

15 June 2017

## GEM DIAMONDS LIMITED

("Gem Diamonds" or the "Company")

### Notifications of transactions by a PDMR

The Company received notification on 14 June 2017 that Mr Jeffrey Leaver, a PDMR, had exercised options over 10 484 shares of US\$ 0.01 each. The Nil Cost options were issued pursuant to the Gem Diamonds Long Term Incentive Plan 2007. Mr Leaver did not sell any shares pursuant to the exercise.

Mr Leaver now holds 10 484 shares (0.01%).

As a result of this exercise of options, the Company's issued share capital is 138 530 097 Ordinary Shares of US\$ 0.01 each, all with voting rights.

The above figure (138 530 097) may be used by shareholders as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change in their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

In accordance with Article 19 of the EU Market Abuse Regulation, the relevant FCA notification is set out below.

<b>1.</b>	<b>Details of PDMR / person closely associated (PCA)</b>	
a)	Name	Jeffrey Leaver
<b>2.</b>	<b>Reason for the notification</b>	
a)	Position / status	Acting CEO - Letšeng Diamonds (PDMR)
b)	Initial notification / amendment	Initial notification
<b>3.</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>	
a)	Full name of the entity	Gem Diamonds Limited
b)	LEI	213800RC2PGGMZQG8L67
<b>4.</b>	<b>Details of the transaction(s)</b>	
a)	Description of the financial instrument	Gem Diamonds Limited Ordinary Shares of USD 0.01 each
	Identification Code	VGG379591065
b)	Nature of the transaction	Exercise of Nil Cost share options
c)	Currency	GBP - British Pound

d)	Price(s) and volume(s)	Price(s)	Volume(s)
		GBP0.9425	10 484
e)	Aggregated information		
	Aggregated volume	10 484	
	Price	GBP9 881	
f)	Date of the transaction	14 June 2017	
g)	Place of the transaction	London Stock Exchange - XLON	

**For further information:**

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**ABOUT GEM DIAMONDS:**

Gem Diamonds is a leading global diamond producer of high value diamonds. The Company owns 70% of the Letšeng mine in Lesotho and 100% of the Ghaghoo mine in Botswana. The Letšeng mine is famous for the production of large, top colour, exceptional white diamonds, making it the highest dollar per carat kimberlite diamond mine in the world. Since Gem Diamonds' acquisition of Letšeng in 2006, the mine has produced four of the 20 largest white gem quality diamonds ever recorded. The Ghaghoo mine in Botswana has been placed on care and maintenance until market conditions allow for recommencement of production.

[www.gemdiamonds.com](http://www.gemdiamonds.com)