GEMFIELDS

Gemstone Resources and Gemstone Reserves Report

Effective Date of 31 December 2023

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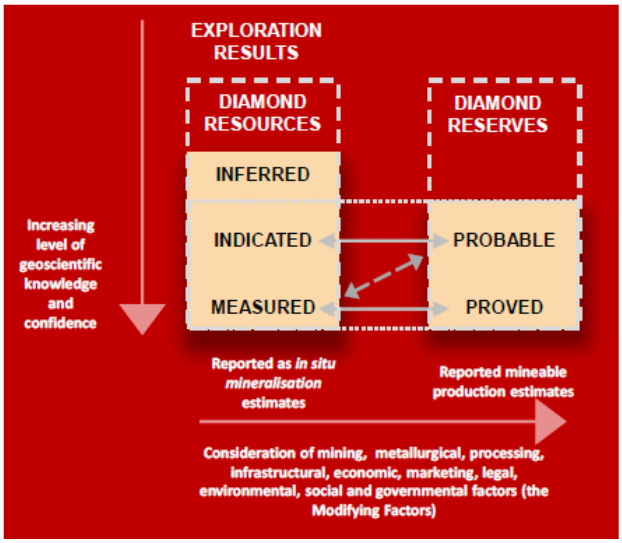
SECTION 1 - OVERVIEW

INTRODUCTION

Gemfields Group Limited ("GGL") through its wholly-owned subsidiary Gemfields Ltd ("Gemfields") holds 75% attributable interests in Kagem Mining Ltd which operates the Kagem Emerald Mine ("Kagem") in Zambia, and in Montepuez Ruby Mining Limitada which operates the Montepuez Ruby Mine ("MRM") in Mozambique. *[12.13(i)(2)]*

This annual Gemstone Resources and Gemstone Reserves Report deals with Kagem and MRM only and excludes any other colored gemstone interests held by Gemfields. This annual report details the location, geology, mining, processing, and operational statistics at Kagem and MRM.

The Gemstone Resources and Gemstone Reserves have been prepared and reported in compliance with and according to the requirements of The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (the SAMREC Code or SAMREC), 2016 Edition, with special reference to sections 60 to 72 of SAMREC related to the reporting of results for diamond and other gemstone properties. *[12.13(i)(4)]*



Relationship between Gemstone Resources and Gemstone Reserves (SAMREC Code, 2016)

The Gemstone Resources and Gemstone Reserves presented in this report are based on a Competent Persons Report ("CPR") for Kagem and MRM with an effective date of 1 July 2019, which have then been depleted by mining production for the period 1 July 2019 to 31 December 2023. The Gemstone Resources are reported inclusive of the Gemstone Reserves, both correct on 31 December 2023, the Effective Date of this Gemstone Resources and Gemstone Reserves report. *[12.10(a)]*

At the Effective Date of 31 December 2023, GGL had total attributable Gemstone Resources of 1,130 Mct of combined emerald and beryl at an average value of USD2.90/ct, which is lower than previous years due to being based on only one higher-quality emerald auction in the year following the withdrawal of the planned November 2023 auction, and 497 Mct of ruby and corundum at an average value of USD23.46/ct (average 2014-2023).

Operations at Kagem were resumed in a phased manner from March 2021, reached normal capacity in the financial year 2022. Operations at MRM were suspended in April 2020 and saw a phased resumption from March 2021, reaching normal capacity by the end of May 2021. The suspension in operations at both MRM and Kagem were due to Covid-19.

CORPORATE GOVERNANCE – COMPLIANCE *[12.13(i)(4)]*

GGL's attributable Gemstone Resources and Gemstone Reserves are reported in compliance with Section 12 of the JSE Rules, the SAMREC Code (2016 edition) and SAMREC Code Table 1 and Appendices. Shorthand references to the JSE Rules and SAMREC Table 1 are shown where applicable, for example:

- *[12.10(a)]* – in Chapter 12 of JSE Rules which deals with the effective date;
- *[12.13(i)(2)]* – in section 12.13, contents of annual report, which deals with attributable beneficial interest;
- *[SR2.1(i)]* – in Table 1, describe the regional geology; and
- *[SR11.3(iv)]* – in Table 1, describe the top and bottom sieve cut-off sizes.

COMPETENT PERSONS AND CONSENT *[12.13(i)]*

The Competent Persons ("CPs") in terms of SAMREC who take responsibility for the reporting of Gemstone Resources and Gemstone Reserves for Kagem and MRM in this report are respectively:

- Hemant Azad, Head, PE and MSc (Geology), MAusIMM, and MAIG is the Competent Person responsible for reporting of Gemstone Resources and Gemstone Reserves at Kagem in this report. Hemant was Head of Geology with Montepuez Ruby Mining Limitada until October 2021 before transferring to Kagem. He has overall 20 years of experience and more than ten years' relevant experience in Gemstone industry of this style of mineralization.

The Competent Person's address is Kagem Mining Ltd, PO Box 21657, Plot 6374, Corner Dr. Aggrey and Kariba Roads, Light Industrial Area, Kitwe, Zambia. *[12.13(i)(5)]*

- Murlidhar Gautam, Head of Geology, MRM, MTech (Applied Geology), MAusIMM, is the competent person responsible for reporting Gemstone Resources and

Gemstone Reserves at MRM in this report. Murlidhar Gautam was Head of Production and Exploration with Kagem Mining Ltd until October 2021 before transferring to MRM. He has over 22 years' experience in Exploration and Mining of different commodities Diamond, Emerald, Copper, Bauxite and Ruby. He has relevant experience in this style of mineralisation.

The Competent Person's address is Montepuez Ruby Mining Lda, Avenida Eduardo Mondlane, No. 178, Edifico Cruz Vermelha, Cidade De Pemba, Cabo Delgado, Mozambique.

The address of the Australasian Institute of Mining and Metallurgy is Ground/204 Lygon St, Carlton VIC 3053, Australia. *[12.13(i)(5)]*

The CPs have confirmed to GGL in writing that the contents of this report are consistent with the CPR for Kagem and MRM and operational records for the period 1 July 2019 to 31 December 2023 and comply with the requirements of Section 12 of the JSE Rules and the SAMREC Code. *[12.13(i)(6)]*

The CPs further consent to the disclosure of the 2023 Gemstone Resource and Gemstone Reserve Statement in the form and context in which it is presented. *[12.13(i)(6)]*

This report contains statements of a forward-looking nature which involve various uncertainties that may cause the actual results to differ materially from those presented.

Rounding-off of figures in this report may result in minor computational discrepancies. Where these occur, the CPs do not consider them to be material.

SECTION 2 - OPERATIONS

KAGEM

Location *[SR1.2(i)]*

Kagem is in the Ndola Rural Emerald Restricted Area ("NRERA") within the Kafubu area of the Zambian Copperbelt Province (Figure K1). Kagem is the world's single-largest producing emerald mine.

Located at latitude 13°04'S and longitude 28°08'E at an elevation of 1,200 m above mean sea level (msl), the site is some 31 km south-southwest of the Copperbelt town of Kitwe. The licence is bisected by the administrative boundary between the Ndola Rural District and Luanshya District.

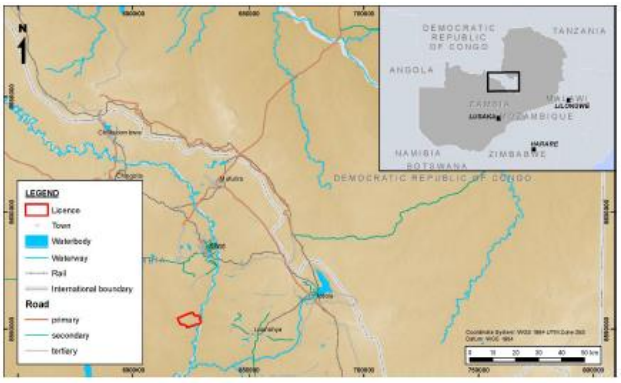


Figure K1: Kagem Mine Location

Legal Entitlement *[SR1.5(i)] [12.13(iii)(5)]*

Kagem operates in terms of a large-scale gemstone licence 14105HQ LSGL (Figure K2) over an area of 42.4 km^2 issued on 27 April 2010. The licence was renewed on 10 December 2019 for a further 25 years, which is then valid until 26 April 2045.

A large-scale mining licence 8749HQ LML for the Chibolele mine was renewed on 30 August 2019 for 25 years and transferred to Kagem on 1 October 2019.

Gemfields holds a 75% interest in the Kagem Mine, with the remaining 25% held by the Government of the Republic of Zambia ("GRZ").

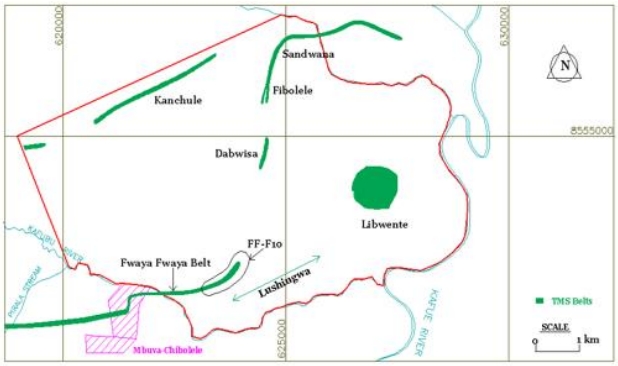


Figure K2: Licence Extents

Geological Setting *[SR2.1(i)(ii)] [SR11.1(i)]*

Emerald mineralisation in the Kafubu area, including the Kagem deposits, belongs to a group referred to as "schist-hosted emeralds", relating to the interaction of Be-bearing fluids relating to pegmatite dykes or granitic rocks, with Cr -rich mafic and ultramafic schists or weakly metamorphosed ultramafic rocks (Figure K3).

Kagem's Chama, Libwente, Fibolele and Chibolele deposits form part of a semi-regional scale tight-isoclinal fold system, which trends northeast or east-northeast, ranging in dip from near flat-lying to up to 60° to the southeast or south-southeast, and is locally offset by a series of predominantly north-northwest striking structures.

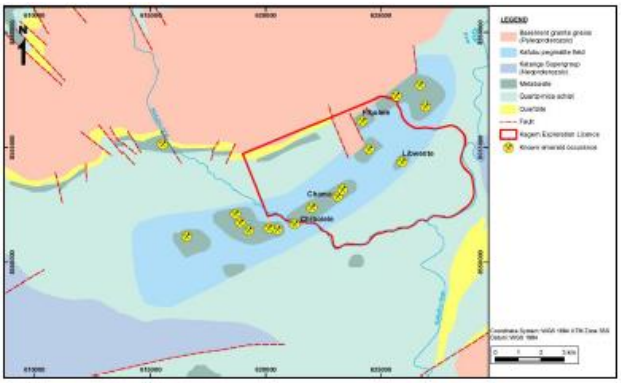


Figure K3: Simplified Geology of Kafubu Emerald Area

The emerald deposits are hosted by talc-magnetite schists ("TMS") of the Muva Supergroup. The stratigraphy of the Chama and Chibolele deposits is broadly described (from bottom to top) in terms of a footwall mica schist, overlain by TMS, amphibolite ("AMP") and quartz-mica schist of the Muva Supergroup. The whole sequence is intruded by steeply dipping discordant and locally concordant quartz-feldspar pegmatite ("PEG") dykes and quartz-tourmaline veins (Figure K4). The stratigraphic sequences at Fibolele and Libwente are largely similar to that described for Chama, except for local differences in the average thickness of individual units. Some key distinctions exist, where the AMP horizon in the hanging wall of the TMS unit is absent at Fibolele, while at Libwente the distribution of the ultramafic schists is more irregular, with at least two distinct TMS bands and additional minor satellite bodies with AMP in the hangingwall, footwall or both.

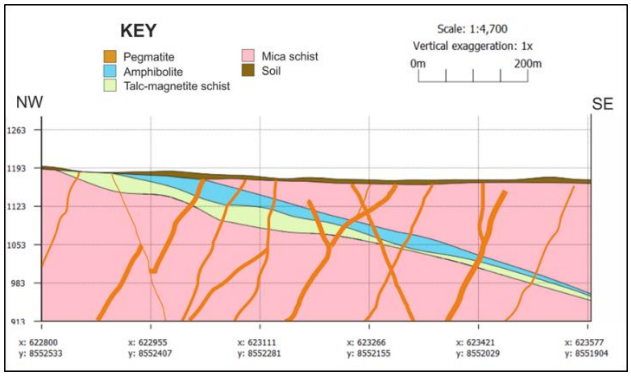


Figure K4: Chama -Schematic NW to SE cross-section

The suite of PEG dykes and quartz-tourmaline veins that intrude the stratigraphic succession throughout the Kagem

deposits occupy a range of trends, both concordant and discordant to the local stratigraphy. At Chama and Chibolele, most discordant dykes strike north or north-northwest, dipping at around 50° to sub-vertical towards the east or east-northeast. The discordant dykes and veins at Libwente and Fibolele occupy the same trend set, striking north-northwest, but with a steeper, typically sub-vertical dip.

The emerald mineralization is hosted by the ultramafic TMS unit, with three main styles of mineralization recognized:

- discordant reaction zone ("RZ") material adjacent to the PEG and quartz-tourmaline vein contacts.
- concordant RZ material concentrated along the footwall and rarely the hanging wall contacts of the TMS unit; and
- discordant RZ hosted by brittle structures within the TMS unit distal to the PEG and quartz-tourmaline veins.

The RZ is laterally discontinuous and varies in thickness from a few centimeters to more than 2 m (Figure K5).

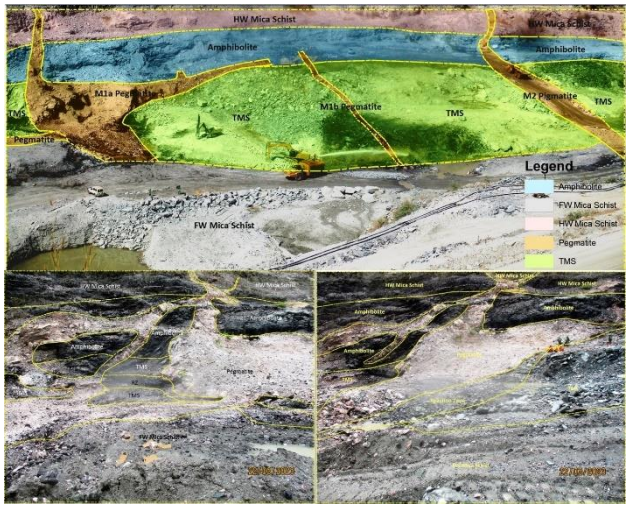


Figure K5: Reaction Zone exposed at the Kagem Mine

Exploration Activities *[12.13(iii)(1)] [SR3.1(i)] [SR11.2(i)]*

The main exploration methods employed at Kagem included airborne geophysical survey maps, diamond drilling, geological mapping and bulk sampling from trial pits, most of which was undertaken since 1998. Diamond drilling is primarily aimed at determining the nature and geometry of the TMS units and PEG / quartz-tourmaline veins. The main exploration tool used to determine emerald and beryl grade and quality is through current open-pit mining operations at Chama, Chibolele and Fibolele, and trial mining at Libwente. The grade of each deposit is determined through recovered emerald quantity and quality data from the sort house.

