GEM DIAMONDS

HALF-YEAR REPORT 2024

29 August 2024

DISCLAIMER

This presentation is confidential and is being made only to, and is only directed at, persons to whom this presentation may lawfully be communicated ("relevant persons"). Any person who is not a relevant person should not act or rely on this presentation or any of its contents. Information in this presentation relating to the price at which relevant investments have been bought or sold in the past or the yield on such investments cannot be relied upon as a guide to the future performance of such investments. This presentation does not constitute an offering of securities or otherwise constitute an invitation or inducement to any person to underwrite, subscribe for or otherwise acquire securities in any company within the Gem Diamonds Group (the "Group"). Neither this document nor the fact of its distribution nor the making of the presentation constitutes a recommendation regarding any securities. This presentation is for information purposes only and accordingly, no Company within the Group, nor any of their respective directors, employees, agents or advisers make any representation or warranty in respect of the contents of this presentation or otherwise in relation to the Group or any of its businesses.

This presentation contains forward-looking statements which are subject to risks and uncertainties because they relate to future events. These forward-looking statements include, without limitation, statements in relation to the Group's projected growth opportunities. Some of the factors which may cause actual results to differ from these forward-looking statements are discussed in certain slides of this presentation and others can be found by referring to the information contained under the heading "Risk Management" in our Annual Report for the year ended 31 December 2023 which can be found on our website (www.gemdiamonds.com). The forward-looking information contained in this presentation is expressly qualified by this cautionary statement.

The information contained in this presentation is subject to amendment, revision and updating, and such information may change materially. No person is under any obligation to update, or keep current, the information contained in this presentation, and any opinions expressed in relation thereto are subject to change without notice. This presentation has not been independently verified and no representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information or opinions contained herein. No statement in this presentation is intended as a profit forecast or profit estimate and no statement in this presentation should be interpreted to mean that earnings per share for the current or future financial years would necessarily match or exceed the historical published earnings. This presentation also contains certain non-IFRS financial measures. The Group's management believes these measures provide valuable additional information in understanding the performance of the Group or the Group's businesses because they provide measures used by the Group to assess performance. However, this additional information presented is not uniformly defined by all companies, including those in the Group's industry. Accordingly, it may not be comparable with similarly titled measures and disclosures by other companies. Additionally, although these measures are important in the management of the business, they should not be viewed in isolation or as replacements for or alternatives to, but rather as complementary to, the comparable IFRS measures such as revenue and other items reported in the consolidated financial statements. The distribution of this presentation or any information contained in it may be restricted by law in certain jurisdictions, and any person into whose possession any document containing this presentation or any part of it should inform themselves about, and observe such restrictions on information contained in this presentation.

Any securities mentioned herein have not been and will not be registered under the United States Securities Act of 1933, as amended and may not be offered, sold, resold or delivered, directly or indirectly, in or into the United States without registration or exemption.

The information contained herein is correct as at 28 August 2024.

H1 2024 IN REVIEW

Carats recovered	US$ per carat achieved	Revenue
55 873	US$1 366	US$78.0 million
EBITDA	**Basic earnings per share**	**Net debt**
US$19.1 million	1.5 US cents	US$8.4 million
All injury frequency rate	**Decarbonisation target**	**Available undrawn facilities**
0.60	30% by 2030	US$54.9 million

DIAMOND MARKET

DIAMOND MARKET UNDER CONTINUED PRESSURE

GLOBAL ECONOMIC BACKDROP

- Global economic growth of c.3.2% forecast for 2024
- Factors curbing a return to sustainable growth:
  - geopolitical tensions
  - national elections in many major economies in 2024
- Possible positive developments:
  - interest rate cuts
  - China managing through its property crisis
  - China clamping down on shadow banking industry

DIAMOND MARKET

- Continued pressure on rough and polished diamond prices
- High inventory levels remain
- Large, high-value polished diamonds being sold at lower prices
- Russian diamond supply (sanctions)
- Ultra high-end brands promoting diamond jewellery lines

