

*A leading supplier of responsibly
sourced coloured gemstones*

GEMFIELDS



Gemfields is a world leading supplier of responsibly sourced coloured gemstones. We specialise in high quality emeralds and amethysts from Zambia and rubies from Mozambique. Gemfields has a seven-year track record of direction, delivery and success.

Our business model focuses on creating shareholder value by identifying and investing in undeveloped or underdeveloped coloured gemstone assets. We use our unrivalled operational expertise in the coloured gemstone sector to grow these assets, typically in partnership with appropriate local partners. We do not pursue comprehensive vertical integration. Rather, our mine and market strategy means we focus on both ends of the value chain, representing what we believe to be the two most important segments.

About us:

Our pioneering auction platform has changed the face of the coloured gemstone sector, delivering a key tenet of our business model: bringing a consistent supply of responsibly sourced coloured gemstones, carefully graded according to our proprietary rough grading systems, to our customers in line with their respective market focus. This distribution platform is complemented by determined marketing and promotional campaigns to further increase confidence in, and awareness of, this exciting and fast-growing sector.

Revenue

US\$193.1 million
(2015: US\$171.4 million)

EBITDA

US\$69.4 million
(2015: US\$64.4 million)

Profit after tax

US\$23.5 million
(2015: US\$12.3 million)

Probable Ore Reserve at Montepuez

432 million carats
Projected 21-year life of mine

Proved and Probable Ore Reserve at Kagem

1.1 billion carats
Projected 25-year life of mine

Gemfields Locations



Key assets

■ Kagem Mining Limited – emeralds (75% interest)

- A partnership with the Government of the Republic of Zambia (25% interest).
- Believed to be the world's largest producer of emeralds, accounting for approximately 25% of global rough emerald production.
- Licence covers an area of approximately 41 square kilometres and contains several emerald-bearing belts (one of which is currently being mined on a large-scale, two are in a bulk-sampling phase and the others are yet to be fully examined by Gemfields).
- JORC code compliant proved and probable Mineral Reserve of 1.1 billion carats of emerald and beryl at an in situ grade of 291 carats per tonne.

■ Montepuez Ruby Mining Limitada – rubies (75% interest)

- A partnership with a local Mozambican entity, Mwiriti Limitada (25% interest).
- Licence, located in the Montepuez district of the Cabo Delgado province in Mozambique, covers approximately 350 square kilometres with both primary and secondary deposits.
- Generally recognised as one of the world's largest known ruby and corundum deposits and the single largest producing ruby mine.
- JORC code compliant probable Mineral Reserve of 432 million carats of ruby and corundum at an in situ grade of 16 carats per tonne.

● Fabergé Limited (100% interest)

- Fabergé enables Gemfields to take its vision for coloured gemstones to the next level, harnessing the Fabergé name to boost the international presence and perception of coloured gemstones and advance the Company's 'mine and market' vision.
- New products launched to promote the use of emeralds, rubies and sapphires in support of Gemfields' coloured gemstone strategy.

■ Kariba Minerals Limited – amethyst (50% interest)

- One of the world's largest producing amethyst mines.
- Partnership with ZCCM Investments Holdings plc ("ZCCM-IH"), which owns a 50% interest.

New projects and other assets

Eastern Ruby Mining Limitada, Mozambique – rubies (75% interest)

- A partnership with a local Mozambican individual (25% interest).
- Holds Mozambique exploration licence number 5061L which is under conversion to a mining concession.

Megaruma Mining Limitada, Mozambique – rubies (75% interest)

- A partnership with EME Investments, a local Mozambican entity (25% interest).
- Two licences, located in Montepuez district in Mozambique which each share a boundary with the existing Montepuez ruby deposit and cover approximately 19,000 hectares and 15,000 hectares respectively.
- Initial stages of geological evaluation completed and further studies proposed.

Oriental Mining Société Limitée, Madagascar – rubies, emeralds and sapphires (100% interest)

- Nine exploration licences covering emeralds, rubies, sapphires, tourmalines and garnets in the Antananarivo, Fianarantsoa and Toliara provinces of Madagascar.
- 11 additional licences are in the process of being transferred to Oriental Mining. Initial stages of geological evaluation completed.

Ratnapura Lanka Gemstones (Pvt) Limited, Sri Lanka – sapphires (75% interest)

- A partnership with East West Gem Investments Limited (25% interest).
- Trading centres in Colombo and Ratnapura, Sri Lanka.
- Geological and geophysical exploration activities have been carried out for diverse minerals.

