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("Gemfields" or the "Group" or the "Company")

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF THE MARKET ABUSE REGULATION (EU) NO. 596/2014 AS IT FORMS PART OF UK LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018, AS AMENDED ("MAR"). MARKET SOUNDINGS AS DEFINED IN MAR WERE TAKEN IN RESPECT OF CERTAIN OF THE MATTERS CONTAINED IN THIS ANNOUNCEMENT, WITH THE RESULT THAT CERTAIN PERSONS BECAME AWARE OF SUCH INSIDE INFORMATION, AS PERMITTED BY MAR. UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN AND SUCH PERSONS SHALL THEREFORE CEASE TO BE IN POSSESSION OF INSIDE INFORMATION.

ADVERTISEMENT - SUBJECT TO THE PASSING OF THE RESOLUTIONS AT THE EXTRAORDINARY GENERAL MEETING, IT IS PROPOSED THAT A PROSPECTUS WILL BE PUBLISHED IN CONNECTION WITH THE PROPOSED RIGHTS ISSUE, WHICH INVESTORS WILL BE ABLE TO OBTAIN FROM THE COMPANY'S WEBSITE, BY USING THE FOLLOWING LINK: WWW.GEMFIELDSGROUP.COM/PROPOSED-RIGHTS-ISSUE-2025. SHOULD THE FCA AND/OR JSE APPROVE THE PROSPECTUS, SUCH APPROVAL SHOULD NOT BE UNDERSTOOD AS AN ENDORSEMENT OF THE SECURITIES TO BE OFFERED PURSUANT TO THE PROPOSED RIGHTS ISSUE. POTENTIAL INVESTORS SHOULD READ THE PROSPECTUS (WHEN PUBLISHED) BEFORE MAKING AN INVESTMENT DECISION IN ORDER TO FULLY UNDERSTAND THE POTENTIAL RISKS AND REWARDS ASSOCIATED WITH THE DECISION TO INVEST IN THE SECURITIES.

PUBLICATION OF A CIRCULAR AND NOTICE OF EXTRAORDINARY GENERAL MEETING

DECLARATION INFORMATION PERTAINING TO THE PROPOSED RIGHTS ISSUE 10 NEW SHARES FOR EVERY 21 EXISTING SHARES AT 4.22 PENCE OR ZAR1.06860 PER NEW SHARE

RULE 9 WAIVER

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

LONDON, 11 APRIL 2025

Gemfields Group Limited ("Gemfields" or the "Group" or the "Company") announces it is seeking shareholder approval to, amongst other things, issue 556,203,396 New Shares to raise approximately USD30 million by way of a fully committed and underwritten Rights Issue (the "Proposed Rights Issue").

The Company is convening an extraordinary general meeting of its shareholders to approve the Proposed Rights Issue of 556,203,396 New Shares, representing approximately 47.6 per cent. of Gemfields' share capital in issue as at the Latest Practicable Date, and a Rule 9 Waiver to waive the requirement for Assore International Holdings Limited ("AIH") to make a general offer under Rule 9 of the Takeover Code in cash for Ordinary Shares in the Company which might otherwise arise as a result of the Proposed Rights Issue.

The Circular setting out details of the Proposed Rights Issue and the Rule 9 Waiver and containing the Notice of Extraordinary General Meeting will be posted to shareholders today and will shortly be available on the Company's website at: www.gemfieldsgroup.com/proposed-rights-issue-2025/.

An extract of information set out in the Circular is set out in the Appendix to this announcement. All defined terms in this announcement are as set out in the Circular.

Further details in relation to the Proposed Rights Issue (including, without limitation, the timetable of events) will be set out in a Prospectus which is expected to be published by the Company, subject to the passing of the Resolutions and the approval of the FCA and the JSE, on or around 20 May 2025.

In the UK, Panmure Liberum will be acting as Financial Adviser, Co-ordinator and Corporate Broker in relation to the Proposed Rights Issue and is the Company's Nominated Adviser for the purposes of the AIM Rules for Companies. In South Africa, Investec is acting as JSE Sponsor in relation to the Proposed Rights Issue.

Full year results and Proposed Rights Issue shareholder and analyst webcast

The Company intends to host a shareholder and analyst webcast on Wednesday, 23 April 2025 at 9:00 am (UK) / 10:00 am (South Africa) to grant shareholders time to review the released Circular and notice to attend the webcast. Sean Gilbertson (CEO) and David Lovett (CFO) will present the Company's 2024 full year results and the Proposed Rights Issue.

The Company will host a question and answer session following the presentation. Should you wish to ask a question, please either email your questions in advance to ir@gemfields.com, or use the 'Ask a question' link on the webcast page during the event.

Shareholders who wish to watch the webcast are requested to register via the link below: <https://sparklive.lseg.com/GemfieldsGroupLtd/events/d6b68e49-14db-4ae4-82df-195034866c67/gemfields-group-limited-full-year-results-2024>.

The slides that will be presented on the webcast, will be available on Gem fields' website under Investors: Presentations shortly at www.gemfieldsgroup.com.

Background to the Proposed Rights Issue

The Proposed Rights Issue will, subject to Shareholder approval, be undertaken to address a near-term working capital shortfall as a result of the cumulative impact of a number of challenges the Company encountered in the second half of 2024 and the first quarter of 2025, all of which are considered by the Directors to be transient in nature, coinciding with a period of significant planned investment.

As set out in an announcement dated 23 December 2024, the Company is carrying out a widespread and ongoing cost saving programme to reduce the cost base of the business. In combination with the Proposed Rights Issue, these initiatives are intended to secure the near-term future of Gem fields, ahead of the commissioning of a second ruby processing plant at MRM ("PP2"). Once fully operational, PP2 is expected to triple the processing capacity and significantly increase the mine's ruby production, leading to a material increase in product available for sale and, therefore, the opportunity to generate additional revenue.

The Company also announced on 23 December 2024 that it was assessing strategic options in respect of Fabergé, the iconic luxury-brand owned by the Group. Since the date of that announcement, the Company has engaged with a number of parties who have expressed an interest in the Fabergé business, and received a number of non-binding offers. Due to the Company's requirement for external funding in the short-term, the Board does not believe that the non-binding offers are sufficiently sound alternatives within the timeframe required to meet the Group's funding needs. To proceed with external funding in the required timeframe, the assessment of strategic options for Fabergé has paused and will only recommence following the completion of the Proposed Rights Issue.

As a result, the Board is of the view that the Proposed Rights Issue is in the best interests of the Company and its shareholders as a whole at this time in order to meet the funding needs of the Group.

Description of the Proposed Rights Issue

Subject to the fulfilment of, amongst others, the conditions described below, it is expected that New Shares will be offered for subscription to Qualifying Shareholders (other than Qualifying South African Shareholders) at 4.22 pence per New Share, or, in the case of Qualifying South African Shareholders, ZAR1.06860 per New Share, payable in full on acceptance. The Proposed Rights Issue will be on the basis of:

10 New Shares for every 21 Existing Shares

held by and registered in the names of Qualifying Shareholders (other than Shareholders resident or with registered addresses in any of the Excluded Territories) on the relevant Record Date and so in proportion to any other number of Existing Shares each Qualifying Shareholder then holds and otherwise on the terms and conditions to be set out in the Prospectus and, in the case of Qualifying Non-CREST Shareholders or Qualifying South African Shareholders holding Existing Shares in certificated form (other than such Shareholders resident or with registered addresses in any of the Excluded Territories), the Provisional Allotment Letters or Forms of Instruction respectively.

The UK Issue Price of 4.22 pence per New Share represents:

- a 19.7 per cent. discount to the theoretical ex-Rights price based on the dosing price of 5.75 pence per Share; and
- a 35.0 per cent. discount to the 30-day volume weighted average price per share of 6.50 pence per Share,

in each case on the Latest Practicable Date.

The SA Issue Price of ZAR1.06860 per New Share represents:

- a 21.5 per cent. discount to the theoretical ex-Rights price based on the dosing price of ZAR1.50000 per Share; and
- a 28.8 per cent. discount to the 30-day volume weighted average price per share of ZAR1.50049 per Share,

in each case on the Latest Practicable Date.

The New Shares will, when issued and fully paid, rank pari passu in all respects with the Existing Shares, including the right to receive all future dividends and other distributions declared, made or paid after the date of their issue.

The Proposed Rights Issue will result in the issue of 556,203,396 New Shares, which will form approximately 32.3 per cent. of the Shares in issue immediately following completion of the Proposed Rights Issue.

Subject to the Resolutions being approved and the Proposed Rights Issue taking place, the Rights Issue and Underwriting Agreement provides that the Underwriters will receive a commission of 2 per cent. of the gross proceeds raised from the issue of the Underwritten Shares, in the Agreed Proportions, to each respective Underwriter.

Underwriting, Pre-Funding Agreements and Relationship Agreement

In order to provide certainty of funding to the Company, subject to the passing of the Resolutions at the Extraordinary General Meeting, the Proposed Rights Issue will be underwritten by the Underwriters (AIH and Rational Expectations (Pty) Ltd ("**Rational**")) in accordance with the terms of the Rights

Issue and Underwriting Agreement. Accordingly, AIH, which currently holds approximately 29.14 per cent of the issued share capital of Gemfields, and Rational, which, together with the parties it represents as set out in more detail in the paragraph 16 of Part II of the Circular, currently holds approximately 15.49 per cent of the issued share capital of Gemfields, in each case at the Latest Practicable Date, have undertaken to take up their respective entitlements in full in the Proposed Rights Issue and to collectively underwrite, in the Agreed Proportions, the entirety of the Proposed Rights Issue in excess of their respective entitlements. The Proposed Rights Issue is being underwritten by the Underwriters such that the Proposed Rights Issue shall result in gross proceeds of approximately USD30 million being raised.

In addition, each Underwriter has entered into an individual Pre-Funding Agreement with the Company, pursuant to which: (1) AIH shall make a loan in the amount of USD8,742,000 available to the Company; and (2) Rational shall make a loan in the amount of USD4,646,000 available to the Company (each being a "Loan") in each case, on the date of the publication of the Circular. This will provide the Company with an immediate working capital injection pending the completion of the Proposed Rights Issue. Each Loan will act as an advance payment by the relevant Underwriter for its Rights under the Proposed Rights Issue and repayment of the Loan shall be set-off against the amount otherwise owed by the relevant Underwriter to the Company for its Rights and the Underwritten Shares it has committed to subscribe for under the terms of the Proposed Rights Issue and the Rights Issue and Underwriting Agreement. Further details of each Pre-Funding Agreement are set out in paragraphs 11.9 and 11.10 of Part II of the Circular.

Furthermore, the Company has also entered into a relationship Agreement with Rational, pursuant to which, *inter alia*, Rational shall have the right to nominate a non-executive director to the board of the Company, subject to shareholder approval, for so long as it, and the parties it represents, hold at least 12.5 per cent. of the issued share capital of the Company.

Irrevocable Undertakings

The Committed Shareholders, including the Underwriters, have given irrevocable undertakings to take up the Committed Shares (being, in aggregate, 229,572,845 New Shares), which represent their collective entitlements to the Rights under the Proposed Rights Issue. Further details of the irrevocable undertakings are set out at paragraph 9 of Part II of the Circular.

Rule 9 Waiver

In the event that no Qualifying Shareholders (save for the Underwriters and the Committed Shareholders) take up their Rights, AIH would be required to subscribe for, in aggregate, 329,659,331 New Shares, representing approximately 19.1 per cent. of the voting rights of the Company's issued share capital immediately following the Proposed Rights Issue. This would mean that AIH, (when taking into account the existing 340,367,121 Ordinary Shares it holds as at the Latest Practicable Date), together with any persons acting in concert with AIH, would have a maximum shareholding of 670,026,452 Ordinary Shares, representing 38.9 per cent. of the issued share capital of the Company following completion of the Proposed Rights Issue. The maximum shareholding of Rational, together with the parties it represents as set out in more detail in paragraph 16 of Part II of the Circular, in such circumstances would be 356,088,477 Ordinary Shares, representing 20.7 per cent. of the issued share capital of the Company following completion of the Proposed Rights Issue.

