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| **ANNOUNCEMENT TO BE MADE BY THE AIM APPLICANT PRIOR TO ADMISSION IN ACCORDANCE WITH RULE 2 OF THE AIM RULES FOR COMPANIES (“AIM RULES”)** |
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| COMPANY NAME: |
| Gemfields Group Limited (“Gemfields”, the “Company” or the “Group”) |
| COMPANY REGISTERED OFFICE ADDRESS AND IF DIFFERENT, COMPANY TRADING ADDRESS (INCLUDING POSTCODES) : |
| **Registered Office Address**  Gemfields Group Ltd  Royal Chambers  St Julian’s Avenue  St Peter Port  GY1 4HP  Guernsey  **Trading Address**  Gemfields Ltd  1 Cathedral Piazza  London  SW1E 5PB |
| COUNTRY OF INCORPORATION: |
| Guernsey |
| COMPANY WEBSITE ADDRESS CONTAINING ALL INFORMATION REQUIRED BY AIM RULE 26: |
| www.gemfieldsgroup.com |
| COMPANY BUSINESS (INCLUDING MAIN COUNTRY OF OPERATION) OR, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTING POLICY). IF THE ADMISSION IS SOUGHT AS A RESULT OF A REVERSE TAKE-OVER UNDER RULE 14, THIS SHOULD BE STATED: |
| Gemfields is a world-leading supplier of responsibly sourced, coloured gemstones. The Group is Africa-focussed and is the market leader in the mining, grading, marketing and selling of precious coloured gemstones. The Group’s key producing assets are located in Zambia (emerald and beryl) and Mozambique (rubies). The Kagem mine in Zambia is believed to be the world’s largest producing emerald mine and is estimated to account for more than one fifth of the world’s total production of emeralds. Similarly, the MRM ruby mine in Mozambique is recognised as the largest ruby producing mine in the world and the Group owns rights to additional concessions in the same region of Mozambique which provide exploration upside. The Group has a controlling 75% interest in both Kagem and MRM and is the operator of both assets.  Gemfields has developed a proprietary grading system for emeralds and rubies together with a pioneering auction platform so as to provide a consistent supply of coloured gemstones to downstream markets. In addition to the gemstone mining and production assets the Group also owns and operates the Fabergé brand, one of the world’s most recognisable luxury brands. Fabergé provides the Group with direct access to the coloured gemstone end-consumer and the brand is focussed on the promotion of the desirability of coloured gemstones through its jewellery, timepieces and objects.  The Group currently has a primary listing on the Johannesburg Stock Exchange and a secondary listing on the Bermuda Stock Exchange. |
| DETAILS OF SECURITIES TO BE ADMITTED INCLUDING ANY RESTRICTIONS AS TO TRANSFER OF THE SECURITIES (i.e. where known, number and type of shares, nominal value and issue price to which it seeks admission and the number and type to be held as treasury shares): |
| 1,267,450,245\* ordinary shares (“Ordinary Shares”)  Of which:  • Ordinary Shares held by a wholly-owned subsidiary of the Company (with no voting rights): 96,276,146 (7.60%)  • Total issued number of Ordinary Shares (with voting rights): 1,171,174,099  No restrictions as to the transfer of securities.  *\*the Company is in the process of buying back shares pursuant to a closed period buyback mandate, lodged with the JSE on 19 December 2019, and, therefore, the stated issued share capital may be up to 100,000,000 shares lower at the date of Admission, depending on the extent to which the buy-back mandate is fulfilled.* |
| CAPITAL TO BE RAISED ON ADMISSION (AND/OR SECONDARY OFFERING) AND ANTICIPATED MARKET CAPITALISATION ON ADMISSION: |
| N/A – No capital to be raised  Market capitalisation on admission of approximately £122m |
| PERCENTAGE OF AIM SECURITIES NOT IN PUBLIC HANDS AT ADMISSION: |
| 27.57% |
| DETAILS OF ANY OTHER EXCHANGE OR TRADING PLATFORM TO WHICH THE AIM SECURITIES (OR OTHER SECURITIES OF THE COMPANY) ARE OR WILL BE ADMITTED OR TRADED: |
| Gemfields’ primary listing is on the Johannesburg Stock Exchange (“JSE”) and its secondary listing is currently on the Bermuda Stock Exchange (“BSX”). The Company will be exploring options for its BSX listing following its proposed admission to AIM. |
| FULL NAMES AND FUNCTIONS OF DIRECTORS AND PROPOSED DIRECTORS (underlining the first name by which each is known or including any other name by which each is known): |
