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Gem Resources Plc (formerly URA Holdings plc)

("GEMR" or the "Company")

Operational Update

Processing Plant Upgrades Completed and Phase 2 Operations commenced

Gem Resources Plc (LSE: GEMR) is pleased to provide an operational update regarding progress at its Gravelotte Emerald Mine ("Gravelotte") in South Africa.

Key Highlights

- **Processing Plant Upgrades Completed:** The refurbishment and upgrades to the processing plant have been successfully completed. The improvements included the installation of a double-deck vibrating washing and sizing screen, and other enhancements aimed at optimising throughput and minimizing downtime.
- **Increased Processing Capacity:** During the first two weeks of operation (following the upgrades), the processing plant achieved an average increase of approximately 45% in processing capacity. This translates to an average of approximately 100 tonnes of ore processed per day.
- **Operational Reliability:** Since completion of the upgrades, the plant has operated without any downtime related to breakdowns, a testament to the quality and durability of the enhancements.
- **Phase 2 Operations Commence:** The success of the plant upgrades has enabled the Company to progress to Phase 2, with active mining operations now underway in the Cobra Open Pit. This marks a critical step toward securing a steady supply of high-grade ore for processing and further enhancing the quality and quantity of emeralds recovered.
- **Seasonal Annual Leave Shutdown:** In line with industry practice and local regulations, Gravelotte will undergo a seasonal shutdown from mid-December to early January, during which the workforce will take their annual leave. Security will remain on site throughout the period, and operational activities are

scheduled to resume on 6 January 2025.

- **Significant Cost Saving:** It is estimated that by constructing most of the equipment in-house and working with local engineering workshops, the Company has managed to achieve the upgrades at a c. 75% cost-saving compared to buying new equipment, like the double deck sizing and washing screen.

Phased Operations

As previously announced, the Company has taken a measured and cash conscious phased approach to the restart of operations at the Gravelotte Emerald Mine. The new custom-made double deck vibrating and sizing screen are also performing well, and the screen's robust design and larger capacity have already increased daily processing volume and reduced downtime. Following the completion of the planned processing plant and site upgrades, GEMR has now initiated Phase 2 of operations which includes ongoing active mining in the Cobra Open Pit.

Chairman's Statement

Ed Nealon, Chairman of Gem Resources Plc, commented: "We are pleased to report positive progress in both our mining and processing operations with the production line now performing reliably and active mining commencing in the Cobra open pit. These represent significant milestones in the Company's journey. The improvements in processing are a testament to the hard work and dedication of our team. The Company has taken a cash conscious phased approach to the restart of operations. We have been able to achieve this progress while remaining debt free and with strict cash controls. The next phase will be a critical step in further ramping up production, improving the quality of the emeralds recovered as well as establishing a steady supply of high-grade ore for processing. I am confident that these developments will drive further growth and success as we continue to unlock the potential of the Gravelotte mine."

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Figure 1. New Double Deck vibrating washing and sizing screen in operation





Figure 2. Mining activities commencing in the Cobra Open Pit

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About Gem Resources Plc ("GEMR")

GEMR is an emerging emerald producer, focusing on the Gravelotte Emerald Mine. Historically, GEMR is one of the world's largest emerald mines, located in South Africa. The Company is committed to sustainable and efficient mining practices, utilizing modern technology to revive this historically significant emerald mine. The Company has also acquired the Curlew Emerald Mine in Australia, further expanding its emerald mining operations and assets.

For more information about Gem Resources Plc, including investor relations and corporate news, please visit our website at www.gemresources.co.uk. Interested parties are also invited to sign-up for our newsletter via our website.

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