Given the maximum number of Ordinary Shares that could be held by AIH, and any persons acting in concert with AIH, following the Proposed Rights Issue, the Takeover Panel has been consulted and has agreed to waive the requirement for AIH and any persons acting in concert with AIH to make a general offer under Rule 9 of the Takeover Code in cash for Ordinary Shares which might otherwise arise as a result of the issue of the Proposed Rights Issue, subject to the Rule 9 Waiver Resolution (as set out in the notice convening the Extraordinary General Meeting) being passed on a poll of the Independent Shareholders. To be passed, the Rule 9 Waiver Resolution will require a simple majority of the votes cast by the Independent Shareholders to be in favour. For the purposes of the Takeover Code, Rational is not considered to be acting in concert with AIH in connection with the Proposed Rights Issue but is not considered independent of AIH and is therefore not an Independent Shareholder.

Use of proceeds

Subject to the passing of the Resolutions and the completion of the Proposed Rights Issue, the Company is expected to raise approximately USD30 million (in gross proceeds). The proceeds of the Proposed Rights Issue will be used for general corporate purposes, and specifically to provide working capital liquidity and ensure the business is able to continue operating and fulfil its ongoing obligations such as paying employee salaries and key operating costs, in between auctions.

Related Party Transactions

The entry into the Rights Issue and Underwriting Agreement with the Underwriters and the entry into each of the AIH Pre-Funding Agreement and the Rational Pre-Funding Agreement with the Underwriters are each "related party transactions" for the purposes of Rule 13 of the AIM Rules. The Independent Directors consider, having consulted with Panmure Liberum, the Company's nominated adviser for the purposes of the AIM Rules, that the terms of the related party transactions are fair and reasonable insofar as the Shareholders of the Company are concerned.

For purposes of the JSE Listings Requirements, the Rights Issue and Underwriting Agreement is not regarded as a related party transaction as the commission payable to the related parties (being the Underwriters) is not greater than the current market-related rates as confirmed by the independent Non-Executive Directors of the Company, and as such falls within the exemptions contemplated under paragraph 10.6(c)(vii) of the JSE Listings Requirements pertaining to transactions that do not constitute related party transactions.

The Pre-Funding Agreements, for purposes of the JSE Listings Requirements, are not regarded as related party transactions as each is an agreement involving the lending of money by a related party (being each Underwriter) to the Company on normal commercial terms and on an unsecured basis and as such falls within the exemption contemplated in paragraph 10.6(c)(i) of the JSE Listings Requirements pertaining to transactions that do not constitute related party transactions.

Extraordinary General Meeting

An Extraordinary General Meeting of Gemfields will be held at 123 Victoria Street, Westminster, London, SW1E 6DE, United Kingdom on 19 May 2025 at 10.00 a.m. (London time) to consider and, if thought fit, to approve the Resolutions. The Resolutions are set out in full in the Notice of Extraordinary General Meeting.

Actions to be taken

The Extraordinary General Meeting is being convened for the purposes of considering and, if thought fit, passing the following Resolutions:

1. an Ordinary Resolution to be passed by the Independent Shareholders on a poll to approve the Rule 9 Waiver Resolution;
2. a Special Resolution to grant the Directors authority to allot and issue New Shares for cash free of pre-emption rights in connection with the Proposed Rights Issue; and
3. an Ordinary Resolution to approve the Underwriting Issue to the Underwriters Resolution.

J. an Ordinary Resolution to approve the Underwriting Issue to the Underwriters Resolution.

Please refer to the Notice of Extraordinary General Meeting for a detailed description of the Resolutions to be voted on by Shareholders at the Extraordinary General Meeting.

The Proposed Rights Issue is conditional on:

- (a) all of the Resolutions being passed by the requisite majority of Shareholders;
- (b) publication of the Prospectus on or around 20 May 2025;
- (c) AIM Admission of the New Shares;
- (d) approval by the JSE Ltd of the listing and trading of the New Shares and the Letters of Allocation on the JSE Main Board ("JSE Admission"); and
- (e) the Rights Issue and Underwriting Agreement in respect of the Proposed Rights Issue becoming unconditional in accordance with its terms and not having been terminated prior to AIM Admission and JSE Admission.

Therefore, if all of the Resolutions are not passed by the requisite majority of Shareholders, or if any of the other conditions are not satisfied, the Proposed Rights Issue will not proceed.

AIH has agreed to vote its 29.14 per cent. shareholding in Gemfields in favour of all of the Resolutions save for the Rule 9 Waiver Resolution which it is precluded from voting on. Rational has agreed to vote its shareholding, together with the shareholdings of the parties it represents as set out in more detail in paragraph 16 of Part II of the Circular, being in aggregate 15.49 per cent. of the issued share capital of Gemfields, in favour of all the Resolutions save for the Rule 9 Waiver Resolution which it is precluded from voting on.

Gemfields has facilitated means by which all those holding Existing Shares on the Registers will be able to vote and/or appoint a proxy by electronic means, further details of which are set out in the explanatory notes in the Notice of Extraordinary General Meeting and in the accompanying Form of Proxy.

Shareholders are asked to complete and return their Form of Proxy, or submit their proxy electronically, as soon as possible, and in any event no later than 10.00 a.m. (London time) on 15 May 2025.

Expected timetable of events

Subject to the passing of the Resolutions at the Extraordinary General Meeting, the Prospectus is expected to be made available on the Company's website on 20 May 2025.

Each of the times and dates in the table below is indicative only and may be subject to change.

Record date for shareholders to receive the Prospectus	15 May 2025
Publication of finalisation information in relation to the Proposed Rights Issue by 11:00 SAST	19 May 2025
Restrictions on transfers between UK Register and SA Register begin	Close of business on 20 May 2025
Prospectus approved and made available on the Company's website and the FCA's National Storage Mechanism	20 May 2025
In SA: Last Day to Trade Existing Shares on the JSE to qualify to participate in the Proposed Rights Issue (cum Rights)	22 May 2025
Despatch of Forms of Instruction to Qualifying South African Shareholders who hold their Shares in certificated form	Close of business on 22 May 2025
Existing Shares marked "ex" by the Johannesburg Stock Exchange	9:00 SAST on 23 May 2025
Listing of Letters of Allocation commence on the JSE under Alpha code GMLN and ISIN:GG00BT3PBP61	9:00 SAST on 23 May 2025
UK Record date for entitlement under the Proposed Rights Issue for Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders	18.00 London time on 27 May 2025
In SA: Record date for entitlements under the Proposed Rights Issue for Qualifying South African Shareholders	27 May 2025
Despatch of Provisional Allotment Letters (to Qualifying Non-CREST Shareholders only)	28 May 2025
Prospectus printed and posted to all Qualifying Shareholders	28 May 2025
Qualifying South African Shareholders who hold their Shares in uncertificated form will have their accounts at their CSDP or broker automatically credited with their Letters of Allocation	09:00 SAST on 28 May 2025
Qualifying South African Shareholders who hold their Shares in certificated form will have their Letters of Allocation credited to an account held with the SA Registrar	09:00 SAST on 28 May 2025

Existing Shares marked "ex" by the London Stock Exchange	08.00 London time on 29 May 2025
Proposed Rights Issue opens	29 May 2025
Admission and dealings in New Shares, nil paid, commence on AIM	29 May 2025
Nil Paid Rights credited to stock accounts in CREST (Qualifying CREST Shareholders only)	Post 08.00 London time on 29 May 2025
UK: Recommended latest time and date for requesting withdrawal of Nil Paid Rights and Fully Paid Rights from CREST (i.e. if your Nil Paid Rights and Fully Paid Rights are in CREST and you wish to convert them to certificated form)	16.30 London time on 5 June 2025
UK: Latest time for depositing renounced Provisional Allotment Letters, nil or fully paid, into CREST or for dematerialising Nil Paid Rights or Fully Paid Rights into a CREST stock account (i.e. if your Nil Paid Rights and Fully Paid Rights are represented by a Provisional Allotment Letter and you wish to convert them to uncertificated form)	15.00 London time on 6 June 2025
SA: In respect of Qualifying South African Shareholders who hold their Shares in certificated form wishing to sell all or part of their Letters of Allocation, latest time and date for submission of Form of Instruction to SA Registrar	09:00 SAST on 9 June 2025
SA: Last day to trade Letters of Allocation on the JSE to settle trades by the dosing date of the Proposed Rights Issue in order to participate in the Proposed Rights Issue	9 June 2025
Listing and trading of New Shares on the JSE dealings in New Shares on a deferred settlement basis commence	09:00 SAST on 10 June 2025
UK: Latest time and date for splitting Provisional Allotment Letters, nil or fully paid	15.00 London time on 10 June 2025
UK: Latest time and date for acceptance, payment in full and registration or renunciation of Provisional Allotment Letters	11.00 London time on 12 June 2025
Rights Issue doses Record date for Letters of Allocation on the JSE	12 June 2025
Restriction on transfers between UK Register and SA Register ends	Close of business on 12 June 2025
CSDP/broker accounts credited with New Shares and debited with payments due in respect of New Shares in uncertificated form	13 June 2025
UK and SA: Results of the Proposed Rights Issue announced	13 June 2025
Listing and trading of New Shares on AIM	08.00 London time on 13 June 2025
UK: New Shares credited to CREST stock accounts as soon as possible after	08.00 London time on 13 June 2025
Expected despatch of definitive share certificates for the New Shares in certificated form	Within ten Business Days of AIM Admission

Notes:

1. The Proposed Rights Issue is subject to certain restrictions relating to Shareholders with registered addresses in the Excluded Territories, details of which will be set out in the Prospectus.
2. The results of the Proposed Rights Issue will be announced by way of a simultaneous RIS and SENS announcement on 13 June 2025.
3. The times and dates set out in the expected timetable of principal events above may be adjusted by Gemfields in consultation with Panmure Liberum, in which event details of the new times and dates will be notified to the Johannesburg Stock Exchange and the London Stock Exchange and, where appropriate, Qualifying Shareholders by way of a simultaneous RIS and SENS announcement.
4. Unless stated otherwise, references to times in this timetable are to London time or South Africa Standard Time, as applicable.
5. The Proposed Rights Issue will open two days post the record date to allow for the distribution of the Prospectus.
6. No excess applications are allowed. Qualifying Shareholders will not have the right to apply for any excess New Shares not taken up by other Qualifying Shareholders. Any New Shares not taken up by Qualifying Shareholders pursuant to the Proposed Rights Issue, shall be subscribed for by the Underwriters pursuant to the terms and subject to the conditions of the Rights Issue and Underwriting Agreement.
7. The allocation of Rights Issue Shares will be such that Qualifying Shareholders will not be allocated a fraction of a Rights Issue Share and only whole numbers of Rights Issue Shares will be issued. Rights Issue Shares of 0.5 or greater will be rounded up and fractional entitlements of Rights Issue Shares of less than 0.5 will be rounded down.
8. Qualifying South African Shareholders who hold their Shares in uncertificated form are required to inform their CSDP or broker of their instructions in terms of the Proposed Rights Issue in the manner and time stipulated in the agreement governing the relationship between the shareholder and their CSDP or broker.
9. Qualifying South African Shareholders who hold their Existing Shares in uncertificated form will have their accounts at their CSDP or broker automatically credited with their Letters of Allocation and Qualifying South African Shareholders who hold their Existing Shares in certificated form will have their Letters of Allocation credited to an account with the SA Registrar and will be sent a Form of Instruction.
10. South African Shareholders may not rematerialise or dematerialise their Existing Shares from 9 June 2025 until 12 June 2025 both days inclusive.

IMPORTANT NOTICES

Panmure Liberum Limited ("Panmure Liberum"), which is authorised and regulated in the United Kingdom by the FCA, is acting as Financial Adviser, AIM Nominated Adviser, co-ordinator and Corporate Broker exclusively to the Company in connection with the Proposed Rights Issue and no one else in connection with the matters referred to in this announcement, and will not be responsible to anyone other than the Company for providing the protections afforded to its clients, for the contents of this announcement or for providing any advice in relation to this matters set out in this announcement. Neither Panmure Liberum nor any of its affiliates (nor any of their respective directors, officers, employees or agents), owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Panmure Liberum in connection with this announcement, any statement contained herein or otherwise.

Apart from the responsibilities and liabilities, if any, which may be imposed by the FCA, FSMA or the regulatory regime established thereunder, neither

Panmure Liberum nor any person affiliated with it, accepts any responsibility whatsoever and makes no representation or warranty, express or implied, in respect of the contents of this announcement, including its accuracy or completeness, or for any other statement made or purported to be made by any of them, or on behalf of them, in connection with the Company or any matter described in this announcement and nothing in this announcement is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. Panmure Liberum has not approved the contents of, or any part of, this announcement and no liability whatsoever is accepted by Panmure Liberum for the accuracy of any information or opinions contained in this announcement and, accordingly, Panmure Liberum and its affiliates disclaim, to the fullest extent permitted by law, all and any liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have to any person, other than the Company, in respect of this announcement or any such statement.