| Martin Paul Tolcher Independent Non-Executive Chairman  Sean Thomas Gilbertson CEO  David John Lovett CFO  Dr Christoffel (“Christo”) Hendrik Wiese Non-Executive Director  Lumkile Patriarch Mondi Lead Independent Non-Executive Director  Carel Johannes Malan Independent Non-Executive Director  Kwape David Mmela Independent Non-Executive Director  It is the intention of the Company to consider the appointment of another UK based Independent Non-Executive Director with plc and other relevant experience. |
| FULL NAMES AND HOLDINGS OF SIGNIFICANT SHAREHOLDERS EXPRESSED AS A PERCENTAGE OF THE ISSUED SHARE CAPITAL, BEFORE AND AFTER ADMISSION (underlining the first name by which each is known or including any other name by which each is known): |
| |  |  |  | | --- | --- | --- | |  | *Number of ordinary shares held pre and post admission* | *% of issued share capital* | | Dr Christo Wiese\* | 160,388,407 | 12.65% | | Fidelity International | 139,535,923 | 11.01% | | Ophorst Van Marwijk Kooy Vermogensbeheer N.V. | 96,765,269 | 7.63% | | Gemfields Group Limited\*\* | 96,276,146 | 7.60% | | Oasis\*\*\* | 94,785,218 | 7.48% | | Investec Asset Management | 71,372,033 | 5.63% | | Old Mutual Plc | 69,145,457 | 5.46% | | Solway Finance Limited | 67,386,056 | 5.32% | | Investec Bank\*\*\*\* | 60,228,829 | 4.75% | | Hof Hoorneman Bankiers N.V | 39,298,250 | 3.10% | | \*Dr Wiese, Non-Executive Director, holds indirect interests in Gemfields shares via various entities, totalling 12.65%. In addition, certain shares are held by members of Dr Wiese’s immediate family (2,204,700 shares), totalling a further 0.17%  \*\* The Company’s interest in its own shares is 96,276,146 or 7.60% via a wholly-owned subsidiary  \*\*\*The Oasis shareholding includes interests held by Oasis Asset Management and Oasis Crescent Capital  \*\*\*\* Made up of 36,619,127 Ordinary Shares held by Investec Investments (UK) Limited and 23,609,702 Ordinary Shares held by Investec Bank (Mauritius) Limited. | | | |
| NAMES OF ALL PERSONS TO BE DISCLOSED IN ACCORDANCE WITH SCHEDULE 2, PARAGRAPH (H) OF THE AIM RULES: |
| There are no such persons. |
| 1. ANTICIPATED ACCOUNTING REFERENCE DATE 2. DATE TO WHICH THE MAIN FINANCIAL INFORMATION IN THE ADMISSION DOCUMENT HAS BEEN PREPARED (this may be represented by unaudited interim financial information) 3. DATES BY WHICH IT MUST PUBLISH ITS FIRST THREE REPORTS PURSUANT TO AIM RULES 18 AND 19: |
| 1. 31 December 2. N/A 3. By 31 June 2020 (annual results for the year ended 31 December 2019);   By 30 September 2020 (interim results for the 6 months to 31 July 2020); and  By 31 June 2021 (annual results for the year ended 31 December 2020); |
| EXPECTED ADMISSION DATE: |
| 14 February 2020 |
| NAME AND ADDRESS OF NOMINATED ADVISER: |
| finnCap Limited  60 New Broad Street,  London EC2M 1JJ  United Kingdom |
| NAME AND ADDRESS OF BROKER: |
| finnCap Limited  60 New Broad Street,  London EC2M 1JJ  United Kingdom |
| OTHER THAN IN THE CASE OF A QUOTED APPLICANT, DETAILS OF WHERE (POSTAL OR INTERNET ADDRESS) THE ADMISSION DOCUMENT WILL BE AVAILABLE FROM, WITH A STATEMENT THAT THIS WILL CONTAIN FULL DETAILS ABOUT THE APPLICANT AND THE ADMISSION OF ITS SECURITIES: |
| N/A |
| THE CORPORATE GOVERNANCE CODE THE APPLICANT HAS DECIDED TO APPLY |
| The King IV Corporate Governance Code which is mandatory for JSE-listed companies |
| DATE OF NOTIFICATION: |
| 17 January 2020 |
| NEW/ UPDATE: |
| New |
| **QUOTED APPLICANTS MUST ALSO COMPLETE THE FOLLOWING:** |
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| THE NAME OF THE AIM DESIGNATED MARKET UPON WHICH THE APPLICANT’S SECURITIES HAVE BEEN TRADED: |
| Main Board of the JSE Limited |
| THE DATE FROM WHICH THE APPLICANT’S SECURITIES HAVE BEEN SO TRADED: |
| The Company was listed on the Bermuda Stock Exchange (“BSX”) on 26 September 2007. On 20 August 2008, the Company listed on the Johannesburg Stock Exchange (“JSE”), with the JSE becoming the Company’s primary listing and the BSX listing being retained as a secondary listing. |
| CONFIRMATION THAT, FOLLOWING DUE AND CAREFUL ENQUIRY, THE APPLICANT HAS ADHERED TO ANY LEGAL AND REGULATORY REQUIREMENTS INVOLVED IN HAVING ITS SECURITIES TRADED UPON SUCH A MARKET OR DETAILS OF WHERE THERE HAS BEEN ANY BREACH: |