In Chama, a total of 3,211.80 m of oriented drilling completed in two years. During FY-22, completed 11 drillholes, with a total meterage of 1,562 m and in FY-23 the recent drilling completed 10 drillholes, with a total meterage of 1649.80 m, out of that 3 drill holes comprises 545.8 m was completed for Geotechnical studies and most holes were drilled pre-collar with PQ/HQ and followed by NQ. The drillholes were drilled with reference to previously drilled holes to minimize the wide spacing interval to close spacing of less than 40-50 m drill interval section lines, over approximately 600-700 m strike length. (Figure K6 and K7). The maximum vertical depth is approximately 184 m below the pre-mining surface. The drill holes vary in inclination from 60° to 80°.

In Chibolele, the oriented diamond drilling was completed in FY-22 with 7 drillholes, comprising a total meterage of 1258.8 m and in FY-23, additional 3 drill holes drilled for Geotechnical studies, and it comprises 360 m. In total 10 drill holes with a meterage of 1618.80m with most holes drilled pre-collar with HQ and followed by NQ. The drillholes were drilled with reference to previously drilled holes to minimize the wide spacing interval to close spacing of less than 50m drill interval section lines, over approximately 600-700 m strike length. (Figure K6). The maximum vertical depth is approximately 265 m below the pre-mining surface. The drill holes vary in inclination from 60° to 70°.

In Kamakanga, the oriented diamond drilling commenced in FY-22 and completed 25 drillholes, comprising a total meterage of 1,989 m up to end of FY-23. In total 45 drill holes with a meterage of 3,861 m were done with most holes drilled pre-collar with HQ and followed by NQ.

Figure K6: Oriented diamond drilling campaign at Kagem.

Drilling to date, across the Kagem deposit areas comprises of 989 drill holes for a total meterage of 102,815.58 m. Out of those 416 holes for 48,406.55 m at Chama, 60 holes for 6,116.64 m at Chibolele, 130 holes for 12,324.10 m at Fibolele and 45 holes for 3,861 m at Kamakanga. All drill holes are diamond core holes. Downhole survey data exists for roughly 35% of the total number of holes drilled.

Drill spacing at Chama varies from approximately 25 x 25 m in the northeast around the surface expression of the TMS unit to highly variable down-dip loosely described as a 100 x 200 m grid decreasing to approximately 50 x 50 m in places (Figure K7). Most holes were drilled inclined to the TMS unit, at an average dip of 70° to northwest and west.

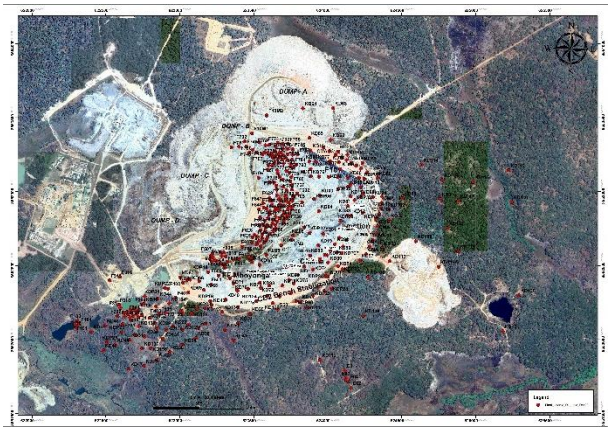


Figure K7: Chama collar locations

Drilling at Chibolele was completed prior to 2006, with no drilling since. Drilling was carried out over 1,000 m of strike length, at 50 m strike intervals in the southwest and 100 m strike intervals in the northeast (Figure K8). Most holes were drilled perpendicular to the TMS unit, at an average dip of 70° to northwest and west. However, the oriented exploration drilling was conducted in FY-22 to upgrade the Indicated resource to Measured category.

Exploration work at Chibolele involved continuous mapping of the veins and faces of the developing mine on a weekly basis, which gave high confidence on grade and continuity for 50 m. Coupled to a detailed analysis of the existing drill hole database and bulk sample data from 278 kt of ore mined from Chibolele up to December 2023, from Measured category.

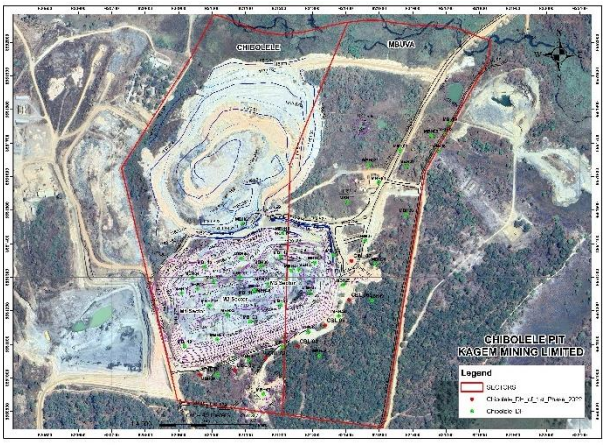


Figure K8: Chibolele Pit-Shell and collar locations

Fibolele is drilled on 50 m sections, with an on-section collar spacing of 50 m. Infill drilling at 25 x 25 m has been completed in a small area to the south (Figure K9). Most holes were drilled perpendicular to the TMS unit, at an average dip of 70° towards the west and west-northwest. (Figure K9).

Drilling at Libwente has been completed on a variable grid of 100 x 100 m, 100 x 50 m, or 50 x 50 m, decreasing to 25 x 25 m in places (Figure K10). Almost all the Libwente holes are drilled vertically to target the shallow dipping TMS unit.

Most holes start at HQ diameter, switching to NQ diameter core once into competent rock. Most holes extend ca. 20 m beyond the TMS unit into the footwall mica schist before being terminated.

Figure K9: Fibolele collar locations

The bulk sampling was commenced in Kamakanga licence in the month of January 2022 for which Mine Safety Department, Zambia (MSD) was duly notified on dated 30th December 2021 as a part of statutory compliance to be fulfilled in the host country.

The licence area does not have any proven resources and reserve at the time of acquisition and bulk sampling was planned based on available data. However, the exploration campaign was planned in FY-22 which was completed in FY-23 with an objective to confirm the host lithology and to establish mineable resources in the coming future for a sustainable mining model. (Figure K10)

Geo-chemical Analysis was done for almost 53 lithological samples from various depths of different drillhole to understand the type of tectonic formations and metamorphic sequence significant to mineralization. The analysis shows some interesting facts that the EU values in Reaction Zone (RZ) and Pegmatites in KGA-1, had a different curve showing a major indication of Mg enrichment and MgO with 10.14% compared to the rest, Cr values also had a spike within this RZ indicating mineralization which will further be confirmed through bulk sampling operation.
By the end of December 2023, through the bulk sampling the small quantity of product was recovered i.e., 6,265 cts of emerald and 181,283 cts of Beryl-1 and 2.

Figure K10: Kamakanga collar locations

Geotechnical Studies- Kagem engaged renowned global consultants and experts on technical subjects i.e., SRK consulting, UK to carry out Geo-technical studies for slope

stability and waste dump management at Kagem licences The Geotechnical studies was undertaken in phased manner as mentioned below:

- Phase 1: Review of available information. SRK consultant visited the site in April 2023 and the data was provided which was being reviewed by SRK and planned the work accordingly.
- Phase 2: Site visits for test work, instrumentation, logging, etc.
- Phase 3: Geotechnical and hydrogeological analysis, pore pressure modelling; (Figure K11) and,
- Phase 4: Reporting. The studies were completed on 28 December 2023 and data under review by SRK.

The total cost of this Geotechnical studies is GBP 210,000 (~ USD 262,500).

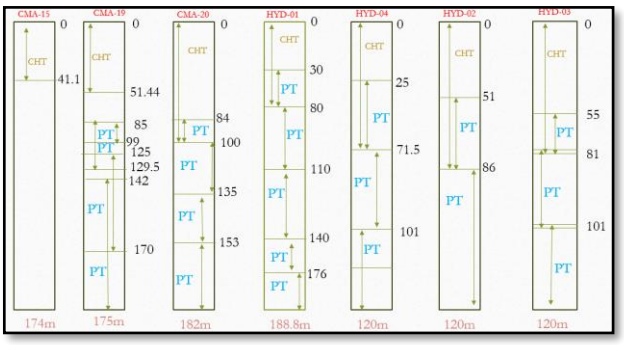


Figure K11: Geotechnical Studies completed with Packer and Constant Head Test at Kagem.

The approximate expenditure incurred on exploration during 2023 was USD0.5 million, with the same in 2022.

Face mapping and blast hole probing will continue in 2024, together with a more detailed drilling and sampling programme. Any further drilling is operational in nature and provided for in the sustaining capital provision and/or operating costs.

Emerald Mineralization and classification system *[SR11.2(xi)]*

Emeralds are a member of the beryl group of minerals which have the chemical formula $Be_3Al_2(SiO_3)_6$. Emerald is the deep green translucent variety of beryl and results from the substitution of Cr, Fe^{2+} or V for Al in the crystal lattice. Images of emerald and beryl at the Kagem Mine are displayed in Figure K12.

The Chama, Chibolele and Fibolele open pit production is processed through the wash plant, and the recovered gemstones are subsequently sorted by hand to provide emerald grade and quality values for each pit.

Three reference sets, which define each quality designation, are held at the sort house at Kagem, in London and in India and used to ensure consistent grading of gemstone production.

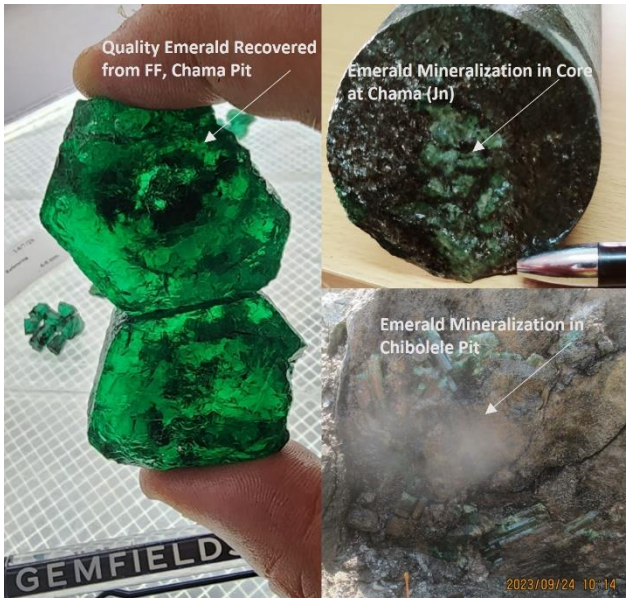


Figure K12: Emerald mineralization at Kagem

After cleaning, the gemstones are sorted by hand into four broad quality designations, before being further subdivided (resulting in 216 quality splits) as outlined in Table K1.

Table K1: Kagem emerald/beryl classification system

Category	Description
Premium Emerald	Strong green/blue-green color, vivid saturation, very good clarity, high brilliance, very high carat yields once cut. Green or blue-green fractions, five quality designations (A-E), six size categories. (60 premium emerald grades)
Emerald	Variable green/blue-green color, variable clarity, variable yield after cutting. Green or blue-green fractions, various quality designations (F-M for green stones, Fc-Nc for blue-green stones), various size categories (118 emerald grades)
Beryl-1	Bluish color, clarity translucent to opaque, highly included, low cut recovery. Two sizes: -16 mm and +16 mm
Beryl-2	Greyish/brownish color, no luster or transparency

Quality Assurance/Quality Control *[SR11.6(vii)]*

The logging and sampling procedures in place are consistent with normal industry practice for this commodity type.

Geochemical assaying of the drill core for a suite of elements is used to assist in interpreting the geometry of the TMS unit and RZ which host the emerald and beryl mineralization. The bulk of the geochemical assay data is supplied by handheld Niton XRF analysis, validated by laboratory assays in selected drillholes.

Previously, laboratory assays were carried out at either Alfred H Knight laboratory in Kitwe, Shiva Analyticals in Bangalore, India, or the SGS laboratory in Kalalushi. Whereas for recent drilling the Geo-chemical analysis was done through Bureau Veritas, Zambia having sample preparation facilities within the country but analyzed at Bureau Veritas, Canada Laboratory. All laboratories offering services and innovative solutions in order to ensure that their assets, products, infrastructure and processes meet international standards and regulations in terms of quality, health and safety, environmental protection and social responsibility.

Methods for estimation and classification of Gemstone Resources and Gemstone Reserves *[12.13(iii)(2)] [SR11.4, SR11.5]*

The exploration drilling at Chama was done during the financial year 2023 with an objective to upgrade the measured and indicated resource to prove reserve. The evaluation of resource and reserve was done in-house in Surpac based on the same modality applied by SRK as described below.

Gemstone Resource models were earlier constructed, estimated and classified independently for the Chama, Chibolele, Fibolele and Libwente areas. All geological modelling was undertaken in ARANZ Leapfrog Geo software, with grade and tonnage estimates being completed in either GEMS or Datamine as relevant.

Geological modelling for each deposit followed the following process:

1. Construction of a TMS model, through sectional polyline interpretations of the TMS footwall and hanging wall. TMS and RZ logging codes were used as an explicit control on the TMS model geometry, with downhole Niton XRF chromium grades used to refine the contact surfaces where appropriate.
2. Development of a discordant PEG model. At Fibolele and Libwente this was completed through a manual process of creating interval selections of PEG / quartz-tourmaline vein intersections considered to form part of individual dykes or veins, and subsequent modelling using the Leapfrog vein tool. At Chama and Chibolele, the discordant PEG model was generated using a Leapfrog indicator interpolation of all discordant PEG intersections, applying a trend guided by a series of surfaces based on downhole PEG trends and geological mapping within the open pit. The discordant PEG models were cut from the TMS solids.
3. Construction of two RZ domains: one to define the TMS footwall RZ (concordant), and another based on areas where the PEG model is in contact with the TMS model (discordant).

To define the basis for the footwall RZ model, all logged RZ intervals at the base of the TMS solid volumes were manually selected and assigned a footwall RZ code. RZ hanging wall surfaces were then generated from the hanging wall points of the footwall RZ interval selection, using the TMS modelled surface as a framework to guide the trend of the model. The Fibolele concordant RZ model (Figure K13) comprises solid volumes at both the footwall and hanging wall of the TMS unit, whilst the Chama (Figure K14), Chibolele and Libwente concordant RZ models only comprise a footwall volume.

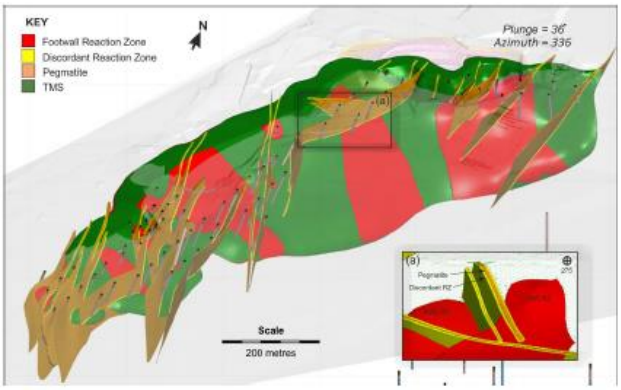


Figure K13: Fibolele TMS, quartz-tourmaline vein and concordant and discordant RZ models

The discordant RZ models were created as a buffer around the discordant PEG models and within the TMS unit. The discordant RZ thickness was adjusted on a deposit basis for the ratio of combined concordant and discordant RZ volume relative to modelled TMS volume above the most recent pit survey wireframes to reflect the RZ to TMS ratio in the Gemfields production analysis for each pit to date.