Forward Looking Statements

This announcement includes "forward-looking statements" which include all statements other than statements of historical facts, including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could" or "similar" expressions or negatives thereof which are predictions of or indicate future events and future trends. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this announcement. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules for Companies.

All subsequent oral or written forward-looking statements attributed to the Company or any persons acting on its behalf are expressly qualified in their entirety by the statements in the paragraph immediately above. All forward-looking statements contained in this announcement are based on information available to the Directors at the date of this announcement, unless some other time is specified in relation to them, and receipt of this announcement shall not give rise to any implication that there has been no change in the facts set forth herein since such date. Shareholders are hereby cautioned that certain important factors could cause actual results, outcomes, performance or achievements of the Company or the industry in which it operates to differ materially from those anticipated in the forward-looking statements. These factors include, but are not limited to, those summarised in Part I "Letter from the Chair of Gemfields" in the Circular, which is set out below. Except as required by the FCA, the London Stock Exchange, the JSE Ltd, the AIM Rules, the Prospectus Regulation Rules, the Disclosure and Transparency Rules and the JSE Listings Requirements (to the extent applicable) or other applicable laws or regulations, the Company and the Directors undertake no obligation to release publicly any updates or revision to any forward-looking statement contained herein to reflect any change in the Company's or the Directors' expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Foreign shareholders

Foreign Shareholders, who have registered addresses outside the United Kingdom or South Africa, or who are resident, or located, in, or citizens of, countries other than the United Kingdom or South Africa, may be affected by the laws of the relevant jurisdiction. In addition to carefully considering the disclaimers and restrictions set out in the Prospectus, such foreign Shareholders should inform themselves with regard to and observe any applicable legal requirements of such jurisdiction in relation to all aspects of this announcement that may affect them, including the Proposed Rights Issue. It is the responsibility of each foreign Shareholder to satisfy himself as to the full observation of the laws and regulatory requirements of the relevant foreign jurisdiction in connection with the Proposed Rights Issue, including obtaining any governmental, exchange or other consents or the making of any filing which may be required, the compliance with any other necessary formalities and the payment of any issue, transfer or other taxes or other requisite payments due in such jurisdictions.. Nothing in this declaration announcement, the Circular or the Prospectus referred to herein constitutes an offer of securities for sale in any jurisdiction where it is unlawful to do so and should not be forwarded or transmitted by recipients thereof to any person in any territory other than where it is lawful to make such an offer

Shareholders in Excluded Territories

Shareholders who are resident or located in any one of the Excluded Territories will not be entitled to participate in the Proposed Rights Issue and the Prospectus will not be posted to them.

- ENDS -

Further information on Gemfields Group Limited can be found at:

GEMFIELDSGROUP.COM

To join our investor mailing list, please contact us on:

ir@gemfields.com

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) no. 596/2014 which forms part of domestic UK law pursuant to the European Union (withdrawal) act 2018 ("MAR"). The person responsible for arranging the release of this announcement on behalf of the Company is David Lovett, CFO.

ENQUIRIES

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ADDITIONAL INFORMATION ON GEMFIELDS

Gemfields is a world-leading responsible miner and marketer of coloured gemstones. Gemfields is the operator and 75% owner of both the Kagem emerald mine in Zambia (believed to be the world's single largest producing emerald mine) and the Montepuez ruby mine in Mozambique (one of the most significant recently discovered ruby deposits in the world). In addition, Gemfields also holds controlling interests in various other gemstone mining and prospecting licences in Zambia, Mozambique, Ethiopia and Madagascar.

Gemfields' outright ownership of Fabergé - an iconic and prestigious brand of exceptional heritage - enables Gemfields to optimise positioning, perception and consumer awareness of coloured gemstones through Fabergé designs, advancing the wider group's "mine and market" vision.

Gemfields has developed a proprietary grading system and a pioneering auction platform to provide a consistent supply of coloured gemstones to downstream markets, a key component of Gemfields' business model that has played an important role in the growth of the global coloured gemstone sector.

APPENDIX - LETTER FROM THE CHAIR OF GEMFIELDS

To holders of Existing Shares and for information purposes to the holders of options over Ordinary Shares

Dear Shareholder,

Authority to Allot and Issue 556,203,396 New Shares for cash in connection with the Proposed Rights Issue

Approval of Waiver of Rule 9 of the City Code on Takeovers and Mergers and

Notice of Extraordinary General Meeting

1. Introduction

Today, Gemfields Group Limited ("**Gemfields**" or the "**Company**") has announced it is seeking shareholder approval to, amongst other things, issue 556,203,396 New Shares to raise approximately USD30 million by way of a Proposed Rights Issue.

The Proposed Rights Issue will, subject to Shareholder approval, be undertaken to address a near-term working capital shortfall as a result of the cumulative impact of a number of challenges the Company encountered in the second half of 2024 and the first quarter of 2025, all of which are considered by the Directors to be transient in nature, coinciding with a period of significant planned investment.

As set out in an announcement dated 23 December 2024, the Company is carrying out a widespread and ongoing cost saving programme to reduce the cost base of the business. In combination with the Proposed Rights Issue, these initiatives are intended to secure the near-term future of Gemfields, ahead of the commissioning of a second ruby processing plant at MRM ("**PP2**"). Once fully operational, PP2 is expected to triple the processing capacity and significantly increase the mine's ruby production, leading to a material increase in product available for sale and, therefore, the opportunity to generate additional revenue.

The Company also announced on 23 December 2024 that it was assessing strategic options in respect of Fabergé, the iconic luxury-brand owned by the Group. Since the date of that announcement, the Company has engaged with a number of parties who have expressed an interest in the Fabergé business, and received a number of non-binding offers. Due to the Company's requirement for external funding in the short-term, the Board does not believe that the non-binding offers are sufficiently sound alternatives within the timeframe required to meet the Group's funding needs. To proceed with external funding in the required timeframe, the assessment of strategic options for Fabergé has paused and will only recommence following the completion of the Proposed Rights Issue.

As a result, the Board is of the view that the Proposed Rights Issue is in the best interests of the Company and its shareholders as a whole at this time in order to meet the funding needs of the Group. The Proposed Rights Issue will involve the issue of 556,203,396 New Shares, representing approximately 47.6 per cent. of Gemfields' share capital in issue as at the Latest Practicable Date.

The UK Issue Price of 4.22 pence per New Share represents:

- a 19.7 per cent. discount to the theoretical ex-Rights price based on the dosing price of 5.75 pence per Share; and
- a 35.0 per cent. discount to the 30-day volume weighted average price per share of 6.50 pence per Share,

in each case on the Latest Practicable Date.

The SA Issue Price of ZAR1.06860 per New Share represents:

- a 21.5 per cent. discount to the theoretical ex-Rights price based on the dosing price of ZAR1.50000 per Share; and
- a 28.8 per cent. discount to the 30-day volume weighted average price per share of ZAR1.50049 per Share,

in each case on the Latest Practicable Date.

In order to provide certainty of funding to the Company, subject to the passing of the Resolutions at the Extraordinary General Meeting, the Proposed Rights Issue will be underwritten by the Underwriters, (1) Assore International Holdings Limited ("**AIH**"); and (2) Rational Expectations (Pty) Ltd ("**Rational**"), in accordance with the terms of the Rights Issue and Underwriting Agreement. Accordingly, AIH, which currently holds approximately 29.14 per cent. of the issued share capital of Gemfields, and Rational, which, together with the parties it represents as set out in more detail in paragraph 16 of Part II, currently holds approximately 15.49 per cent. of the issued share capital of Gemfields, in each case at the Latest Practicable Date, have undertaken to take up their respective entitlements in full in the Proposed Rights Issue and to collectively underwrite, in the Agreed Proportions, the entirety of the Proposed Rights Issue in excess of their respective entitlements. The Proposed Rights Issue is being underwritten by the Underwriters such that the Proposed Rights Issue

Issue in excess of their respective entitlements. The Proposed Rights Issue is being undertaken by the Underwriters on the basis that the Proposed Rights Issue shall result in gross proceeds of approximately USD30 million being raised.

The Committed Shareholders, including the Underwriters, have given irrevocable undertakings to take up the Committed Shares (being, in aggregate, 299,572,845 New Shares). Further details of the irrevocable undertakings are set out at paragraph 9 of Part II of this document.

In addition, each Underwriter has entered into an individual Pre-Funding Agreement with the Company, pursuant to which: (1) AIH shall make a loan in the amount of USD8,742,000 available to the Company; and (2) Rational shall make a loan in the amount of USD4,646,000 available to the Company (each being a "Loan") in each case, on the date of the publication of this Circular. This will provide the Company with an immediate working capital injection pending the completion of the Proposed Rights Issue. Each Loan will act as an advance payment by the relevant Underwriter for its Rights under the Proposed Rights Issue and repayment of each such Loan shall be set-off against the amount otherwise owed by the relevant Underwriter to the Company for its Rights and the Underwritten Shares it has committed to subscribe for under the terms of the Proposed Rights Issue and the Rights Issue and Underwriting Agreement. Further details of each Pre-Funding Agreement are set out in paragraphs 11.9 and 11.10 of Part II of this document.

In the event that no Qualifying Shareholders (save for the Underwriters and the Committed Shareholders) take up their Rights, AIH would be required to subscribe for, in aggregate, 329,659,331 New Shares, representing approximately 19.1 per cent. of the voting rights of the Company's issued share capital immediately following the Proposed Rights Issue. This would mean that AIH, (when taking into account the existing 340,367,121 Ordinary Shares it holds as at the Latest Practicable Date), together with any persons acting in concert with AIH, would have a maximum shareholding of 670,026,452 Ordinary Shares, representing 38.9 per cent. of the issued share capital of the Company following completion of the Proposed Rights Issue. The maximum shareholding of Rational, together with the parties it represents as set out in more detail in paragraph 16 of Part II, in such circumstances would be 356,088,477 Ordinary Shares, representing 20.7 per cent. of the issued share capital of the Company following completion of the Proposed Rights Issue.

Given the maximum number of Ordinary Shares that could be held by AIH, and any persons acting in concert with AIH, following the Proposed Rights Issue, the Takeover Panel has been consulted and has agreed to waive the requirement for AIH and any persons acting in concert with AIH to make a general offer under Rule 9 of the Takeover Code in cash for Ordinary Shares which might otherwise arise as a result of the issue of the Proposed Rights Issue, subject to the Rule 9 Waiver Resolution (as set out in the notice convening the Extraordinary General Meeting) being passed on a poll of the Independent Shareholders. To be passed, the Rule 9 Waiver Resolution will require a simple majority of the votes cast by the Independent Shareholders to be in favour.

Further details in relation to the Proposed Rights Issue (including, without limitation, the timetable of events) will be set out in the Prospectus which is expected to be published by the Company, subject to the passing of the Resolutions and the approval of the FCA and the JSE, on or around 20 May 2025.

The Directors believe that the receipt of proceeds from the Proposed Rights Issue will strengthen the Group's financial position.

As set out in more detail in paragraphs 8 (*Rule 9 Waiver and Maximum Control Position*) and 10 (*Extraordinary General Meeting*) below, the Shareholders will be asked at the Extraordinary General Meeting to approve the following Resolutions:

- (a) an Ordinary Resolution to be passed by the Independent Shareholders on a poll to approve the Rule 9 Waiver Resolution;
- (b) a Special Resolution to grant the Directors authority to allot and issue New Shares for cash free of pre-emption rights in connection with the Proposed Rights Issue; and
- (c) an Ordinary Resolution to approve the Underwriting Issue to the Underwriters Resolution.

Please refer to the Notice of Extraordinary General Meeting for a detailed description of the Resolutions to be voted on by Shareholders at the Extraordinary General Meeting.

The Proposed Rights Issue is conditional on:

- (a) all of the Resolutions being passed by the requisite majority of Shareholders;
- (b) the publication of the Prospectus on or around 20 May 2025;
- (c) AIM Admission of the New Shares;
- (d) approval by the JSE Ltd of the listing and trading of the New Shares and the Letters of Allocation on the JSE Main Board; and
- (e) the Rights Issue and Underwriting Agreement in respect of the Proposed Rights Issue becoming unconditional in accordance with its terms and not having been terminated prior to JSE Admission.

