

GEMFIELDS

GEMFIELDS GROUP LIMITED

(formerly Pallinghurst Resources Limited)

(Incorporated in Guernsey)

(Guernsey registration Number: 47656)

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("Gemfields" or the "Company")

Singapore Ruby Auction Results

Gemfields is pleased to announce the results of an auction of rough rubies in Singapore from 11 – 15 June 2019. The rough rubies were extracted from the licence, held and operated by Montepuez Ruby Mining Limitada ("MRM"), which is 75% owned by Gemfields and 25% by local partner Mwiriti Limitada.

Highlights – Ruby Auction

- Auction revenues of USD 50.0 million;
- Of the 90 lots offered, 84 were sold (93%);
- Average price of USD 51.99 per carat;
- 962,211 carats sold out of the 978,197 carats offered (98%);
- One lot set a new all-time price-per-carat record for any Gemfields auction; and
- The twelve Gemfields auctions of MRM rubies held since June 2014 have generated USD 512.6 million in aggregate revenues.

Gemfields' twelfth auction of rough rubies from Montepuez saw 48 companies placing bids. The auction offered high, medium and commercial grade rough rubies, exclusively in untreated form.

The consistency of supply and the reliability of the Gemfields' grading system continues to be well received by buyers, given that it reduces risk, improves manufacturing efficiencies and aids their ability to meet demand for larger orders.

The auction generated total revenues of USD 50.0 million at an average realised price of USD 51.99 per carat. The proceeds of this auction will be fully repatriated to MRM in Mozambique, with the production tax due to the Government of Mozambique being paid on the full sales price achieved at the auction.

The specific auction mix and quality composition of the lots offered at each auction vary in characteristics such as size, colour and clarity on account of variations in mined production and market demand. Therefore, the results of each auction are not always directly comparable.

On a quality-for-quality basis however, the per carat prices demonstrated continuing strong demand.

The results of the five most recent MRM auctions are summarised in the table below:

AUCTION RESULTS (RUBY & CORUNDUM)	Jun '17 AUCTION	Nov '17 AUCTION	Jun '18 AUCTION	Dec '18 AUCTION	Jun '19 AUCTION
Dates	10-14 Jun 2017	6-10 Nov 2017	5-9 Jun 2018	10-14 Dec 2018	11-15 Jun 2019
Location	Singapore	Singapore	Singapore	Singapore	Singapore
Type	Rough Ruby (Higher, Medium and Commercial Quality), no Corundum	Rough Ruby (Higher, Medium and Commercial Quality), no Corundum	Rough Ruby (Higher, Medium and Commercial Quality), no Corundum	Rough Ruby (Higher, Medium and Commercial Quality), no Corundum	Rough Ruby (Higher, Medium and Commercial Quality), no Corundum
Carats offered	1,048,687	682,508	629,893	685,363	978,197
Carats sold	895,849	605,229	588,656	655,623	962,211
No. of lots offered	83	76	86	90	90
No. of lots sold	78	71	82	88	84
Percentage of lots sold	94%	93%	95%	98%	93%
Percentage of lots sold by weight	85%	89%	93%	96%	98%
Total sales realised at auction	USD 54.8 million	USD 55.0 million	USD 71.8 million	USD 55.3 million	USD 50.0 million
Average per carat sales value	USD 61.13/carat	USD 90.81/carat	USD 122.03 /carat	USD 84.32/carat	USD 51.99/carat

Adrian Banks, Gemfields' Managing Director of Product & Sales, commented:

“Our twelfth auction of rubies from the Montepuez Ruby Mine in Mozambique has yielded another healthy result and has taken cumulative revenue since our first ruby auction in June 2014 to over half a billion dollars. Each of these dollars is repatriated to MRM in Mozambique where MRM has been the largest taxpayer in Cabo Delgado province from 2014 through 2017. Approximately 23 cents of every dollar of MRM's revenue is paid to the government in the form of corporation tax and mineral production royalties. Large, premium quality gems remain very hard to come by and, as is demonstrated by the new price-per-carat record set for any Gemfields auction, such gems command corresponding prices. As always, our thanks go to the very hard-working teams at MRM and Gemfields, and of course to our partner, Mwiriti, and our host government in Mozambique.”

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

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