A block model was used to quantify the volume, tonnage, and grade of the modelled RZs. The volumes of the discordant and concordant RZs were defined from the geological model. The tonnage was estimated using an average density value of 2.85 g/cm^3. The anticipated grade of emerald and beryl and their relative importance is based on the extrapolation of the recovery of these minerals from the tonnage of RZ processed during the period covered by the historical mining production statistics. The minimum size (bottom cut-off) of stone which can be recovered from the wash plant is 3 mm. Given the complexity associated with the estimation of RZ tonnage as well as the concentration of emerald and beryl within the RZ, the Gemstone Resource estimate was based on appropriately factored production and bulk sampling data combined with the geological interpretation of the TMS, PEG, and RZ lithological units.

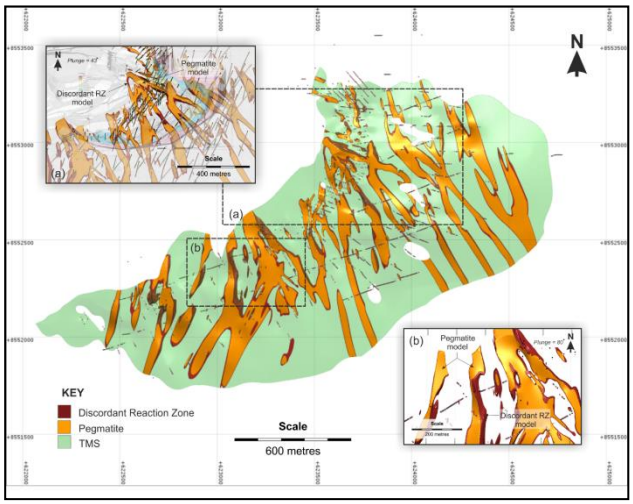


Figure K14: Chama TMS, PEG and discordant RZ models

The exploration and production activities completed by Gemfields have significantly improved the geological

knowledge and understanding of the deposits. The derivation of Gemstone Resources is dependent on the availability of historical production statistics or the results of bulk samples. This provides the confidence in the grade of the individual deposit, and therefore the contained gemstones in the estimate.

The classification scheme for the Gemstone Resources at Kagem takes the following factors into account:

- quantity and quality of the underlying data, the level of geological understanding for each deposit, and across the property.
- confidence in the geological continuity of the TMS, PEG, and RZ.
- confidence in the grades, as derived from the production/bulk sampling, and the understanding of the grade variation at a given production scale.
- the stage of development for each deposit (such as exploration, production, care and maintenance, etc.);
- the perceived level of risk associated with deviations from the assumptions made; and
- reasonable prospects for eventual economic extraction.

The Gemstone Resources are reported within an optimised pit shell using the same input parameters as those in the mining study, but with a 30% mark-up on the anticipated prices to reflect an optimistic view. All grades quoted reflect beryl and emerald, expressed as carats per ton.

Type of Mining, Mining Activities *[12.13(iii)(3)]*

Kagem Mining Ltd conducted limited mining from 1984 until GRZ assumed management control in 1990. Hagura UK Ltd (the one JV partner) regained management control in 1996 and via various agreements increased its stake to 75% in Kagem. Gemfields acquired Hagura in October 2007 and implemented an expansion and redevelopment plan, with production commencing in November 2007.

Conventional open pit mining using drill-blast-load-haul methods is done with Kagem-owned in-house fleet and contractor-provided labour. The mining fleet comprises 21 excavators feeding 44 articulated dump trucks (“ADTs”) with additional supporting ancillary equipment. Ore stockpiling has been introduced to cater for variable ore production.

Open-pit optimisations determined the economic pit shells, which were used for mine design and production scheduling.

Table K2: Pit Optimization Parameters

Parameters	Units	Base Case
Geotechnical		
Chama Overall Slope Angle	(°)	46°
Chibolele Overall Slope Angle	(°)	53°
Fibolele Overall Slope Angle	(°)	50°
Mining Factors		
Dilution	(%)	15%
Bench height	(m)	10.0
Mining Recovery	(%)	100%
Processing		
Plant Recovery	(%)	100%
Operating Costs		
Mining Cost	(USD/t_{rock})	2.67
G&A (mining)	(USD/t_{rock})	0.39
Processing Cost	(USD/t_{ore})	4.50
Selling Costs		
Mineral Royalties	(%)	9.0%
Management & Auction Fees	(%)	12.5%
Marketing & Advertising	(USD/ct)	N/A
Product Price		
P+E (HQA)	(USD/ct)	65.42
E (LQA)	(USD/ct)	4.05

The steeply dipping reaction zones (RZs) are mined using manual intensive methods with the assistance of hydraulic excavators under close supervision during daylight hours. All large and high-quality coloured gemstones are hand-sorted at the mining face and are placed in a drop safe-type container that is tagged and closed with security-controlled locks. The remaining RZ material is loaded into trucks and transported directly to the processing facility.

The Chama pit at 31 December 2023 relative to the surface and geology is shown in Figure K15. The scale of the operations at the Chama Pit can be seen in Figure K16.

The Fibolele bulk sampling pit at 31 December 2023 relative to the surface and geology is shown in Figure K17.

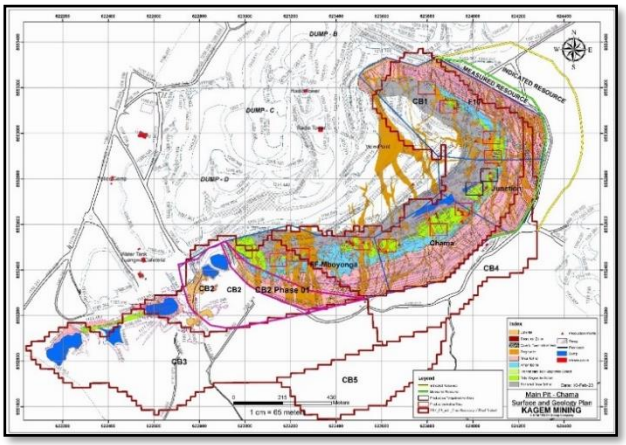


Figure K15: Chama Main Pit, surface and geology plan at 31 December 2023

Figure K16: Panoramic view of Chama Main Pit.

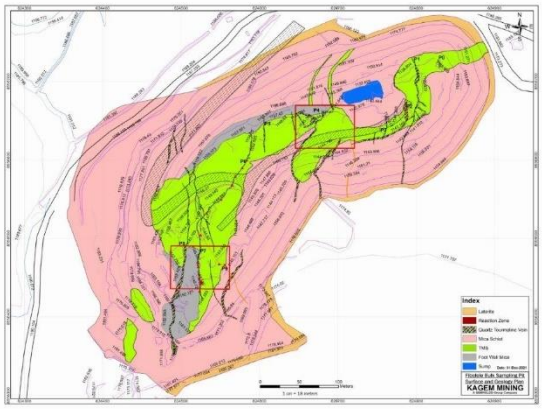


Figure K17: Fibolele Bulk Sampling Pit, surface and geology plan on 31 December 2023

The Chibolele operation comprises two historically mined open pits, the Mbuva and Chibolele pits, with most of the production coming from Chibolele. Production is targeted from three production points, M1, M2 and M3 (Figure K18).

Historical Production *[12.13(iii)(3)] [SR1.4(iv)]*

Historical production for 2019 to 2023 is summarized in Table K5. The mine was reopened in a phased manner after the one-year suspension of operations due to Covid-19, with ore mining only restarting in April 2021 once housekeeping activities, such as pit cleaning, desilting, road construction, dump stabilization and opening of production points, had been completed.

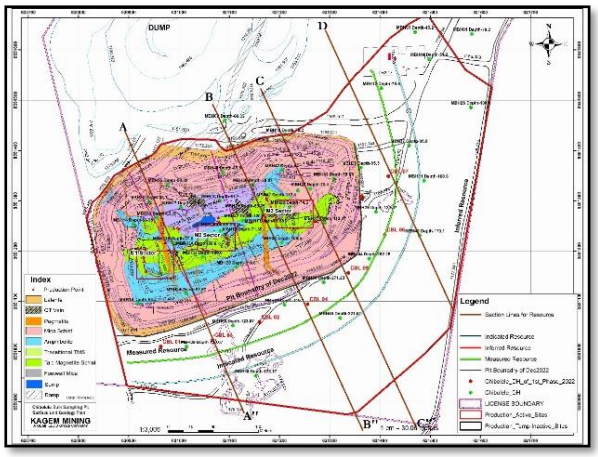


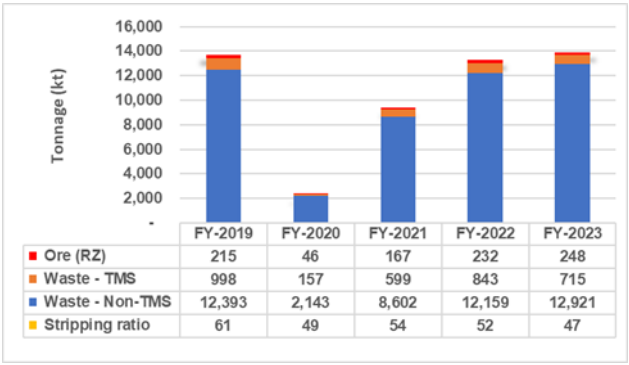
Figure K18: Chibolele bulk sampling pit, surface and geology plan at 31 December 2023

Table K5: Kagem summary production data

Item	Units	2019	2020	2021	2022	2023
Waste mined						
Chama	(Mt)	11.7	1.6	7.9	9.4	9.2
Fibolele	(Mt)	0.5	0.1	-	-	-
Chibolele	(Mt)	0.9	0.5	1.1	1.4	1.3
Total	(Mt)	13.1	2.3	9	11.9	10.9
RoM ore						
Chama	(kt)	138	34	130	170	186
Fibolele	(kt)	11	4	-	-	-
Chibolele	(kt)	66	8	38	61	61
Total	(kt)	215	46	168	231	247
B&E Grade						
Chama	(ct/t)	226	229	218	167	126
Fibolele	(ct/t)	284	31	-	-	-
Chibolele	(ct/t)	125	173	100	144	108
Total	(ct/t)	198	202	191	161	122
Recovered gemstones	(Mct)	42.5	9.4	32	37.2	30.0

* Mining operations suspended between March 2020 and March 2021 due to Covid-19.

The historical mined tonnages of waste and ore and the average strip ratio for 2019 to 2023 is shown in Figure K19. Waste stripping was below target for 2021 due to the delayed start in mining operations, whereas the operations resumed to full swing in 2022.



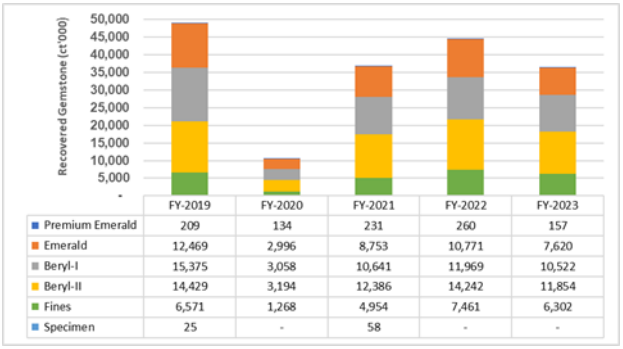
	FY-2019	FY-2020	FY-2021	FY-2022	FY-2023
Ore (RZ)	215	46	167	232	248
Waste - TMS	998	157	599	843	715
Waste - Non-TMS	12,393	2,143	8,602	12,159	12,921
Stripping ratio	61	49	54	52	47

* Mining operations suspended between March 2020 and March 2021 due to Covid-19.

Figure K19: Kagem historical mined tonnage and strip ratio

The cash rock handling unit cost for 2023 of USD4.10/t ore (2022: USD4.30/t). Mining activities at Libwente and Fibolele pits remained closed since 2020, with work at Fibolele restarting in early 2024.

Historical recovered gemstone data for 2019 to 2023 are set out in Figure K19.



	FY-2019	FY-2020	FY-2021	FY-2022	FY-2023
Premium Emerald	209	134	231	260	157
Emerald	12,469	2,996	8,753	10,771	7,620
Beryl-I	15,375	3,058	10,641	11,969	10,522
Beryl-II	14,429	3,194	12,386	14,242	11,854
Fines	6,571	1,268	4,954	7,461	6,302
Specimen	25	-	58	-	-

* Mining operations suspended between March 2020 and March 2021 due to Covid-19.

Figure K19: Kagem historical recovered gemstones

Auction Results – 2022 and 2023 *[SR11.4(xx)]*

The auction results of RoM parcels for 2022 and 2023 realised USD 73.8 million and USD 43.5 million from the sale of 0.679 Mct and 0.264 Mct higher quality emeralds respectively (Table K6).

Table K6: Higher quality auction results

Item	Units	May'22	Nov'22	Jun'23
Carats sold	**(Mct)**	**0.278**	**0.401**	**0.264**
Sales realised	**(USDm)**	**43.1**	**30.7**	**43.5**
Av. Sales value	**(USD/ct)**	**155.9**	**76.78**	**165.55**

The auction of commercial quality emeralds results for 2022 and 2023 realised USD 749 million and USD 46.4 million from the sale of 8.17 Mct and 6.36 Mct respectively (Table K7).

Table K7: Commercial quality auction results

Item	Units	Apr-22	Sep-22	Mar-23	Sep-23
Carats sold	(Mct)	4.52	3.65	2.97	3.39
Sales realised	(USDm)	42.1	32.7	21.1	25.3
Av. Sales value	(USD/ct)	9.37	9.01	7.13	7.51

A number of special interest pieces recovered during 2023 that will be offered for sale in future auctions. (Figure K20).

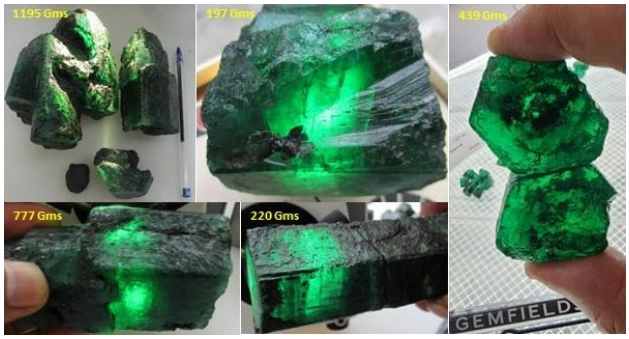


Figure K20: Special pieces of emeralds, recovered in Q4, 2023

Processing Plant *[SR5.3(iii)]*

The processing/wash plant (capacity 330 ktpa ore) processes RZ material mined directly from the open pit through a simple series of comminution, screening, washing, and sorting facilities (Figure K22). Two sets of grizzly bars split the plant feed into three fractions - +300 mm (stockpiled), -100 mm (sent to double deck screen) and -300 +100 mm (sent to primary crusher). The double-deck screen separates the material into three streams: +60 mm (secondary crusher in open circuit), -3 mm fines (fines, to valley storage area) and -60 +3 mm (triple deck screen splits into three product streams for hand picking).