Therefore, if all of the Resolutions are not passed by the requisite majority of Shareholders, or if any of the other conditions are not satisfied, the Proposed Rights Issue will not proceed.

AIH has agreed to vote its 29.14 per cent. shareholding in Gemfields in favour of all of the Resolutions save for the Rule 9 Waiver Resolution. Rational has agreed to vote its shareholding, together with the shareholdings of the parties it represents as set out in more detail in paragraph 16 of Part II, being in aggregate 15.49 per cent. of the issued share capital of Gemfields, in favour of all of the Resolutions save for the Rule 9 Waiver Resolution, which it is precluded from voting on.

The purpose of this Circular is to give you details of the Proposed Rights Issue to ensure Shareholders have all relevant information prior to the Extraordinary General Meeting.

Please read the contents of this Circular (including the Notice of Extraordinary General Meeting) in their entirety. Should the Resolutions be passed by Shareholders, the Prospectus will subsequently be published, setting out the full terms and conditions of the Proposed Rights Issue.

2. The Group's business

Gemfields is a world-leading responsible miner and marketer of coloured gemstones. Gemfields is the operator and 75 per cent. owner of both the Kagem emerald mine in Zambia (believed to be the world's single largest producing emerald mine) and the Montepuez ruby mine in Mozambique (one of the most significant recently-discovered ruby deposits in the world). In addition, Gemfields also holds controlling interests in various other gemstone mining and prospecting licences in Zambia, Mozambique, Ethiopia and Madagascar.

Gemfields' outright ownership of Fabergé - an iconic and prestigious brand of exceptional heritage - enables Gemfields to optimise positioning, perception and consumer awareness of coloured gemstones through Fabergé's designs, advancing the Group's "mine and market" vision.

Gemfields has developed a proprietary grading system and a pioneering auction platform to provide a consistent supply of coloured gemstones to downstream markets, a key component of Gemfields' business model that has played an important role in the growth of the global coloured gemstone sector.

The Company is incorporated in Guernsey and has a primary listing on the General Segment of the JSE Main Board and is quoted on AIM in London (as a secondary listing), with a market capitalisation at the Latest Practicable Date of approximately USD86.9 million.

3. Background to and reasons for the Proposed Rights Issue

Introduction

Since the second half of 2023, Gemfields has undertaken material capital expenditure investment programmes across its business in order to secure the future operational performance of the business and to position the Group for growth. The key investment projects have been:

- i. the 18-month construction of MRM's second processing plant, PP2, the single largest investment Gemfields has ever made with an initial capital expenditure outlay of c. USD70 million. The plant is due to go online by the end of the first half of 2025 and has been funded through USD55 million of in-country debt facilities with the remaining from existing cash reserves. There will be additional mining fleet related capital expenditure expected from December 2025 to December 2026 of c. USD15 million;
- ii. an upgraded and enlarged processing plant at Kagem (project completed July 2024) (aggregate capital investment of USD1.3 million);

- ii. increase of yellow goods and fleet at both Kagem and MRM, and replacing aged equipment (project completed December 2024) (aggregate capital investment of USD35.4 million); and
- iv. development assets to expand, and diversify risk across the business (aggregate capital investment of USD16.7 million in 2024).

The investment required to deliver these projects has required significant deployment of available working capital alongside a material increase in the Group's net debt. Additional debt facilities totalling USD66 million have been entered into since the start of 2024 and the Group's net debt position as at 31 December 2024 was USD80.5 million, compared to a net cash position of USD11.1 million as at 31 December 2023. It is expected that the Group's net debt position will exceed USD100 million at points during 2025 as it fully draws down on its debt.

Gemfields' management was aware of the careful financial path it was leading the business along through 2024 and into 2025, and was confident that it would be able to achieve all of the Group's objectives, without the need for additional funding.

Unfortunately, four simultaneous and material challenges, which management believe are transient, have been impacting the business and have resulted in the need for additional external funding in the short term.

Four simultaneous challenges are and have been materially impacting Gemfields

As stated in the Company's announcement dated 23 December 2024, Gemfields has been experiencing four significant negative impacts to its business simultaneously, at the same time as it funds a growth-focused investment cycle for the future development of the business.

These challenges are viewed by management as being transient, whilst having a direct impact on Gemfields' recent auction revenues and an expectation that they will impact future auction revenues in 2025. Whilst the civil unrest and associated supply chain and logistical interruptions in Mozambique have since materially improved, further unrest cannot be ruled out.

The principal factors that have resulted in materially lower auction revenues in the second half of 2024 and which could also impact auction revenues in 2025 are:

- i. disturbed emerald market dynamics arising from an oversupply of Zambian emeralds at discounted prices by a competing Zambian emerald producer during the second half of 2024, compounded by conflicting auction dates and giving rise to a poor Zambian emerald market outlook during the first half of 2025;
- ii. lower production of premium rough rubies at MRM;
- iii. uncertainty in the luxury-goods and gemstone market generally given economic headwinds in China and geopolitical turbulence; and
- iv. civil unrest, illegal mining, insurgency and associated supply chain and logistical interruptions in Mozambique.

Further details on the ongoing challenges and how Gemfields is addressing them follows:

The First Challenge: disturbed emerald market dynamics from the actions of a competing Zambian emerald producer

Gemfields' principal competitor for the production and marketing of Zambian emeralds has taken recent actions that, the Directors believe, have had the effect of damaging the supply and demand dynamics of the emerald market in the short to medium term. This competitor conducted three rough emerald auctions in three consecutive months (September to November 2024), the timing and pricing of which impacted Gemfields' own auctions. This is at odds with their prior approach and caused uncertainty in the emerald market.

In November 2024, this was demonstrated when an auction was promoted as "the largest emerald auction in history" and was scheduled to start the day after Gemfields' higher-quality auction closed. The effect of this was that customers were less likely to bid fair market price if there were large quantities of potentially cheap emeralds on offer the day after Gemfields' auction closed.

This has markedly impacted Gemfields' performance at its last two emerald auctions (commercial-quality in September 2024 and higher-quality in November 2024), with significantly lower bids for the mid and lower quality emeralds and ultimately resulting in Gemfields' emerald revenues materially underperforming in the second half of 2024. In its additional auction in February 2025 of higher-quality emeralds which were previously unsold in the November 2024 auction, the Company saw an improvement in both demand and pricing, although the market remains subdued.

How Gemfields is addressing the first challenge:

Gemfields has no appetite to change its fundamental approach to auctions, which focuses on generating the most value for the emeralds mined at Kagem, for the benefit of all stakeholders, including its customers.

This also maximises the value generated for the local community and Zambian government in the form of mineral royalties, corporation tax paid, dividends to the government and export taxes/levies. In 2023 this amounted to 31 per cent. of Gemfields' emerald revenue, and 19 per cent of revenue from 2008 to 2023. Gemfields repatriates auction revenues for all of its emeralds sold, ensuring the value is recognised in country and at the full sale price rather than a materially lower export price.

Gemfields remains committed to leadership and market stability in the emerald market and takes proactive steps to support the market by withholding certain lots that do not achieve satisfactory bidding. This approach helps foster a more secure and sustainable market for all stakeholders including our customers.

Kagem is ensuring its costs are carefully managed during this period of uncertainty and has paused mining in Kagem's pits, only processing its considerable stockpile of pre-mined emerald bearing-ore through its recently upgraded wash plant to produce emeralds. This mining pause was introduced from 1 January 2025 and is currently due to be in place for 6 months or until such a time that Gemfields has confidence that the recent and transient over-supply of emeralds has subsided and the market returns to a normalised state. Not mining for any period of time may limit near-term production, as there is uncertainty as to the quantity and quality that would result from processing the stockpile, but would save approximately USD1.5 million per month in operating costs. Based on recent production statistics, overall emerald production at the wash plant is broadly aligned with internal expectations, while a lower proportion of premium emeralds have been recovered.

The Second Challenge: lower production of premium rough rubies at MRM

Each coloured gemstone is unique and, although geological methods can help identify areas where both emeralds and rubies should be found, currently there can be no certainty on the quantity, quality or value of such gemstones, until they are brought to the surface and processed.

Gemfields is significantly reliant for revenue on the discovery of 'premium' rough gemstones (the largest or best quality gemstones), especially so for rubies. Tumbled rubies also make a significant contribution to revenue. Based on recent analysis, 90 per cent. of Gemfields' ruby auction revenues since 2021 has come from just 5 per cent. of the weight of gemstones mined. Unfortunately, the Group's premium ruby production across 2024 has been significantly below historic averages.

In 2024, 40,006 carats of premium rubies were recovered, against a three-year average (2021-2023) of 74,931 carats produced. This reflects both a reduction in the grade achieved but, most importantly, the quantity of top-value rubies brought to auction and therefore the Group's revenues.

How Gemfields is addressing the second challenge

There is no indication so far that the lower production of 'premium' rubies, is due to any specific driver other than the natural variability of the geological conditions where the rubies are mined, and therefore management has the expectation that the production will improve again more towards such historic averages.

The relative lack of premium production at MRM will be significantly addressed by the completion of PP2, which will triple the ruby ore processing capacity from 200 tonnes per hour to 600 tonnes per hour. The new processing plant will allow Gemfields to:

- a) process MRM's sizable stockpile of ruby ore standing at 1,476 thousand tonnes, on a 100% basis based on MRM's resources and reserves statement in the 2024 Annual Report;

- b) bring to market additional sizes and colour variations of rubies - previously not practical given limited processing capacity; and
- c) explore more of MRM's untapped licence areas, with currently only ~10 per cent. included within the life-of-mine calculation.

The plant will diversify the risk of future lower producing pockets of supply and expand the customer base as new types of rubies are brought to market.

The Third Challenge: uncertainty in the luxury-goods and gemstone market generally given economic headwinds in China and geopolitical turbulence.

Gemfields takes the cost of mining, processing, sorting and grading rough coloured gemstones in Zambia and Mozambique, before selling them in sealed-bid auctions. These typically take place four times a year for emeralds and twice a year for rubies.

Gemfields is subject to the dynamics of supply and demand with regards to pricing for its coloured gemstones but uses an intricate reserve price model to ensure the gemstones maintain a fair market price. The market demand for emeralds and rubies can vary over time and currently there are concerns over the luxury-goods industry, which is the primary market that buys the Company's 'premium' coloured gemstones.

Concerns over China's consumption of luxury-goods and other macroeconomic uncertainty raises the risk that Gemfields' future auctions could see lower demand and fewer coloured gemstones being sold for fair market prices. Lower demand could materially reduce the revenue Gemfields earns.

As announced on 22 November 2024, Gemfields' recent higher-quality emerald auction saw lesser bids for the lower-quality gemstones on offer and ultimately under-performed against internal expectations. In the additional auction in February 2025 of the higher-quality emeralds that were previously unsold at the November 2024 auction, the results indicated an improvement in both demand and pricing, although the market remains subdued.

Similarly, as announced on 12 December 2024, the mixed-quality ruby auction in December 2024 saw some softer prices and thinner bidding but represented a positive outcome under the current market conditions, reaffirming the stability of demand for Gemfields' rubies, and prices for fine-quality aligning well with the limited supply of these rare gemstones.

Additionally, Gemfields has limited visibility into its customers' levels of coloured gemstone stock, changes in the cost of cutting and polishing and the availability of credit to purchase coloured gemstones at its auctions.

How Gemfields is addressing the third challenge:

Consumption patterns for luxury-goods are typically cyclical and inter-linked with wider macroeconomic trends. Gemfields has previously seen these cycles play out, with coloured gemstones (specifically emeralds, rubies and sapphires) maintaining their underlying value during such periods of lower demand for luxury-goods.

By materially increasing the scale of production at MRM, through the construction of PP2 (the second processing plant due to complete by the end of the first half of 2025), Gemfields expects to be able to produce more higher-quality rubies which are more immune to market variability. This increased production will also open up new sizes and colours of rubies that previously were not produced at scale in order to focus on producing the highest-quality rubies. This will diversify Gemfields' customer base and expand the reach of coloured gemstones globally to new end-point consumers.

Gemfields' proprietary grading system alongside high-quality sorting and auction processes provides transparency to market participants in what they are purchasing. This can reduce the uncertainty in the value of the coloured gemstones being sold and help limit the natural variability in market pricing over time. Despite the recent market disruption, Gemfields will maintain its approach as a leader in standards and promoter of responsibly-mined coloured gemstones.

