

# GEMFIELDS

## GROUP LIMITED

Incorporated in Guernsey. Guernsey registration Number: 47656.

South African external company registration number 2009/012636/10

Share code on JSE:GML / AIM:GEM

ISIN: GG00BG0KTL52 | LEI: 21380017GAVXTCYS5R31

("Gemfields" or the "Company")

## Sales, costs and cash update

LONDON, 18 DECEMBER 2020

Gemfields shareholders are advised that the Company has released updated information about its sales, costs and cash position up to and including 11 December 2020 (unless otherwise stated). The information can be found on the Company's website at [www.gemfieldsgroup.com](http://www.gemfieldsgroup.com).

Shareholders are advised that the figures are approximate and are unaudited.

At 11 December 2020, the Gemfields Group had cash balances of approximately USD 44.3 million, a gross debt position of USD 58.9 million, a resulting net debt position of approximately USD 14.6 million and, in addition, USD 12.0 million of auction receivables due from auction customers.

As a result of the cost saving measures implemented across the group, monthly cash operating expenditure has dropped from approximately USD 12.1 million per month (the monthly average during the year to 31 December 2019) to an average of below USD 5.0 million per month in the 3 months ending 30 November 2020.

Gemfields presently 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 envisaged that mining operations will resume by end March 2021, subject to market conditions and Covid-19 developments.

Sean Gilbertson, Gemfields' CEO commented:

*"2020 has been unlike any year Gemfields has faced to date. Our gemstone auction revenues have fallen almost 89% from 2019's record high of USD 201 million. The widespread quarantine, travel and congregating restrictions arising from the Covid-19 pandemic have had a serious impact on Gemfields' ability to host gemstone auctions in our regular format. The fact that emeralds sold at our last regular auction in Lusaka in February 2020 could only be successfully delivered to clients in India in October 2020 demonstrates the extent of the logistical hurdles that our sales team has had to overcome this year. The recent success of our multi-city mini-auctions, deploying a new online bidding platform, provides important flexibility and back-up for 2021. We are very grateful to the Gemfields team worldwide for their ongoing dedication and the sacrifices many have had to make. We are equally grateful to our stakeholders, partners and shareholders for their support and patience as we navigate the uncertainty and ever-changing conditions. We believe that the decisions we have taken in 2020 best position the group, and our sales of emeralds and rubies, for an optimal recovery in 2021."*

-ENDS-

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[gemfieldsgroup.com](http://gemfieldsgroup.com)

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Further information on Gemfields Group Limited can be found at:

[GEMFIELDSGROUP.COM](http://GEMFIELDSGROUP.COM)

To join our investor mailing list, contact us on:

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For any press enquiries please contact us on:

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## ENQUIRIES

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### ADDITIONAL INFORMATION ON GEMFIELDS

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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.