkom telephone number. Calls to the South African Shareholder Helpline from outside South Africa will be charged at applicable international rates. Different charges may apply to calls to the Shareholder Helplines from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. For legal reasons, the Shareholder Helplines will be unable to give advice on the merits of the Rights Issue or to provide legal, financial, tax or investment advice.*

### Part A – Questions and Answers for all Qualifying Shareholders

#### 1. What is a rights issue?

A rights issue is a way for companies to raise money by giving their existing shareholders the right to subscribe for further shares in proportion to their existing holdings, usually at a discount to the market price as at the date of announcement.

The offer under the Rights Issue is 10 New Shares at a price of 4.22 pence per New Share in the case of Qualifying Shareholders other than Qualifying South African Shareholders or, in the case of Qualifying South African Shareholders, ZAR1.06860 per New Share, for every 21 Existing Shares held on the relevant Record Date by Qualifying Shareholders.

If you hold Existing Shares on the relevant Record Date and are not a Shareholder resident or with a registered address in the Excluded Territories, you will be entitled to subscribe for New Shares in the Rights Issue. If you hold your Existing Shares in certificated form, your entitlement will be set out in your Provisional Allotment Letter or Form of Instruction (as applicable).

New Shares are being offered to Qualifying Shareholders in terms of the Rights Issue at a discount to the share price on the last Business Day prior to the date of this Document. The UK Issue Price of 4.22 pence per New Share represents a 19.7 per cent. discount to the theoretical ex-Rights price based on the closing middle-market price of an Existing Share of 5.75 pence per Share on 10 April 2025, the last Business Day prior to the publication of the Circular, and the SA Issue Price of ZAR1.06860 per New Share represents a 21.5 per cent. discount to the theoretical ex-Rights price based on the closing price on the JSE of ZAR1.50000 per Share on 10 April 2025, the last Business Day prior to the publication of the Circular. Because of this discount and whilst the market value of the Existing Shares exceeds the Issue Price, the right to subscribe for the New Shares is potentially valuable.

If you are a Qualifying Shareholder (other than a Shareholder with a registered address, or who is resident, in one of the Excluded Territories) and you do not want to subscribe for the New Shares to which you are entitled, you can instead sell or transfer your Rights (called Nil Paid Rights) to subscribe for those New Shares and receive the net proceeds, if any, of the sale or transfer in cash. This is referred to as dealing “nil paid”.

## **2. Is the Rights Issue underwritten?**

Yes. The Rights Issue is underwritten by the Underwriters pursuant to the Rights Issue and Underwriting Agreement. The Underwriters have undertaken to underwrite the Underwritten Shares in the Agreed Proportions. A summary of the terms of the Rights Issue and Underwriting Agreement are set out in paragraph 9.8 of Part V “*Additional Information*”.

## **3. Why is Gemfields undertaking the Rights Issue?**

As described more fully in Part I “*Letter from the Chairman of Gemfields*” of this Document, four simultaneous and material challenges, which management believe are transient, have been impacting the business and have resulted in the need for additional external funding in the short term.

The Rights Issue is expected to raise approximately USD30 million (in gross proceeds). The proceeds of the Rights Issue will be used for general corporate purposes, and specifically to provide working capital liquidity and ensure the business is able to continue operating and fulfil its ongoing obligations such as paying employee salaries and key operating costs, in-between auctions.

## **4. What if the number of New Shares to which I am entitled is not a whole number: am I entitled to fractions of New Shares?**

Your entitlement to New Shares will be calculated at the relevant Record Date. Fractional entitlements to New Shares of 0.5 or greater will be rounded up and fractional entitlements of New Shares of less than 0.5 will be rounded down.

## **5. Will the Rights Issue affect the future dividends Gemfields pays?**

The Directors believe it is unlikely dividends would be affordable in the short term while the business’ net debt remains high.

Following completion of the Rights Issue, any future dividend payments per Share will be based on the new share count set by the completion of the Rights Issue, and any further share count adjustments in the future. Qualifying Shareholders who receive New Shares under the Rights Issue will receive any dividends on the New Shares in the same manner as they receive any dividends on their Existing Shares.

## **6. Will my current shareholding in Gemfields remain the same following the Rights Issue?**

If you are a Qualifying Shareholder and you decide to take up all of your Rights to acquire the New Shares to which you are entitled, the proportion of your holding in Gemfields will, subject to the treatment of fractional entitlements (whereby fractional entitlements to New Shares of 0.5 or greater will be rounded up and fractional entitlements of New Shares of less than 0.5 will be rounded down) remain the same as



it was before the Rights Issue. Subject to the above and the New Shares issued pursuant to the Rights Issue, it is not expected that the proportion of Gemfields' issued share capital held by each Shareholder immediately following Admission will change.

If you decide to sell or not take up some or all of your Rights, the proportion of the Group you own will be smaller once the Rights Issue has been completed, as New Shares are being issued. In these circumstances your interest in Gemfields will be diluted, and the maximum dilution you may suffer immediately following Admission (in the event you do not take up any of your Rights) will be 32.3 per cent.

Excluded Territories Shareholders will not be able to participate in the Rights Issue and therefore their shareholdings will be diluted.

**7. I understand that there is a period when there is trading in the Nil Paid Rights. What does this mean?**

If you do not want to subscribe for the New Shares being offered to you under the Rights Issue, you may instead sell or transfer your Nil Paid Rights to subscribe for those New Shares and receive the net proceeds of the sale or transfer in cash. This is referred to as dealing "nil paid". This means that, during the Rights Issue offer period, you can either trade in Existing Shares (which will not carry any entitlement to participate in the Rights Issue) or you can trade in the Nil Paid Rights, should there be a market for the same.

**8. How will I know the price of the Nil Paid Rights (or Letters of Allocation) and how much will I actually receive if I decide to sell my Nil Paid Rights (or Letters of Allocation)?**

The price you will receive for your Nil Paid Rights (or Letters of Allocation) will vary with market conditions. It is important to note that the market price for Nil Paid Rights (or Letters of Allocation) is different from the Issue Price of the New Shares.

The value of the Nil Paid Rights (or Letters of Allocation) reflects the difference between the market price of Existing Shares ex-Rights and the Issue Price of New Shares (allowing for any applicable brokerages and commissions and amounts in respect of value added tax). It is possible that you may receive little or no proceeds from the sale of some or all of your Nil Paid Rights if the market price of the Existing Shares falls, thus reducing the discount at which the New Shares are issued. In addition, there may be transaction costs on the sale of Nil Paid Rights.

**9. I am a Qualifying Shareholder and I hold my Existing Shares in certificated form. How do I know if I am able to subscribe for New Shares under the Rights Issue?**

If you receive a Provisional Allotment Letter or a Form of Instruction and you are not a holder with a registered address in any of the Excluded Territories, then you should be eligible to subscribe for New Shares under the Rights Issue (as long as you have not sold all of your Existing Shares before the relevant Ex-Rights Date).

**10. I am a Qualifying Shareholder and I hold my Existing Shares in certificated form. What do I need to do in relation to the Rights Issue?**

If you hold your Existing Shares in certificated form and do not have a registered address in one of the Excluded Territories, you will be sent a Provisional Allotment Letter or a Form of Instruction (as appropriate) that shows:

- how many Existing Shares you held at the close of business on the relevant Record Date for the Rights Issue;
- how many New Shares you are entitled to subscribe for; and
- how much you need to pay if you want to take up your Rights to subscribe for all or any of the New Shares provisionally allotted to you.

If you are not a Qualifying Shareholder or have a registered address in one of the Excluded Territories, you will not receive a Provisional Allotment Letter or a Form of Instruction.

**11. I hold my Existing Shares in certificated form. What if I do not receive a Provisional Allotment Letter or Form of Instruction?**

If you do not receive a Provisional Allotment Letter or Form of Instruction but hold your Existing Shares in certificated form, this probably means that you are not able to subscribe for New Shares under the Rights Issue. Some Qualifying Non-CREST Shareholders and Qualifying South African Shareholders holding their Shares in uncertificated form, however, will not receive a Provisional Allotment Letter or Form of Instruction but may still be eligible to acquire New Shares under the Rights Issue, namely:

- Qualifying CREST Shareholders who held their Existing Shares in uncertificated form on 27 May 2025 (the UK Record Date) and who have converted them to certificated form;
- Qualifying South African Shareholders who held their Existing Shares in uncertificated form on 27 May 2025 and who have converted them to certificated form;
- Qualifying Non-CREST Shareholders who bought Existing Shares before the relevant Record Date and who hold such Shares in certificated form but were not registered as the holders of those Shares at the close of business on the relevant Record Date; and
- certain Overseas Shareholders.

If you do not receive a Provisional Allotment Letter or a Form of Instruction but think that you should have received one, please contact the UK Shareholder Helpline or the South African Shareholder Helpline, as appropriate. Contact details for the Shareholder Helplines are set out on page 44 of this Document. The Shareholder Helplines will only be able to provide information contained in this Document (and, in addition, information relating to Gemfields' register of members) and will be unable to give advice on the merits of the Rights Issue or to provide legal, financial, tax or investment advice.

**12. I hold my Existing Shares in certificated form. If I take up my Rights, when will I receive the certificate representing my New Shares?**

If you take up your Rights under the Rights Issue, definitive share certificates or share statements are expected to be despatched by 27 June 2025 for Shareholders on the UK Register and 27 June 2025 for Shareholders on the SA Register.

**13. If I buy Shares after the Record Date will I be eligible to participate in the Rights Issue?**

If you are a Qualifying Shareholder (other than a Qualifying South African Shareholder) and you bought Shares after the UK Record Date but prior to the relevant Ex-Rights Date, you may be eligible to participate in the Rights Issue. If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement.

Qualifying South African Shareholders who bought Shares after the Last Day to Trade will not be eligible to participate in the Rights Issue.

**14. Will I be taxed if I take up my Rights or sell my Rights (or Letters of Allocation) or if my Rights (or Letters of Allocation) are sold on my behalf?**

If you are resident in the UK or South Africa for tax purposes, you should not have to pay UK or South African tax when you take up your Rights, although the Rights Issue will affect the amount of UK or South African tax you may pay when you subsequently sell your Shares.

However, in the UK, assuming that you hold your Shares as an investment, rather than for the purposes of a trade, you may (subject to any available exemption or relief) be subject to capital gains tax on any proceeds that you receive from the sale of your Rights (or Letters of Allocation) (unless, generally, the proceeds do not exceed £3,000, or, if more, 5 per cent. of the market value of your Shares on the date of sale, although in that case the amount of UK tax you may pay when you subsequently sell all or any of your Shares may be affected). In South Africa, assuming that you hold your Shares as an investment, rather than for speculative or trading purposes, you may (subject to any available exemption or relief) be subject to capital gains tax on any proceeds that you receive from the sale of your Rights (or Letters of Allocation). Persons who do not hold their Shares as an investment should contact a professional tax adviser.

Further information for Qualifying Shareholders who are resident in the UK or South Africa for tax purposes is contained in Part III “*Taxation*” of this Document. This information is intended as a general guide to the current tax position in the UK and South Africa and Qualifying Shareholders should consult their own tax advisers regarding the tax treatment of the Rights Issue in light of their own circumstances. Qualifying Shareholders who are in any doubt as to their tax position, or who are subject to tax in any other jurisdiction, should consult an appropriate professional adviser as soon as possible. Please note that the Shareholder Helplines will not be able to assist you with taxation issues.

**15. Can I change my decision to take up my Rights?**

Once you have returned your Provisional Allotment Letter or Form of Instruction to the relevant Registrar, you cannot withdraw your application or change the number of New Shares that you have applied for, save in accordance with paragraph 6 of Section 2 of Part II “*Information in relation to the Rights Issue*”.

**16. What if I hold options and awards under the Employee Share Schemes?**

Options and conditional awards granted under the Employee Share Schemes, to the extent not exercised or vested (as the case may be) by the UK Record Date, will not be adjusted to compensate for the effect of the Rights Issue.

**17. What should I do if I live outside the United Kingdom and South Africa?**

Whilst you have an entitlement to participate in the Rights Issue, your ability to take up rights to subscribe for New Shares may be affected by the laws of the country in which you live and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your Rights. Shareholders resident or with registered addresses in any of the Excluded Territories are not able to acquire the New Shares provisionally allotted to them under the Rights Issue.

Each Underwriter shall itself subscribe for the New Shares of those Shareholders resident or with registered addresses in any of the Excluded Territories and of those other Shareholders who have not taken up their Rights at the Issue Price, in the Agreed Proportions. Please note that given the Underwriters will be subscribing at the Issue Price (and not at a premium to the Issue Price), no funds will be remitted to Shareholders who do not take up their Rights or who are resident in an Excluded Territory.

Your attention is drawn to the information in paragraph 9 of Section 2 of Part II “*Information in relation to the Rights Issue*”.

**18. What should I do if I think my holding of Shares is incorrect or I want more information in relation to the Rights Issue?**

If you have bought or sold Shares shortly before the relevant Record Date, your transaction may not be entered on the register of members of the Company in time to appear on the register at the relevant Record Date. If you are concerned about the figure in the Provisional Allotment Letter or Form of Instruction or otherwise concerned that your holding of Shares has been reflected incorrectly, please contact the UK Shareholder Helpline or the South African Shareholder Helpline, as appropriate. Contact details for the Shareholder Helplines are set out on page 44 of this Document. The Shareholder Helplines will only be able to provide information contained in this Document (and, in addition, information relating to Gemfields’ register of members) and will be unable to give advice on the merits of the Rights Issue or to provide legal, financial, tax or investment advice.

## **Part B – Questions and Answers for Qualifying Shareholders (other than Qualifying South African Shareholders)**

### **1. I hold my Existing Shares in uncertificated form. What do I need to do in relation to the Rights Issue?**

If you hold Existing Shares in uncertificated form, your account in CREST will be credited with Nil Paid Rights. If you are a CREST Sponsored Member you should refer to your CREST Sponsor, as only your CREST Sponsor will be able to take the necessary actions specified below to take up the entitlements or otherwise to deal with your Nil Paid Rights. If you are not a CREST Sponsored Member, you should read paragraph 5 of Section 2 of Part II *“Information in relation to the Rights Issue”* and consult the CREST Manual for instructions as to how to participate in the Rights Issue.

### **2. I hold my Existing Shares in certificated form. What are my choices and what should I do with the Provisional Allotment Letter?**

#### **(a) If you want to take up all of your Rights**

If you want to take up all of the Rights to acquire the New Shares to which you are entitled, all you need to do is send the Provisional Allotment Letter, together with your cheque or banker's draft in pounds sterling for the full amount payable on acceptance, payable to “CIS PLC RE: GEMFIELDS GROUP LIMITED RIGHTS ISSUE APPLICATION ACCOUNT” and crossed “A/C payee only”, by post or by hand (during normal business hours) to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH to be received by no later than 11.00 a.m. (London time) on 12 June 2025. Within the UK only, you can use the reply-paid envelope which will be enclosed with the Provisional Allotment Letter. Full instructions are set out in Section 2 of this Part II *“Information in relation to the Rights Issue”* and the Provisional Allotment Letter.

Please note third-party cheques other than building society cheques or banker's drafts may not be accepted.

If payment is made by building society cheque or a banker's draft, the building society or bank must confirm on the cheque or draft the applicant's name (which should be the same as that shown on the Provisional Allotment Letter) by stamping or endorsing the building society cheque or banker's draft to such effect.

Your definitive share certificate or share statement is expected to be despatched to you by 27 June 2025 for Shareholders on the UK Register and 27 June 2025 for Shareholders on the SA Register. You will need your Provisional Allotment Letter to be returned to you if you want to deal in your Fully Paid Rights. Your Provisional Allotment Letter will not be returned to you unless you tick the relevant box on the Provisional Allotment Letter.

#### **(b) If you do not want to take up any of your Rights**

If you do not want to take up your Rights, you do not need to do anything. If you do not return your Provisional Allotment Letter subscribing for the New Shares to which you are entitled by 11.00 a.m. (London time) on 12 June 2025, such shares will be subscribed for by the Underwriters at the Issue Price pursuant to the terms of the Rights Issue and Underwriting Agreement. Given that any such subscription will be at the Issue Price (and not in excess of the Issue Price) Shareholders who do not take up their Rights should therefore be aware that they will receive no monies from the Underwriters.

Alternatively, if you do not want to take up your Rights, you can sell or transfer your Nil Paid Rights (see paragraph (d) below).

#### **(c) If you want to take up some but not all of your Rights**

If you want to take up some but not all of your Rights and wish to sell some or all of those you do not want to take up, you should first apply to have your Provisional Allotment Letter split by completing Form X on the Provisional Allotment Letter, and returning it by post or by hand (during normal business hours) to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH to be received by 3.00 p.m. (London time) on 10 June 2025, together with a covering letter stating the number of split Provisional Allotment Letters required and the number of Nil Paid Rights to be comprised in each split Provisional Allotment Letter. You should then deliver the split Provisional Allotment Letter representing the New Shares that you wish to accept together with your cheque or banker's draft to Computershare

Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH (see paragraph (a) above) to be received by 11.00 a.m. (London time) on 12 June 2025.

Alternatively, if you only want to take up some of your Rights (but not sell some or all of the rest), you should complete Form X on the Provisional Allotment Letter and return it with a cheque or banker's draft together with an accompanying letter indicating the number of Nil Paid Rights that you wish to take up.

Shareholders who wish to effect a cashless take-up of their Nil Paid Rights (which may be achieved through the sale of such portion of their Nil Paid Rights as will raise sufficient funds to allow the relevant Shareholder to take up their remaining Nil Paid Rights) should contact their broker, who may be able to assist with such arrangements.

**(d) If you want to sell all of your Rights**

If you want to sell all of your Rights, you should complete and sign Form X on the Provisional Allotment Letter (if it is not already marked "Original Duly Renounced") and pass the entire letter to your stockbroker, bank manager or other appropriate financial adviser or to the transferee (provided they are not in any of the Excluded Territories).

The latest time and date for selling all of your Rights is 11.00 a.m. (London time) on 12 June 2025. Please ensure, however, that you allow enough time so as to enable the person acquiring your Rights to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. (London time) on 12 June 2025.

**3. If I buy Shares after the UK Record Date will I be eligible to participate in the Rights Issue?**

If you bought Shares after the UK Record Date but prior to the Ex-Rights Date, you may be eligible to participate in the Rights Issue.

If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement.

If you buy Shares at or after the Ex-Rights Date, you will not be eligible to participate in the Rights Issue in respect of those Shares.

**4. I hold my Existing Shares in certificated form. What if I want to sell the New Shares for which I have paid?**

Provided the New Shares have been paid for and you have requested the return of the receipted Provisional Allotment Letter, you can transfer the Fully Paid Rights by completing Form X (the form of renunciation) on the receipted Provisional Allotment Letter and passing it to your stockbroker, bank manager or the appropriate financial adviser or to the transferee (provided they are not in any of the Excluded Territories). After that time, you will be able to sell your New Shares in the normal way. The definitive share certificate or share statement relating to your New Shares is expected to be despatched by no later than 27 June 2025. Pending despatch of the definitive share certificate or share statement, instruments of transfer will be certified by the Registrar against the register.

Further details are set out in Section 2 of this Part II *"Information in relation to the Rights Issue"*.

**Part C – Questions and Answers for Qualifying South African Shareholders**

**1. I hold my Existing Shares in uncertificated form. What do I need to do in relation to the Rights Issue?**

If you are a Qualifying South African Shareholder who holds Existing Shares in uncertificated form, your account at your CSDP or broker will be automatically credited with your Letters of Allocation and you will be contacted by your CSDP or stockbroker (as the case may be) who will provide you with instructions on how you can exercise your rights to subscribe for New Shares on the basis of the terms of the Rights Issue in accordance with the terms of the Custody Agreement between you and your CSDP or stockbroker (as the case may be). If you comply with, and communicate, those instructions in accordance with the Custody Agreement with your CSDP or stockbroker (as the case may be), the CSDP or stockbroker will exercise your Rights under the relevant Letters of Allocation on your behalf.

If you have not been contacted by your CSDP or stockbroker (as the case may be) by the close of business on 22 May 2025, you should contact that CSDP or stockbroker directly.

**2. I hold my Existing Shares in certificated form. What are my choices and what should I do with the Form of Instruction?**

**(a) If you want to take up all or some of your Rights**

If you hold your Shares in certificated form and you wish to subscribe for some or all of the New Shares allocated to you, you must complete the Form of Instruction enclosed herewith in accordance with the instructions contained therein and lodge it, together with payment for the amount due in respect thereof, with the SA Registrar, by not later than 12.00 p.m. (South Africa Standard Time) on 12 June 2025.

Payment for the New Shares subscribed for must be made in full (i) by electronic fund transfer ("EFT") (into the designated bank account, details of which are available from the SA Registrar); (ii) must be paid in Rand; and (iii) proof of payment by EFT, must be lodged, posted or emailed, as the case may be, together with the completed Form of Instruction in accordance with the instructions in the Form of Instruction.

Shareholders are advised that the preferred means to lodge their Forms of Instruction and proof of EFT payment with the SA Registrar is by way of electronic mail. Lodgement by post shall be at the risk of the Shareholder.

The SA Registrar will not be responsible for any loss and/or damage whatsoever in relation to or arising from the late or non-receipt of emailed Forms of Instruction or owing to Forms of Instruction being forwarded to any other email address other than that provided in the Form of Instruction. Notwithstanding anything to the contrary, it is the Shareholder's responsibility to ensure that their Form of Instruction (insert) is received by the SA Registrar. Full instructions are set out in paragraph 4 of Section 2 of Part II *"Information in relation to the Rights Issue"* and in the Form of Instruction.

A definitive share certificate or share statement will then be sent to you, representing the New Shares that you have subscribed for. Your definitive share certificate or share statement for New Shares is expected to be despatched to you, at your own risk, by no later than 27 June 2025. Shareholders wishing to trade New Shares prior to receipt of their share certificate or share statement should contact their broker and the SA Registrar.

The maximum number of New Shares you are entitled to subscribe for and the total price payable for that number of New Shares is set out in the Form of Instruction.

**(b) If you do not want to take up any of your Rights**

If you do not wish to subscribe for all or some of the New Shares allocated to you, you may sell or renounce your Rights or allow them to lapse. In such event, you must complete the relevant section of the Form of Instruction and return it to the SA Registrar to be received not later than 9.00 a.m. on 9 June 2025, if you wish to sell, and by no later than 12.00 p.m. (South Africa Standard Time) on 12 June 2025, if you renounce your Rights. If you intend to allow your Rights to lapse, you need not take any action.

The Underwriters shall subscribe for the New Shares of those Shareholders who have not taken up their Rights at the Issue Price, in the Agreed Proportions. Please note that given the Underwriters will be subscribing at the Issue Price (and not any premium to the Issue Price), no funds will be remitted to Shareholders who do not take up their Rights.

## **Section 2: Terms and Conditions of the Rights Issue**

### **1. Details of the Rights Issue**

The Company proposes to raise approximately USD30 million (net of expenses) by way of a rights issue of 556,203,396 New Shares.

Subject to the satisfaction or waiver of the conditions of the Rights Issue and Underwriting Agreement and the terms and conditions set out below, the New Shares are offered for subscription to Qualifying Shareholders (other than Qualifying South African Shareholders) at 4.22 pence per New Share or, in the case of Qualifying South African Shareholders ZAR1.06860 per New Share by way of rights, payable in full on acceptance on the basis of:

#### **10 New Shares for every 21 Existing Shares**

held by and registered in the names of Qualifying Shareholders (other than Qualifying Shareholders resident or with registered addresses in any of the Excluded Territories) on the relevant Record Date (and so in proportion to any other number of Existing Shares each Qualifying Shareholder then holds) and otherwise on the terms and conditions set out in this Document and, in the case of Qualifying Non-CREST Shareholders or Qualifying South African Shareholders holding shares in certificated form (other than such Shareholders resident or with registered addresses in any of the Excluded Territories), the Provisional Allotment Letters or Forms of Instruction respectively.

The UK Issue Price of 4.22 pence per New Share represents:

- a 19.7 per cent. discount to the theoretical ex-Rights price based on the closing price of 5.75 pence per Share; and
- a 35.0 per cent. discount to the 30-day volume weighted average price per share of 6.50 pence per Share,

in each case on 10 April 2025, being the last Business Day before the publication of the Circular.

The SA Issue Price of ZAR1.06860 per New Share represents:

- a 21.5 per cent. discount to the theoretical ex-Rights price based on the closing price of ZAR1.50000 per Share; and
- a 28.8 per cent. discount to the 30-day volume weighted average price per share of ZAR1.50049 per Share,

in each case on 10 April 2025, being the last Business Day before the publication of the Circular.

Qualifying Shareholders who do not take up their entitlements to New Shares will have their proportionate shareholdings in the Company diluted by up to 32.3 per cent. immediately following the Rights Issue. Those Qualifying Shareholders who take up their Rights in full will, following the Rights Issue being completed, subject to fractional entitlements (whereby entitlements to New Shares of 0.5 or greater will be rounded up and fractional entitlements of New Shares of less than 0.5 will be rounded down), have the same proportional voting rights and entitlements to distributions as they had on the Record Date.

The Nil Paid Rights are entitlements to subscribe for New Shares subject to payment of the Issue Price. The Fully Paid Rights are entitlements to receive the New Shares, for which a subscription and payment has already been made.

The allocation of New Shares will be such that Qualifying Shareholders will not be allocated a fraction of a New Share and only whole numbers of New Shares will be issued to Qualifying Shareholders. Fractional entitlements to New Shares of 0.5 or greater will be rounded up and fractional entitlements of New Shares of less than 0.5 will be rounded down.

Holdings of Existing Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Rights Issue. The Rights Issue is being underwritten by the Underwriters in accordance with the terms and subject to the conditions of the Rights Issue and Underwriting Agreement and is conditional upon:

- (a) AIM Admission becoming effective by not later than 8.00 a.m. (London time) on 29 May 2025 (or such later date as may be agreed between the Company, Panmure Liberum and the Underwriters being a date not later than 8.00 am (London time) on 30 June 2025);
- (b) approval by the JSE of the listing and trading of the New Shares and the Letters of Allocation on the JSE Main Board and JSE Admission becoming effective by not later than 9.00 a.m. (London time) on 23 May 2025 (or such later date as may be agreed between the Company, Panmure Liberum and the Underwriters being a date not later than 9.00 am (London time) on 30 June 2025); and
- (c) the Rights Issue and Underwriting Agreement becoming unconditional in all respects, and not having been terminated in accordance with its terms prior to the AIM Admission and the JSE Admission.

Subject to, amongst other things, the factors outlined in the paragraph above, Provisional Allotment Letters and Forms of Instruction in respect of the entitlements to New Shares will be despatched to Qualifying Non-CREST Shareholders and Qualifying South African Shareholders who hold their Shares in certificated form (other than such Shareholders with a registered address in any of the Excluded Territories), respectively, in each case at their own risk. Provisional Allotment Letters and Forms of Instruction constitute temporary documents of title.

None of the New Shares are being made available to the public other than pursuant to the proposed issue of the New Shares to Qualifying Shareholders by way of Rights on the terms and subject to the conditions set out in this Document and, in the case of Qualifying Non-CREST Shareholders or Qualifying South African Shareholders holding Shares in certificated form, any relevant Provisional Allotment Letter or Form of Instruction respectively.

**The attention of Shareholders with a registered address in, or who are resident or located in countries other than the United Kingdom or South Africa, or who are holding Shares in the Company for the benefit of such a person, and any person (including, without limitation, custodians, nominees, agents and trustees) who has a contractual or other legal obligation to forward this Document (or any Provisional Allotment Letter or Form of Instruction) into a jurisdiction other than the United Kingdom or South Africa is drawn to paragraph 9 of Section 2 of Part II “*Information in relation to the Rights Issue*”. In particular, subject to the provisions of paragraph 9 of Section 2 of Part II “*Information in relation to the Rights Issue*” and Qualifying Shareholders with a registered address in any of the Excluded Territories will not be sent Provisional Allotment Letters or Forms of Instruction and will not have their CREST stock accounts credited with Nil Paid Rights, and the crediting of Letters of Allocation to a CSDP or broker account in Strate of a Qualifying South African Shareholder with a registered address in any Excluded Territory will not constitute an offer in those jurisdictions in which it would be illegal to make or accept an offer and no Qualifying South African Shareholder with a registered address in any Excluded Territory, receiving a credit of Letters of Allocation to a CSDP or broker account in Strate may treat the same as constituting an invitation or offer to them nor should they in any event use any Letters of Allocation credited to them in Strate unless such an invitation or offer could lawfully be made to and accepted by them or the Letters of Allocation could lawfully be used or dealt with without contravention of any registration or other legal requirements.**

Application will be made for the New Shares (first nil paid and, subsequently, fully paid) to be admitted to trading on AIM, and application has been made to the JSE for the Letters of Allocation and the New Shares to be admitted to listing and trading on the General Segment of the JSE Main Board. It is expected that dealings in the New Shares, fully paid, will commence on AIM at 8:00 a.m. (London time) on 13 June 2025, and trading of New Shares (on a deferred settlement basis) will commence on the JSE at 9:00 a.m. (South Africa Standard Time) on 10 June 2025.

The listing and trading on the General Segment of the JSE Main Board of the Letters of Allocation are expected to commence on 23 May 2025, and dealings in the New Shares, nil paid, on AIM, are both expected to commence on 29 May 2025.

The New Shares and the Existing Shares are in registered form and can be held in certificated form or uncertificated form via CREST. No further application to CREST is required for the New Shares and all the Shares when issued and fully paid may be held and transferred by means of CREST.



Applications will be made for the Nil Paid Rights and the Fully Paid Rights to be admitted to CREST. Euroclear UK & International requires the Company to confirm that certain conditions (imposed by the CREST Manual) are satisfied before Euroclear UK & International will admit the Nil Paid Rights and the Fully Paid Rights to CREST. It is expected that these conditions will be satisfied on AIM Admission. As soon as practicable after AIM Admission, the Company will confirm this to Euroclear UK & International.

Application has been made to the JSE for the Letters of Allocation and the New Shares to be admitted to listing and trading on the General Segment of the JSE Main Board and it is expected that deferred settlement trading of the Letters of Allocation will commence on the JSE on 23 May 2025 and of the New Shares will commence on 10 June 2025. No holding statements will be issued to Qualifying South African Shareholders.

Qualifying South African Shareholders who hold their Shares in certificated form are advised to consult the SA Registrar. Qualifying South African Shareholders who hold their Existing Shares in uncertificated form should consult their CSDP or broker for confirmation of their holding of Letters of Allocation and/or New Shares. Any Qualifying South African Shareholder who deals in their Letters of Allocation or the New Shares in any way prior to receiving confirmation of their holding from the SA Registrar or their CSDP or broker, as the case may be, will do so at their own risk. The Company disclaims all liability howsoever caused and howsoever arising (and to the maximum extent permitted by law) to persons who trade their Letters of Allocation or New Shares before receiving confirmation of their holding.

The Company has instructed the Registrars not to process transfers of Shares between the Company's UK Register and SA Register between close of business on 20 May 2025 and close of business on 12 June 2025 (London time), in order to facilitate the Rights Issue in line with market practice and regulations in the UK and South Africa. Accordingly, during this period, Shareholders on the UK Register and the SA Register must deal with Existing Shares, Nil Paid Rights, Fully Paid Rights, Letters of Allocation and New Shares on AIM and the JSE respectively.

The ISIN code for the Nil Paid Rights is GG00BT3PBP61 and for the Fully Paid Rights is GG00BT3PBQ78.

The Underwriters have agreed to underwrite the Rights Issue in accordance with the terms and subject to the conditions in the Rights Issue and Underwriting Agreement. The Rights Issue and Underwriting Agreement is conditional upon certain matters being satisfied or not occurring prior to Admission, in the event the conditions are not satisfied, the Rights Issue will not proceed. The Rights Issue and Underwriting Agreement will however not be subject to any right of termination following Admission and JSE Admission. A summary of certain terms and conditions of the Rights Issue and Underwriting Agreement is set out in paragraph 9.8 of Part V *"Additional Information"*.

If one of the Underwriters defaults in the performance of its underwriting obligations (the "Defaulting Underwriter"), the other Underwriter (the **"Non-Defaulting Underwriter"**) shall have the right, but not the obligation, within 48 hours thereafter to itself subscribe for or purchase such shares (being the **"Defaulted Shares"**) in such amounts as may be agreed (between the Company, the Non-Defaulting Underwriter and Panmure Liberum) provided that in no circumstances, in exercising this right, shall: (i) AIH's total holding of voting rights in the Company exceed 49.9% upon completion of the Rights Issue; and (ii) Rational's total holding of voting rights in the Company exceed 29.9% upon completion of the Rights Issue.

Notwithstanding whether the Non-Defaulting Underwriter has exercised its right to take up any Defaulted Shares, in the event that any balance of Defaulted Shares remains ten Business Days following the day on which dealings commence in the New Shares (fully paid), the Company may (in its absolute discretion as to manner, timing and terms) make arrangements (including appointing any agent or intermediary to act on its behalf as it may choose and for such time as the default is continuing) for the sale of such Defaulted Shares on behalf of the Defaulting Underwriter and itself retain the proceeds of sale. In these circumstances neither the Company, Panmure Liberum, the Non-Defaulting Underwriter nor any other person shall be responsible for, or have any liability for, any loss, expenses or damage suffered by the Defaulting Underwriter.