In addition, in 2025 so far, there have been signs of improved demand for jewellery. LVMH reported 3 per cent. quarterly organic growth in revenue in its 'Watches & Jewelry' business group in the fourth quarter of 2024. (1)

The Fourth Challenge: Impact of civil unrest in Mozambique.

The fourth challenge, which has already materially improved, relates to the civil unrest and associated supply chain and logistical interruptions in Mozambique between October 2024 and mid-January 2025 because of the contested presidential election. This civil unrest related disruption resulted in higher costs to access essential goods and fuel, and a three day pause in mining and processing in December 2024 as a number of employees were temporarily relocated in reaction to an attempted invasion of the MRM Village. The civil unrest is in general no longer taking place. However, lingering challenges remain amid heightened illegal miner intrusions onto MRM's licence area and a recent increase in insurgent activities.

How Gemfields is addressing the fourth challenge:

Gemfields worked carefully with its employees, contractors and suppliers during the period of civil unrest to limit any operational impact beyond increased costs and temporary pause of production as described above. Notwithstanding the ongoing insurgency risks and risk of any further disruption or re-escalation, MRM has operated as usual since the start of 2025.

Additional actions taken by Gemfields to reduce costs and streamline business activity

As announced on 23 December 2024, Gemfields has taken and continues to undertake actions to cut costs and streamline business activity, while prioritising construction and commissioning of PP2, which is regarded by Gemfields as a critical project to increase premium ruby production and deliver additional revenue for the Group by the end of 2025.

Gemfields is also considering the timing of emerald and ruby auctions to best match the requirements for working capital across the year.

In terms of cost cutting and operational changes, the actions include:

- i. suspending, for a period expected to be up to 6 months, all mining at Kagem (with the suspension commencing from 1 January 2025). Instead, Kagem will focus on processing ore from Kagem's significant ore stockpile utilising the recently upgraded processing plant;
- ii. halting all non-essential spend and suspending planned capital expenditure at its ruby development assets in northern Mozambique, namely Megaruma Mining Limitada ("MML") and Campos De Joia Limitada ("CDJ"). Eastern Ruby Mining ("ERM") will continue core developmental work but will delay the capital expenditure associated with its originally planned processing plant;
- iii. halting operations at Nairito Resources Limitada ("NRL"), the gold project situated north of MRM and seeking potential buyers;
- iv. assessing strategic options in respect of Fabergé, the iconic luxury-brand owned by the Gemfields Group; and
- v. targeted rationalisation of operations and businesses across the Group.

This list of actions is not exhaustive and Gemfields will continue to adjust its actions as circumstances change.

Additionally, the Company intends to continue the assessment of strategic options for Fabergé and in light of the progress made to date (as referenced above), the Board will consider viable and deliverable options following the conclusion of the Proposed Rights Issue.

4. Use of proceeds

Subject to the passing of the Resolutions and the completion of the Proposed Rights Issue, the Company is expected to raise approximately USD30 million (in gross proceeds). The proceeds of the Proposed Rights Issue will be used for general corporate purposes, and specifically to provide working capital liquidity and ensure the business is able to continue operating and fulfil its ongoing obligations such as paying employee salaries and key operating costs, in-between auctions.

5. Current Trading and Outlook

Current Trading

Since the end of the previous reporting period to 31 December 2024, Gemfields has held an auction, in February 2025, of higher-quality emeralds that were

previously unsold from the November 2024 auction, earning total auction revenues of USD4.8 million, with 77 per cent. of lots sold at an average price of USD105.49 per carat.

This excludes any weight lost during the packaging process and therefore small adjustments to the ultimately invoiced amounts. A commercial-quality emerald auction and a small mixed-quality ruby auction is expected in April 2025.

In relation to production, Gemfields has seen coloured gemstone production continue to underperform at MRM for premium rubies, whilst Kagem has seen steadier production when taking into account the pause of mining since 1 January 2025.

Recent Kagem Production

KAGEM Monthly Summary	Units	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25
PRODUCTION									
Gemstone production (emerald+beryl), of which	'000 carats	2,373	4,224	3,902	2,951	4,776	2,452	1,662	1,417
Premium emerald	'000 carats	8.9	32.0	18.8	5.7	9.1	6.5	3.6	5.2
Emerald	'000 carats	666	1,364	1,287	758	985	710	402	370
Beryl-1	'000 carats	703	1,398	1,255	902	1,677	844	496	477
Beryl-2	'000 carats	995	1,429	1,342	1,285	2,104	892	760	565
Ore processed (from Jan 2025)	'000 tonnes	-	-	-	-	-	-	21	20
Grade (emerald+beryl/ore processed) (from Jan 2025)	carats/tonne	-	-	-	-	-	-	80	71
Ore production (reaction zone)	'000 tonnes	28.70	18.58	25.22	21.94	23.82	14.18	-	-
Grade (emerald+beryl/reaction zone)	carats/tonne	83	227	155	135	201	173	-	-
Waste mined (including TMS)	'000 tonnes	1,486	1,510	1,694	1,413	1,275	617	9	5
Total rock handling	'000 tonnes	1,515	1,529	1,719	1,435	1,298	631	9	5
Stripping ratio		45	69	63	63	52	41	-	-

Recent MRM Production MONTEPUEZ Monthly Summary									
	Units	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25
PRODUCTION									
Gemstone total production, of which	'000 carats	293	206	182	156	117	199	76	181
Premium ruby	'000 carats	3.69	3.14	3.54	2.84	2.22	1.52	3.58	2.63
Tumble ruby	'000 carats	29.19	14.05	27.82	29.58	51.93	42.39	48.46	41.81
Ruby	'000 carats	0	0	0	0	1	0	-	0
Low ruby	'000 carats	8	4	2	3	5	32	5	1
Corundum	'000 carats	7	6	3	3	3	3	1	2
Sapphire	'000 carats	18	11	11	6	4	20	2	4
Low sapphire	'000 carats	227	167	135	111	50	100	16	129
Ore production (primary+secondary)	'000 tonnes	98.4	90.0	97.9	83.6	76.9	63.0	59.8	69.6
Ore processed (primary+secondary)	'000 tonnes	93.0	97.2	85.1	97.7	83.9	79.9	76.2	74.6
Grade (total production/ore processed)	carats/tonne	3.1	2.1	2.1	1.6	1.4	2.5	1.0	2.4
Waste mined	'000 tonnes	693.2	709.9	746.6	761.9	703.7	351.9	283.1	341.6
Total rock handling	'000 tonnes	791.6	799.9	844.5	845.5	780.6	414.9	342.9	411.2
Stripping ratio		6.0	6.3	6.2	7.3	7.5	4.7	4.7	4.8

Outlook

Following a successful Proposed Rights Issue that addresses the short-term working capital deficits, Gemfields is expected to be in a materially stronger position both financially and strategically. The cost cutting and strategic changes taken in recent months is significantly streamlining the business, improving efficiency and materially reducing the cost base. The level of capital expenditure at the business' development assets will also be remaining low through 2025 while Gemfields establishes a clear strategy and capital allocation policy for the future. At a high level, Gemfields' cost saving programme, as described in the section 'Additional actions taken by Gemfields', is expected to reduce Gemfields' annual operating cash cost base down by USD35-40 million to approximately USD130 million, compared to 2024.

For capital expenditure, the business expects a total spend in 2025 of c. USD50 million, split between

c. USD43 million at MRM, c. USD6 million at Kagem and c. USD1 million on development assets, primarily ERM. MRM's capital expenditure in 2025 largely relates to the remaining payments for the construction of the second processing plant of USD21 million, with USD10.2 million already paid this so far this year.

Gemfields expects that, following the conclusion of the Proposed Rights Issue, a number of the transient challenges set out above will have seen signs of improvement while it approaches the completion of its USD70 million investment in the second ruby processing plant at MRM, significantly transforming the production capacities of the mine.

6. Description of the Proposed Rights Issue

The Proposed Rights Issue is intended to raise net proceeds of approximately USD30 million via the issue of 556,203,396 New Shares. The Proposed Rights Issue is underwritten by the Underwriters in accordance with the terms of the Rights Issue and Underwriting Agreement.

In the UK, Panmure Liberum will be acting as Financial Adviser, co-ordinator and Corporate Broker in relation to the Proposed Rights Issue and is the Company's Nominated Adviser for the purposes of the AIM Rules for Companies. In South Africa, Investec is acting as JSE Sponsor in relation to the Proposed Rights Issue. Panmure Liberum will, subject to the terms of the Rights Issue and Underwriting Agreement, coordinate and advise the Company on the Proposed Rights Issue. A summary of the material terms of the Rights Issue and Underwriting Agreement is set out in paragraph 11.8 of Part II of this document.

Subject to the fulfilment of, amongst others, the conditions described below, it is expected that New Shares will be offered for subscription to Qualifying Shareholders (other than Qualifying South African Shareholders) at 4.22 pence per New Share, or, in the case of Qualifying South African Shareholders, ZAR1.06860 per New Share, payable in full on acceptance. The Proposed Rights Issue will be on the basis of:

10 New Shares for every 21 Existing Shares

held by and registered in the names of Qualifying Shareholders (other than Shareholders resident or with registered addresses in any of the Excluded Territories) on the relevant Record Date and so in proportion to any other number of Existing Shares each Qualifying Shareholder then holds and otherwise on the terms and conditions to be set out in the Prospectus and, in the case of Qualifying Non-CREST Shareholders or Qualifying South African Shareholders holding Existing Shares in certificated form (other than such Shareholders resident or with registered addresses in any of the Excluded Territories), the Provisional Allotment Letters or Forms of Instruction respectively.

The Proposed Rights Issue is expected to be conditional upon:

- (a) the passing of all of the Resolutions by the requisite majority of Shareholders at the Extraordinary General Meeting;
- (b) the publication of the Prospectus on or around 20 May 2025;
- (c) AIM Admission becoming effective by not later than 8.00 a.m. (London time) on 29 May 2025 (or such later date as may be agreed between the Company, Panmure Liberum and the Underwriters being a date not later than 8.00 am on 30 June 2025);
- (d) approval by the JSE of the listing and trading of the New Shares and the Letters of Allocation on the JSE Main Board and JSE Admission becoming effective by not later than 9.00 a.m. (London time) on 23 May 2025 (or such later date as may be agreed between the Company, Panmure Liberum and the Underwriters being a date not later than 8.00 am on 30 June 2025); and
- (e) the Rights Issue and Underwriting Agreement becoming unconditional in all respects, and not having been terminated in accordance with its terms prior to the AIM Admission and the JSE Admission.

The New Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Shares, including the right to receive all future dividends and other distributions declared, made or paid after the date of their issue.

The Proposed Rights Issue will result in the issue of 556,203,396 New Shares, which will form approximately 32.3 per cent. of the Shares in issue immediately following completion of the Proposed Rights Issue.

Subject to the Resolutions being approved and the Proposed Rights Issue taking place, the Rights Issue and Underwriting Agreement provides that the Underwriters will receive a commission of 2 per cent. of the gross proceeds raised from the issue of the Underwritten Shares, in the Agreed Proportions, to each respective Underwriter.

Further information on the Proposed Rights Issue, including the terms and conditions of the Proposed Rights Issue, the timetable of the Proposed Rights Issue and the procedure for acceptance and payment and the procedure in respect of Rights not taken up will be set out in the Prospectus which is expected to be published on or around 20 May 2025 on the Company's website and will be posted to Qualifying Shareholders thereafter.

7. Takeover Code

The Takeover Code applies to the Company. Under Rule 9 of the Takeover Code, any person who acquires an interest in shares (as defined in the Takeover Code) which, taken together with shares in which that person or any person acting in concert with that person is interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code is normally required to make an offer to all the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with that person, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of the voting rights of the company, an offer will normally be required if such person or any person acting in concert with that person acquires a further interest in shares which increases the percentage of shares carrying voting rights in which that person is interested.

An offer under Rule 9 of the Takeover Code must be made in cash at the highest price paid by the person required to make the offer, or any person acting in concert with such person, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

Following completion of the Proposed Rights Issue, AIH will be interested in shares carrying more than 30% of the voting rights of the Company but will not hold shares carrying more than 50% of the voting rights of the Company. Any increase by AIH (together with any persons acting in concert with AIH from time to time) in its aggregate interest in shares will be subject to the provisions of Rule 9.

