

GEMFIELDS

GEMFIELDS GROUP 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 LEI: 21380017GAVXTCYS5R31

("Gemfields" or the "Company")

Update on Distribution Pool

On 27 September 2019, the Company announced that:

- (i) it had completed a share buy-back programme, purchasing 143,168,555 shares on-market during the period 11 June – 27 September 2019 at an average price of ZAR 1.50 per share;
- (ii) the remaining balance of the Distribution Pool (referred to in its announcement of 27 June 2019) stood at USD10.28 million; and
- (iii) a further announcement would be made regarding the remaining Distribution Pool balance by 25 October 2019.

The buy-back was implemented in accordance with the general authority received by way of shareholders' resolutions passed at the Annual General Meeting held on 10 May 2019 (the "AGM"). That authority capped the number of shares that may be purchased during the 2019 calendar year to 143,168,555 shares (being 10% of the Company's shares in issue at the date of the AGM).

Since 27 September 2019, the 15-day volume weighted average price per Gemfields share has been ZAR 1.63. However, the Gemfields share price has now softened considerably with the closing share price on 18 October 2019 being ZAR 1.40 per share and shares changing hands at a 52-week low of ZAR 1.13 per share on 18 October 2019.

In light of these share price developments, the Company continues to believe that the recent trading range of the Gemfields share price undervalues the Company and signifies an opportunity to purchase shares at a discount to intrinsic value.

As such, the Company will as soon as practicable seek shareholder approval via an extraordinary general meeting (the "EGM") to increase the number of shares that may be repurchased during the 2019 calendar year. Any such purchases would be funded using part or all of the remaining Distribution Pool.

The Company will update the market in due course with details of the EGM.

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

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

London

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