Subject to, amongst other things, the aforementioned conditions to the Rights Issue being satisfied, and save as provided in this Section 2 of this Part II *“Information in relation to the Rights Issue”*, it is expected that:

- (a) a Form of Instruction in respect of the Letters of Allocation will be despatched to Qualifying South African Shareholders who hold their Shares in certificated form (other than Qualifying South African Shareholders with registered addresses in any of the Excluded Territories) by close of business (South Africa Standard Time) on 22 May 2025;
- (b) Provisional Allotment Letters in respect of Nil Paid Rights will be despatched to Qualifying Non-CREST Shareholders (other than such Qualifying Non-CREST Shareholders with a registered address in any of the Excluded Territories) at their own risk on 28 May 2025;
- (c) Qualifying South African Shareholders who hold their Shares in uncertificated form will have their Strate accounts at their CSDP or broker automatically credited with their Letters of Allocation at 9:00 a.m. (South Africa Standard Time) on 28 May 2025. However, the crediting of Letters of Allocation to a CSDP or broker account in Strate of a Qualifying South African Shareholder with a registered address in any Excluded Territory will not constitute an offer in those jurisdictions in which it would be illegal to make and/or accept an offer. Accordingly, no Qualifying South African Shareholder with a registered address in any Excluded Territory, receiving a credit of Letters of Allocation to a CSDP or broker account in Strate, may treat the same as constituting an invitation or offer to them nor should he in any event use or deal with any Letters of Allocation credited to them in Strate unless such an invitation or offer could lawfully be made to and accepted by them or the Letters of Allocation could lawfully be used or dealt with without contravention of any registration or other legal requirements. In such circumstances, this Document, and the formal credit of the Letters of Allocation must be treated as sent (or made available) for information purposes only, should not be copied or redistributed and such Qualifying South African Shareholder should take independent professional advice in relation thereto;
- (d) Qualifying South African Shareholders who hold their Shares in certificated form will have their Letters of Allocation created in electronic format and credited to an account held by the SA Registrar at 9:00 a.m. (South Africa Standard Time) on 28 May 2025;
- (e) the UK Registrar will instruct Euroclear UK & International to credit the appropriate stock accounts of Qualifying CREST Shareholders (other than such Qualifying CREST Shareholders with a registered address in any of the Excluded Territories) with such Shareholders' entitlements to Nil Paid Rights, with effect from 8:00 a.m. (London time) on 29 May 2025;
- (f) the Nil Paid Rights and the Fully Paid Rights will be enabled for settlement by Euroclear UK & International on 29 May 2025, as soon as practicable after the Company has confirmed to Euroclear UK & International that all the conditions for admission of such Rights to CREST have been satisfied;
- (g) New Shares will be credited to the appropriate stock accounts of relevant Qualifying CREST Shareholders (or their renounees) who validly take up their Rights as soon as possible after 8:00 a.m. (London time) on 13 June 2025;
- (h) the CSDP or broker accounts of Qualifying South African Shareholders who hold their Shares in uncertificated form (or their renounees) who validly take up their Rights will be updated and credited in respect of New Shares and debited with a corresponding multiple of the SA Issue Price at 9:00 a.m. (South Africa Standard Time) on 13 June 2025;
- (i) share certificates for the New Shares will be despatched to relevant Qualifying Non-CREST Shareholders (or their renounees) within 10 Business Days in the UK of 13 June 2025, at Shareholders' own risk; and
- (j) share statements for the New Shares will be despatched to Qualifying South African Shareholders (or their renounees) who hold their Shares in certificated form by no later than 27 June 2025, at Shareholders' own risk.

The offer will be made to Qualifying Non-CREST Shareholders by way of the Provisional Allotment Letter (as described in (a) above), to Qualifying South African Shareholders by way of this Document and, in

the case of Qualifying South African Shareholders holding their Shares in certificated form, the Form of Instruction (as described in (b) above), and in the case of Qualifying South African Shareholders holding their Shares in uncertificated form by way of the credit of Letters of Allocation as described in (e) above and to Qualifying CREST Shareholders by way of the enablement of the Nil Paid Rights and the Fully Paid Rights (as described in (d) above) (such Shareholders' stock accounts having been credited as described in (c) above), such offer being made on the terms and conditions set out in this Document (and, in the case of Qualifying Non-CREST Shareholders or Qualifying South African Shareholders holding shares in certificated form, any relevant Provisional Allotment Letter or Form of Instruction respectively) and based on the information contained in this Document.

The offer of New Shares pursuant to the Rights Issue is not being, and will not be, made by means of this Document into any of the Excluded Territories or any other jurisdiction outside the United Kingdom or South Africa in which it would be illegal to make an offer.

The New Shares will be issued for cash free of pre-emption rights pursuant to the authority granted under the Resolutions which were approved at the General Meeting. The New Shares will, when issued and fully paid, be Shares ranking *pari passu* in all respects with the Existing Shares, including the right to all future dividends or other distributions made, paid or declared after the date of their issue. The rights attaching to the New Shares are governed by the Articles, a summary of which is set out in paragraph 4 of Part V *"Additional Information"*.

All documents including Provisional Allotment Letters, Forms of Instruction and cheques and definitive share certificates or share statements posted to, by or from Qualifying Shareholders and/or their transferees or renounees (or their agents, as appropriate) will be posted at their own risk.

**Any person who accepts and/or renounces a Provisional Allotment Letter or Letters of Allocation, or who requests registration of the New Shares comprised therein, or who makes a valid acceptance in accordance with the procedures set out in this Section 2 of this Part II *"Information in relation to the Rights Issue"* will be deemed by doing so to make the representations and warranties to the Company and Panmure Liberum contained in paragraph 9.5 of Section 2 of this Part II *"Information in relation to the Rights Issue"*. Shareholders taking up their Rights by sending an MTM instruction to Euroclear UK & International will also be deemed to have given the representations and warranties set out in paragraph 5.2 of Section 2 of Part II *"Information in relation to the Rights Issue"*, unless the requirement is waived by Gemfields and the Panmure Liberum.**

The attention of Overseas Shareholders is drawn to paragraph 9 of Section 2 of Part II *"Information in relation to the Rights Issue"*.

## **2. Action to be taken**

The action to be taken in respect of New Shares depends on whether, at the relevant time, the Qualifying Shareholder holds their Shares in certificated form or uncertificated form.

If you are a Qualifying Shareholder (other than a Qualifying South African Shareholder) and you have any queries about the Rights Issue or the procedure for acceptance and payment, you should call the UK Shareholder Helpline on 0370 707 4040 (or +44 370 707 4040, if you are calling from outside the United Kingdom). The helpline is available between the hours of 8:30 a.m. to 5:30 p.m. (London time), Monday to Friday (excluding public holidays). Calls to the UK Shareholder Helpline from outside the United Kingdom will be charged at applicable international rates.

If you are a Qualifying South African Shareholder and have any queries about the Rights Issue or the procedure for acceptance or payment, you should contact the South African Shareholder Helpline on 0861 100 634, if you are calling from South Africa, or +27 11 370 5000, if calling from outside South Africa, between 8:00 a.m. and 4:00 p.m. (South Africa Standard Time), Monday to Friday (excluding public holidays). Calls to the South African Shareholder Helpline from within South Africa are charged at your service provider's applicable rate for calls to a standard Telkom telephone number. Calls to the South African Shareholder Helpline from outside South Africa will be charged at applicable international rates.

**Please note that calls to a Shareholder Helpline may be monitored or recorded and that different charges may apply to calls made from mobile telephones. For legal reasons, the Shareholder Helplines will only be able to provide you with information contained in this Document (other than information relating to the CREST processes) and as such will be unable to give advice on the merits of the Rights Issue or to provide legal, financial, tax or investment advice. Shareholder Helpline staff can explain the options available to you, which forms you need to fill in and how to fill them in correctly.**

If you are a Qualifying Non-CREST Shareholder, have received a Provisional Allotment Letter are not located in and do not have a registered address in any of the Excluded Territories, please refer to paragraphs 3 and 6 to 9 inclusive of this Section 2 of Part II *“Information in relation to the Rights Issue”*.

If you are a Qualifying South African Shareholder, have received a Form of Instruction, and are not located in and do not have a registered address in any of the Excluded Territories, please refer to paragraphs 4 and 6 to 9 inclusive of this Section 2 of this Part II *“Information in relation to the Rights Issue”*.

If you are a Qualifying CREST Shareholder and are not located in and do not have a registered address in any of the Excluded Territories, please refer to paragraphs 5 to 9 inclusive of Section 2 of Part II *“Information in relation to the Rights Issue”* and to the CREST Manual for further information on the CREST procedures referred to below.

If you are Qualifying Shareholder located in and/or with a registered address or any of the Excluded Territories, please refer to paragraph 9 of Section 2 of Part II *“Information in relation to the Rights Issue”*.

**CREST Sponsored Members should refer to their CREST Sponsors, as only their CREST Sponsors will be able to take the necessary actions specified below to take up the entitlements or otherwise to deal with the Nil Paid Rights or Fully Paid Rights of CREST Sponsored Members.**

### **3. Action to be taken by Qualifying Non-CREST Shareholders in relation to Nil Paid Rights represented by Provisional Allotment Letters**

#### **3.1 General**

The Company intends that the Provisional Allotment Letters will be despatched to Qualifying Non-CREST Shareholders (other than such Qualifying Non-CREST Shareholders with a registered address in any of the Excluded Territories) together with this Document.

The personalised Provisional Allotment Letter, which constitutes a temporary document of title, will set out:

- (a) the holding of Existing Shares at the UK Record Date on which the Qualifying Non-CREST Shareholder's entitlement to New Shares has been based;
- (b) the aggregate number and cost of New Shares in certificated form which have been provisionally allotted to such Qualifying Non-CREST Shareholder;
- (c) the procedures to be followed if a Qualifying Non-CREST Shareholder wishes to dispose of all or part of his entitlement or to convert all or part of his entitlement into uncertificated form; and
- (d) instructions regarding acceptance and payment, consolidation, splitting and registration of renunciation.

On the basis that Provisional Allotment Letters are posted on 28 May 2025 and that dealings commence on 29 May 2025, the latest time and date for acceptance and payment in full will be 11:00 a.m. (London time) on 12 June 2025.

If the Rights Issue is delayed so that Provisional Allotment Letters cannot be despatched on 28 May 2025, the expected timetable on pages 32 to 33 of this Document may be adjusted accordingly and the revised dates will be set out in the Provisional Allotment Letters and announced through a RIS. References to dates and times in this Document should be read as subject to any such adjustment.

### **3.2 Procedure for acceptance and payment**

#### ***Qualifying Non-CREST Shareholders who wish to accept in full***

Holders of Provisional Allotment Letters who wish to take up all of their Nil Paid Rights must complete and return the Provisional Allotment Letter, together with a cheque or bankers' draft in pounds sterling made payable to "CIS PLC RE: GEMFIELDS GROUP LIMITED RIGHTS ISSUE APPLICATION ACCOUNT" and crossed "A/C payee only" for the full amount payable on acceptance, in accordance with the instructions printed on the Provisional Allotment Letter, by post or hand (during normal business hours only) to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH so as to be received as soon as possible and in any event not later than 11 a.m. (London time) on 12 June 2025, being the last date and time for acceptances. A reply-paid envelope will be enclosed with the Provisional Allotment Letter for use within the UK only. If you post your Provisional Allotment Letter within the UK by first class post, it is recommended that you allow at least four days for delivery.

#### ***Qualifying Non-CREST Shareholders who wish to accept in part***

Holders of Provisional Allotment Letters who wish to take up some but not all of their Nil Paid Rights should refer to paragraph 3.6 of Section 2 of Part II "*Information in relation to the Rights Issue*".

#### ***Company's discretion as to validity of acceptances***

If payment is not received in full by 11 a.m. (London time) on 12 June 2025, the provisional allotment will be deemed to have been declined and will lapse. The Company and Panmure Liberum may (in their absolute discretion) treat a Provisional Allotment Letter as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it is not completed in accordance with the relevant instructions or is not accompanied by a valid power of attorney (where required).

The Company and Panmure Liberum reserve the right to treat as invalid any acceptance or purported acceptance of the offer of New Shares that appears to the Company and Panmure Liberum or their respective agents to have been executed in, despatched from or that provides an address for the delivery of definitive share certificates for New Shares in the United States or other Excluded Territory.

A Qualifying Non-CREST Shareholder who makes a valid acceptance and payment in accordance with this paragraph 3.2 is deemed to request that the Fully Paid Rights and/or New Shares to which they will become entitled be issued to them on the terms set out in this Document and subject to the Company's Memorandum and Articles.

#### ***Payments***

All payments must be made by (i) cheque (ii) banker's draft in pounds sterling drawn on an account at a branch in the UK of a bank or building society and bear a UK bank or building society sort code number in the top right hand corner or (iii) if the Company so elects, electronic funds transfer.

Cheques, which must be drawn on the personal account of the individual investor where they have sole or joint title to the funds, should be made payable to "CIS PLC RE: GEMFIELDS GROUP LIMITED RIGHTS ISSUE APPLICATION ACCOUNT" and crossed "A/C payee only". Third party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has inserted details of the full name of the account holder and have added the building society or bank branch. The account name should be the same as that shown on the PAL. Neither post-dated cheques nor payments via CHAPS, BACS or electronic transfer will be accepted. All documents, cheques and bankers' drafts sent through the post will be sent at the risk of the sender.

The Company reserves the right to have cheques and bankers' drafts presented for payment on receipt and to instruct the UK Registrar to seek special clearance of cheques to allow the Company to obtain value for remittances at the earliest opportunity. Interest will not be paid on payments made before they are due but will accrue for the benefit of the Company.

Return of the Provisional Allotment Letter with a remittance in the form of a cheque or banker's draft will constitute a warranty that the cheque or banker's draft will be honoured on first presentation. The Company may elect, in its absolute discretion, to treat as invalid any acceptances in respect of which cheques or bankers' drafts are notified to it or its agent as not having been so honoured. If New Shares have already been allotted to Qualifying Non-CREST Shareholders prior to any payment not being so honoured and such acceptances being treated as invalid, the Company may (in its absolute discretion

as to manner, timing and terms) make arrangements (including appointing any agent or intermediary to act on its behalf as it may choose and for such time as the default is continuing) for the sale of such shares on behalf of such Qualifying Non-CREST Shareholders and itself retain the proceeds of sale. In these circumstances neither the Company nor any other person shall be responsible for, or have any liability for, any loss, expenses or damage suffered by Qualifying Non-CREST Shareholders as a result.

#### *Further representations and warranties*

Holders of Provisional Allotment Letters who accept and/or renounce their Provisional Allotment Letter also make the representations and warranties set out in paragraph 9.5 of Section 2 of Part II “*Information in relation to the Rights Issue*”, except in the circumstances described in that paragraph.

### **3.3 Money Laundering Regulations**

It is a term of the Rights Issue that, to ensure compliance with the Money Laundering Regulations, the UK Registrar may require, at its absolute discretion, verification of the identity of the person lodging the Provisional Allotment Letter and, where relevant, its beneficial owner or ultimate controller and/or of any person on whose behalf the Provisional Allotment Letter is lodged with payment and, where relevant, its beneficial owner or ultimate controller (which requirements are referred to below as the “**verification of identity requirements**”). If an application is made by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the UK Registrar. In such case, the lodging agent’s stamp should be inserted on the Provisional Allotment Letter.

The person lodging the Provisional Allotment Letter with payment (the “**applicant**”), including any person who appears to the UK Registrar to be acting on behalf of some other person, shall thereby be deemed to agree to provide the UK Registrar with such information and other evidence as the UK Registrar may require to satisfy the verification of identity requirements and agree for the UK Registrar to make a search using a credit reference agency for the purposes of confirming such identity; where deemed necessary a record of the search will be retained. Return of the Provisional Allotment Letter with the appropriate remittance will constitute a warranty from the applicant that the Money Laundering Regulations will not be breached by acceptance of such remittance.

If the UK Registrar determines that the verification of identity requirements apply to any applicant or application, the relevant New Shares (notwithstanding any other term of the Rights Issue) will not be issued to the relevant applicant unless and until the verification of identity requirements have been satisfied in respect of that applicant or application. The UK Registrar is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any applicant or application and whether such requirements have been satisfied, and none of the UK Registrar, the Company or Panmure Liberum will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays and potential rejection of an application. If, within a reasonable period of time following a request for verification of identity, the UK Registrar has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the application money will be returned (at the applicant’s risk) without interest to the account of the bank or building society on which the relevant cheque or bankers’ draft was drawn.

The verification of identity requirements will not usually apply if:

- (a) the applicant is a regulated UK broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations;
- (b) the applicant is an organisation required to comply with the EU Money Laundering Directive (2005/60/EC);
- (c) the applicant is a Company whose securities are listed on a regulated market subject to specified disclosure obligations;
- (d) the applicant (not being an applicant who delivers his application in person) makes payment through an account in the name of such applicant with a credit institution which is subject to the

EU Money Laundering Directive (2005/60/EC) or with a credit institution situated in a non-EEA State which imposes requirements equivalent to those laid down in the EU Money Laundering Directive (2005/60/EC); or

- (e) the aggregate subscription price for the relevant New Shares is less than €15,000 (or its pounds sterling equivalent).

Where the verification of identity requirements apply, please note the following, as this will assist in satisfying the requirements. Satisfaction of these requirements may be facilitated in the following ways:

- (a) payments must be made by cheque or bankers' draft in pounds sterling drawn on a branch in the UK of a bank or building society and bear a UK bank or building society sort code number in the top right hand corner. Cheques, which must be drawn on the personal account of the individual investor where they have sole or joint title to the funds, should be made payable to "CIS PLC RE: GEMFIELDS GROUP LIMITED RIGHTS ISSUE APPLICATION ACCOUNT" and crossed "A/C payee only". Third party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has inserted details of the full name of the account holder and have added the building society or bank branch stamp. The account name should be the same as that shown on the application;
- (b) if the Provisional Allotment Letter is lodged with payment by an agent which is an organisation required to comply with the EU Money Laundering Directive ((EU 2015/849) or which is subject to anti-money laundering regulations in a country which is a member of the Financial Action Task Force (the non-EU members of which are Argentina, Australia, Brazil, Canada, China, members of the Gulf Co-operation Council (being Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), Hong Kong, Iceland, India, Indonesia, Israel, Japan, Malaysia, Mexico, New Zealand, Norway, the Republic of Korea, the Russian Federation (whose membership has been suspended since 24 February 2023 and continues to be suspended as at the date of this Document), Saudi Arabia, Singapore, South Africa, Switzerland, Turkey, the United Kingdom and the United States), the agent should provide written confirmation that it has that status with the Provisional Allotment Letter(s) and written assurances that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the UK Registrar and/or any relevant regulatory or investigatory authority; or
- (c) if a Provisional Allotment Letter is lodged by hand by the applicant in person, he should ensure that he has with him evidence of identity bearing his photograph (for example, his passport) and evidence of his address.

In order to confirm the acceptability of any written assurance referred to above, or in any other case, the applicant should contact the UK Shareholder Helpline on 0370 707 4040 (or +44 370 707 4040 if you are calling from outside the UK). This helpline is available from 8:30 a.m. to 5:30 p.m. (London time), Monday to Friday (excluding public holidays). Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls made from mobile telephones and call may be monitored or recorded.

### **3.4 Dealings in Nil Paid Rights**

Subject to the Rights Issue otherwise becoming unconditional, dealings on AIM in the Nil Paid Rights are expected to commence at 8:00 a.m. (London time) on 29 May 2025. A transfer of Nil Paid Rights can be made by the renunciation of the Provisional Allotment Letter (including one or more split Provisional Allotment Letters) in accordance with the instructions printed on it and delivery of the renounced Provisional Allotment Letter to the transferee, up to the latest time for acceptance and payment in full stated in the Provisional Allotment Letter, which is 11.00 a.m. (London time) on 12 June 2025.

### **3.5 Dealings in Fully Paid Rights**

After acceptance of the provisional allotment and payment in full in accordance with the provisions set out in this Document and the Provisional Allotment Letter, the Fully Paid Rights may be transferred by renunciation of the relevant Provisional Allotment Letter and delivering it by hand (during normal business hours only) or by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH by not later than 11.00 a.m. (London time) on 12 June 2025. From 8.00 a.m. (London time) on 29 May 2025, the New Shares will be registered and transferable by written instrument of

transfer in the usual common form or, if they have been issued in or converted into uncertificated form, in electronic form under CREST.

Fully paid Provisional Allotment Letters will not be returned to Shareholders unless their return is requested by ticking the relevant box in the Provisional Allotment Letter.

### **3.6 Renunciation and splitting of Provisional Allotment Letters**

The Provisional Allotment Letters are fully renounceable and may be split up to 3.00 p.m. (London time) on 10 June 2025, nil paid and fully paid. Qualifying Non-CREST Shareholders who wish to transfer all of their Nil Paid Rights or, after acceptance of the provisional allotment and payment in full, Fully Paid Rights comprised in a Provisional Allotment Letter may renounce such allotment by completing and signing Form X of the Provisional Allotment Letter (if it is not already marked "Original Duly Renounced") and passing the entire Provisional Allotment Letter to their stockbroker or bank or other appropriate financial adviser or to the transferee (provided they are not in any of the Excluded Territories). Once a Provisional Allotment Letter has been so renounced, it will become a negotiable instrument in bearer form and the Nil Paid Rights or Fully Paid Rights (as appropriate) comprised in such letter may be transferred by delivery of such letter to the transferee. The latest time and date for registration of renunciation of Provisional Allotment Letters is 11.00 a.m. (London time) on 12 June 2025 and after such date the New Shares will be in registered form, transferable by written instrument of transfer in the usual common form or, if they have been issued in or converted into uncertificated form, in electronic form under CREST. Qualifying Non-CREST Shareholders should note that no fully paid Provisional Allotment Letter will be returned to them unless its return is requested, by completing the appropriate box on the Provisional Allotment Letter.

If a holder of a Provisional Allotment Letter wishes to have only some of the New Shares registered in his name and to transfer the remainder, or wishes to transfer all the Nil Paid Rights, or (if appropriate) Fully Paid Rights, but to different persons, he may have the Provisional Allotment Letter split, for which purpose he must sign and date Form X of the Provisional Allotment Letter. The Provisional Allotment Letter must then be delivered by hand (during normal business hours only) or by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH so as to be received as soon as possible and in any event not later than 3.00 p.m. (London time) on 10 June 2025, to be cancelled and exchanged for the number of split Provisional Allotment Letters required. The number of split Provisional Allotment Letters required and the number of Nil Paid Rights or (as appropriate) Fully Paid Rights to be comprised in each split Provisional Allotment Letter should be stated in an accompanying letter. Form X of split Provisional Allotment Letters will be marked "Original Duly Renounced" before issue. The holder of the split Provisional Allotment Letters should then follow the instructions in paragraph 3.2 of Section 2 of Part II "*Information in relation to the Rights Issue*" in relation to the Nil Paid Rights he wishes to take up and the instructions in the preceding paragraphs in relation to transferring the Nil Paid Rights or Fully Paid Rights (as appropriate) comprised in each of the Provisional Allotment Letters.

The Company and Panmure Liberum reserve the right to refuse to register any renunciation in favour of any person in respect of which the Company and Panmure Liberum believe such renunciation may violate applicable legal or regulatory requirements including (without limitation) any renunciation in the name of any person with an address in any of the Excluded Territories.

Alternatively, Qualifying Non-CREST Shareholders who wish to take up some of their Nil Paid Rights, without transferring the remainder, should complete Form X of the Provisional Allotment Letter and return it, together with a covering letter confirming the number of Nil Paid Rights to be taken up and a cheque or bankers' draft in pounds sterling made payable to "CIS PLC RE: GEMFIELDS GROUP LIMITED RIGHTS ISSUE APPLICATION ACCOUNT" for the amount payable in respect of the number of Nil Paid Rights to be taken up by hand (during normal business hours only) or by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH so as to be received as soon as possible and, in any event, not later than 11.00 a.m. (London time) on 12 June 2025, being the last date and time for acceptances.

### **3.7 Registration in names of Qualifying Non-CREST Shareholders**

A Qualifying Non-CREST Shareholder who wishes to have all his entitlement to New Shares registered in his name must accept and make payment for such New Shares prior to the latest time for acceptance and payment in full, which is 11.00 a.m. (London time) on 12 June 2025, in accordance with the



provisions set out in the Provisional Allotment Letter and this Document, but need take no further action. A definitive share certificate representing Shares shall be sent to such Qualifying Shareholder by post, not later than 27 June 2025.

### **3.8 *Registration in names of persons other than Qualifying Non-CREST Shareholders originally entitled***

A renounee who wishes to have the New Shares comprised in a Provisional Allotment Letter registered in his name, or his agent's name, must complete Form Y of the Provisional Allotment Letter (unless the renounee is a CREST Member who wishes to hold such shares in uncertificated form, in which case, the CREST Deposit Form must be completed, as set out in paragraph 3.9 of Section 2 of this Part II "*Information in relation to the Rights Issue*") and must deliver the entire letter when fully paid by hand (during normal business hours only) or by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH by not later than the latest time for registration of renunciation which is 11.00 a.m. (London time) on 12 June 2025.

Registration cannot be effected unless and until the New Shares comprised in a Provisional Allotment Letter are fully paid.

The New Shares comprised in several renounced Provisional Allotment Letters (duly renounced where applicable) may be registered in the name of one holder (or joint holders) if Form Y on the Provisional Allotment Letter is completed on one Provisional Allotment Letter (the "Principal Letter") and all Provisional Allotment Letters are lodged in one batch. Details of each Provisional Allotment Letter (including the Principal Letter) should be listed in an accompanying letter and the allotment number of the Principal Letter should be entered in the space provided on each of the other Provisional Allotment Letters.

### **3.9 *Deposit of Nil Paid Rights or Fully Paid Rights into CREST***

The Nil Paid Rights or Fully Paid Rights represented by a Provisional Allotment Letter may be converted into uncertificated form, that is, deposited into CREST (whether such conversion arises as a result of a renunciation of those Rights or otherwise). Similarly, Nil Paid Rights or Fully Paid Rights held in CREST may be converted into certificated form, that is, withdrawn from CREST. Subject as provided in the next paragraph or in the Provisional Allotment Letter, normal CREST procedures and timings apply in relation to any such conversion. You are recommended to refer to the CREST Manual for details of such procedures.

The procedure for depositing the Nil Paid Rights or Fully Paid Rights represented by a Provisional Allotment Letter into CREST, whether such Rights are to be converted into uncertificated form in the name(s) of the person(s) whose name(s) and address(es) appear on page 1 of the Provisional Allotment Letter or in the name of a person or persons to whom the Provisional Allotment Letter has been renounced, is as follows: Form X and the CREST Deposit Form (both set out in the Provisional Allotment Letter) will need to be completed and the Provisional Allotment Letter must be deposited with the CCSS. In addition, the normal CREST Stock Deposit procedures will need to be carried out, except that: (a) it will not be necessary to complete and lodge a separate CREST Transfer Form (prescribed under the Stock Transfer Act 1963) with the CCSS; and (b) only the whole of the Nil Paid Rights or Fully Paid Rights represented by the Provisional Allotment Letter may be deposited into CREST. If you wish to deposit only some of the Nil Paid Rights or Fully Paid Rights represented by the Provisional Allotment Letter into CREST, you must first apply for split Provisional Allotment Letters. If the Rights represented by more than one Provisional Allotment Letter are to be deposited, the CREST Deposit Form on each Provisional Allotment Letter must be completed and deposited. A consolidation listing form (as defined in the CREST Regulations) must not be used.

A holder of the Nil Paid Rights or Fully Paid Rights represented by a Provisional Allotment Letter who is proposing to convert those Rights into uncertificated form (whether following a renunciation of such Rights or otherwise) is recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Nil Paid Rights or Fully Paid Rights in CREST following the conversion to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. (London time) on 12 June 2025. **In particular, having regard to processing times in CREST and on the part of the UK Registrar, the latest recommended time for depositing a renounced Provisional Allotment Letter (with Form X and the CREST Deposit Form in the**

**Provisional Allotment Letter duly completed) with the CCSS (in order to enable the person acquiring the Nil Paid Rights or Fully Paid Rights in CREST as a result of the conversion to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. (London time) on 12 June 2025) is 3.00 p.m. (London time) on 6 June 2025.**

When Form X and the CREST Deposit Form (both in the Provisional Allotment Letter) have been completed, title to the Nil Paid Rights or the Fully Paid Rights represented by the Provisional Allotment Letter will cease forthwith to be renounceable or transferable by delivery and for the avoidance of doubt any entries in Form Y of the Provisional Allotment Letter will not be recognised or acted upon by the UK Registrar. All renunciations or transfers of the Nil Paid Rights or Fully Paid Rights must be effected through the means of the CREST system once such Rights have been deposited into CREST.

CREST Sponsored Members should contact their CREST Sponsor as only their CREST Sponsor will be able to take the necessary action to take up the entitlement or otherwise to deal with the Nil Paid Rights or Fully Paid Rights of CREST Sponsored Members.

### **3.10 Issue of New Shares in definitive form**

Definitive share certificates will not be issued in respect of the Nil Paid Rights. However, share certificates or share statements in respect of the Shares to be held in certificated form are expected to be despatched by 27 June 2025 for Shareholders on the UK Register and 27 June 2025 for Shareholders on the SA Register at the risk of the person(s) entitled to them, to accepting Qualifying Non-CREST Shareholders and renouncees or their agents or, in the case of joint holdings, to the first-named Shareholder at their registered address (unless a lodging agent's stamp or details appear in the relevant box of the Provisional Allotment Letter). After despatch of definitive share certificates, Provisional Allotment Letters will cease to be valid for any purpose whatsoever. Pending despatch of definitive share certificates, instruments of transfer of the New Shares will be certified by the UK Registrar against the lodgement of fully paid Provisional Allotment Letters and/or, in the case of renunciations, against the Provisional Allotment Letters held by the UK Registrar.

## **4. Action to be taken by Qualifying South African Shareholders**

### **4.1 General**

#### *Qualifying South African Shareholders who hold their Shares in uncertificated form*

It is expected that Qualifying South African Shareholders who hold their Shares in uncertificated form (other than Qualifying South African Shareholders resident in or with registered addresses in any of the Excluded Territories) will have their accounts at their CSDP or broker automatically credited with their Letters of Allocation which represent their entitlement to Nil Paid Rights, at 9.00 a.m. (South Africa Standard Time) on 28 May 2025.

**Qualifying South African Shareholders who hold their Shares in uncertificated form that wish to participate in the Rights Issue must act in terms of the instructions received from their CSDP or broker.**

#### *Qualifying South African Shareholders who hold their Shares in certificated form*

It is expected that Qualifying South African Shareholders who hold their Shares in certificated form (other than Qualifying South African Shareholders resident in or with registered addresses in any of the Excluded Territories) will have their Letters of Allocation which represent their entitlement to Nil Paid Rights credited to the account with the SA Registrar at 9.00 a.m. (South Africa Standard Time) on 28 May 2025.

Qualifying South African Shareholders who hold their Shares in certificated form (other than Qualifying South African Shareholders resident in or with a registered address in any of the Excluded Territories) will receive a Form of Instruction which is expected to be posted to such Shareholders together with this Document. The personalised Form of Instruction, which constitutes a temporary document of title, sets out:

- (a) the holding of Existing Shares as at the SA Record Date on which the Qualifying South African Shareholder's entitlement to New Shares has been based;

- (b) the aggregate number and the SA Issue Price of New Shares in certificated form which have been provisionally allotted to the Qualifying South African Shareholder; and
- (c) the procedures to be followed if the Qualifying South African Shareholder wishes to exercise his Nil Paid Rights, or sell or renounce all or part of his Letters of Allocation and instructions regarding payment.

**The latest time and date for acceptance and payment in full will be 9.00 a.m. (South Africa Standard Time) on 9 June 2025.**

#### **4.2 Procedure for acceptance of the Rights Issue**

##### *Qualifying South African Shareholders who hold their Shares in uncertificated form*

Qualifying South African Shareholders who hold their Shares in uncertificated form must instruct their CSDP or broker as to whether they are Qualifying South African Shareholders and wish to participate in the Rights Issue to enable their CSDP or broker to act on their behalf in terms of the Custody Agreement entered into between the relevant Qualifying South African Shareholder and the CSDP or broker.

##### *Qualifying South African Shareholders who hold their Shares in certificated form*

Full details of the procedure for the exercise of Nil Paid Rights and payment are contained in the relevant Forms of Instruction to be sent to Qualifying South African Shareholders who hold their Shares in certificated form (other than Qualifying South African Shareholders resident in or with registered addresses in any of the Excluded Territories). The following should be noted:

- (a) Qualifying South African Shareholders may subscribe for a lesser number of New Shares than their full entitlement and must indicate the number of New Shares for which they wish to subscribe on the Form of Instruction;
- (b) any instruction to sell or renounce all or part of their Letters of Allocation in favour of another person may only be made by a Qualifying South African Shareholder who holds their Shares in certificated form by means of the Form of Instruction;
- (c) the properly completed Form of Instruction and payment of the aggregate SA Issue Price for any New Shares must be made in full (i) by EFT (into the designated bank account, details of which are available from the SA Registrar); (ii) must be paid in Rand; and (iii) proof of payment by EFT, must be lodged, posted or emailed, as the case may be, together with the completed Form of Instruction in accordance with the instructions in the Form of Instruction. Shareholders are advised that the preferred means to lodge their Forms of Instruction and proof of EFT payment with the SA Registrar is by way of electronic mail. Lodgement by post shall be at the risk of the Shareholder. If sent by post, the documents should be posted to the SA Registrar at either of the addresses referred to in paragraph 4.6 of this Section 2 of this Part II *"Information in relation to the Rights Issue"* to be received by not later than 9.00 a.m. (South Africa Standard Time) on 9 June 2025, and the receipt of which by the SA Registrar will constitute an irrevocable acceptance by such Qualifying South African Shareholders to take up their Nil Paid Rights. Qualifying South African Shareholders are advised to take postal delivery times into consideration if posting their Form of Instruction, as no late postal deliveries will be accepted;
- (d) should any payment be dishonoured, the Company may in its sole discretion, without prejudice to any other rights it may have, regard the application to subscribe for New Shares and the duly completed Form of Instruction as null and void and/or take such other steps in regard thereto as it deems fit; and
- (e) if any Form of Instruction or payment is not received as set out above, the Nil Paid Rights will be deemed to have been declined by the Qualifying Shareholder to whom the Form of Instruction is addressed and the right to subscribe for the New Shares offered to the addressee or renounced in favour of another person in terms of such Form of Instruction will lapse, no matter who then holds it.

#### **4.3 Procedure for sale of Letters of Allocation**

Qualifying South African Shareholders not wishing to exercise and/or renounce all or part of their Nil Paid Rights may sell all or part of their Letters of Allocation. Alternatively, such Qualifying South African Shareholders may allow all or part of their Nil Paid Rights to lapse.