8. Rule 9 Waiver and Maximum Control Position

Pursuant to the Takeover Code, the Panel may waive the requirement for a general offer to be made in accordance with Rule 9 of the Takeover Code if, amongst other things, the shareholders of a company who are independent of the person who would otherwise be required to make an offer, and any person acting in concert with it, pass an ordinary resolution on a poll approving such a waiver.

AIH currently has an interest in 29.14 per cent. of the issued share capital of the Company as at the Latest Practicable Date and has agreed to underwrite the Proposed Rights Issue in the Agreed Proportions in accordance with the terms of the Rights Issue and Underwriting Agreement.

If all of the Qualifying Shareholders (including the Underwriters) take up their Rights and participate in the Proposed Rights Issue, AIH and any persons acting in concert with AIH would, in aggregate, continue to be interested in 29.14 per cent. of the voting rights of the issued share capital of the Company immediately following Admission.

However, assuming that:

- (a) all Qualifying Shareholders (save for the Underwriters and the Committed Shareholders) renounce their Rights;
- (b) no Shareholders who are resident or located in any one of the Excluded Territories subscribe for any New Shares;
- (c) no other person converts any convertible securities or exercises any options or any other right to subscribe for Shares;
- (d) the Rights Issue and Underwriting Agreement becomes unconditional in all respects and is not terminated in accordance with its terms prior to Admission;
- (e) the Resolutions are passed by the Shareholders (excluding AIH, and any person acting in concert with AIH, and Rational, and any person acting in concert with Rational, in relation to the Rule 9 Waiver Resolution) at the Extraordinary General Meeting (without material amendment); and

(f) there are no other changes to the Company's issued share capital,

AIH and any persons acting in concert with AIH could, in aggregate, potentially be interested in a maximum of 670,026,452 Shares, representing approximately 38.9 per cent. of the voting rights of the Company's issued share capital immediately following the Proposed Rights Issue.

Following completion of the Proposed Rights Issue, AIH and any persons acting in concert with AIH could, potentially, be interested in more than 30 per cent. of the voting rights but will not hold shares carrying more than 50 per cent. of the voting rights of the Company. Any increase in the aggregate interest in shares of AIH and any persons acting in concert with AIH will be subject to the provisions of Rule 9.

The Takeover Panel has been consulted and has agreed, subject to the passing of the Rule 9 Waiver Resolution by the Independent Shareholders on a poll at the Extraordinary General Meeting, to waive the obligation of AIH and any persons acting in concert with AIH to make a mandatory offer for the Ordinary Shares not already owned by it which could potentially arise following completion of the Proposed Rights Issue. Accordingly, the Company is proposing the Rule 9 Waiver Resolution to seek the approval of Independent Shareholders to the Rule 9 Waiver Resolution. AIH is not eligible to vote on the Rule 9 Waiver Resolution in respect of the Ordinary Shares held by it and any of the persons acting in concert with it. AIH has undertaken to procure (to the extent that it is legally able to do so) that any persons acting in concert with AIH who hold Ordinary Shares will not vote on the Rule 9 Waiver Resolution. For the purposes of the Takeover Code, Rational is not considered to be acting in concert with AIH in connection with the Proposed Rights Issue but is not considered independent of AIH and is therefore not an Independent Shareholder.

Under Rule 25.2 of the Takeover Code, any director who has a conflict of interest should normally be excluded from the recommendation of the board to the Independent Shareholders with respect to the proposed Rule 9 Waiver Resolution. As at the date of this document, Patrick Sacco and Kieran Daly, are both directors of the Company and also directors of AIH, and therefore have a conflict of interest by virtue of not being independent of AIH. As such, they do not have any involvement in the recommendation of the board to the Independent Shareholders, and do not form part of the Independent Directors.

Shareholders (excluding AIH and Rational) are therefore asked to vote in favour of the Rule 9 Resolution at the Extraordinary General Meeting in order for the Proposed Rights Issue to proceed.

The Independent Directors believe it is in the best interests of the Company that the Rule 9 Waiver Resolution be passed and hereby recommend that Independent Shareholders vote in favour of the Rule 9 Waiver Resolution. Panmure Liberum, as the Company's independent financial adviser, has provided formal advice to the Independent Directors that it considers the terms of the Rule 9 Waiver Resolution to be fair and reasonable and in the best interests of Shareholders and the Company as a whole. In providing this advice, Panmure Liberum has taken into account the Independent Directors' commercial assessments as well as AIH's future intentions in relation to the Company (as set out in paragraph 2.8 of Part II of this document). In accordance with the requirements of the Takeover Code: (1) AIH is not permitted to vote on the Rule 9 Waiver Resolution in respect of its aggregate holding of 340,367,121 Ordinary Shares; and (2) Rational, together with the parties it represents as set out in more detail in paragraph 16 of Part II, are not permitted to vote on the Rule 9 Waiver Resolution in respect of their aggregate holdings of 180,896,490 Ordinary Shares.

Shareholders should note that, in the event that the Rule 9 Waiver Resolution is approved by Independent Shareholders and the Proposed Rights Issue takes place, AIH will not be restricted from making a subsequent offer in the future for the Company.

Following completion of the Proposed Rights Issue, Rule 9 of the Takeover Code will continue to apply to AIH and any persons acting in concert with AIH, as its overall shareholding will not exceed 50 per cent. of the voting rights of the Company. This means AIH would be required to make a general offer to all Shareholders if it or persons acting in concert with it were to acquire further Shares in addition to those which are the subject of the Rule 9 Waiver Resolution, unless a further waiver is obtained.

Unless the Panel agrees otherwise, the Rule 9 Waiver will be invalidated if any purchases of Ordinary Shares are made by AIH or any of its concert parties in the period between the date of this document and the Extraordinary General Meeting.

Your attention is drawn to Part II (*Additional Information*) of this document which sets out certain further information and financial information that is required to be disclosed in this document pursuant to the rules contained in the Takeover Code.

9. Related Party Transactions

The entry into the Rights Issue and Underwriting Agreement with the Underwriters and the entry into each of the AIH Pre-Funding Agreement and the Rational Pre-Funding Agreement with the Underwriters are each "related party transactions" for the purposes of Rule 13 of the AIM Rules. The Independent Directors consider, having consulted with Panmure Liberum, the Company's nominated adviser for the purposes of the AIM Rules, that the terms of the related party transactions are fair and reasonable insofar as the Shareholders of the Company are concerned.

For purposes of the JSE Listings Requirements, the Rights Issue and Underwriting Agreement is not regarded as a related party transaction as the commission payable to the related parties (being the Underwriters) is not greater than the current market related rates as confirmed by the independent Non-Executive Directors of the Company, and as such falls within the exemptions contemplated under paragraph 10.6(c)(vii) of the JSE Listings Requirements pertaining to transactions that do not constitute related party transactions.

The Pre-Funding Agreements, for purposes of the JSE Listings Requirements, are not regarded as a related party transaction as each is an agreement involving the lending of money by a related party (being each Underwriter) to the Company on normal commercial terms and on an unsecured basis and as such falls within the exemption contemplated in paragraph 10.6(c)(i) of the JSE Listings Requirements pertaining to transactions that do not constitute related party transactions.

10. Extraordinary General Meeting

Part IV of this document sets out a notice convening an Extraordinary General Meeting of Gemfields to be held at 123 Victoria Street, Westminster, London, SW1E 6DE on 19 May 2025 at 10.00 a.m. (London time) to consider and, if thought fit, to approve the Resolutions. The Resolutions are set out in full in the Notice of Extraordinary General Meeting.

Gemfields has facilitated means by which all those holding Existing Shares on the Registers will be able to vote and/or appoint a proxy by electronic means, further details of which are set out in the explanatory notes in the Notice of General Meeting and in the accompanying Form of Proxy.

The Directors have taken the decision to dispatch a notice to convene the Extraordinary General Meeting prior to the announcement of the terms of the Proposed Rights Issue and the publication of the Prospectus in connection with it in order to enable the Proposed Rights Issue to be completed by the end of June 2025, whilst meeting timing constraints imposed by UK and South African legal and regulatory requirements. Accordingly, the Directors expect that, subject to FCA and JSE approval, the Prospectus in connection with the Proposed Rights Issue will be published on or around 20 May 2025.

Resolution 1

Resolution 1, the Rule 9 Waiver Resolution, will be proposed as an Ordinary Resolution.

The Rule 9 Waiver Resolution is required for the reasons which are set out in paragraph 8 of this Part I of this document. In accordance with the Takeover Code, the Rule 9 Waiver is subject to the passing of this resolution by the Independent Shareholders on a poll at the Extraordinary General Meeting. As required by the Takeover Code, the Rule 9 Waiver Resolution will be taken on a poll of the Independent Shareholders. AIH, and any persons acting in concert with AIH, and Rational, and any persons acting in concert with Rational, are not eligible to vote on the Rule 9 Waiver Resolution.

Resolution 2

Resolution 2 will be proposed as a Special Resolution.

Resolution 2 proposes that, subject to and conditional upon the passing of Resolution 1, the Directors be authorised to exercise all the powers of the Company to allot and issue shares for cash up to an aggregate nominal amount of ordinary share capital of USD5,562 and to do so free of pre-emption rights (howsoever arising, whether pursuant to article 6 of the Company's Articles or otherwise). This represents in excess of 47.6 per cent. of the total ordinary issued share capital of the Company as at the Latest Practicable Date. The Directors intend to seek the endorsement of Resolution 2 to allot and issue 556,202,206 New Shares for

issued share capital or as at the latest practicable date. The Directors intend to use the authority of Resolution 2 to allot and issue 500,000,000 new shares for cash in connection with the Proposed Rights Issue, and for no other purpose and to allow the Directors to deal with treasury shares, fractional entitlements, record dates and legal, regulatory or practical problems in, or under the laws of, any territory or any other matter in connection with the Proposed Rights Issue. The authority will expire at the conclusion of Gemfields's annual general meeting in 2025 or, if earlier, on the date that is 15 months after the passing of this Resolution. All shareholders are eligible to vote on this Resolution without restriction.

Resolution 3

Resolution 3 will be proposed as an Ordinary Resolution.

The Underwriting Issue to the Underwriters Resolution is required to allow New Shares to be allotted and issued to, inter alia, the Underwriters in accordance with the terms of the Proposed Rights Issue and Underwriting Agreement in the event that any other Qualifying Shareholders do not take up their Rights and participate in the Proposed Rights Issue. All shareholders are eligible to vote on this Resolution without restriction.

The Directors have decided that the fairest way for the Extraordinary General Meeting to proceed would be by way of poll. This means that every eligible Shareholder present in person or by proxy has one vote for every Ordinary Share held.

Conducting a meeting by way of a poll ensures that all Shareholders are given the opportunity to participate in the decision-making of the Company and have their votes recorded even if they do not attend the meeting in person.

The Proposed Rights Issue is conditional inter alia on the passing of all of the Resolutions. If any of the Resolutions are not approved at the Extraordinary General Meeting, Gemfields will be unable to proceed with the Proposed Rights Issue.

11. Irrevocable Undertakings

AIH has irrevocably undertaken to vote in favour of the Resolutions, other than the Rule 9 Waiver Resolution which it is precluded from voting on, at the Extraordinary General Meeting. Rational has irrevocably undertaken to vote in favour of the Resolutions, other than the Rule 9 Waiver which it is precluded from voting on, and has procured that those parties that it represents (as set out in more detail in paragraph 16 of Part II) irrevocably undertake to vote in favour of such Resolutions. Similarly, each of those Independent Directors who hold Existing Shares have also entered into an irrevocable undertaking to vote in favour of all of the Resolutions at the Extraordinary General Meeting. Furthermore, certain significant shareholders of the Company have also entered into irrevocable undertakings to vote in favour of the Resolutions. Further details of the irrevocable undertakings are set out at paragraph 9 of Part II of this document.

In addition to undertaking to vote in favour of the Resolutions, the Committed Shareholders, including the Underwriters, have each given an irrevocable undertaking to take up their Rights under the Proposed Rights Issue. Further details of the irrevocable undertakings are set out at paragraph 9 of Part II of this document.

12. Additional information

Your attention is drawn to the additional information set out in this document. You are advised to read the whole of this document and not to rely solely on the information contained in this letter.

13. Overseas Shareholders

The Prospectus will contain information in relation to the Proposed Rights Issue for Overseas Shareholders who have registered addresses outside the United Kingdom or South Africa, or who are residents of or located in countries other than the United Kingdom or South Africa.

