GEMFIELDS

Gemfields Group Ltd – Update Presentation

March 2020



GEMFIELDS

Responsibly sourced Zambian emeralds and Mozambican rubies.

Championing transparency and trust in the coloured gemstone industry.

A Story in Every Gemstone
Discover more about Gemfields and Fabergé at Gemfields.com

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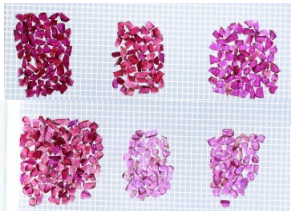
1. **Gemfields is a world-leading miner and supplier of responsibly sourced precious coloured gemstones**

2. **Key assets are:**

    a. **Montepuez Ruby Mine in Mozambique (75%)**
    b. **Kagem Emerald Mine in Zambia (75%) and**
    c. **Fabergé (100%)**

3. **Gemfields is the market leader in its three principal activities:**

    a. **Mining & Exploration**
    b. **Grading and Sorting (proprietary)**
    c. **Selling and Marketing (unique auction platform)**



4. **Cash generative and holds a positive net cash position as of the end of 2019**

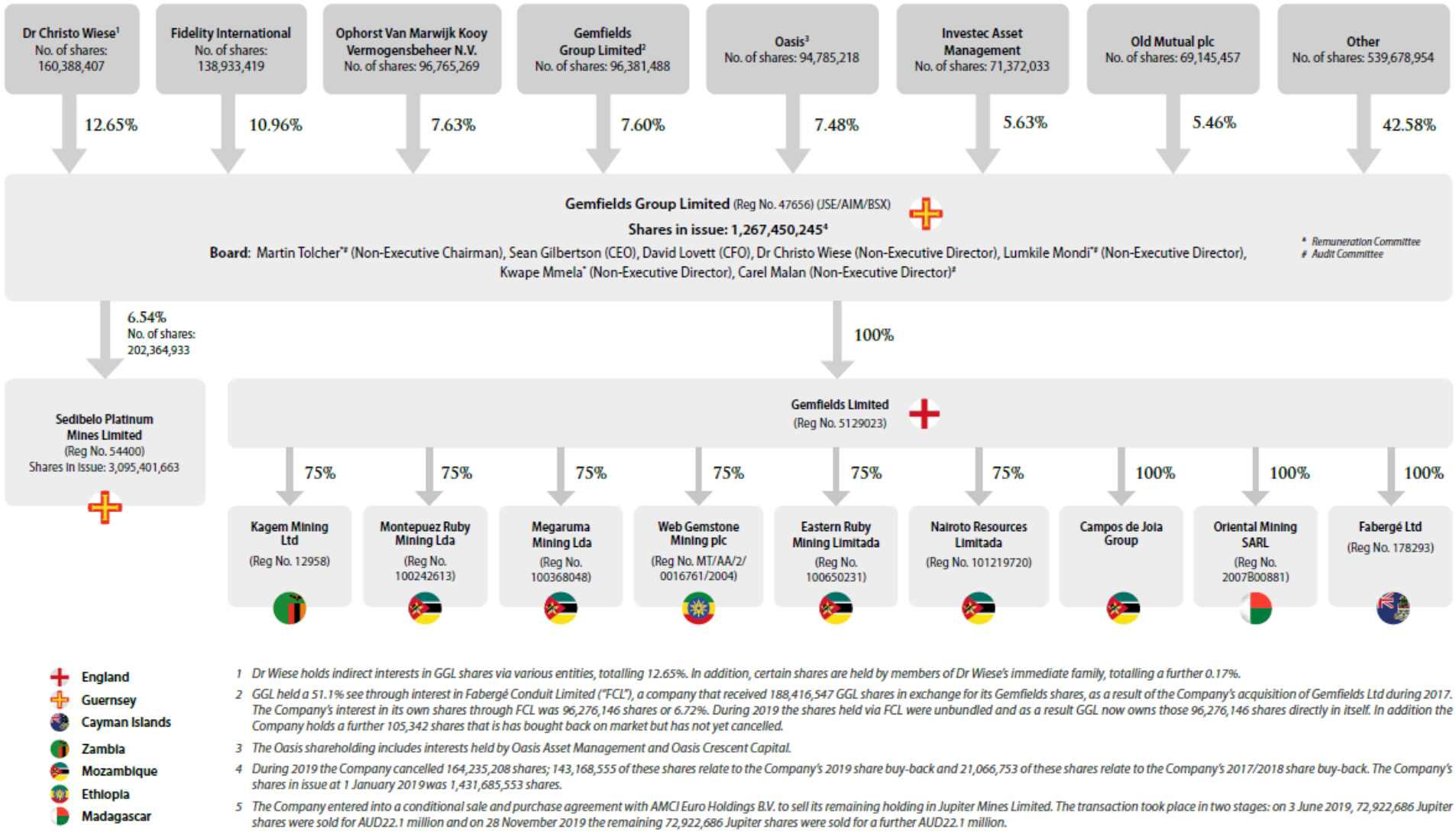
5. **Listed on the JSE, AIM and the BSX**

6. **Unique, profitable business offering exposure to precious coloured gemstones and a luxury goods brand yet to realise its full potential**



Gemfields Group Limited

GROUP STRUCTURE DIAGRAM (SIMPLIFIED)



1 *Dr Wiese holds indirect interests in GGL shares via various entities, totalling 12.65%. In addition, certain shares are held by members of Dr Wiese's immediate family, totalling a further 0.17%.*

2 *GGL held a 51.1% see through interest in Fabergé Conduit Limited ("FCL"), a company that received 188,416,547 GGL shares in exchange for its Gemfields shares, as a result of the Company's acquisition of Gemfields Ltd during 2017. The Company's interest in its own shares through FCL was 96,276,146 shares or 6.72%. During 2019 the shares held via FCL were unbundled and as a result GGL now owns those 96,276,146 shares directly in itself. In addition the Company holds a further 105,342 shares that is has bought back on market but has not yet cancelled.*

3 *The Oasis shareholding includes interests held by Oasis Asset Management and Oasis Crescent Capital.*

4 *During 2019 the Company cancelled 164,235,208 shares; 143,168,555 of these shares relate to the Company's 2019 share buy-back and 21,066,753 of these shares relate to the Company's 2017/2018 share buy-back. The Company's shares in issue at 1 January 2019 was 1,431,685,553 shares.*

5 *The Company entered into a conditional sale and purchase agreement with AMCI Euro Holdings B.V. to sell its remaining holding in Jupiter Mines Limited. The transaction took place in two stages: on 3 June 2019, 72,922,686 Jupiter shares were sold for AUD22.1 million and on 28 November 2019 the remaining 72,922,686 Jupiter shares were sold for a further AUD22.1 million.*

OUR PRINCIPAL FOCUS

EMERALDS (ZAMBIA)



RUBIES (MOZAMBIQUE)

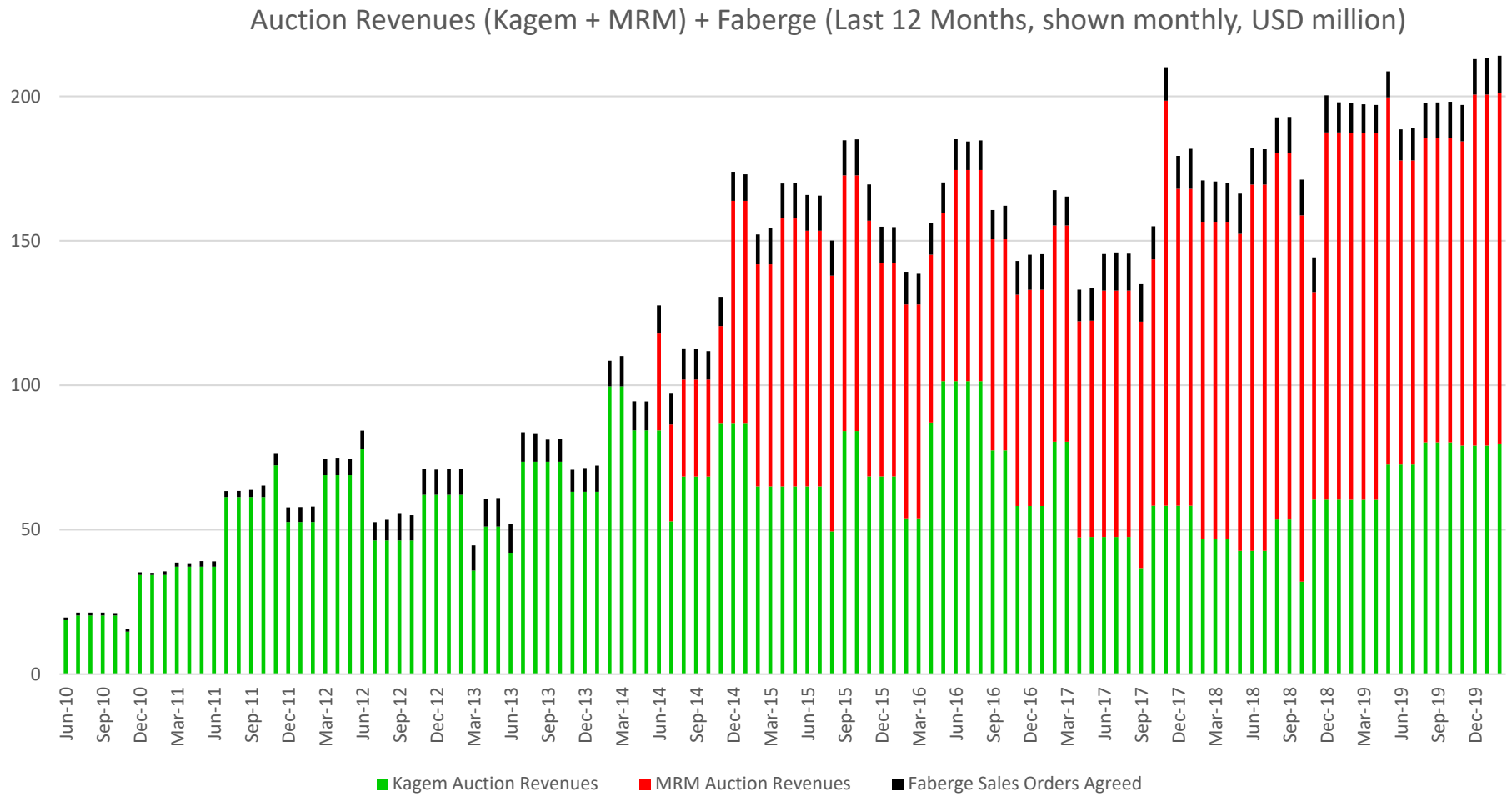


FABERGÉ



SAPPHIRES (?)

KEY REVENUE DRIVERS



Figures to 21 February 2020.

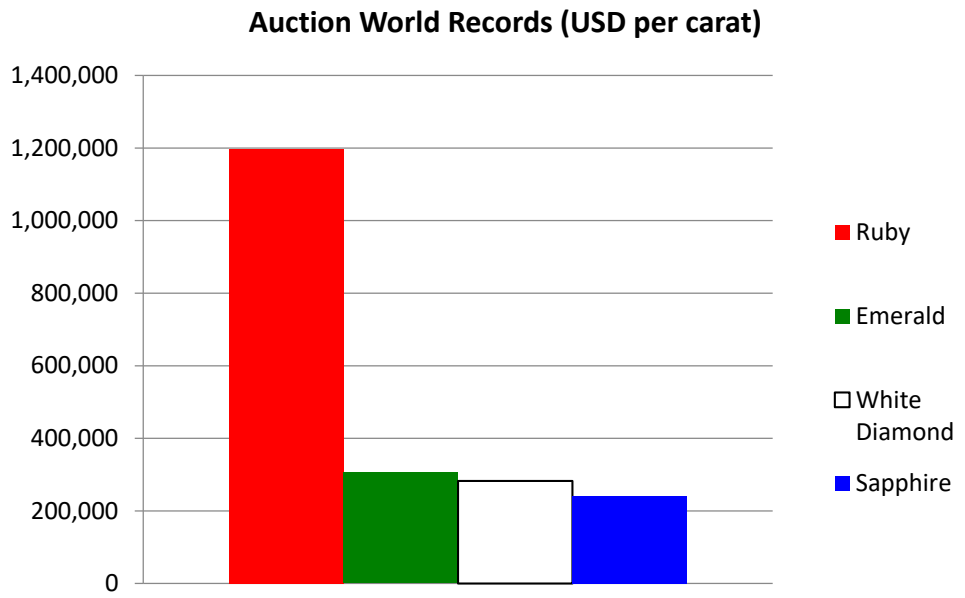
- Since 2009, Gemfields has held 48 auctions (35 of Zambian emeralds & 13 of Mozambican rubies), surpassing USD 1.2 billion in combined auction revenue.

- Sales of coloured gemstones continue to outperform the wider jewellery market. USD 2-3 billion of rubies, emeralds and sapphires produced each year (De Beers, Diamond Insight Report 2018).

- The prices of rubies and emeralds are determined by many factors but can be narrowed down to the six Cs (colour, clarity, cut, carat, certification and character). The origin of a gemstone also has a significant effect on price.

- The past decade has seen the world record auction prices for cut emeralds and rubies surpass that of colourless diamonds on a per carat basis. Per carat prices achieved at Gemfields' high quality auctions of Zambian rough emeralds have increased by more than 1,500% since July 2009.

- This popularity and increase in prices has been due to various factors, including improved manufacturer and consumer confidence in coloured gemstones. Gemfields' proprietary grading system and pioneering auction platform have been key in delivering reliable, consistent and transparent supplies.



RATIONALE FOR AIM LISTING

- AIM listing occurred on 14 February 2020 to provide shareholders with the option of owning UK-listed shares with greater liquidity.
- Reintroduce Gemfields to UK and European investors as a business that has a strict application of governance, capital allocation and operational stewardship.
- Increased access to a diversified pool of international shareholders and to enhance the Company's public profile in international markets.
- Provides investors with the opportunity to:
    - invest in a cash generative and profitable business and the world leading supplier of responsibly sourced coloured gemstones producing into a market with steadily increasing demand
    - benefit from expected organic growth as consistency of supply and demand for coloured gemstones increases
    - realise returns through Gemfields' clear intention to return value to shareholders via dividends



Gemfields Group Limited

BOARD MEMBERS - INDUSTRY VETERANS IN TECHNICAL, SUPPLY CHAIN & FINANCIAL FIELDS

Non-Executive Chairman



Martin Tolcher
Chairman

(Appointed 25 November 2008 - made Chairman 25 November 2019)

Executive Directors



Sean Gilbertson
Chief Executive Officer

(Appointed 17 July 2017 - made CEO 31 March 2018)



David Lovett
Chief Financial Officer

(Appointed 31 March 2018)

Non-Executive Director



Dr Christo Wiese

(Appointed 11 February 2013)

Audit Committee
Carel Malan (Chair)
Martin Tolcher
Lumkile Mondi

Remuneration Committee
Kwape Mmela (Chair)
Martin Tolcher
Lumkile Mondi

Nomination Committee
Lumkile Mondi (Chair)
Martin Tolcher
Kwape Mmela

Independent Non-Executive Directors



Lumkile Mondi
Lead Independent Director

(Appointed 29 October 2015)



Kwape Mmela

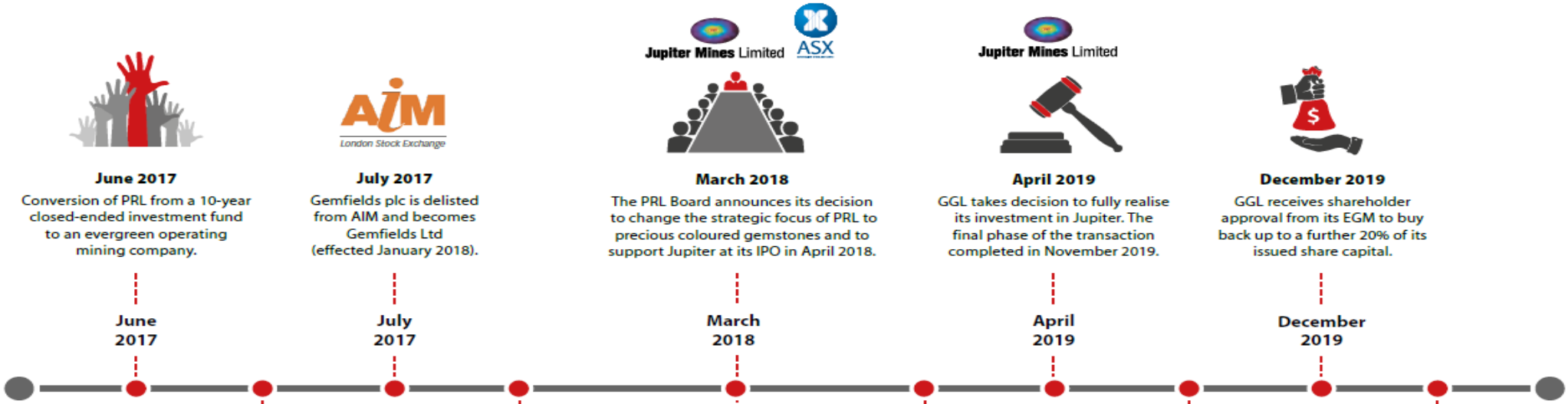
(Appointed 31 July 2017)



Carel Malan

(Appointed 9 January 2019)

TIMELINE OF KEY CORPORATE EVENTS (2017-2020)



June 2017
Conversion of PRL from a 10-year closed-ended investment fund to an evergreen operating mining company.

June – September 2017
PRL acquires the remaining Gemfields plc shares it did not already own, taking it to 100% ownership of Gemfields plc.

July 2017
Gemfields plc is delisted from AIM and becomes Gemfields Ltd (effected January 2018).

July – August 2017
The Board of Gemfields plc is restructured – Sean Gilbertson becomes CEO and David Lovett becomes CFO.

Gemfields veterans Adrian Banks, Kartikeya Parikshya and CV Suresh join the Gemfields plc Board.

March 2018
The PRL Board announces its decision to change the strategic focus of PRL to precious coloured gemstones and to support Jupiter at its IPO in April 2018.

March 2018
Arne H. Frandsen and Andrew Willis step down as CE and FD, respectively.

Sean Gilbertson and David Lovett take up the positions of CEO and CFO, respectively.

June 2018
PRL shareholders approve PRL's name change to Gemfields Group Limited.

April 2019
GGL takes decision to fully realise its investment in Jupiter. The final phase of the transaction completed in November 2019.

June 2019
GGL announces its intention to distribute USD24.7 million to its shareholders by way of Share Buy-Back and Special Dividend.

December 2019
GGL receives shareholder approval from its EGM to buy back up to a further 20% of its issued share capital.

February 2020
GGL completes its listing on AIM, as its secondary listing.

Share Prices



GEMFIELDS

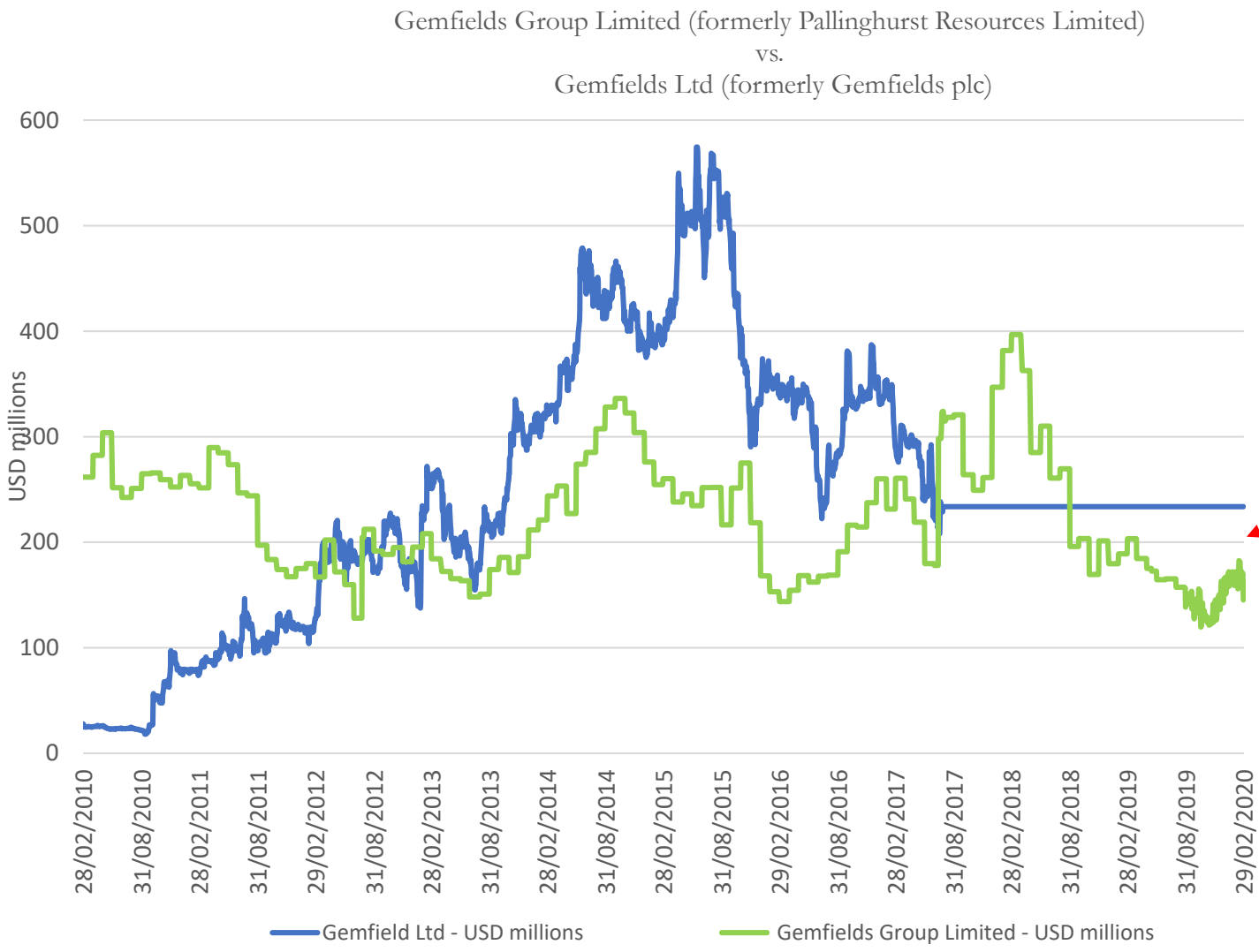
Responsibly sourced Zambian emeralds and Mozambican rubies.

