GEMFIELDS
GROUP LIMITED

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("Gemfields" or the "Group" or the "Company")

Auction Results - Trade Select Ruby Auction and MRM Update

LONDON, 30 JUNE 2026

Gemfields announces the results of an auction of mixed-quality rough ruby held from 22 to 29 June 2026. This marks the Company's first "Trade Select" auction, featuring a broader mix of ruby qualities as well as newly introduced sapphire categories.

Highlights – Trade Select Ruby Auction – June 2026

- Total auction revenues of USD 23.1 million.
- 82 of the 89 lots offered for sale were sold (92.1%).
- 374,008 carats were offered for sale with 348,409 carats sold (93.2%).
- Average sales price of USD 66.30 per carat.

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

"We are pleased with the outcome of our inaugural 'Trade Select' ruby auction. The Trade Select format was developed to sit between MRM's traditional Mixed-Quality ruby auctions and the smaller mini-auctions introduced during 2025. By bringing selected grades and categories together in a focused offering, the format provides greater flexibility in matching available production with market demand, whilst also broadening customer participation.

It was encouraging to receive positive feedback from customers regarding both the auction format and the composition of the offering. Whilst market conditions remain challenging in certain sectors of the coloured gemstone market, customer attendance was strong and bidding demonstrated continued demand across the categories offered.

I would like to thank the MRM team in Mozambique for their considerable efforts in preparing and delivering this auction despite the many challenges they face. We now look forward to building on these results as preparations begin for MRM's next Mixed-Quality ruby auction, presently scheduled for October 2026."

The gemstones were extracted in Mozambique by Montepuez Ruby Mining Limitada ("MRM") which is 75% owned by Gemfields and 25% by Mwiriti Limitada. The proceeds of this auction will be fully repatriated to MRM in Mozambique, with all royalties due to the Government of the Republic of Mozambique being paid on the full sales prices achieved at the auction.

The auction lots were made available in Bangkok for private, in-person viewings by customers. Following the viewings, the auctions took place via an online auction platform specifically adapted for Gemfields and which permitted customers from multiple jurisdictions to participate in a sealed-bid process.

MRM Update

As set out in the announcement of 22 May 2026, MRM has experienced lower-than-expected ruby production, primarily driven by declining recovered grades. Premium rubies typically account for more than 70% of MRM's revenue but constitute less than 5% of the weight of rubies produced and sold.

In the year ending 31 December 2025, overall premium ruby grade at MRM was 0.06 carats per tonne. In the five-months ending 31 May 2026, the overall premium grade was 0.03 carats per tonne.

In the Mugloto domain, which has produced the bulk of MRM's revenue and constitutes 78% of the ore processed to date, the premium ruby grade was 0.03 carats per tonne in the year ending 31 December 2025. In the five-months to 31 May 2026, the premium ruby grade from the Mugloto domain was 0.02 carats per tonne.

In addition to the declining grades, MRM has not been able to mine and process the most favourable areas of the concession on account of heavy rainfall during the first quarter of 2026 and commissioning issues with MRM's Second Processing Plant ("PP2"), as further set out below. As a result, there will be a material adverse impact on the inventory available for MRM ruby auctions for at least the remainder of 2026.

Operationally, the Company is undertaking additional targeted bulk sampling in areas considered prospective for higher-grade material, with the aim of enhancing grade outcomes. In parallel, Gemfields and MRM are maintaining a number of the cost management disciplines initiated in late 2024.

The Company will provide a further update on ruby production and recovered grades in its operational update for the six months ending 30 June 2026, which is expected to be released on or before 31 July 2026.

PP2

PP2 has been operating since September 2025, although final commissioning under the fixed-price construction contract is presently expected during the third quarter of 2026. While the plant has demonstrated its ability to achieve and exceed its design throughput rate, final commissioning remains subject to a number of stabilisation, remedial and optimisation activities.