The wash plant products, together with the high-quality product recovered directly from the mine, are essentially hand-sorted in a secure sort house facility where gemstones are upgraded using manual methods to produce emerald (subdivided into premium emerald and emerald) and beryl (subdivided into beryl-1, beryl-2, specimen and fines categories).

The wash plant processed 178 kt of ore during 2023, with actual plant availability and utilization of 95% and 93% respectively. However, the rehabilitation work in wash plant commenced in July 2023 to upscale the production efficiency from a targeted 50 to 75 tph. This work resulted in a reduction of 40% processing tonnage during the year. The first phase is complete with the second phase continuing ahead of an expected completion date of late March 2024.. (Figure K21)

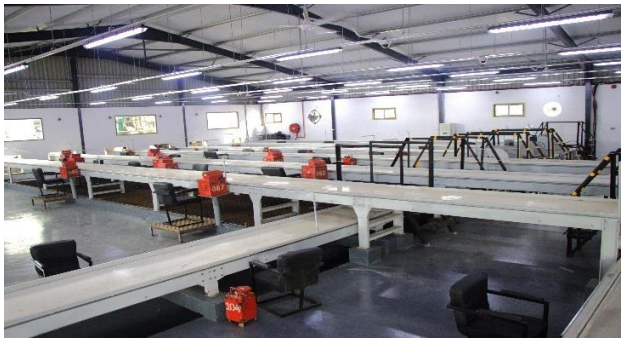


Figure K21: Kagem Wash Plant Rehabilitation of Picking Belt Area

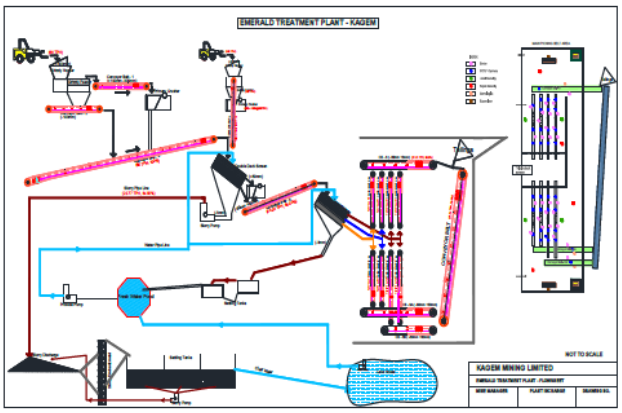


Figure K22: Kagem washing plant schematic flowsheet.

Production Forecast *[12.13(iii)(4)]*

The LoM plan provides for plant feed of 146 ktpa with an average feed grade of 201 ct/t through to 2044 (Figure K23). Kagem forecasts to recover 750 Mct over the LoM.

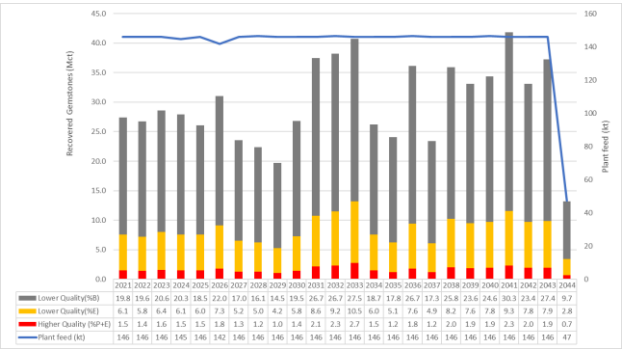


Figure K23: Kagem projected plant feed and recovered gemstones for LoM

Gemstone Resources and Gemstone Reserves *[12.13(iii)(6)(8)(9)] [SR11.5]*

Gemstone Resource and Gemstone Reserve Estimate on 31 December 2023

The Kagem Gemstone Resources and Gemstone Reserves estimate (75% basis) for 31 December 2023 is set out in Table K8. Gemstone Resources are reported at a bottom screen cut-off of 3 mm and are inclusive of the Gemstone Reserves. No Inferred Gemstone Resources are included in the LoM plans, which support the Gemstone Reserve declaration.

Table K8: Kagem Attributable Gemstone Resource and Gemstone Reserve Estimate at 31 December 2023

Gemstone Resource Attributable to GGL	Tonnage (kt)	B+E Grade (ct/t)	Contained B+E (Mct)	Gemstone Reserves Attributable to GGL	Tonnage (kt)	B+E Grade (ct/t)	Contained B+E (Mct)
Chama				**Chama**			
Measured	216	282	61	Proved	173	187	32
Indicated	3,257	270	879	Probable	2,606	218	568
Total Measured + Indicated	**3,473**	**271**	**940**	**Total Gemstone Reserve**	**2,778**	**216**	**600**
Inferred	-	-	-				
Fibolele				**Fibolele**			
Measured	-	-	-	Proved	-	-	-
Indicated	92	160	14	Probable	69	139	10
Total Measured + Indicated	**92**	**160**	**14**	**Total Gemstone Reserve**	**69**	**139**	**10**
Inferred	900	160	144				
Libwente							
Measured	-	-	-				
Indicated	-	-	-				
Total Measured + Indicated	**-**	**-**	**-**				
Inferred	150	46	7				
Stockpiles				**Stockpiles**			
Measured	469	139	65	Proved	469	139	65
Indicated	-	-	-	Probable	-	-	-
Total Measured + Indicated	**469**	**139**	**65**	**Total Gemstone Reserve**	**469**	**139**	**65**
Inferred	-	-	-				
Chibolele				**Chibolele**			
Measured	397	160	63	Proved	317	128	41
Indicated	259	180	47	Probable	207	160	33
Total Measured + Indicated	**656**	**157**	**110**	**Total Gemstone Reserve**	**524**	**141**	**74**
Inferred	413	200	83				
Total M+I Gemstone Resources	**4,690**	**241**	**1,130**	**Total Gemstone Reserves**	**3,841**	**195**	**749**
Total Inf Gemstone Resources	1,463	160	234				

Gemstone Resource Grade and Value	Recovered Grade in 2023 (ct/t)				2023 Parcel Value (USD/ct)
	Chama	Fibolele	Chibolele	Libwente	
Premium Emerald	0.88	-	0.89	-	231.81
Emerald	39.14	-	124.80	-	8.28
Beryl-1	50.50	-	245.60	-	0.14
Beryl-2	47.35	-	478.25	-	0.01

Note: The 'Emerald' category is sold via three sales channels: Higher quality auctions, Commercial Quality auctions, and Direct Sales. This price is the weighted average of (a) auction revenue per carat for 'Emerald' lots at Higher quality auctions, (b) auction revenue per carat for 'Emerald' lots at Commercial Quality auctions, and (c) Export prices per carat for Direct Sale 'Emerald' grades, whereas weighted average of Direct Sale export prices per carat for Beryl-1 (<16mm) and Beryl-1 (>16mm) and Beryl-2. Kagem assumes an allowance of three months between a stone coming out of the ground and becoming available for auction (cleaning, grading, quality control, shipping, viewing, etc.), hence we have used the auction revenue figures for the 12-month period from October 2022 to September 2023.

The comparative Kagem Gemstone Resource and Gemstone Reserve estimate attributable to GGL (75% basis) at 31 December 2022 is set out in Table K9. The key differences between the 2022 and 2023 attributable Gemstone Resource and Gemstone Reserve estimates are explained as follows:

Gemstone Resources:

- The base data used of mining and production at Chama, where RZ (519 Kt) mined and produced carats (105 million carats) from July 2019 to Dec 2023, which cater confidence and reference for the upgrade of the resource, a material value for a conservative consideration.
- The base data used was actual bulk sampling mining and production at Chibolele, where RZ (278 Kt) mined and produced carats (34 million carats) from Dec 2017 to Dec 2023, which cater confidence and reference for the upgrade of the resource, a material value for a conservative consideration.
- Upgrade in Gemstone Resource category at Chama due to additional oriented drilling as recommended; and
- Ore depletion in Chama and Chibolele and addition of Measured Gemstone Resources in surface stockpiles in Chama.

Gemstone Reserves:

- Small increase in the Proved Gemstone Reserves at F10 sector of Chama due to additional oriented drilling.
- Maiden declaration of Proved and Probable Gemstone Reserves at Chama and Chibolele. Drilling conducted to confirm the geological understanding and the Measured Resources converted into Proved Reserves; and
- Ore depletion in Chama and Chibolele and addition in Chama in Proved Gemstone Resources in surface stockpiles.

Table K9: Kagem Attributable Gemstone Resource and Gemstone Reserve Estimate at 31 December 2022

Gemstone Resource	Tonnage	B+E Grade	Contained B+E	Gemstone Reserves	Tonnage	B+E Grade	Contained B+E
Attributable to GGL	**(kt)**	**(ct/t)**	**(Mct)**	**Attributable to GGL**	**(kt)**	**(ct/t)**	**(Mct)**
Chama				**Chama**			
Measured	170	282	48	Proved	136	188	26
Indicated	3,188	270	861	Probable	2,550	227	579
Total Measured + Indicated	**3,357**	**269**	**909**	**Total Gemstone Reserve**	**2,686**	**225**	**605**
Inferred	-	-	-				
Fibolele				**Fibolele**			
Measured	-	-	-	Proved	-	-	-
Indicated	92	160	14	Probable	69	139	10
Total Measured + Indicated	**92**	**160**	**14**	**Total Gemstone Reserve**	**69**	**139**	**10**
Inferred	900	160	144				
Libwente							
Measured	-	-	-				
Indicated	-	-	-				
Total Measured + Indicated	**-**	**-**	**-**				
Inferred	150	46	7				
Stockpiles				**Stockpiles**			
Measured	417	139	58	Proved	417	139	58
Indicated	-	-	-	Probable	-	-	-
Total Measured + Indicated	**417**	**139**	**58**	**Total Gemstone Reserve**	**417**	**139**	**58**
Inferred	-	-	-				
Chibolele				**Chibolele**			
Measured	442	160	71	Proved	354	128	45
Indicated	259	180	47	Probable	207	160	33
Total Measured + Indicated	**701**	**167**	**117**	**Total Gemstone Reserve**	**561**	**139**	**78**
Inferred	413	200	83				
Total M+I Gemstone Resources	**4,567**	**240**	**1,098**	**Total Gemstone Reserves**	**3,732**	**201**	**750**
Total Inf Gemstone Resources	1,463	160	233				

Gemstone Resource Grade and Value	Recovered Grade in 2022 (ct/t)				2022 RoM Parcel Value
	Chama	Fibolele	Chibolele	Libwente	(USD/ct)
Premium Emerald	1.44	-	0.24	-	138.29
Emerald	52.21	-	30.87	-	9.68
Beryl-1	55.20	-	42.02	-	0.11
Beryl-2	58.14	-	70.61	-	0.01

Note: The 'Emerald' category is sold via three sales channels: Higher-quality auctions, Commercial-quality auctions, and Direct Sales. This price is the weighted average of (a) auction revenue per carat for 'Emerald' lots at Higher-quality auctions, (b) auction revenue per carat for 'Emerald' lots at Commercial-Quality auctions, and (c) Export prices per carat for Direct Sale 'Emerald' grades, whereas weighted average of Direct Sale export prices per carat for Beryl-1 (<16mm) and Beryl-1 (>16mm) and Beryl-2. Kagem assumes an allowance of three months between a stone coming out of the ground and becoming available for auction (cleaning, grading, quality control, shipping, viewing, etc.), hence we have used the auction revenue figures for the 12-month period from October 2021 to September 2022.

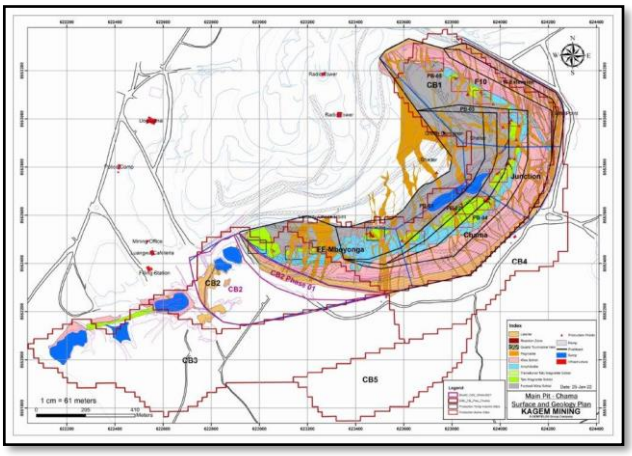


Figure K24: Kagem planned pushbacks at Chama.

The planned pushbacks in the LoM plan for Chama pit are shown in Figure K24.

Material Risk Factors *[12.13(iii)(10)]*

The principal risk factors for Kagem are as follows:

- Gemstone Resource and Gemstone Reserve estimation risk [Medium risk rating]: The presence and proportion of premium or higher quality gemstones may be more erratic than indicated from the mining and bulk sampling undertaken to date. The total B&E ct/t grade may also be more variable than indicated to date. Further sampling of mining blocks prior to mining to predict future production more accurately is recommended.
- Reputational risk [Medium risk rating]: Kagem has developed initiatives to address the poorly developed on-site management systems. Commitments regarding biodiversity management / sustainability and a comprehensive biodiversity assessment have yet to be implemented.
- Environmental and social risks [Medium risk rating]: The socio-economic and cultural impacts set out in the EIS are not being fully addressed through the identified mitigation measures. No formal systems for stakeholder engagement/consultation and logging and/or addressing community grievances are in place. Social monitoring plans and systems are required to be able to report on the effectiveness of community interventions with respect to the strategic aims of the Sustainable Development Goal.
- Legislative/Country risk [Medium risk rating]: changes in relevant government regulations, particularly environmental tax health and safety regulations and new legislation affecting water, mining, mineral rights, and business ownership.
- Artisanal miners [Medium risk rating]: The understanding of the dynamics of the artisanal mining presence in the area and proactive dialogue with this group needs to be improved.
- Water management [Low risk rating]: careful day-to-day management is necessary to ensure that zero discharge of silty water to the environment is maintained and the impact of dewatering on water resources used by the local community is minimised.

Legal Proceedings / Material Conditions that may impact on Company's activities *[12.13(iii)(11)]*

The Directors of GGL and Kagem are not aware of any legal proceedings that may have an influence on the rights to explore or mine for gemstones.

The Directors of GGL have confirmed that no significant legal issue exists which would affect the likely viability of Kagem and/or on the estimation and classification of the Gemstone Resources and Gemstone Reserves.

Environmental Management and Funding *[12.13(iii)(13]*

Kagem continues to mine and manage its operations in an environmentally responsible manner, by ensuring environmental protection and conservation programmes are incorporated in its operational processes.

A total of 17,500 indigenous trees have been planted at dumps covering an approximate area of 10,000sqm. Water sampling is done monthly and Kagem is compliant with the set effluent and water standards.