Enhancing environmental sustainability by regenerating land and replanting native flora.

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Gemfields Group Limited

MARKET CAPITALISATION (USD MILLION)



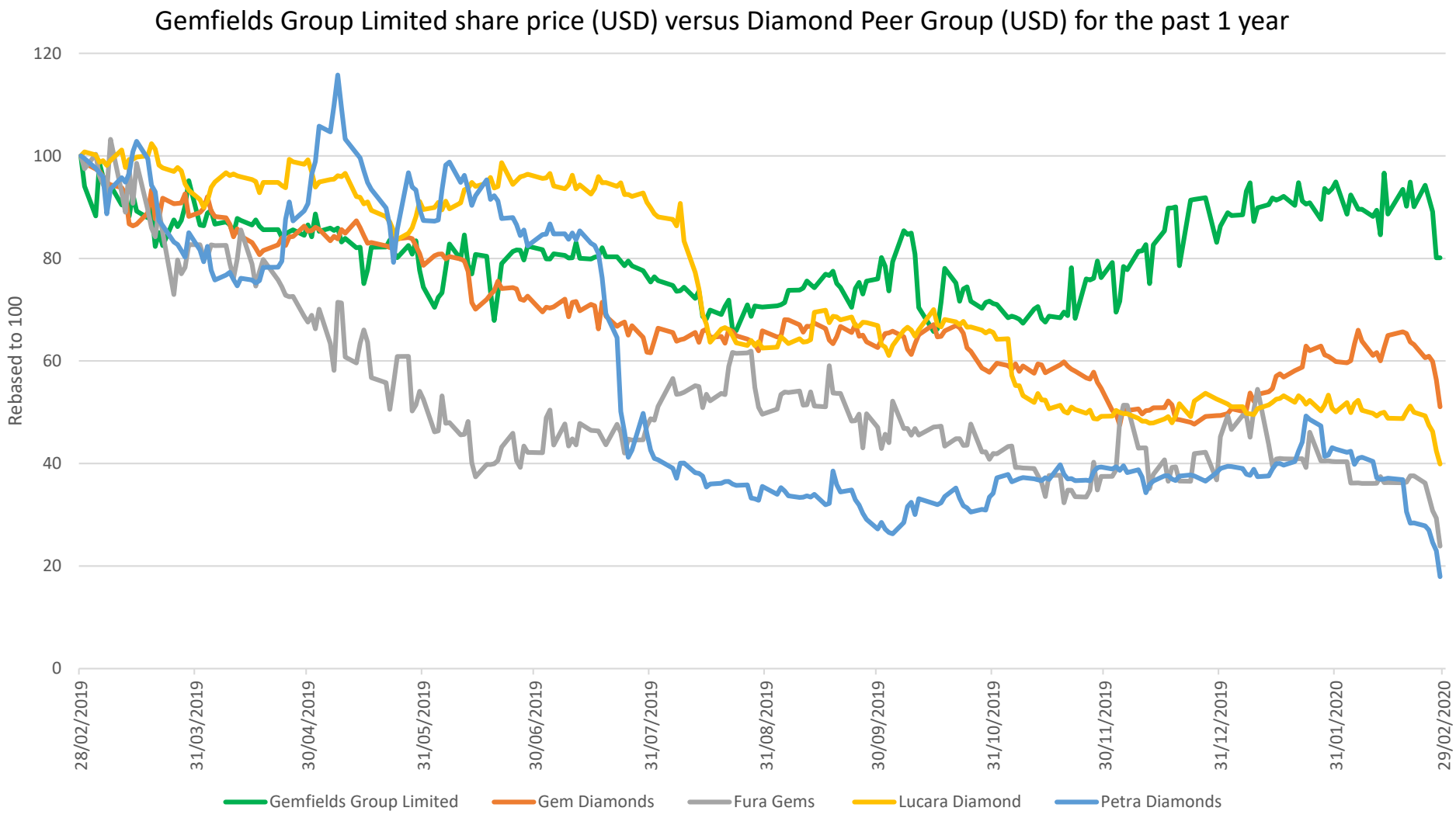
Gemfields Group Ltd is today circa 39% cheaper than Gemfields plc was at de-listing from AIM in August 2017, despite significant improvements in the balance sheet and operational performance.

VALUATION COMPARISON TO PREVIOUSLY AIM LISTED GEMFIELDS PLC

	Gemfields Plc [1] (AIM)	**Gemfields Group Limited (JSE/AIM)**	**% difference**
	30 June 2017	31 December 2019	
	USD millions	USD millions	
Cash	25.7	78.2	204%
(Debt)	(62.3)	(52.8)	15%
Net (Debt) / Cash	(36.6)	25.4	169%
	30 June 2017	30 June 2019	
Net Assets (Parent Only)	233.7	488.0	109%
	28 July 2017	28 February 2020	
Market Capitalisation	236	145	-39%
	28 July 2017 Market Cap versus 30 June 2017 NAV	28 February 2020 Market Cap versus 30 June 2019 NAV	
Premium/(discount) to Net Assets	1%	-70%	

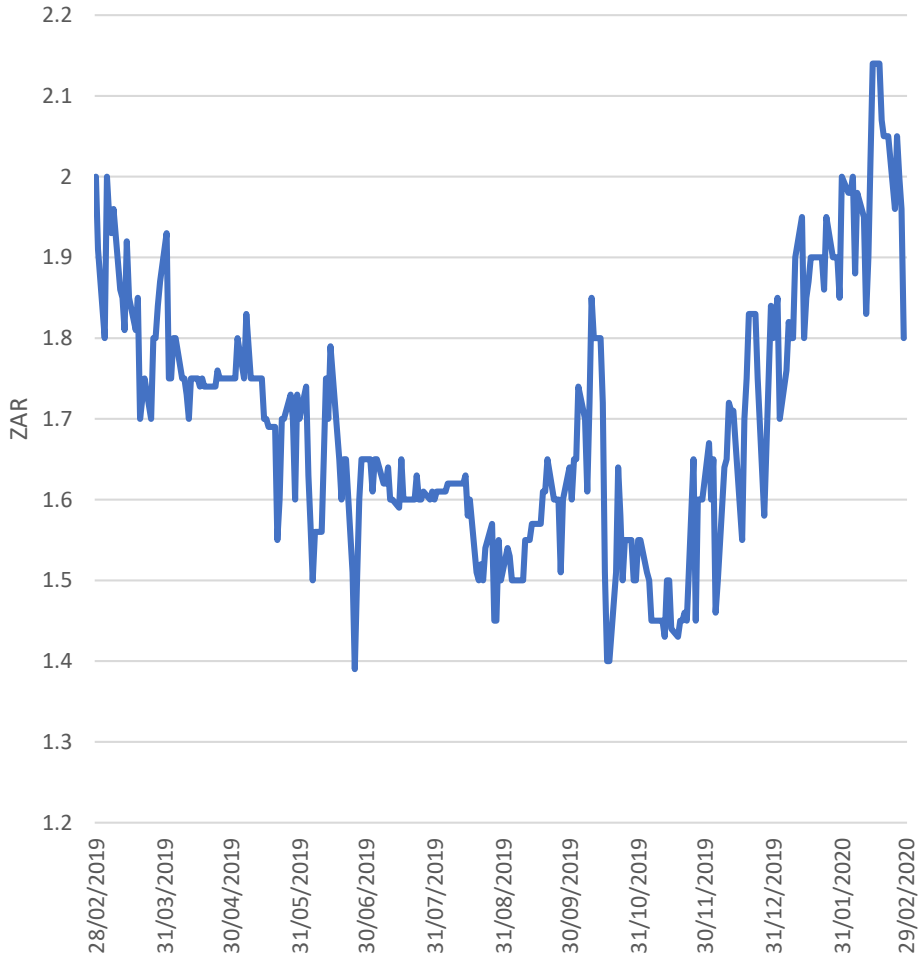
1 Gemfields Plc (now Gemfields Limited) delisted from AIM on 28 July 2017.

SHARE PRICE PERFORMANCE VERSUS DIAMOND PEER GROUP

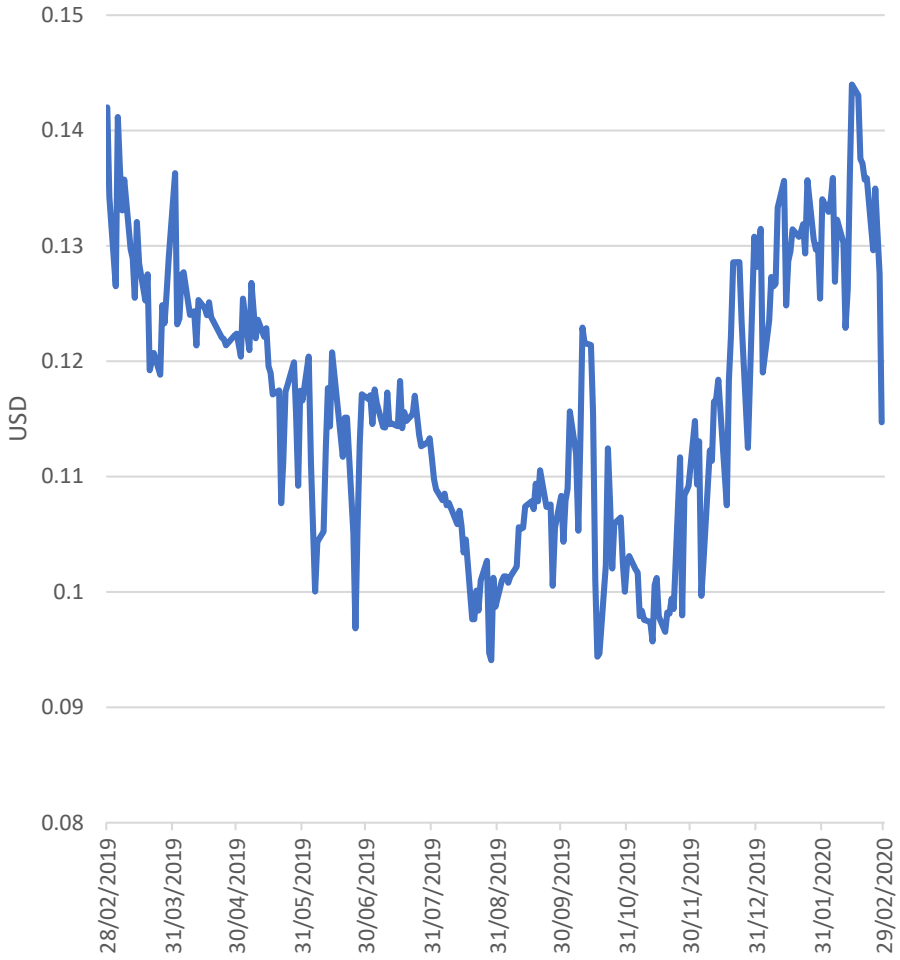


SHARE PRICE (1 YEAR)

Gemfields Group Limited closing share prices
(28 Feb 2019- 29 Feb 2020/ ***1 Year***) – ZAR/share



Gemfields Group Limited closing share prices
(28 Feb 2019- 29 Feb 2020/ ***1 Year***) – USD/share



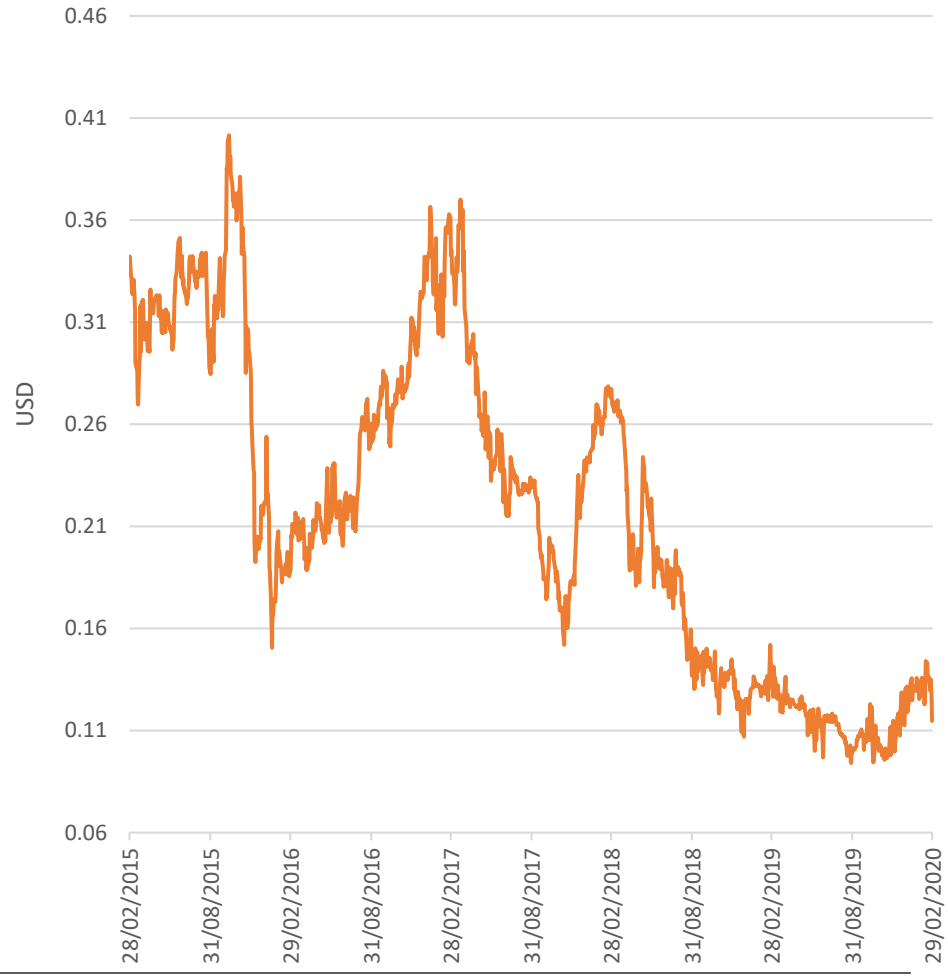
Gemfields Group Limited

SHARE PRICE (5 YEARS)

Gemfields Group Limited closing share prices
(28 Feb 2015 - 29 Feb 2020 / ***5 Years***) – ZAR/share



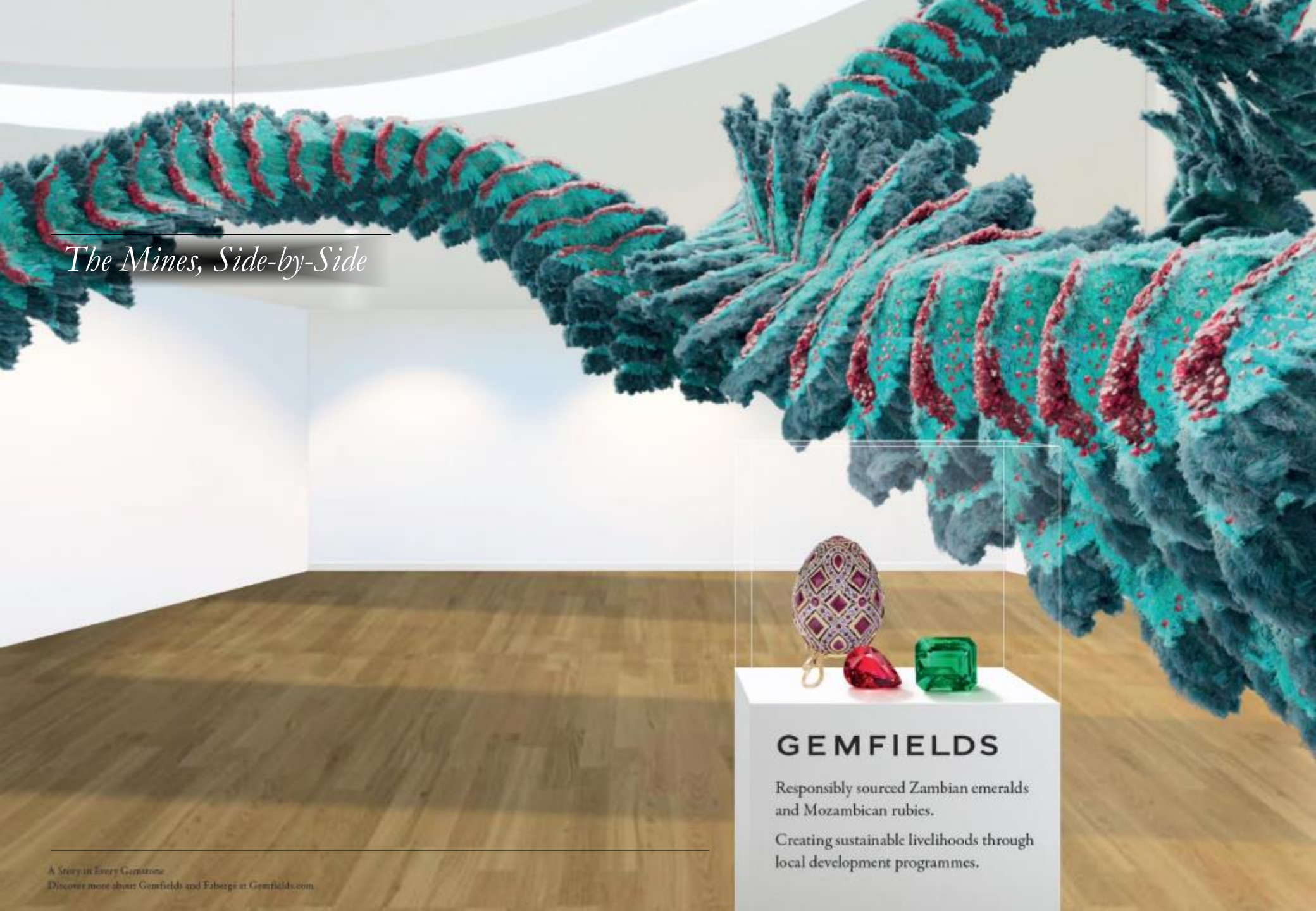
Gemfields Group Limited closing share prices
(28 Feb 2015 - 29 Feb 2020 / ***5 years***) – USD based



COMPARISON TO DIVERSIFIED MINERS – KEY METRICS

Diversified Miners	TIDM	Headquarters	FCF Yield (%)	Dividend Yield (%)	PE Ratio	EV/Sales	EV/EBITDA	Market Cap (USD m)
GEMFIELDS	GML-ZA	St Peter Port	**11***	**N/A**	**13**	**0.7**	**4**	**USD 167**
MAJORS								
FQM	FM-CA	Toronto	-12%	0%	34	4	10	USD 5,757
Glencore	GLEN-GB	Baar	11%	6%	18	0	7	USD 40,063
BHP-Billiton	BHP-GB	London	8%	6%	11	3	5	USD 45,575
Rio Tinto	RIO-GB	London	10%	9%	9	3	5	USD 67,789
Anglo American	AAL-GB	London	8%	4%	9	2	5	USD 35,836
South 32	S32-AU	Perth	6%	2%	23	1	6	USD 8,556
Average			**7%**	**5%**	**17**	**2**	**6**	**USD 33,929**
GEMSTONE PEERS								
Petra Diamonds	PDL-GB	London	56%	N/A	N/A	2	6	USD 103
GEM Diamonds	GEMD-GB	London	-22%	N/A	20	1	5	USD 115
Lucara	LUC-CA	Vancouver	12%	9%	17	1	4	USD 250
Alrosa	ALRS-RU	Mirny	7%	8%	10	3	7	USD 9,690
Average			**13%**	**4%**	**15**	**2**	**5**	**USD 2,539**
OTHER								
ZCCM-IH	MLZAM-FR	Lusaka	N/A	N/A	N/A	N/A	N/A	USD 155
Kenmare	KMR-GB	Dublin	1%	2%	8	1	4	USD 375
Average			**1%**	**2%**	**8**	**1**	**4**	USD 265
OVERALL AVERAGE			**8%**	**4%**	**16**	**2**	**6**	**USD 17,855**

Source: FinnCap, accurate as at 10 February 2020 – including market Caps. GGL numbers based on financial numbers taken from Interim Results. FCF Yield calculation based on 1 Jan – 30 June 2019 FCF of USD9.7m multiplied by 2.


