

GEMFIELDS

GROUP LIMITED

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("Gemfields" or the "Company")

Emerald Mini-Auction Results

LONDON, 11 DECEMBER 2020

Gemfields is pleased to announce the results of its series of five small and sequential emerald auctions held during the period 2 November 2020 – 11 December 2020. The mini-auctions comprised of a selection of grades that are typically offered at Kagem’s auctions of higher quality emeralds. Selected lots were made available for in-person and private viewings by customers in Tel Aviv, Singapore and Jaipur. Following the viewings, the auctions took place via an online auction platform specifically adapted for Gemfields and permitting customers from multiple jurisdictions to participate in a sealed-bid process.

The emeralds were extracted by Kagem Mining Ltd in Zambia (“Kagem”, which is 75% owned by Gemfields and 25% by the Industrial Development Corporation of Zambia). The proceeds of this auction will be fully repatriated to Kagem in Zambia, with all royalties due to the Government of the Republic of Zambia being paid on the full sales prices achieved at the auction.

Highlights – Mini-Auctions

- Aggregated auction revenues of USD 10.88 million
- Average price of USD 59.84 per carat
- Of the 28 lots offered, 24 were sold (86%)
- 80% of the carats offered were sold
- The 36 Kagem auctions (with the recent series of 5 mini-auctions treated as one auction) held since July 2009 have generated USD 657.4 million in total revenues

The auction saw 46 companies placing bids and generating total revenues of USD 10.88 million with an overall average value of USD 59.84 per carat. The auction saw 80% of the offered carats being sold (or 86% of the number of lots offered).

Gemfields’ 36 auctions of emeralds and beryl mined at Kagem since July 2009 have generated USD 657.4 million in total revenues. Although not a direct comparison, the results of the four most recent higher quality Kagem auctions are summarised in the table below along with the aggregated results of the above mentioned five mini-auctions (and earlier results are available at www.gemfieldsgroup.com):

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AUCTION RESULTS (HIGHER QUALITY)	May '18 AUCTION	Nov '18 AUCTION	May '19 AUCTION	Nov '19 AUCTION	Nov-Dec '20 AUCTION
Dates	15-18 May 2018	14-17 Nov 2018	14-17 May 2019	18-21 Nov 2019	2 Nov - 11 Dec 2020
Location	Lusaka	Singapore	Singapore	Singapore	Various/ Online
Type	Higher Quality	Higher Quality	Higher Quality	Higher Quality	Higher Quality
Carats offered	0.31 million	0.57 million	0.43 million	0.36 million	0.23 million
Carats sold	0.17 million	0.42 million	0.31 million	0.32 million	0.18 million
No. of companies placing bids	31	40	45	48	47
Average no. of bids per lot	8	8	8	9	11
No. of lots offered	17	26	35	38	28
No. of lots sold	10	20	28	33	24
Percentage of lots sold	59%	77%	80%	87%	86%
Percentage of lots sold by weight	56%	74%	72%	88%	80%
Total sales realised at auction	USD 10.3 million	USD 28.4 million	USD 22.4 million	USD 27.2 million	USD 10.9 million
Average per carat sales value	USD 59.55/carat	USD 68.03/carat	USD 71.85/carat	USD 85.26/carat	USD 59.84 / carat

The specific auction mix and exact quality 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 directly comparable.

Gemfields holds sufficient rough gemstone inventory to be able to host one auction of each of (i) mixed quality rubies (ii) higher quality emeralds and (iii) commercial quality emeralds. Subject to market conditions and Covid-19 developments, it is presently envisaged that two larger auctions - one each of mixed quality rubies and higher quality emeralds – will take place in the first quarter of 2021.

Principal operations at both the Kagem emerald mine and the Montepuez ruby mine have been suspended since March and April 2020 respectively. It is hoped that mining operations will resume by March 2021, subject to market conditions and Covid-19 developments.

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

"The results of the final four in our series of five online mini-auctions very much echoed what we previously announced in respect of the first mini-auction on 10 November 2020. Prices remained robust and in a number of instances comfortably exceeded bids received in pre-Covid-19 auctions. The fact that operations at the world's largest mines for emerald and ruby have been suspended since March and April 2020, and may remain suspended until March 2021, clearly also played a role. Total auction revenue in 2020 for the Kagem emerald mine in Zambia therefore stands at USD 22.4 million, a decline of 72% from the USD 79.1 million attained in 2019. We now look forward to hosting one mixed quality ruby auction and one higher quality emerald auction during

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the first quarter of 2021 and have received very positive feedback from our clients regarding the new BidGemmer online bidding platform, giving us an important additional tool in 2021. I would like to thank the Kagem Mining and Gemfields sales teams for their tremendous efforts and for delivering a positive auction result during these very trying times.”

-ENDS-

Further information on Gemfields Group Limited can be found at:

GEMFIELDSGROUP.COM

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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.