

2 December 2021

GEM DIAMONDS LIMITED

("Gem Diamonds" or the "Company")

AGM UPDATE STATEMENT

In the June 2021 AGM results announcement, the Board of Gem Diamonds Ltd noted the proportion of votes cast against Resolution 14 authority to allot shares, Resolution 15 the disapplication of pre-emption rights and Resolution 16 the further disapplication of pre-emption rights. In accordance with Provision 4 of the UK Corporate Governance Code the Company has sought to engage with a significant shareholder who voted against these resolutions.

Resolution 14 passed with 71.99% of participating shareholders voting in favour and Resolution 15 and 16 being special resolutions did not pass with 27.22% and 34.95% of participating shareholders voting against them respectively.

The Board acknowledges that the failure to pass the special resolutions and the votes received against Resolution 14, related primarily to the votes cast by a significant shareholder and their standing policy on these matters. As noted in June, the Board was disappointed in this outcome given that each of the resolutions followed the provisions of the Pre-Emption Group's Statement of Principles for the disapplication of pre-emption rights and reflected UK listed company market practice. In response to the votes received since the AGM, members of the Board and the executive management team have engaged in consultation with the significant shareholder. The Board will continue to regularly consider their approach to this matter.

Any further updates on communication with shareholders on these matters, will be provided in the Annual Report and Accounts and associated documentation.

The Gem Diamonds Limited LEI number is 213800RC2PGGMZQG8L67.

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 is currently in the process of selling its 100% share 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. www.gemdiamonds.com.