The issues encountered include higher-than-anticipated wear of certain components (including the primary scrubber liners), original equipment manufacturer (OEM) construction defects in the secondary scrubber (requiring a full rebuild and delivery of a replacement scrubber, expected to arrive on site in August 2026), choking in various components requiring, inter alia, changing the orientation and lining of chutes and feeders and the availability of critical spares. These issues have had a material impact on plant availability and consistency of operation but are being actively addressed as part of the final commissioning and stabilisation process.

MRM Security Situation

From 30 April 2026, assorted villages ranging from 15-35km away from MRM endured attacks attributed to insurgents. These attacks saw churches and village homes burnt and resembled attacks seen elsewhere in Mozambique's Cabo Delgado province. Fighting between local forces and the attackers was also reported in the village of Mesa (29km East of MRM Village).

MRM paused operations for circa 20 hours as a precautionary measure, recommencing on 1 May 2026. The village of Naniviji, 25km Southeast of MRM was also attacked and saw a number of homes burnt on 13 May 2026.

On 13 May 2026, Government authorities announced the arrest of a number of "false terrorists" in Ancuabe. The perpetrators appear to have exploited the prevailing security concerns by imitating the presence of insurgent groups, prompting residents to flee before looting property and setting fire to homes. In addition to the risk of organised insurgent groups, threats also arise from locally driven criminal activity, the presence of illegal ruby mining syndicates and broader destabilising factors in the region, including difficulties in delivering adequate rule of law.

Conditions have since improved moderately and operational activity has returned to relative normal, with ongoing developments being closely monitored.

MRM continues to experience high levels of illegal mining intrusion, with approximately 700 individuals entering daily. These intrusions pose a considerable safety risk to MRM's personnel, contractors and community members, and also degrade MRM's ruby resources and recovery grades.

VAT

MRM is owed USD 28.3 million in value-added tax ("VAT") refunds (as at 30 June 2026), which, together with the increased VAT burden arising from the new legislation, has had a materially negative impact on MRM's cash flow. The company has consistently engaged with authorities to recover the VAT, however, has not received any VAT refunds since October 2024 and is considering all available options to expedite the recovery of the historical VAT. Mozambique introduced new VAT legislation on 1 January 2026 which, inter alia, materially increased the VAT burden falling on MRM but also put in place a special regime for qualifying extractive companies.

MRM qualifies for the special regime which is designed to ensure that qualifying extractive industries are able to have their VAT reliably reimbursed in accordance with a defined timetable. The first reimbursement due to MRM under the new VAT rules, being MRM's VAT claim for January 2026, is due for refund on 7 August 2026, in the amount of USD 0.37 million. Reliable reimbursement of MRM's input VAT is of considerable importance to MRM's future cashflow.

Near-Term Outlook and Monitoring

Declining grades, PP2 commissioning challenges, security-related disruption, illegal mining activity and delayed VAT receipts are collectively expected to adversely impact production, quality mix and cash flow, and Gemfields and MRM are continuing to monitor the situation closely while engaging with government authorities and carrying out available contingency planning.

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Further information on Gemfields Group Limited can be found at:
GEMFIELDSGROUP.COM

To join our investor mailing list, please contact us on:
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This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) no. 596/2014 which forms part of domestic UK law pursuant to the European Union (withdrawal) act 2018 ("MAR").

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NOTES TO EDITORS

About Gemfields Group Limited

Gemfields is a world-leading miner of coloured gemstones, dual-listed on the Johannesburg and London AIM stock exchanges.

Gemfields is the operator and 75% owner of both Kagem Mining in Zambia (a world-leading emerald mine) and Montepuez Ruby Mining in Mozambique (situated on one of the most significant recently discovered ruby deposits in the world). In addition, Gemfields holds controlling interests in various other gemstone mining and prospecting licenses in Zambia, Mozambique and Madagascar.

Gemfields has developed a proprietary grading system and a pioneering auction platform to provide a consistent supply of coloured gemstones to downstream markets, a key component of Gemfields' business model that has played an important role in the growth of the global coloured gemstone sector.

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