

3 December 2024

GEM DIAMONDS LIMITED

Letšeng Life of Mine Plan and Extended Revolving Credit Facilities

Gem Diamonds Limited (LSE: GEMD) (“**Gem Diamonds**” or the “**Company**” or the “**Group**”) is pleased to announce a revised Life of Mine Plan for Letšeng and a two-year extension to the Group’s revolving credit facilities.

Letšeng’s Revised Life of Mine Plan Summary:

- Steeper slope design for the final open pit cutback of the Satellite pit completed and approved.
- High-wall structural and lateral support designs completed.
- Significant reduction of Satellite Cut 6 West (“**SC6W**”) ore to waste stripping ratio from 1 : 6.9 to 1 : 2.1 (87.9 million tonnes to 21.5 million tonnes).
- Significant reduction in future waste-stripping costs of c.US\$180 million.
- SC6W ore reduced from 12.8 million tonnes to 10.4 million tonnes.

Extended Group Revolving Credit Facilities

- The Group’s revolving credit facilities of US\$71.7 million, due to expire on 21 December 2024, have been extended for two years to 21 December 2026.

1. Letšeng’s Revised Life of Mine Plan

The Group is pleased to announce Letšeng’s revised Life of Mine Plan following Board approval of the new slope design of SC6W, the final open-pit cutback in the Satellite pit.

Waste profile

SC6W has been under review since mid-2023 with the objective to safely and responsibly reduce the required waste stripping under the existing pit slope design. The revised pit slope design incorporates steeper slopes in the competent basalt hard-rock (waste) sectors of the Satellite pit. Geotechnical experts completed a steeper overall pit and inter-ramp slope stability analysis which was used to design necessary lateral support and potential rockfall mitigation measures. These measures include:

- strategically placed catchment fences,
- rockfall barriers,
- wire-mesh draping,
- improved blasting techniques and mechanical scaling, and
- removal, bolting and/or anchoring of unstable rock wedges/key blocks.

These measures will ensure the safe and responsible mining of steeper slopes in the competent basalt hard-rock sectors of the Satellite pit.

The revised mine plan results in an overall reduction of 65.8 million tonnes of waste stripping when compared to the existing mine plan. This will have a significant reduction in future waste-stripping costs of c.US\$180 million. The investment in the implementation of the additional support measures has been budgeted at US\$15 million over the five-year waste-stripping period.

The final cutback in the Main pit (MC4W) is currently under review to assess the viability of a similar steeper slope design in the hard-rock basalt, the outcome of which is expected to be a reduced waste stripping ratio, which will be announced upon completion.

Ore profile

The pit slope design in the kimberlite (ore) of SC6W remains at the current slope angle design. The revised SC6W waste slope design has, however, resulted in a reduction of 2.4 million tonnes of accessible ore when compared to the current design. An opportunity to steepen the kimberlite slopes is being assessed, which will allow access to additional ore with little to no further waste stripping required.

The Life of Mine Plan in the Main pit has been updated to include inferred ore which will be accessible within the existing pit design with little to no further waste stripping required.

The table below details the change in waste and ore tonnes in SC6W in the Satellite pit:

Letšeng – Satellite SC6W Comparison			
	SC6W (Revised)	SC6W (Existing)	Variance
Waste mined (Mt)	21.5	87.9	(66.4)
Ore mined (Mt)	10.4	12.8	(2.4)
Strip Ratio	1 : 2.1	1 : 6.9	

The table below details the overall Life of Mine waste and ore tonnes for Satellite and Main pits:

Letšeng – Main and Satellite Life of Mine Plan Comparison*			
	Revised Plan	Existing Plan	Variance
Waste mined (Mt)	71.1	136.9	(65.8)
Main Pit	49.4	48.9	0.5
Satellite Pit	21.7	88.0	(66.3)
Ore mined (Mt)	79.4	71.0	8.4
Main Pit	66.1	55.3	10.8
Satellite Pit	13.3	15.7	(2.4)

* Waste and ore mined include tonnes from 1 January 2024 for comparative purposes.

More details on the Life of Mine Plan can be found on the Company's website at www.gemdiamonds.com.

2. Extended Group Revolving Credit Facilities

The Group's revolving credit facilities comprising US\$30.0 million at Gem Diamonds Limited (US\$6.0 million drawn as at 30 November 2024) and M750.0 million (US\$41.7million) at Letšeng (no drawdown as at 30 November 2024) were due to expire on 21 December 2024. The facilities have been extended for a two-year period to 21 December 2026. The terms of the extended facilities remain largely in line with the current facilities but with improved covenant ratios. These facilities will be reviewed during 2026 with the intention to renew the facilities for an appropriate period from December 2026.

The Company will host an investor update presentation via live audio webcast today at 9:30 GMT. Please use the following link to register for the presentation: <https://gemdiamonds.zoom.us/webinar/register/>.

Company website: www.gemdiamonds.com

The Gem Diamonds Limited LEI number is 213800RC2PGGMZQG8L67

FOR FURTHER INFORMATION:

Gem Diamonds Limited

Kiki Constantopoulos, Company Secretary
ir@gemdiamonds.com

Celicourt Communications

Mark Antelme / Felicity Winkles
Tel: +44 (0) 20 770 6424

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014.

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ABOUT GEM DIAMONDS:

Gem Diamonds is a leading global producer of high value diamonds. The Company owns 70% of the Letšeng mine in Lesotho. The Letšeng mine is famous for the production of large, exceptional white diamonds, making it the highest dollar per carat kimberlite diamond mine in the world.

www.gemdiamonds.com