An external IMS (ISO 14001:2015, ISO 9001:2015 and ISO 45001:2018) surveillance audit was conducted, and the management was found to be effective and adequate, therefore, Kagem Mining Limited's certifications continues.

Quarterly internal IMS audits were successfully conducted.

A biodiversity study was completed by the Copperbelt University and biodiversity management plans are being implemented.

Air Quality is monitored continuously and the air quality results have been satisfactory and pose no health risks.

Kagem's environmental management licences in terms of the Environmental Management Regulations (SI 112 of 2013) were fully complied, with water abstraction and usage permits successfully renewed.

Kagem Mine Limited participated in the review of the mining and environmental regulations.

A consolidated environmental management plan for Chama, Chibolele, Fibolele and Kamakanga was completed.

An Environmental Protection Fund audit was conducted, and the report was approved by the Mines Safety Department (MSD).

Corporate Responsibility

Kagem's corporate responsibility activities aim to position the company in good standing with local communities, and to ensure that its policies provide a positive impact in the communities and complement Government efforts in reducing poverty levels. Kagem's approach is community engagement and participation is consistent with the Sustainable Development Goals and Government policy.

In November 2023, Kagem Mining Limited became the first company in Africa to be certified to Environmental, Social and Governance (ESG) Clarity platform, the assessment was done and verified by Bureau Veritas.

As a continuation of Gemfields' commitment to advance access to education amongst local communities, a newly constructed block with three classrooms and a fully equipped solar powered Raspberry Pi computer lab was handed to Lufwanyama's Kapila Primary School, with high-speed internet connectivity for computer-based learning. (Figure K25)

Figure K25: Kagem handed Kapila Primary School

In a tripartite Public Private Partnership, Kagem signed a Memorandum of Understanding (MOU) with the Government of Zambia's Ministry of Technology and Science and the Ministry of Agriculture to fund the construction and development of the Chapula Vocational Training Centre (VTC) in Lufwanyama which is estimated to cost ZMW 52.75 million (USD 2.5 million) and will enable local men and women to acquire vocational skills to improve their employability. (Figure K26)

Figure K26: Kagem signed a Memorandum of Understanding (MOU) with the Government of Zambia

Kagem also signed MOUs with the University of Zambia and Copperbelt University to sponsor and support best-performing students in the schools of Mining Engineering and Geology.

Kagem continues to support agriculture through various cooperatives as a way of sustaining livelihoods for the community members. Through agriculture, community members can realise legitimate income leading to increased household incomes to sustain themselves and their families. Agriculture also contributes to the reduction in incidences of illegal mining by proving alternative income-generating activities. Kagem facilitated training for all the cooperatives it is supporting during the pre-farming season to make them more efficient and effective. (Figure K27)

Figure K27: Kagem supported community through Multipurpose Cooperative Society in farming.

In 2023, Kagem returned to supporting the Zambia Carnivore Program (ZCP) with their work protecting Zambia's famous wildlife, which supports the country's tourism sector. Kagem's donation also supports ZCP's work to enable women to access employment in conservation. This commitment of support is for five consecutive years from 2023.

Operational Grievance Mechanism

Kagem established an Operational Grievance Mechanism ("OGM") in 2022 as part of its ongoing commitment to engage with local communities. The OGM was publicised widely in local communities around Kagem from March 2023.

The OGM has not received any human rights grievances in over a year of its implementation and most of the contacts have been employment requests, requests for new community initiatives and requests concerning on-going projects. During the year, the OGM received 638 contacts, the majority of which came through a toll free number.

Corporate Governance

Kagem has continued its practice of compliance to the good corporate governance principles as enshrined in various statutes and policies. It has continued meeting its statutory obligations, constant holding of quarterly Board meetings, adherence to labour and other laws.

During the period under review, Kagem renewed its various licences incidental to its operations that needed renewing. Kagem maintains a compliance register and compliance checklist.

MONTEPUEZ

Location *[SR1.2(i)]*

The Montepuez Ruby Mine (MRM) is located in Cabo Delgado province in north-eastern Mozambique, approximately 170 km west of Pemba (Figure M1). MRM is the world's single-largest producing ruby mine.

Located at latitude 13°10'South and longitude 39°20'East at an average elevation of 450 m above mean sea level, the site is 30 km east of the regional town of Montepuez. The nearest village is Namanhumbir, less than one km from the project camp and approximately 6.6 km from the mining areas. The main office has been shifted from MRM camp residential area to mine operational area, while the accommodation remains at the Namanhumbir mine camp. The camp is accessed via a 1.2 km long dirt road from the regional Route 242, which connects Pemba and Montepuez.

MRM recovers gemstones from a series of shallow pits at Mugloto, Glass and Maninge Nice. The main surface infrastructure, gemstone recovery plant and ruby sorting house are located at the Maninge Nice block.

Figure M1: Montepuez Mine Location

Legal Entitlement *[SR1.5(i)] [12.13(iii)(5)]*

The single mining licence 4703C Ref. 1588/CM/INAMI/2015 (combining the two initial licences 4702 and 4703) covering an area of 34,996 ha was issued by the Government of Mozambique to MRM in December 2015, valid until 11 November 2036 (Figure M2). The original licences were granted in November 2011, valid for 25 years.

Gemfields holds a 75% interest in MRM, with the remaining 25% held by Mwiriti Limitada, the original titleholder.

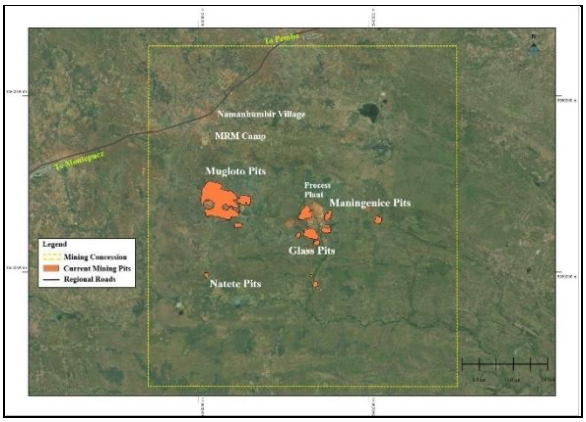


Figure M2: Licence Extent and Site Layout Plan

Geological Setting *[SR2.1(i)(ii)] [SR11.1(i)]*

The Montepuez ruby deposit is hosted by the Montepuez Complex, a strongly ductile-deformed, wedge-shaped, metamorphic terrane. The Montepuez Complex is composed of orthogneisses ranging from granitic to amphibolitic in composition, and para gneisses comprising quartzite, meta-arkose, marble lenses, quartz-feldspar gneiss, and biotite gneiss (Figure M3). These metamorphosed sedimentary rocks have been intruded by granite, granodiorite, and tonalite.

Intense deformation has resulted in a highly complex structural framework, with the local units folded into tight and isoclinal folds dissected by a suite of mainly northeast to southwest trending shear zones.

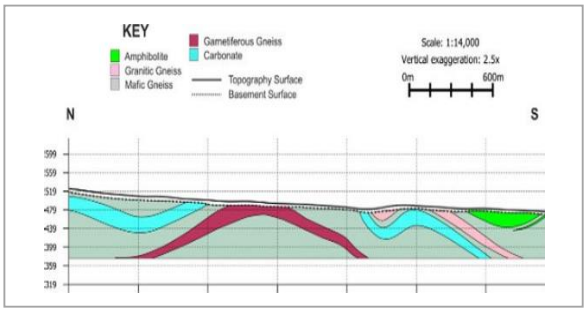


Figure M3: Central Mugloto area – north-south section

The Montepuez Complex is bounded by thrust faults to the north by the Nairoto Complex, the oldest rocks in the region composed of ductile-deformed metamorphosed intrusives, and to the west by volcano-sedimentary meta-suites of the Xixano Complex.

Ruby and corundum mineralisation is found in two styles: primary amphibolite, and a secondary gravel bed. The main source of rubies and corundum is secondary mineralisation, although mining has also occurred from the primary mineralisation. The secondary gravel bed horizon comprises variably rounded quartz and clastic fragments, forming a semi-continuous horizon, at or near the basement contact. The gravel bed horizon is generally less than two metres thick, with an average thickness of 0.45 m. The primary mineralisation is associated with a variably weathered amphibolite unit, which is being mined in the Maninge Nice

area.

Within the gravel bed unit, the quality and quantity of ruby gemstones varies significantly across the deposit. The grade and type of ruby encountered also varies across the secondary mineralisation (Figure M4). MRM attributes this to the variability of the primary host lithology, the geomorphology of the area, and the nature of the physical and chemical weathering during the deposition of the secondary mineralisation.

Differences in the grade and quality of stones recovered from Mugloto and Glass are attributed to different primary sources. Geochemical analyses and studies done using a portable X-ray fluorescent analyser indicate that the ruby/corundum recovered from Glass are typically higher in Cr and V, and lower in Fe than stones from Mugloto.

Figure M4: Montepuez primary and secondary mineralisation

The Maninge Nice secondary deposits lie very close to the underlying primary amphibolite deposits, resulting in a higher number of carats per ton being recovered. These are associated with a high incidence of ruby/corundum, when compared to the secondary deposits at Mugloto and Glass. The ruby/corundum at Maninge Nice tends to be more platy in shape, indicating reduced transportation distances. The stones at Maninge Nice are typically tabular hexagonal crystals, highly fractured and included with a strong basal cleavage.

The stones recovered from Glass are similar to those at Maninge Nice, except the secondary mineralisation does not overly the primary source. The stones indicate a higher transportation distance, are more rounded, meaning the number of stones recovered is reduced. The stones recovered from the Glass area typically have a better pink colour than those in Mugloto.

Stones recovered from Mugloto are relatively high in Fe content. The primary source for these stones is thought to lie outside the area currently delineated by exploration drilling and pitting. The stones are typically dark red colour, more transparent with fewer inclusions, and often rounded or tumbled in shape.

Exploration Activities *[12.13(iii)(1)] [SR3.1(i)] [SR11.2(i)]*

Exploration and mining have been underway at Montepuez since 2012. The main exploration methods employed at Montepuez deposit include auger and diamond drilling, small-scale exploration pits, bulk sampling, and mining. This key data is supplemented by limited geological mapping, satellite imagery and geophysical and soil geochemistry surveys. Exploration expenditure to December 2023 amounted to approximately USD 5.2 million, of which more than half was for drilling.

Any further drilling is operational as a part of Exploration plan and a capital provision of USD 0.7 million per year is being provided for it.

Exploration of the Montepuez deposit can be broadly defined in terms of three phases so far. Phase one was completed before Q2 2015, Phase two was completed post Q2 2015 and Phase three Auger exploration for secondary deposit was completed in Q4 2022. A Phase 4 is planned to continue exploration in unexplored areas of the MRM licence area. Auger drilling and exploration pitting is used primarily to determine the thickness and nature of the secondary mineralisation in the gravel bed and the overlying material. Diamond drilling has been used to determine the nature of the basement geology, with the aim of defining the primary mineralisation at Maninge Nice. The main exploration tool used to determine ruby grade and quality is through bulk sampling (Figure M5), and later, production.

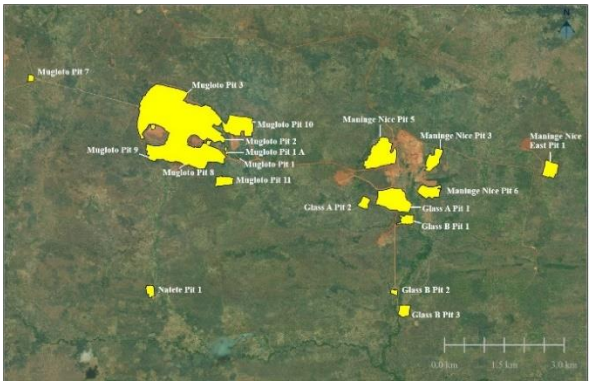


Figure M5: Montepuez bulk sampling / production pit outlines

Various geophysical surveys have been conducted: high-resolution radiometric survey (November 2012), ground-penetrating radar and electromagnetic surveys (April 2013) and airborne geophysical survey (October/November 2015).

During 2023, 4 6 (2,590 m) diamond drill holes were completed with no new auger holes, whilst in 2022, a total of 59 (3,021 m) diamond drill holes were completed.

Exploration drilling mainly comprises auger holes and diamond drilling holes. Since inception 3,499 auger holes (23,969 m) and 1,248 diamond holes (65,692 m) with a variable drill hole spacing across the Mugloto and Maninge Nice areas (Figure M6). The auger drilling is primarily on an approximate 140 m grid, with several small pockets of close-spaced drilling on a 30-40 m grid in the Mugloto area.

The distribution of diamond drill holes is relatively sporadic and confined to the Maninge Nice and Mugloto areas, varying from a drill spacing of 5 m to 75 m, to 200 m. The auger and diamond holes were drilled to an average depth of 7.1 m and 52.5 m respectively. All the auger holes were drilled vertically while a few diamond drill holes were drilled inclined as well. No downhole surveying has been undertaken and none of the holes has been structurally oriented.

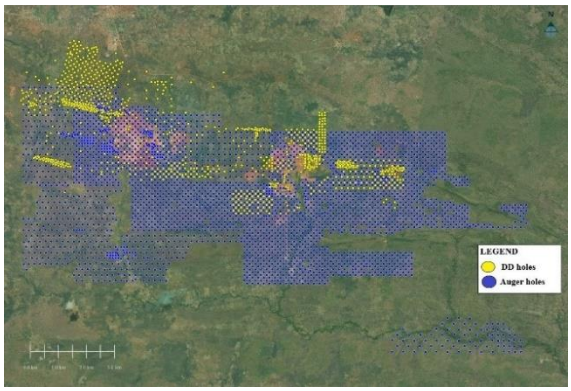


Figure M6: Diamond (yellow) and auger (blue) drill hole collar locations

Some exploration pitting typically one m^2 in cross section and average 3.9 m deep was focused on the central Mugloto and Maninge Nice areas (Figure M7). A total of 823 exploration pits (3,224 m) were completed in 2012-2013, at grid spacings of 50 x 50 m, 100 x 50 m and 200 x 100 m. Due to various technical difficulties, 175 pits were terminated prior to reaching the planned depth, and have been excluded from the database for modelling.

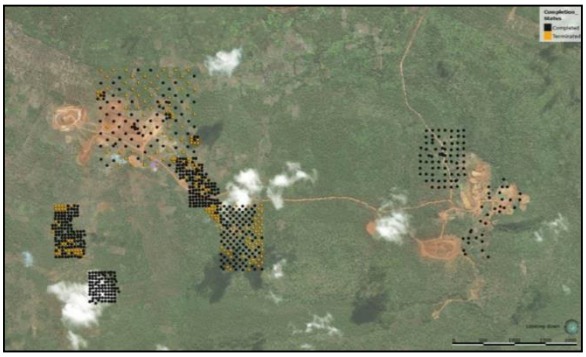


Figure M7: The completed (black) and terminated (orange) exploration pit collar locations.

The X and Y coordinates for the drill hole and pit collars were surveyed with standard hand-held GPS equipment, whilst the elevation is taken from the SRTM–geophysical topography surface.