The Mines, Side-by-Side
GEMFIELDS
Responsibly sourced Zambian emeralds and Mozambican rubies.
Creating sustainable livelihoods through local development programmes.
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CY2019 PRODUCTION AND MINING KEY PERFORMANCE INDICATORS (KPIs)

CY2019 PRODUCTION AND MINING KPIs	UNITS	KAGEM MINING LTD	MONTEPUEZ RUBY MINING LDA
Premium Emerald/ Premium Ruby Production	carats'000	209	81
Total Gemstone Production	carats'000	42,481	2,236
Ore Processed	tonnes'000	170	846
Ore Production	tonnes'000	215	1,072
Grade – Overall	carat/tonne	198	2.6
Grade – Premium	carat/tonne	1.0	0.1
Waste Mined	tonnes'000	13,391	6,080
Total Rock Handling	tonnes'000	13,606	7,152
Stripping Ratio[1]		61.1	4.9

1 Stripping Ratio calculation excludes miscellaneous waste mined in its calculation.
2 CY is 1 January 2019 – 31 December 2019.

	KAGEM	MRM
Effective Date	1 July 2019	1 July 2019
Competent Person	SRK Consulting	SRK Consulting
Reporting code - mineral resources and mineral reserves	JORC Code (2012 edition)	JORC Code (2012 edition)
Net Present Value (post-tax)	USD 600 million	USD 567 million
Mining Licence valid to	April 2045	November 2036
Life-Of-Mine Plans ("LoMPs") – (excludes inferred resources)		
Duration (years)	23	14
Steady-state ore (Mtpa)	0.14	1.5
Steady-state waste (Mtpa)	12.7	6.0
Overall stripping ratio (t/t)	76	4.0
Attributable (75%) Mineral Resources – Primary	Measured 581kt at 210ct/t Indicated 2,880kt at 265ct/t Inferred 1,050kt at 145ct/t	- Indicated 857kt at 96ct/t Inferred 180kt at 98ct/t
Attributable (75%) Mineral Resources – Secondary	N/A	Indicated 14,773kt at 3.9ct/t Inferred 29,850kt at 11.3ct/t
Attributable (75%) Mineral Reserves – Primary	Proved 511kt at 179ct/t Probable 2,205kt at 215ct/t	- Probable 845kt at 98ct/t
Attributable (75%) Mineral Reserves – Secondary	N/A	- Probable 14,731kt at 4ct/t
Plant design capacity (tph): Scrubber DMS	72 reduced to 45	 200 83

Montepuez Ruby Mining, Mozambique







Montepuez Ruby Mining, Mozambique

OVERVIEW

- The Montepuez ruby deposit is located in the northeast of Mozambique within the Cabo Delgado Province, believed to be the most significant recently discovered ruby deposit in the world, covering an area of 34,966 hectares.

- Montepuez Ruby Mining Limitada ("MRM") is 75% owned by Gemfields with the remaining balance held by our local Mozambican minority partner, Mwriti Limitada.

- The rubies around Montepuez are found in two types of deposits: primary mineralisation hosted within amphibolites or secondary placer type deposits found in gravel beds.

- 25 year licence was issued by the Mozambican government in 2012.

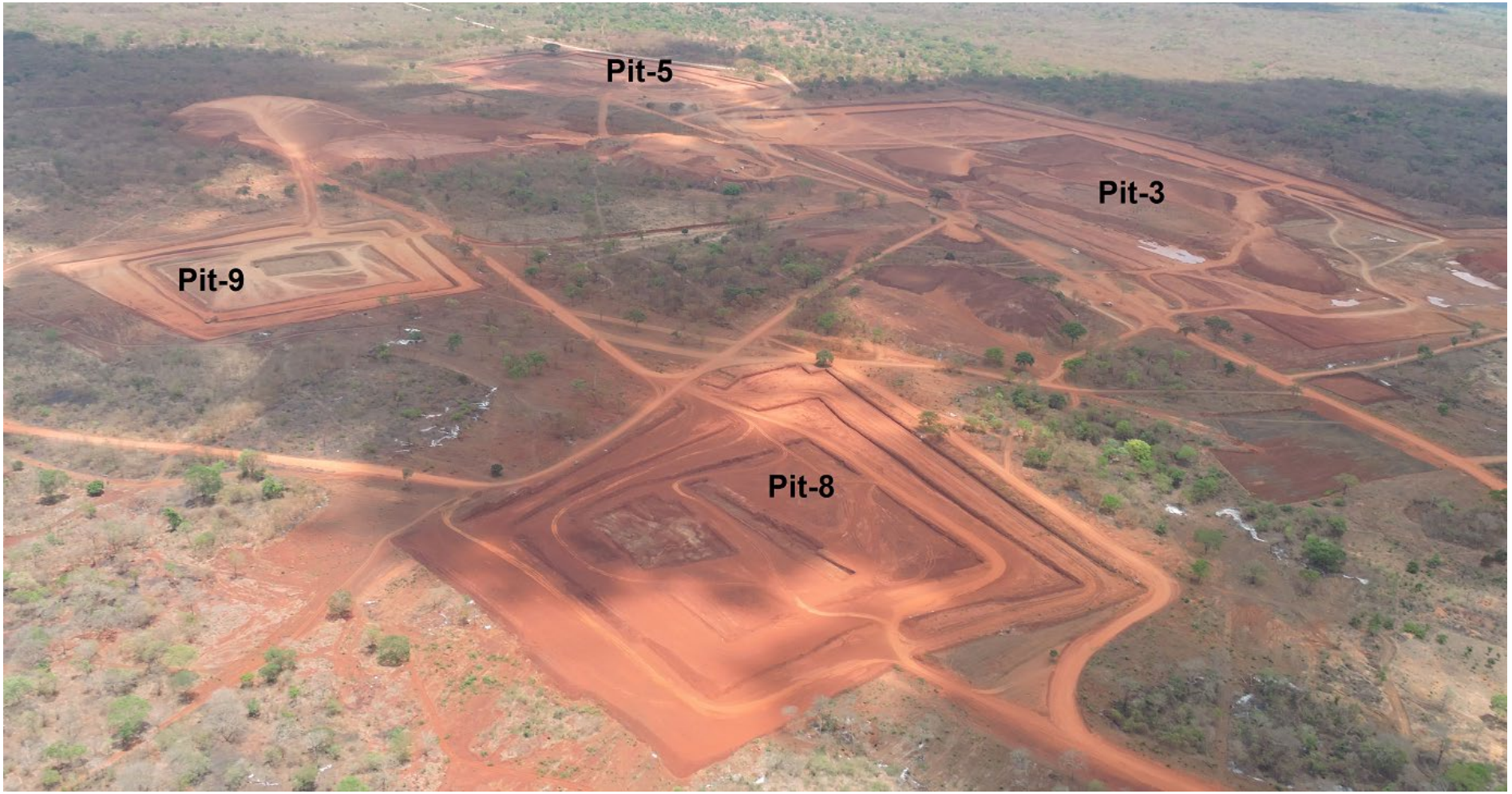
- MRM is widely recognised as the single largest producing ruby mine in the world and is estimated to provide around half of the world's ruby supply through shallow, open-pit mining.

- During 2019, exploration was mainly focused in the Mugloto Block and continues towards the northern shear zone to better understand the source of the Mugloto premium rubies. The block was identified based on previous inclined/vertical drilling, airborne geophysics and interpretation of secondary deposit.

- MRM produced 2.2 million carats of ruby and corundum and 81,300 carats of premium ruby for the year to 31 December 2019. MRM generated total auction sales of USD 121.5 million during 2019 taking total cumulative auction revenue to USD 584 million.

Montepuez Ruby Mining, Mozambique

MRM MUGLOTO PITS (DEPTH = MAX 12 METRES)



1. The Montepuez concession is located within the wedge-shaped Montepuez Complex, a junction between the north–south trending Mozambique Belt and the east–west trending Zambezi Belt. Both belts are known to be "treasure-bearing" and date from the Neoproterozoic Pan-African tectonic event.
2. During 2019, a new bulk sampling pit was opened in the Mugloto area. The work to date has produced encouraging results and the quality of the rubies is similar to that in Mugloto Pit 3, potentially adding another significant source of high-quality rubies.
3. Gemfields unveiled its US$15 million state-of-the-art, industry leading sort house in February 2019:
    a. The first of its kind in the coloured gemstone industry
    b. On a par with the best diamond facilities in the world
    c. Expected to allow MRM to consistently deliver a greater volume and spectrum of rubies to the global market
    d. UV-sorters working as planned





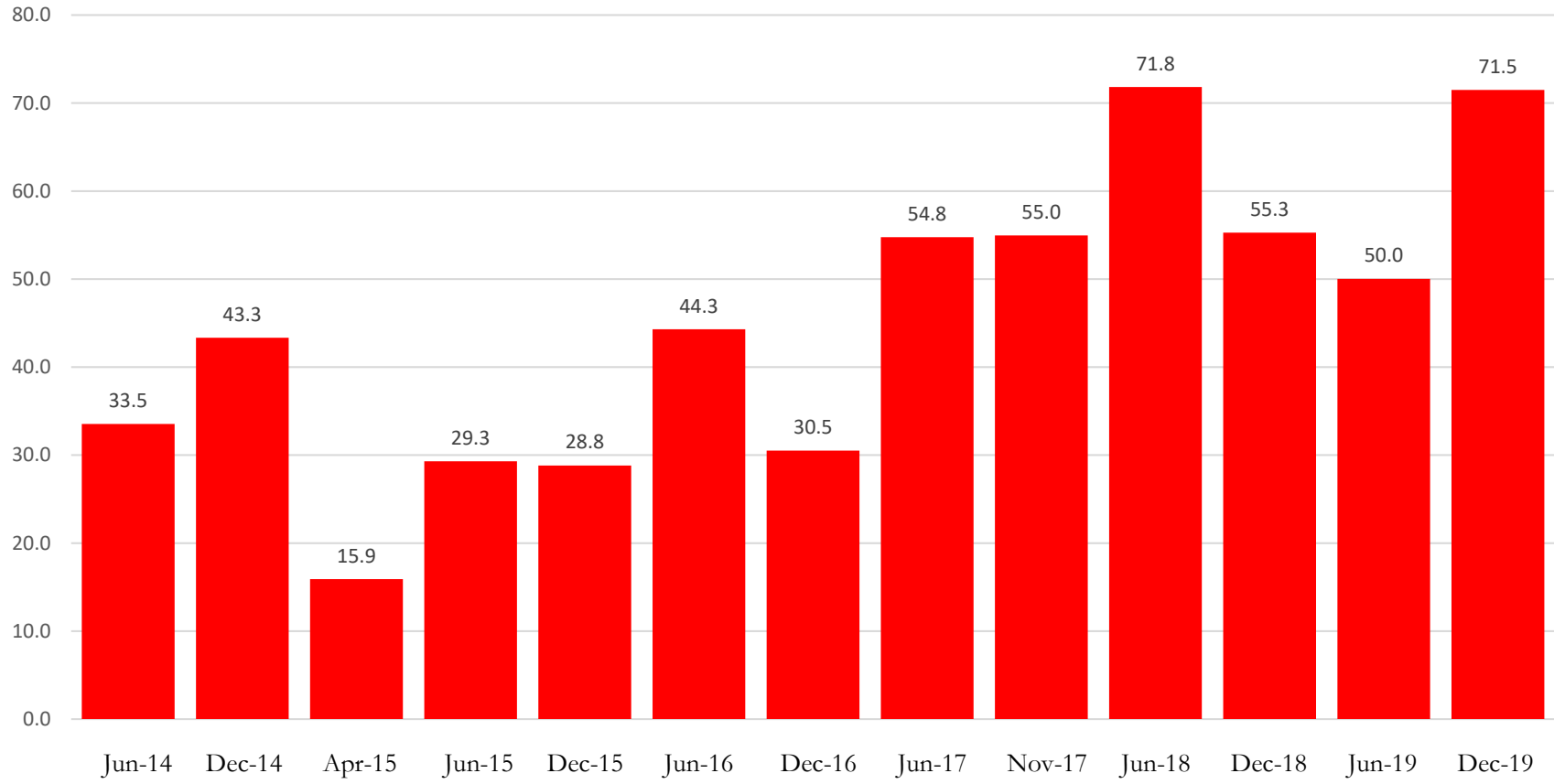








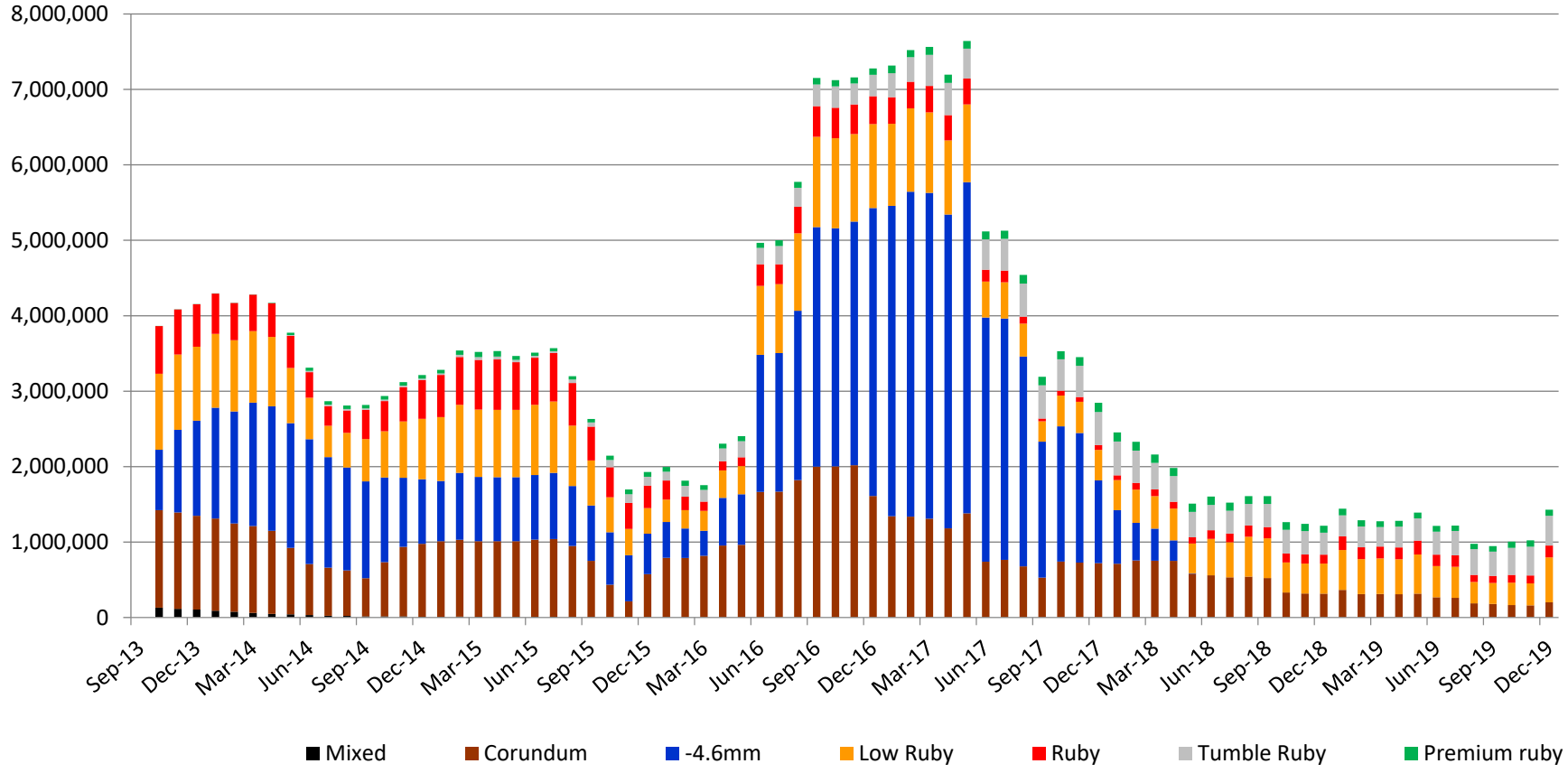
MONTEPUEZ ROUGH RUBY TOTAL AUCTION SALES (USD MILLION)
CUMULATIVE REVENUE IS <u>USD 584 MILLION</u>