##### *Qualifying South African Shareholders who hold their Shares in uncertificated form*

Qualifying South African Shareholders who hold their Shares in uncertificated form must instruct their CSDP or broker as to whether they are Qualifying South African Shareholders and wish to sell their Letters of Allocation to enable the CSDP or broker to act on their behalf in terms of the Custody Agreement entered into between the relevant Qualifying South African Shareholder and the CSDP or broker.

##### *Qualifying South African Shareholders who hold their Shares in certificated form*

Qualifying South African Shareholders who hold their Shares in certificated form wishing to sell all or part of their Letters of Allocation in respect of some or all their Nil Paid Rights as reflected in the relevant Form of Instruction must complete Form A of the relevant Form of Instruction and return it to the SA Registrar in accordance with the instructions contained therein, to be received by no later than 9:00 a.m. (South Africa Standard Time) on 9 June 2025. The SA Registrar will endeavour to procure the sale of the Letters of Allocation on the JSE on behalf of such Qualifying South African Shareholder and will remit the proceeds in accordance with the payment instructions reflected on the Form of Instruction.

Qualifying South African Shareholders who hold their Shares in certificated form should note that the closer to the above deadline that they instruct the SA Registrar to sell their Letters of Allocation, the less opportunity the SA Registrar will have to sell their Letters of Allocation at a profit or at all.

None of the Company, the SA Registrar or any broker appointed by them will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising out of the timing of such sale, the price obtained or any failure to sell such Letters of Allocation. References in this paragraph to a Qualifying South African Shareholder who holds their Shares in certificated form include references to such shareholder's renounees, the person or persons executing the Form of Instruction and any person or persons on whose behalf such person or persons executing the Form of Instruction is or are acting. In the event of more than one person executing the Form of Instruction the provisions of this paragraph shall apply jointly and severally.

#### **4.4 Procedure for renunciation of Letters of Allocation**

Qualifying South African Shareholders not wishing to sell all or part of their Letters of Allocation or to exercise all or part of their Nil Paid Rights may renounce all or part of their Letters of Allocation in respect of the remaining Nil Paid Rights in favour of another person, who may then take up the Nil Paid Rights represented by such renounced Letters of Allocation. Alternatively, such Qualifying South African Shareholders may allow all or part of their Nil Paid Rights to lapse.

##### *Qualifying South African Shareholders who hold their Shares in uncertificated form*

Qualifying South African Shareholders who hold their Shares in uncertificated form must instruct their CSDP or broker as to whether they are Qualifying South African Shareholders and wish to renounce their Letters of Allocation to enable the CSDP or broker to act on their behalf in terms of the Custody Agreement between the relevant Qualifying South African Shareholder and the CSDP or broker.

##### *Qualifying South African Shareholders who hold their Shares in certificated form*

Qualifying South African Shareholders who hold their Shares in certificated form who do not wish to sell all or part of their Letters of Allocation in respect of some or all of the Nil Paid Rights reflected in the relevant Form of Instruction and who do not wish to subscribe for all of the New Shares offered in terms of the Form of Instruction, and wish to renounce all or part of the Letters of Allocation in favour of another person, must complete Form B of their Form of Instruction and the person in whose favour such Letters of Allocation have been renounced who wishes to subscribe for the New Shares in terms of the Rights Issue must complete Form C of the relevant Form of Instruction and lodge the Form of Instruction together with their payment of the aggregate SA Issue Price to the SA Registrar at either of the addresses set out in paragraph 4.6 of this Section 2 of this Part II "Information in relation to the

*Rights Issue*” to be received by no later than 9:00 a.m. (South Africa Standard Time) on 9 June 2025 in accordance with the instructions contained herein and in the Form of Instruction.

The lodging of the Form of Instruction, with Form B of the relevant Form of Instruction purporting to be signed by the Qualifying South African Shareholder whose name appears thereon and Form C of the relevant Form of Instruction purporting to be signed by the renouncee(s) whose name(s) appear(s) thereon, will be taken to be conclusive evidence of the right of the:

- (a) Qualifying South African Shareholders to deal with the Form of Instruction; and
- (b) renouncee(s) to have the New Shares in question allotted to him/them and to receive a certificate in respect of those Shares.

The Company will not be obliged to investigate whether Forms B and C of the relevant Form of Instruction have been properly signed or completed or to investigate any facts surrounding the signing or lodging of either form.

Any person in whose favour Letters of Allocation have been renounced must:

- (a) be a person who is not resident or with a registered address in any of the Excluded Territories; and
- (b) not be subject to the laws or regulations of a country under which its participation in the Rights Issue would be prohibited or subject to any restrictions imposed by that country’s laws and regulations, either collectively or individually.

#### **4.5 Partial acceptance, renunciation and/or sale**

Qualifying South African Shareholders may exercise only a portion of their Nil Paid Rights and renounce and/or sell the Letters of Allocation representing their remaining Nil Paid Rights and/or allow their remaining Nil Paid Rights to lapse.

##### *Qualifying South African Shareholders who hold their Shares in uncertificated form*

Qualifying South African Shareholders who hold their Shares in uncertificated form must instruct their CSDP or broker as to whether they are Qualifying South African Shareholders and wish to exercise only a portion of their Nil Paid Rights and renounce and/or sell the Letters of Allocation in respect of their remaining Nil Paid Rights and/or allow their remaining Nil Paid Rights to lapse, to enable the CSDP or broker to act on their behalf in terms of the Custody Agreement entered into between the relevant Qualifying South African Shareholder and the CSDP or broker.

##### *Qualifying South African Shareholders who hold their Shares in certificated form*

Qualifying South African Shareholders who hold their Shares in certificated form and wish to exercise only a portion of their Nil Paid Rights and wish to renounce and/or sell the Letters of Allocation in respect of their remaining Nil Paid Rights and/or allow their remaining Nil Paid Rights to lapse must indicate on the relevant Form of Instruction the number of New Shares for which they wish to subscribe and/or complete Form A of their Form of Instruction indicating the number of their Letters of Allocation they wish to sell and/or complete Form B of their Form of Instruction indicating the number of Letters of Allocation that they wish to renounce, as applicable and, in the event that they wish to renounce any portion of their Letters of Allocation then the person in whose favour such Letters of Allocation have been renounced and who wishes to exercise the Nil Paid Rights represented by such renounced Letters of Allocation and subscribe for the New Shares in terms of the Rights Issue must complete Form C of the relevant Form of Instruction. The Form of Instruction must be received by the SA Registrar at one of the addresses referred to in paragraph 4.6 of this Section 2 of this Part II *“Information in relation to the Rights Issue”* by no later than 9.00 a.m. (South Africa Standard Time) on 9 June 2025 if Qualifying South African Shareholders want to sell any of their Letters of Allocation, and by no later than 9.00 a.m. (South Africa Standard Time) on 9 June 2025 if Qualifying South African Shareholders do not want to sell any of their Letters of Allocation but want to exercise a portion of their Nil Paid Rights and renounce the Letters of Allocation in respect of their remaining Nil Paid Rights and/or allow their remaining Nil Paid Rights to lapse. In this regard, the other procedures and instructions in the Form of Instruction will apply each of the actions taken by Qualifying South African Shareholders who hold their Shares in certificated form.

#### 4.6 **Payment**

##### *Qualifying South African Shareholders who hold their Shares in uncertificated form*

Qualifying South African Shareholders who hold their Shares in uncertificated form who wish to subscribe for New Shares must, in making payment, act in terms of the instructions received from their CSDP or broker.

##### *Qualifying South African Shareholders who hold their Shares in certificated form*

Payment by Qualifying South African Shareholders who hold their Shares in certificated form who wish to subscribe for New Shares (i) must be made in full by electronic funds transfer ("EFT") into the designated bank account, details of which are available from the SA Registrar on request by contacting the SA Registrar's call centre for corporate actions on +27 11 370 5000 and, in South Africa only, 086 1100 634; (ii) must be paid in Rand; and (iii) proof of EFT payment must be lodged, posted or e-mailed, as the case may be, together with the completed Form of Instruction, as follows:

By email to:	Delivered to:	Posted to:
<a href="mailto:corporate.events@computershare.co.za">corporate.events@computershare.co.za</a>	Computershare Investor Services (Pty) Ltd First Floor Rosebank Towers 15 Biermann Avenue Rosebank, Johannesburg, 2196 South Africa	Computershare Investor Services (Pty) Ltd Private Bag X3000 Saxonwold, Johannesburg, 2132 South Africa

so as to be received by the SA Registrar by no later than 9:00 a.m. (South Africa Standard Time) on 9 June 2025. If the required documentation and payment have not been received in accordance with the instructions contained in the enclosed Form of Instruction, either from the Qualifying South African Shareholder who holds their Shares in certificated form or from any person in whose favour the Rights have been renounced, by 9:00 a.m. (South Africa Standard Time) on 9 June 2025, then the Rights of that Qualifying South African Shareholder to those unsubscribed New Shares will be deemed to have been declined and the Rights will lapse for such Qualifying South African Shareholder, unless Gemfields, in consultation with Panmure Liberum, determines otherwise.

##### *Company's discretion as to validity of acceptances*

In respect of Qualifying South African Shareholders who hold their Shares in certificated form, if payment is not received in full by 9.00 a.m. (South Africa Standard Time) on 9 June 2025, the provisional allotment of New Shares will be deemed to have been declined and will lapse. The Company and Panmure Liberum may (in their absolute discretion) treat a Form of Instruction as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it is not completed in accordance with the relevant instructions or is not accompanied by a valid power of attorney (where required).

The Company and Panmure Liberum reserve the right to treat as invalid any acceptance or purported acceptance of the offer of New Shares that appears to the Company and Panmure Liberum or their respective agents to have been executed in, despatched from or that provides an address for the delivery of definitive share certificates or share statements for New Shares in an Excluded Territory.

A Qualifying South African Shareholder holding their Shares in certificated form who validly accepts the offer of New Shares and makes payment in accordance with this paragraph 4.6 is deemed to request that the New Shares to which they will become entitled be issued to him on the terms set out in this Document and subject to the Company's Memorandum and Articles.

##### *Currency for payment*

Qualifying South African Shareholders are being offered New Shares at the SA Issue Price of ZAR1.06860 per New Share. South African Exchange Control Regulations do not generally permit residents of the CMA to make payments of this nature in currencies other than Rand but if these regulations and the laws and regulations applying to the SA Register allow you to take up your Nil Paid Rights and subscribe for New Shares at the UK Issue Price of 4.22 pence per New Share, then the Company shall seek to facilitate this.

#### **4.7 Lapsing of Nil Paid Rights**

##### **Qualifying South African Shareholders who do not want to take up any Nil Paid Rights at all**

Qualifying South African shareholders who do not want to take up their Nil Paid Rights to subscribe for New Shares and do not want to sell or renounce their Letters of Allocation do not need to do anything. Nil Paid Rights that are not taken up will be dealt with in accordance with paragraph 6 of this Section 2 of this Part II *“Information in relation to the Rights Issue”*.

If Qualifying South African Shareholders do not take up their Nil Paid Rights, although they continue to own the same number of Existing Shares, their percentage holding in Gemfields will be diluted.

#### **4.8 Dealings in Letters of Allocation**

Subject to the Rights Issue otherwise becoming unconditional, dealings on the General Segment of the JSE Main Board in the Letters of Allocation on a deferred settlement basis are expected to commence at 9:00 a.m. (South Africa Standard Time) on 28 May 2025.

#### **4.9 Representations and warranties of Qualifying South African Shareholders**

Qualifying South African Shareholder holding their Existing Shares in certificated form who accept and/or renounce their Forms of Instruction also make the representations and warranties set out in paragraph 9.5 of this Section 2 of this Part II *“Information in relation to the Rights Issue”* and Qualifying South African Shareholders holding their Shares in uncertificated form who make a valid acceptance in accordance with this Section also make the representations and warranties set out in paragraph 9.5 of this Section 2 of this Part II *“Information in relation to the Rights Issue”*.

### **5. Action to be taken in relation to Nil Paid Rights or Fully Paid Rights in CREST**

#### **5.1 General**

Subject as provided in paragraph 9 of this Section 2 of this Part II *“Information in relation to the Rights Issue”* in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder is expected to receive a credit to his CREST stock account of his entitlement to Nil Paid Rights on 29 May 2025. The CREST stock account to be credited will be an account under the Participant ID and member account ID that apply to the Existing Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Nil Paid Rights are provisionally allotted. The Nil Paid Rights will constitute a separate security for the purposes of CREST and can accordingly be transferred, in whole or in part, by means of CREST in the same manner as any other security that is admitted to CREST.

If for any reason it is impracticable to credit the stock accounts of Qualifying CREST Shareholders or to enable the Nil Paid Rights by 8.00 a.m. (London time) on 29 May 2025, Provisional Allotment Letters shall, unless the Company and Panmure Liberum agree otherwise, be sent out in substitution for the Nil Paid Rights which have not been so credited or enabled and the expected timetable as set out in this Document may be adjusted as appropriate.

**References to dates and times in this Document should be read as subject to any such adjustment.**

The Company will make an appropriate announcement to a RIS giving details of the revised dates but Qualifying CREST Shareholders may not receive any further written communication.

CREST Members who wish to take up all or part of, or otherwise to transfer, all or part of their Nil Paid Rights and/or Fully Paid Rights held by them in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below. If you are a CREST Sponsored Member, you should consult your CREST Sponsor if you wish to take up your entitlement as only your CREST Sponsor will be able to take the necessary action to take up your entitlements or otherwise to deal with your Nil Paid Rights or Fully Paid Rights.

#### **5.2 Procedure for acceptance and payment**

##### **MTM Instructions**

CREST Members who wish to take up all or part of their entitlement in respect of Nil Paid Rights in CREST must send (or, if they are CREST Sponsored Members, procure that their CREST Sponsor sends) an MTM instruction to Euroclear UK & International which, on its settlement, will have the following effect:

- (a) the crediting of a stock account of the UK Registrar under the Participant ID and member account ID specified below, with the number of Nil Paid Rights to be taken up;
- (b) the creation of a settlement bank payment obligation (as this term is defined in the CREST Manual), in accordance with the CREST RTGS payment mechanism (as this term is defined in the CREST Manual), in favour of the RTGS settlement bank (as this term is defined in the CREST Manual) of the UK Registrar in pounds sterling, in respect of the full amount payable on acceptance in respect of the Nil Paid Rights referred to in paragraph 4.6 above; and
- (c) the crediting of a stock account of the accepting CREST Member (being an account under the same Participant ID and member account ID as the account from which the Nil Paid Rights are to be debited on settlement of the MTM instruction) of the corresponding number of Fully Paid Rights to which the CREST Member is entitled on taking up his Nil Paid Rights referred to in paragraph 4.6 above.

#### *Contents of MTM Instructions*

The MTM instruction must be properly authenticated in accordance with Euroclear UK & International specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (d) the number of Nil Paid Rights to which the acceptance relates;
- (e) the Participant ID of the accepting CREST Member;
- (f) the member account ID of the accepting CREST Member from which the Nil Paid Rights are to be debited;
- (g) the Participant ID of the UK Registrar, in its capacity as a CREST Receiving Agent. This is 3RA32;
- (h) the member account ID of the UK Registrar, in its capacity as a CREST Receiving Agent. This is GEMFRI;
- (i) the number of Fully Paid Rights that the CREST Member is expecting to receive on settlement of the MTM instruction. This must be the same as the number of Nil Paid Rights to which the acceptance relates;
- (j) the amount payable by means of the CREST assured payment arrangements on settlement of the MTM instruction. This must be the full amount payable on acceptance in respect of the number of Nil Paid Rights to which the acceptance relates;
- (k) the intended settlement date (which must be on or before 11.00 a.m. (London time) on 12 June 2025);
- (l) the Nil Paid Rights ISIN. This is GG00BT3PBP61;
- (m) the Fully Paid Rights ISIN. This is GG00BT3PBQ78;
- (n) the Corporate Action Number (as this term is defined in the CREST Manual) for the Rights Issue. This will be available by viewing the relevant corporate action details in CREST;
- (o) a priority of at least 80; and
- (p) the contact name and telephone numbers in the shared notes field.

#### *Valid acceptance*

An MTM instruction complying with each of the requirements as to authentication and contents set out in this paragraph 5.2 will constitute a valid acceptance where either:

- (a) the MTM instruction settles by not later than 11.00 a.m. (London time) on 12 June 2025; or
- (b) at the discretion of the Company and Panmure Liberum: (i) the MTM instruction is received by Euroclear UK & International by not later than 11.00 a.m. (London time) on 12 June 2025; (ii) the number of Nil Paid Rights inserted in the MTM instruction is credited to the CREST stock member



account of the accepting CREST Member specified in the MTM instruction at 11.00 a.m. (London time) on 12 June 2025; and (iii) the relevant MTM instruction settles by 2.00 p.m. (London time) on 12 June 2025 (or such later time and/or date as the Company and Panmure Liberum have determined). An MTM instruction will be treated as having been received by Euroclear UK & International for these purposes at the time at which the instruction is processed by the Network Provider's Communications Host (as this term is defined in the CREST Manual) at Euroclear UK & International of the network provider used by the CREST Member (or by the CREST Sponsored Member's CREST Sponsor). This will be conclusively determined by the input time stamp applied to the MTM instruction by the Network Provider's Communications Host.

#### *Representations, warranties and undertakings of CREST Members*

A CREST Member or CREST Sponsored Member who makes a valid acceptance in accordance with this paragraph 5.2 represents, warrants and undertakes to the Company and Panmure Liberum that he has taken (or procured to be taken), and will take (or will procure to be taken), whatever action is required to be taken by him or by his CREST Sponsor (as appropriate) to ensure that the MTM instruction concerned is capable of settlement at 11.00 a.m. (London time) on 12 June 2025 and remains capable of settlement at all times after that until 2.00 p.m. (London time) on 12 June 2025 (or until such later time and/or date as the Company and Panmure Liberum may determine). In particular, the CREST Member or CREST Sponsored Member represents, warrants and undertakes that at 11.00 a.m. (London time) on 12 June 2025 and at all times thereafter until 2.00 p.m. (London time) on 12 June 2025 (or until such later time and date as the Company and Panmure Liberum may determine) there will be sufficient Headroom within the Cap (as those terms are defined in the CREST Manual) in respect of the cash memorandum account to be debited with the amount payable on acceptance to permit the MTM instruction to settle. CREST Sponsored Members should contact their CREST Sponsor if they are in any doubt.

A CREST Members or CREST Sponsored Member who makes a valid acceptance in accordance with this paragraph 5.2 also makes the representations and warranties set out in paragraph 9.5 of Section 2 of Part II "*Information in relation to the Rights Issue*", except in the circumstances described in that paragraph.

If there is insufficient Headroom within the Cap in respect of the cash memorandum account of a CREST Member or CREST Sponsored Member for such amount to be debited or the CREST Member's or CREST Sponsored Member's acceptance is otherwise treated as invalid and New Shares have already been allotted to such CREST Member or CREST Sponsored Member, the Company may (in its absolute discretion as to manner, timing and terms) make arrangements (including appointing any agent or intermediary to act on its behalf as it may choose and for such time as the default is continuing) for the sale of such shares on behalf of that CREST Member or CREST Sponsored Member and itself retain the proceeds of sale. In these circumstances, neither the Company nor any other person shall be responsible for, or have any liability for, any loss, expenses or damage suffered by such CREST Member or CREST Sponsored Member as a result.

#### *CREST procedures and timings*

CREST Members and CREST Sponsors (on behalf of CREST Sponsored Members) should note that Euroclear UK & International does not make available special procedures in CREST for any particular corporate action.

Normal system timings and limitations will therefore apply in relation to the input of an MTM instruction and its settlement in connection with the Rights Issue. It is the responsibility of the CREST Member concerned to take (or, if the CREST Member is a CREST Sponsored Member, to procure that his CREST Sponsor takes) the action necessary to ensure that a valid acceptance is received as stated above by 11.00 a.m. (London time) on 12 June 2025. In connection with this, CREST Members and (where applicable) CREST Sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

#### *CREST Member's undertaking to pay*

A CREST Member or CREST Sponsored Member who makes a valid acceptance in accordance with the procedures set out in this paragraph 5.2: (a) undertakes to pay to the Company or procure the payment to the Company of, the amount payable in pounds sterling on acceptance in accordance with the above procedures or in such other manner as the Company may require (it being acknowledged

that, where payment is made by means of the RTGS payment mechanism, (as defined in the CREST Manual), the creation of a RTGS settlement bank (as defined in the CREST Manual) payment obligation in pounds sterling in favour of the UK Registrar's RTGS settlement bank (as defined in the CREST Manual), in accordance with the RTGS payment mechanism shall, to the extent of the obligation so created, discharge in full the obligation of the CREST Member (or CREST Sponsored Member) to pay to the Company the amount payable on acceptance; and (b) requests that the Fully Paid Rights and/or New Shares, to which they will become entitled, be issued to them on the terms set out in this Document and subject to the Memorandum and Articles.

If the payment obligations of the relevant CREST Member in relation to such New Shares are not discharged in full and such New Shares have already been issued to the CREST Member or CREST Sponsored Member, the Company may (in its absolute discretion as to the manner, timing and terms) make arrangements (including appointing any agent or intermediary to act on its behalf as it may choose and for such time as the default is continuing) for the sale of such shares on behalf of that CREST Member or CREST Sponsored Member and itself retain the proceeds of sale. In these circumstances, neither the Company nor any other person shall be responsible for, or have any liability for, any loss, expenses or damage suffered by any CREST Member or CREST Sponsored Member as a result.

*Discretion as to rejection and validity of acceptances*

The Company and Panmure Liberum may:

- (a) reject any acceptance constituted by an MTM instruction, which is otherwise valid, in the event of breach of any of the representations, warranties and undertakings set out or referred to in this paragraph 5.2. Where an acceptance is made as described in this paragraph 5.2 which is otherwise valid, and the MTM instruction concerned fails to settle by 11.00 a.m. (London time) on 12 June 2025 (or by such later time and/or date as the Company and Panmure Liberum may determine), the Company and Panmure Liberum shall be entitled to assume, for the purposes of their right to reject an acceptance as described in this paragraph 5.2 of this Section 2 of this Part II *"Information in relation to the Rights Issue"*, that there has been a breach of the representations, warranties and undertakings set out or referred to in this paragraph 5.2;
- (b) treat as valid (and binding on the CREST Member or CREST Sponsored Member concerned) an acceptance which does not comply in all respects with the requirements as to validity set out or referred to in this paragraph 5.2;
- (c) accept an alternative properly authenticated dematerialised instruction from a CREST Member or (where applicable) a CREST Sponsor as constituting a valid acceptance in substitution for, or in addition to, an MTM instruction and subject to such further terms and conditions as the Company and Panmure Liberum may determine;
- (d) treat a properly authenticated dematerialised instruction (the "first instruction") as not constituting a valid acceptance if, at the time at which the UK Registrar receives a properly authenticated dematerialised instruction giving details of the first instruction, either the Company or the UK Registrar has received actual notice from Euroclear UK & International of any of the matters specified in CREST Regulation 35(5)(a) in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and

accept an alternative instruction or notification from a CREST Member or (where applicable) a CREST Sponsor, or extend the time for acceptance and/or settlement of an MTM instruction or any alternative instruction or notification if, for reasons or due to circumstances outside the control of any CREST Member or CREST Sponsored Member or (where applicable) CREST Sponsor, the CREST Member or CREST Sponsored Member is unable validly to take up all or part of his Nil Paid Rights by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of facilities and/or systems operated by the UK Registrar in connection with CREST.

### **5.3 Money Laundering Regulations**

If you hold your Nil Paid Rights in CREST and apply to take up all or part of your entitlement as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a bank, a broker or another UK financial institution), then, irrespective of the value of the application, the UK Registrar is required to take reasonable measures to establish the identity of the beneficial owner or ultimate controller of the person or persons on whose behalf you are making the application. Such Qualifying CREST Shareholders must therefore contact the UK Registrar before sending any MTM instruction or other instruction so that appropriate measures may be taken. Submission of an MTM instruction which constitutes, or which may on its settlement constitute, a valid acceptance as described above constitutes a warranty and undertaking by the applicant to provide promptly to the UK Registrar any information the UK Registrar may specify as being required for the purposes of the Money Laundering Regulations or FSMA. Pending the provision of evidence satisfactory to the UK Registrar as to identity, the UK Registrar, having consulted with the Company and Panmure Liberum, may take, or omit to take, such action as it may determine to prevent or delay settlement of the MTM instruction. If satisfactory evidence of identity has not been provided within a reasonable time, the UK Registrar will not permit the MTM instruction concerned to proceed to settlement without prejudice to the right of the Company and/or Panmure Liberum to take proceedings to recover any loss suffered by it/them as a result of failure by the applicant to provide satisfactory evidence.

### **5.4 Dealings in Nil Paid Rights**

Subject to the Rights Issue becoming unconditional, dealings in the Nil Paid Rights on AIM are expected to commence at 8:00 a.m. (London time) on 29 May 2025. A transfer (in whole or part) of Nil Paid Rights can be made by means of CREST in the same manner as any other security that is admitted to CREST. The Nil Paid Rights are expected to be disabled in CREST after the close of CREST business on 12 June 2025.

### **5.5 Dealings in Fully Paid Rights**

After acceptance of the provisional allotment and payment in full in accordance with the provisions set out in this Document and (where appropriate) the Provisional Allotment Letter, the Fully Paid Rights may be transferred (in whole or in part) by means of CREST in the same manner as any other security that is admitted to CREST. The last date for settlement of any transfer of Fully Paid Rights in CREST is expected to be 11.00 a.m. (London time) on 12 June 2025. The Fully Paid Rights are expected to be disabled in CREST after the close of CREST business on 12 June 2025. From 8.00 a.m. on 13 June 2025, the New Shares will be registered in the name(s) of the person(s) entitled to them in the Company's register of members and will be transferable by means of CREST in the usual way.

### **5.6 Withdrawal of Nil Paid Rights or Fully Paid Rights from CREST**

Nil Paid Rights or Fully Paid Rights held in CREST may be converted into certificated form, that is, withdrawn from CREST. Normal CREST procedures (including timings) apply in relation to any such conversion.

The recommended latest time for receipt by Euroclear UK & International of a properly authenticated dematerialised instruction requesting withdrawal of Nil Paid Rights or, if appropriate, Fully Paid Rights from CREST is 4.30 p.m. (London time) on 5 June 2025, so as to enable the person acquiring or (as appropriate) holding the Nil Paid Rights or, if appropriate, the Fully Paid Rights following the conversion to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. (London time) on 12 June 2025. You are recommended to refer to the CREST Manual for details of such procedures.

### **5.7 Issue of New Shares in CREST**

New Shares will be issued in uncertificated form to those persons registered as holding Fully Paid Rights in CREST at the close of business on the date on which the Fully Paid Rights are disabled. The UK Registrar will instruct Euroclear UK & International to credit the appropriate stock accounts of those persons (under the same Participant ID and member account ID that applied to the Fully Paid Rights held by those persons) with their entitlements to New Shares with effect from the next Dealing Day (expected to be 13 June 2025).

## **5.8 *Right to allot/issue in certificated form***

Despite any other provision of this Document, the Company reserves the right to allot and to issue any Nil Paid Rights, Fully Paid Rights or New Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of an interruption, failure or breakdown of CREST (or of any part of CREST) or of a part of the facilities and/or systems operated by the UK Registrar in connection with CREST.

## **6. *Procedure in respect of Rights not taken up and withdrawal Rights Procedure in respect of Rights not taken up***

If an entitlement to New Shares (whether in whole or in part) is not validly taken up in accordance with the procedure laid down for acceptance and payment, then that provisional allotment (or that part of the provisional allotment not taken up, as the case may be) will be deemed to have been declined and will lapse.

Any declined New Shares will be subscribed for by the Underwriters, in the Agreed Proportions, as principal pursuant to the Rights Issue and Underwriting Agreement, at the UK Issue Price or at the SA Issue Price on the terms and subject to the conditions of the Rights Issue and Underwriting Agreement.

Given that the Underwriters are underwriting the Rights Issue, any subscribers procured in this way will be at the Issue Price only (and not at any premium to the Issue Price). Accordingly, no subscription proceeds will be distributed to Qualifying Shareholders who did not take up their Rights or Shareholders in Excluded Territories.

Any transactions undertaken pursuant to this paragraph 6 shall be deemed to have been undertaken at the request of the persons entitled to the lapsed provisional allotments and it is a fundamental term of the Rights Issue that none of the Company, Panmure Liberum, the Underwriters (nor any of their affiliates or respective directors, officers, employees or agents), shall be responsible for any loss or damage (whether actual or alleged) arising from the terms of or timing of the Rights Issue, any decision not to endeavour to procure subscribers (other than the Underwriters themselves) for the Underwritten Shares, the decision not to make the rights issue to persons in Excluded Territories, or the price at which the Rights Issue was made.

### ***Withdrawal rights***

Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders or their renounees who have the right to withdraw their acceptances under Rule 3.4.1 of the Prospectus Regulation Rules after a supplementary prospectus (if any) has been published and who wish to exercise such right of withdrawal must deposit a written notice of withdrawal (which shall not include a notice sent by any form of electronic communication other than facsimile), which must include the full name and address of the person wishing to exercise such right of withdrawal and, if such person is a CREST Member, the Participant ID and the member account ID of such CREST Member, by post or by hand (during normal business hours) to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or, after calling the UK Shareholder helpline, in each case so as to be received before the end of the period of two Business Days beginning with the first Business Day after the date on which the supplementary prospectus (if any) was published. Notice of withdrawal of acceptance given by any other means or which is deposited with, or received by, the UK Registrar after the end of the period of two Business Days beginning with the first Business Day after the date on which the supplementary prospectus (if any) was published will be invalid.

Qualifying South African Shareholders who hold their Shares in certificated form or their renounees who wish to exercise such right of withdrawal after a supplementary prospectus (if any) has been published must do so by depositing a written notice of withdrawal (which shall not include a notice sent by any form of electronic communication other than facsimile) which must include the full name and address of the person wishing to exercise such right of withdrawal, to Computershare Investor Services (Pty) Ltd by post to Private Bag X3000, Saxonwold, 2132, South Africa, by hand to Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa, so as to be received before the end of the period of two Business Days beginning with the first Business Day after the date on which the supplementary prospectus (if any) was published. Notice of withdrawal of acceptance given by any other means or which is deposited with, or received by, the SA Registrar after the end of the period of two Business Days beginning with the first Business Day after the date on which the supplementary prospectus (if any) was published.

If such right to withdraw would apply at any time after the last date for valid acceptance such date shall be postponed to a new date announced by the Company being not earlier than two Business Days following publication of any supplementary prospectus.

Qualifying South African Shareholders who hold their Shares in uncertificated form who wish to exercise such right of withdrawal after a supplementary prospectus (if any) has been published should contact their CSDP or broker.

Furthermore, the exercise of withdrawal rights will not be permitted after payment by the relevant person of his subscription price in full and the allotment of the New Shares to such person becoming unconditional, save as required by statute. In such circumstances, Shareholders are advised to consult their professional advisers. Provisional allotments of entitlements to New Shares which are the subject of a valid withdrawal notice will be deemed to be declined and will therefore be subject to the provisions of this paragraph 6 as if the entitlement to New Shares had not validly been taken up. In such circumstances, to the extent that Shareholders have paid monies to the Company in respect of an acceptance which they wish to withdraw, the Company will remit such monies to Shareholders, without interest, within 14 Business Days. Any interest earned on such monies will be retained for the benefit of the Company.

## **7. Taxation**

Information on United Kingdom, South African and Guernsey taxation with regard to the Rights Issue is set out in Part III “*Taxation*” of this Document and is intended only as a general guide to the current tax position in the United Kingdom, South Africa and Guernsey. If you are in any doubt as to your tax position, you should consult your own independent adviser immediately.

## **8. South African Exchange Control**

The following summary is intended only as a guide and is, therefore, not comprehensive. If Shareholders are in any doubt as to the appropriate course of action, they are advised to consult their professional advisers.

### ***Qualifying South African Shareholders and are resident in or emigrants from the Common Monetary Area of South Africa, Namibia, Lesotho and Swaziland***

#### ***General***

Subject to the further provisions of this paragraph 8, those Qualifying Shareholders who hold Shares on the UK Register that are currently resident or were previously resident in the CMA (that is, emigrants) are subject to Exchange Control Regulations and cannot participate in the Rights Issue in the United Kingdom without the specific approval of the Financial Surveillance Department.

#### ***Residents in the CMA***

Individual South African Resident Shareholders are granted a foreign investment allowance of ZAR10 million per calendar year per private individual who is a taxpayer in good standing over the age of 18 and where such Shareholder has not fully utilised that foreign investment allowance for the period, he may, with the authorisation of an Authorised Dealer in foreign exchange, utilise the unutilised foreign investment allowance to participate in the Rights Issue in the United Kingdom. Furthermore, where a South African Resident Shareholder holds funds outside South Africa with the approval of the Financial Surveillance Department, those funds may be utilised to participate in the Rights Issue in the United Kingdom.

South African retirement funds, long-term insurers, collective investment scheme management companies and investment managers who have the required Exchange Control approval may participate in the Rights Issue in the United Kingdom, subject to the following (as well as the restrictions set out in paragraph 4 of Section of Part II “*Information in relation to the Rights Issue*”):

- (a) currently, foreign portfolio investments by South African institutional investors can be made subject to certain limits based on an institution's total retail assets. The foreign exposure of retail assets may not exceed 25 per cent. in the case of retirement funds and underwritten policy business of long-term insurers. Collective investment scheme management companies, investment managers registered with the Financial Services Board of South Africa as discretionary managers

for exchange control purposes and the investment-linked business of long-term insurers are restricted to 35 per cent. of total retail assets under management; and

- (b) where a South African institutional investor has fully utilised its capacity to invest outside South Africa, they will not be permitted to participate in the Rights Issue in the United Kingdom.

In order for Qualifying Shareholders that are currently resident in the CMA to participate in the Rights Issue in the United Kingdom using their foreign investment allowance, they need to obtain a banker's draft in pounds sterling from their banker (in its capacity as an Authorised Dealer in foreign exchange) who will prepare that banker's draft provided he is satisfied that the Qualifying Shareholder has complied with the Exchange Control Regulations.