Shareholders who are resident or located in any one of the Excluded Territories will not be entitled to participate in the Proposed Rights Issue and the Prospectus will not be posted to them.

14. Independent Advice

Panmure Liberum has provided competent, independent advice to the Independent Directors, in accordance with the requirements of paragraph 4(a) of Appendix 1 to the Takeover Code, in relation to the granting of the Rule 9 Waiver.

This advice was provided by Panmure Liberum to the Independent Directors only and, in providing such advice, Panmure Liberum has taken into account the Independent Directors' commercial assessments as well as AIH's future intentions in relation to the Company (as set out in paragraph 2.8 of Part II of this document). Panmure Liberum confirms that it is independent of AIH and has no commercial relationship with it.

15. Action to be taken in respect of the Extraordinary General Meeting

AIM Shareholders

A Form of Proxy for use at the Extraordinary General Meeting by those shareholders whose Ordinary Shares are admitted to trading on AIM accompanies this document. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to the UK Registrar, Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, as soon as possible, but in any event so as to be received by no later than 15 May 2025 (or, if the Extraordinary General Meeting is adjourned or postponed, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned or postponed meeting).

If you hold your Existing Shares in uncertificated form in CREST, you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual. Further details are also set out in the notes accompanying the Notice of Extraordinary General Meeting at the end of this document. Proxies submitted via CREST must be received by the UK Registrar (Participant ID: 3RA50) by no later than 15 May 2025 (or, if the Extraordinary General Meeting is adjourned or postponed, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned or postponed meeting). The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in the CREST Regulations.

JSE Shareholders

a. If you are a JSE Dematerialised Shareholder other than with "own name" registration

Your CSDP or broker should contact you in the manner stipulated in the agreement concluded between you and your CSDP or broker to ascertain how you wish to cast your votes at the Extraordinary General Meeting and thereafter to cast your votes in accordance with your instructions. If you have not been contacted by your CSDP or broker, you should contact your CSDP or broker and furnish them with your voting instructions. If your CSDP or broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the provisions contained in the agreement concluded between you and your CSDP or broker. Similarly, you should contact your CSDP or broker in the event that you wish to appoint another person to vote as your proxy at the Extraordinary General Meeting. You must NOT complete the attached Forms of Proxy.

b. If you are a JSE Certificated Shareholder or a JSE Dematerialised Shareholder with "own name" registration

A Form of Proxy for use at the Extraordinary General Meeting by those shareholders whose Ordinary Shares are admitted to the JSE accompanies this document. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to the SA Registrar, as soon as possible, but in any event so as to be received by no later than 15 May 2025 (or, if the Extraordinary General Meeting is adjourned or postponed, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned or postponed meeting).

You are not required to take any action at present with respect to the Proposed Rights Issue.

New Shares offered under the Proposed Rights Issue will be offered to Shareholders *pro rata* to their existing shareholdings as at the relevant Record Date.

By subscribing for the New Shares to be offered under the Prospectus, a Shareholder will avoid a dilution in its percentage of their shareholding resulting from the Proposed Rights Issue.

16. Importance of vote

As explained above, the Proposed Rights Issue is conditional, *inter alia*, upon the passing of the Resolutions at the Extraordinary General Meeting.

If the Resolutions are not passed at the Extraordinary General Meeting, the Proposed Rights Issue will not take place and the proceeds of the Proposed Rights Issue will not be received by the Company.

Shareholders should note that, if the Company does not receive the proceeds of the Proposed Rights Issue, the Company would have to seek other forms of emergency funding. The Company is unable to provide any assurance that alternative financing could be secured. Failure to secure alternative forms of finance on commercially acceptable terms or at all could have a material adverse effect on the Group's business, financial condition, prospects, capital resources, cash flows, share price, liquidity, results and/or future operations.

17. Recommendation of Directors

The Proposed Rights Issue is conditional, *inter alia*, upon the passing of all of the Resolutions at the Extraordinary General Meeting including, without limitation, the Rule 9 Waiver Resolution. Shareholders should be aware that, if all of the Resolutions are not approved at the Extraordinary General Meeting, the Proposed Rights Issue will not proceed.

The Independent Directors believe it is in the best interests of the Company that the Rule 9 Waiver Resolution be passed and hereby recommend that Independent Shareholders vote, or procure the vote, in favour of the Rule 9 Waiver Resolution. In reaching this decision, the Independent Directors have taken into account that AIH does not currently intend to change (or to seek to change) the strategic plans and operations of the Group nor to make any changes to employment and/or the locations in which the Group operates. Panmure Liberum, as the Company's independent financial adviser, has provided formal advice to the Independent Directors that it considers the terms of these proposals to be fair and reasonable and in the best interests of Shareholders and the Company as a whole. In providing this advice, Panmure Liberum has taken into account the Independent Directors' commercial assessments as well as AIH's future intentions in relation to the Company (as set out in paragraph 2.8 of Part II of this document).

In accordance with the requirements of the Takeover Code, AIH is not permitted to vote on the Rule 9 Waiver Resolution in respect of its aggregate holding of 340,367,121 Ordinary Shares but has irrevocably undertaken to vote in favour of the other Resolutions.

In accordance with the requirements of the Takeover Code, Rational, together with the parties it represents as set out in more detail in paragraph 16 of Part II, are not permitted to vote on the Rule 9 Waiver Resolution in respect of their aggregate holdings of 180,896,490 Ordinary Shares but have irrevocably undertaken to vote in favour of the other Resolutions.

The Independent Directors who hold Existing Shares have irrevocably undertaken to vote in favour of all the Resolutions in respect of their own shareholdings amounting to 27,315,661 Existing Shares (representing 2.34 per cent. of the Existing Shares in issue as at the Latest Practicable Date).

Yours faithfully,

Bruce Cleaver

Chair

DEFINITIONS

The following definitions apply throughout this announcement, unless the context requires otherwise:

Admission	as the context so requires, AIM Admission and/or JSE Admission
Agreed Proportions	in the case of AIH: 65.30 per cent.; in the case of Rational: 34.70 per cent.
AIH	Assore International Holdings Limited, incorporated as a private company limited by shares registered in England and Wales with company registration number 12617478 on 21 May 2020. AIH's registered address is at 4 Walcote Place, High Street, Winchester, United Kingdom, SO23 9AP
AIH Directors	the directors of AIH at the date of this document whose names are set out on paragraph 2.2 of Part II of this document
AIH Pre-Funding Agreement	the agreement entered into between the Company and AIH dated 11 April 2025, details of which are set out in paragraph 11.9 of Part II of this document
AIH UBO Directors	the directors of AIH's indirect parent company, Assore Holdings Proprietary Limited, at the date of this document, being each of: (1) Desmond Sacco; (2) Patrick Sacco; (3) Charles Walters; (4) Bastiaan van Aswegen; (5) Sandra du Toit; (6) Kieran Daly; (7) Mandla Tobela; (8) Eric Mackeown; (9) Sydney Mhlarhi; and (10) Ross Davies
AIM	the AIM Market, the multi-lateral trading facility operated by the London Stock Exchange
AIM Admission	admission of the Nil Paid Rights, the Fully Paid Rights and the New Shares (as the case may be) to

	rights and the New Shares (as the case may be) to trading on AIM becoming effective in accordance with the AIM Rules for Companies
AIM Rules or AIM Rules for Companies	the AIM Rules for Companies, as published and amended from time to time by the London Stock Exchange
Articles	the existing articles of incorporation of the Company as at the date of this document
Board or Directors	the Company's directors, whose names appear on page 6 of this document
broker	any person registered as a broking member (equities) in terms of the JSE Listings Requirements and in accordance with the provisions of the SA Financial Markets Act
Business Day	a day (excluding Saturday, Sunday and public holidays) on which: (1) banks generally are open for business in the City of London for the transaction of normal banking business; (2) banks generally are open for business in South Africa for the transaction of normal banking business; and (3) banks generally are open for business in Guernsey for the transaction of normal banking business
CDJ	Campos De Joia Limitada, a 100 per cent. indirect subsidiary of the Company
certificated or certificated form	means either: (1) Existing Shares that have not been Dematerialised in terms of the requirements of Strate, title to which is represented by the Documents of Title; or (2) in relation to a share or other security, a share or other security which is not in uncertificated form (that is, not in CREST or Strate)
Circular or this document	this circular to Shareholders, and all documents and annexes bound herein, dated 11 April 2025
City Code or Takeover Code	the City Code on Takeovers and Mergers issued from time to time by or on behalf of the Panel on Takeovers and Mergers
Committed Shareholders	those Shareholders (details of which are set out in paragraph 9 of Part II of this document) who have entered into irrevocable undertakings to subscribe for their Rights under the Proposed Rights Issue
Committed Shares	the, in aggregate, 299,572,845 New Shares which the Committed Shareholders have irrevocably undertaken to take up pursuant to the Proposed Rights Issue
Companies Act	the Companies Act 2006 of England and Wales, as amended from time to time
Companies Law	The Companies (Guernsey) Law, 2008 (as amended)
Company or Gemfields	Gemfields Group Limited, a company incorporated under the Companies Law and registered in Guernsey, with registered number 47656
CREST	the system for the paperless settlement of trades in securities and the holding of uncertificated securities in accordance with the CREST Regulations operated by Eurodear
CREST Manual	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CREST CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Eurodear on 15 July 1996, as amended from time to time)
CREST Member	a person who has been admitted by Eurodear as a system member (as defined in the CREST Regulations)
CREST Participant	a person who is, in relation to CREST, a system-

CREST Regulations	participant (as defined in the CREST Regulations) the Uncertificated Securities (Guernsey) Regulations 2009
CREST Sponsor	a CREST Participant admitted to CREST as a CREST Sponsor
CREST Sponsored Member	a CREST Member admitted to CREST as a sponsored member
CSDP	Central Securities Depository Participant, being a "participant" as defined in Section 1 of the SA Financial Markets Act and appointed by individual Shareholders for the purposes of, and in regard to, dematerialisation in terms of the Financial Markets Act
Dematerialised or Dematerialisation	the South African process by which securities which are evidenced by a Document of Title are converted to securities that are held in collective custody by a CSDP or its nominee in a separate central securities account and are transferable by entry without a certificate or written instrument
Disclosure and Transparency Rules	the disclosure guidance rules and transparency rules made by the FCA under Part VI of FSMA (as set out in the FCA Handbook) as amended from time to time
Disclosure Period	the period commencing on the date twelve months prior to the Latest Practicable Date and ending on the Latest Practicable Date
Document of Title	share certificates, certified transfer deeds, balance receipts or any other documents of title to the Shares
ERM	Eastern Ruby Mining, a subsidiary of the Company, 80 per cent. indirectly owned by Company and 20 per cent. owned by Mr. Taibo Caetano Mucohora
Euroclear or Euroclear UK & International	Euroclear UK & International Limited, the operator of CREST
EUWA	the European Union (Withdrawal) Act 2018
Excluded Territories	the United States, Australia, New Zealand, Canada, Hong Kong, Singapore and Japan and any other jurisdiction (subject to certain limited exceptions) where the Company is advised that the allotment or issue of the New Shares pursuant to the Proposed Rights Issue would or may infringe the relevant laws and regulations of such jurisdiction or would or may require the Company to obtain any governmental or other consent or to effect any registration, filing or other formality which, in the opinion of the Company, it would be unable to comply with or is unduly onerous and Excluded Territory means any one of them
Executive Directors	Sean Gilbertson and David Lovett
Existing Shares	the 1,168,027,130 Ordinary Shares in issue on the Latest Practicable Date
Extraordinary General Meeting or Meeting	the extraordinary general meeting of the Company convened for 10.00 a.m. (London time) at 123 Victoria Street, Westminster, London, SW1E 6DE on 19 May 2025 by the Notice of Extraordinary General Meeting and any adjournment or postponement thereof
Fabergé	the brand "Fabergé" which is wholly-owned and controlled by the Group
FCA	the Financial Conduct Authority of the United Kingdom acting in its capacity as the competent authority for the purposes of Part VI of the FSMA
FCA Handbook	the FCA's Handbook or Rules and Guidance, as amended from time to time
Financial Markets Act	the South African Financial Markets Act, No. 19 of 2012, as amended from time to time
Form of Instruction	the form of instruction to be posted to each Qualifying South African Shareholder who holds