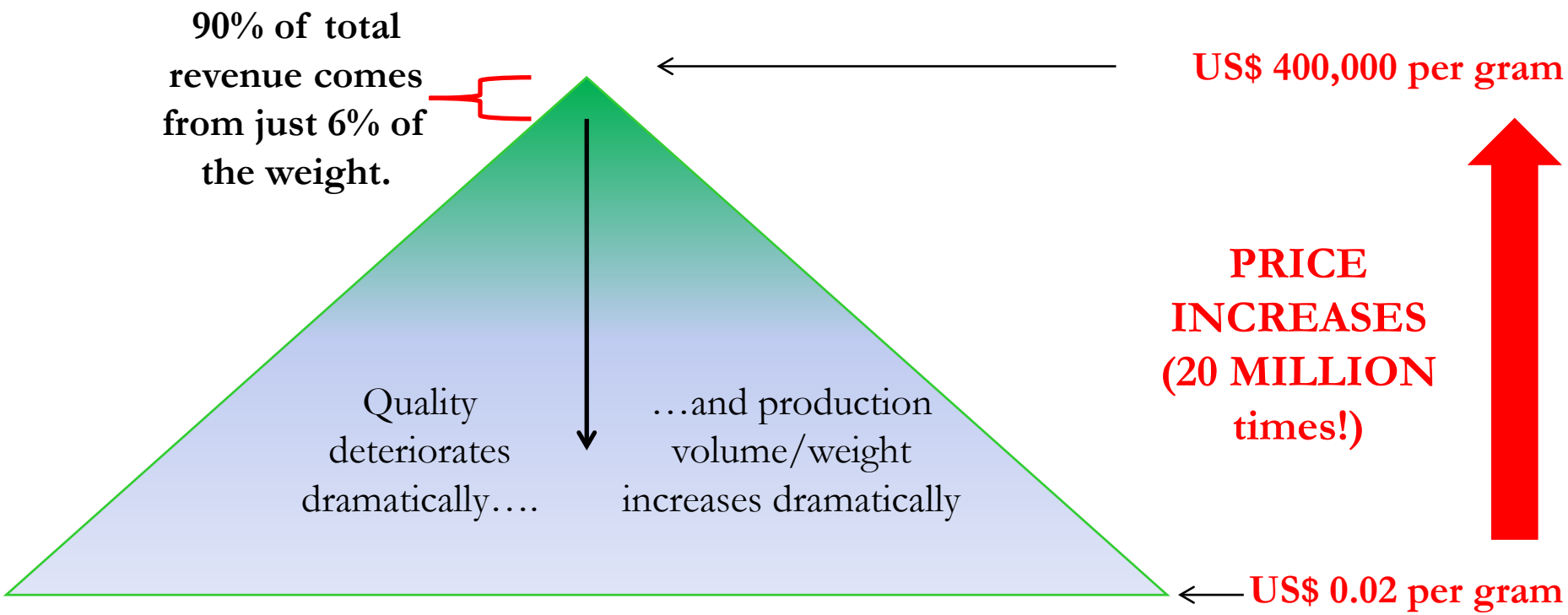


Montepuez Ruby Mining Performance

MOZAMBIQUE

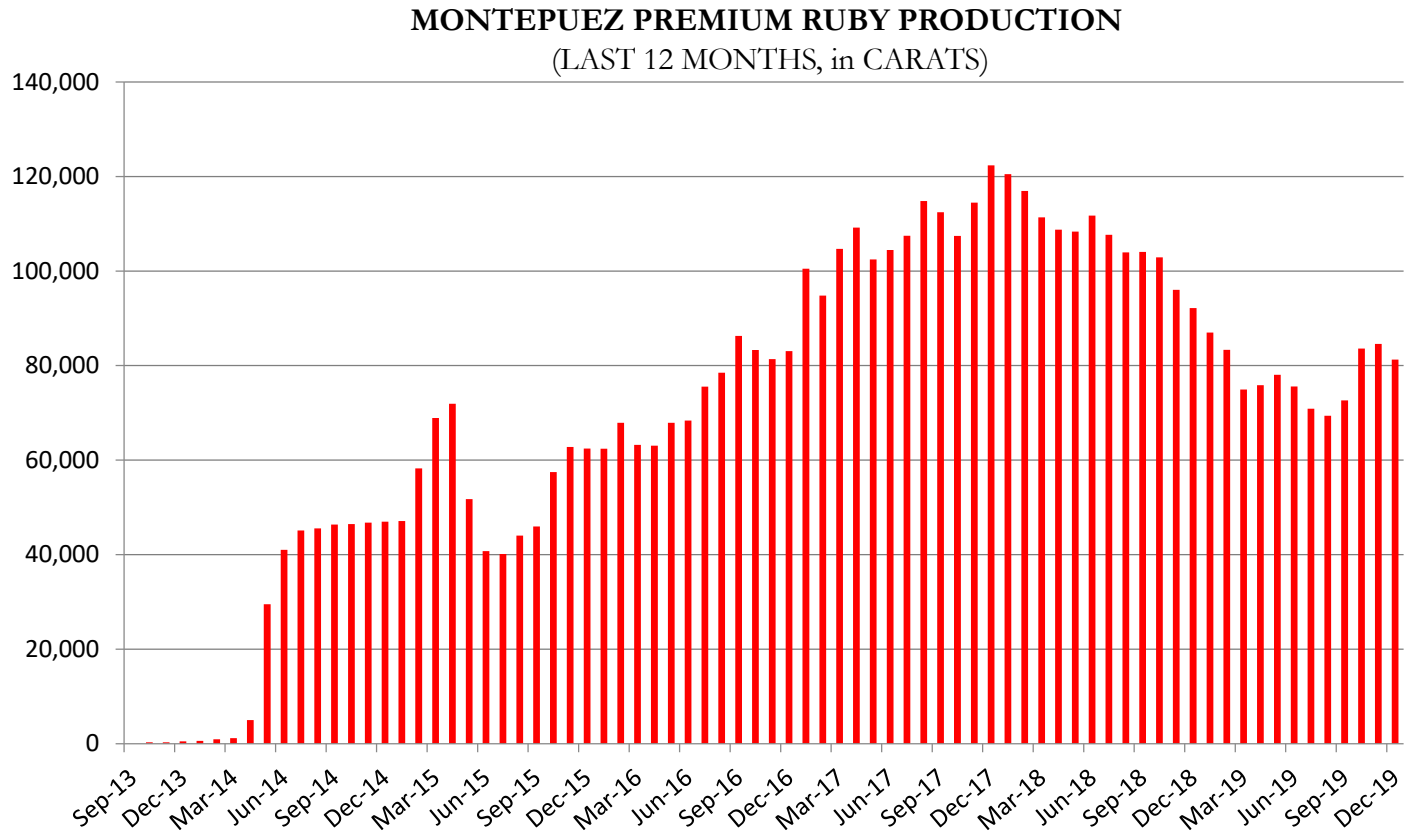
MONTEPUEZ GEMSTONE PRODUCTION (LAST 12 MONTHS, in CARATS)
(PRODUCTION EXCLUDES SAPPHIRE AND LOW SAPPHIRE PRODUCTION)





- Average of all MRM auctions to date: USD 584 million across 2,644,950 grams sold = USD 221 per gram (or USD 44 per carat) as an overall average.
- Note: considerable low quality material, likely to be sold by way of direct sales, will reduce the weighted average price per gram considerably, but these sales will likely make up less than 3% of overall revenues.

- The key value driver for MRM is the production and sale of premium rubies.
- Increased emphasis has been placed on diversifying areas of the mining licence where ore is sourced, implying lower overall grades.
- Gemfields' 'stretch target' is 10,000 carats of premium ruby per month.

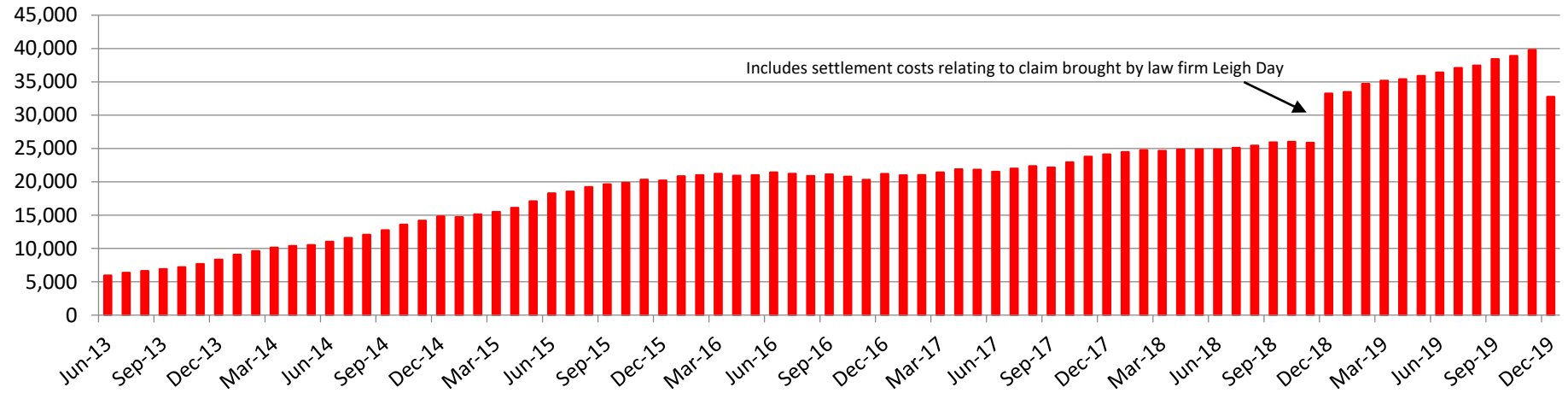


"Premium" classification is determined during the initial 'sorting' phase of rough gems arriving from the washing plant into broad categories. The understanding of value and their final grades in the Gemfields grading system (made up of hundreds of grades) improves as the gems move through the processes of cleaning, 'grading' and 'referencing'.

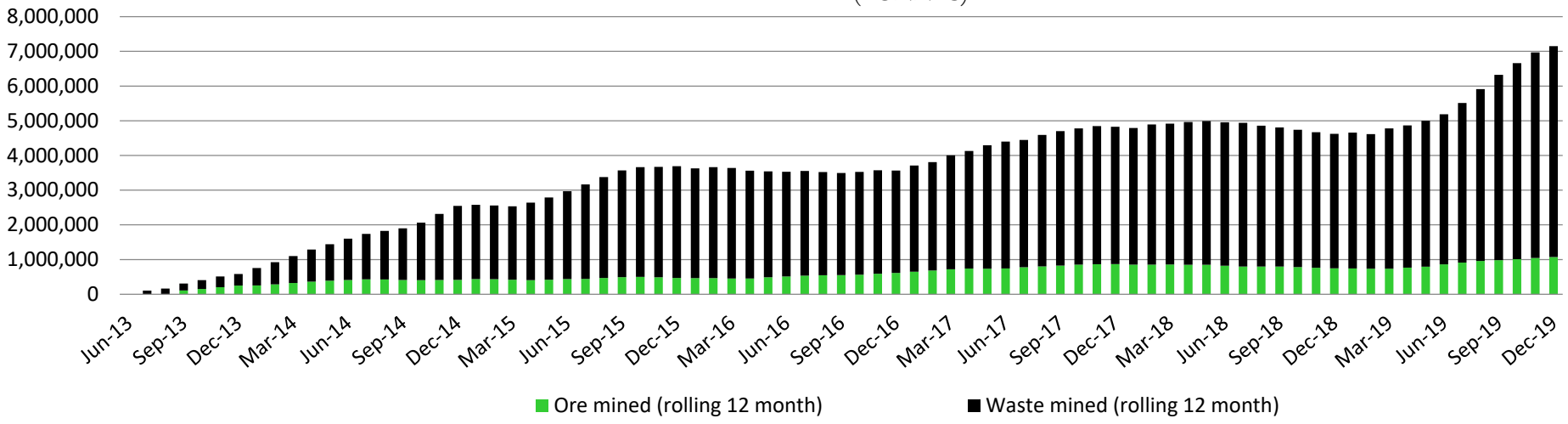
Montepuez Ruby Mining Performance

MOZAMBIQUE

MONTEPUEZ LAST 12 MONTH OPERATING COSTS (ACTUAL CASH COST BASIS) **USD'000** (UNAUDITED)



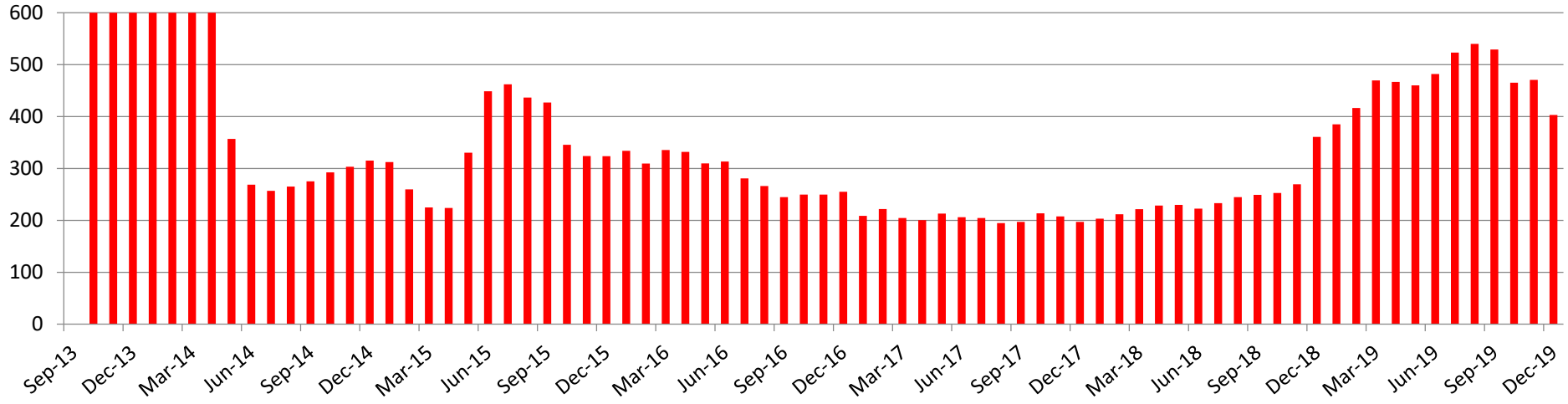
MONTEPUEZ ROLLING 12 MONTH TOTAL ROCK HANDLING
(TONNES)



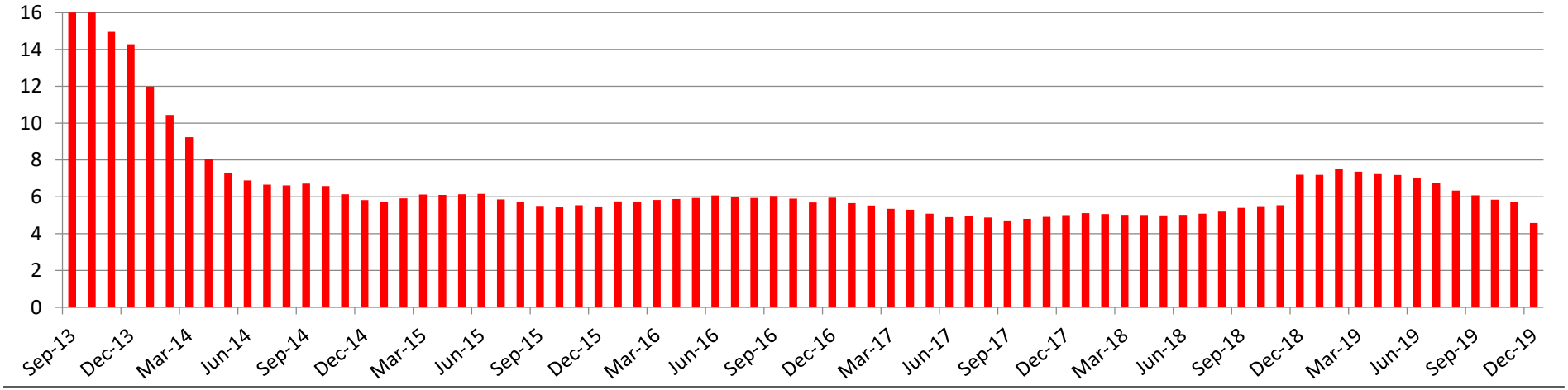
Montepuez Ruby Mining Performance

MOZAMBIQUE

MONTEPUEZ UNIT COST PER PREMIUM CARAT (LAST 12 MONTHS, in USD/carat, CASH COST BASIS)

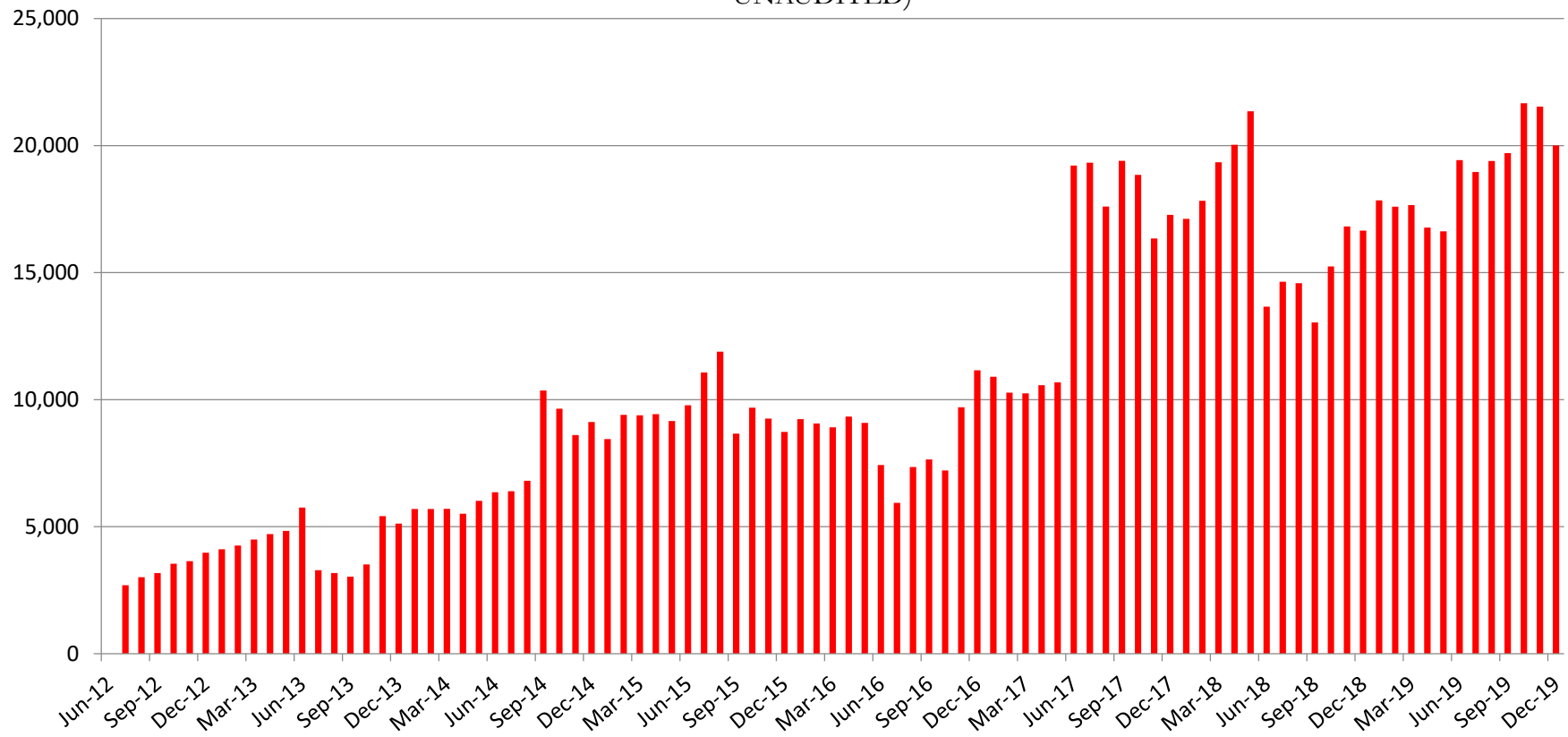


MONTEPUEZ LAST 12 MONTH UNIT ROCK HANDLING COSTS (USD / TONNE OF ROCK MINED)



CAPEX

MONTEPUEZ CAPITAL EXPENDITURE (LAST 12 MONTHS, ACTUAL CASH COST BASIS in USD'000, UNAUDITED)



Major capex projects include the MRM sort house (completed Feb 2019), ab initio construction of the resettlement village for 105 families (completion June 2020) and the construction of a second washing plant (estimated completion April 2021).

Kagem Mining Limited



GEMFIELDS

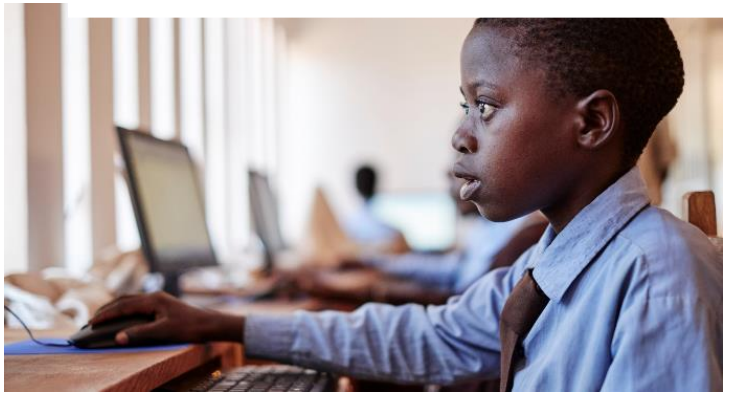
Responsibly sourced Zambian emeralds and Mozambican rubies.

Empowering local communities by establishing schools, education initiatives and scholarships.