If a Qualifying Shareholder that is currently resident in the CMA has used its foreign investment allowance to participate in the Rights Issue and it transfers its New Shares from the UK Register to the SA Register, SARB has indicated that those New Shares cannot be credited against that South African Resident Shareholder's foreign investment allowance. In order for that South African Resident Shareholder's foreign investment allowance to be credited for repatriating the proceeds received from the Rights Issue, it would need to sell its New Shares offshore and repatriate those funds to South Africa.

#### *Emigrants from the CMA*

Individuals who are emigrants from the CMA may utilise any unutilised balance of the foreign investment allowance not exceeding the current limit of ZAR10 million per adult per year to participate in the Rights Issue in the United Kingdom. Where an emigrant held funds abroad prior to emigration with the approval of the Financial Surveillance Department or, accumulated funds abroad post-emigration from the CMA, those funds may be utilised to participate in the Rights Issue in the United Kingdom. An emigrant may not, without the approval of the Financial Surveillance Department, utilise blocked funds, that is funds held under the control of an Authorised Dealer in foreign exchange comprising those funds remaining in South Africa after emigration allowances have been utilised, to participate in the Rights Issue in the United Kingdom.

#### **Qualifying South African Shareholders who are resident in the CMA**

Qualifying South African Shareholders (including institutional investors, private individuals, corporates, trusts or partnerships) who are South African Resident Shareholders may participate in the Rights Issue in South Africa without restriction.

#### **Qualifying South African Shareholders who are emigrants from the CMA**

Where a former resident of the CMA acquires Nil Paid Rights in respect of Shares blocked in terms of the Exchange Control Regulations, then only emigrant blocked funds may be used to:

- (a) take up the Rights in terms of the Rights Issue;
- (b) purchase Letters of Allocation on the JSE; and
- (c) subscribe for the New Shares arising in respect of Letters of Allocation purchased on the JSE.

All applications by emigrants using blocked funds for the above purposes must be made through the Authorised Dealer in South Africa controlling their blocked assets. Share statements issued to such emigrants will be endorsed "non-resident" and placed under the control of the Authorised Dealer in foreign exchange through whom the payment was made. The proceeds due to emigrants from the sale of the Letters of Allocation, if applicable, will be returned to the Authorised Dealer in foreign exchange for credit to such emigrants' blocked accounts. Electronic statements issued in terms of Strate and any Share statements issued pursuant to blocked Rand transactions will be endorsed "non-resident" and placed under the control of the Authorised Dealer through whom the payment was made. The proceeds arising from the sale of Letters of Allocation or arising from the sale of blocked Shares will be credited to the blocked accounts of the emigrants concerned.

#### **Qualifying South African Shareholders who are non-resident in the CMA**

Pursuant to the Exchange Control Regulations, non-residents of the CMA will be allowed to:

- (a) take up Rights in terms of the Rights Issue;

- (b) purchase Letters of Allocation on the JSE; and
- (c) subscribe for New Shares pursuant to the acquisition of Letters of Allocation on the JSE,

provided payment is received either through normal banking channels from abroad or from a non-resident account.

All applications by non-residents of the CMA for the above purposes must be made through an Authorised Dealer in foreign exchange. Electronic statements issued in terms of Strate and any share statements issued pursuant to such applications will be endorsed “non-resident”.

## **9. Overseas Shareholders**

This Document has been approved by the FCA, being the competent authority in the United Kingdom, and JSE, being the competent authority in South Africa.

The making of the proposed offer of New Shares to persons located or resident in or who have a registered address in countries other than the UK or South Africa may be affected by the law or regulatory requirements of the relevant jurisdiction. Any Shareholder who is in any doubt as to his position should consult an appropriate professional adviser without delay.

### **9.1 General**

**The making or acceptance of the proposed offer of New Shares to persons who have registered addresses outside the United Kingdom and South Africa, or who are located or resident in countries other than the United Kingdom and South Africa, may be affected by the laws of the relevant jurisdiction. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their Rights.**

It is also the responsibility of any person (including, without limitation, custodians, nominees and trustees) outside the United Kingdom and South Africa wishing to take up Rights under the Rights Issue to satisfy himself as to the full observance of the laws of any relevant territory in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories. The information set out in this paragraph 9 is intended as a general guide only and any Overseas Shareholder who is in doubt as to his position should consult his professional adviser without delay and take independent professional advice in relation thereto. Receipt of this Document, a Provisional Allotment Letter and/or Form of Instruction or the crediting of Nil Paid Rights to a stock account in CREST or Letters of Allocation to a CSDP or broker account in Strate will not constitute an offer in those jurisdictions in which it would be illegal to make or accept an offer and, in those circumstances, this Document, the Provisional Allotment Letter and/or Form of Instruction must be treated as sent (or made available) for information only and should not be copied or redistributed.

No action has been or will be taken in any jurisdiction (other than the United Kingdom and South Africa) that would permit a public offer or distribution of the New Shares, the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters, the Letters of Allocation or the Forms of Instruction or possession or distribution of this Document or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the New Shares, the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters, the Letters of Allocation and the Forms of Instruction may not be distributed, offered or sold, directly or indirectly, and this Document may not be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this Document comes (or who otherwise access this Document) should inform themselves about and observe any restrictions on the distribution of this Document and the offer or distribution of the New Shares, the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters, the Letters of Allocation and the Forms of Instruction contained in this Document. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This Document does not constitute an offer to acquire any, or a distribution, of the New Shares, the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters, the Letters of Allocation and the

Forms of Instruction to any person in any jurisdiction to whom it is unlawful to make or accept such offer, distribution or solicitation in such jurisdiction.

New Shares will be provisionally allotted (nil paid) to all Shareholders on the UK Register and the SA Register as at the relevant Record Date (including, for the avoidance of doubt, any Overseas Shareholders). However, neither the Provisional Allotment Letters nor Forms of Instruction will be sent to Qualifying Shareholders with registered addresses in any Excluded Territory and Nil Paid Rights or Letters of Allocation, as the case may be, will not be credited to CREST accounts or the CSDP or broker accounts in Strate of Shareholders with registered addresses in any Excluded Territory.

No person in any Excluded Territory receiving or being given access to a copy of this Document, a Provisional Allotment Letter or Form of Instruction and/or receiving a credit of Nil Paid Rights to a stock account in CREST or a Letter of Allocation to a broker or CSDP account in Strate may treat the same as constituting an invitation or offer to them nor should they in any event use the Provisional Allotment Letter or Form of Instruction or deal with Nil Paid Rights or Fully Paid Rights in CREST or Letters of Allocation in Strate unless such an invitation or offer could lawfully be made to and accepted by him or the Provisional Allotment Letter or Form of Instruction (as the case may be) could lawfully be used or dealt with without contravention of any registration or other legal requirements. In such circumstances, this Document, the Provisional Allotment Letter and the Form of Instruction are to be treated as sent (or made available) for information only and should not be copied or redistributed.

Accordingly, persons (including, without limitation, custodians, nominees and trustees) receiving or being given access to a copy of this Document and/or a Provisional Allotment Letter or Form of Instruction or whose stock account in CREST is credited with Nil Paid Rights or whose broker or CSDP account in Strate is credited with a Letter of Allocation, should not, in connection with the Rights Issue, distribute or send the same or transfer Nil Paid Rights, Fully Paid Rights or Letters of Allocation in or into any jurisdiction where to do so would or might contravene local securities laws or regulations including, but not limited to, those of the Excluded Territories. If a Provisional Allotment Letter, a Form of Instruction or a credit of Nil Paid Rights, Fully Paid Rights or Letters of Allocation is received by any person in any such territory, or by their agent or nominee, they must not seek to take up the Rights referred to in the Provisional Allotment Letter, the Form of Instruction or in this Document or renounce the Provisional Allotment Letter or Form of Instruction or transfer the Nil Paid Rights, Fully Paid Rights or Letter of Allocation unless the Company and Panmure Liberum determine that such actions would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, nominees and trustees) who does forward this Document or a Provisional Allotment Letter or a Form of Instruction or transfer Nil Paid Rights, Fully Paid Rights or Letter of Allocation into any such territories (whether pursuant to a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this paragraph 9.

Any person (including, without limitation, agents, nominees and trustees) outside the UK or South Africa wishing to take up his Rights under the Rights Issue must satisfy themselves as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. The Company, in consultation with Panmure Liberum, reserves the right to treat as invalid and will not be bound to allot or issue any New Shares in respect of any acceptance or purported acceptance of the offer of New Shares which:

- (a) appears to the Company or its agents to have been executed, effected or despatched from any of the Excluded Territories; or
- (b) in the case of a Provisional Allotment Letter or Form of Instruction, provides an address for delivery of the definitive share certificates or share statements in, or, in the case of a credit of New Shares in CREST or Strate, to a CREST Member or CREST Sponsored Member, broker or CSDP whose registered address is in any of the Excluded Territories or any other jurisdiction outside the United Kingdom or South Africa in which it would be unlawful to deliver such definitive share certificates or share statements or make such a credit or which does not make the warranty set out in the Provisional Allotment Letter or Form of Instruction (as the case may be) to the effect that the person accepting and/or renouncing and/or otherwise disposing of the provisional allotment does not have a registered address and is not otherwise located in one of the Excluded Territories and is not acquiring the Nil Paid Rights, the Fully Paid Rights, Letters of Allocation or the New Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any



such Nil Paid Rights, Fully Paid Rights, Letters of Allocation or New Shares one of the Excluded Territories or where the Company believes acceptance of such Provisional Allotment Letter or Form of Instruction (as the case may be) may infringe applicable legal or regulatory requirements.

Subject to paragraphs 9.2 to 9.4 below, any person (including, without limitation, agents, nominees and trustees) outside the United Kingdom and South Africa, wishing to take up their Rights under the Rights Issue must satisfy themselves as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. The comments set out in this paragraph 9 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

The attention of Overseas Shareholders resident or with registered addresses in the United States or any of the Excluded Territories is drawn to paragraphs 9.2 to 9.4 below. Entitlements to Nil Paid Rights to which Shareholders with registered addresses in any of the Excluded Territories would otherwise be entitled will be aggregated with entitlements to Nil Paid Rights which have not been taken up by other Shareholders and shall be subscribed for by the Underwriters themselves. It is a fundamental term of the Rights Issue that none of the Company, Panmure Liberum, the Underwriters (nor any of their affiliates or respective directors, officers, employees or agents) shall be responsible or have any liability whatsoever for any loss or damage (actual or alleged) arising from the terms or the timing of the Rights Issue, any decision not to endeavour to procure subscribers (other than the Underwriters) for the Underwritten Shares, the decision not to make the Rights Issue to persons in Excluded Territories, or the price at which the Rights Issue was made.

Despite any other provision of this Document, the Provisional Allotment Letter or the Form of Instruction, the Company reserves the right to permit any Shareholder to take up his Rights if the Company, in consultation with Panmure Liberum, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question. These Shareholders who wish, and are permitted, to take up their entitlement should note that payments must be made as described in paragraphs 3.2, 4.6 and 5.2 of Section 2 of Part II *"Information in relation to the Rights Issue"* above.

Overseas Shareholders who are Qualifying Non-CREST Shareholders or Qualifying CREST Shareholders should note that all subscription monies must be in pounds sterling by cheque or banker's draft and should be drawn on a bank in the United Kingdom. For more information regarding payment details see paragraphs 3.2, and 5.2 of Section 2 of Part II *"Information in relation to the Rights Issue"*.

Overseas Shareholders who are Qualifying South African Shareholders should note that all subscription monies must be in Rand, made by electronic funds transfer and should be drawn on a bank in South Africa. For more information regarding payment details see paragraph 4.6 of Section 2 of Part II *"Information in relation to the Rights Issue"*.

## **9.2 United States**

The Nil Paid Rights, the Fully Paid Rights, the Letters of Allocation, the Provisional Allotment Letters, the Forms of Instruction and the New Shares have not been and will not be registered under the US Securities Act or under any securities laws of any State or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, pledged, renounced, transferred or delivered, directly or indirectly, within the United States. There will be no public offer of the Nil Paid Rights, the Fully Paid Rights, the Letters of Allocation or the New Shares in the United States.

Any person in the United States who obtains a copy of this Document, or a Provisional Allotment Letter or a Form of Instruction, is required to disregard them, except with the consent of the Company and Panmure Liberum.

Accordingly, Gemfields is not extending the offer under the Rights Issue into the United States and none of this Document and the Provisional Allotment Letter or the Form of Instruction constitutes or will constitute an offer or an invitation to apply for, or an offer or an invitation to acquire, any Nil Paid Rights, Fully Paid Rights, Letters of Allocation or New Shares in the United States. neither this Document nor a Provisional Allotment Letter or a Form of Instruction will be sent to any Qualifying Shareholder in, or with a registered address in, the United States. Subject to certain exceptions, Provisional Allotment

Letters or Forms of Instruction or renunciations thereof sent from or post-marked in the United States will be deemed to be invalid and all persons acquiring New Shares and wishing to hold such Shares in registered form must provide an address for registration of the New Shares issued upon exercise thereof outside the United States.

Any person who acquires Nil Paid Rights, Fully Paid Rights, Letters of Allocation or New Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this Document, the Provisional Allotment Letter or the Form of Instruction, taking up their entitlement or accepting delivery of the Nil Paid Rights, the Fully Paid Rights, the Letters of Allocation or the New Shares that it is not, and that at the time of acquiring the Nil Paid Rights, the Fully Paid Rights, the Letters of Allocation or the New Shares it will not be, in the United States or acting on behalf of, or for the account or benefit of a person on a non-discretionary basis in the United States or any State of the United States.

Gemfields, in consultation with Panmure Liberum, reserves the right to treat as invalid any Provisional Allotment Letter or Form of Instruction (or renunciation thereof) that appears to Gemfields or its agents to have been executed in or despatched from the United States, or that provides an address in the United States for the acceptance or renunciation of the Rights Issue, or which does not make the warranty set out in the Provisional Allotment Letter or the Form of Instruction to the effect that the person accepting and/or renouncing the Provisional Allotment Letter or the Form of Instruction or exercising the Nil Paid Rights does not have a registered address and is not otherwise located in the United States and is not acquiring the Nil Paid Rights, the Fully Paid Rights, the Letters of Allocation or the New Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Nil Paid Rights, Fully Paid Rights, Letters of Allocation or New Shares in the United States or where Gemfields believes acceptance of such Provisional Allotment Letter or the Form of Instruction may infringe applicable legal or regulatory requirements. Gemfields will not be bound to allot (on a non-provisional basis) or issue any New Shares, Nil Paid Rights, Fully Paid Rights or Letters of Allocation to any person with an address in, or who is otherwise located in, the United States in whose favour a Provisional Allotment Letter or the Form of Instruction or any Nil Paid Rights, Fully Paid Rights, Letters of Allocation or New Shares may be transferred or renounced. In addition, Gemfields and Panmure Liberum reserve the right to reject any MTM instruction sent by or on behalf of any CREST Member with a registered address in the United States in respect of the Nil Paid Rights.

None of the Nil Paid Rights, the Fully Paid Rights, the New Shares, the Provisional Allotment Letters, the Letters of Allocation, the Forms of Instruction, this Document or any other offering document relating to the Existing Shares or to the New Shares have been approved or disapproved by the SEC, any State's securities commission in the United States or any US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Fully Paid Rights, the Nil Paid Rights, the Letters of Allocation, the New Shares or the Rights Issue or the accuracy or adequacy of this Document. Any representation to the contrary is a criminal offence.

The provisions of paragraph 6 of Section 2 of Part II "*Information in relation to the Rights Issue*" will apply to any Rights not taken up. Accordingly, Qualifying Shareholders with registered addresses in the United States will be treated as holders who are not participating in the Rights Issue, and the Underwriters shall subscribe for the New Shares representing such holders' entitlements pursuant to the terms of the Rights Issue and Underwriting Agreement.

### 9.3 **European Economic Area**

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), no New Shares, Nil Paid Rights, Fully Paid Rights or Letters of Allocation have been offered or will be offered pursuant to the Rights Issue to the public in that Relevant State prior to the publication of a prospectus in relation to the New Shares, Nil Paid Rights, Fully Paid Rights and Letters of Allocation which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in the Relevant State, all in accordance with the EU Prospectus Regulation, except that, offers of New Shares, Nil Paid Rights, Fully Paid Rights or Letters of Allocation may be made to the public in that Relevant State:

- (a) to any legal entity which is a qualified investor as defined in Article 2(e) of the EU Prospectus Regulation;

- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2(e) the EU Prospectus Regulation) in such Relevant State; or
- (c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of New Shares, Nil Paid Rights, Fully Paid Rights or Letters of Allocation shall result in a requirement for the publication by Gemfields or Panmure Liberum of a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

#### **9.4 Excluded Territories**

Due to restrictions under the securities laws of the Excluded Territories, no Provisional Allotment Letters or Forms of Instruction will be sent to, and no Nil Paid Rights or Fully Paid Rights will be credited to a stock account in CREST of, any Qualifying Shareholder with a registered address in any of the Excluded Territories (unless such Qualifying Shareholder can satisfy the Company and Panmure Liberum that receipt, and acceptance, of the offer in such jurisdiction will not breach applicable securities laws as described in this paragraph 9.4) and their entitlements to New Shares will instead be subscribed for by the Underwriters, in the Agreed Proportions, pursuant to the terms of the Rights Issue and Underwriting Agreement. It is a fundamental term of the Rights Issue that neither the Company, Panmure Liberum, nor the Underwriters (nor any of their affiliates or respective directors, officers, employees or agents) shall be responsible for any loss or damage (whether actual or alleged) arising from the terms of or timing of the Rights Issue, any decision not to endeavour to procure subscribers for the Underwritten Shares (other than the Underwriters), the decision not to make the rights issue to persons in Excluded Territories, or the price at which the Rights Issue was made.

The Nil Paid Rights, the Fully Paid Rights, the New Shares, the Provisional Allotment Letters, the Letters of Allocation, and the Forms of Instruction also have not been and will not be registered under the securities laws of any Excluded Territory and may not be offered, sold, taken up, exercised, resold, pledged, renounced, transferred or delivered, directly or indirectly, within such jurisdictions. There will be no public offer of the Nil Paid Rights, the Fully Paid Rights, the Letters of Allocation or the New Shares in any of the Excluded Territories and no offer of New Shares is being made by virtue of this Document, the Provisional Allotment Letters or the Forms of Instruction into the Excluded Territories.

No offer or sale of New Shares, Nil Paid Rights, Fully Paid Rights or the Letters of Allocation will be made in Australia and no Provisional Allotment Letters or Forms of Instructions will be sent to any Shareholder in or with a registered address in Australia, nor will any Nil Paid Rights be credited to a stock account in CREST on behalf of any Shareholder with a registered address in Australia.

Neither the New Shares, Nil Paid Rights, the Fully Paid Rights nor the Letters of Allocation have been or will be qualified by prospectus for offer or sale to the public in Canada under applicable Canadian securities laws and, accordingly, no offer or sale of New Shares, Nil Paid Rights, Fully Paid Rights or the Letters of Allocation will be made in Canada and no Provisional Allotment Letters or Forms of Instructions will be sent to any Shareholder in or with a registered address in Canada, nor will any Nil Paid Rights be credited to a stock account in CREST on behalf of any Shareholder with a registered address in Canada.

The New Shares, the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters, the Forms of Instruction and the Letters of Allocation have not been and will not be registered under the Financial Instruments and Exchange Law of Japan, as amended (the “**FIEL**”). The New Shares, the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters, the Forms of Instruction and the Letters of Allocation may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan. Therefore the Rights Issue will not be made within Japan and Provisional Allotment Letters or Forms of Instruction will not be sent to any Shareholder in or with a registered address in Japan, nor will any Nil Paid Rights be credited to a stock account in CREST on behalf of any Shareholder with a registered address in Japan. As used in this paragraph, the term “resident of Japan” means any natural person having his place of domicile or residence in Japan, or any corporation or other entity organised under the laws of Japan or having its main office in Japan.

The crediting of Letters of Allocation to a CSDP or broker account in State of a Qualifying South African Shareholder with a registered address in any Excluded Territory, will not constitute an offer in that jurisdiction and no such Qualifying South African Shareholder with a registered address in any Excluded Territory, receiving a credit of Letters of Allocation to a CSDP or broker account in State may treat the same as constituting an invitation or offer to them nor should they in any event use or deal with any Letters of Allocation credited to them in State (unless such an invitation or offer could lawfully be made to and accepted by them or the Letters of Allocation could lawfully be used or dealt with without contravention of any registration or other legal requirements) and the entitlements of such Qualifying South African Shareholder with a registered address in any Excluded Territory to New Shares will be subscribed for by the Underwriters, in the Agreed Proportions, pursuant to the terms of the Rights Issue and Underwriting Agreement.

Any person in an Excluded Territory who obtains a copy of this Document or a Provisional Allotment Letter or a Form of Instruction, is required to disregard them, except with the consent of the Company and Panmure Liberum.

Notwithstanding the foregoing, if a Qualifying Shareholder with a registered address in any of the Excluded Territories can demonstrate to the satisfaction of the Company and Panmure Liberum that receipt, and acceptance, of the offer in such jurisdiction will not breach applicable securities laws then the Company in its absolute discretion (in consultation with Panmure Liberum) may either arrange for such Qualifying Shareholder to be sent a Provisional Allotment Letter or a Form of Instruction if he is a Qualifying Non-CREST Shareholder or a Qualifying South African Shareholder holding his Shares in certificated form (as the case may be) or, if they are a Qualifying CREST Shareholder or a Qualifying South African Shareholder who holds Shares in uncertificated form, arrange for Nil Paid Rights to be credited to the relevant CREST stock account or for Letters of Allocation to be credited to the relevant CSDP or broker account in State, as the case may be.

#### **9.5 Further representations and warranties**

##### ***Qualifying Non-CREST Shareholders and Qualifying South African Shareholders holding their shares in certificated form***

Any person accepting and/or renouncing a Provisional Allotment Letter or accepting and/or renouncing Letters of Allocation in terms of a Form of Instruction or requesting registration of the New Shares comprised therein makes the representations and warranties set out below to the Company and Panmure Liberum except where proof has been provided to the Company's and Panmure Liberum's satisfaction that such person's use of the Provisional Allotment Letter or Form of Instruction will not result in the contravention of any applicable regulatory or legal requirement in any jurisdiction. Documentation for establishing such proof may be obtained from Gemfields or Computershare. In the absence of such proof, the representations and warranties referred to above are that: (a) such person is not located or resident in, and is not accepting and/or renouncing the Provisional Allotment Letter or the Form of Instruction, or requesting registration of the relevant New Shares, from within any of the Excluded Territories; (b) such person is not in any jurisdiction in which it is unlawful to make or accept an offer to acquire or subscribe for New Shares or to use the Provisional Allotment Letter or Form of Instruction in any manner in which such person has used or will use it; (c) such person is not accepting, renouncing or requesting registration on a non-discretionary basis for a person located or resident in any of the Excluded Territories or any jurisdiction referred to in (b) above at the time the instruction to accept, renounce or request was given; and (d) such person is not acquiring New Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Shares into any of the Excluded Territories or any jurisdiction referred to in (b) above. The Company, in consultation with Panmure Liberum, may treat as invalid any acceptance or purported acceptance of the allotment of New Shares comprised in, or renunciation or purported renunciation of, a Provisional Allotment Letter or Form of Instruction if it (a) appears to the Company to have been executed in or despatched from any of the Excluded Territories or otherwise in a manner which may involve a breach of the laws of any jurisdiction or if it believes the same may violate any applicable legal or regulatory requirement in any jurisdiction; (b) provides an address in any of the Excluded Territories for delivery of definitive share certificates or share statements for Shares (or any jurisdiction outside the United Kingdom in which it would be unlawful to deliver such certificates); or (c) purports to exclude any of the representations and warranties required by this paragraph 9.5.

*Qualifying CREST Shareholders and Qualifying South African Shareholders holding Shares in uncertificated form*

A Qualifying South African Shareholder holding his Shares in uncertificated form, a CREST Member or a CREST Sponsored Member who makes a valid acceptance in accordance with the procedures set out in paragraphs 4 or 5 (as the case may be) of Section 2 of Part II *“Information in relation to the Rights Issue”* makes the representations and warranties set out below to the Company and Panmure Liberum, except where proof has been provided to the Company’s and Panmure Liberum’s satisfaction that such person’s acceptance will not result in the contravention of any applicable regulatory or legal requirement in any jurisdiction. Documentation for establishing such proof may be obtained from Gemfields or Computershare. In the absence of such proof, the representations and warranties referred to above are that: such person (a) is not located within or resident in any of the Excluded Territories; (b) is not in any jurisdiction in which it is unlawful to make or accept an offer to acquire or subscribe for Nil Paid Rights, Fully Paid Rights, Letters of Allocation or New Shares; (c) is not accepting on a nondiscretionary basis for a person located within or resident in any of the Excluded Territories or any jurisdiction referred to in (b) above at the time the instruction to accept was given; and (d) is not acquiring Nil Paid Rights, Fully Paid Rights, Letters of Allocation or New Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Nil Paid Rights, Fully Paid Rights, Letters of Allocation or New Shares into any of the Excluded Territories or any jurisdiction referred to in (b) above. The Company, in consultation with Panmure Liberum, may treat as invalid any MTM instruction if it: (a) appears to the Company to have been despatched from any of the Excluded Territories or otherwise in a manner which may involve a breach of the laws of any jurisdiction or if it believes the same may violate any applicable legal or regulatory requirement in any jurisdiction; or (b) purports to exclude any of the representations and warranties required by this paragraph.

For the purposes of this paragraph 9.5, any natural person having his place of domicile or residence in Japan, or any corporation or other entity organised under the laws of Japan or having its main office in Japan, would be resident in Japan.

**9.6 Times and dates**

The Company, Panmure Liberum and the Underwriters shall (acting jointly) be entitled to amend the dates that Provisional Allotment Letters or Forms of Instruction are despatched or dealings in Nil Paid Rights commence and amend or extend the latest date for acceptance under the Rights Issue and all related dates set out in this Document and in such circumstances shall announce such amendment via a RIS and/or SENS (as appropriate) and notify the FCA and/or JSE (as appropriate) and, if appropriate, Shareholders.

**9.7 Waiver**

The provisions of paragraph 9 of Section 2 of Part II *“Information in relation to the Rights Issue”* and of any other terms of the Rights Issue relating to Qualifying Shareholders with registered addresses in, or who are located in, any of the Excluded Territories may be waived, varied or modified as regards specific Qualifying Shareholder(s) or on a general basis by the Company in consultation with Panmure Liberum. Subject to this, the provisions of this paragraph 9.7 which refer to Qualifying Shareholders shall include references to the person or persons executing a Provisional Allotment Letter (or a Form of Instruction, as the case may be) and, in the event of more than one person executing a Provisional Allotment Letter (or a Form of Instruction, as the case may be), the provisions of this paragraph 9.7 shall apply jointly to each of them.

**9.8 Governing law**

The terms and conditions of the Rights Issue as set out in this Document and, where appropriate, the Provisional Allotment Letter and the Form of Instruction and any non-contractual obligation relating thereto shall be governed by, and construed in accordance with, the laws of England and Wales. The New Shares will be created pursuant to the Articles and under the Companies Law.

**10. Jurisdiction**

The Courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Rights Issue, this Document, and/or, where appropriate, the Provisional Allotment Letter and/or the Form of Instruction (including, without limitation, disputes arising relating to any non-contractual obligations arising out of or in connection with the Rights Issue, this Document, the Provisional Allotment Letter and/or the Form of Instruction). By accepting rights under the Rights

Issue in accordance with the instructions set out in this Document and, in the case of Qualifying Non-CREST Shareholders (but no other Qualifying Shareholders), the Provisional Allotment Letter, and in the case of Qualifying South African Shareholders who hold their Shares in certificated form (but no other Qualifying Shareholders), the Form of Instruction, Qualifying Shareholders irrevocably submit to the jurisdiction of the Courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

## **PART III – TAXATION**

### **Part A – United Kingdom Taxation**

The following statements do not constitute tax advice and are intended as a general guide only to the UK tax position under current UK legislation and published HMRC practice as at the date of this Document, both of which are subject to change at any time, possibly with retrospective effect. These statements deal only with the position of Qualifying Shareholders who are resident solely in the UK for tax purposes (except where the position of a non-UK tax resident Qualifying Shareholder or Shareholder is expressly referred to) and who hold their Shares as an investment and who are the absolute beneficial owners of the Shares and of all dividends of any kind paid in respect of them. The tax position of certain categories of Qualifying Shareholders or Shareholders who are subject to special rules (such as persons acquiring their New Shares (or deemed to acquire their New Shares) in connection with an employment or office, dealers in securities, insurance companies and collective investment schemes) is not considered. Any Qualifying Shareholder or Shareholder who is in doubt as to their tax position regarding the acquisition, ownership or disposal of their Shares, Rights or New Shares or is subject to tax in a jurisdiction other than the UK should consult their own independent tax advisers.

#### ***Taxation of chargeable gains***

##### ***Rights Issue***

It is expected that, for the purpose of UK taxation of chargeable gains, the issue of the New Shares should be regarded as a reorganisation of the share capital of the Company. Accordingly, a Qualifying Shareholder should not be treated as making a disposal of all or part of his holding of Shares by reason of taking up all or part of his Rights to New Shares and no immediate liability to UK taxation on chargeable gains in respect of the New Shares should arise if he takes up his entitlement to New Shares in full. Instead the Qualifying Shareholder's New Shares will generally be treated as the same asset as, and as having been acquired at the same time as, his holding of Shares.

The subscription money for the New Shares will be added to the base cost of the Qualifying Shareholder's existing holding. If a Qualifying Shareholder sells or otherwise disposes of all or part of the New Shares allotted to him, or of his Rights to subscribe for New Shares or if he allows or is deemed to allow all or any part of his Rights to lapse in return for a cash payment, he may, depending on his circumstances, incur a liability to UK taxation on chargeable gains. However, in the case of disposals of Rights to subscribe for New Shares or of receipt of payments for Rights lapsing or being deemed to lapse, if the proceeds resulting from the disposal or lapse of Rights do not exceed whichever is the greater of £3,000 or 5 per cent. of the market value (as at the date of disposal or lapse) of the Shares in respect of which the Rights arose, the Qualifying Shareholder should not generally be treated as making a disposal for the purposes of UK taxation of chargeable gains; instead the proceeds will be deducted from the base cost of his holding of the Shares for the purposes of computing any chargeable gain or allowable loss on a subsequent disposal. This treatment will not apply where the proceeds are greater than the base cost of the holding of the Shares for UK tax purposes.

#### ***Capital gains***

##### ***Corporate Qualifying Shareholders***

Chargeable gains in respect of disposals by persons within the charge to UK corporation tax will, subject to indexation allowance and to any exemptions, reliefs and/or allowable losses, be taxed at the rate of 25 per cent., "small" companies, those with annual profits of under £50,000, being taxed at 19%. Indexation allowance will not apply to subscription money for the New Shares as the allowance is only available as a deduction against share acquisition costs incurred before 1 January 2018.

##### ***Individual Qualifying Shareholders***

From 30 October 2024, a disposal by a Qualifying Shareholder within the charge to UK capital gains tax, may give rise to a chargeable gain for the purposes of UK capital gains tax, which is chargeable at the rate of 18 per cent. (for basic rate taxpayers) and 24 per cent. (for higher and additional rate tax payers, trustees and personal representatives), subject, however, to the availability of any exemptions, reliefs and/or allowable losses.

An individual Qualifying Shareholder that has ceased to be resident for tax purposes in the UK for a period of less than five complete years of assessment and who disposes of all or part of their shares during that period of temporary non-residence may be liable on his return to the UK to UK tax on chargeable gains arising during the period of absence, subject to any available exemption or relief.

### ***Stamp duty and SDRT***

Subject to the points in the following sections, no stamp duty or SDRT will generally be payable on the issue of Provisional Allotment Letters or split Provisional Allotment Letters (provided they are renounceable within six months of issue) or on the issue of definitive share certificates or share statements or the crediting of Nil Paid Rights to accounts in CREST or the crediting of Letters of Allocation to accounts in Strate.

### ***Dealings in Nil Paid Rights and Fully Paid Rights***

As the Company is not incorporated in the UK and the share register is not kept in the UK neither the New Shares, the Provisional or split Provisional Allotment Letters (whether nil or fully paid), the Nil Paid Rights or the Fully Paid Rights should be within the charge to SDRT.

Stamp duty should only arise to the extent that there is a document of transfer effecting the transfer of any of the aforementioned interests and either that document of transfer is executed in the UK or there is a matter or thing done in the UK. Even if where this is the case a purchaser of rights to New Shares represented by Provisional or split Provisional Allotment Letters (whether nil or fully paid) or of Nil Paid Rights or Fully Paid Rights held in CREST on or before the latest time for registration of renunciation will not generally be liable to pay stamp duty provided that Provisional or split Provisional Allotment Letters may not be renounced more than 6 months after issue. Furthermore, where stamp duty does arise it would only need to be paid if the document of transfer was required to be stamped. A document of transfer may be required to be stamped where the document of transfer is required in a civil court in the UK or for an official purpose in the UK. Where stamp duty is payable this is at a rate of 0.5% rounded up to the nearest £5 of the consideration given, or where there is a transfer to a connected company the market value of that interest if higher.

Should a document of transfer be executed in respect of a transfer of either the New Shares, the Provisional or split Provisional Allotment Letters (whether nil or fully paid) or of Nil Paid Rights or Fully Paid Rights professional advice should be sought.

### ***Taxation of dividends***

#### ***Withholding tax***

The Company will not be required to withhold UK tax at source when paying a dividend.

For the tax year commencing 6 April 2025, a UK resident individual Qualifying Shareholder is entitled to a dividend allowance of £500. Dividend income in excess of the dividend allowance is taxed at the following rates:

- 8.75% (dividend ordinary rate) on dividend income within the basic rate band;
- 33.75% (dividend upper rate) on dividend income within the higher rate band; and
- 39.35% (dividend additional rate) on dividend income above the higher rate limit.

The dividend allowance is not a deduction in arriving at total income or taxable income. Instead, the first £500 of dividend income attracts a zero rate of income tax (the 'dividend nil rate'). The dividend allowance sits within the basic rate band, and so uses up part of the available basic rate band. For the purpose of determining whether dividend income falls within an individual Qualifying Shareholder's basic rate band or higher rate band, or exceeds the higher rate limit, it is treated as the highest part of total income.

