

Gemfields plc

("Gemfields" or "the Company")

Results – Singapore Rough Ruby Auction

22 June 2015

Gemfields plc (AIM: GEM) is pleased to announce the results of its auction of predominantly higher quality rough ruby extracted by Montepuez Ruby Mining Limitada (which is 75% owned by Gemfields and 25% by local partners Mwiriti Limitada) from the Montepuez ruby deposit ("Montepuez") in Mozambique. The auction was held in Singapore from 16 to 21 June 2015.

Highlights

- Auction revenues of USD 29.3 million;
- Average realised price of USD 617 per carat;
- 47,451 carats sold (66% by weight or 87% by market value) out of the total of 72,208 carats offered; and
- The four Montepuez auctions held since June 2014 have generated USD 122.2 million in aggregate revenues.

Montepuez Ruby Auction

Gemfields' fourth auction of rough rubies from Montepuez saw 46 companies placing bids. The auction was only the second comprised predominantly of rubies of higher quality and all 46 lots offered at the auction were offered on an untreated basis.

The auction generated total revenues of USD 29.3 million at an average realised price of USD 617 per carat. The auction results, which saw 28 of the 46 lots offered being sold, indicate there are further opportunities to educate the market on the Company's products in order for the market to fully appreciate the rarity and value of all of the gems from Montepuez. The comparability of the progress to date at Montepuez with that achieved at Kagem, the Company's producing emerald mine in Zambia, bodes well for the future price development. The results of the four Montepuez auctions held to date are summarised below:

AUCTION RESULTS (RUBY & CORUNDUM)	JUNE '14 AUCTION	DECEMBER '14 AUCTION	APRIL '15 AUCTION	JUNE '15 AUCTION
Dates	12-17 June 2014	3-8 December 2014	17-22 April 2015	16-21 June 2015
Location	Singapore	Singapore	Jaipur, India	Singapore
Type	Rough Ruby & Corundum (Higher and Lower Quality)	Rough Ruby (Higher Quality)	Rough Ruby & Corundum (Lower Quality)	Rough Ruby (Higher Quality)
Carats offered	2.03 million	85,491	4.03 million	72,208
Carats Sold	1.82 million	62,936	3.99 million	47,451
No. of lots offered	62	41	66	46
No. of lots sold	57	35	58	28
Percentage of lots sold	92%	85%	88%	61%
Percentage of lots sold by weight	90%	74%	99%	66%
Percentage of lots sold by market value	91%	97%	93%	87%
Total sales realised at auction	USD 33.5 million	USD 43.3 million	USD 16.1 million	USD 29.3 million
Average per carat sales value	USD 18.43/carat	USD 688.64/carat	USD 4.03/carat	USD 617.42

The proceeds of this auction will be repatriated to Montepuez Ruby Mining Limitada in Mozambique and with royalties due to the Government of Mozambique being paid on the full sales price achieved at the auction.

One of the highlights of the auction was an exceptional and rare matching pair of rough rubies, discovered earlier this year at Montepuez, with a combined weight of 45 carats. The matching pair were bought by the renowned ruby house, Veerasak Gems of Thailand.

The founders of Veerasak Gems, Mr. and Mrs. Trirotanan, have more than 35 years of gemstone experience with a focus on rubies and have named the rubies 'Eyes of the Dragon'. Mrs. Trirotanan said:

"Despite sourcing rubies from all over the world, we were dazzled by this magnificent matching pair and have decided to name them the 'Eyes of the Dragon' due to the beauty we see within them. Looking at them makes me tremble and we are certain that our experience will unveil their full potential for all the world to behold."

In recognition of the successful sale of the *Eyes of the Dragon*, Montepuez Ruby Mining Limitada has committed to providing support for the Niassa Lion Project (www.niassalion.org) in the Niassa National Reserve ("NNR") in northern Mozambique, an area of profound importance for the global conservation of African wildlife, especially for the African lion, wild dog and elephant. Larger than Switzerland, NNR is home to more than 35,000 people across 40 villages and encounters between villagers and wildlife pose a serious threat to both. The Niassa Lion Project is committed to hiring and training Niassa residents as team members, providing advanced schooling through scholarships, and mentoring young Mozambican conservationists.

Next Auction

The next Gemfields auction will be of predominantly higher quality emerald from Kagem and is presently expected to take place in August 2015.

Ian Harebottle, CEO of Gemfields, commented:

"We are pleased with the outcome of our third ruby auction in Singapore, and our fourth auction of Montepuez rubies. Demand for fine gems remains very healthy and the prices obtained are in line with our expectations when compared to the previous high quality auction. Although there has been some softening in demand for certain darker tone and lower quality grades, in our view these grades offer remarkable value right now. We believe that this value can be unlocked in the near term through further market education and communication, as shown by the price performance of our similar quality emeralds auctioned from Kagem in recent years."

We are delighted that the successful sale of the extraordinary 45 carat matching ruby pair from Montepuez will benefit conservation and the community within the Niassa National Reserve, and look forward to collaborating with Dr Colleen Begg and her remarkable team to further their work.

The six auctions we have hosted so far this financial year, three of emeralds and three of rubies, have yielded aggregate revenues of USD 154 million, a superb performance by Gemfields with credit due to every member of our devoted and hard-working team worldwide."

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Notes to Editors:

Gemfields plc is the world's leading supplier of responsibly sourced coloured gemstones and is listed on the AIM market of the London Stock Exchange (ticker: GEM) where it is a constituent of the AIM50 index.

In July 2009, Gemfields commenced a formal auction programme for Zambian emeralds mined at the Kagem emerald mine. To date, the Company has held 18 auctions of emerald and beryl produced at Kagem and which have generated revenues totalling USD 325 million. The Company has also held 2 standalone auctions of traded rough emeralds (of gemstones not obtained directly from the Company's own mining operations) which generated revenues of USD 22 million.

The Company also owns a 75% stake in the highly prospective Montepuez ruby deposit in Mozambique as well as licences in Madagascar including ruby, emerald and sapphire deposits. The four ruby and corundum auctions held since June 2014 have generated USD 122 million in aggregate revenues.

In addition, Gemfields holds a 50% interest in the Kariba amethyst mine in Zambia. In February 2015 Gemfields held its second auction of rough amethyst extracted from Kariba amethyst mine, generating revenues of USD 0.45 million.

Gemfields acquired the Fabergé brand in January 2013 to create a globally recognised coloured gemstone champion. Fabergé provides Gemfields with direct control over a high-end luxury goods platform and a global brand with exceptional heritage.