A Story in Every Gemstone
Discover more about Gemfields and Fabergé at Gemfields.com

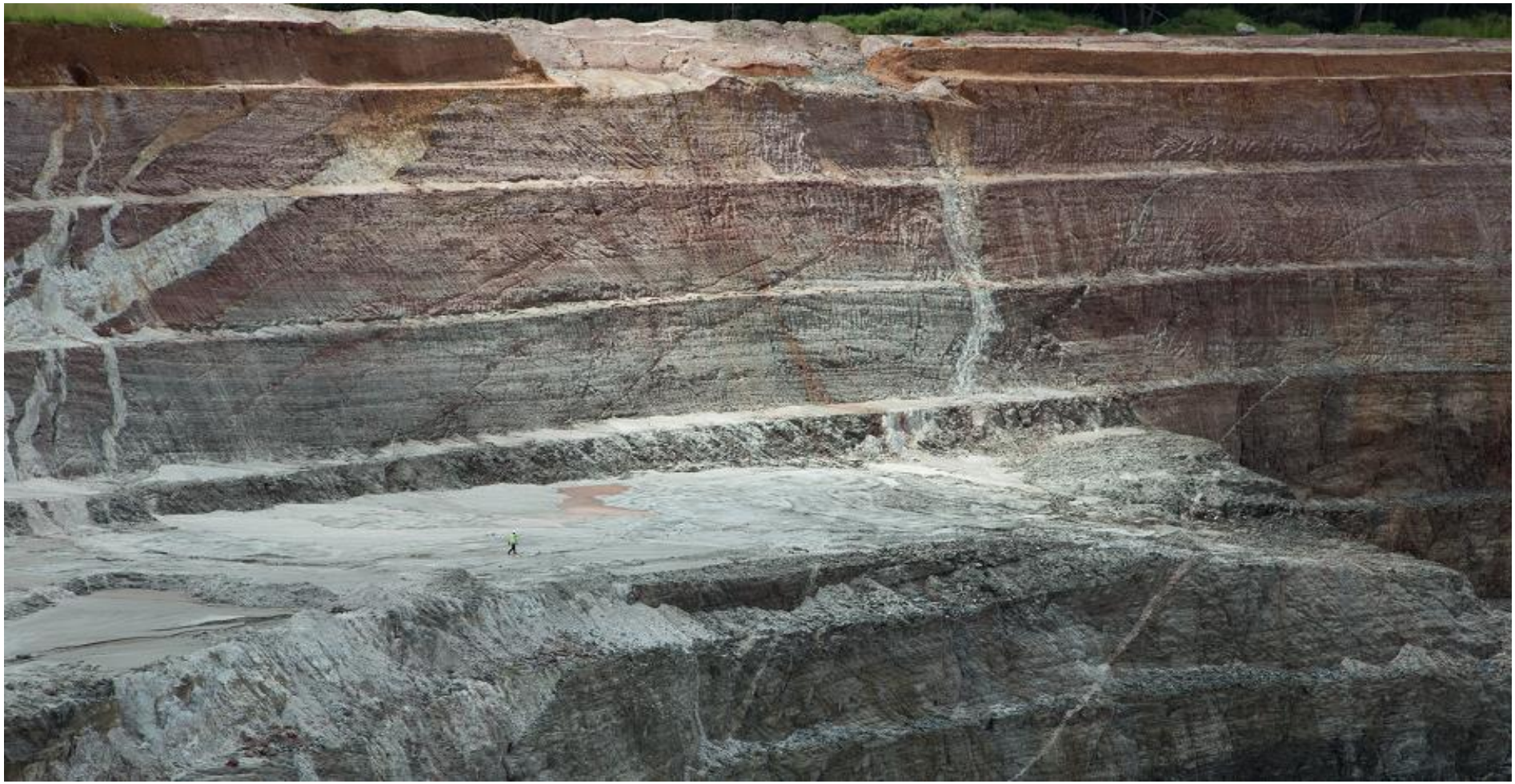






Kagem Emerald Mine, Zambia

CHAMA PIT – NOW 140 METRES DEEP



Kagem Emerald Mine, Zambia

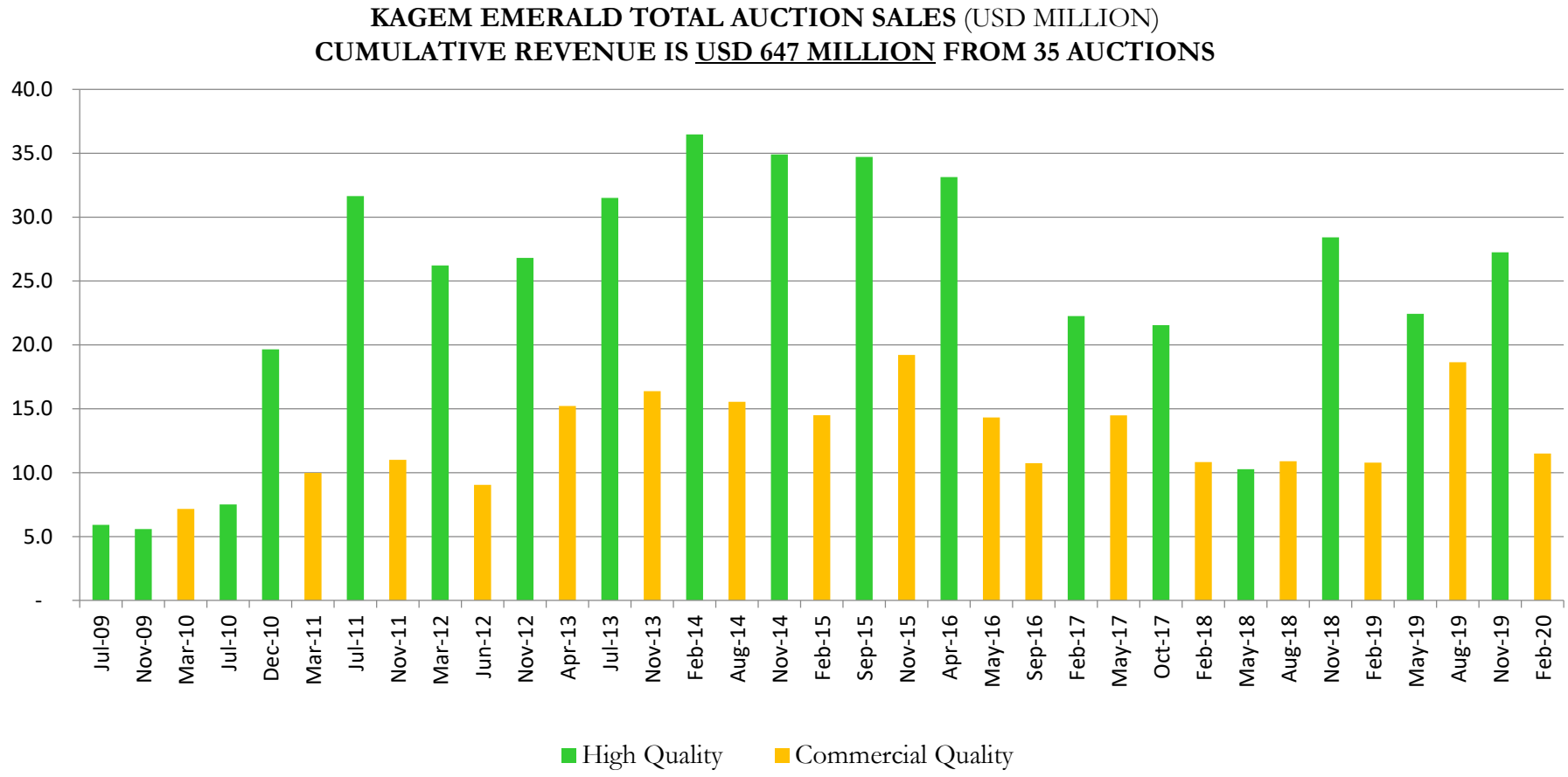
OVERVIEW

- Kagem is an emerald mine in the "Copperbelt" region of northern Zambia, estimated to produce around a quarter of the world's emeralds. It has been operating for over 20 years.
- It is the world's single-largest producing emerald mine
- Gemfields controls and owns 75% of the mine, with the remaining balance held by the Government of the Republic of Zambia, via its Industrial Development Corporation.
- Kagem produced a total of 36.3 million carats of emerald and beryl and 204,600 carats of premium emeralds for the year ending 31 December 2019.
- Kagem generated total auction sales revenue of USD 79.0 million during 2019 and USD 11.5 million from its commercial quality auction in February 2020, taking total cumulative mine revenue from 35 auctions to USD 647 million.
- Positive momentum at the end of 2019 with the renewal of its 25 year licence to April 2045 in December 2019 and the suspension by the Zambian Government of the 15% export duty on precious gemstones with effect from 1 January 2020. The suspension will directly improve the cash generation at Kagem.



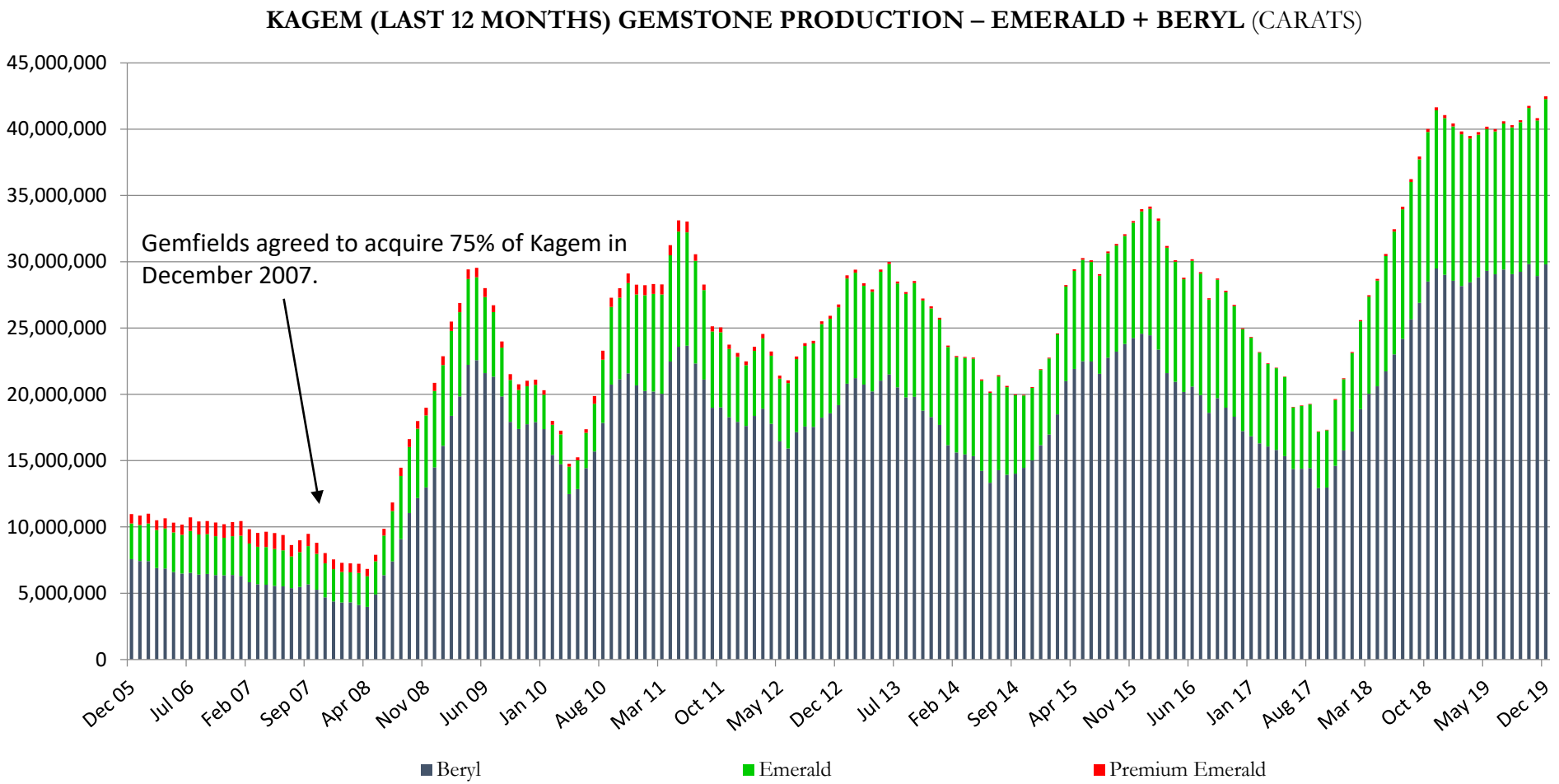
Kagem Emerald Mine Performance

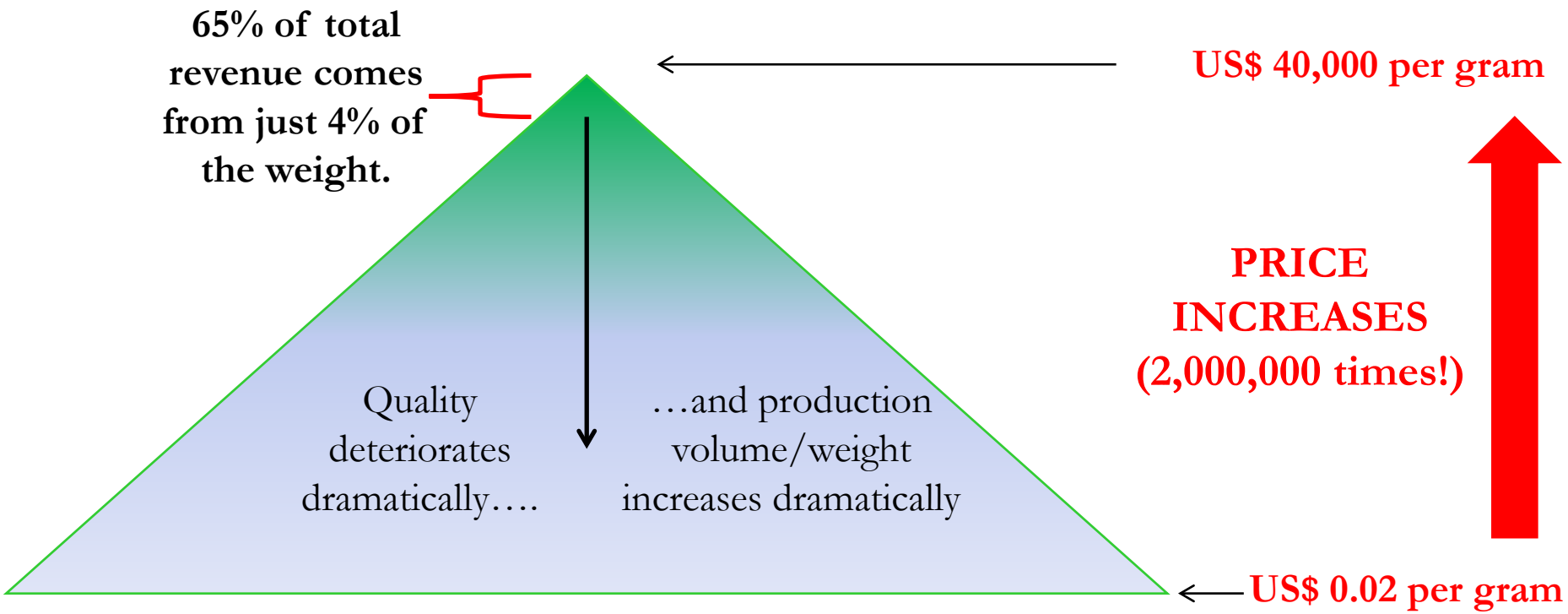
ZAMBIA



Kagem Emerald Mine Performance

ZAMBIA





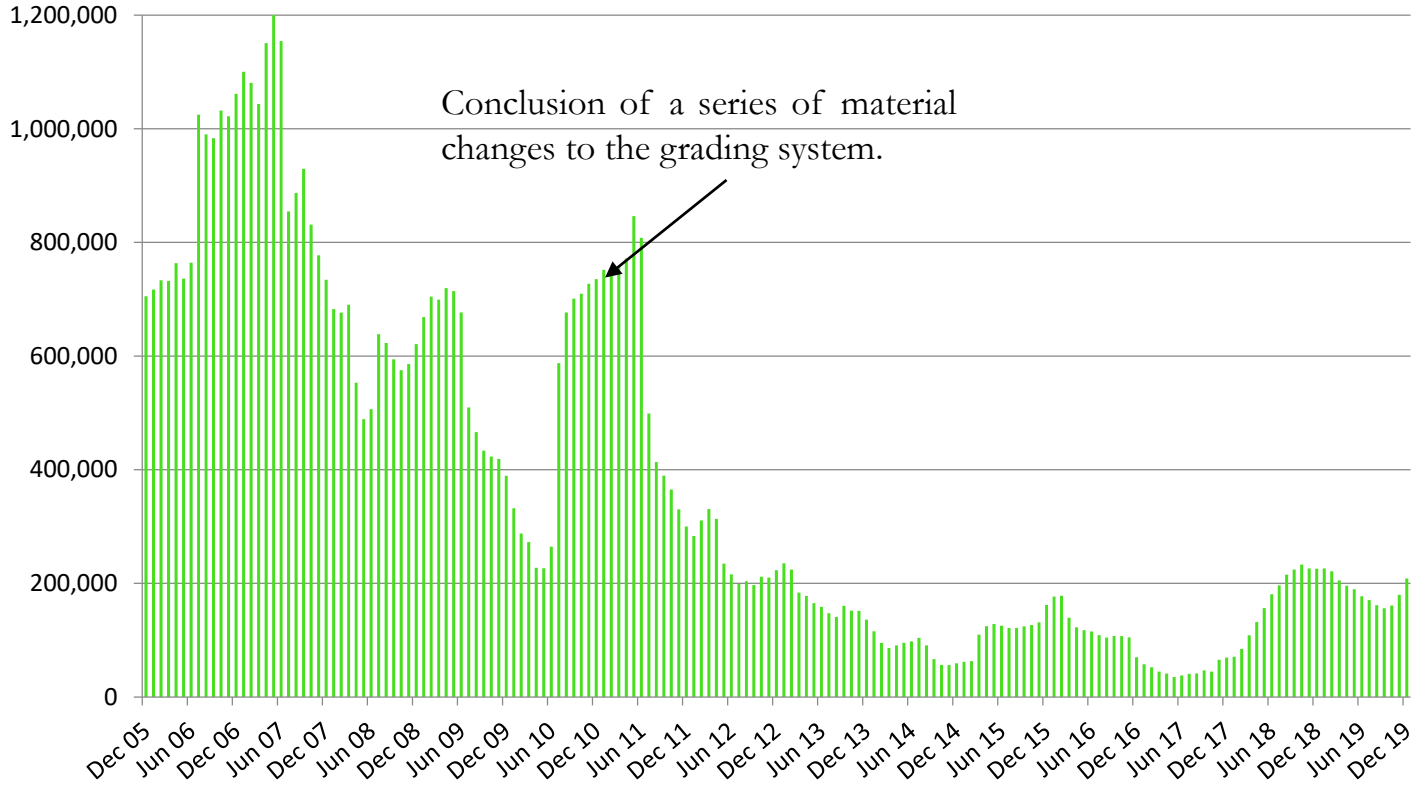
- Kagem's 35 auctions to date (which account for some 98% of revenues to date) have yielded USD 646.5 million across 23,159,136 grams sold, equating to USD 27.91 per gram (or USD 5.58 per carat).
- As an overall average, including direct, outside-of-auction sales of low grade material (constituting approximately 2% of total revenues to date, but some 58% of the weight sold to date), Kagem achieves approximately USD 12 per gram (or USD 2.40 per carat).

Kagem Emerald Mine Performance

ZAMBIA

- The key value driver for Kagem is the production and sale of premium emeralds.
- Increased emphasis has been placed on diversifying the number of production points in order to pursue the spreading of risk and stabilising output.
- Gemfields' target is 10,000 carats of premium emerald per month.

KAGEM (LAST 12 MONTHS) PREMIUM EMERALD PRODUCTION (CARATS)

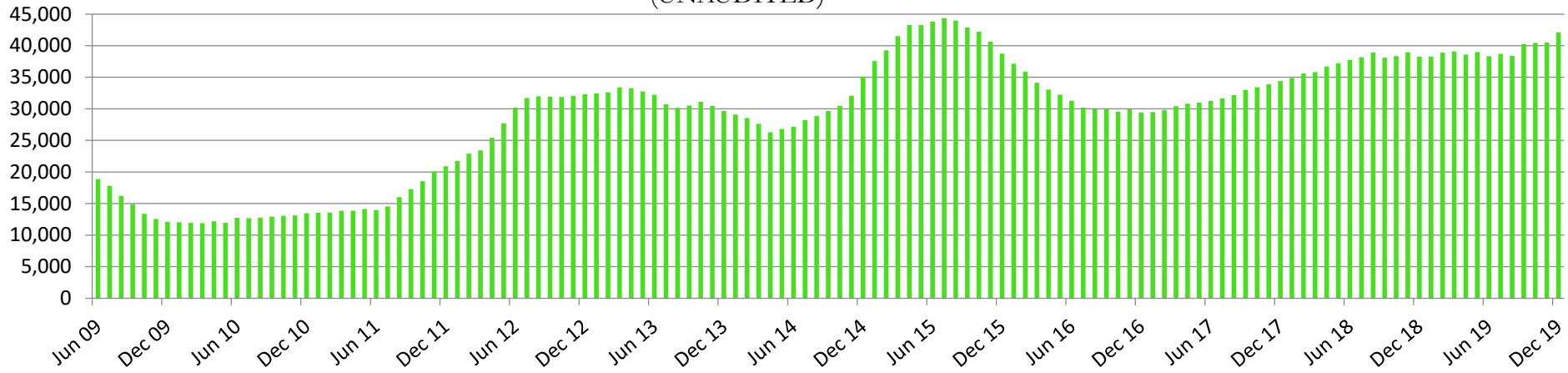


"Premium" classification is determined during the initial 'sorting' phase of rough gems arriving from the mine and the washing plant into broad categories. The understanding of value and their final grades in the Gemfields grading system (made up of hundreds of grades) improves as the gems move through the processes of cleaning, 'grading' and 'referencing'.