#### ***Companies***

Most foreign and UK dividends received by Qualifying Shareholders within the charge to UK corporation tax are exempt from corporation tax so long as the dividends fall within an exempt class and certain conditions are met. The exempt classes are of wide application and include dividends paid on shares



that are “ordinary shares” for UK tax purposes and are not redeemable and dividends paid to a person holding less than 10 per cent. of the issued share capital of the payer (or any class of that share capital). Corporate Qualifying Shareholders within the charge to UK corporation tax should therefore generally not be subject to UK corporation tax on dividends received from the Company unless certain anti-avoidance provisions apply. If the conditions for exemption are not met or such anti-avoidance rules do apply, such corporate Qualifying Shareholders will be subject to UK corporation tax on dividends received from the Company at the rate appropriate to that corporate Qualifying Shareholder.

Non-UK resident Qualifying Shareholders will not generally be able to claim repayment from HM Revenue & Customs of any part of the tax credit attaching to dividends paid by the Company unless permitted to do so under any double tax treaty between the UK and the Qualifying Shareholder’s country of residence. A Qualifying Shareholder resident outside the UK may also be subject to foreign taxation on dividend income under local law.

## **Part B – South African Taxation**

The statements set out below are intended only as a general and non-exhaustive guide to current South African tax law and practice and apply only to certain categories of persons. The summary does not purport to be a complete analysis or listing of all the potential tax consequences of holding New Shares, Letters of Allocation and Nil Paid Rights. Prospective acquirers of New Shares are advised to consult their own professional tax advisers concerning the consequences of the acquisition, ownership and disposition of New Shares and Letters of Allocation. This summary is based upon current South African law and South African Revenue Service published practice, as at the date of this Document, each of which may be subject to change, possibly with retroactive effect.

Unless specified otherwise, the statements apply only to holders of New Shares and Letters of Allocation who are resident solely in South Africa for tax purposes (South African Tax Resident Shareholders), who hold the New Shares and Letters of Allocation as an investment and who are the absolute beneficial owners of the New Shares and any dividends paid in respect of them. The statements are not addressed to (i) special classes of shareholders such as, for example, dealers in securities, broker-dealers, insurance companies and collective investments schemes;

- (i) shareholders who hold New Shares as part of hedging or conversion transactions;
- (ii) shareholders who have (or are deemed to have) acquired their New Shares by virtue of an office or employment; or (iv) shareholders who, directly or indirectly, control 10 per cent. or more of the voting power of the Company.

Shareholders who are in any doubt about their taxation position and Shareholders who are not resident for tax purposes in South Africa should consult their own professional tax advisers.

### ***Taxation of Letters of Allocation***

#### ***Distribution of Letters of Allocation***

The distribution of Letters of Allocation to South African Tax Resident Shareholders does not result in a South African tax liability.

#### ***Sale, exchange or expiration of Letters of Allocation***

A South African Shareholder will be subject to capital gains tax on disposal of a Letter of Allocation. In determining the capital gain or loss, the base cost, which will be nil, must be deducted from the proceeds received or accrued on disposal.

If a South African Shareholder does not sell Letters of Allocation or exercise Nil Paid Rights, no capital gain or loss will arise.

#### ***Exercise of Nil Paid Rights***

Any capital gain or loss arising on the disposal of a Letter of Allocation is disregarded. The amount paid to exercise the Nil Paid Right is added to the base cost of the New Shares.

### ***Taxation of dividends***

Cash dividends received by South African Tax Resident Shareholders on New Shares constitute foreign dividends under South African tax law and are exempt from South African normal income tax on the basis that Gemfields is listed on both AIM and the JSE. The exemption from South African tax applies despite the fact that the UK may not levy withholding tax on dividends payable to South African Tax Resident Shareholders.

#### ***Dividend Tax***

Dividends declared off the South African share register to South African Resident Shareholders will be subject to 20 per cent. dividend tax. If the beneficial owner of the dividend is a South African resident company such dividend will be exempt from dividend tax.

A dividend withholding tax of 20 per cent. applies to any dividend paid by a resident company to a non-resident or by a non-resident company to a non-resident where the shares in respect of which the dividends are paid are listed on a South African exchange, such as the JSE.

Most foreign dividends received by South African Resident Shareholders who are individuals from foreign companies (with shareholding of less than 10 per cent. in the foreign company) are taxable at a maximum effective rate of 20 per cent. No deductions are allowed for expenditure to produce foreign dividends.

### ***Taxation of capital gains***

South Africa will tax capital gains arising on New Shares sold by South African Tax Resident Shareholders. Tax is payable on the excess of the proceeds realised on the sale of New Shares over the cost of acquiring such shares. Where the proceeds realised are less than the cost of the New Shares sold, a capital loss will be available to reduce other capital gains realised by the taxpayer in the year of assessment in which the sale takes place. Any remaining loss may be carried forward and set off against capital gains in subsequent years of assessment. In the case of individual taxpayers, 40% per cent. of the net capital gain is liable to income tax at the person's maximum marginal tax rate, which cannot exceed 45 per cent., with the result that capital gains are generally taxed at an effective rate of 18 per cent. Natural persons are entitled to an annual exclusion of ZAR40,000 for the tax year commencing on 1 March 2017. This amount is deducted from the capital gain or capital loss realised in the year of assessment to arrive at the person's aggregate capital gain or loss. 40 per cent. of a person's net capital gain (the excess of the person's aggregate capital gain over his assessed capital loss from prior years of assessment) is included in the person's taxable income. In the case of taxpayers other than natural persons, 80 per cent. of the net capital gain will attract income tax at the taxpayer's applicable tax rate, currently 27 per cent. for South African companies, and companies therefore pay capital gains tax at the rate of 21.6 per cent.

### ***South African Securities Transfer Tax***

#### ***New Shares registered on the UK Register***

New Shares registered on the UK Register and that continue to be registered on the UK Register will not be subject to South African securities transfer tax when such New Shares are issued or transferred (although UK stamp duty and SDRT will be relevant—see paragraph headed "Stamp duty and SDRT" under Part A "*United Kingdom Taxation*" above).

If a shareholder wishes to transfer its New Shares from the UK Register to the SA Register, (such New Shares continuing to be held by such shareholder for itself), then generally (provided the transfer is neither in contemplation of, nor part of a wider transaction involving, a sale or transfer of the New Shares to a third party) no South African securities transfer tax should arise in respect of such transfer.

#### ***New Shares registered on the SA Register***

The transfer of New Shares that are registered on the SA Register, to any other person will attract South African securities transfer tax. This is payable by the purchaser at the rate of 0.25 per cent. of the greater of the consideration paid for those New Shares or their market value.

### **Donations Tax**

Where a South African Tax Resident Shareholder donates or transfers New Shares at less than full market value, donations tax at the applicable rate may be payable.

From 1 March 2018, donations tax is levied at a rate of 20 per cent. on the aggregated value of property donated not exceeding ZAR 30 million, and at a rate of 25 per cent. on the value exceeding ZAR 30 million.

### **Part C – Guernsey Tax Considerations**

The following summary is general in nature and relates only to Guernsey taxation applicable to the Company and the anticipated tax treatment in Guernsey that applies to persons holding New Shares, Letters of Allocation and Nil Paid Rights. The summary does not constitute legal or tax advice and is based on Guernsey taxation law and practice as it is understood to apply at the date of this Document. Shareholders and prospective investors should be aware that the level and bases of taxation may change from those described and should consult their own professional advisors on the implications of acquiring, holding, disposing of, transferring or redeeming New Shares, Letters of Allocation and Nil Paid Rights under the laws of the countries in which they are liable to taxation. Shareholders and prospective investors should be aware that tax laws and practice and their interpretation may change, possibly with retroactive effect.

#### **Shareholders**

Non-Guernsey resident shareholders will not be subject to any income tax in Guernsey in respect of, or in connection with the acquisition, holding or disposal of any shares owned by them and will receive dividends without deduction of Guernsey income tax.

Any shareholders who are resident in Guernsey will be subject to Guernsey income tax on any dividends paid to such persons but will not suffer any deduction of tax by the Company from any such dividends payable where the Company is granted tax exempt status. The Company is however required to provide the Director of Revenue Service with the names, addresses and gross amount of any income paid to Guernsey resident shareholders during the previous year when renewing the Company's exempt tax status each year.

Dividends to non-Guernsey resident shareholders will not create a Guernsey tax charge however the Company must obtain evidence that those shareholders are not Guernsey resident before paying the dividend without the deduction of tax.

#### **Other taxes**

At present Guernsey does not levy taxes upon capital inheritances, capital gains, gifts, capital transfer, wealth, sales or turnover (unless the varying of investments and turning of such investments to account is a business or part of a business) nor are there any estate duties save for registration fees and an *ad valorem* duty for a Guernsey grant of representation where the deceased dies leaving assets in Guernsey which require presentation of such a grant.

Document duty is chargeable on the transfer of real property situated in Guernsey, including transactions for value which have the effect of conferring on a person a significant benefit arising from, or relating to, any real property situated in Guernsey and it is not a transaction in respect of which document duty is payable under the Document Duty (Guernsey) Law, 2017, as amended. Certain exceptions and exempt transactions apply. There are currently no other forms of stamp duty chargeable in Guernsey on the issue, transfer, switching or redemption of shares in the Company.

## **FATCA**

The US Hiring Incentives to Restore Employment Act resulted in the introduction of legislation in the US known as the Foreign Account Tax Compliance Act ("**FATCA**") which has the effect that a 30 per cent. withholding tax may be imposed on payments of US source income and certain payments of proceeds from the sale of property that could give rise to US source income unless there is compliance with requirements for the Company to report on an annual basis the identity of, and certain other information about, direct and indirect US investors in the Company to the relevant Guernsey authority for onward transmission to the US Internal Revenue Service ("**IRS**"). An investor that fails to provide the required information to the Company may be subject to the 30 per cent. withholding tax with respect to its share of any such payments directly or indirectly attributable to US investments of the Company, and the Company might be required to terminate such investor's investment in the Company.

On 13 December 2013 an intergovernmental agreement was entered into between Guernsey and the US in respect of FATCA (the "**US IGA**"), which agreement was enacted into Guernsey law as of 30 June 2014 by the Income Tax (Approved International Agreements) (Implementation) (United Kingdom and United States of America) Regulations, 2014, as amended. Guidance notes have been issued by the relevant Guernsey authority to provide practical assistance on the reporting obligations of affected businesses under the US IGA.

Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of such withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of FATCA, the return of all shareholders may be materially affected.

## **Common Reporting Standard**

The Common Reporting Standard ("**CRS**") is a standard developed by the Organisation for Economic Co-operation and Development (the "**OECD**") for the automatic exchange of information pursuant to which many governments have signed multilateral agreements. A group of those governments, including Guernsey, committed to a common implementation timetable which saw the first exchanges of information in 2017 in respect of accounts open at the end of 2015 and new accounts from 2016, with further countries committing to implement the new global standard by 2018.

CRS has been implemented in Guernsey by the Income Tax (Approved International Agreements) (Implementation) (Common Reporting Standard) Regulations, 2015, as amended which came into force on 1 December 2015 (the UK having indicated that it wished to move away from the intergovernmental agreement that it has with Guernsey, as from 1 January 2016). The Company may need to comply with the foregoing exchange of information requirements and investors must satisfy any requests for information pursuant to such requirements.

## **Mandatory Disclosure Rules**

Guernsey has committed to introduce Mandatory Disclosure Rules for CRS Avoidance Arrangements and Opaque Offshore Structures (the "**MDR Rules**"). These MDR Rules would require promoters of avoidance arrangements and service providers to disclose information on the arrangement or structure to the Director of Revenue Service. Such information would include the identity of any user or beneficial owner and would then be exchanged with the tax authorities of the jurisdiction in which the users and/or beneficial owners are resident, where there is a relevant information exchange agreement.

## **Application of Pillar 2**

The law and any other rules or customary practice relating to tax, or its interpretation in relation to the Company, its assets and any investment of the Company may change during its life. Both the level and bases of taxation may change.

In particular, the OECD Base Erosion and Profit Shifting ("**BEPS**") project which intends to achieve a multi-national framework on corporate taxation could substantially affect the tax treatment of the Company. In November 2024, Guernsey enacted domestic legislation implementing the OECD (2021) Global Anti-Base Erosion Model Rules (Pillar Two): Inclusive Framework on BEPS (the GloBE Model Rules) as an international tax measure.

The GloBE Model Rules are part of a two-pillar solution agreed in the OECD/G20 Inclusive Framework on BEPS in 2021 (Pillar Two) to address the taxation challenges of the digitalised global economy and designed to ensure that large multinational enterprise groups ("**MNE Groups**") that meet an annual consolidated revenue of EUR 750 million pay a minimum level of tax on the income arising in each jurisdiction where they operate (a 'Group' being a collection of entities related through ownership or control which includes at least one entity or permanent establishment that is not located in the jurisdiction of the ultimate parent entity).

The Income Tax (Approved International Agreements) (Implementation) (OECD Pillar Two GloBE Model Rules) Regulations, 2024 (the 2024 Regulations) are effective from 1 January 2025 and apply in respect of fiscal years beginning on or after 1 January 2025. The 2024 Regulations implement for Guernsey entities of in-scope MNE Groups (i) an income inclusion rule which imposes a top-up tax on a parent entity in respect of the low taxed income of a subsidiary and (ii) a qualified domestic minimum top-up tax which effectively increases the domestic tax liability of an MNE Group's profits in a jurisdiction up to a rate of 15 per cent.

Entities in Guernsey below the threshold will not be affected by the implementation of Pillar Two. Moreover, an Investment Fund (as defined in the GloBE Model Rules) that is the ultimate parent company of an MNE Group is out of scope.

Additionally, the interpretation and application of tax rules and customary practice to the Company, its assets and investors by any taxation authority or court may differ from that anticipated by the Company. Both could significantly affect returns to investors.

### ***Anti-Avoidance Provision***

Guernsey has a wide-ranging anti-avoidance provision. This provision targets transactions where the effect of a transaction or series of transactions is the avoidance, reduction or deferral of a tax liability. The Director of Revenue Service may, at its discretion, make such adjustments to the tax liability as may in the Director's opinion be appropriate to counteract the effects of the avoidance, reduction or deferral of liability which would otherwise be affected by, or as a result of, that transaction or series of transactions.

## PART IV – DIRECTORS AND SENIOR EXECUTIVES

### 1. Director Details

The Directors of the Company (including the Proposed Non-Executive Director) as at the date of this Document and their respective roles are set out below:

Name	Position	Nationality	Business Address
Bruce Alan Cleaver (aged 59)	Independent Non-Executive Chairman	United Kingdom and Republic of South Africa	all care of: PO Box 186 Royal Chambers St. Julian's Avenue St. Peter Port Guernsey GY1 4HP Channel Islands
Sean Thomas Gilbertson (aged 52)	Chief Executive Officer	United Kingdom	
David John Lovett (aged 42)	Chief Financial Officer	United Kingdom	
Patrick Eugenio Sacco (aged 47)	Non-Executive Director	Republic of South Africa	
Kieran James Daly (aged 55)	Non-Executive Director	Republic of Ireland	
Kwape David Mmela (aged 54)	Lead Independent Non-Executive Director	Republic of South Africa	
Mary Margaret Reilly (aged 71)	Independent Non-Executive Director	Republic of Ireland	
Simon John Scott (aged 67)	Independent Non-Executive Director	United Kingdom	
Louis Jacobus du Preez (aged 56)	Proposed Non-Executive Director	Republic of South Africa	

### 2. Director management experience

The management expertise and experience of each of the Directors is set out below:

#### Bruce Cleaver (Independent Non-executive Chairman)

Bruce Cleaver was Chief Executive of De Beers group, the world's largest diamond business, from 2016 to early 2023, and thereafter he was the Chair of De Beers for a further year. During his time as CEO, Mr Cleaver was also a member of the Anglo American plc Group Management Committee.

In this time, De Beers was transformed into a consumer facing, technology-led vertically-integrated business, with a strong focus on safety, sustainability and innovation. During his appointment as CEO, De Beers significantly improved its safety record, brought a number of new mines on stream, made sustainability a core part of the business, launched Lightbox as a response to lab grown diamonds, and created the first fully distributed diamond blockchain.

Mr Cleaver was a director of De Beers from 2007 onwards, responsible at different times for exploration, strategy, corporate affairs and commercial matters. Prior to this, he was a corporate partner at Webber Wentzel, Africa's largest law firm, and worked in corporate finance for 4 years. Mr Cleaver is a British and South African citizen.

#### Sean Gilbertson (Chief Executive Officer)

Sean Gilbertson was a co-founder of the Pallinghurst Group in 2005 and held responsibility for its coloured gemstone strategy from 2006 to 2017. After the unbundling of the group in 2017-2018, Mr Gilbertson was appointed CEO of Gemfields Group Ltd and is CEO of Gemfields Ltd, Kagem Mining Ltd, and Chairman of Fabergé Ltd, on whose boards he has served for over a decade.

In 1998, Mr Gilbertson co-founded globalCOAL, a company that played a central role in the commoditisation of the thermal coal industry, and was appointed CEO in 2001, when the business was acquired by industry players, including Anglo American plc, BHP Billiton plc, Glencore International AG and Rio Tinto plc. He was co-founder of the pioneering Spectron eMetals trading platform for category I and II members of the London Metals Exchange.

Mr Gilbertson graduated as a mining engineer from Wits University in South Africa, having spent time in the country's deep-level gold and platinum mines. He was a project financier for Deutsche Bank in Frankfurt and London, specialising in independent power projects and public-private partnerships. Mr Gilbertson is a British and South African citizen.

#### **David Lovett (Chief Financial Officer)**

David Lovett joined Gemfields as Group Financial Controller in 2008, taking the role of CFO in 2018. He has acted as a senior financial manager across a number of Gemfields' operating subsidiaries during his 16-year tenure and has a thorough understanding of the Group's activities. Mr Lovett oversaw the acquisition of Fabergé in 2013, the transition from Pallinghurst to Gemfields Group in 2017-2018, and the listing of Gemfields Group Ltd on the London Stock Exchange's Alternative Investment Market (AIM) in 2020. He leads the financial reporting for the company's listings across the JSE and AIM, as well as overseeing Group IT and HR functions. Mr Lovett is a director of Gemfields, MRM and Fabergé, as well as various subsidiary companies within the Group.

Mr Lovett worked across advisory and tax services at Grant Thornton in the UK, becoming a chartered accountant with the Institute of Chartered Accountants in England and Wales (ICAEW). He graduated from Birmingham University's Business School with a Bachelor of Commerce in Economics and Marketing. Mr Lovett is a British citizen.

#### **Kwape Mmela (Lead Independent Non-Executive Director)**

Dr Kwape Mmela joined Gemfields' board (formerly Pallinghurst Group) in 2017. He is a founder and chairman of ShepherdTree Holdings Ltd and Hlamogolo Capital (Pty) Ltd, which are his family investment vehicles.

With over 20 years of experience in South Africa's public and private sectors, Dr. Mmela contributed to drafting the celebrated South Africa's post-apartheid Constitution and then worked with the Land Claims Commission to address the historical black land disposessions in the country. He served nearly a decade as a director at Sedibelo Platinum Mines Ltd and founded Moepi Group (Pty) Ltd, which later became Sedibelo's Black Economic Empowerment partner.

A member of the Institute of Directors South Africa, Dr Mmela is also actively involved with various non-profit organisations across the SADC region. Dr Mmela is a South African citizen.

#### **Mary Reilly (Independent Non-Executive Director)**

Mary Reilly has over 30 years' international experience as a chartered accountant and a partner in Deloitte, working across multiple sectors and disciplines including luxury retail, manufacturing, business services, financial services, corporate governance and the public sector. Since retiring from Deloitte, Ms Reilly has held a portfolio of non-executive directorships, where she has chaired several Audit and Risk Committees.

Ms Reilly's current portfolio includes appointments as non-executive director for Mitie plc, a prominent facilities management and professional services company, and non-executive director for Essentra plc, a global FTSE 250 company and a leading provider of essential components and solutions. Among her charitable interests, Ms Reilly is a Trustee of the People's Dispensary for Sick Animals ("PDSA").

Ms Reilly's past appointments include chairing the London Development Agency, the CBI London Regional Council, and the Finance and Audit Committee of London 2012, the organisation that brought the Olympics to London.

Ms Reilly became Chair of Gemfields' Audit Committee from 1 April 2024, replacing Carel Malan. Ms Reilly is a British and Irish citizen.

**Simon Scott (Independent Non-Executive Director)**

Simon Scott has over 25 years of experience in the mining industry, most recently serving on the board of AngloGold Ashanti Holdings plc, a global gold mining company (2019 –2024). He is currently a non-executive director of First Quantum Minerals Ltd, a global miner of copper, nickel and gold that is listed on the Toronto Stock Exchange, and a non-executive director of Sylvania Platinum Ltd, a platinum-group metal producing company that is listed on the London Stock Exchange's Alternative Investment Market.

From 2010 – 2016, Mr Scott was CFO of Lonmin plc, a London Stock Exchange listed mining company, also acting as CEO between 2012 and 2013. Beforehand, he was CFO of Aveng Limited, a Johannesburg Stock Exchange listed construction company that provides products and services to the mining industry. Mr Scott held a variety of senior management positions in Anglo American Platinum Ltd, including as acting CFO, and served as CFO Southern Africa for JP Morgan Chase.

Mr Scott is a chartered accountant and holds degrees in both accounting and commerce from the University of the Witwatersrand in South Africa. Mr Scott is a British and South African citizen.

**Patrick Sacco (Non-Executive Director)**

In 2003, Patrick Sacco joined the Assore group in Ore and Metal Co Ltd (a wholly owned subsidiary of Assore Holdings (Pty) Ltd, AHL), serving as its chairman from 2019 – 2023. He was appointed as a director of Assmang Proprietary Ltd, a joint venture between AHL and African Rainbow Minerals in 2008.

Mr Sacco became a director of AHL in 2016, then deputy CEO in 2019 before being appointed as its chairman in 2023. In 2016, Mr Sacco was also appointed as director of Oresteel Propriety Ltd, the ultimate holding company of AHL.

In 2020, Mr Sacco moved to the UK as managing director of Assore International Holdings Ltd (AIH), a new wholly owned subsidiary of AHL, to build a marketing and investment subsidiary. He was appointed as AIH's executive chairman in 2023.

Mr Sacco served on the supervisory board of the International Manganese Institute (IMnI) from 2012 – 2016, and on its executive board from 2016 until he was elected as chairman in 2021 until 2024. Mr Sacco also served on the board of the REACH Manganese Administration (MARA) consortium between 2016 – 2021 when he was elected to chairman until 2024. Mr Sacco is a South African citizen.

**Kieran Daly (Non-Executive Director)**

Kieran Daly specialised in investment banking and equity research for more than 10 years at UBS, Macquarie and Investec prior to joining the Assore group in 2018. He holds the position of Executive: Growth and Strategic Development, as well as Managing Director of Assore International Holdings Ltd (AIH), and director of Assore Holdings (Pty) Ltd (AHL).

Mr Daly became a Permanent Alternate to Mr Sacco during November 2021, before becoming a full member of Gemfields' Board of Directors in July 2024. He is also a non-executive director of AIM/ASX-listed Atlantic Lithium Ltd and TSX-listed Marimaca Copper Corp.

The first 15 years of Mr Daly's mining career was at Anglo American plc's Coal Division (Anglo Coal) in a number of international roles including operations, sales and marketing, strategy and business development. Among his key achievements are leading and developing Anglo Coal's marketing efforts in Asia, and marketing to steel industry customers globally, as well as taking the position of Global Head of Strategy in 2007.

Mr Daly holds a BSc Mining Engineering from Camborne School of Mines and an MBA from Wits Business School. Mr Daly is an Irish citizen.

**Louis du Preez (Proposed Non-Executive Director)**

Louis du Preez qualified as an attorney of the High Court of South Africa in 1997 after completing his articles. An accomplished legal and corporate executive, he has extensive experience in corporate governance, commercial strategy and cross-border transactions.

Mr du Preez became a partner at Jan S de Villiers in 1998. Following the firm's merger with Werksmans Attorneys in 2009, he served on the national executive committee, playing a pivotal role in shaping the firm's strategic direction until 2017.



Mr du Preez has held multiple board positions across a number of organisations. Mr du Preez was appointed as a non-executive director at KAP Industrial Holdings Limited in 2017 (and resigned in 2019) and as director at Pepkor Holdings Limited in 2018 (a directorship he still holds).

In 2017, Mr du Preez joined Steinhoff International (now Ibex Holdings) as General Counsel, progressing to Commercial Director in December 2017 before being appointed Group CEO effective 1 January 2019. He currently still fulfils the role of Group CEO of Ibex Holdings. With a deep understanding of corporate restructuring, financial oversight and strategic decision-making, Mr du Preez continues to contribute his expertise at all levels of business leadership. Mr du Preez is a South African citizen.

For further information on the Directors, including the companies of which each of the Directors has been a director at any time in the past five years, see “Directors’ and Senior Executives’ Interests” at paragraph 5 below.

### 3. Senior Executive Details

In addition to the Executive Directors, the Company’s senior management consists of the following senior executives (the “**Senior Executives**”) who are responsible for the offices indicated below:

Name	Position	Business Address
Adrian Banks	Managing Director – Product and Sales	all care of: 1 Cathedral Piazza, London, England, SW1E 5BP
Chandana Venkata Suresh	Managing Director – Zambia	
Kartikeya Parikshya	Managing Director – Mozambique	
Toby Hewitt	Group Legal and Corporate Affairs Director, Company Secretary	
Antony Lindsay	Chief Executive Officer – Fabergé	

### 4. Directors of major subsidiaries

The directors of the Company’s major subsidiaries, being subsidiaries that represent 25 per cent. or more of the total assets or revenue of the consolidated Group based on the latest published year-end financial results as at the date of this Document, and their respective roles are set out below:

Name	Position	Business Address
<b>Gemfields Limited</b>		
Sean Gilbertson	Chief Executive Officer – Gemfields Group	all care of: 1 Cathedral Piazza, London, England, SW1E 5BP
David Lovett	Chief Financial Officer – Gemfields Group	
Chandana Venkata Suresh	Managing Director – Zambia	
Kartikeya Parikshya	Managing Director – Mozambique	
Antony Lindsay	Chief Executive Officer – Fabergé	
Adrian Banks	Managing Director – Product and Sales	
<b>Kagem Mining Limited</b>		
Sean Gilbertson	Chief Executive Officer – Gemfields Group	all care of: Corner Dr. Agrey & Kariba Roads Light Industrial Area, Kitwe, PO Box 21657, Zambia
Sixtus Mulenga	Director – Kagem	
Boniface Mutale	Director – Kagem	
Veston Malango	Director – Kagem	
Adrian Odendaal Prinsloo	General Manager – Kagem	
<b>Montepuez Ruby Mining Limitada</b>		
Sean Gilbertson	Chief Executive Officer – Gemfields Group	all care of: Avenida Eduardo Mondlane, no.78, Edificio Cruz Vermelha, Cidade de Pemba, Cabo Delgado Mozambique
David Lovett	Chief Financial Officer – Gemfields Group	
Kartikeya Parikshya	Managing Director – Mozambique	
Asghar Fakhr	Director (representative for Mwiriti Limitada)	
Samora Moises Machel Jr	Chairman – MRM	

## 5. Directors' and Senior Executives' Interests

### 5.1 Shares

As at the Latest Practicable Date, the direct and indirect beneficial interests of each Director (including Directors who have resigned in the last 18 months), each Director's associates and each Senior Executive in the shares of the Company, which had been notified to the Company pursuant to Disclosure Guidance and Transparency Rule 5.1.2, together with their expected interests immediately following Admission are set out in the following table:

Director/Senior Executive	Direct and indirect interests as at the Latest Practicable Date		Direct and indirect interests immediately following Admission	
	No. of shares	Percentage of issued share capital	No. of shares	Percentage of enlarged issued share capital
<b>Directors</b>				
Bruce Cleaver	—	—	—	—
Sean Gilbertson*	48,263,928	4.13	56,620,274	3.28
David Lovett**	1,442,000	0.12	2,128,667	0.12
Patrick Sacco***	340,367,121	29.14	670,026,452	38.86
Kieran Daly	—	—	—	—
Kwape Mmela****	8,325,334	0.71	8,325,334	0.48
Mary Reilly	—	—	—	—
Simon Scot	—	—	—	—
Louis du Preez	—	—	—	—
<b>Senior Executives*****</b>				
Adrian Banks	11,888	0.00	11,888	0.00
Chandana Venkata Suresh	95,600	0.01	95,600	0.01
Kartikeya Parikshya	45,000	0.00	45,000	0.00
Toby Hewitt	—	—	—	—
Anthony Lindsay	—	—	—	—
<b>Directors who have resigned in the last 18 months</b>				
Martin Tolcher (resigned 1 July 2024)	—	—	—	—
Carel Malan (resigned 1 July 2024)	—	—	—	—
Lumkile Modi (resigned 1 July 2024)	—	—	—	—

#### Indirect holdings:

\* Sean Gilbertson directly owns 17,548,327 Shares, representing 1.5 per cent. of the Company's issued share capital. He has an indirect interest over Shares by virtue of being a beneficiary of the Brian Patrick Gilbertson Discretionary Settlement, a family trust which: (1) holds directly 28,828,371 Shares; and (2) owns Autumn Holdings Asset Inc., which, in turn, holds a further 1,887,230 Shares. Sean Gilbertson's post Admission interest reflects his irrevocable undertaking to take up the Rights over his own direct shareholding.

\*\* 1,400,000 shares are held by David Lovett's wife.

\*\*\* Patrick Sacco does not directly hold any Shares. AIH (of which Patrick Sacco is a director) holds 340,367,121 shares in the Company, which makes up 29.14 per cent. of the issued share capital of the Company. The votes attaching to the Shares held by AIH are indirectly controlled by Assore Holdings Proprietary Limited. Patrick Sacco is the chairman of Assore Holdings Proprietary Limited but is not its sole shareholder. Patrick Sacco's post Admission interest reflects the position where no Qualifying Shareholders (save for the Underwriters and the Committed Shareholders) take up their Rights and AIH would be required to subscribe for, in aggregate, 329,659,331 New Shares.

\*\*\*\* Kwape Mmela's interest is through Hlamogolo Capital. Kwape Mmela has not given an irrevocable undertaking or any other commitment to take up Rights.

\*\*\*\*\* None of Adrian Banks, Chandana Venkata Suresh or Kartikeya Parikshya have given an irrevocable undertaking or any other commitment to take up Rights.

There has been no change in the interests set out above between 31 December 2024 and the date of this Document.

The following Directors (or where applicable, their associates) have indicated their intentions to follow their entitlements with regards to the Rights Issue as set below. The prescribed officers and the company secretary, to the extent entitled to New Shares, have indicated that they do not intend following their rights.

<b>Name of Director</b>	<b>Entitlement to New Shares</b>	<b>Entitlement to be taken up</b>
Sean Gilbertson	8,356,346	8,356,346
David Lovett	686,667	686,667

Details of options over, and awards relating to, Shares held by the Directors and the Senior Executives, as at the Latest Practicable Date are set out below. They are not included in the interests of Directors and the Senior Executives shown on the table above. Options and conditional awards granted under the Employee Share Schemes, to the extent not exercised or vested (as the case may be) by the UK Record Date, will not be adjusted to compensate for the effect of the Rights Issue.

<b>Option holder</b>	<b>Share Plan/ Scheme</b>	<b>Date of grant</b>	<b>No. of Ordinary Shares under option/award</b>	<b>Exercise price per Share (p)</b>	<b>Normal Vesting date</b>	<b>Expiry date</b>
Sean Gilbertson	LTIP	August 2023	3,749,093	Nominal cost	August 2026 (plus a 2 year holding requirement)	August 2036 (if 10 years after vesting)
David Lovett	LTIP	August 2023	2,043,563	Nominal cost	August 2026 (plus a 2 year holding requirement)	August 2036 (if 10 years after vesting)
Adrian Banks	LTIP	August 2023	1,204,627	Nominal cost	August 2026 (plus a 2 year holding requirement)	August 2036 (if 10 years after vesting)
Kartikeya Parikshya	LTIP	August 2023	1,076,981	Nominal cost	August 2026 (plus a 2 year holding requirement)	August 2036 (if 10 years after vesting)
Chandana Venkata Suresh	LTIP	August 2023	790,410	Nominal cost	August 2026 (plus a 2 year holding requirement)	August 2036 (if 10 years after vesting)
Toby Hewitt	LTIP	August 2023	711,744	Nominal cost	August 2026 (plus a 2 year holding requirement)	August 2036 (if 10 years after vesting)
<b>Total shares (including non-Executive Director or PDMR LTIP holders)</b>	<b>LTIP</b>	<b>August 2023</b>	<b>11,823,851</b>	<b>Nominal cost</b>	<b>August 2026 (plus a 2 year holding requirement)</b>	<b>August 2036 (if 10 years after vesting)</b>

Save as disclosed in this paragraph 5, none of the Directors or the Senior Executives has any interest (beneficial or non-beneficial) in the share capital of the Company or any of its subsidiaries. Furthermore, save as disclosed in this paragraph 5, no Director, nor any of his or her Family Members has at the date of this document, or will have immediately following Admission, any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company or any of its subsidiaries or any related financial product referenced to the Shares.

Save as disclosed above, no other person involved in the Rights Issue has an interest which is material to the Rights Issue.