GEM DIAMONDS' MARKET POSITION

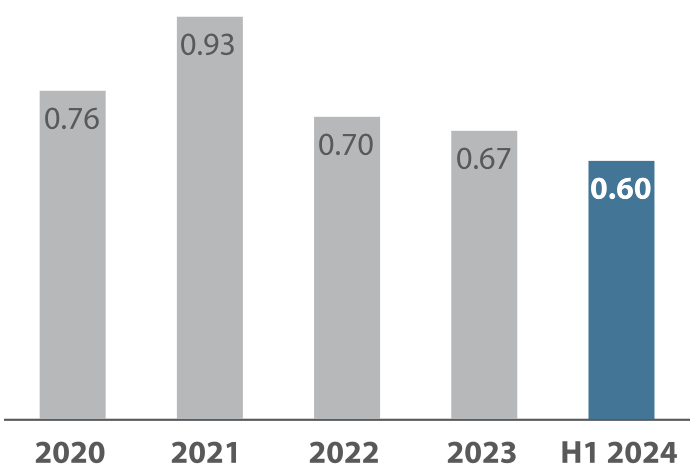
- Highest US$ per carat kimberlite producer
- Prices under pressure
- Opportunities to capture downstream value continued

SUSTAINABILITY

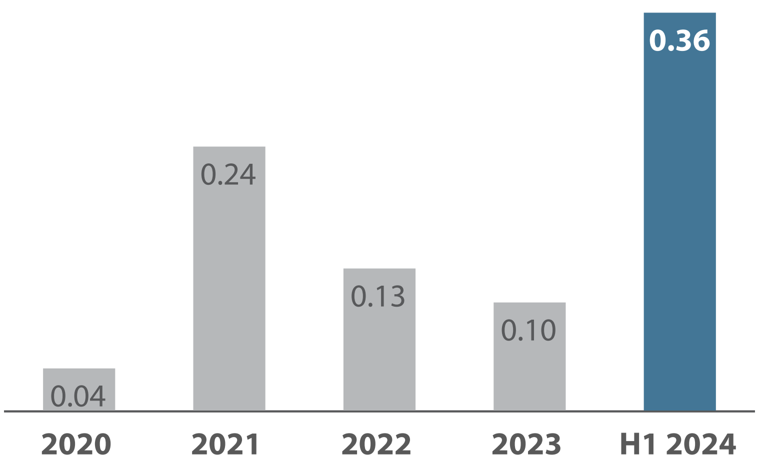
ZERO HARM IS A PRIORITY

- Good safety performance in H1 2024 with low AIFR:
  - Three LTIs (2023: two)
  - AIFR: 0.60
- No major or significant environmental incidents
- No major or significant social incidents

All injury frequency rate (AIFR)



Lost time injury frequency rate (LTIFR)



SUSTAINABILITY

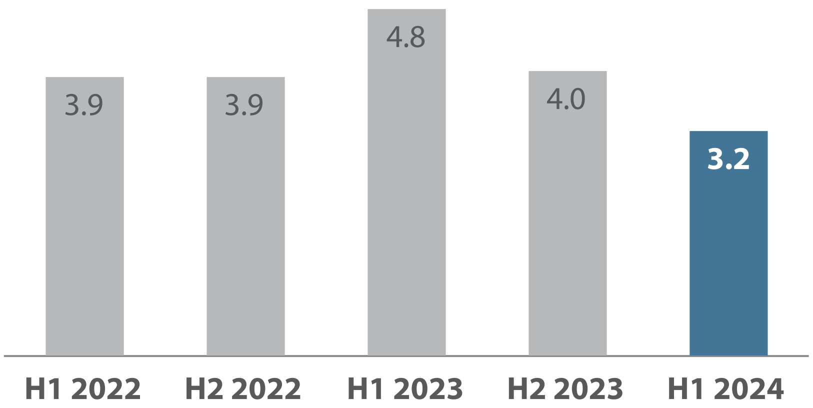
- CSI initiatives focus on education, infrastructure and SMEs
- Tailings facilities appropriately aligned to GISTM
- Bioremediation plant operational
- Decarbonisation target of 30% by 2030
- H1 2024 vs H1 2023 performance:
  - Overall carbon emissions at similar levels
  - Scope 1 decreased due to lower diesel usage for generators and a reduction in waste mining
  - Scope 2 increased due to higher availability and use of grid electricity
- Integration of eight adopted UN SDGs