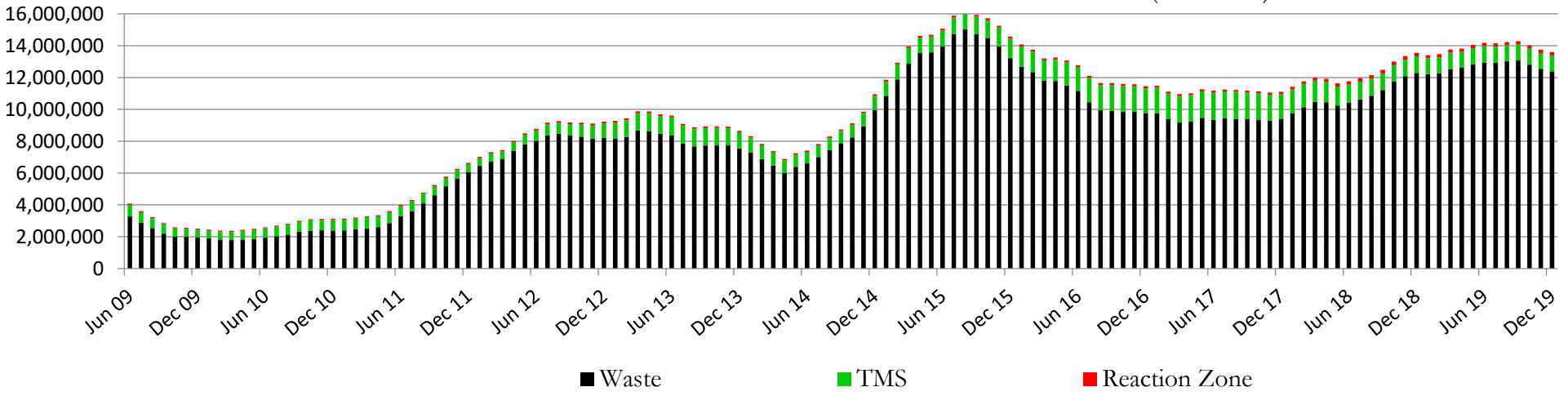
Kagem Emerald Mine Performance

ZAMBIA ('REACTION ZONE' = ORE)

KAGEM TOTAL OPERATING COSTS, LAST 12 MONTHS (ACTUAL CASH COST BASIS) USD'000
(UNAUDITED)



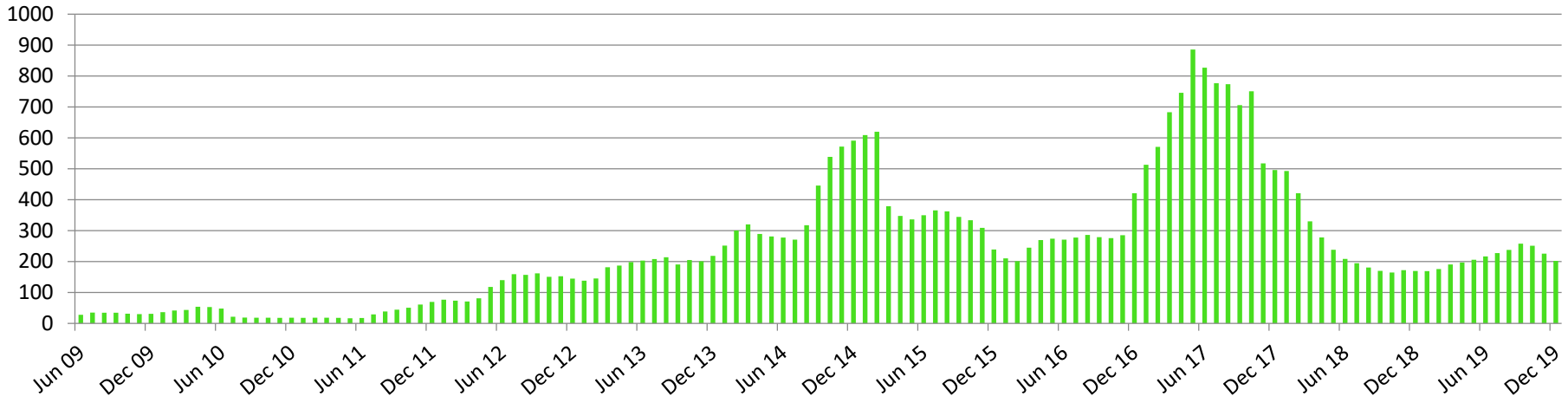
KAGEM LAST 12 MONTHS ROCK HANDLING (TONNES)



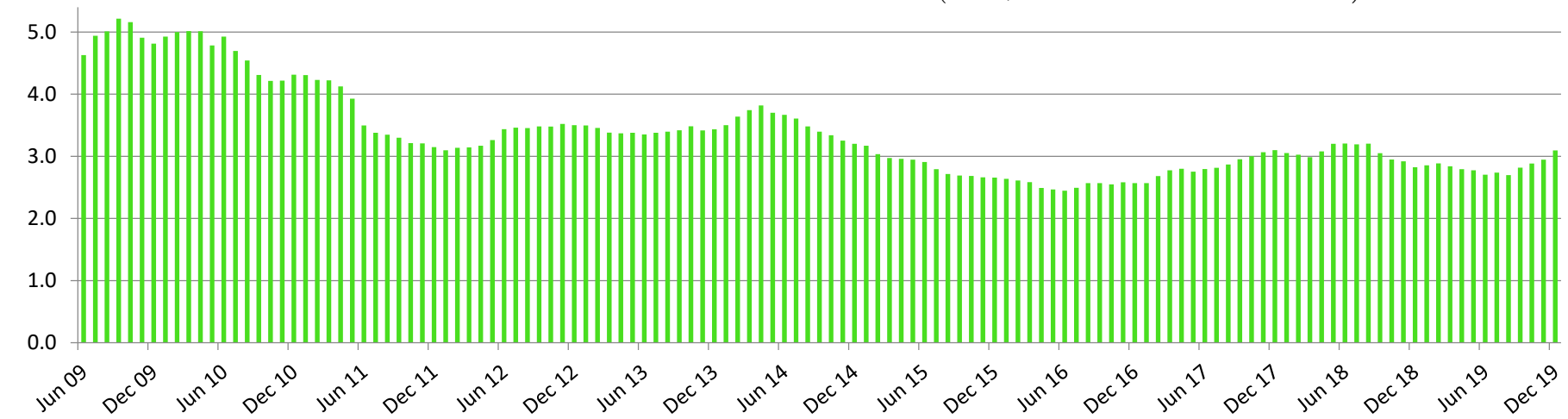
Kagem Emerald Mine Performance

ZAMBIA

KAGEM UNIT COST PER PREMIUM CARAT (LAST 12 MONTHS in USD / carat, CASH COST BASIS)



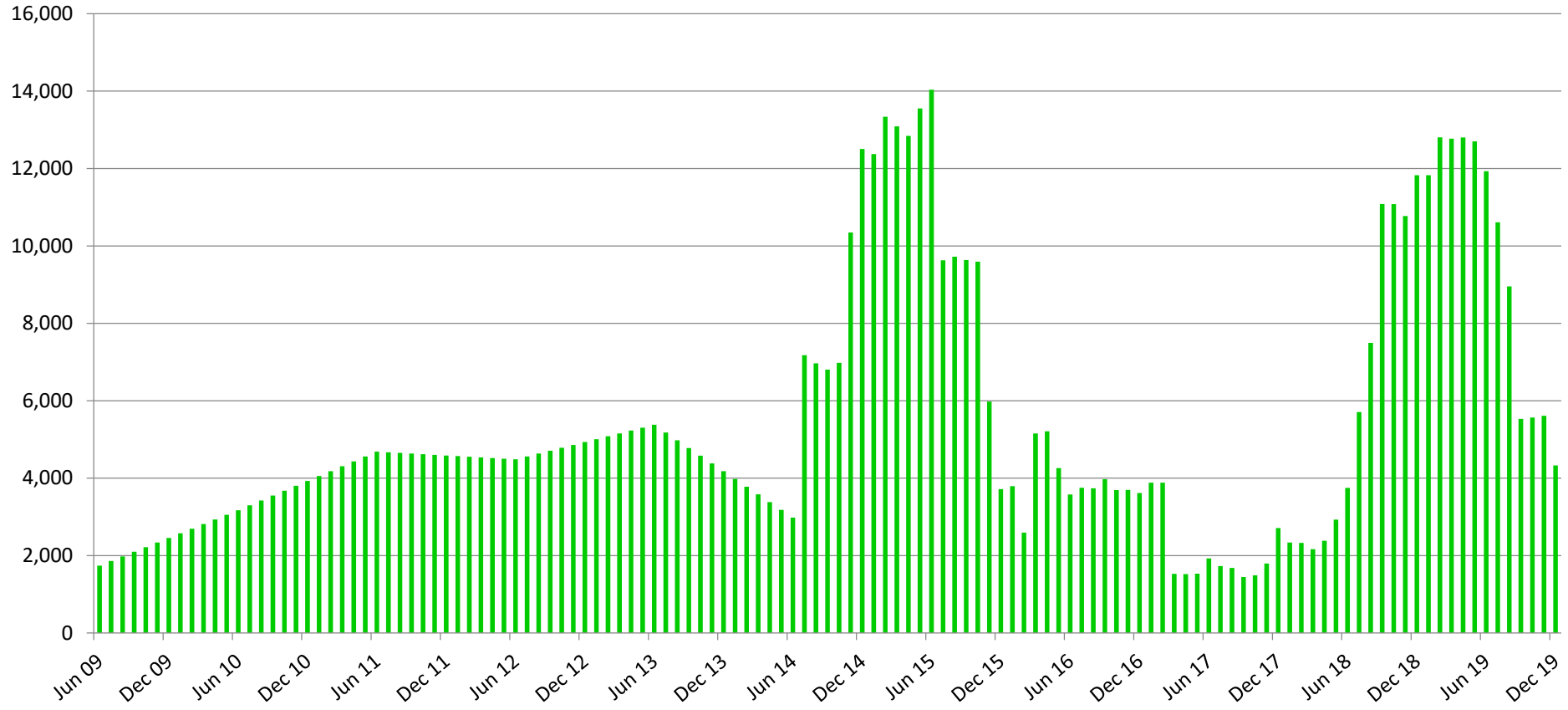
KAGEM LAST 12 MONTH UNIT ROCK HANDLING COSTS (USD / TONNE OF ROCK MINED)



Kagem Emerald Mine Performance

ZAMBIA

KAGEM CAPITAL EXPENDITURE (LAST 12 MONTHS, ACTUAL CASH COST BASIS in **USD'000**, UNAUDITED)

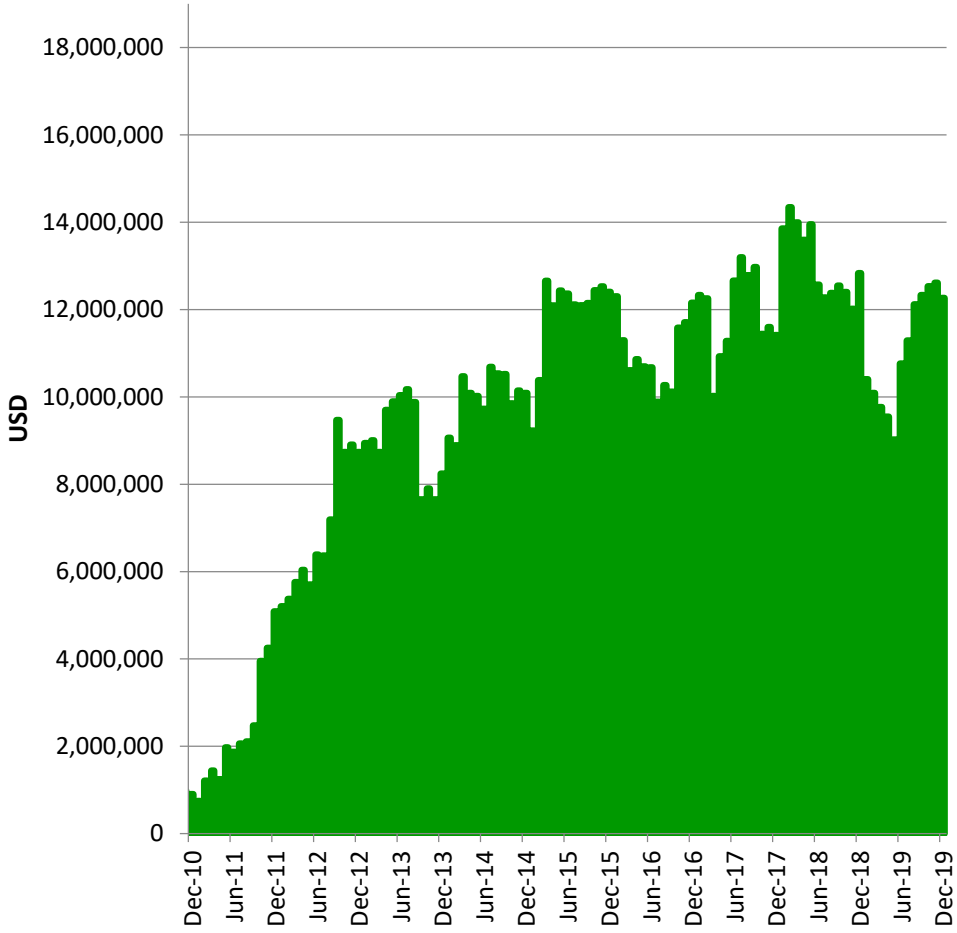



Fabergé

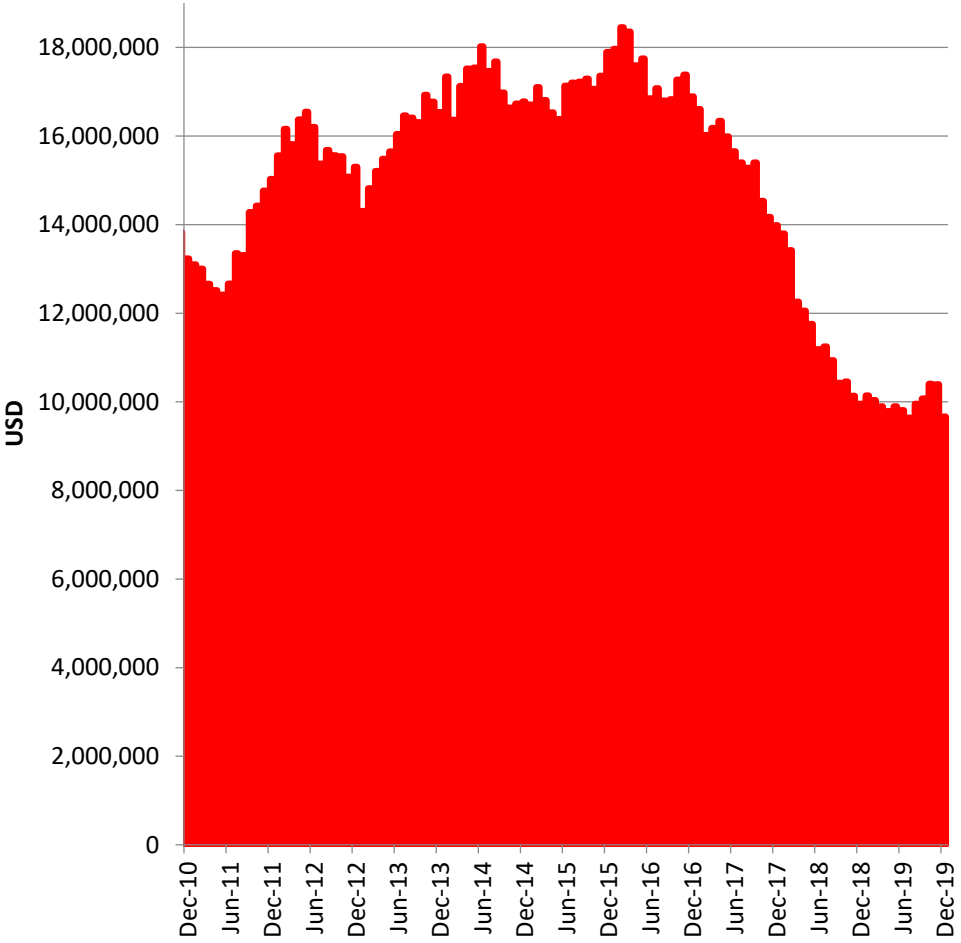
- Fabergé is one of the world's most recognisable luxury brands owned outside of the major luxury conglomerates.
- It has a well documented and globally respected heritage.
- The Fabergé brand provides Gemfields with direct access to the coloured gemstone end consumer through directly operated boutiques and international wholesale partners.
- Fabergé achieved revenues of US$13.4 million in the year to 31 December 2018.
- Fabergé operates two points of sale directly: a concession in the Harrods Fine Jewellery Room in London and a mono-brand boutique located in The Galleria Mall, Houston, Texas.
- Fabergé products are available globally, with the total number of Fabergé outlets increasing from 65 to 72 over the past year.
- Funding requirements from Gemfields have reduced to less than USD 5 million for the year ended 31 December 2019.



SALES ORDERS AGREED (LAST 12 MONTHS) (USD, POST ANY DISCOUNTS, ALL CHANNELS)

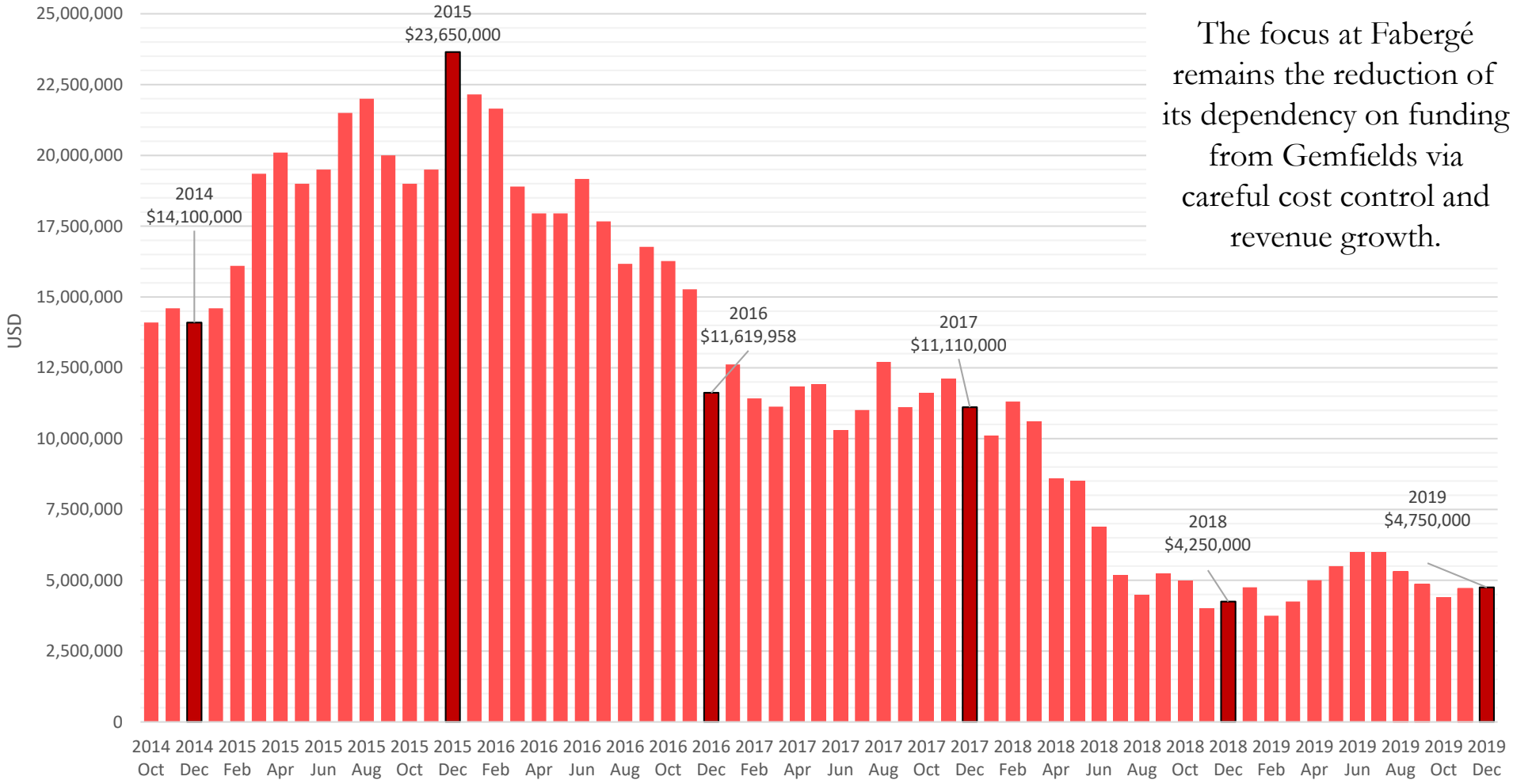


OPERATING COSTS (LAST 12 MONTHS) (USD)



FABERGÉ FUNDING REQUIREMENT

FUNDING REQUIRED BY FABERGÉ (LAST 12 MONTHS, in USD)



The focus at Fabergé remains the reduction of its dependency on funding from Gemfields via careful cost control and revenue growth.