Forms of Proxy	Existing Shares in certificated form, in respect of their Letters of Allocation, reflecting the entitlement of that Qualifying Shareholder to Nil Paid Rights if the Resolutions are approved (1) the Guernsey form of proxy, for use by those shareholders whose Ordinary Shares are admitted to AIM; and (2) the South African form of proxy, for use by those Shareholders whose Ordinary Shares are admitted to the JSE, accompanying this document for use at the Extraordinary General Meeting
FSMA	the Financial Services and Markets Act 2000 of England and Wales (as amended)
Fully Paid Rights	rights to acquire the New Shares fully paid
Group or Gemfields Group	Gemfields and each of its direct and indirect subsidiaries from time to time (where "subsidiary" shall have the meaning ascribed to it in the Companies Act)
Independent Directors	all of the Directors save for Keiran Daly and Patrick Sacco
Independent Shareholders	Shareholders who are eligible to vote on the Rule 9 Waiver Resolution (being all Shareholders other than AIH and Rational (including the parties that Rational represents as set out in more detail in paragraph 16 of Part II))
Investec or JSE Sponsor	Investec Bank Limited, acting through its investment banking division, a public company incorporated under the laws of South Africa and the JSE Sponsor to the Company in connection with the Proposed Rights Issue
Irrevocable Undertakings	the undertakings, executed by the Committed Shareholders, pursuant to which they have irrevocably agreed to: (1) vote in favour of the Resolutions; and in certain cases, (2) subscribe for their Rights under the Proposed Rights Issue, details of which are set out in paragraph 9 of Part II of this document
ISIN	the international securities identification number
issued share capital	except where stated to the contrary, the issued share capital of the Company (excluding treasury shares)
JSE	the Johannesburg Stock Exchange, a licensed exchange operated by JSE Limited
JSE Admission	the admission of Letters of Allocation and the New Shares (as the case may be) to listing and trading on the General Segment of the JSE's Main Board
JSE Certificated Shareholders	Shareholders who hold JSE Certificated Shares
JSE Certificated Shares	Ordinary Shares which have not been surrendered for Dematerialisation in terms of the requirements of Strate, and title to which is evidenced by a Document of Title
JSE Dematerialised Shareholders	Shareholders who hold JSE Dematerialised Shares
JSE Dematerialised Shares	Ordinary Shares that have been Dematerialised
JSE Limited	JSE Limited, a public company incorporated in accordance with the laws of South Africa and licensed to operate an exchange in terms of the Financial Markets Act
JSE Listings Requirements	the JSE Limited Listings Requirements in force as at the Latest Practicable Date
JSE Main Board	the main board of the JSE
Kagem	Kagem Mining Limited, a subsidiary of the Company, 75 per cent. indirectly owned by Gemfields and 25 per cent. indirectly owned by the Government of the Republic of Zambia;
Last Day to Trade	the last day to trade Existing Shares on the JSE to qualify to participate in the Rights Issue (cum Rights), being 22 May 2025
Latest Practicable Date	10 April 2025, being the latest practicable date prior to the date of this document
Letter of Allocation	a renounceable letter of allocation to be issued by

	the Company in electronic form conferring Nil Paid Rights on a Qualifying South African Shareholder if the Resolutions are approved
London Stock Exchange or LSE	London Stock Exchange plc
Memorandum	the memorandum of incorporation of the Company
MML	Megaruma Mining Limitada, a subsidiary of the Company, 75 per cent. indirectly owned by Company and 25 per cent. owned by EME Investments SA, Mozambique
MRM	Montepuez Ruby Mining Limitada, a subsidiary of the Company, 75 per cent. indirectly owned by Company and 25 per cent. owned by a local Mozambican minority partner, Mwiriti Limitada
New Shares	556,203,396 new Ordinary Shares to be issued pursuant to the Proposed Rights Issue
Nil Paid Rights	in the case of Qualifying Shareholders (other than Qualifying South African Shareholders), New Shares in nil paid form provisionally allotted to such Qualifying Shareholders pursuant to the Proposed Rights Issue and, in the case of Qualifying South African Shareholders, the right to subscribe for New Shares at the SA Issue Price, as represented by Letters of Allocation automatically credited to their CSDP or broker accounts or, in the case of Qualifying South African Shareholders who hold their Shares in certificated form, the account of the SA Registrar for the benefit of such Shareholder
Non-CREST Shareholders	Shareholders whose Ordinary Shares are on the Company's Guernsey (AIM) register and are held in certificated form
Non-Executive Director	Bruce Cleaver; Patrick Sacco; Kieran Daly; Kwape Mmela; Mary Reilly; Simon Scott
Notice of Extraordinary General Meeting or Notice	the notice of the Extraordinary General Meeting set out at the end of this document
NRL	Nairoto Resources Limitada, a subsidiary of the Company, 75 per cent. indirectly owned by the Company and 25 per cent. owned by a Mozambican minority partner, Mwiriti Limitada
Ordinary Resolution	a resolution, taken in accordance with the Articles and the Companies Law, passed by a simple majority of the Shareholders, present or by proxy, at the meeting, convened with the proper notice of the meeting having been provided to the Shareholders
Ordinary Shares or Shares	the ordinary shares with a par value of USD0.00001 each in the capital of the Company
Overseas Shareholders	Shareholders or Qualifying Shareholders, as the context so requires, who have registered addresses, or who are located or resident, outside the United Kingdom or South Africa
Panel or Takeover Panel	means the Panel on Takeovers and Mergers of the United Kingdom
Panmure Liberum or Financial Adviser or AIM Nominated Adviser or co-ordinator or Corporate Broker	Panmure Liberum Limited, the financial adviser, nominated adviser, co-ordinator and corporate broker to the Company in connection with the Proposed Rights Issue and the Resolutions
Participant ID	the identification code or membership number used in CREST to identify a particular CREST Member or CREST Participant
Pre-Funding Agreements	each of the AIH Pre-Funding Agreement and the Rational Pre-Funding Agreement
Proposed Rights Issue	the 10 New Shares for 21 Existing Shares rights issue which Gemfields proposes to undertake, further details of which will be set out in the Prospectus
Prospectus	the prospectus relating to Gemfields for the purpose of the Proposed Rights Issue, which is expected to be published, subject to the passing of the Resolutions and FCA approval, on or around

Prospectus Regulation	20 May 2025 and which will be posted to Qualifying Shareholders and be made available on the Company's website, its registered address and at the registered address of the JSE Sponsor
Prospectus Regulation Rules	the UK version of the EU Prospectus Regulation as it forms part of the domestic law of the United Kingdom by virtue of EUWA, as amended from time to time
Provisional Allotment Letters	the Prospectus Regulation Rules made by the FCA as from time to time amended and includes, where appropriate, relevant provisions of the Prospectus Regulation as referred to or incorporated within the Prospectus Regulation Rules
Qualifying CREST Shareholder	the renounceable provisional allotment letters relating to the Proposed Rights Issue, expected to be dispatched to Qualifying Non-CREST Shareholders if the Resolutions are approved
Qualifying Non-CREST Shareholder	Shareholders (other than those resident in an Excluded Territory) whose Ordinary Shares are on the Company's Guernsey (AIM) register at the relevant Record Date and which are held in uncertificated form and held through CREST
Qualifying Shareholder	Shareholders (other than those resident in an Excluded Territory) whose Ordinary Shares are on the Company's Guernsey (AIM) register at the relevant Record Date and which are in certificated form
Qualifying South African Shareholder	a Qualifying Non-CREST Shareholder, Qualifying CREST Shareholder and/or Qualifying South African Shareholder, as the case may be
Rand or ZAR	Shareholders (other than those resident in an Excluded Territory) on the Company's South African (JSE) register as at the relevant Record Date
Rational	South African rand, the lawful currency of South Africa
Rational Pre-Funding Agreement	Rational Expectations (Pty) Ltd, incorporated as a private company with limited liability, registered in South Africa with registered number 1997/003025/07 and whose registered address is at Unit 203, Second Floor, Paardevllei RI, 12 Gardner Williams Avenue, Paardevl, Somerset West, Western Cape, 7130, South Africa
Record Date	the agreement entered into between the Company and Rational dated 11 April 2025, details of which are set out in paragraph 11.10 of Part II of this document
Registers	the record date(s) for participation in the Proposed Rights Issue, details of which will be included in the Prospectus
Registrars	the register of members of the Company maintained in the United Kingdom and the branch of the register maintained in South Africa
Regulatory Information Service	the UK Registrar and/or the SA Registrar, as the context so requires
Relationship Agreement	any of the services set out in the list of Primary Information Providers maintained by the FCA
Resolutions	the agreement entered into between the Company and Rational dated 11 April 2025, details of which are set out in paragraph 11.11 of Part II of this document
Rights	the resolutions to be proposed at the Extraordinary General Meeting
Rights Issue and Underwriting Agreement	the Nil Paid Rights and the Fully Paid Rights (as the context so requires)
	the rights issue and underwriting agreement dated 11 April 2025 entered into between the Company, the Underwriters and Panmure Liberum relating to the Proposed Rights Issue and the underwriting and more fully described in paragraph 11.8 of Part

RIS	the Regulatory Information Service of London Stock Exchange
Rule 9	Rule 9 of the Takeover Code
Rule 9 Waiver	the waiver granted by the Panel, conditional on the passing of the Rule 9 Waiver Resolution by Independent Shareholders, of any requirement under Rule 9 of the Takeover Code for AIH and its concert parties (individually and collectively) to make a mandatory general offer to all Shareholders of the Company, which would otherwise arise as a result of the AIH's participation in, and underwriting of, the Proposed Rights Issue
Rule 9 Waiver Resolution	resolution 1 to be proposed at the Extraordinary General Meeting as set out in the Notice of Extraordinary General Meeting to approve the Rule 9 Waiver
SA Issue Price	the price at which New Shares will be issued to Qualifying South African Shareholders pursuant to the Proposed Rights Issue, being ZAR1.0686 per New Share
SA Register	the branch of the register of members of the Company maintained in South Africa
SA Registrar	Computershare Investor Services Proprietary Limited registration number 2004/003647/07, a private company duly incorporated in accordance with the laws of South Africa
SENS	the Stock Exchange News Service of the JSE
Shareholder Helpline	the relevant helpline telephone number listed in the paragraph 22 of Part II
Shareholders	holders of Existing Shares
South Africa	the Republic of South Africa
South African Companies Act	the South African Companies Act No. 71 of 2008 (as amended from time to time)
Special Resolution	a resolution taken in accordance with the Articles and the Companies Law, passed by a majority of not less than 75 per cent. of the votes of the Shareholders, present or by proxy, at the meeting convened with the proper notice of the meeting having been provided to the Shareholders
sterling or £ or GBP, or pence or p	the lawful currency of the United Kingdom from time to time
Strate	Strate Proprietary Limited, a private company incorporated in accordance with the laws of South Africa, which is licensed as a registered central securities depository under the Financial Markets Act responsible for the electronic custody and settlement system for transactions that take place on the JSE
UK Issue Price	the price at which New Shares will be issued to Qualifying Shareholders (other than Qualifying South African Shareholders) pursuant to the Proposed Rights Issue, being 4.22 pence per New Share
UK Register	the register of members of the Company maintained in the United Kingdom
UK Registrar	Computershare Investor Services (Guernsey) Limited of 2nd Floor, Lefebvre Place, Lefebvre Street, St Peter Port, Guernsey, GY1 2JP
uncertificated or in uncertificated form	in respect of a Qualifying Shareholder other than a Qualifying South African Shareholder, describes the form of a share held by such person in CREST; and in respect of a Qualifying South African Shareholder describes the form of a share held by such person not evidenced by a certificate or written instrument, incorporated into Strate and entered and recorded in the Company's South African sub-register in electronic form in terms of the Financial Markets Act

Underwriters	each of AIH and Rational
Underwriting Issue to the Underwriters	resolution 3 as set out in the Notice of
Resolution	Extraordinary General Meeting to be proposed at the Extraordinary General Meeting in connection with the issue of New Shares to, inter alia, the Underwriters as contemplated by this Circular and the Rights Issue and Underwriting Agreement pursuant to the Proposed Rights Issue
Underwritten Shares	the New Shares being underwritten by the Underwriters, which includes all New Shares other than the New Shares for which the Underwriters have irrevocably undertaken to subscribe
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland
United States or US	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
US dollar(s) or dollar(s) or USD or US or or US cents	United States dollars and cents, the lawful currency of the United States

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^[1] www.lvmh.com/en/publications/lvmh-achieves-a-solid-performance-despite-an-unfavorable-global-economic-environment

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