LETŠENG

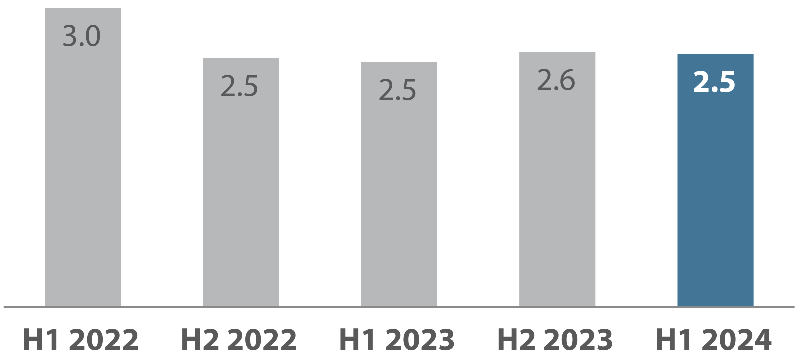
OPERATIONS REVIEW

- Focus on operational efficiencies and cost containment
- Reduced waste tonnes in line with:
  - ore availability and treatment
  - long term mine plan
- Good plant stability through reduced feed rates and improved fragmentation, resulting in:
  - improved diamond recoveries
  - higher overall plant utilisation

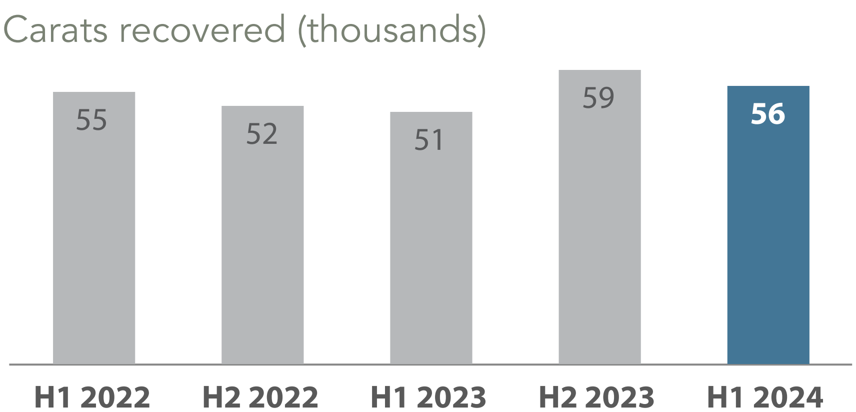
Waste tonnes mined (millions)



Ore tonnes treated (millions)



OPERATIONS REVIEW



Improved large diamond recoveries, including:

- 8 >100 carat diamonds recovered in H1 2024
- Two more >100 carat diamonds recovered post June 2024