Ruby grade and quality distribution at Montepuez is determined from mine production records. The mined material is processed through the onsite processing plant, with a bottom cut of 1.6 mm.

Ruby Mineralisation and classification system *[SR11.2(xi)]*

The material recovered from the wash plant is initially split by hand into three categories, waste, garnet, and rubies/corundum.

Montepuez uses a classification scheme for the recovered gemstones, classified on the size and quality of the individual ruby/corundum (Table M1).

Once split into these broad quality categories, the gemstones are further subdivided into various groups based on clarity, colour, size, weight, and shape, resulting in several hundred final subdivisions (Table M1)

Table M1: Montepuez ruby/corundum classification system

Category	Description
Waste	Discarded
Garnets	Stockpiled for future use
Ruby/corundum:	
Fines	Sieved, -2.8 mm
<4.6 mm	Sieved, +2.8 mm -4.6 mm
Premium Ruby	Rough >0.5 g, desirable shape, clarity, and red colour
Ruby	<0.5 g, desirable shape, clarity, red colour; rough >0.5 g, rough included or pink colour affecting recovery or appearance
Low Ruby	Gemstones with pinkish red to red colour, translucent with significant inclusion
Corundum	Opaque non-gem quality rough
Sapphire	Very light pink to pink gemstones of variable shape and clarity

Quality Assurance/Quality Control *[SR11.6(vii)]*

The logging and sampling procedures in place are generally consistent with normal industry practice for this commodity type.

Key geological information logged includes lithology, mineralogy, weathering, alteration, colour, grain size, structure/texture, and intrusive features. The presence of key minor or trace minerals including rubies, corundum, garnet, and pyrite are recorded.

Methods for estimation and classification of Gemstone Resources and Gemstone Reserves *[12.13(iii)(2)]*

[SR11.4, SR11.5]

The auger and diamond drilling and exploration pit data were used to model the secondary, overburden unit and primary bedrock lithologies (Figure M8). Topographic and basement contact surfaces are also modelled. The three-dimensional volumetric model of the secondary gravel bed is based on the top and bottom contacts from the logged auger holes and exploration pits and follows the geometry of the modelled basement contact between drill holes.

A gravel bed “skin” model was created to reflect the mining dilution included by the mining operation. This entails expanding the gravel bed model by 0.3 m on the footwall and hanging wall or set to a standard 1.5 m thickness where the gravel bed model is <0.9 m thick.

The Maninge Nice amphibolite body was modelled through sectional polyline interpretations, based on logged amphibolite in diamond holes and exploration pits, cropped to the modelled basement surface.

A watershed analysis of the modelled basement surface using Global Mapper software showed that the gravel bed appears to be present more consistently near the paleo- drainage channels; the modelled ruby grade is typically higher near the paleo-drainage channels, while areas of consistent lower grade are distal to the major channels.

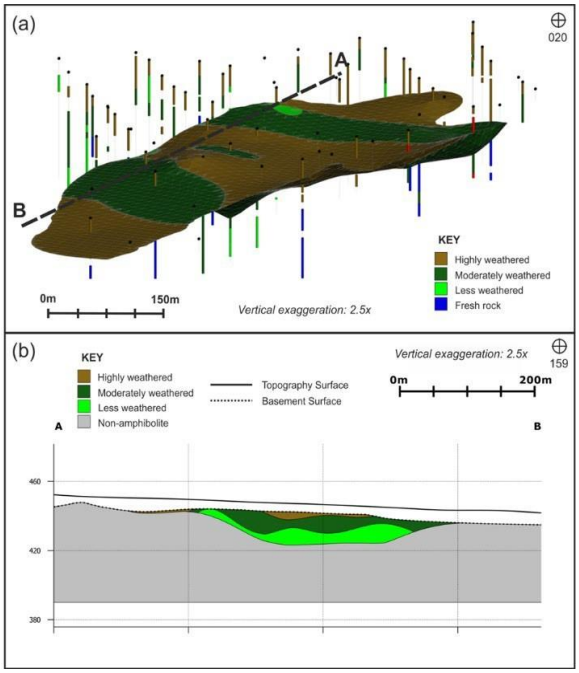


Figure M8: Oblique (a) and sectional (b) views of the Maninge Nice amphibolite model coloured by the degree of weathering.

To reflect the variation in ruby grade and quality throughout the gravel bed, the gravel bed model is divided into ten–spatial domains based on auger/pit grade populations and geological control (Figure M9), in which two domains Natete and Nathepo were added in 2022. The domain outlines are of similar grade and controlled by the major paleo-drainage channels.

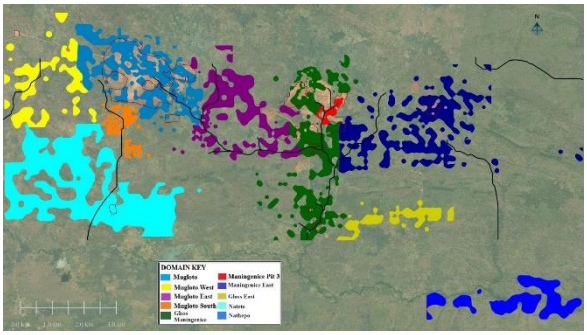


Figure M9: Gravel bed model, coloured by domain relative to drainage channels (in black) and extent of production pits (red outlines)

The grades from ongoing production provide the most reliable data source, which details the stone quality subdivisions and various quality types. The production grades for the secondary mineralisation are factored to remove the dilution effect by a thickness ratio of modelled gravel bed to gravel bed plus skin.

The tonnage estimates are derived from averaged drill core density measurements assigned separately to the various domains.

The classification scheme for the Gemstone Resources at Montepuez (Figure M10) considers the following factors:

1. Quantity and quality of the underlying data, the level of geological understanding for each type of mineralisation across the property as a whole;
2. Confidence in the geological continuity of the host mineralisation.
3. Confidence in the grades, as derived from the production and the understanding of the grade variation at a given production scale; and
4. The perceived level of risk associated with deviations from the assumptions made.

The Gemstone Resources statement is split into the mineralisation types (primary and secondary), as well as the different geographical areas. The statement presented is based on the geological modelling of the two mineralisation styles (gravel bed and amphibolite), and the application of factors derived from production.

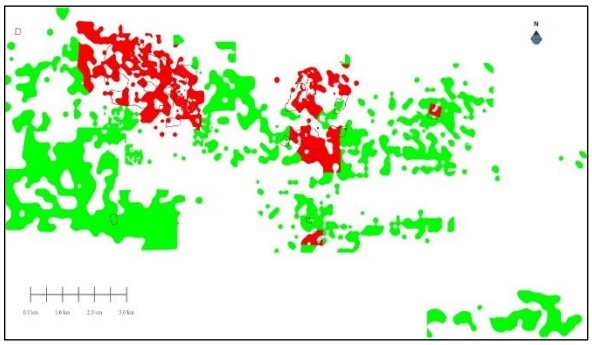


Figure M10: Block model classification of Gemstone Resources (red=Indicated, green=Inferred). Black outline shows the extent of gravel extraction in production pits.

In presenting this Gemstone Resource, the following apply:

- Gemstone Resources for the gravel bed are reported inclusive of dilution, at a 1.5 m minimum mining width;
- Gemstone Resources for Maninge Nice Pit 3 primary amphibolite are reported as undiluted;
- The block model has been depleted to the relevant pit surveys to reflect the 31 December 2023 effective date.
- The average value reported in the Gemstone Resource statement is USD 23.46/ct (this is the average parcel value for 2014 to 2023, see Table M4);
- Premium ruby and normal ruby are presented individually whilst other classes (low ruby, corundum, sapphire, and -4.6 mm mixed ruby/corundum) are combined. A total grade for all classes is also presented for clarity;
- Gemstone Resource grades are quoted with a bottom cut-off stone size of 1.6 mm;
- All figures are rounded to reflect the relative accuracy of the estimate.

MRM maintains stockpiles of both the primary and secondary mineralisation types to manage the expected variability in the gemstone grading distribution and impact of the wet season on productivity. The strategy provides more than six months of production stockpiled near the wash plant. The stockpiles are monitored to account for

the addition of Run of Mine (RoM) material added during production, material moved to the processing plant, and surveyed monthly. The stockpile balances are based on the production data.

Type of Mining, Mining Activities *[12.13(iii)(3)]*

The Montepuez deposits were discovered in 2009, where there was a large influx of artisanal miners to the area. Gemfields signed a joint venture agreement with Mwiriti Lda in 2011. Bulk sampling started in August 2012 and an initial wash plant and sort house was commissioned in November 2012.

Mining is carried out at the Mugloto, Maninge Nice and Glass areas as a conventional open-pit gravel operation with excavators, loaders, and trucks (Figure M11). All material is 'free dig' with some of the harder laterite needing to be ripped by a bulldozer. All equipment is owned and operated by the mine. Mining operations working daily shift schedule now has been adopted from three shifts of eight hours to two shifts of twelve hours, since August 2022.

The Maninge Nice blocks target primary amphibolite and secondary gravel bed mineralisation, whereas the Mugloto and Glass areas contain only secondary gravel bed mineralisation.

Mining in Mugloto and Maninge Nice varies in depth between five metres and eight metres. Waste mining is undertaken in 2.5 m flitches. The flitch heights are reduced as the excavation approaches the gravel bed horizon, as directed by site geologists. Small equipment sizes allow for highly selective mining. Complete extraction of the gravel is ensured by mining a minimum thickness of 1.5 m.

Grade control is constrained to visual inspection and mining of the mineralised zones is only undertaken during daylight hours. Geologists on-site direct the mechanical loader from within the pit area to ensure that the gravel bed is mined correctly (Figure M11).

Figure M11: Systematic and selective mining under Geology supervision

MRM recovers gemstones from a series of shallow pits at Mugloto, Glass and Maninge Nice (examples shown in Figure M12, M13 and M14 respectively).

MRM has included an ore stockpiling strategy to manage the expected variability in the gemstone grading distribution as well as the impacts of the wet season on productivity. The stockpiling strategy provides more than six months of production stockpiled near the wash plant. Ore is fed to the plant either from these stockpiles or directly from the pits.

Figure M12: Mugloto Pits

Figure M13: Glass A Pit 1/Slime Pond and Glass B Pit 1

Figure M14: Maninge Nice Pit 3, 5 and 6, and Glass A Pit 1

Considerations for stripping ratio, thicknesses and mineralisation type were the main drivers for the LoM plan. Economic potential was tested in a financial model by considering:

- Long-term macro-economics and prices;
- Revenue-based deductions (e.g., royalties, auction fees);
- Operating costs; and
- Modifying factors.

Modifying factors applicable to the derivation of Gemstone Reserves comprise estimates for the selective mining unit. Mining dilution for secondary mineralisation is the greater of 0.3 m skin on top and bottom contacts, or a minimum total thickness of 1.5 m. Grade capping has been applied to the Mugloto secondary mineralisation to limit the grade of the higher-value gemstone based on historical results.

No mining losses are applied to the secondary material due to the nature in which dilution was modelled. A small mining loss of 1.4% was implied in the modelling of the primary material.

The backfilling of the Maninge Nice pits is only possible in areas, which do not overlie the primary mineralisation. External

waste rock dumps are required. Concurrent backfilling of the pits at Mugloto (Figure M15) and Glass is possible as mining is focused on secondary material.

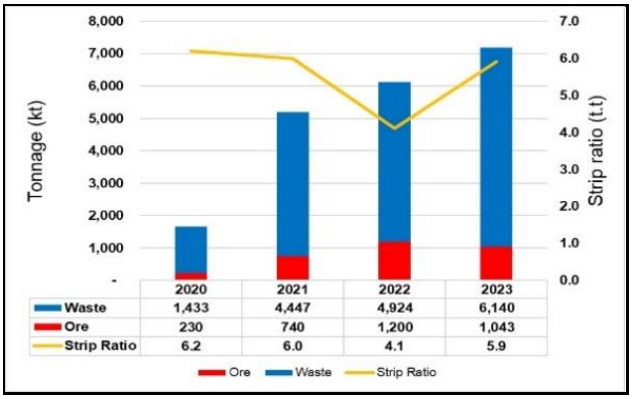
Figure M15: In-pit backfilling at Mugloto Pits

The current LoM plan production requires a ramp-up from 7.7 Mtpa total ore and waste to 20 Mtpa by 2026, with ore mining increasing to 3.8 Mtpa by 2026 and is projected to extend to 2029 (LoM of 6 years). The future LoM plan expects to achieve an overall stripping ratio of 4.3 over the LoM. The mining sequence targets areas to balance lower stripping ratios, proximity to wash plant and areas with historically high premium rubies.

An owner-operated fleet undertakes all material movement. The primary excavators are CAT336D and Komatsu PC 600 hydraulic excavators with CAT730C and Komatsu HM 400 ADTs for waste mining and TATA2523 tipper trucks for ore mining. Equipment replacement cycles are set at 18,000 engine hours for all primary equipment, except the TAT2523 trucks set at 10,000 engine hours.

Historical Production *[12.13(iii)(3)] [SR1.4(iv)]*

The historical mined tonnages of waste and ore and the average strip ratio for 2020 to 2023 is shown in Figure M16.



* Mining operations were suspended between April 2020 and March 2021 due to Covid-19.

Figure M16: MRM historical mined tonnage and strip ratio

Based on auger exploration findings, three new bulk sampling pits were opened in 2023, Maninge Nice Pit 6, Glass A Pit 2, and Natete Pit 1, pit development plan is ongoing. Maninge Nice Pit 6 and Natete Pit 2 ore were processed and have shown ruby mineralisation.

The ore and waste tonnage mined during 2023 was 7.97 million tonnes with an overall stripping ratio of 5.9.

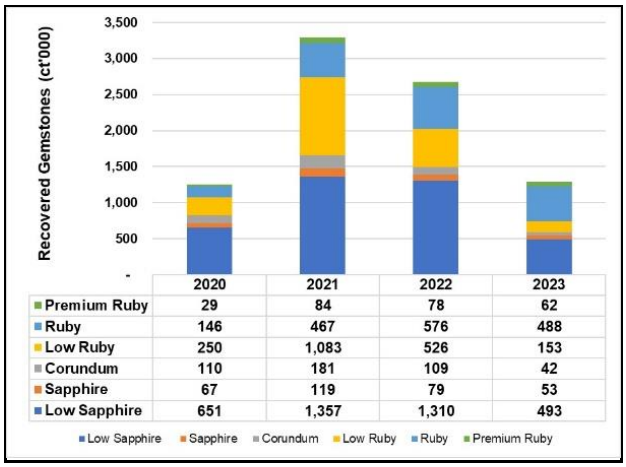
Historical production data for 2020 to 2023 is tabulated in Table M2.