## 5.2 ***Other Directorships and Partnerships***

Save as set out below, none of the Directors or the Senior Executives have been a member of any partnerships; or held any directorships of any other company (other than subsidiaries of the Company of which those persons are also directors), at any time in the last five years prior to the date of this Document:

<b>Director/Senior Executives</b>	<b>Current directorships and partnerships</b>	<b>Previous directorships and partnerships held in the previous five years</b>
Bruce Cleaver	Grantley House (Kent) Limited, Vergelegen Wines (Pty) Ltd, AngloGold Ashanti Holdings PLC	DBCM Holdings (Pty) Ltd, De Beers PLC, Debswana Diamond Company Proprietary Limited, Element Six Abrasives Holdings Limited, Element Six Holdings Limited, Help2read, Namdeb Holdings (Pty) Limited
Sean Gilbertson	Arianna Investments Ltd, F&W Properties (Pty) Ltd, GigaJoule Ltd, Koude Vlakte Pty Ltd, Sandfontein Lodge & Nature Reserve (Pty) Ltd	Pallinghurst Consolidated (Cayman) Ltd
David Lovett	–	–
Patrick Sacco	Minerais U.S LLC, Ore and Metal Company Limited, Orsteel Proprietary Limited, The Assore Chairman's Fund Trust, Minmet S.A.M, Assore International Holdings Limited, Ore and Metal International Limited, Assmang Proprietary Limited, Assore Holdings Limited	International Manganese Institute (IMnI), MARA (REACH Consortium)
Kieran Daly	Assore Holdings Proprietary Limited, Assore international Holdings Limited, Atlantic Lithium Limited, Marimaca Copper Corp., Arvo Lithium	–
Kwape Mmela	Ledima Investments, Hlamogolo Family Trust, Hlamogolo Capital, Shepherd Tree Holdings, My Family Pharmacy Group, Gemach Investments, Heimishe Investments	Krasdale Investments, Williamsburg Investments
Mary Reilly	Mar Holdco Sarl, Mitie plc, Essentra plc, ACCIF	Crown Agents International Development (CAID), Cazoo Group Limited, Travelzoo Inc,
Simon Scott	First Quantum Minerals, Sylvania Platinum Limited	Anglogold Ashanti Holdings PLC

Director/Senior Executives	Current directorships and partnerships	Previous directorships and partnerships held in the previous five years
Louis du Preez (Proposed Non-Executive Director)	Ainsley Holdings (Pty) Ltd, Apac Holdco Limited, Bud Group Holdings (Pty) Ltd, Conforama Holding SA, European Furniture New Holdco Limited, FF HoldCo (Pty) Ltd, Greenlit Brands Pty Ltd, Ibex Investment Holdings Limited, Ibex RSA Holdco Limited, Ibex Retail Investments Limited, Ibex Retail Investments Limited (Europe), Ibex Topco B.V., Mons Bella Provate Partner Investments (Pty) Ltd, Newshelf 1093 (Pty) Ltd, Pepkor Holdings Limited, SAHPL(Pty) Ltd, SIHPL (Pty) Ltd, Steenbok Lux Finco 1 SARL, Steenbok Lux Finco 2 SARL, Steenbok Newco 1 Ltd, Steenbok Newco 2A Ltd, Steenbok Newco 2B Limited, Steenbok Newco 3 Limited, Steenbok Newco 4 Limited, Steenbok Newco 5 Limited, Steenbok Newco 6 Limited, Steenbok Newco 7 Limited, Steenbok Newco 8 Limited, Steenbok Newco 9 Limited, Steinhoff Finance Holding GmbH, Steinhoff Möbel Holding Alpha GmbH, Steinhoff UK Holdco Limited, Steinhoff UK Holdings Limited, Steinhoff US Holdings I, LLC, Steinhoff US Holdings II, LLC, Wiehahn International Holdings (Pty) Ltd	Steinhoff International Holdings N.V.
Adrian Banks	–	–
Toby Hewitt	–	–
Antony Lindsay	–	–
Kartikeya Parikshya	–	–
CV Suresh	–	–

## 6. Confirmations and conflicts of interest

### 6.1 Confirmations

There are no family relationships between any of the Directors and/or the Senior Executives.

Save as set out below, none of the Directors or the Senior Executives has during the five years prior to the date of this Document:

- been convicted for a fraudulent offence;
- been a member of the administrative, management, supervisory body or senior management of a company associated with any bankruptcies, receiverships or liquidations; or
- been subject to any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

Save as set out below, none of the Directors or the Senior Executives has:

- any unspent convictions in relation to indictable offences;
- has been made bankrupt or has made an individual voluntary arrangement with creditors or suffered the appointment of a receiver over any of his assets;
- has been a director of any company which, whilst he was such a director or within 12 months after his ceasing to be such a director, was put into receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with the company's creditors generally or with any class of creditors of any company or had an administrator or an administrative or other receiver appointed;
- has been a partner in any partnership which, whilst he was a partner, or within 12 months after his ceasing to be a partner, was put into compulsory liquidation or had an administrator or an administrative or other receiver appointed or entered into any partnership voluntary arrangement;
- has had an administrative or other receiver appointed in respect of any asset belonging either to him or to a partnership of which he was a partner at the time of such appointment or within the 12 months preceding such appointment; or
- has received any public criticisms by statutory or regulatory authorities (including recognised professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

The exceptions to the above are:

- Sean Gilbertson was a director of Pallinghurst Consolidated (Cayman) Limited which was an intermediate holding company and was dissolved on 12 December 2022;
- Sean Gilbertson was a director of Fabergé Conduit Ltd which was liquidated on 28 January 2023 as part of a restructuring; and
- Louis du Preez has been involved in the senior management of the Steinhoff Group (now Ibex Group) since December 2017 after the public announcement of the accounting irregularities on 5 December 2017. A number of entities within the Steinhoff Group have undergone a number of restructuring processes in various jurisdictions since then including the Netherlands, United Kingdom and South Africa. These include (i) company voluntary arrangements (CVAs) of Steinhoff Europe AG and Steinhoff Finance Holding GmbH in 2018-2019 in the United Kingdom, (ii) a suspension of payment of Steinhoff International Holdings N.V. in 2021 in the Netherlands, (iii) a section 155 scheme of arrangement of SIHPL (Pty) Ltd in South Africa in 2022, and (iv) a *Wet Homologatie Onderhands Akkoord* (WHOA) process of Steinhoff International Holdings N.V. in mid 2023 in the Netherlands which resulted in the formation of the new Ibex Group and the ultimate liquidation on a voluntary basis of Steinhoff International Holdings N.V. in the second half of 2023 in the Netherlands.

## 6.2 Conflicts of interest

The Directors and Senior Executives have notified the Board of all their directorships and other interests. It is not considered that any of these have given rise to a conflict of interest. There are no other conflicts of interest between any duties to the Company of the Directors or the Senior Executives and their private interests and/or other duties. Save as disclosed in this Part IV, none of the Directors or Senior Executives has any potential conflicts of interest between their duties to the Company and their private interests or other duties.

The Company has ensured that relevant governance safeguards have been put in place to ensure the Board has evaluated and approved the terms of the Rights Issue and Underwriting Agreement in the best interests of the Company as a whole. These safeguards include specific governance guidance for the Board and the implementation of an independent Board committee in relation to matters in which the two Directors representing AIH, being Patrick Sacco and Kieran Daly, may be interested, in particular in relation to AIH's participation as an Underwriter and a significant shareholder.

### 6.3 Transactions with Directors or Senior Executives

Save as set out above, as at the Latest Practicable Date, none of the Directors (including any director that has resigned from the Company in the last 18 months) or the Senior Executives has, or has had, any interest in any transaction which is or was unusual in its nature or conditions or which is, or was, significant in relation to the business of the Group and which was effected by any member of the Group during the current or immediately preceding financial year, or during any earlier financial year, and remains in any respect outstanding or underperformed.

As at the Latest Practicable Date, there are no outstanding loans granted by the Company or any Group company to any of the Directors (including directors who have resigned from the Company in the last 18 months) or the Senior Executives nor has any guarantee been provided by the Company or any Group company for their benefit.

### 6.4 Director appointment arrangements

Other than the appointments of Patrick Sacco and Kieran Daly who are representatives of AIH and, pursuant to the Relationship Agreement with Rational (described at paragraph 9.11 of Part V “*Additional Information*”, the proposed appointment of Louis du Preez who is a representative of Rational, there are no arrangements or understandings with major shareholders, customers, suppliers or others pursuant to which any Director or the Senior Executives was selected or serves as a director or as a senior executive (as the case may be).

## 7. Director Service Contracts

The Executive and Non-Executive Directors were appointed as officers of the Company with effect from the following dates:

Directors	Date of appointment	Business address
Bruce Cleaver (Independent Non-Executive Chair)	1 July 2024	all care of: 1 Cathedral Piazza, London, England, SW1E 5BP
Sean Gilbertson (Chief Executive Officer)	17 July 2017 (appointed CEO on 31 March 2018)	
David Lovett (Chief Financial Officer)	31 March 2018	
Patrick Sacco (Non-Executive Director)	11 October 2021	
Kieran Daly (Non-Executive Director)	1 July 2024	
Kwape Mmela (Lead Independent Non-Executive Director)	31 July 2017	
Mary Reilly (Independent Non-Executive Director)	3 December 2020	
Simon Scott (Independent Non-Executive Director)	1 July 2024	
Louis du Preez (Proposed Non-Executive Director)	Subject to a proposed resolution at the Company's annual general meeting to be held on 25 June 2025	

Except as stated above, no service contracts between the Directors and the Company have been entered into or amended in the six months prior to the date of this Document.

### Bruce Cleaver

Bruce Cleaver entered into a letter of appointment on 10 June 2024 in relation to his appointment as the non-executive Chair of the Company effective 1 July 2024. Bruce Cleaver's appointment is terminable by either party on three month's written notice and he receives a gross annual fee of USD130,000.

**Sean Gilbertson**

Sean Gilbertson entered into a renewed service agreement with Gemfields Limited on 15 July 2022 in relation to his appointment as Chief Executive Officer of the Company with a commencement date of 18 July 2022 and with continuous service since 17 July 2017. Either party may terminate by giving the other not less than twelve months' written notice. Mr Gilbertson receives a gross annual salary of USD630,759 and a performance related bonus.

**David Lovett**

David Lovett entered into a revised service agreement with Gemfields Limited on 30 October 2021 in relation to his appointment as Chief Financial Officer of the Company with a commencement date of 1 November 2021 and continuous service since 30 September 2008. Either party may terminate by giving the other not less than six months' written notice. Mr Lovett receives a gross annual salary of USD420,546 and a performance related bonus.

**Patrick Sacco**

Patrick Sacco entered into a letter of appointment on 11 October 2021 in relation to his appointment as a Non-Executive Director of the Company effective 11 October 2021. Mr Sacco's appointment is terminable by either party on three month's written notice and he receives a gross annual fee of USD65,000. All fees received by Mr Sacco are passed on to AIH.

**Kieran Daly**

Kieran Daly entered into a letter of appointment on 10 June 2024 in relation to his appointment as a Non-Executive Director of the Company effective 1 July 2024. Mr Daly's appointment is terminable by either party on three month's written notice and he receives a gross annual fee of USD50,000. All fees received by Mr Daly are passed on to AIH.

**Kwape Mmela**

Kwape Mmela entered into a letter of appointment on 16 January 2020 in relation to his appointment as a Non-Executive Director of the Company effective 31 July 2017. Mr Mmela's appointment is terminable by either party on three month's written notice and he receives a gross annual fee of USD75,000.

**Mary Reilly**

Mary Reilly entered into a letter of appointment on 30 November 2020 in relation to her appointment as a Non-Executive Director of the Company effective 4 December 2020. Ms Reilly's appointment is terminable by either party on three month's written notice and she receives a gross annual fee of USD65,000.

**Simon Scott**

Simon Scott entered into a letter of appointment on 10 June 2024 in relation to his appointment as a Non-Executive Director of the Company effective 1 July 2024. Mr Scott's appointment is terminable by either party on three month's written notice and he receives a gross annual fee of USD65,000.

**Louis du Preez**

Louis du Preez's appointment is subject to the approval of Shareholders at the Company's annual general meeting to be held on 25 June 2025. If approval is given it is anticipated that he would enter into a letter of appointment with the Company on similar terms to the other Non-Executive Directors.

Subject to what is stated above, each of the Executive Directors has concluded service contracts with terms and conditions that are standard for such appointments, which service contracts are available for inspection in terms of paragraph 20 of Part V "*Additional Information*".



## PART V – ADDITIONAL INFORMATION

### 1. Responsibility

The Directors and the Proposed Non-Executive Director, whose names are set out on page 45 of this Document collectively and individually accept full responsibility for the accuracy of the information given and certify to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Document contains all information required by law, the JSE Listings Requirements and the AIM Rules.

The Company, each of the Directors and the Proposed Non-Executive Director, whose names are set out on page 45 of this Document, accept responsibility for the information contained in this Document. To the best of the knowledge and belief of the Company, the Directors and the Proposed Non-Executive Director, the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

### 2. Incorporation and Registered Office

The Company was incorporated on 4 September 2007 as Pallinghurst Resources (Guernsey) Limited pursuant to the provisions of the Companies (Guernsey) Law, 1994. On 28 May 2009, the Company changed its name from Pallinghurst Resources (Guernsey) Limited to Pallinghurst Resources Limited. The Company was registered as an external company in South Africa (registration number 2009/012636/10) on 26 June 2009 pursuant to the provisions of the South African Companies Act. The Company's name was changed to Gemfields Group Limited on 26 June 2018 pursuant to the provisions of the Companies Law. The Company's name as an external company in South Africa was changed to Gemfields Group Limited on 5 December 2019 pursuant to the provisions of the South African Companies Act.

The Company is a non-cellular company limited by shares and was duly incorporated and is domiciled in Guernsey. The principal legislation under which the Company operates and under which the Shares are issued and the New Shares will be issued is the Companies Law.

The Company's legal entity identifier ("**LEI**") is 21380017GAVXTCYS5R31.

The Company is domiciled in Guernsey with its registered address at PO Box 186 Royal Chambers, St Julian's Avenue, St. Peter Port, Guernsey GY1 4HP, Channel Islands and its principal place of business is 1 Cathedral Piazza, London, SW1E 5BP. The telephone number of the Company's registered office is +44 (0)20 7518 3400.

The Company's website is [www.gemfieldsgroup.com](http://www.gemfieldsgroup.com).

### 3. Share capital

#### 3.1 Issued share capital

The share capital of the Company as at the Latest Practicable Date, all of which is issued and fully paid up, is as follows:

	Issued and fully paid	Share Capital (USD'000)	Share Premium (USD'000)
Ordinary Shares of USD0.00001 each	1,168,027,130	12	486,939

The share capital of the Company at the date of Admission, all of which will be issued and fully paid up is expected to be as follows:

	Issued and fully paid	Share Capital (USD'000)	Share Premium (USD'000)
Ordinary Shares of USD0.00001 each	1,724,230,526	17	514,882

The Shares are admitted to listing on AIM and trading on the General Segment of the JSE Main Board. The Company does not hold any Shares as treasury shares.

The Company is authorised to allot and issue the New Shares for cash free of pre-emption rights as a result of the Resolutions that were passed at the General Meeting.

#### **4. Articles**

The Company is governed by its Articles adopted on 29 June 2022. The following is a summary of the Articles insofar as they impact upon the rights attached to the New Shares.

##### **(a) Dividend rights**

The holders of Shares are entitled to receive and participate in any distributions of dividends.

Subject to compliance with section 304 of the Companies Law, the Directors may at any time if they think fit declare and pay such dividends, including interim dividends, as appear to be justified by the position of the Company. The Directors may also declare and pay any fixed dividend which is payable on any of the shares of the Company half-yearly or otherwise on fixed dates whenever the position in the opinion of the Directors so justifies.

Any dividends will be paid in accordance with the policies of the London Stock Exchange and the JSE at the point of adoption of the Articles, the policy of the JSE being that dividends are to be payable to shareholders registered as at a date subsequent to the date of declaration or date of confirmation of the dividend, whichever is the later.

Any unclaimed monies due to shareholders arising from dividends are to be transferred to a trust which will hold such monies for up to three years. If such monies remain unclaimed after such time period, the monies will be paid to a charitable institution.

##### **(b) Voting rights**

The holders of the Shares shall have the right to receive notice of and to attend and vote at any general meeting of the Company. Each holder of a Share who is present in person or by proxy at any general meeting will have on a show of hands one vote and on a poll every such holder who is present in person or by proxy will have one vote in respect of each Share held by them.

##### **(c) Pre-emption rights in offers for subscription of securities of the same class**

Subject to the JSE Listings Requirements, the AIM Rules, and the terms of the Articles the Company shall not allot equity securities to a person unless it has first made an offer to existing shareholders on the same or more favourable terms *pro rata* to their shareholdings.

The Company may by way of a special resolution resolve that this pre-emption right be waived. Any such resolution must specify the maximum number of equity securities in which this waiver applies to, and must specify the date on which such waiver will expire, which must be not more than the earlier of (a) the Company's next annual general meeting, or (b) 15 months from the date of the previous annual general meeting of the Company.

##### **(d) Right to share in the issuer's profits**

The holders of Shares are entitled to receive and participate in any distributions of dividends in the manner set out in the Articles (and as summarised above).

##### **(e) Right to share in any surplus in the event of liquidation**

On a winding up and after: (1) the payment of all creditors of the Company; and (2) the payment, to the extent reasonably capable, of the Net Asset Value per Share (as such term is defined in the Articles) of the Shares less any cost associated with the liquidation, the holders of the Shares shall be entitled to any surplus or to any shares associated with an Investment (as such term is defined in the Articles) distributed in specie.

##### **(f) Redemption provisions**

The Company may, subject to the JSE Listings Requirements and the AIM Rules, purchase any of its own shares, whether or not they are redeemable, and may pay the purchase price in respect of such purchase to the fullest extent permitted by the Companies Law.

(g) *Conversion provisions*

The Company may convert all or any of its fully paid shares the nominal amount of which is expressed in a particular currency into fully paid shares of a nominal amount of a different currency, the conversion being effected at the rate of exchange (calculated to not less than three significant figures) current on the date of the resolution or on such other date as may be specified therein.

The Company may by Special Resolution, subject to any authorisation and/or consent required by the Law, the AIM Rules and the JSE Listings Requirements convert all or any Shares to shares of a different class, whether issued or not, and in particular convert ordinary shares or preference shares to redeemable preference shares.

(h) *Restrictions on the free transferability of the securities*

There are no restrictions on the free transferability of the New Shares or the Existing Shares. However, the directors of the Company may, in limited circumstances, refuse to register a transfer of shares where the shares are not transferred in accordance with the Articles or where a shareholder has failed to comply with certain notification and disclosure requirements.

## 5. Major Shareholders

As at the Latest Practicable Date, in so far as it has been notified to the Company pursuant to Rule 5 of the Disclosure Guidance and Transparency Rules and the annual disclosure of shareholders over 5 per cent. under the JSE Listings Requirements, the name of each Shareholder who, directly or indirectly, has an interest in voting rights representing 3 per cent. or more of the total voting rights in respect of the Company's issued share capital and the amount of such Shareholder's interest, is set out below:

Name	Number of Shares	Percentage of Shares
Assore International Holdings Limited	340,367,121	29.14%
Rational Expectations (Pty) Ltd <sup>(1)</sup>	180,896,480	15.49%
Oasis Group Holdings (Pty) Ltd <sup>(2)</sup>	90,445,641	7.74%
Ophorst Van Marwijk Kooy Vermogensbeheer N.V.	80,938,721	6.93%
FIL Limited	69,494,857	5.95%
Van Lanschot Kempen N.V.	60,781,350	5.20%
Sean Gilbertson (CEO) <sup>(3)</sup>	48,263,928	4.13%
Diacolor International DMCC	40,062,999	3.43%

(1) The Rational Expectations holding includes interests held by Rational Expectations (Pty) Ltd (10.40%), Afrika Avontuur Kapitaal (Pty) Ltd (1.81%), Wimsey Capital (Pty) Ltd (1.28%), Groenpunt Kapitaal Limited (0.67%), Rozendal & Associates Holdings Ltd (0.61%), Potdrie (Pty) Ltd (0.29%), ZAR Ladbroke Opportunities (Pty) Ltd (0.20%), Five Words Capital (Pty) Ltd (0.19%) and Beaucourt Holdings (Pty) Ltd (0.04%).

(2) The Oasis Group shareholding includes interests held by Oasis Asset Management and Oasis Crescent Capital.

(3) Sean Gilbertson directly owns 17,548,327 Ordinary Shares, representing 1.5 per cent. of the Company's issued share capital. He has an indirect interest over Ordinary Shares by virtue of being a beneficiary of the Brian Patrick Gilbertson Discretionary Settlement, a family trust which: (1) holds directly 28,828,371 Ordinary Shares; and (2) owns Autumn Holdings Asset Inc., which, in turn, holds a further 1,887,230 Ordinary Shares.

Save as disclosed in the paragraph above, the existing Directors are not aware of any interest which will represent an interest in Company's share capital or voting rights which is notifiable under the Disclosure Guidance and Transparency Rules which will occur following Admission. So far as Company is aware, and save as set out in the paragraph below, no person or persons, directly or indirectly, jointly or severally, own or exercise or could exercise control over the Company. There are no differences between the voting rights enjoyed by the shareholders described in the paragraph above and those enjoyed by any other holder of Shares.

The Rights Issue is being underwritten by AIH and Rational, both being major shareholders of the Company. In the event that no Qualifying Shareholders (save for the Underwriters and the Committed Shareholders) take up their Rights, AIH would be required to subscribe for, in aggregate, 329,659,331 New Shares, representing approximately 19.1 per cent. of the voting rights of the Company's issued share capital immediately following the Rights Issue. This would mean that AIH (when taking into account the existing 340,367,121 Shares it holds as at the Latest Practicable Date), together with any persons acting in concert with AIH, would have a maximum shareholding of 670,026,452 Shares, representing 38.9 per cent. of the issued share capital of the Company following completion of the

Rights Issue. The maximum shareholding of Rational, together with the parties it represents as set out in more detail in paragraph 5 of Part V “*Additional Information*”, in such circumstances would be 356,088,477 Shares, representing 20.7 per cent. of the issued share capital of the Company following completion of the Rights Issue.

## **6. Working capital**

### *Prospectus regulation working capital statement*

The Company is of the opinion that, taking into account the net proceeds of the Rights Issue, the Group does not have sufficient working capital for its present requirements, that is, for at least the next twelve months from the date of this document.

### *AIM Rules for Companies working capital statement*

The Directors are of the opinion that, taking into account the net proceeds of the Rights Issue, and having made due and careful enquiry, the working capital available to the Company and the Group will not be sufficient for its present requirements, that is for at least twelve months from the date of admission of its securities.

### **Timing and Shortfall**

Notwithstanding that the net proceeds of the Rights Issue are underwritten, in the ordinary course of business, the Group's working capital position is reliant on term and overdraft facilities available to the Company's two operating subsidiaries, Kagem and MRM. The overdraft facilities are not committed beyond the renewal dates of each of these facilities, as further detailed below. As a result of the requirements for preparing working capital statements the Company cannot rely on uncommitted facilities for the purposes of making a working capital statement and these are assumed to be removed at the date of renewal.

The Kagem FNB Zambia – USD21 million overdraft and the Montepuez Ruby Mining LDA – BCI Mozambique – USD20 million overdraft are both subject to annual renewal on 31 May 2025. In the event these are not renewed and become repayable, this would lead to a shortfall of USD10.9 million on 31 May 2025.

Additionally, the Group's term facilities are subject to certain covenants, including financial covenants. Based upon the Company's forecast models, MRM may become in breach of certain covenants under the Montepuez Ruby Mining LDA – USD25 million Facility Agreement for the twelve month period measured as at 30 June 2025.

The Company requested a waiver of the covenants under such agreement from the lending bank, ABSA, to which ABSA has provided a non-binding letter of support on 24 March 2025 confirming that it remains committed to working closely with the Group and its stakeholders to support its financial stability and strategic objectives.

Whilst the Company is confident that the lender will continue to support MRM and will provide a waiver of any covenant breach, any un-waived default under this facility would enable other lenders to constitute a cross-default under the remaining debt facilities, namely, the Montepuez Ruby Mining LDA – USD30 million Facility Agreement, the Montepuez Ruby Mining LDA – ABSA Bank Mozambique, SA – USD15 million overdraft and the Kagem ABSA Zambia – USD20 million overdraft. See paragraph 9 below for details of the term loan and overdraft facilities.

In this scenario, and where a waiver is not forthcoming from ABSA in connection with the covenant breach, defaults and cross-default events under the facilities listed above could be triggered by the lenders, the Company would then be required to repay all amounts outstanding at such date under the above facilities and a further shortfall would occur in September 2025 of USD100.5 million.

### **Action Plan**

The Company expects to renew each of the overdraft facilities ahead of their expiry dates, in the ordinary course of business, and the Directors are confident of the renewal of these facilities based on the relationships with the respective lenders.

In the event that the Company breaches covenants, waivers would be sought from the lender in respect of the loan's covenants to avoid a default situation. The Company is in regular dialogue with the relevant lender in respect of covenant compliance, however the receipt of covenant waivers is not within the Company's sole control should there be a breach of one or more covenants, therefore there is no guarantee that waivers will be granted.

Whilst the Company is confident that the lenders will renew existing overdrafts and provide waivers, if the Company is unable to procure overdraft renewals or waivers for the expected covenant breaches and lenders demand mandatory prepayments of the relevant facilities, new sources of capital would be required immediately.

The options available to the Company include, but are not limited to:

- entering into a new borrowing facility or restructuring existing debt. Based on the Board's investigations to date, if available at all, such a facility is likely to be available on unattractive terms and it may prove difficult to complete in the available timeframe;
- seeking to accelerate auctions of gemstone inventory. Whilst this measure can be implemented in a short timeframe, the quantum of working capital raised at additional auctions may be insufficient to cover the shortfall;
- completing asset sales. Despite having received non-binding offers for assets in the past (most notably the recent offers received in respect of Fabergé), there is no guarantee that any asset sale can be completed in a short timeframe or raise sufficient funds to cover the shortfall;
- extending the group-wide cost cutting exercise. Whilst these measures are within the control of the Company and can be implemented within a short timeframe to limit the outflow of working capital, these measures are likely to be detrimental to the longer-term viability of the Group.

Whilst the Company would seek to carry out these actions concurrently, collectively they may raise an insufficient quantum of working capital to cover the shortfall required.

### ***Implications***

In the event that the overdraft facilities are not renewed and the Company breaches covenants and is not granted required waivers, cross-defaults on other facilities could be triggered and, should the lenders demand that repayment is made, the Group will be required to repay a number of facilities.

If the Company does not successfully implement the actions detailed above in the appropriate timeframe, or the actions do not raise sufficient working capital to cover the shortfall required, the Company and other material subsidiaries in the Group could enter into administration or liquidation in September 2025.

## **7. Significant change**

Other than the announcement of the Rights Issue, execution of the Pre-Funding Agreements, and the other developments described in the paragraph below, there has been no significant change in the financial position or financial performance of the Group since 31 December 2024, being the date to which the latest audited financial statement of the Group has been published.

Since 31 December 2024, the Group's working capital liquidity position has deteriorated and it has drawn down an additional USD10 million on its USD30 million term loan facility to fund the construction of PP2 at MRM, drawn USD13.4 million on the Pre-Funding Agreements and agreed a further USD2 million extension on its overdraft facilities to support its working capital requirements.

## **8. Related party transactions**

Save as described in section 13 of Part I, no member of the Group has entered into any related party transactions (defined in accordance with IFRS, but will for the avoidance of doubt not constitute a related party transaction in accordance with the JSE Listings Requirements) between 31 December 2024 and the Latest Practicable Date.

## 9. Material contracts

The following is a summary of material contracts which: (i) have been entered into by the Company or its subsidiaries during the two years immediately preceding the date of this Document (other than contracts which have been entered into in the ordinary course of business); or (ii) are material subsisting agreements which are included within, or which relate to, the assets and liabilities of the Company or its subsidiaries (notwithstanding whether they are within the ordinary course of business or were entered into within the two years immediately preceding the publication of this agreement):

### 9.1 **Montepuez Ruby Mining LDA – USD25 million Facility Agreement**

On 17 October 2024, Montepuez Ruby Mining LDA (as borrower), entered into a USD25 million secured term facility agreement with, *inter alia*, (1) ABSA Bank Mozambique, SA and ABSA Bank (Mauritius) Limited (as lenders); and (2) the Company (as guarantor). The facility has been fully drawn down. The facility is to finance MRM's capital expenditure and carries an interest rate of Secured Overnight Financing Rate ("SOFR") plus 4.25 per cent. per annum. The term is for 5 years and repayable in semi-annual instalments of equal amounts after an initial two year capital grace period. The security package includes the following: (i) corporate guarantee from the Company; (ii) promissory mortgage deed; (iii) insurance assignment agreement; and (iv) mortgage bond (once created). The agreement is governed by Mozambique law.

Whilst, as far as the Company is aware, there has been no breach of any financial covenants contained in the facility for the financial year ended 31 December 2024, based upon the Company's forecast models, MRM may become in breach of certain covenants for the six month period to 30 June 2025 and as at 31 December 2025. The Company requested a waiver of these covenants from ABSA, to which ABSA provided a non-binding letter of support on 24 March 2025 confirming that it remains committed to working closely with the Group and its stakeholders to support its financial stability and strategic objectives.

### 9.2 **Montepuez Ruby Mining LDA – USD30 million Facility Agreement**

On 23 May 2024, Montepuez Ruby Mining LDA (as borrower), entered into a USD30 million secured term facility agreement with, *inter alia*, (1) Banco Comercial e de Investimentos, SA (as lender); and (2) the Company (as guarantor). The facility has been fully drawn down. The facility is to finance Montepuez Ruby Mining LDA's capital expenditure and carries an interest rate of SOFR plus 3.75 per cent. per annum. The term is for 6 years and repayable in semi-annual instalments of equal amounts after an initial two year capital grace period. The security package includes the following: (i) corporate guarantee from the Company; (ii) commercial pledge of ruby stock of 120 per cent. of the outstanding loan balance from time to time; and (iii) a plant pledge. The agreement is governed by Mozambique law.

### 9.3 **Kagem First National Bank Zambia ("FNB Zambia") – USD21 million overdraft**

In February 2023, Kagem entered into a USD 15 million unsecured overdraft facility with FNB Zambia at a 5.50 per cent. fixed interest rate, which was increased by USD6 million in May 2024. The current interest rate of the facility is USD SOFR plus 2.75 per cent. with the next renewal date May 2025. Gemfields Group Limited issued a corporate guarantee for the facility.

### 9.4 **Kagem ABSA Bank Zambia Plc ("ABSA Zambia") – USD20 million overdraft**

Kagem had a USD15 million overdraft facility with ABSA Zambia at three-months USD SOFR plus 4.5 per cent. In January 2025, the facility was increased to USD20.0 million with the next renewal date being December 2025. Gemfields Group Limited issued a corporate guarantee for the facility.

### 9.5 **Montepuez Ruby Mining LDA – ABSA Bank Mozambique, SA ("ABSA Mozambique") – USD15 million overdraft**

In April 2016, MRM entered a USD15 million unsecured overdraft facility with ABSA Mozambique. The facility has an interest rate of USD SOFR plus 4 per cent. per annum. Gemfields Limited issued a corporate guarantee for the facility. The facility is renewed annually, most recently in March 2025.

**9.6 Montepuez Ruby Mining LDA – Banco Comercial e de Investimentos (“BCI Mozambique” or “BCI”) – USD20 million overdraft**

In June 2016, MRM entered a USD15 million unsecured overdraft facility with BCI, which increased to USD20 million in 2023. This is a rolling facility that renews annually with the next renewal expected on 31 May 2025, with an interest of three-month USD SOFR plus 3.75 per cent. per annum. The facility is secured by a blank promissory note undertaken by MRM and a corporate guarantee by Gemfields Group Limited.

**9.7 Montepuez Ruby Mining LDA – Contract with Consulmet re PP2**

On 3 August 2023, Montepuez Ruby Mining LDA entered into a contract with Consulmet (Africa) Limited (“Consulmet”), as amended on 2 April 2025, to construct an additional processing plant at MRM. The addition of the second plant will triple MRM's processing capacity from the existing 200 tonnes per hour to 600 tonnes per hour. The contract is a ‘lump-sum turnkey contract’ based on industry standard International Federation of Consulting Engineers terms, with Montepuez Ruby Mining LDA's payment obligations agreed in Rand and equating to approximately USD70 million. Completion of the new plant is expected in June 2025.

**9.8 Rights Issue and Underwriting Agreement**

On 11 April 2025, the Company, the Underwriters and Panmure Liberum entered into the Rights Issue and Underwriting Agreement pursuant to which Panmure Liberum has been appointed as the Company's co-ordinator in relation to the Rights Issue and the Underwriters have agreed to underwrite the Rights Issue.

Subject to the terms and conditions of the Rights Issue and Underwriting Agreement, the Underwriters have agreed to subscribe, in the Agreed Proportions, for the Underwritten Shares which have not been taken up by Qualifying Shareholders in the Rights Issue.

The Company has given certain customary representations, warranties and undertakings to Panmure Liberum and each of the Underwriters, including a lock-up on issues of new shares between the date of the agreement and the date which is 90 days from the date that dealings in the New Shares commence (save for permitted issuances in connection with the Rights Issue and existing employee share schemes). In addition, the Company has agreed to certain customary consultation and/or consent rights in favour of Panmure Liberum and each of the Underwriters in respect of entry into certain commitments and the making of certain announcements which are material in the underwriting of the New Shares, the Rights Issue and/or Admission. The Company has also given certain customary indemnities to Panmure Liberum and each of the Underwriters and to certain persons connected with them. The liabilities of the Company thereunder are unlimited as to time and amount.

Furthermore, the Company has also undertaken to enter into the Relationship Agreement with Rational (described in paragraph 9.11 below), pursuant to which, *inter alia*, Rational shall have the right to nominate a non-executive director to the board of the Company, subject to shareholder approval, for so long as it, and the parties it represents, hold at least 12.5 per cent. of the issued share capital of the Company.

The obligations of Panmure Liberum and each of the Underwriters under the Rights Issue and Underwriting Agreement are subject to certain customary conditions including, among others: (i) the representations and warranties given by the Company in the agreement being true and accurate and not misleading on the dates on which they are given or repeated; (ii) Admission occurring not later than 8:00 a.m. on 29 May 2025 (or such later time and/or date as the Company, Panmure Liberum and each of the Underwriters may agree, being a date not later than 30 June 2025); (iii) JSE Admission occurring not later than 9:00 a.m. on 23 May 2025 (or such later time and/or date as the Company, Panmure Liberum and each of the Underwriters may agree, being a date not later than 30 June 2025) and (iv) in the opinion of Panmure Liberum and the Underwriters there having been no material adverse change with respect to the Group at any time between the date of the agreement and Admission.