| The Company confirms, following due and careful enquiry, that it has adhered to all legal and regulatory requirements involved in having its securities traded on the Main Board of the JSE Limited. |
| AN ADDRESS OR WEB-SITE ADDRESS WHERE ANY DOCUMENTS OR ANNOUNCEMENTS WHICH THE APPLICANT HAS MADE PUBLIC OVER THE LAST TWO YEARS (IN CONSEQUENCE OF HAVING ITS SECURITIES SO TRADED) ARE AVAILABLE: |
| [www.gemfieldsgroup.com](http://www.gemfieldsgroup.com) |
| DETAILS OF THE APPLICANT’S STRATEGY FOLLOWING ADMISSION INCLUDING, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTING STRATEGY: |
| The Company’s strategy is to be the global leader in precious coloured gemstones and will continue to mine, develop and market precious coloured gemstones. The Company intends to develop the coloured gemstone market through the Company’s own marketing expertise and the market in which Fabergé operates.  In addition, the Company has previously announced (on 28 September 2018) that its minority stake in Sedibelo Platinum Mines Ltd, a non-core asset, is available for sale. The Company will continue to pursue options in this regard. |
| A DESCRIPTION OF ANY SIGNIFICANT CHANGE IN FINANCIAL OR TRADING POSITION OF THE APPLICANT, WHICH HAS OCCURRED SINCE THE END OF THE LAST FINANCIAL PERIOD FOR WHICH AUDITED STATEMENTS HAVE BEEN PUBLISHED: |
| Other than as disclosed in the Public Record, and in particular as announced on 17 December 2019, or as otherwise disclosed in the unaudited interim financial information relating to the Group for the six month period ended 30 June 2019, there have been no significant changes in the financial or trading position of the Company since the end of the financial year ended 31 December 2018. |
| A STATEMENT THAT THE DIRECTORS OF THE APPLICANT HAVE NO REASON TO BELIEVE THAT THE WORKING CAPITAL AVAILABLE TO IT OR ITS GROUP WILL BE INSUFFICIENT FOR AT LEAST TWELVE MONTHS FROM THE DATE OF ITS ADMISSION: |
| The Directors of Gemfields have no reason to believe that the working capital available to the Company or its Group will be insufficient for at least twelve months from the date of its admission. |
| DETAILS OF ANY LOCK-IN ARRANGEMENTS PURSUANT TO RULE 7 OF THE AIM RULES: |
| No lock-in arrangements are required pursuant to Rule 7 of the AIM Rules.  However, the Directors have each undertaken to finnCap that they shall not, except in certain specified circumstances, sell, transfer, grant any option over or otherwise dispose of the legal, beneficial or any other interest in any Ordinary Shares held by them at the date of Admission (or rights arising from any such shares or other securities or attached to any such shares) (together the “Restricted Shares”) prior to the six month anniversary of Admission. For a further twelve months, the Directors have each undertaken to only dispose of the Restricted Shares through finnCap. |
| A BRIEF DESCRIPTION OF THE ARRANGEMENTS FOR SETTLING THE APPLICANT’S SECURITIES: |
| The Company’s Ordinary Shares may be settled in CREST |
| A WEBSITE ADDRESS DETAILING THE RIGHTS ATTACHING TO THE APPLICANT’S SECURITIES: |
| www.gemfieldsgroup.com |
| INFORMATION EQUIVALENT TO THAT REQUIRED FOR AN ADMISSION DOCUMENT WHICH IS NOT CURRENTLY PUBLIC: |
| Information is contained within the Appendix to Pre Admission Announcement, available on the Company’s website [www.gemfieldsgroup.com](http://www.gemfieldsgroup.com) |
| A WEBSITE ADDRESS OF A PAGE CONTAINING THE APPLICANT’S LATEST ANNUAL REPORT AND ACCOUNTS WHICH MUST HAVE A FINANCIAL YEAR END NOT MORE THEN NINE MONTHS PRIOR TO ADMISSION AND INTERIM RESULTS WHERE APPLICABLE. THE ACCOUNTS MUST BE PREPARED IN ACCORDANCE WITH ACCOUNTING STANDARDS PERMISSIBLE UNDER AIM RULE 19: |
| www.gemfieldsgroup.com |
| THE NUMBER OF EACH CLASS OF SECURITIES HELD IN TREASURY: |
| 1,267,450,245\* ordinary shares (“Ordinary Shares”)  Of which:  • Ordinary Shares held by the Company (with no voting rights): 96,276,146 (7.60%)  • Total issued number of Ordinary Shares (with voting rights): 1,171,174,099  No restrictions as to the transfer of securities  *\*the Company is in the process of buying back shares pursuant to a closed period buyback mandate, lodged with the JSE on 19 December 2019, and, therefore, the stated issued share capital may be up to 100,000,000 shares lower at the date of Admission, depending on the extent to which the buy-back mandate is fulfilled.* |