GEMFIELDS
Responsibly sourced Zambian emeralds and Mozambican rubies.
Working with conservation partners to protect Africa's wildlife and biodiversity.
A Story in Every Gemstone
Discover more about Gemfields and Fabergé at Gemfields.com

FINANCIAL HIGHLIGHTS FOR THE SIX MONTHS ENDING 30 JUNE 2019

Revenues – USD	EBITDA[1] – USD	Earnings Per Share – USDc
89.0 million 2018: 102.1 million	**33.1 million** 2018: 32.1 million	**1.0** 2018: USDc 1.0
Cash Flows from Operating Activities – USD	**Free Cash Flows[2] – USD**	**Headline Earnings Per Share – USD**
28.0 million 2018: 18.1 million	**7.5 million** 2018: 23.9 million	**1.0** 2018: USDc 1.0
Normalised Earnings[3] – USD	**Net Cash/(Debt) – USD**	**Auction Receivables[4] – USD**
4.5 million 2018: 0.4 million	**35.5 million** 31 December 2018: 9.8 million 30 June 2018: 31.6 million	**28.4 million** 2018: 25.3 million

1 Earnings before interest, taxation, depreciation and amortisation

2 Free Cash Flow is calculated as cashflow from operating activities less capital expenditure and tax paid. Free Cash Flow is calculated pre working capital movements. Free Cash Flow post working capital movements was USD 9.7 million.

3 Normalised Earnings of USD4.5 million for the period excludes fair value movements in Jupiter and dividends received by Jupiter.

4 Auction receivables at 30 June 2019 relates to MRM's Singapore ruby auction held in June 2019.

SEGMENTAL STATEMENT OF CASH FLOWS – (EBITDA / FREE CASH FLOW) FOR 6 MONTHS ENDED 30 JUNE 2019

STATEMENT OF CASH FLOWS 1 January 2019 to 30 June 2019	Zambia US$'000	Mozambique US$'000	PGMs US$'000	Steel Making Materials US$'000	Corporate US$'000	Fabergé US$'000	Other US$'000	Total US$'000
Revenue	33,194	50,026	-	-	542	3,796	1,402	**88,960**
Operating costs and cost of sales [1]	(20,120)	(16,487)	-	-	(9,874)	(6,705)	(2,630)	**(55,816)**
EBITDA	**13,074**	**33,539**	-	-	**(9,332)**	**(2,909)**	**(1,228)**	**33,144**
Add back: Change in inventory	(6,929)	(3,928)	-	-	378	2,091	1,127	**(7,261)**
Tax paid (excluding WHT)	(3)	(3,744)	-	-	-	-	-	**(3,747)**
Capital expenditure	(2,115)	(12,508)	-	-	(400)	(102)	531	**(14,594)**
Free cash flow before working capital movements	**4,027**	**13,359**	-	-	**(9,354)**	**(920)**	**430**	**7,542**
Working capital movements[2]	(1,135)	(98)	-	-	3,543	(1,887)	1,730	**2,153**
Free cash flow	**2,892**	**13,261**	-	-	**(5,811)**	**(2,807)**	**2,160**	**9,695**
Cash generated from operations	5,010	29,513	-	-	(5,411)	(2,705)	1,629	**28,036**
Tax paid (excluding WHT)	(3)	(3,744)	-	-	-	-	-	**(3,747)**
Capital expenditure	(2,115)	(12,508)	-	-	(400)	(102)	531	**(14,594)**
Free cash flow	**2,892**	**13,261**	-	-	**(5,811)**	**(2,807)**	**2,160**	**9,695**

1 Excluding share-based payments and inventory impairments. Zambia operating costs includes US$5.0 million of Zambian Export duty.
2 Includes movements relating to inventory purchases and excludes VAT refunds.

SEGMENTAL INCOME STATEMENT FOR THE 6 MONTHS ENDED 30 JUNE 2019

INCOME STATEMENT 1 January 2019 to 30 June 2019	Zambia US$'000	Mozambique US$'000	PGMs US$'000	Steel Making Materials US$'000	Corporate US$'000	Fabergé US$'000	Other US$'000	Total US$'000
Rough gemstones[1]	33,194	50,026	-	-	-		1,025	84,245
Jewellery	-	-	-	-	4	3,796	-	3,800
Cut and polished	-	-	-	-	538	-	377	915
Revenue[2]	33,194	50,026	-	-	542	3,796	1,402	**88,960**
Mineral royalties and production taxes	(1,992)	(4,962)	-	-	-	-	-	**(6,954)**
Export duty on Zambian emeralds	(4,979)	-	-	-	-	-	-	**(4,979)**
Change in inventory and cost of sales	6,929	3,928	-	-	(378)	(2,091)	(1,127)	**7,261**
Mining and production costs[3]	(17,718)	(12,151)	-	-	(579)	-	46	**(30,402)**
Selling, general and administrative costs[4]	(2,448)	(3,540)	-	-	(10,422)	(4,614)	(806)	**(21,830)**
Other income	88	238	-	-	257	-	505	**1,088**
EBITDA	**13,074**	**33,539**	-	-	**(10,580)**	**(2,909)**	**20**	**33,144**
Dividend income	-	-	-	2,582	-	-	-	**2,582**
Realised fair value losses	-	-	-	(2,367)	121	-	-	**(2,246)**
Unrealised fair value gains[5]	-	-	-	7,562		-	-	**7,562**
Depreciation and amortisation	(6,863)	(8,712)	-	-	(172)	(852)	(7)	**(16,606)**
Share-based payments	-	-	-	-	(939)	-	-	**(939)**
Impairment charges and write-offs	-	-	-	-	-	-	-	-
Operating profit/ (loss)	**6,211**	**24,827**	-	**7,777**	**(11,570)**	**(3,761)**	**13**	**23,497**
Net finance cost	(1,780)	(855)	-	-	305	34	(16)	**(2,312)**
Taxation	(2,971)	(5,556)	-	-	(135)	435	(515)	**(8,742)**
Profit/(loss) after tax	**1,460**	**18,416**	-	**7,777**	**(11,400)**	**(3,292)**	**(518)**	**12,443**

1 Kagem held one commercial quality and one higher quality auction during the period. MRM held one mixed quality auction during the period.
2 Revenues have been recognised at one point in time, as control passes to the customer at the auction date.
3 Excluding mineral royalties and production taxes, export duty and inventory impairments.
4 Excluding share-based payments and any impairments.
5 Including in unrealised fair value gains is the recognition of a derivative loss on Jupiter of US$ 2.1 million.

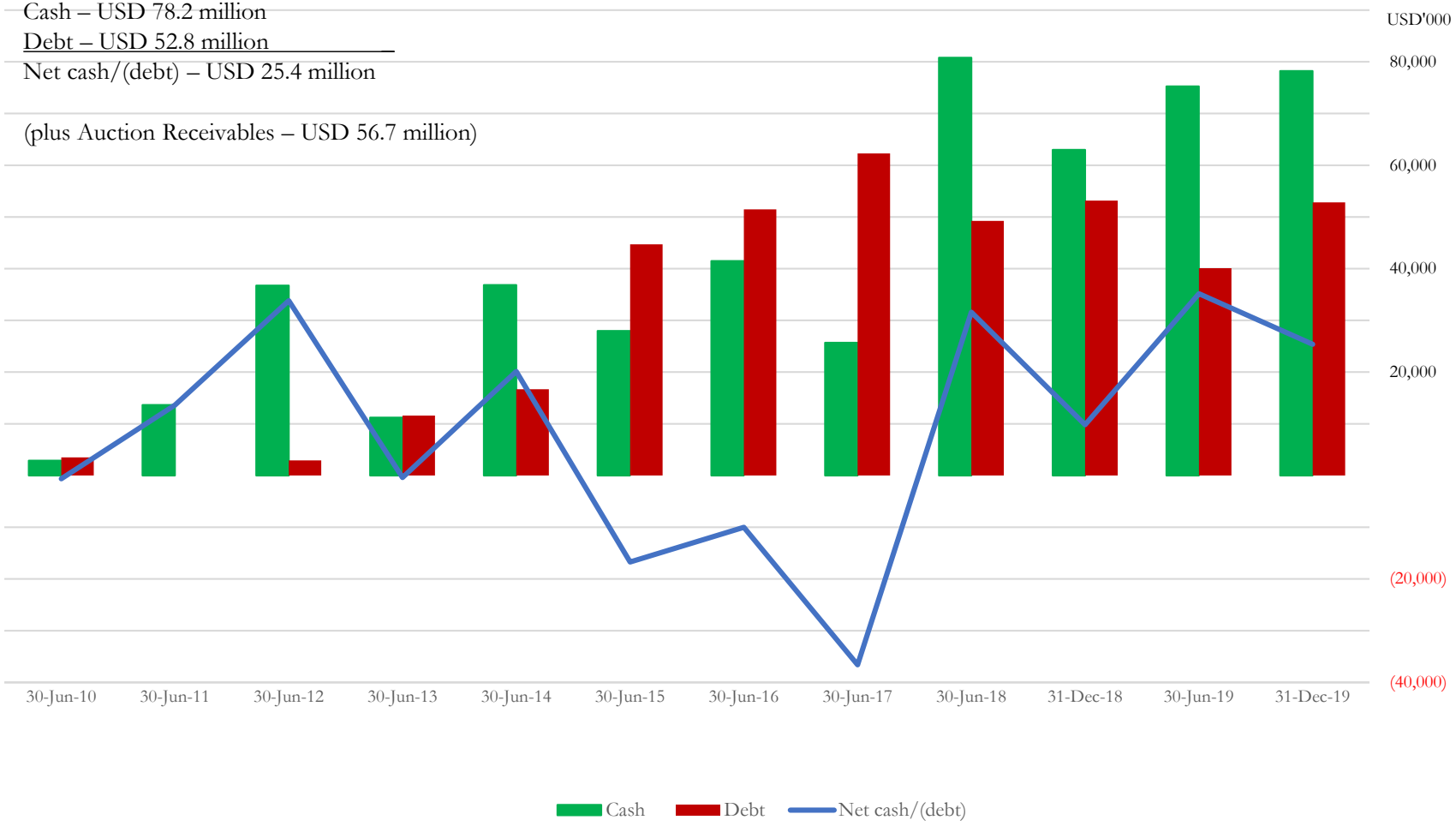
SEGMENTAL BALANCE SHEET AT 30 JUNE 2019

STATEMENT OF FINANCIAL POSITION 30 June 2019	Zambia US$'000	Mozambique US$'000	PGMs US$'000	Steel Making Materials US$'000	Corporate US$'000	Fabergé US$'000	Other US$'000	Total US$'000
Mining asset	124,129	171,236	-	-	-	-	-	295,365
Property, plant and equipment, and intangibles	23,163	50,099	-	-	3,272	42,769	5,928	125,231
Listed and unlisted investments	-	-	50,447	17,649	1,492	-	-	69,588
Operating assets	49,842	58,371	-	-	11,271	39,512	2,268	161,264
Cash and cash equivalents	5,587	1,220	-	-	58,983	1,346	8,118	75,254
Segment assets	**202,721**	**280,926**	**50,447**	**17,649**	**75,018**	**83,627**	**16,314**	**726,702**
Deferred tax asset	-	-	-	-	-	-	-	6,302
Other	-	-	-	-	-	-	-	8,277
Total assets								**741,281**
Borrowings	30,000	9,786	-	-	-	-	-	39,786
Operating liabilities	10,811	25,302	-	-	5,852	3,724	1,881	47,570
Segment liabilities	**40,811**	**35,088**	-	-	**5,852**	**3,724**	**1,881**	**87,356**
Deferred tax liabilities								87,608
Other	-	-	-	2,131	-	-		2,131
Total liabilities				**2,131**				**177,095**
Net (debt)/cash	**(24,413)**	**(8,566)**	-	-	**58,983**	**1,346**	**8,118**	**35,468**

NET CASH/(DEBT) PROFILE, USD'000

At 31 December 2019
Cash – USD 78.2 million
Debt – USD 52.8 million
Net cash/(debt) – USD 25.4 million

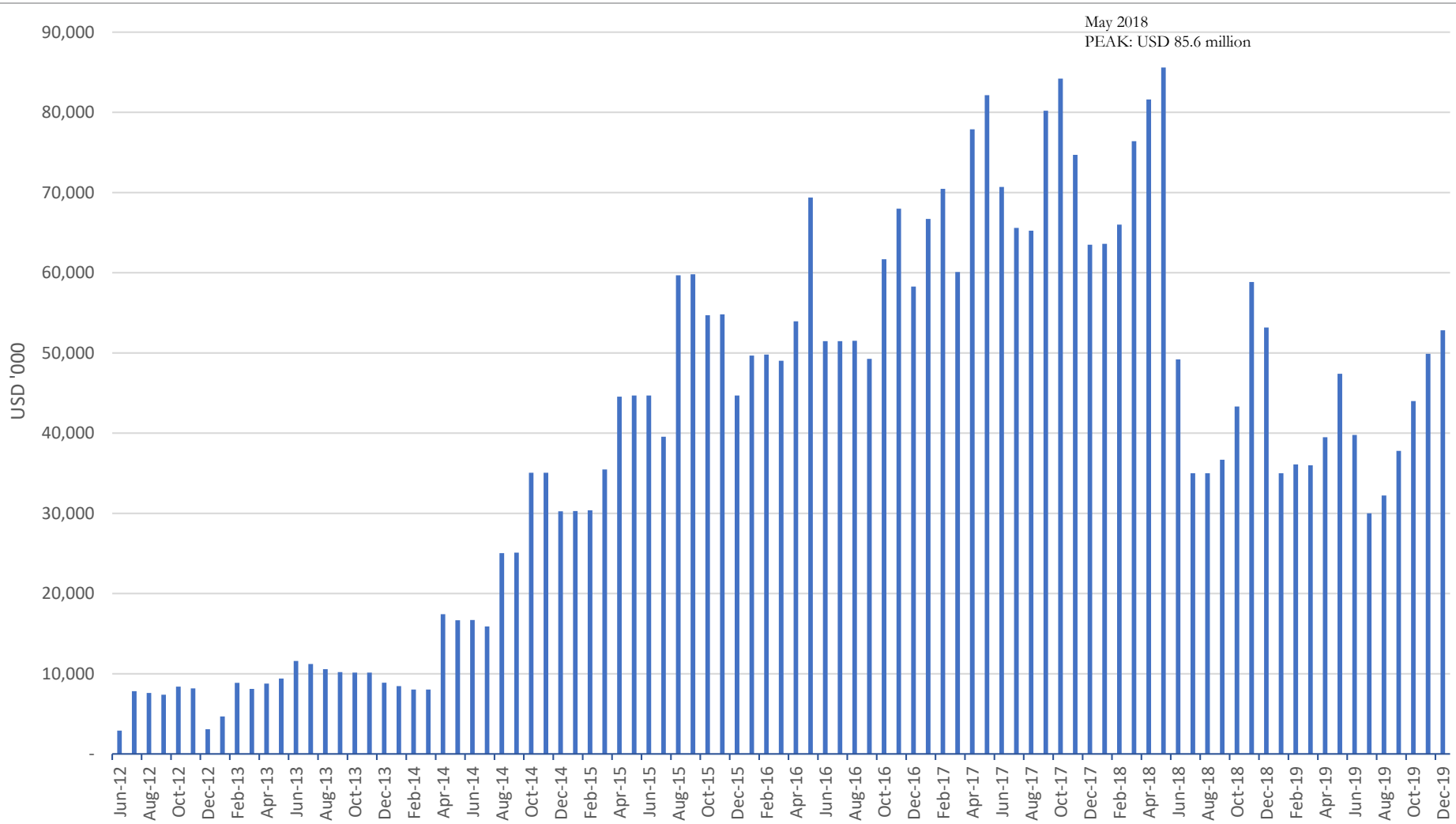
(plus Auction Receivables – USD 56.7 million)



1 Figures pre August 2017 relate to Gemfields Ltd (formerly Gemfields Plc).

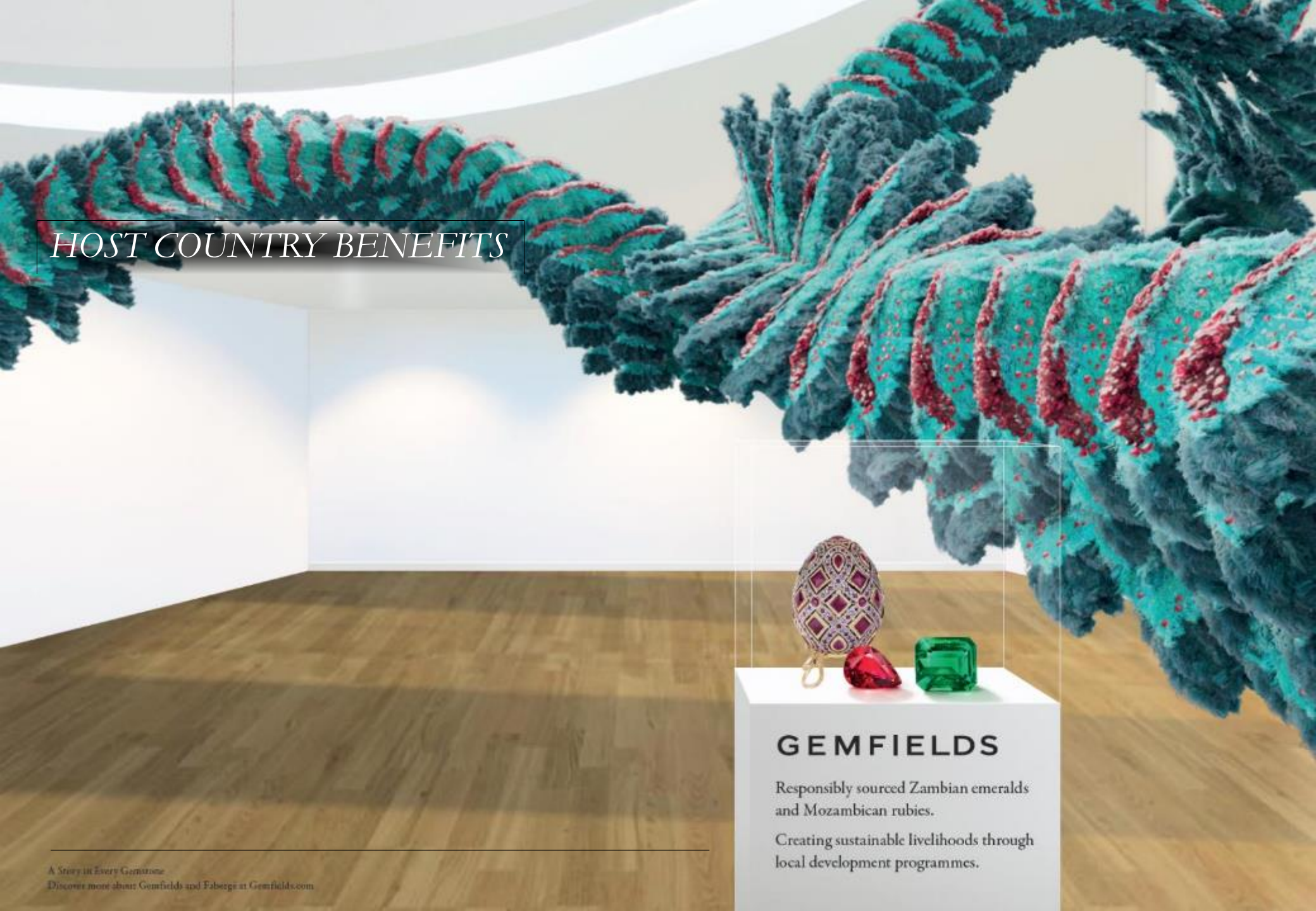
Gemfields Group Limited

NET CASH/(DEBT) PROFILE, USD'000



1 Figures pre August 2017 relate to Gemfields Ltd (formerly Gemfields plc).

HOST COUNTRY BENEFITS

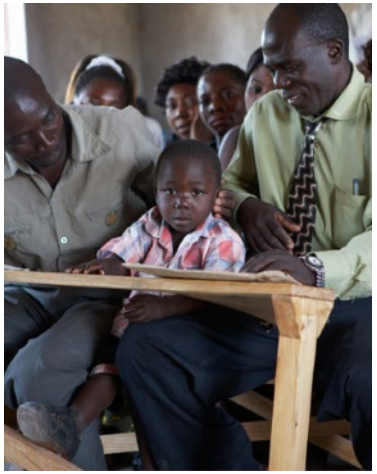


Education, Health, Agriculture and Skills Training

OVERVIEW

- Gemfields is focused on implementing leading responsible mining policies across its operations, driving high standards around environmental management, community engagement and health & safety.
- We have our own Director of Sustainability, Policy & Risk, Jack Cunningham, whose sole responsibility is to oversee operations and to ensure our standards and expectations are met.
- Gemfields invests approximately USD 1 million per annum into our local communities each year across education, agriculture, health and conservation projects.
- Gemfields is similarly committed to increasing transparency across the coloured gemstone market through being open about our taxes, revenues and the implementation of our sector leading auction platform.
- Our authorised auction partners provide Gemfields and government officials with a transparent and consistent point of sale that minimises any uncertainty in the gemstone supply chain
- Our three core values are:
    - Transparency: as world-leading global coloured gemstones producer we are open and candid, with a clear African focus, driving sustainable practices through local and national partnerships.
    - Integrity: our commitment to the professionalisation of the coloured gemstone industry is driven by the consistency and enhanced visibility Gemfields provides to dealers and jewellery manufacturers throughout our operational and supply process.
    - Legitimacy: we are fully authorized by our host governments and strive to improve the health, education and livelihoods of the local communities around our mine sites in addition to playing an active role in African conservation efforts.