If any condition is not satisfied (unless, where permissible, extended or waived by Panmure Liberum and each of the Underwriters (acting jointly and in their absolute discretion), or becomes incapable of being satisfied, by the required time and date then, save for certain exceptions, the parties' obligations

under the Rights Issue and Underwriting Agreement shall cease and terminate, without prejudice to any liability for any prior breach of the Rights Issue and Underwriting Agreement.

Panmure Liberum's and the Underwriters' obligations under the Rights Issue and Underwriting Agreement will become unconditional after Admission to AIM of the Nil Paid Rights has occurred.

If one of the Underwriters defaults in the performance of its underwriting obligations (the "**Defaulting Underwriter**"), the other Underwriter (the "**Non-Defaulting Underwriter**") shall have the right, but not the obligation, within 48 hours thereafter to itself subscribe for or purchase such shares (being the "**Defaulted Shares**") in such amounts as may be agreed (between the Company, the Non-Defaulting Underwriter and Panmure Liberum) provided that in no circumstances, in exercising this right, shall: (i) AIH's total holding of voting rights in the Company exceed 49.9% upon completion of the Rights Issue; and (ii) Rational's total holding of voting rights in the Company exceed 29.9% upon completion of the Rights Issue.

Notwithstanding whether the Non-Defaulting Underwriter has exercised its right to take up any Defaulted Shares, in the event that any balance of Defaulted Shares remains ten Business Days following the day on which dealings commence in the New Shares (fully paid), the Company may (in its absolute discretion as to manner, timing and terms) make arrangements (including appointing any agent or intermediary to act on its behalf as it may choose and for such time as the default is continuing) for the sale of such Defaulted Shares on behalf of the Defaulting Underwriter and itself retain the proceeds of sale. In these circumstances neither the Company, Panmure Liberum, the Non-Defaulting Underwriter nor any other person shall be responsible for, or have any liability for, any loss, expenses or damage suffered by the Defaulting Underwriter.

In addition, each of Panmure Liberum and each of the Underwriters (acting severally) are entitled to terminate its own obligations under the Rights Issue and Underwriting Agreement prior to Admission if certain circumstances occur, including, among others, where, (i) in the opinion of Panmure Liberum and/or either of the Underwriters (acting in good faith) there has been a material adverse change with respect to the Group which results in it being impracticable to proceed with the Rights Issue or (ii) the occurrence of certain force majeure-style events occurs which would, in the opinion of Panmure Liberum and/or either of the Underwriters (after consultation with the Company where practicable), be material in the context of the Rights Issue and such event would make it impracticable or inadvisable to proceed with the Rights Issue. Neither Panmure Liberum nor either of the Underwriters are entitled to exercise any right of termination, and no right of termination applies, once Admission has occurred.

The existing Directors have made due and careful enquiry to confirm that at the date of signing the Rights Issue and Underwriting Agreement, each Underwriter can meet its obligations and commitments in terms of the Rights Issue, subject to and in accordance with the terms of the Rights Issue and Underwriting Agreement, and is in a position to meet its underwriting commitments in terms of the Rights Issue and Underwriting Agreement in conjunction with any other underwriting or similar agreements running concurrently with the present commitment.

For purposes of the JSE Listings Requirements, the Rights Issue and Underwriting Agreement is not regarded as a related party transaction as the commission payable to the related parties (the Underwriters) is not greater than the current market related rates as confirmed by the independent Non-Executive Directors of the Company, and as such falls within the exemptions contemplated in and under paragraph 10.6(c)(vii) of the JSE Listings Requirements pertaining to transactions that do not constitute related party transactions.

#### **9.9 The AIH Pre-Funding Agreement**

On 11 April 2025, the Company entered into a loan agreement with AIH as lender, pursuant to which AIH agreed to make a loan in the amount of USD8,742,000 (the "**AIH Loan**") available to the Company which the Company has now drawn down in its entirety.

Interest accrues on the Loan at a rate of 3.5 per cent. above SOFR for the period ending on the date on which the Rights Issue completes and thereafter at a rate of 5.5 per cent. above SOFR. Assuming the Rights Issue is successful, the repayment of the Loan shall be set-off against an equivalent amount that AIH would otherwise owe to the Company for its Rights under the Rights Issue and its underwriting commitments under the Rights Issue and Underwriting Agreement.



The AIH Loan terminates on the earlier of (i) the date on which the Company receives, or would, but for the operation of any set-off right exercised by AIH, have received, funds from AIH in its capacity as shareholder and/or other shareholders of the Company, in connection with the Rights Issue; (ii) the date falling 3 months after the Loan is made available; (iii) the Business Day falling immediately after the scheduled date for publication of the Prospectus (being 20 May 2025), if a Prospectus has not been published by the end of that Business Day; and (v) the date falling 30 calendar days after publication of the Prospectus, if the New Shares have not been admitted to trading both on AIM and the JSE by that date.

For purposes of the JSE Listings Requirements, the AIH Pre-Funding Agreement is not regarded as a related party transaction as it is an agreement involving the lending of money by a related party (being AIH) to the Company on normal commercial terms and on an unsecured basis and as such falls within the exemption contemplated in paragraph 10.6(c)(i) of the JSE Listings Requirements pertaining to transactions that do not constitute a related party transaction.

The terms of the AIH Pre-Funding Agreement are identical to the Rational Pre-Funding Agreement, save as to quantum and that the Rational Loan is capable of being made in Rand.

#### **9.10 The Rational Pre-Funding Agreement**

On 11 April 2025, the Company entered into a loan agreement with Rational as lender, pursuant to which Rational agreed to make a loan in the amount of USD4,646,000 (the “**Rational Loan**”) available to the Company which the Company has now drawn down in its entirety.

Interest accrues on the Loan at a rate of 3.5 per cent. above SOFR for the period ending the date on which the Rights Issue completes and thereafter at a rate of 5.5 per cent. above SOFR. Assuming the Rights Issue is successful, the repayment of the Loan shall be set-off against an equivalent amount that Rational would otherwise owe to the Company for its Rights under the Rights Issue and its underwriting commitments under the Rights Issue and Underwriting Agreement.

The Rational Loan terminates on the earlier of (i) the date on which the Company receives, or would, but for the operation of any set-off right exercised by Rational, have received, funds from Rational in its capacity as shareholder and/or other shareholders of the Company, in connection with the Rights Issue; (ii) the date falling 3 months after the Loan is made available; (iii) the Business Day falling immediately after the scheduled date for publication of the Prospectus (being 20 May 2025), if a Prospectus has not been published by the end of that Business Day; and (v) the date falling 30 calendar days after publication of the Prospectus, if the New Shares have not been admitted to trading both on AIM and the JSE by that date.

For purposes of the JSE Listings Requirements, the Rational Pre-Funding Agreement is not regarded as a related party transaction as it is an agreement involving the lending of money by a related party (being Rational) to the Company on normal commercial terms and on an unsecured basis and as such falls within the exemption contemplated in paragraph 10.6(c)(i) of the JSE Listings Requirements pertaining to transactions that do not constitute a related party transaction.

#### **9.11 The Relationship Agreement**

On 11 April 2025, the Company entered into a relationship agreement with Rational to regulate the relationship between the Company and Rational.

The Relationship Agreement, which provides for the autonomous operation of the Company by the Directors independently of Rational, shall be binding on Rational until it and its Concert Parties (as defined below) cease, directly or indirectly, to hold at least 12.5 per cent. of the voting rights in respect of the ordinary shares in the capital of the Company. Pursuant to the Relationship Agreement, Rational undertakes, amongst other things, that it will exercise its voting rights (and, in relation to its associates and certain managed holdings (being the entities set out in more detail in paragraph 16 of this Part II “*Information in relation to the Rights Issue*”) (the “**Concert Parties**”), will use its reasonable endeavours to procure that its Concert Parties will exercise their respective voting rights to procure that: (i) the Group shall be managed for the benefit of the Shareholders as a whole and independently of Rational and its Concert Parties; (ii) all transactions or arrangements with the Group shall be concluded on an arm’s length basis and on normal commercial terms; (iii) if an Independent Director (as such term is defined in the Relationship Agreement) ceases to be an Independent Director (insofar as necessary to ensure

that over 50% of the non-executive directors on the Board are independent Directors), that such person is replaced with a new non-executive director who is also an Independent Director; (iv) any amendment to the Articles which would be inconsistent with the Relationship Agreement is not effected; and (v) the Company will be managed in accordance with its Articles and the King IV Code or any other corporate governance regime adopted by the Board from time to time.

In addition, the agreement provides that Rational shall have the right to nominate a non-executive director (the “**Nominated Director**”) for appointment to the board of the Company, subject to shareholder approval, and to remove such Nominated Director, subject to Rational, and its Concert Parties, collectively holding, directly or indirectly, not less than 12.5 per cent. of the voting rights in respect of the ordinary shares in the capital of the Company. Rational shall consult with the chair of the Company’s Nomination Committee (as such term is defined in the Relationship Agreement) as to the identity, qualifications and suitability of the Nominated Director and the Nomination Committee reserves the right to request an alternative candidate if deemed necessary. If the Company’s Nominated Adviser (as such term is defined in the Relationship Agreement) considers the Nominated Director is unsuitable, Rational may nominate an alternative.

The Company undertakes to Rational that: (i) at the first annual general meeting of the Company following the date of the Relationship Agreement (the “**First AGM**”), a special resolution shall be proposed to amend the Articles such that the maximum number of directors which may be appointed to the Board shall be increased from 8 to 10 persons; and (ii) the Nominated Director be recommended by the Board and proposed to be appointed as a director of the Company at the First AGM by way of an ordinary resolution. If such resolutions are not approved, the Company shall convene an extraordinary general meeting to re-propose such resolutions. If such resolutions are still not approved, the Company shall use its best endeavours to ensure the Nominated Director is proposed to be appointed to the Board.

#### **10. Statement of Capitalisation and Indebtedness**

The following table sets out the Group’s capitalisation as at 31 March 2025, being a date within 90 days of the date of this Prospectus. Presented amounts have been derived from the unaudited consolidated management accounts of the Group as at 31 March 2025 and should be read in conjunction with and are qualified with reference to the key selected financial information in the *Summary* section.

##### **Statement of Capitalisation**

The following table sets out the Group’s capitalisation as at 31 March 2025. Amounts presented have been extracted without material adjustment from the Group’s unaudited consolidated management accounts as at 31 March 2025.

	As at 31 March 2025 (unaudited) (USD'000)
<b>Current Debt</b> (including current portion of non-current debt)	
Guaranteed/secured <sup>(1)</sup>	60,839
Unguaranteed/unsecured <sup>(2)</sup>	1,220
<b>Total current debt</b>	<b>62,059</b>
<b>Non-current debt</b> (excluding current portion of non-current debt)	
Guaranteed/secured <sup>(3)</sup>	55,000
Unguaranteed/unsecured <sup>(2)</sup>	2,720
<b>Total non-current debt</b>	<b>57,720</b>
<b>Shareholder equity</b> <sup>(4)</sup>	
Share capital	12
Share premium	486,939
Option legal reserves <sup>(5)</sup>	7,728
<b>Total shareholder equity</b>	<b>494,679</b>
<b>Total capitalisation</b>	<b>614,458</b>

Notes:

- (1) The guaranteed/secured current borrowings of USD60.8 million relate to the overdraft facilities in Zambia and Mozambique.
- (2) Current and non-current unguaranteed/unsecured debt as at 31 March 2025 includes current lease liabilities of USD1.2 million and non-current lease liabilities of USD2.7 million.
- (3) Guaranteed/secured non-current borrowings of USD55.0 million, excluding the USD0.6 million interest payable, are used to fund the construction of the second processing plant.
- (4) Shareholder equity does not include the Group's accumulated profits in accordance with ESMA Guidelines.
- (5) Other legal reserves include option reserve of USD4.0 million and cumulative translation reserve of USD3.7 million.

### Statement of indebtedness

The following table sets out the net indebtedness of the Group as at 31 March 2025, being a date within 90 days of the date of this Prospectus. Amounts presented have been extracted without material adjustment from the Group's unaudited consolidated management accounts as at 31 March 2025 and should be read in conjunction with and are qualified with reference to the key selected financial information in the **Summary** section.

	As at 31 March 2025 (unaudited) (USD'000)
Cash and cash equivalents <sup>(1)</sup>	14,390
Other current financial assets.	—
<b>Liquidity</b>	<b>14,390</b>
Current financial debt (including debt instruments, but excluding current portion of non-financial debt)	(60,839)
Current portion of non-current financial debt <sup>(2)</sup>	(1,220)
<b>Current financial indebtedness</b>	<b>(62,059)</b>
<b>Net current financial indebtedness</b>	<b>(47,669)</b>
Non-current financial debt (excluding current portion and debt instruments) <sup>(3)</sup>	(57,720)
Debt instruments	—
Non-current trade and other payables	—
<b>Non-current financial indebtedness</b>	<b>(57,720)</b>
<b>Total financial indebtedness</b>	<b>(105,389)</b>

Notes:

- (1) Cash and cash equivalents represent cash balances held at bank and on-demand deposits.
- (2) Current portion of non-current financial debt includes current lease liabilities of USD1.2 million.
- (3) Total non-current debt, excluding USD0.6 million of interest payable, comprises non-current lease liabilities of USD2.7 million.

As of 31 March 2025, the Company did not have indirect or contingent indebtedness.

Since 31 March 2025, there have been no material changes in the capitalisation and indebtedness of the Company, except for the Pre-Funding Agreements with the Underwriters on 11 April 2025 pursuant to which (1) AIH made a loan in the amount of USD8,742,000 available to the Company; and (2) Rational made a loan in the amount of USD4,646,000 available to the Company (each being a “Loan”). The Company has drawn down in full the Loans from AIH and Rational.

## 11. Litigation

Save as set out below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during a period covering at least the 12 months preceding the date of this Document which may have, or have had in the recent past, significant effects on the Company’s and/or the Group’s financial position or profitability.

### **(A) Kagem vs Bisma Investments Limited, Pridegems Mines Limited and Others**

The Group’s Zambian subsidiary, Kagem, brought proceedings in the High Court of Zambia in November 2024 against: (1) Bisma Investments Limited (“**Bisma**”); (2) Pridegems Mines Limited (“**Pridegems**”); (3) Grizzly Mining Limited (“**Grizzly**”); (4) Abdoulaye Ndiaye; and (5) Manitoba Trading DMCC, for unjust enrichment with a claim value of circa USD165 million in respect of a licence dispute. Bisma was permitted by the then Zambian Minister of Mines to acquire a mining licence (the “**Bisma Licence**”) in an area in which the mining rights were held by Kagem. The Bisma Licence was then transferred to Pridegems which, together with some of the other defendants, have carried out mining operations on the Bisma Licence. The defendants have filed a defence, denying all claims, and have raised preliminary objections based on, *inter alia*, multiplicity of actions, lack of jurisdiction and irregularity of commencement process. Kagem considers that it has reasonable prospects of success in the action if it is to be heard on the merits. However, the preliminary objections on jurisdiction and multiplicity create a plausible risk of the action being dismissed on a preliminary basis and therefore not being determined on the merits.

### **(B) Kagem vs Pridegems and Others**

Arising out of the substantially similar set of underlying facts as the above, proceedings were initiated in 2022 in the High Court of Zambia by a Bisma shareholder which brought claims against Pridegems and other related parties alleging fraud in the transfer of the Bisma Licence from Bisma to Pridegems. Kagem joined these proceedings on 17 March 2023 and filed its claims against the defendants in June 2023, seeking, *inter alia*, the reinstatement to Kagem of the mining rights subject to the Bisma Licence, unquantified damages and an injunction against mining at the area. Pridegems successfully raised preliminary objections based on lack of jurisdiction and abuse of court process, though their preliminary objection on *res judicata* was unsuccessful. Overall, however, by a ruling in September 2024, Kagem’s claim was dismissed by the High Court. Kagem has appealed the ruling to the Court of Appeal which is currently pending, and the substantive dispute has therefore not yet been heard by the Court.

### **(C) Grizzly and Pridegems vs Kagem**

In 2022, Grizzly and Pridegems brought libel proceedings in the High Court of Zambia against Kagem and Gemfields following a letter issued by Gemfields regarding the acquisition of the Bisma Licence by Pridegems and Grizzly. The claimants are seeking, *inter alia*, USD40 million in damages and an order that Pridegems validly acquired the Bisma Licence. Gemfields successfully applied to be removed as a defendant and were awarded legal costs. Fresh claims of the same nature were later brought against Gemfields and Sean Gilbertson, the CEO of Gemfields, which are currently stayed pending payment of costs and pending an appeal by Kagem of the Court’s dismissal of its preliminary applications seeking to strike out the entire case. Kagem considers it has reasonable prospects of success on this appeal. No accounting provisions have been made in respect of this litigation.

### **(D) Grizzly, Pridegems and Abdoulaye Ndiaye vs Kagem**

In December 2024, Grizzly, Pridegems and Abdoulaye Ndiaye brought proceedings in the High Court of Zambia against Kagem seeking, *inter alia*, USD300 million in damages for alleged

unlawful occupancy of the Kamakanga House area, which the claimants claim is within their mining rights area, and damages for conspiracy to injure and cause harm to the claimants' business reputation. Kagem has filed a defence against all of the allegations and a counterclaim for, *inter alia*, trespass and nuisance in relation to the Kamakanga House area, and trespass of one of Kagem's mining rights areas known as Kamakanga Mine which is a separate area in close proximity to Kamakanga House area. Kagem considers that it has reasonable to high prospects of success in defending the claim against it, and reasonable prospects of success in its counterclaims. No accounting provisions have been made in respect of this litigation.

**(E) Grizzly vs Kagem**

In January 2025, Grizzly commenced an action in the High Court of Zambia against Kagem seeking, *inter alia*, unquantified damages for alleged trespass in relation to an area that borders with one of Kagem's mining concessions known as Kamakanga Mine. Grizzly obtained an ex-parte injunction against Kagem preventing alleged trespass upon the relevant area, which Kagem has opposed but the injunction application is yet to be determined on an inter-partes basis. Kagem has filed a defence against all of the claims. Kagem considers that it has a reasonable to high prospect of success in defending the action. No accounting provisions have been made in respect of this litigation.

**(F) Bribery allegation involving former Kagem employee**

A former Kagem employee is alleged to have, *inter alia*, solicited and received a bribe from one of Kagem's third party suppliers. Kagem investigated and referred the former employee to various disciplinary and other authorities. The former employee has brought civil proceedings in the Zambian High Court against Kagem and two employees for breach of privacy, breach of employment permit conditions and constructive dismissal. The claim is currently unquantified. Kagem has counterclaimed for breach of, *inter alia*, fiduciary duties. In separate criminal proceedings, the former employee also filed a criminal complaint against Kagem and two Kagem employees in relation to the claims of breach of privacy and breach of employment permit conditions. The former employee sought, but was refused, permission to prosecute the action as a private prosecution. The criminal complaint was dismissed following the refusal to allow a private prosecution. No accounting provisions have been made in respect of this litigation.

**(G) Nthoro settlers**

A group of 40 settlers claim to have been excluded from a resettlement process based on government-led censuses that took place in the Nthoro area in Mozambique, claiming USD1.3 million in damages against Gemfields' subsidiary in Mozambique, MRM, for expropriation of land. MRM has initiated eviction proceedings after a prior court ruling in favour of MRM. MRM considers the Nthoro's settlers' claims to be unsubstantiated. No accounting provisions have been made in respect of this litigation.

**(H) Kimberly Processing Unit**

The Kimberly Processing Unit (known as the "UGPK"), which values rubies before export, has notified MRM that it owes the UGPK USD1.2 million in additional processing fees for exports in 2022 and 2023. MRM disagrees with the methodology used by the UGPK to calculate the processing fees and has filed proceedings to suspend the UGPK's notice, which was rejected. MRM has appealed this decision and the outcome is pending. MRM also filed a separate set of proceedings against the notice, and the outcome is pending in those proceedings too. MRM considers that the UGPK's claim has no legal standing. MRM has been required to give and has given a bank guarantee in respect of this potential liability. No accounting provisions have been made in respect of this litigation.

**(I) *Zambian Revenue Authority – Transfer Pricing***

In November 2024, Kagem received a Notice of Income Tax Assessment from the Zambia Revenue Authority (“ZRA”) related to the assessment of the transfer pricing audit that started in 2022. The Assessment concluded that 100% of the auction and management fees charged to Kagem by its parent company should be disallowed for taxation purposes and consequently an additional taxation amount of approximately USD11 million is due to the ZRA. It is Kagem’s view that the ZRA has erred in its assessment, both in terms of the law and fact, in relation to the recharging of auction and management fees. Kagem filed an objection letter on 31 January 2025. No accounting provisions have been made in respect of this matter.

**(J) *Mozambique Revenue Authority – Production Tax***

The Mozambique Revenue Authority (“MRA”) identified a discrepancy between production tax payments in their system and MRM’s system from 2014 to 2018. The MRA was using the cash basis whilst MRM used the accrual basis. The MRA therefore raised additional assessments totalling USD13.8 million. Following MRM’s appeal, the MRA issued a revised assessment in September 2023 for approximately USD6.1 million. MRM has appealed this revised assessment as it believes it has no liability to pay. No response has been received from the MRA to date in respect of the appeal. No accounting provisions have been made in respect of this matter.

**(K) *Mozambique Revenue Authority – Capital Gains Tax***

In January 2018, the MRA issued MRM with an assessment of USD3.4 million for a deemed capital gains tax charge arising from the indirect change of ownership of MRM, following the acquisition of Gemfields Limited (then named ‘Gemfields PLC’) by Pallinghurst Resources Limited. MRM responded in February 2018, correcting the calculation, which had used incorrect exchange rates, to establish there was in fact a capital loss. Whilst MRM has not been notified of any disagreement to the revised calculation and capital loss position, there has been no correspondence since 2018 and no enforcement action to collect alleged taxes due has been taken to date. No accounting provisions have been made in respect of this matter.

**(L) *Mozambique Revenue Authority – Compensatory Interest***

In April 2024, the MRA raised an additional assessment for 2022 to collect interest on late paid Mozambique corporate income tax of approximately USD500,000. MRM has been in discussions with the MRA and requested that this liability be waived in July 2024, to which MRM is awaiting a response. No accounting provisions have been made in respect of this matter.

**(M) *VAT receivables – Mozambique and Zambia***

MRM and Kagem are owed VAT receivables from the Mozambican and Zambian tax authorities, respectively, in the amounts of approximately USD20.9 million due to MRM and USD14.8 million due to Kagem as at 31 December 2024. The Kagem balance has been audited by the Zambia tax authority and USD12.9 million has admitted as a liability of the Zambia government to date. The MRM receivable needs to be audited by the Mozambique tax authority before balances are admitted and subsequently reimbursed to MRM. The VAT receivables build up because (a) the Group’s mining businesses operate on a net VAT recovery basis as the mines output is largely exported, which means that VAT is not due on rough stone sales, whilst VAT cost incurred by the mines on their respective inputs are recoverable, and (b) both the Mozambique and Zambia Governments face wider macro-economic financial challenges that has led to delayed reimbursements of their VAT liabilities to both MRM and Kagem.

**(N) *Mozambican police shooting***

On 14 April 2025, a claim was filed against MRM in the Judicial Court of Cabo Delgado Province by an individual who was shot by Mozambican police in 2022, claiming MZN20,000,000 (approximately USD316,000) for personal injury and moral damages. The claim is at a very early stage and it is not possible to comment on the likely outcome, however, MRM’s preliminary view is that the claim should have been brought against the Mozambican police, rather than MRM.

### **(O) Ordinary course disputes**

In addition to the above, in the ordinary course of business, the Group is subject to various disputes and claims with a range of third parties relating to its business and mining operations, the outcome of which cannot be predicted.

## **12. General**

Save as disclosed in this Document, no persons (excluding Directors, the Company's professional advisers and trade suppliers) have received, in the 12 month period prior to the date of this Document, directly or indirectly, from the Company or has entered into any contractual arrangements to receive, directly or indirectly, from the Company on or after the date of this Document any of the following:

- (a) fees totaling £10,000 or more;
- (b) securities in the Company with a value of £10,000 or more calculated by reference to the Issue Price;
- (c) any other benefit with a value of £10,000 or more at the date of this Document.

No payments aggregating over £10,000 have been made by Gemfields, or on its behalf, to any governmental or regulatory authority with regard to the acquisition of, or maintenance of, its assets.

## **13. Mandatory Bids and Compulsory Acquisition Rules Relating to Shares**

Other than as provided by the City Code and Part XVIII of the Companies Law, there are no rules or provisions relating to mandatory bids and/or squeeze-out rules relating to the Company.

### **13.1 Mandatory bid**

The City Code applies to the Company. Under the City Code, if an acquisition of interests in shares were to increase the aggregate holding of the acquirer and its concert parties to interests in shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer and, depending on circumstances, its concert parties would be required (except with the consent of the Panel) to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for interests in shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by any acquisition of interests in shares by a person holding (together with its concert parties) shares carrying between 30 per cent. and 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the total voting rights in the Company.

### **13.2 Squeeze-out**

The Companies Law provides that if an offer is made for the shares or any class of shares in the capital of a company and if, within four months after the date of such offer, the offer is accepted by shareholders comprising 90 per cent. in value of the shares affected (excluding any shares held as treasury shares) then the offeror may, within a period of two months immediately after the 90 per cent. threshold is reached, send an acquisition notice to any dissenting shareholders informing them that it wishes to acquire their shares (an "Acquisition Notice"). Where an Acquisition Notice is given, the offeror is then entitled and bound to acquire those shares on the terms on which the original offer, approved by the shareholders comprising 90 per cent. in value of the shares affected was made.

As at the date of this Document, there have been no public takeover bids by third parties in respect of the Company's share capital in the last financial year and the current financial year.

## **14. Dividend Policy**

The Company's dividend policy is to provide regular returns of capital when the business' performance and market conditions allow, at the Board's discretion and following assessment of the Company's capital allocation priorities. The Company intends to consider adopting a metric based dividend policy.

## **15. Regulatory Disclosures**

The Company publishes via the RIS system, SENS and the Company's website. Below is a summary of the information disclosed in accordance with the Company's obligations under Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, as it

forms part of retained EU law by virtue of the EUWA, as amended from time to time (“**UK MAR**”) over the last 12 months which is relevant as at the date of this Document. In addition to the RIS system, full announcements can be accessed on the webpage of the Company at [www.gemfieldsgroup.com](http://www.gemfieldsgroup.com):

- (a) On 19 May 2025, the Company announced the results of the General Meeting, including that all resolutions relating to the Rights Issue were approved.
- (b) On 8 May 2025, the Company announced that Kagem was shortly to recommence focused open-pit mining at two production points in the Chama pit.
- (c) On 30 April 2025, the Company gave notice of its annual general meeting, to be held on 25 June 2025.
- (d) On 30 April, the Company announced the results of an auction comprised of commercial-quality rough emeralds held during the period of 11 – 29 April 2025.
- (e) On 28 April, the Company announced the results of a mini auction comprised of rough rubies held during the period of 21 – 25 April 2025.
- (f) On 11 April 2025, the Company announced the publication of a circular and notice of extraordinary general meeting relating seeking shareholder approval in relation to the Rights Issue.
- (g) On 11 April 2025, the Company announced the release of its audited annual report and accounts for the year ended 31 December 2024.
- (h) On 11 April 2025, the Company issued a trading statement for its financial results for the year ended 31 December 2024, in accordance with paragraph 3.4(b) of the JSE Listings Requirements, and announced it will be seeking shareholder approval in relation to the Rights Issue.
- (i) On 10 March 2025, the Company announced that the Company’s application to transfer its market segmentation on the Main Board of the JSE Limited, from the ‘Prime Segment’ to the ‘General Segment’ had been approved by the JSE with effect from Tuesday 11 March 2025.
- (j) On 24 February 2025, the Company announced the results of an auction comprised of previously unsold higher-quality emeralds held during the period 19 February – 21 February 2025.
- (k) On 19 February 2025, the Company announced that the 15% export duty on precious gemstones mined in Zambia had been suspended pursuant to Statutory Instrument No. 4 of 2025 on 18 February 2025 (the Customs and Excise (Precious Stones and Metals) (Export Duty) (Suspension) Order), effective immediately.
- (l) On 31 January 2025, the Company announced information about its operational results and financial position to 31 December 2024, including unaudited figures produced on a monthly basis for Kagem, Montepuez and Fabergé.
- (m) On 8 January 2025, the Company released a notification that it had become aware that a new statutory instrument in Zambia dated 30 December 2024 had come into force which revoked the 2019 suspension of 15% export duty on precious gemstones.
- (n) On 27 December 2024, the Company released a further update regarding incidents occurring on 23 December 2024 involving groups associated with illegal ruby mining in Mozambique, and impacting upon buildings built by Montepuez Ruby Mining Limitada.
- (o) On 24 December 2024, the Company released an update regarding unrest in Mozambique which may impact upon Montepuez Mining Limitada’s mining operations.
- (p) On 23 December 2024, the Company announced a strategic update, including that it had taken, and will continue to undertake, actions to cut costs and streamline business activity.
- (q) On 12 December 2024, the Company announced the results of an auction comprised of mixed-quality rough ruby held during the period 25 November – 11 December 2024.
- (r) On 22 November 2024, the Company announced the results of an auction comprised of higher-quality rough emeralds held during the period 4 – 21 November 2024.



- (s) On 7 November 2024, the Company released a notification relating to the exercise of share options by a Person Discharging Managerial Responsibilities (“PDMR”).
- (t) On 30 October 2024, the Company released a notification relating to the exercise of share options by a PDMR.
- (u) On 27 September 2024, the Company announced its interim financial results for the six month period to 30 June 2024.
- (v) On 25 September 2024, the Company advised that the Company is reasonably certain of its expected financial interim results, in accordance with paragraph 3.4(b) of the JSE Listings Requirements.
- (w) On 16 September 2024, the Company announced the results of an auction comprised of commercial-quality rough emeralds held during the period 27 August – 13 September 2024.
- (x) On 5 September 2024, the Company announced the results of an auction of predominantly commercial-quality sapphire, corundum and commercial-quality ruby held from 2 to 4 September 2024.
- (y) On 26 July 2024, the Company announced information about its operational results and financial position for the six months ended 30 June 2024.
- (z) On 19 June 2024, the Company announced the results of a ruby auction comprised of mixed-quality rough rubies held during the period 3 to 18 June 2024.
- (aa) On 11 June 2024, the Company announced changes to the Board of Gemfields, due to take effect on 1 July 2024, following a broad search for both a new Chair and Non-Executive Directors.
- (bb) On 6 June 2024, the Company release a Maiden Inferred Mineral Resource Estimate for Target Area 5 and an Independent Technical Report on the 2022/2023 Exploration Programme at its gold exploration project in Cabo Delgado, northern Mozambique.
- (cc) On 31 May 2024, the Company announced the results of an auction comprised of higher-quality emeralds held in May 2024.

Each member of the Group holds or is in possession of the necessary legal title, permission, authorisations and/or ownership rights to undertake its mining and exploration activities as more fully set out in the Competent Persons Reports.

## **16. Consents**

Panmure Liberum Limited has given and not withdrawn its written consent to the issue of this document and the inclusion herein of its name and the references to it in the form and context in which they appear.

Investec Bank Limited has given and not withdrawn its written consent to the issue of this document and the inclusion herein of its name and the references to it in the form and context in which they appear.

## **17. Auditors**

Ernst & Young LLP, a member firm of the Institute of Chartered Accountants in England and Wales is the auditor for the Company and audited the accounts of the Group for the years ended 31 December 2024, 2023 and 2022.

## **18. Share trading history**

The share trading history of Gemfields on the JSE up to the Latest Practicable Date is set out in Appendix II of this Document.

## 19. Fees and expenses

The total fees and expenses (exclusive of VAT) payable by the Company are estimated to be approximately USD3.08 million in relation to the Rights Issue.

Nature of expense	Payable to	USD
Financial Adviser, AIM Nominated Adviser, Co-ordinator and Broker	Panmure Liberum	1,294,331
Registrar	UK Registrar and SA Registrar	46,536
Accountants	Ernst & Young LLP	420,658
English Legal Advisers	DWF Law LLP	431,659
Guernsey Legal Advisers	Mourant Ozannes (Guernsey) LLP	76,737
South African Legal Advisers	Thomson Wilks Inc	62,128
Mozambique Legal Advisers	Sal & Caldeira Advogados, Lda	23,000
Zambian Legal Advisers	Chibesakunda & Co	28,430
Legal Advisers to Panmure Liberum	Fieldfisher LLP	185,260
JSE Sponsor	Investec Bank Limited	71,563
JSE fee	JSE	6,140
AIM fee	AIM	6,472
Takeover Panel fee	Takeover Panel	25,887
Underwriting fee	Underwriters	332,220
Miscellaneous	–	64,717
<b>Total</b>	<b>–</b>	<b>3,075,736</b>

## 20. Documents Available for Inspection

20.1 Copies of the following documents will be available for inspection at the Company's registered offices, Royal Chambers, St Julian's Avenue, St. Peter Port, Guernsey GY1 4HP, Channel Islands, and at the registered office of the JSE Sponsor whose respective addresses are set out in Part V "*Additional Information*" and will also be electronically available (in a secure manner) by making an email request to the Company Secretary at [companysecretary@gemfields.com](mailto:companysecretary@gemfields.com). Electronic copies of the following documents are also available on the Company's website at [www.gemfieldsgroup.com](http://www.gemfieldsgroup.com), in each case, for a period of 12 months from the date of publication of this Document:

- the Memorandum and Articles;
- the Financial Statements;
- the information incorporated by reference, as further set out in Part VI "*Documents Incorporated by Reference*" below; and
- this Document.