Table M2: MRM summary production data

Item	Units	2020	2021	2022	2023
Tonnage Mined					
Mugloto Secondary	(kt)	204.2	585.9	1,157.2	867.9
Maninge Nice Primary	(kt)	-	-	-	7.7
Maninge Nice Secondary	(kt)	25.4	119.4	35.5	104.9
Glass Secondary	(kt)	-	34.6	14.1	27.7
Natete Secondary	(kt)				35.3
Total ore mined	(kt)	229.6	739.9	1206.8	1043.6
Tonnage Processed					
Mugloto Secondary	(kt)	346.4	859	1,002	1,079.3
Maninge Nice Primary	(kt)	-	-	9	0.9
Maninge Nice Secondary	(kt)	-	132.8	135.9	9.5
Glass Secondary	(kt)	-	9.8	0.2	2.7
Natete Secondary	(kt)				16.9
Head feed	**(kt)**	**346.4**	**1,001.6**	**1,147.2**	**1,109.4**
Recovered Grade					
Mugloto Secondary	(ct/t)	3.62	3.60	1.41	0.99
Maninge Nice Primary	(ct/t)	-	-	113.47	208.24
Maninge Nice Secondary	(ct/t)	-	1.21	1.53	1.01
Glass Secondary	(ct/t)	-	2.09	11.34	2.67
Natete Secondary	(ct/t)	-	-	-	0.34
Aggregated grade	(ct/t)	3.62	3.27	2.3	1.15
Recovered Gemstones	(Mct)	1.25	3.27	2.64	1.28

The rock handling cash unit cost was USD5.90/t and 6.57/t in 2023 and 2022 respectively.

Historical data for recovered gemstones for 2020 to 2023 are shown graphically in Figure M17.



* Mining operations were suspended between April 2020 and March 2021 due to Covid-19.

Figure M17: MRM historical recovered gemstones

Auction Results – 2022 and 2023 *[SR11.4(xx)]*

The auction results from the sales of parcels of mixed and commercial quality rubies in 2022 and 2023 are set out in Table M3. A total of three auctions were held during 2023, one commercial quality and two mixed quality.

Table M3: Auction Results 2022 and 2023

Item	Units	Jun'22	Sep'22	Dec'22	Jun'23	Sep'23	Dec'23
Carats sold	(Mct)	0.39	18.09	0.43	0.30	0.87	0.24
Sales realised	(USDm)	95.6	4.2	66.8	80.4	1.5	69.5
Av. Sales value	(USD/ct)	246.7	0.2	154.9	266	1.7	290.0

Processing

A processing plant including a scrubber, rated at 200 tph of RoM feed, and a dense medium separation plant ("DMS"), rated at 83 tph of washed -25 mm+1.6 mm material, was commissioned in December 2016 (Figure M18). A new thickener has been installed in 2019-20 to meet the operating capacity.

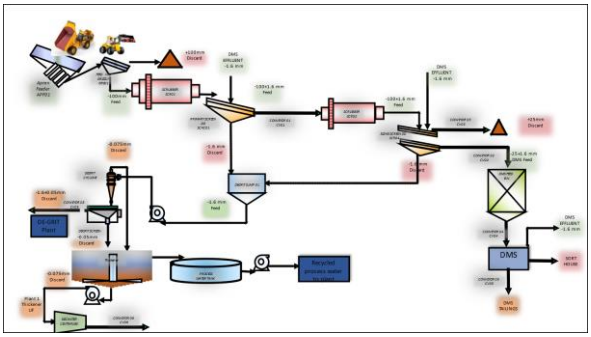


Figure M18: Montepuez plant flow sheet

An apron feeder has provided operational flexibility for feed rate control and thus stabilised the downstream operation. It has helped to minimize process downtime due to uncontrolled plant feed rate and maintain the feed rate at 150 tph.

The wash plant flowsheet incorporates wet scrubber screening to remove -1.6 mm solids, followed by a log washer to break up clay balls and a double deck, wet screen to remove +25 mm stone fraction and -1.6 mm fines.

Several waste streams are produced in the plant. Coarse +25 mm material is separated and stockpiled. DMS rejects are removed to waste after sample testing. The -1.6 mm fines are pumped to the tailings circuit where they are classified into two fractions:

- A coarser -1.6 mm to +75 µm fraction is dewatered by screen and sent to the dump; and
- The -75 µm fraction is thickened and pumped to settling paddocks where it consolidates and dries prior to transfer to permanent storage in old workings.

Slime treatment plant comprising Decanter Centrifuge Technology was installed and commissioned in July 2022. This ecofriendly disposal of slime cake technology has helped in reducing the load on tailing dam and improve process water recirculation in plant circuit.

After washing and separation in the plant, the resulting gravity concentrate is sorted by hand in the high-security area under strict supervision incorporating automatic colour sorting machines (Figure M19).

Figure M19: State-of-the-art recovery house uses UV-light to recover rubies.

The processing plant processed 1.11 Mt of ore during 2023. The actual plant availability and utilization of 86% and 95.9% respectively were achieved.

After removal of fines, the remaining gemstones are then subdivided into five broad quality categories (described above), and then further subdivided into various groups based on clarity, colour, size, weight, and shape (see example in Figure M20).

Figure M20: A Grade I +16.5 gm ruby recovered at MRM

As MRM's processing plant is running at capacity, management targeted a processing capacity expansion by setting up an additional Processing Plant of 400 TPH capacity. This new processing plant after its commissioning will regulate supply of product mix to the market by creating a buffer between ruby production and sales, allow for further exploration of the licence areas and process MRM's considerable stockpiles. Following the pre-feasibility study, plant design and engineering work was completed, and subsequently tender documents were floated to suppliers. After detailed discussion with participating bidders, a techno- commercial- contractual evaluation of bids was done and finally the project is awarded to Consulmate. Project activity commenced on 16 August 2023 and is expected to be completed in the first half of 2025.

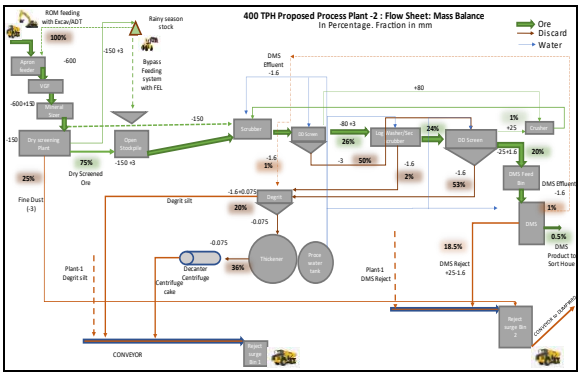


Figure M21: MRM's second processing plant flow sheet

MRM has engaged Source Capital and Prosolia Energy to construct a 12.5 MWph solar power plant and 20 MWh battery energy storage system to support the power for the second processing plant.

Gemstone Resource and Gemstone Reserve Estimates *[12.13(iii)(6)(8)(9)] [SR11.5]*

The MRM Gemstone Resources and Gemstone Reserves estimate attributable to GGL (75% basis) at 31 December 2023 is set out in Table M4. Gemstone Resource grades are quoted with a bottom cut-off stone size of 1.6 mm and are inclusive of Gemstone Reserves. The stockpile grades are derived from the reported grades for the respective source materials.

No Inferred Gemstone Resources are included in the LoM plans, which support the Gemstone Reserve declaration.

Table M4: MRM Attributable Gemstone Resource and Gemstone Reserve Estimate at 31 December 2023

Gemstone Resource (Attributable to GGL)	Tonnage (kt)	Recovered Grade (ct/t)	Contained (Mct)	Gemstone Reserves (Attributable to GGL)	Tonnage (kt)	Recovered Grade (ct/t)	Contained (Mct)
Maninge Nice				**Maninge Nice**			
Indicated - Primary	849	99.4	84.4	Probable - Primary	837	99.4	83.2
Indicated - Secondary	215	56.0	12.0	Probable - Secondary	215	55.6	12.0
Total Indicated	**1,064**	**90.6**	**96.4**	**Total Probable Reserve**	**1,052**	**90.4**	**95.2**
Inferred - Primary	180	97.9	17.6				
Inferred - Secondary	9,994	12.7	127.0				
Inferred - Total	**10,174**	**14.2**	**144.7**				
Mugloto				**Mugloto**			
Indicated - Primary	0	0.0	0.0	Probable - Primary	-	-	-
Indicated - Secondary	6,624	3.0	19.9	Probable - Secondary	6,531	2.89	18.9
Total Indicated	**6,624**	**3.0**	**19.9**	**Total Probable Reserve**	**6,531**	**2.89**	**18.9**
Inferred - Secondary	13,800	14.8	203.6				
Glass				**Glass**			
Indicated - Secondary	5,073	2.4	12.14	Probable - Secondary	5,066	2.20	11.2
Total Indicated	**5,073**	**2.4**	**12.1**	**Total Probable Reserve**	**5,066**	**2.20**	**11.2**
Inferred - Secondary	5,670	0.9	5.1				
Stockpiles				**Stockpiles**			
Indicated – Primary	28	112.8	3.2	Probable – Primary	28	112.8	3.2
Indicated – Secondary [1]	460	10.7	4.9	Probable – Secondary [1]	460	10.7	4.9
Total Indicated	**488**	**16.6**	**8.1**	**Total Probable Reserve**	**488**	**16.6**	**8.1**
Total Indicated Gemstone Resources	**13,249**	**10.3**	**136.5**	**Total Probable Gemstone Reserves**	**13,138**	**10.1**	**133.3**
Natete*							
Inferred - Secondary	18,140	0.3	5.3				
Nathepo							
Inferred - Secondary	3,915	0.5	2.0				
Total Inf Gemstone Resources	**51,699**	**7.0**	**360.6**				

[1] Combination of material from Maninge Nice, Mugloto and Glass.
* Previous name was 'Nakete', but now It is 'Natete'.

Gemstone Grade and Value	Recovered Grade (ct/t)			Av. Parcel Value (2014-2023)(1) (USD/ct)	Av. Parcel Value 2023 (USD/ct)
	Maninge Nice	Mugloto	Glass (1)		
Premium Ruby	0.011	0.058	0.016	1,210.94	1,503.78
Ruby	0.504	0.445	0.161	55.38	89.63
Low Ruby	6.656	0.075	0.332	3.35	1.77
Corundum	0.341	0.033	0.394	0.96	
Sapphire	1.295	0.034	0.077	0.24	
Low Sapphire	10.331	0.344	1.696	0.08	
-4.6mm	-	-	-	10.55	
Reject with some Low Sapphire	n/r	n/r	n/r	0.05	
Weighted Average Value (USD/ct)				**23.46**	**107.22**

[1] Average parcel value for 2014 to 2023 applied.

The comparative MRM Gemstone Resource and Gemstone Reserve statement attributable to GGL (75% basis) at 31 December 2022 is set out below. The key differences between the 2022 and 2023 Gemstone Resource and Gemstone Reserve estimates are explained as follows:

- **Gemstone Resources:**
    - The Maninge Nice Primary and Secondary resource and reserve decreased due to mining depletion, and the Grade of Maninge Nice Secondary rose slightly due to the mining of comparatively lower-grade ore from Maninge Nice Pit 6;
    - A reduction in tonnage, grade, and contained gemstones in Indicated Gemstone Resources at Mugloto, due to mining depletion;
    - No change in tonnage, grade, or contained gemstones from the Inferred Gemstone Resources of Maninge Nice, Glass, Nathepo, and Mugloto;
    - A small decrease in tonnage and contained carats from Glass Indicated Resources due to mining depletion; and
    - Slight reduction in Natete inferred resources tonnage and contained carat due to the mining depletion, whereas no upgradation of Natete inferred resources to indicated.
- **Gemstone Reserves:**
    - Reduction in tonnage and contained gemstones in Probable Gemstone Reserves of Mugloto and Maninge Nice, due to mining depletion;
    - Maninge Nice grade increased slightly due to the mining of comparatively lower-grade secondary material from Maninge-Nice Pit 6;
    - A small decrease in tonnage and contained gemstones at Glass is due to the mining depletion; and
    - The overall grade of the stockpile increased significantly due to the addition of Primary ore from Maninge-nice (high caratage producing material), whereas stockpile tonnage was reduced due to increased processing.

Table M5: MRM Attributable Gemstone Resource and Gemstone Reserve Estimate at 31 December 2022

Gemstone Resource (Attributable to GGL)	Tonnage (kt)	Recovered Grade (ct/t)	Contained (Mct)	Gemstone Reserves (Attributable to GGL)	Tonnage (kt)	Recovered Grade (ct/t)	Contained (Mct)
Maninge Nice				**Maninge Nice**			
Indicated - Primary	855	99.5	85.0	Probable - Primary	843	99.5	83.8
Indicated - Secondary	294	54.3	15.9	Probable - Secondary	294	53.8	15.8
Total Indicated	**1,148**	**87.9**	**100.9**	**Total Probable Reserve**	**1,137**	**87.6**	**99.7**
Inferred - Primary	180	97.9	17.6				
Inferred - Secondary	9,994	12.7	127.0				
Inferred - Total	10,174	14.2	144.7				
Mugloto				**Mugloto**			
Indicated - Primary	-	-	-	Probable - Primary	-	-	-
Indicated - Secondary	7,275	2.8	20.5	Probable - Secondary	7,182	2.7	19.5
Total Indicated	**7,275**	**2.8**	**20.5**	**Total Probable Reserve**	**7,182**	**2.7**	**19.5**
Inferred - Secondary	13,800	14.8	203.6				
Glass				**Glass**			
Indicated - Secondary	5,093	2.4	12.2	Probable - Secondary	5,087	2.2	11.2
Total Indicated	**5,093**	**2.4**	**12.2**	**Total Probable Reserve**	**5,087**	**2.2**	**11.2**
Inferred - Secondary	5,670	0.9	5.1				
Stockpiles				**Stockpiles**			
Indicated – Primary	23	91.8	2.1	Probable – Primary	23	91.8	2.1
Indicated – Secondary [(1)]	514	9.6	5.0	Probable – Secondary [(1)]	514	9.6	5.0
Total Indicated	**537**	**13.2**	**7.1**	**Total Probable Reserve**	**537**	**13.2**	**7.1**
Total Indicated Gemstone Resources	**14,054**	**10.0**	**140.8**	**Total Probable Gemstone Reserves**	**13,944**	**9.9**	**137.5**
Nakete							
Inferred - Secondary	18,167	0.3	5.3				
Nathepo							
Inferred - Secondary	3,915	0.5	2.0				
Total Inf Gemstone Resources	**51,726**	**7.0**	**360.7**				

[1] Combination of material from Maninge Nice, Mugloto and Glass.

Gemstone Grade and Value	Recovered Grade (ct/t)			Av. Parcel Value (2014-2022)([1]) (USD/ct)	Av. Parcel Value 2022 (USD/ct)
	Maninge Nice	Mugloto	Glass (1)		
Premium Ruby	0.053	0.071	-	1,172.87	1,196.51
Ruby	0.650	0.480	0.316	51.75	60.07
Low Ruby	2.395	0.176	1.319	3.56	1.26
Corundum	0.391	0.051	0.577	0.96	0.91
Sapphire	0.327	0.030	1.550	0.24	0.27
Low Sapphire	4.665	0.598	8.501	0.08	0.05
-4.6mm	-	-	-	10.55	-
Reject with some Low Sapphire	n/r	n/r	n/r	0.05	-
Weighted Average Value (USD/ct)				**20.74**	**8.81**

[1] Average parcel value for 2014 to 2022 applied.

Production Forecast *[12.13(iii)(4)]*

The plant feed tonnage and gemstones recovered for the LoM through to 2029 are forecast as shown in Figure M21.

