

GEMFIELDS

GEMFIELDS GROUP LIMITED

(formerly Pallinghurst Resources Limited)

(Incorporated in Guernsey)

(Guernsey registration Number: 47656)

(South African external company registration number 2009/012636/10)

Share code on the BSX: GML.BH ISIN: GG00BG0KTL52

Share code on the JSE: GML

("Gemfields" or the "Company")

Zambian Revenue Authority Search Warrants

Gemfields advises that the Zambian Revenue Authority ("ZRA") served two search warrants during an unannounced visit to Kagem Mining Limited ("Kagem") on 16 August 2018.

The two search warrants were issued in respect of Kagem Mining Limited and Limpopo Polygraphs CC ("LPCC"), a South African company conducting periodic polygraph testing at Kagem, and whose representative is presently on site at Kagem.

The search warrants authorise ZRA to take wide-ranging documents and files including those allegedly "used by Kagem Mine Ltd / Limpopo Polygraphs CC to evade the payment of Value Added Tax, income tax, with-holding tax and other taxes". Gemfields understands that the aggregate value of all work conducted to date by LPCC for Kagem is less than USD 7,500.00.

Gemfields will provide further updates as pertinent information becomes available.

Additional information on Gemfields

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

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

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

Further information on Gemfields Group Limited can be found at www.gemfieldsgroup.com.

For any press enquiries please contact us on investor.relations@gemfields.com.

Guernsey
17 August 2018

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