20.2 In addition, in accordance with the JSE Listings Requirements, the following documents will be available for inspection at the Company's registered offices, Royal Chambers, St Julian's Avenue, St. Peter Port, Guernsey GY1 4HP, Channel Islands, and at the registered office of the JSE Sponsor whose respective addresses are set out in Part V "*Additional Information*" and will also be electronically available (in a secure manner) by making an email request to the Company Secretary at [companysecretary@gemfields.com](mailto:companysecretary@gemfields.com):

- the material contracts set out in paragraph 9 of Part V "*Additional Information*",
- sworn affidavits by two of the directors of AIH, confirming that AIH has the resources to meet its obligations in respect of the Rights Issue and Underwriting Agreement;
- sworn affidavits by two of the directors of Rational, confirming that Rational has the resources to meet its obligations in respect of the Rights Issue and Underwriting Agreement; and
- summaries of the Directors' service agreements and letters of appointment referred to in paragraph 7 of Part IV "*Directors and Senior Executives*".

This Document is dated 20 May 2025.

## PART VI – DOCUMENTS INCORPORATED BY REFERENCE

The following information, available free of charge in electronic format through the Group's website at [www.gemfieldsgroup.com](http://www.gemfieldsgroup.com), is incorporated by reference in this Document. These documents will only be provided in hard copy on request in writing to the Company Secretary at 1 Cathedral Piazza, London, SW1E 5BP, United Kingdom.

Reference document	Information incorporated by reference	Page number in the reference document
Annual Report and Accounts for the year ended 31 December 2024	Chair's statement Finance Review Directors' Report Consolidated Income Statement Consolidated Statement of Comprehensive Income Consolidated Statement of Financial Position Consolidated Statement of Cash Flows Consolidated Statement of Changes in Equity Notes to the Consolidated Financial Statements Independent Auditor's Report	14-17 24-31 106-109 112 113 114 115 116 117-172 173-181
Annual Report and Accounts for the year ended 31 December 2023	Chair's statement Finance Review Directors' Report Consolidated Income Statement Consolidated Statement of Comprehensive Income Consolidated Statement of Financial Position Consolidated Statement of Cash Flows Consolidated Statement of Changes in Equity Notes to the Consolidated Financial Statements Independent Auditor's Report	14-15 30-37 104-107 126 127 128 129 130-131 132-193 194-205
Gemstone Resources and Gemstone Reserves Report (Kagem and MRM) – 31 December 2024	Entire document – <a href="https://www.gemfieldsgroup.com/proposed-rights-issue-2025/">https://www.gemfieldsgroup.com/proposed-rights-issue-2025/</a>	1-29
Gemstone Resources and Gemstone Reserves Report (Kagem and MRM) – 31 December 2023	Entire document – <a href="https://www.gemfieldsgroup.com/proposed-rights-issue-2025/">https://www.gemfieldsgroup.com/proposed-rights-issue-2025/</a>	1-31
Circular	Entire document – <a href="https://www.gemfieldsgroup.com/proposed-rights-issue-2025/">https://www.gemfieldsgroup.com/proposed-rights-issue-2025/</a>	1-60

To the extent that any information incorporated by reference itself incorporates any information by reference, either expressly or impliedly, such information will not form part of this Document for the purposes of the Prospectus Regulation Rules.

Any statement which is deemed to be incorporated by reference into this Document shall be deemed to be modified or superseded for the purpose of this Document to the extent that a statement contained in this Document (or in a later document which is incorporated by reference into this Document) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Document.

Except as set forth above, no other portion of these documents is incorporated by reference into this Document and those portions which are not specifically incorporated by reference in this Document are either not relevant for prospective investors or the relevant information is included elsewhere in this Document.

## PART VII – DEFINITIONS

The following definitions shall apply throughout this Document unless the context requires otherwise:

<b>“Admission”</b>	as the context so requires, AIM Admission and/or JSE Admission;
<b>“Agreed Proportions”</b>	in the case of AIH: 65.30 per cent.; in the case of Rational: 34.70 per cent.;
<b>“AIH”</b>	Assore International Holdings Limited, incorporated as a private company limited by shares registered in England and Wales with company registration number 12617478 on 21 May 2020. AIH's registered address is at 4 Walcote Place, High Street, Winchester, United Kingdom, SO23 9AP;
<b>“AIH Pre-Funding Agreement”</b>	the agreement entered into between the Company and AIH dated 11 April 2025, details of which are set out in paragraph 9.9 of Part V “ <i>Additional Information</i> ” of this document;
<b>“AIM”</b>	the AIM Market, the multi-lateral trading facility operated by the London Stock Exchange;
<b>“AIM Admission”</b>	admission of the Nil Paid Rights, the Fully Paid Rights and the New Shares (as the case may be) to trading on AIM becoming effective in accordance with the AIM Rules for Companies;
<b>“AIM Rules” or “AIM Rules for Companies”</b>	the AIM Rules for Companies as published and amended from time to time by the London Stock Exchange;
<b>“AIM Rules for Nominated Advisers”</b>	the rules for nominated advisers to AIM companies published by the London Stock Exchange from time to time;
<b>“applicant”</b>	any person lodging a Provisional Allotment Letter with payment;
<b>“Articles”</b>	the existing articles of incorporation of the Company at the date of this Document;
<b>“Authorised Dealer”</b>	a person authorised by the South African treasury to deal in foreign exchange;
<b>“Board” or “Directors”</b>	the Company's directors, whose names appear in Part IV “ <i>Directors and Senior Management</i> ” of this Document;
<b>“broker”</b>	any person registered as a broking member (equities) in terms of the JSE Listings Requirements and in accordance with the provisions of the Financial Markets Act;
<b>“Business Day”</b>	a day (excluding Saturday, Sunday and public holidays) on which: (1) banks generally are open for business in the City of London for the transaction of normal banking business; (2) banks generally are open for business in South Africa for the transaction of normal banking business; and (3) banks generally are open for business in Guernsey for the transaction of normal banking business;

<b>“CCSS”</b>	the CREST Courier and Sorting Service established by Euroclear UK & International to facilitate, <i>inter alia</i> , the deposit and withdrawal of securities;
<b>“CDJ”</b>	Campos De Joia Limitada, a 100 per cent. indirect subsidiary of the Company;
<b>“certificated” or “in certificated form”</b>	either: (1) Existing Shares that have not been Dematerialised in terms of the requirements of Strate, title to which is represented by the Documents of Title; or (2) in relation to a share or other security, a share or other security which is not in uncertificated form (that is, not in CREST or Strate);
<b>“Circular”</b>	the circular, including a notice of extraordinary general meeting, that was sent to Shareholders of the Company on 11 April 2025, requesting shareholder approval for the Resolutions at an extraordinary general meeting of the Company that was held on 19 May 2025;
<b>“City Code” or “Takeover Code”</b>	the City Code on Takeovers and Mergers issued from time to time by or on behalf of the Panel on Takeovers and Mergers;
<b>“CMA”</b>	the Common Monetary Area comprising South Africa, Lesotho, Eswatini and Namibia;
<b>“Committed Shareholders”</b>	those Shareholders (details of which are set out in paragraph 12 of Part I of this document) who have entered into Irrevocable Undertakings to subscribe for their Rights under the Rights Issue
<b>“Committed New Shares”</b>	the, in aggregate, 299,572,845 New Shares which the Committed Shareholders have irrevocably undertaken to take up pursuant to the Rights Issue
<b>“Companies Act”</b>	the Companies Act 2006 of England and Wales, as amended from time to time;
<b>“Companies Law”</b>	The Companies (Guernsey) Law 2008 (as amended);
<b>“Company” or “Gemfields” or “Issuer”</b>	Gemfields Group Limited, a company incorporated under the Companies Law and registered in Guernsey, with registered number 47656;
<b>“Competent Persons Reports”</b>	a competent persons reports for the Kagem Emerald and Beryl Mine, Zambia and the Montepuez Ruby and Corundum Mine, Mozambique prepared for the Company by SRK Consulting (UK) Limited dated January 2020;
<b>“Computershare”</b>	collectively, the UK Registrar and the SA Registrar;
<b>“CREST”</b>	the system for the paperless settlement of trades in securities and the holding of uncertificated securities in accordance with the CREST Regulations operated by Euroclear;
<b>“CREST Manual”</b>	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CREST CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST

	Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996, as amended from time to time)
<b>“CREST Member”</b>	a person who has been admitted by Euroclear UK & International as a system member (as defined in the CREST Regulations);
<b>“CREST Participant”</b>	a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations);
<b>“CREST Regulations”</b>	means the Uncertificated Securities (Guernsey) Regulations 2009;
<b>“CREST Sponsor”</b>	a CREST Participant admitted to CREST as a CREST Sponsor;
<b>“CREST Sponsored Member”</b>	a CREST Member admitted to CREST as a sponsored member;
<b>“CSDP”</b>	Central Securities Depository Participant, being a “participant” as defined in Section 1 of the Financial Markets Act and appointed by individual Shareholders for the purposes of, and in regard to, Dematerialisation in terms of the Financial Markets Act;
<b>“Custody Agreement”</b>	the custody mandate agreement between a Qualifying South African Shareholder holding Shares in uncertificated form and a CSDP or stockbroker in respect of their relationship with regard to such Shares as held by the CSDP or the broker on the SA Register;
<b>“Dealing Day”</b>	a day on which dealings in domestic equity market securities may take place on AIM and the JSE;
<b>“Dematerialised” or “Dematerialisation”</b>	the South African process by which securities which are evidenced by a Document of Title are converted to securities that are held in collective custody by a CSDP or its nominee in a separate central securities account and are transferable by entry without a certificate or written instrument;
<b>“Disclosure Guidance and Transparency Rules”</b>	the disclosure guidance and transparency rules made by the FCA under Part VI of FSMA (as set out in the FCA Handbook) as amended from time to time;
<b>“Document”</b>	this Document;
<b>“Documents of Title”</b>	share certificates, share statements, certified transfer deeds, balance receipts or any other documents of title to the Shares;
<b>“EEA”</b>	the European Economic Area;
<b>“EEA State”</b>	a member state of the European Economic Area;
<b>“Employee Share Schemes”</b>	the employee share option scheme (“ <b>ESOS</b> ”) established on 26 June 2017; the Gemfields Group Limited Employee Share Option Scheme UK CSOP Sub-Plan (“ <b>CSOP</b> ”) established on 26 June 2018; and the Gemfields Group Limited Long Term Incentive Plan 2023 (“ <b>LTIP</b> ”) established on 25 August 2023;

<b>“ERM”</b>	Eastern Ruby Mining, a subsidiary of the Company, 80% indirectly owned by Company and 20% owned by Mr. Taibo Caetano Mucobora;
<b>“EU” or “European Union”</b>	the European Union first established by the treaty made at Maastricht on 7 February 1992;
<b>“EU Prospectus Regulation”</b>	the EU Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market;
<b>“Euroclear” or “Euroclear UK &amp; International”</b>	Euroclear UK & International Limited, the operator of CREST;
<b>“EUWA”</b>	the European Union (Withdrawal) Act 2018;
<b>“Ex-Rights Date”</b>	8:00 a.m. (London time) on 29 May 2025 (in the case of Shareholders whose Shares are on the UK Register) or 9:00 a.m. (South Africa Standard Time) on 23 May 2025 (in the case of Shareholders whose Shares are on the SA Register);
<b>“Exchange Control”</b>	the restrictions applicable to residents and non-residents under Exchange Control Regulations on, <i>inter alia</i> , the remittance of funds from the CMA to a country outside of the CMA;
<b>“Exchange Control Regulations”</b>	the South African Exchange Control Regulations, 1961, promulgated in terms of Section 9 of the South African Currency and Exchanges Act, No. 9 of 1933, as amended from time to time;
<b>“Excluded Territories”</b>	the United States, Australia, New Zealand, Canada, Hong Kong, Singapore and Japan and any other jurisdiction (subject to certain limited exceptions) where the Company is advised that the allotment or issue of the New Shares pursuant to the Rights Issue would or may infringe the relevant laws and regulations of such jurisdiction or would or may require the Company to obtain any governmental or other consent or to effect any registration, filing or other formality which, in the opinion of the Company, it would be unable to comply with or is unduly onerous and “Excluded Territory” means any one of them;
<b>“Executive Directors”</b>	Sean Gilbertson and David Lovett;
<b>“Existing Shares”</b>	the Shares in issue as at the Record Date;
<b>“Fabergé”</b>	the brand “Fabergé” which is wholly-owned and controlled by the Group;
<b>“FAIS Act”</b>	the South African Financial Advisory and Intermediary Services Act, No. 37 of 2002, as amended from time to time;
<b>“Family Member”</b>	in relation to any person: (a) his or her spouse or civil partner and any child where such child is under the age of eighteen years; and (b) any trust in which such individuals are trustees or beneficiaries and any company over which they have control or more than 20% of its equity or voting rights (excluding treasury shares) in a general meeting;

<b>“FCA”</b>	the Financial Conduct Authority of the United Kingdom acting in its capacity as the competent authority for the purposes of Part VI of the FSMA;
<b>“FCA Handbook”</b>	the FCA’s Handbook or Rules and Guidance, as amended from time to time;
<b>“Financial Markets Act”</b>	the South African Financial Markets Act No. 19 of 2012, as amended from time to time;
<b>“Financial Statements”</b>	the 2022 Financial Statements; the 2023 Financial Statements; and the 2024 Financial Statements;
<b>“Financial Surveillance Department”</b>	the Financial Surveillance Department of SARB responsible for administering the Exchange Control Regulations;
<b>“Form of Instruction”</b>	the form of instruction to be posted to Qualifying South African Shareholders who hold their Existing Shares in certificated form, in respect of their Letters of Allocation and reflecting the entitlement of that Qualifying Shareholder to Nil Paid Rights;
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 of England and Wales (as amended);
<b>“Fully Paid Rights”</b>	rights to acquire the New Shares fully paid;
<b>“General Meeting”</b>	the extraordinary general meeting of Gemfields held in connection with the Rights Issue at 123 Victoria Street, Westminster, London, SW1E 6D, United Kingdom on 19 May 2025 at 10.00 a.m. (London time);
<b>“Group” or “Gemfields Group”</b>	Gemfields and each of its direct and indirect subsidiaries from time to time (where “subsidiary” shall have the meaning ascribed to it in the Companies Act);
<b>“HMRC”</b>	His Majesty’s Revenue and Customs;
<b>“IFRS”</b>	International Financial Reporting Standards as issued by the International Accounting Standards Board, UK Adopted International Accounting Standards, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee, and the financial reporting pronouncements issued by the Financial Reporting Standards Council of South Africa;
<b>“Independent Shareholders”</b>	the Shareholders other than AIH and any person acting in concert with AIH, and Rational and any person acting in concert with Rational;
<b>“Investec” or “JSE Sponsor”</b>	Investec Bank Limited, acting through its Investment Banking division, a public company incorporated under the laws of South Africa and the JSE Sponsor to the Company in connection to the Rights Issue;
<b>“ISIN”</b>	International Securities Identification Number;
<b>“Issue Price”</b>	the UK Issue Price or the SA Issue Price, as appropriate;
<b>“JORC Code”</b>	the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 edition), an internationally recognised code that has adopted the International Reporting Template set by the Committee for Mineral Reserves International Reporting Standards (CRIRSCO);



<b>“JSE”</b>	the Johannesburg Stock Exchange, a licensed exchange operated by JSE Limited;
<b>“JSE Admission”</b>	the admission of Letters of Allocation and the New Shares (as the case may be) to listing and trading on the General Segment of the JSE’s Main Board;
<b>“JSE Limited”</b>	JSE Limited, a company incorporated in accordance with the laws of South Africa and licensed to operate an exchange in terms of the Financial Markets Act;
<b>“JSE Listings Requirements”</b>	the JSE Limited Listings Requirements in force as at the Latest Practicable Date;
<b>“JSE Main Board”</b>	the main board of the JSE;
<b>“Kagem”</b>	Kagem Mining Limited, a subsidiary of the Company, 75% indirectly owned by Gemfields and 25% indirectly owned by the Government of the Republic of Zambia;
<b>“Last Day to Trade”</b>	the last day to trade Existing Shares on the JSE to qualify to participate in the Rights Issue (cum Rights), being 22 May 2025;
<b>“Latest Practicable Date”</b>	19 May 2025, being the latest practicable date prior to the date of this Document;
<b>“LEI”</b>	Legal Entity Identifier
<b>“Letter of Allocation”</b>	a renounceable letter of allocation issued by the Company in electronic form conferring Nil Paid Rights on a Qualifying South African Shareholder;
<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“Member State”</b>	a member states of the EEA;
<b>“Memorandum”</b>	the memorandum of incorporation of the Company;
<b>“MML”</b>	Megaruma Mining Limitada, a subsidiary of the Company, 75% indirectly owned by Company and 25% owned by EME Investments SA, Mozambique;
<b>“Money Laundering Regulations”</b>	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, as amended by the Money Laundering and Terrorist Financing (Amendment) Regulations 2019 SI 2019/1511 and others from time to time;
<b>“MRM”</b>	Montepuez Ruby Mining Limitada, an subsidiary of the Company, 75% indirectly owned by Company and 25% owned by a local Mozambican minority partner, Mwiriti Limitada;
<b>“MTM”</b>	Many-to-Many;
<b>“New Shares”</b>	556,203,396 new Shares to be issued pursuant to the Rights Issue;
<b>“Nil Paid Rights”</b>	in the case of Qualifying Shareholders (other than Qualifying South African Shareholders), New Shares in nil paid form provisionally allotted to such Qualifying Shareholders pursuant to the Rights Issue and, in the case of Qualifying South African Shareholders, the right to subscribe for New

	Shares at the SA Issue Price, as represented by Letters of Allocation automatically credited to their CSDP or broker accounts or, in the case of Qualifying South African Shareholders who hold their Shares in certificated form, the account of the SA Registrar for the benefit of such Shareholder;
<b>“Non-Executive Directors”</b>	Bruce Cleaver; Patrick Sacco; Kieran Daly; Kwape Mmela; Mary Reilly; Simon Scott;
<b>“NRL”</b>	Nairobi Resources Limitada, a subsidiary of the Company, 75% indirectly owned by the Company and 25% owned by a Mozambican minority partner, Mwiriti Limitada;
<b>“Official List”</b>	the official list maintained by the FCA pursuant to FSMA;
<b>“Overseas Shareholders”</b>	Shareholders or Qualifying Shareholders, as the context so requires, who have registered addresses, or who are located or resident, outside the United Kingdom or South Africa;
<b>“Panel” or “Takeover Panel”</b>	means the Panel on Takeovers and Mergers of the United Kingdom
<b>“Panmure Liberum”</b>	Panmure Liberum Limited, the financial adviser, AIM Nominated Adviser, co-ordinator and corporate broker to the Company in connection with the Rights Issue;
<b>“Participant ID”</b>	the identification code or membership number used in CREST to identify a particular CREST Member or CREST Participant;
<b>“POI Law”</b>	the Protection of Investors (Bailiwick of Guernsey) Law, 2020;
<b>“Pre-Funding Agreements”</b>	each of the AIH Pre-Funding Agreement and the Rational Pre-Funding Agreement;
<b>“Proposed Non-Executive Director”</b>	Louis du Preez;
<b>“Prospectus Regulation”</b>	the UK version of the EU Prospectus Regulation as it forms part of the domestic law of the United Kingdom by virtue of EUWA, as amended from time to time;
<b>“Prospectus Regulation Rules”</b>	the Prospectus Regulation Rules made by the FCA as from time to time amended and includes, where appropriate, relevant provisions of the Prospectus Regulation as referred to or incorporated within the Prospectus Regulation Rules;
<b>“Provisional Allotment Letters”</b>	the renounceable provisional allotment letters relating to the Rights Issue, expected to be despatched to Qualifying Non-CREST Shareholders as described in Part II <i>“Information in relation to the Rights Issue”</i> ;
<b>“Qualifying CREST Shareholder”</b>	Shareholders (other than those resident in an Excluded Territory) whose Shares are on the UK Register as at the UK Record Date and which are held in uncertificated form and held through CREST;
<b>“Qualifying Non-CREST Shareholder”</b>	Shareholders (other than those resident in an Excluded Territory) whose Shares are on the UK Register and are held in certificated form;

<b>“Qualifying Shareholder”</b>	a Qualifying Non-CREST Shareholder, Qualifying CREST Shareholder and/or Qualifying South African Shareholder, as the case may be subject to them not being resident in an Excluded Territory;
<b>“Qualifying South African Shareholders”</b>	Shareholders (other than those resident in an Excluded Territory) on the SA Register as at the SA Record Date;
<b>“Rand” or “ZAR”</b>	South African Rand, the lawful currency of South Africa;
<b>“Rational”</b>	Rational Expectations (Pty) Ltd, incorporated as a private company with limited liability, registered in South Africa with registration number 1997/003025/07 and whose registered address is at Unit 203, Second Floor, Paardevlei Rising, 12 Gardner Williams Avenue, Paardevlei, Somerset West, Western Cape, 7130, South Africa
<b>“Rational Pre-Funding Agreement”</b>	the agreement entered into between the Company and Rational dated 11 April 2025, details of which are set out in paragraph 9.10 of Part V “ <i>Additional Information</i> ” of this document
<b>“Record Date”</b>	the UK Record Date and/or the SA Record Date, as the context so requires;
<b>“Registrars”</b>	the UK Registrar and/or the SA Registrar, as the context so requires;
<b>“Related Party Transaction”</b>	has the meaning ascribed to it in paragraph 9 of IAS 24, being the standard adopted according to Regulation (EC) No. 1606/2002;
<b>“Relationship Agreement”</b>	the agreement entered into between the Company and Rational dated 11 April 2025, details of which are set out in paragraph 9.11 of Part V “ <i>Additional Information</i> ” of this Document;
<b>“Remuneration Committee”</b>	the sub-committee of the Board responsible for, amongst other things, determining the remuneration of employees of the Company and awards under the LTIP;
<b>“Resolutions”</b>	the ordinary and special resolutions passed at the General Meeting relating to the Rights Issue;
<b>“Rights”</b>	the Nil Paid Rights and/or the Fully Paid Rights (as the context may require);
<b>“Rights Issue”</b>	the 10 New Shares for 21 Existing Shares rights issue made on the terms of this Document;
<b>“Rights Issue and Underwriting Agreement”</b>	the rights issue and underwriting agreement dated 11 April 2025 entered into between the Company, the Underwriters and Panmure Liberum relating to the Rights Issue and the underwriting and more fully described in paragraph 9.8 of Part V “ <i>Additional Information</i> ”;
<b>“RIS”</b>	the Regulatory Information Service of the London Stock Exchange;
<b>“Rule 9 Waiver Resolution”</b>	resolution 1 to approve the Rule 9 which was passed at the General Meeting as set out in the notice of General Meeting which accompanied the Circular;

<b>“RZ”</b>	reaction zone;
<b>“SA Issue Price”</b>	the price at which New Shares will be issued to Qualifying South African Shareholders pursuant to the Rights Issue, being ZAR1.06860 per share;
<b>“SAMREC Code”</b>	the South African Mineral Resources Committee’s code (2007 edition, as amended in July 2009) which sets a required minimum standard for the public reporting of exploration results, mineral reserves and mineral resources in South Africa, prepared for the purpose of (a) informing investors or potential investors and their advisers or (b) satisfying regulatory requirements as amended from time to time;
<b>“SARB”</b>	the South African Reserve Bank;
<b>“SA Record Date”</b>	5.00 p.m. (South Africa Standard Time) on 27 May 2025;
<b>“SA Register”</b>	the branch of the register of members of the Company maintained in South Africa;
<b>“SA Registrar”</b>	Computershare Investor Services (Pty) Ltd (registration number 2004/003647/07), a private company duly incorporated in accordance with the laws of South Africa;
<b>“SDRT”</b>	Stamp Duty Reserve Tax;
<b>“SEC” or “United States Securities and Exchange Commission”</b>	the United States government agency having primary responsibility for enforcing US federal securities laws and regulating the US securities industry;
<b>“Senior Executives”</b>	the senior executives of the Company whose names appear in paragraph 3 of Part IV “ <i>Directors and Senior Executives</i> ” of this Document;
<b>“SENS”</b>	the Stock Exchange News Service of the JSE Limited;
<b>“Shareholder Helpline”</b>	the relevant helpline telephone number listed in the paragraph entitled “ <i>Where to find help</i> ” (on page 44) of the “ <i>Important Information</i> ” section;
<b>“Shareholders”</b>	the holders of any Shares from time to time and “Shareholder” means any one of them;
<b>“Shares”</b>	the ordinary shares with a par value of USD0.00001 each in the capital of the Company;
<b>“South Africa”</b>	the Republic of South Africa;
<b>“South African Companies Act”</b>	the South African Companies Act No. 71 of 2008 (as amended from time to time);
<b>“South African Resident Shareholder”</b>	a Qualifying Shareholder that is considered a resident of South Africa under the Exchange Control Regulations;
<b>“South African Tax Resident Shareholder”</b>	a Qualifying Shareholder that is considered a resident of South Africa in terms of the South African Income Tax Act No. 58 of 1962;
<b>“sterling” or “£” or “GBP” or “pence” or “p”</b>	the lawful currency of the United Kingdom from time to time;

<b>“Strate”</b>	Strate Proprietary Limited registration number 1998/022242/07, a private company incorporated in accordance with the laws of South Africa, which is licensed as a registered central securities depository under the Financial Markets Act responsible for the electronic custody and settlement system for transactions that take place on the JSE;
<b>“UK Issue Price”</b>	the price at which New Shares will be issued to Qualifying Shareholders (other than Qualifying South African Shareholders) pursuant to the Rights Issue, being 4.22 pence per share;
<b>“UK Record Date”</b>	6.00 p.m. (London time) on 27 May 2025;
<b>“UK Register”</b>	the register of members of the Company maintained in the United Kingdom;
<b>“UK Registrar”</b>	Computershare Investor Services (Guernsey) Limited of 2nd Floor, Lefebvre Place, Lefebvre Street, St Peter Port, Guernsey, GY1 2JP;
<b>“uncertificated form”</b>	in respect of a Qualifying Shareholder other than a Qualifying South African Shareholder, describes the form of a share held by such person in CREST; and in respect of a Qualifying South African Shareholder describes the form of a share held by such person not evidenced by a certificate or written instrument, incorporated into Strate and entered and recorded in the Company’s South African sub-register in electronic form in terms of the Financial Markets Act;
<b>“Underwriters”</b>	each of AIH and Rational;
<b>“Underwritten Shares”</b>	the New Shares being underwritten by the Underwriters, which includes all New Shares other than the New Shares for which the Underwriters have irrevocably undertaken to subscribe
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“United States” or “US”</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
<b>“US dollar(s)” or “dollar(s)” or “USD” or “USD” or “\$” or “US cents”</b>	United States dollars and cents, the currency of the United States;
<b>“US Securities Act”</b>	the United States Securities Act of 1933;
<b>“VAT”</b>	value added tax;
<b>“2022 Financial Statements”</b>	the Company’s Annual Report and Accounts for the year ended 31 December 2022, the audited consolidated financial statements of the Group as at and for the year ended 31 December 2022 and the related auditor’s report of EY;
<b>“2023 Financial Statements”</b>	the Company’s Annual Report and Accounts for the year ended 31 December 2023, the audited consolidated financial statements of the Group as at and for the year ended 31 December 2023 and the related auditor’s report of EY; and

**“2024 Financial Statements”**

the Company’s Annual Report and Accounts for the year ended 31 December 2022, the audited consolidated financial statements of the Group as at and for the year ended 31 December 2022 and the related auditor’s report of EY.

## APPENDIX I

### INFORMATION ON THE UNDERWRITERS AND PANMURE LIBERUM

#### 1. UNDERWRITERS

The Rights Issue has been fully underwritten by the Underwriters. Details pertaining to the Underwriters as required by the JSE Listings Requirements are set out below:

#### A. ASSORE INTERNATIONAL HOLDINGS LIMITED

##### 1. Nature of business

Holding company

##### 2. Directors

Kieran James Daly; George Christian Timothy Karsten; Stephane Postifferi; Patrick Eugenio Sacco; Charles Edward Walters; Rorie Mark Wilson

##### 3. Company Secretary

Vistra Group Holdings (BVI) Limited

##### 4. Date and Place of Incorporation

21 May 2020 – England and Wales

##### 5. Registration Number

12617478

##### 6. Registered Office

4 Walcote Place, High Street, Winchester, United Kingdom, SO23 9AP

##### 7. Bankers

HSBC UK

##### 8. Authorised Share Capital

N/A

##### 9. Issued Share Capital

1 ordinary share of £1 and 944 ordinary shares of USD1 each

#### B. RATIONAL EXPECTATIONS (PTY) LTD

##### 1. Nature of business

Investment Holding Company

##### 2. Directors

Chris Adriaan Otto, Jan Hendrik Vreken, Johan Petrus du Pre Le Roux, James Walter Mason, Willem Louis du Pre Le Roux, Michiel Scholtz Du Pre Le Roux, Wilhelm Dirk Hertzog

##### 3. Company Secretary

N/A

##### 4. Date and Place of Incorporation

3 March 1997, South Africa

**5. Registration Number**

1997/003025/07

**6. Registered Office**

Unit 203 Second Floor, Paardevlei Rising, 12 Gardner Williams Avenue, Paardevlei, Somerset West, Western Cape, 7130

**7. Bankers**

FNB & Investec

**8. Authorised Share Capital**

1,000,000 ordinary shares

**9. Issued Share Capital**

105,794 ordinary shares

**3. PANMURE LIBEUM**

Details pertaining to Panmure Liberum as required by the JSE Listings Requirements are set out below:

**PANMURE LIBERUM LIMITED**

**1. Nature of business**

Panmure Liberum provides institutional and corporate stockbroking services, focused on cash equities and investment banking

**2. Directors**

Bidhi Singh Bhoma; David Parsons; Richard Thomas Ricci; Matthew Press

**3. Company Secretary**

N/A

**4. Date and Place of Incorporation**

Incorporated in England and Wales on 29 September 2003

**5. Registration Number**

04915201

**6. Registered Office**

Ropemaker Place, Level 12, 25 Ropemaker Street, London, England, EC2Y 9LY

**7. Bankers**

Barclays Bank plc

**8. Authorised Share Capital**

N/A

**9. Issued Share Capital**

As at the date of this document, Panmure Liberum had 139,845,162 ordinary shares of £1.00 each in issue.



## APPENDIX II

### Share Price History of Gemfields Shares on the JSE

The high, low and closing prices of Gemfields Shares on the JSE and the volumes and values traded were as follows:

Period Monthly – 2024/2025	High (cents)	Low (cents)	Close (cents)	Volume (shares)	Value (Rand '000)
April 2024	300	216	275	2 451 487	671 776
May 2024	315	265	305	2 110 743	595 881
June 2024	360	266	276	1 740 780	510 152
July 2024	330	225	260	4 576 571	1 229 064
August 2024	290	212	289	6 142 456	1 605 233
September 2024	304	237	270	2 065 216	541 722
October 2024	277	236	236	6 139 803	1 591 336
November 2024	258	175	199	19 210 540	3 913 034
December 2024	229	116	154	3 896 991	675 906
January 2025	221	117	129	5 548 716	752 216
February 2025	167	117	153	12 486 789	1 732 350
March 2025	161	133	140	2 682 415	401 817
April 2025	155	100	105	25 362 473	2 794 436
<b>Daily – 2025</b>					
1 April	145	137	145	8 354	1 177 266
2 April	146	137	146	16 232	2 358 072
3 April	150	130	130	59 850	8 088 602
4 April	155	130	132	45 839	6 087 503
7 April	149	133	136	4 631	642 431
8 April	155	136	150	13 782	2 023 190
9 April	155	142	150	6 404	952 003
10 April	155	142	150	2 033	304 444
11 April	147	106	116	256 273	31 059 490
14 April	123	110	110	149 119	16 696 930
15 April	137	100	110	23 251 612	2 556 603 000
16 April	120	102	110	127 351	13 709 700
17 April	131	105	107	83 605	9 077 370
22 April	114	103	110	109 045	11 689 850
23 April	118	107	107	668 791	73 520 170
24 April	110	104	110	111 611	12 189 310
25 April	110	103	110	262 369	28 824 960
29 April	109	100	106	56 445	5 813 414
30 April	110	103	105	129 127	13 617 920
2 May	110	101	102	116 020	12 402 860
5 May	110	101	110	7 064	770 871
6 May	110	103	103	99 216	10 393 020
7 May	105	103	105	54 075	5 675 230
8 May	109	100	100	106 377	10 811 180
9 May	105	100	105	19 174	1 989 048
12 May	105	100	105	2 227	231 605
13 May	110	100	110	90 558	9 526 568
14 May	110	101	110	5 264	578 891
15 May	110	101	102	35 318	3 869 529
16 May	109	102	109	10 795	1 124 273
19 May	110	99	99	516 038	51 682 340

Source: Bloomberg

## APPENDIX III

### Table of Entitlement

The number of New Shares to which Qualifying Shareholders will be entitled is set out below. Shareholders will be entitled to 10 New Shares for every 21 Existing Shares held. Shareholders' entitlements will be rounded to the nearest whole even number and only whole numbers of New Shares will be issued, in accordance with the JSE Listings Requirements.

Number of Existing Shares held	New Shares entitlement	Number of Existing Shares held	New Shares entitlement	Number of Existing Shares held	New Shares entitlement	Number of Existing Shares held	New Shares entitlement
1	0	27	13	53	25	79	38
2	1	28	13	54	26	80	38
3	1	29	14	55	26	81	39
4	2	30	14	56	27	82	39
5	2	31	15	57	27	83	40
6	3	32	15	58	28	84	40
7	3	33	16	59	28	85	40
8	4	34	16	60	29	86	41
9	4	35	17	61	29	87	41
10	5	36	17	62	30	88	42
11	5	37	18	63	30	89	42
12	6	38	18	64	30	90	43
13	6	39	19	65	31	91	43
14	7	40	19	66	31	92	44
15	7	41	20	67	32	93	44
16	8	42	20	68	32	94	45
17	8	43	20	69	33	95	45
18	9	44	21	70	33	96	46
19	9	45	21	71	34	97	46
20	10	46	22	72	34	98	47
21	10	47	22	73	35	99	47
22	10	48	23	74	35	100	48
23	11	49	23	75	36	1000	476
24	11	50	24	76	36	10 000	4 762
25	12	51	24	77	37	100 000	47 619
26	12	52	25	78	37	1 000 000	476 190