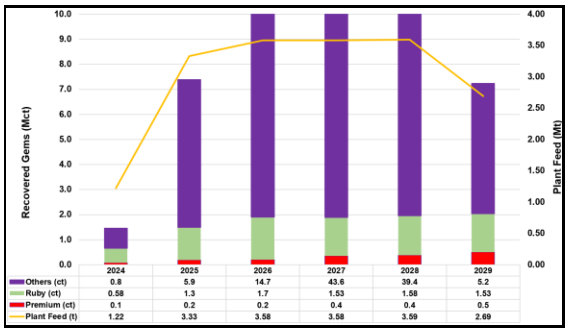


Figure M21: Forecast production and gemstones recovered

The LoM assumes the second processing plant begins to be operational in 2025. Construction began on 16 August 2023 and is expected to be completed in the first half of 2025.

Material Risk Factors *[12.13(iii)(10)]*

The principal risk factors for MRM are as follows:

- Legislative and permitting risk [Low risk rating]; good relations with government should be maintained, to ensure permits are approved in a timely manner, to lobby for positive changes to mining law and to lobby against any negative changes to the mining fiscal regime;
- Gemstone Reserve risk [Medium risk rating]: The presence of premium quality gemstones may be more erratic than indicated from the bulk sampling and production undertaken to date. Certain parts of the deposits may be richer than others. The market for lower quality stones could be overestimated;
- Water management [Low risk rating]: water availability, water use, and potential vulnerability of the operation to climate change impacts are not fully understood;
- Environmental and social risks [Medium risk rating]: MRM is in line with the terms and conditions of the approved EIA. Two phases of bio diversity studies were completed in 2019 and 2021 for dry seasons and third phase study for wet season was completed in Q1 2023. Air quality, dust and gases monitoring around in the communities and villages around the mining areas were completed in Q1 2023 and is continuing every three months to ensure full compliance;
- Insurgency [High risk rating]: Insurgent activities escalated in late 2022 and appeared closer to MRM operations, This included the October 2022 attack at the neighbouring GemRock mine leading to its closure, and the temporary (three days) closure of MRM mine operations. After this, insurgent activities appeared to have subsided in early 2023. However, they increased again in the Northern part of Cabo Dalgado as 2023 progressed. To mitigate the risk, MRM has maintained the deployment of an additional private armed personal protection unit, the government of Mozambique has deployed additional military inside and outside of operational areas, and the deployment of armored vehicles for the transportation of personnel through high risk areas. The airstrip inside the mine is being maintained for emergency evacuation;
- Artisanal miners [Medium risk rating]: The understanding of the dynamics of the artisanal mining presence in the area and proactive dialogue with this group needs to be improved (Figure M22).

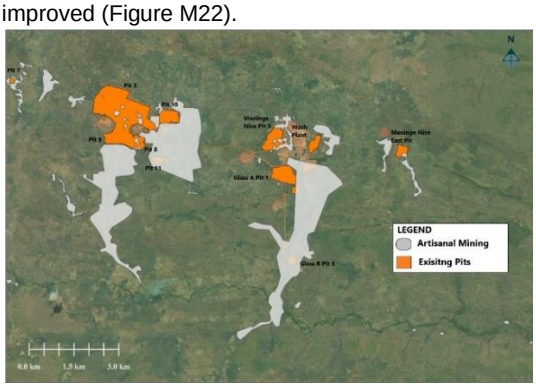


Figure M22: Areas affected by artisanal excavation (in grey) relative to MRM operations.

Legal Proceedings / Material Conditions that may impact on Company's activities *[12.13(iii)(11)]*

The Directors of Gemfields Group Limited ("GGL") and MRM are not aware of any legal proceedings that may have an influence on the rights to explore or mine for gemstones.

The Directors of GGL have confirmed that no significant legal issue exists which would affect the likely viability of MRM and/or on the estimation and classification of the Gemstone Resources and Gemstone Reserves.

Environmental Management and Funding *[12.13(iii)(13]*

The discovery of gemstones in the area brought with it an influx of artisanal miners from within Mozambique and other parts of Africa. The majority of these operate illegally.

MRM has now been actively exploring and mining for ten years across its licence areas.

MRM holds a valid approval for its Resettlement Action Plan ("RAP"), an authorised land use permit ("DUAT") valid until 2036 and a Category "A" Environmental Licence for the mine site valid until August 2024.

Water management is the most significant issue to address on an ongoing basis. The potential vulnerability of the operation to climate change impacts or extreme drought or flood conditions is not fully understood. A comprehensive understanding of its water balance and implementation of a water quality and quantity monitoring programme is required. Flow meters on water supply boreholes feed information into the site water balance monitoring system.

Environmental management at MRM comprises the following key activities:

- Comply with the formal management system which was implemented in terms of GGL's health and safety, social and environmental ("HSE") policy;
- Ensure that water from processing operations laden with silt does not reach local water courses; in Addition the

water from slime pond is recovered and re-used for the processing. MRM's processing plant has installed Decanter Centrifuge for treatment of thickener Silt, which separates water from silt. Recovered water is again used in the plant for processing;

- Air quality monitoring for mine concession and the communities around the Mine. This is to ensure that no air pollution occurs during the Mine operations;
- Improve oil and industrial waste management as the level of activity increases;
- Manage domestic waste associated with the MRM camp; and
- Reclamation and rehabilitation of mined out areas.

The costs of ongoing rehabilitation for mined out areas are included in the financial model projections for MRM. In addition, MRM has created a provision for mine closure. This is to cover the cost of removal of all equipment from the site, rehabilitation of all the remaining disturbed areas on site and pay staff retrenchment costs.

As part of the road map for ISO 9001, ISO 14001, and ISO 45001 (Quality, Environmental and Occupational Health and Safety Management Systems) certification, a gap analysis has been conducted ahead of its implementation.

In December 2023, a third regulatory independent environmental audit was conducted on MRM's Environmental Impact Assessment ("EIA") and Environmental Management Plan ("EMP") compliance. A third-party consultant was engaged to conduct a cultural heritage study in coordination with the local community members. The result of the study indicated the presence of three sensitive sites and therefore the proper mapping of such sites and suitable protection methods have been established.

Corporate Responsibility

MRM's corporate responsibility priority is to positively impact the lives and livelihoods of the local communities surrounding its concession. MRM focuses on community engagement and project activities that are long-lasting and are aligned with the policies of the Government of Mozambique.

Figure M23: Presentation of the LRP implementing company to the RAP beneficiaries and the subsequent developments on the LRP programmes progress, especially the agricultural subprogram.

The Resettlement Action Plan ("RAP") for the Nthoro community and established Wikhupuri village continues, with an external entity hired to speed-up the implementation of a Livelihoods Restoration Programme through day-to-day assistance. There have been challenges with encroachers disturbing some resettled villages, with engagement ongoing to resolve the issues.

MRM signed a seven year-implementation MoU with University Rovuma (UNIROVUMA) aiming to grant scholarships for 30 students per year with intermediate or professional technical levels competing or attending higher education in the Montepuez District as well as to foster MRM professionals in technological innovation processes.

New projects ran in 2023 include beginning a training programme for local community members as heavy earthmoving equipment operates or the Group's Vocational Training Centre, the commencement of IT lessons at the MRM sponsored computer lab at Montepuez secondary school and the tarring of the road that passes through Namanhumbir village. In the year, 29 thousand mobile clinic consultations were carried out, supporting 10 surrounding villages since 2017.

Operational Grievance Mechanism (OGM)

MRM established an Operational Grievance Mechanism ("OGM") in February 2021 to allow the local communities to raise historic and ongoing grievances relating to MRM's operations. The original OGM followed a quasi-judicial model and ended in July 2023 after recognising that grievances were not being addressed in a sufficiently timely manner.

A new arrangement was launched, referred to as OGM "2.0". Through this process, all Tier 2 cases addressing grievances related to before 1 January 2019, are in the process of being closed with the creation of a fund of MZN 50 million for Symbolic Payment and Collective remedy for outstanding claimants. Non-historical cases were transferred to OGM 2.0. A large number of additional cases have since been raised, and therefore MRM agreed with the local community to pause further grievances until all existing claims have been settled.

Figure M24: Consultation meeting with community leaders and villagers.

OTHER NON-MATERIAL PROJECTS

Gemfields holds interests in various other projects that are still at various stages of exploration and are not relevant for purposes of this report, as no Gemstone Resources have been estimated. These include the following partnerships:

- Megaruma Mining Limitada (MML), Mozambique (75% interest), which holds two ruby exploration licences each sharing a boundary with the MRM licence, covering approximately 190 km^2 and 150 km^2 respectively;
- Eastern Ruby Mining Limitada, Mozambique (75% interest), which holds exploration licence No. 5061L covering 116 km^2 and sharing its western boundary with MML's southern licence;
- Campos de Joia Limitada (CDJ), Mozambique (75% interest), which holds four licence areas totaling 452 km^2.
- Oriental Mining SARL, Madagascar (100% interest), which holds eleven exploration licences for emeralds, rubies, sapphires, tourmalines and garnets;
- Web Gemstone Mining plc, Ethiopia (75% interest), an emerald exploration licence covering approximately 200 km^2.

SECTION 3 – SUPPLEMENTARY INFORMATION

The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (the SAMREC Code, 2016 Edition) was prepared by the SAMREC Committee of the SAMCODES Standards Committee ("SSC") under the joint auspices of the Southern African Institute of Mining and Metallurgy ("SAIMM") and the Geological Society of South Africa ("GSSA").

SAMREC CODE DEFINITIONS

The SAMREC Code provides definitions for the reporting of Diamond Resources and Diamond Reserves, and other Gemstones, as set out below. The definitions for Resources and Reserves are as extracted from the Diamond Guidelines within the SAMREC Code, replacing Diamond with Gemstone wherever it occurs to avoid any confusion.

An '**Inferred Gemstone Resource'** is that part of a Gemstone Resource for which quantity, grade and average Gemstone value are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply, but not verify, geological and grade continuity. An Inferred Gemstone Resource has a lower level of confidence than that applying to an Indicated Gemstone Resource and must not be converted to a Gemstone Reserve. It is reasonably expected that the majority of Inferred Gemstone Resources could be upgraded to Indicated Gemstone Resources with continued exploration.

An '**Indicated Gemstone Resource'** is that part of a Gemstone Resource for which quantity, grade or value, density, shape and physical characteristics of the deposit are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade continuity between points of observation. An Indicated Gemstone Resource has a lower level of confidence than that applying to a Measured Gemstone Resource and may only be converted to a Probable Gemstone Reserve.

A '**Measured Gemstone Resource'** is that part of a Gemstone Resource for which quantity, grade or value, density, shape, and physical characteristics of the deposit are estimated with sufficient confidence to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade continuity between points of observation. A Measured Gemstone Resource has a higher level of confidence than that applying to either an Indicated Gemstone Resource or an Inferred Gemstone Resource. It may be converted to a Proved Gemstone Reserve or to a Probable Gemstone Reserve.

A '**Probable Gemstone Reserve'** is the economically mineable part of an Indicated, and in some circumstances, a Measured Gemstone Resource. The confidence in the Modifying Factors applying to a Probable Gemstone Reserve is lower than that applying to a Proved Gemstone Reserve.

A '**Proved Gemstone Reserve'** is the economically mineable part of a Measured Gemstone Resource. A Proved Gemstone Reserve implies a high degree of confidence in the Modifying Factors.

Other principles from the SAMREC Code that are relevant to this summary report are listed here.

A Gemstone Resource or Gemstone Reserve shall not be stated without an estimate of the average Gemstone value/revenue. The average Gemstone grade and value shall not be reported without specifying the bottom cut-off screen size.

Transparency: The reader of a Public Report must be provided with sufficient information, the presentation of which is clear and unambiguous, to understand the report and not be misled.

Materiality: A Public Report contains all the relevant information that investors and their professional advisors would reasonably require, and expect to find, for the purpose of making a reasoned and balanced judgement regarding the Exploration Results, Gemstone Resources or Gemstone Reserves being reported.

Competency: The Public Report is based on work that is the responsibility of suitably qualified and experienced persons who are subject to an enforceable Professional Code of Ethics.

A '**Competent Person**' is a person who is registered with SACNASP, ECSA or SAGC, or is a Member or Fellow of the SAIMM, the GSSA, IMSSA or a Recognised Professional Organisation ("RPO"). These organizations have enforceable disciplinary processes including powers to suspend or expel a member.

A Competent Person must have a minimum of five years relevant experience in the style of mineralisation or type of deposit under consideration and in the activity which that person is undertaking.

The CPs for this report confirm that the AusIMM is recognised as a RPO by the SSC, as listed on the SSC website.

GLOSSARY OF TERMS, ABBREVIATIONS, UNITS

Term	Meaning
3D	three-dimensional
Al	aluminium
AMP	amphibolite
amsl	above mean sea level
ASM	Artisanal and small-scale miner
B&E	Beryl and emerald
Be	beryllium
Cr	chrome
ct	carat (5 ct = 1 gram)
ct/t	carat per tonne
CP	Competent Person
CPR	Competent Persons' Report
DMS	Dense medium separation
DUAT	Authorised land use permit
ECSA	Engineering Council of South Africa
EIA	Environmental Impact Assessment
EIS	Environmental Impact Statement
EMP	Environmental Management Plan
EPF	Environmental Protection Fund
Fe	iron
g/cm^3	Grams per cubic centimetre
GGL	Gemfields Group Limited (formerly Pallinghurst Resources Ltd)
GSSA	Geological Society of South Africa
GRZ	Government of Republic of Zambia
HSE	Health and safety, social and environmental
ha	hectare (10 000 m^2)
IMSSA	Institute of Mine Surveyors of South Africa
JSE	Johannesburg Stock Exchange (JSE) Limited
Kagem	Kagem Emerald Mine
kg	kilogram (= 1 000 g)
km	kilometre
km^2	square kilometre
kt	thousand tonnes
ktpa	thousand tonnes per annum
LoM	life of mine
m	metre
m^2	square metre
µm	micrometre, or micron (1 000 000 µm = 1 m)
mm	millimetre (1 000 mm = 1 m)
MAusIMM	Member of the Australasian Institute of Mining and Metallurgy
Mct	million carats
MRM	Montepuez Ruby Mine
Mt	million tonnes
Mct	Million carats
Mtpa	million tonnes per year
OGM	Operational Grievance Mechanism
PEG	pegmatite
RAP	Resettlement Action Plan
RoM	run of mine
RZ	Reaction zone
SACNASP	South African Council for Natural Scientific Professions
SAGC	South African Geomatics Council
SAIMM	Southern African Institute of Mining and Metallurgy
SAMREC	The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (the SAMREC Code), 2016 Edition
SSC	SAMCODES Standards Committee
t	metric tonne (= 1 000 kg)
TMS	Talc-magnetite schists
tpd	tonnes per day
tph	tonnes per hour
t/t	tonne per tonne, stripping ratio
V	vanadium
USD	United States Dollar
USD/ct	US Dollar per carat
USDm	million US Dollars
USD/t	US Dollar per tonne
ZEMA	Zambian Environmental Management Agency

GEMFIELDS

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