Web Gemstone Mining plc, Ethiopia – emeralds (75% interest)

- A partnership with an Ethiopian entity representing the local community and individuals in southern Ethiopia (25%).
- An emerald exploration licence covering an area of approximately 200 square kilometres.
- Exploration activity began in July 2015 and diamond drilling commenced in early July 2016.

Coscuez Emerald Mine, Boyacá Department, Colombia – emeralds (projected 70% interest)

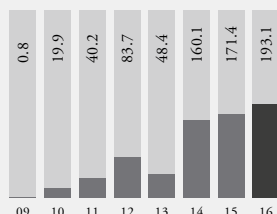
- In September 2015, Gemfields entered into a binding but conditional agreement to acquire a projected 70% interest in a Colombian Company which will, on completion, hold mining contract no. 122-95M (the "Coscuez Licence", which is presently held by Esmeracol S.A.).
- Located on the 'Muzo formation', the Coscuez Licence covers an area of 47 hectares, with the Coscuez mine being historically one of the largest emerald mines in the world.
- Pre-completion geological studies have been carried out by Gemfields by a small team onsite in 2015 and 2016.
- Completion is expected to occur before the end of the second quarter of financial year 2016–17.

Selected Exploration Prospects, Colombia – emeralds (70% to 75% interests).

- In September 2015, Gemfields announced the signing of a binding agreement which would afford it the opportunity to potentially acquire effective 70% – 75% interests in a number of exploration licences.
- These projects would provide Gemfields with access to various prospective emerald bearing areas, thereby further enhancing the Company's local geological understanding subject to the Company progressing these transactions.

Strong revenue generation

US\$ 717.6 million
generated since first auction in 2008–09
(US\$ million)

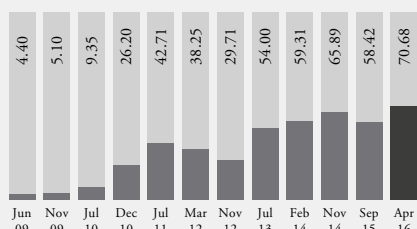
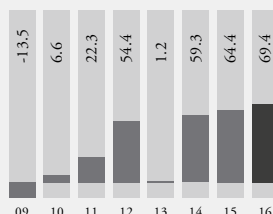


Higher prices

US\$ 70.68 per carat
Highest average price per carat achieved
in April 2016 at the higher quality
emerald auction in Zambia

Total EBITDA

US\$ 264.1 million
since 2008–09 to 2015–16
(US\$ million)



Significant shareholdings

As at 30 June 2016, the Company is aware of the following interests of 3% or more in the issued ordinary share capital of the Company:

Shareholder	Number of shares	Percentage holding
The Pallinghurst Resources Fund L.P.	208,502,556	38.31%
Fabergé Conduit Ltd	98,647,407	18.13%
Investec Pallinghurst (Cayman) L.P.	53,491,818	9.83%
NGPMR (Cayman) L.P.	44,428,505	8.16%
BlackRock Inc	17,011,156	3.12%
Others	122,155,846	22.45%
Total	544,237,288	100%

Analyst Forecasts	Target Price
BMO Capital Markets – 20 June 2016	80p
FinnCap – 20 June 2016	85p
Investec Securities – 31 August 2016	80p
JP Morgan Cazenove – 15 September 2016	43p
Macquarie – 1 August 2016	100p
Panmure Gordon – 9 August 2016	61p
Peel Hunt – 13 July 2016	78p

London Listed AIM: GEM

Current Share Price (21/9/2016)
44.75p

Issued Shares as at 21 September 2016
544,337,288

Market Capitalisation (21/9/2016)
£244m

Advisers

External Auditors

BDO LLP

Financial PR

Tavistock Communications

Joint Broker

BMO Capital Markets Ltd

Joint Broker

J.P. Morgan Cazenove

Joint Broker

Macquarie Capital (Europe) Ltd

Nominated Adviser

Grant Thornton UK LLP

Management

Graham Mascall

Non-Executive Chairman

Ian Harebottle

Chief Executive Officer

Dev Shetty

Chief Operating Officer

Sean Gilbertson

Executive Director

Clive Newall

Non-Executive Director

Finn Behnken

Non-Executive Director

Janet Boyce

Chief Financial Officer

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