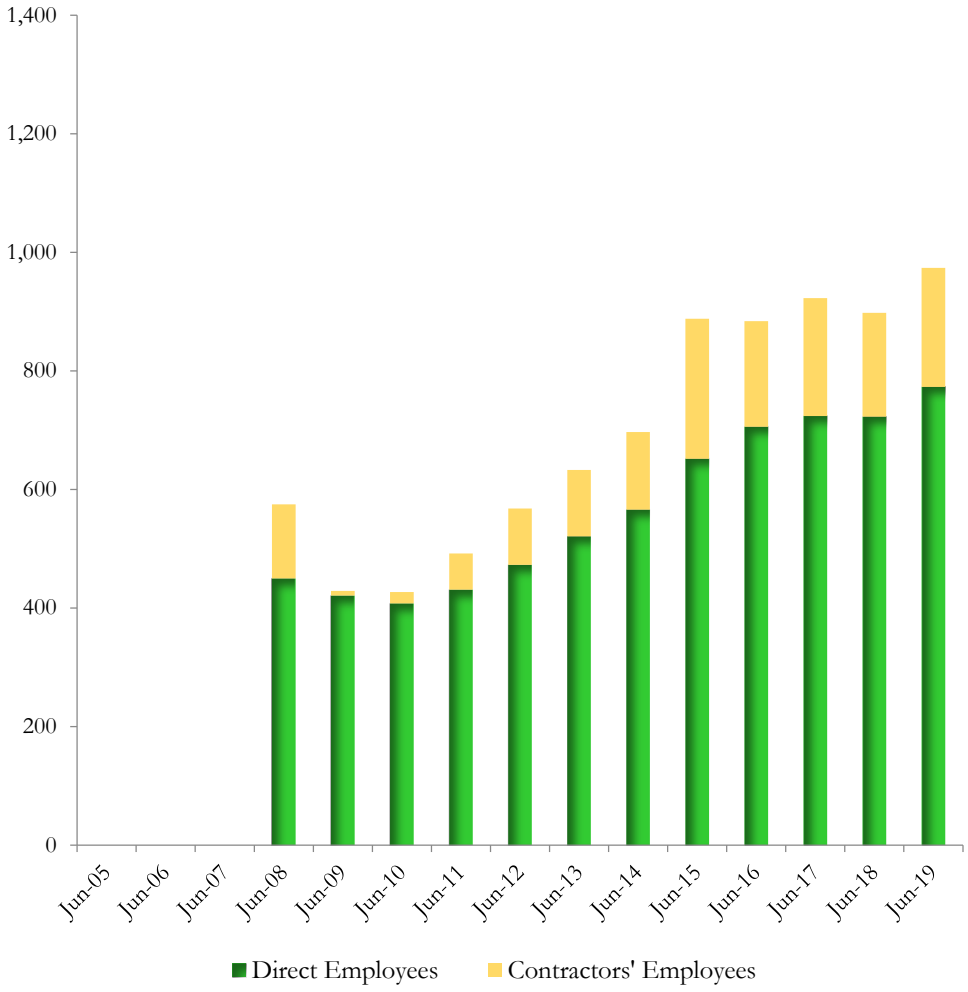




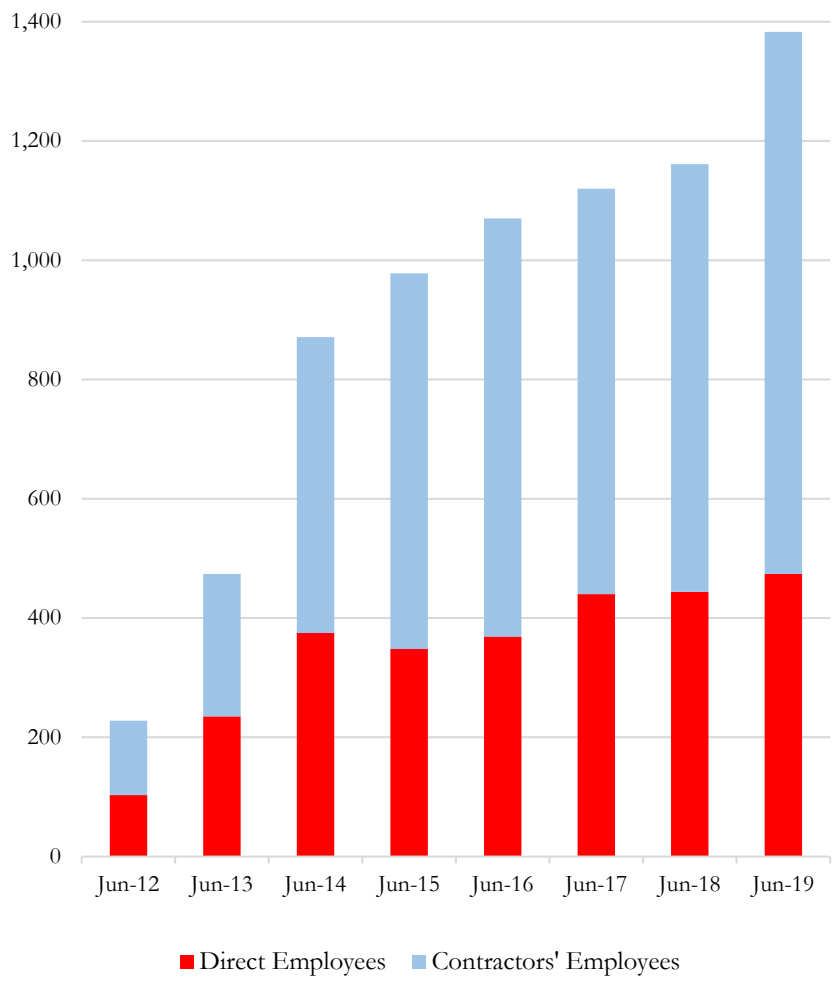



Employment Created

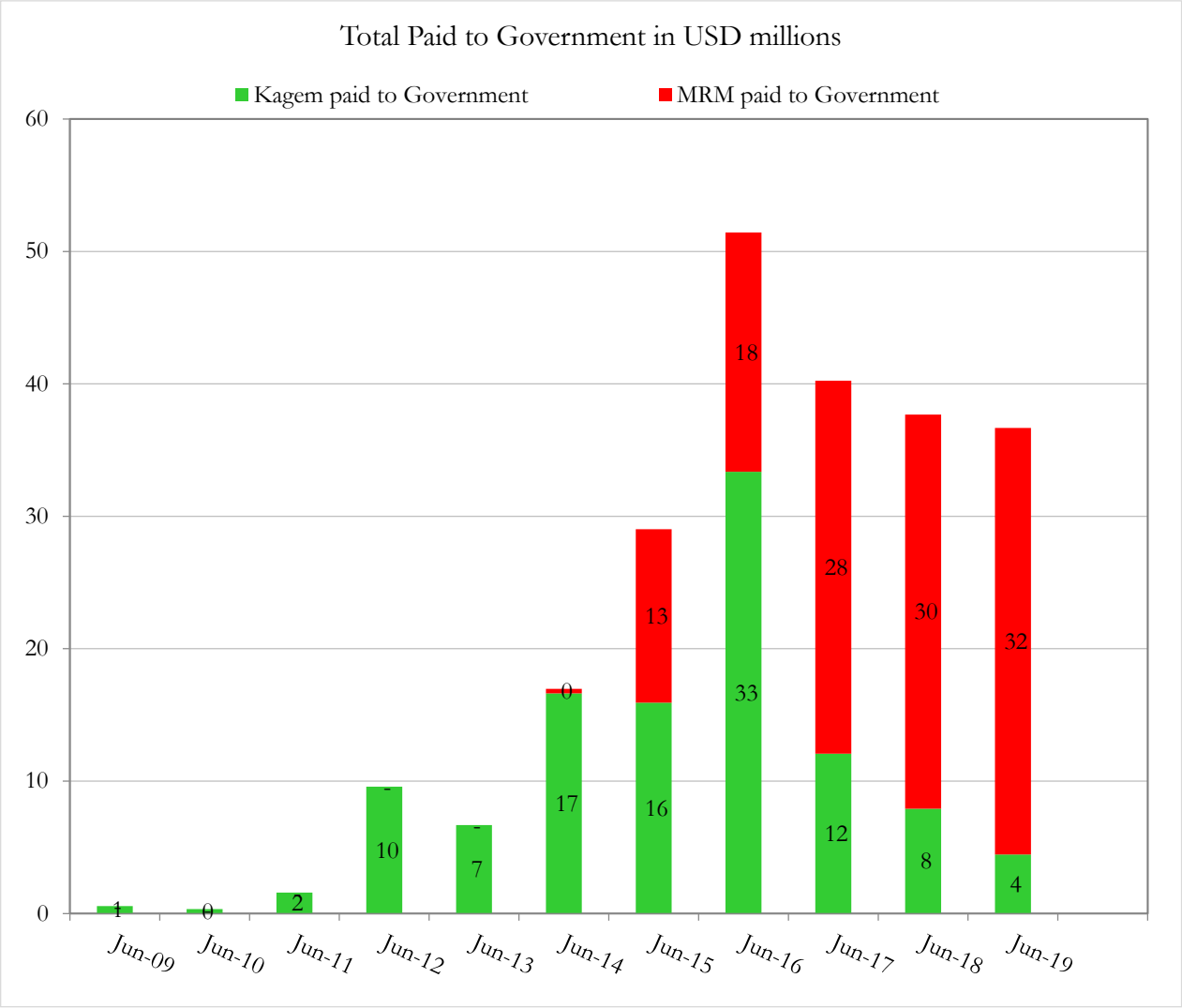
Kagem (Emerald) Employment Created



Montepuez (Ruby) Employment Created



We Pay (and Publish) Our Taxes



Government's Share (using tax, royalty ***and*** dividends **paid**):

1. Zambia: 18% of revenue or USD 112 million (over 10 years on revenues of USD 630 million)

2. Mozambique: 23% of revenue or USD 122 million (over 5 years on revenues of USD 521 million)

Figures are to 30 June 2019.

MRM Resettlement Village

CONSTRUCTION OF 105 HOUSING UNITS AND PUBLIC BUILDINGS ON SCHEDULE FOR JUNE 2020 HANDOVER





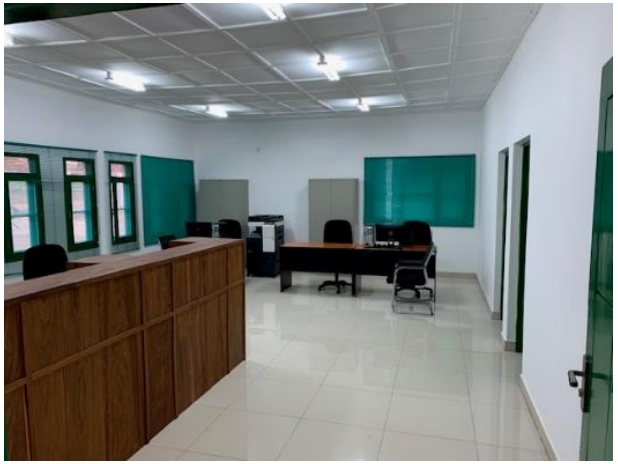




Mozambique Vocational Training Centre

TEACHES ELECTRICAL STUDIES, MASONRY, PLUMBING AND CARPENTRY









Primary and Secondary Schools in Mozambique and Zambia

TEACHING THE NEXT GENERATION











Agricultural Cooperatives & Livelihood Creation Projects

PROVIDING A LEGACY OF IMPROVED LIVELIHOODS IN LOCAL COMMUNITIES









Mobile Clinic (Montepuez Ruby Mining, Mozambique)

PROVIDING BASIC MEDICAL SUPPLIES TO RURAL COMMUNITIES









MINIMISING ENVIRONMENTAL IMPACT FROM OPERATIONS











PROTECTING AFRICA'S BIODIVERSITY #CONSERVATIONGEMSTONES







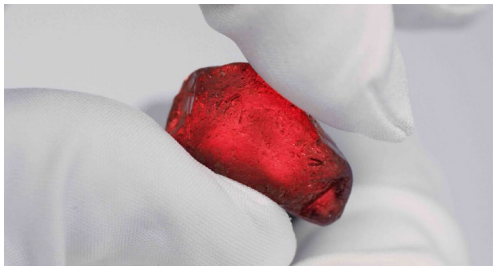
Precious stones for pachyderms

Gemfields' ANNA HEBER talks to SHANA MARIA VERGHIS about a charity auction featuring jewellery inspired by the elephant. The money is to save the animal's habitat



Sponsored by:

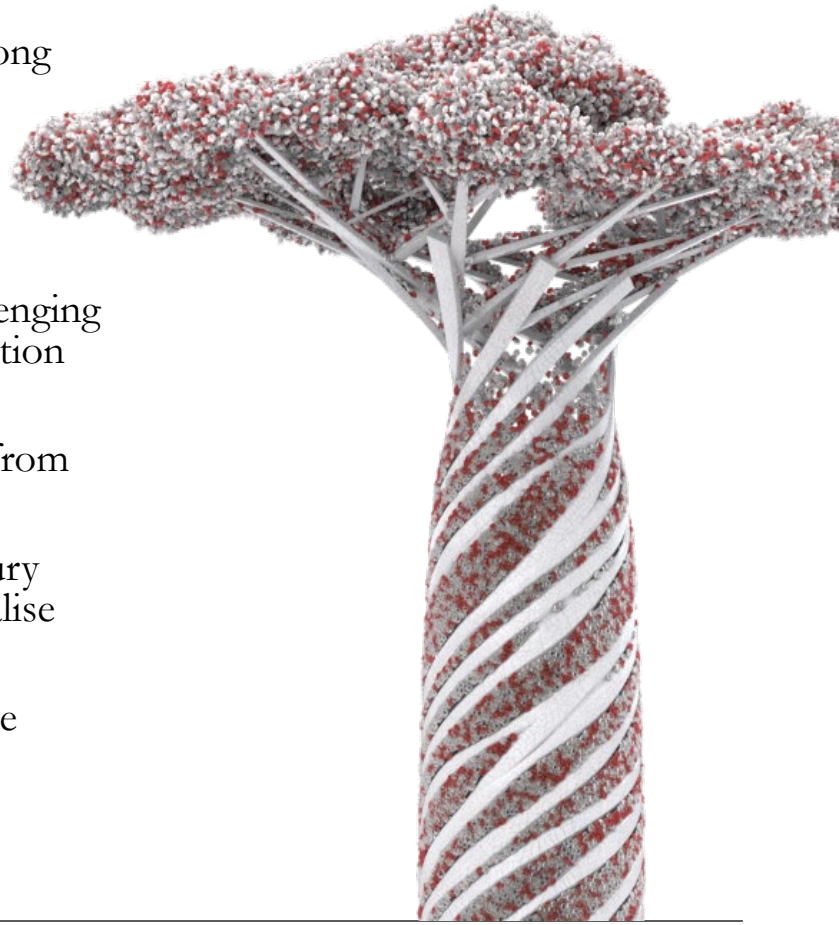
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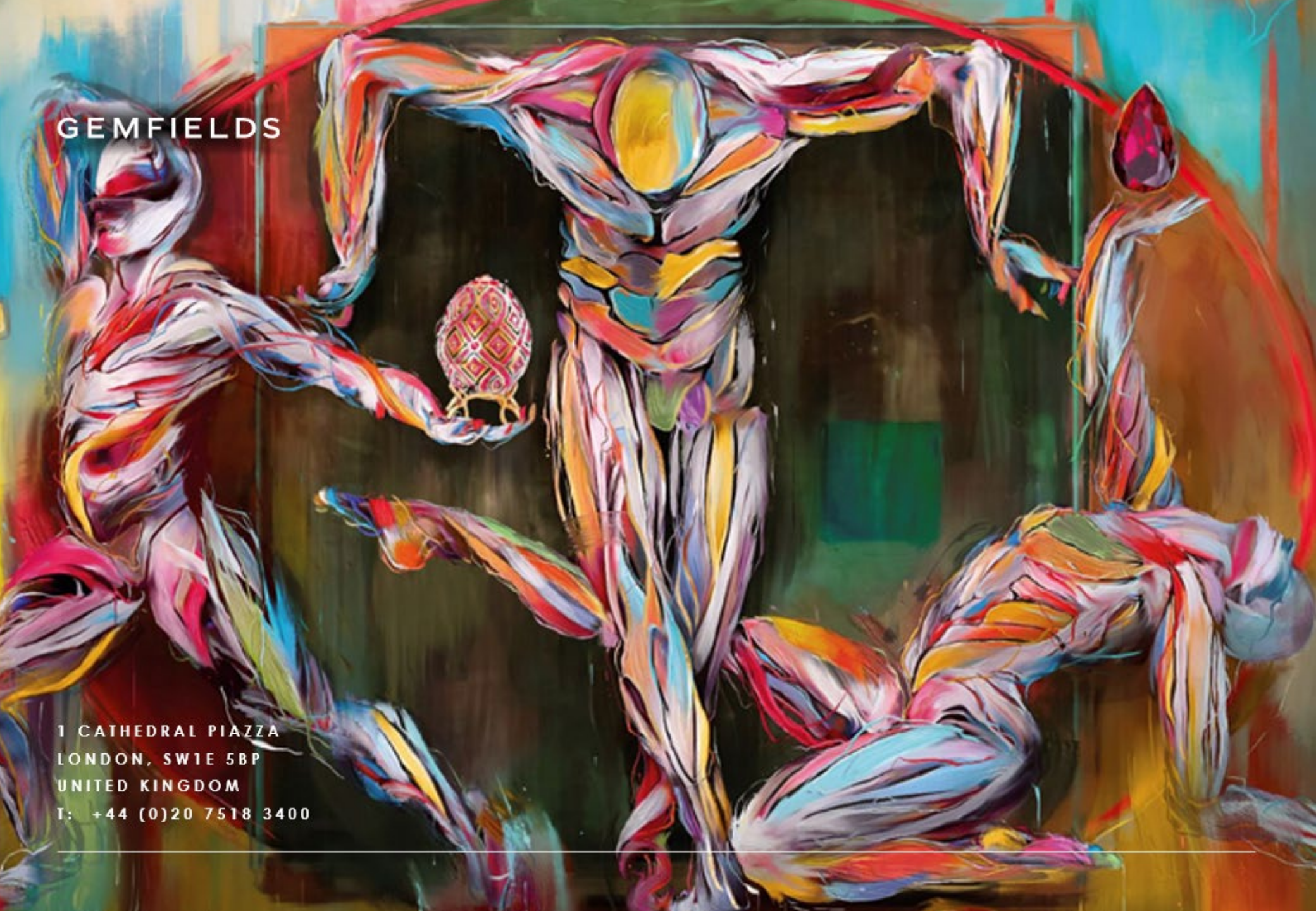




And a new project
soon to be announced….

1. The clear market leader in coloured gemstones, providing a unique offering to investors that combines mining, grading, marketing and selling capabilities with ownership of Fabergé.
2. Two world class mines at Montepuez and Kagem, both with a long life of mine and producing into markets with steadily increasing demand.
3. Cash generative and profitable business with the intention of delivering cash returns to shareholders.
4. Proven management team with experience of operating in challenging jurisdictions and implementing strong governance, capital allocation and operational stewardship
5. Robust organic growth prospects with further upside potential from ruby exploration assets and desire to add sapphires.
6. Ownership of the Fabergé brand, one of the leading global luxury brands held outside of the major luxury houses that is yet to realise its full potential.
7. Industry leading CSR practices and a commitment to responsible mining in partnership with local and national partners.





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