

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")

Kariba Update & MRM Monthly Operational Market Data to 31 August 2018

Kariba Update

On 9 November 2018, Gemfields Canada Inc. (a 100% subsidiary of Gemfields) agreed to sell its 50% stake in Kariba Minerals Ltd ("Kariba"), the Zambian amethyst mine, to ZCCM Investments Holdings plc ("ZCCM"). The Company is set to receive USD 2,500,000 in consideration for the disposal of its shares to ZCCM.

The transaction is subject to various administrative steps and regulatory approvals, including from the Zambian Competition and Consumer Protection Commission and the Zambian Ministry of Mines. The transaction is currently expected to complete early in Q1 2019. As part of the agreement, Gemfields has agreed to discharge all outstanding sums owed by Kariba to the Company.

The Company's decision to dispose of its stake in Kariba is in line with the Company's strategy of focusing on rubies, emeralds and sapphires.

MRM Monthly Operational Data

Gemfields shareholders are referred to the SENS announcement on 10 October 2018 and are advised that its business related and operational results and financial position up to and including August 2018 are now available on a monthly-basis for its 75% owned Montepuez ruby mine. The operational results can be found on the Company's website www.gemfieldsgroup.com.

Shareholders are advised that all figures are approximated and are unaudited for which the directors assume full responsibility.

Shareholders are reminded that the full competent person's report (CPR) for Montepuez Ruby Mining Limitada is currently under review by the JSE and will be released on the Company's website once approved. The monthly figures for Gemfields' 75% owned Kagem emerald mine and Fabergé up to and including August 2018 are also available on the Company's website www.gemfieldsgroup.com.

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
10 December 2018
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