

23 November 2017

GEM DIAMONDS LIMITED

("Gem Diamonds" or "the Company")

Recovery of high quality 202 carat diamond

Gem Diamonds Limited (LSE: GEMD) is pleased to announce the recovery of a high quality 202 carat, D colour Type IIa diamond from the Letšeng mine in Lesotho.

Today's announcement is the seventh diamond of over 100 carats to be recovered to date in 2017 from Letšeng, the highest dollar per carat kimberlite diamond mine in the world.

A photograph of this diamond can be found on the Gem Diamonds website.

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 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. The Ghaghoo mine in Botswana has been placed on care and maintenance.

www.gemdiamonds.com