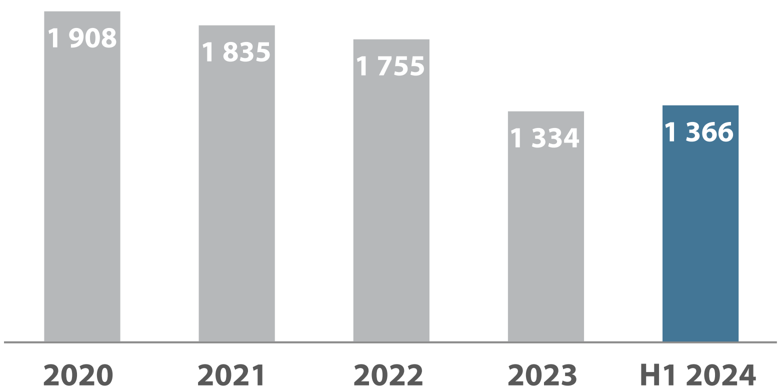
Frequency of large diamond recoveries

Weight category	**H1 2024**	H1 2023	FY average 2008 – 2023
>100 carats	**8**	2	8
60 – 100 carats	**3**	4	18
30 – 60 carats	**47**	28	76
20 – 30 carats	**58**	58	114
10 – 20 carats	**261**	226	449
Total diamonds >10 carats	**377**	318	665

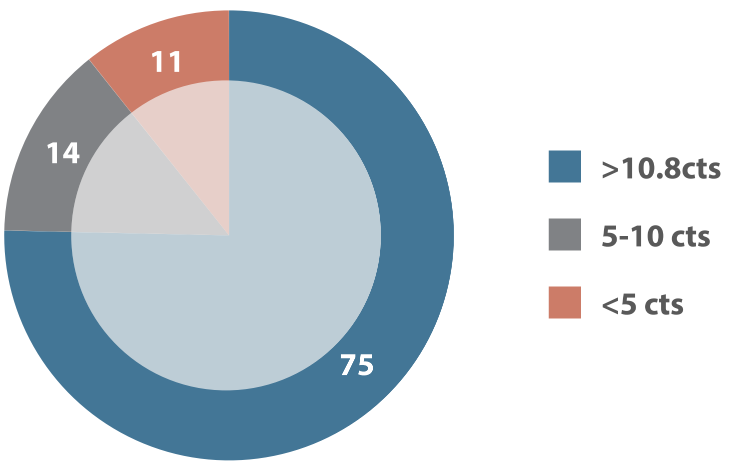
SALES AND MARKETING

- Achieved US$1 366 per carat
- Five diamonds > 100 carats sold
- 11 diamonds sold for more than US$1.0 million
- 20 diamonds sold for more than US$20 000 per carat
- >10.8 carat diamonds contributed 75% of revenue
- Targeted supply to premium, luxury brands resulted in additional revenue of US$0.6 million

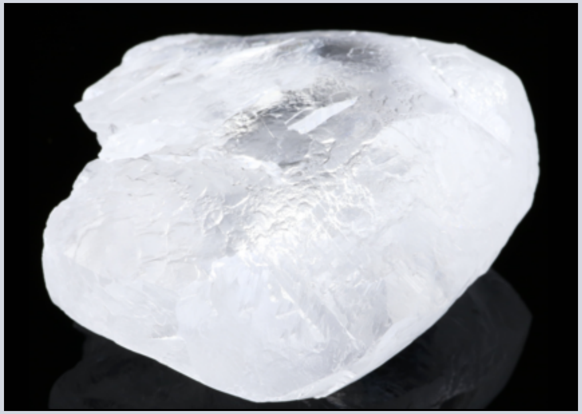
Average US$ per carat



Revenue per size fraction



SIGNIFICANT DIAMOND RECOVERIES IN 2024


293 CARAT WHITE DIAMOND


212 CARAT WHITE DIAMOND


172 CARAT WHITE DIAMOND


118 CARAT WHITE DIAMOND


113 CARAT WHITE DIAMOND


63 CARAT WHITE DIAMOND
(HIGHEST WHITE $/CT)


FINANCIAL
RESULTS

INCOME STATEMENT

US$ million	H1 2024	H1 2023	% change
Revenue from contracts with customers	**78.0**	71.8	
Royalties and selling costs	**(8.4)**	(7.5)	
Cost of sales	**(46.5)**	(50.7)	
Corporate expenses	**(4.0)**	(5.2)	
Underlying EBITDA	**19.1**	8.4	127
Depreciation and mining asset amortisation	**(6.0)**	(3.3)	
Share-based payments	**(0.4)**	(0.2)	
Other operating expenses	**(0.4)**	(0.8)	
Foreign exchange gain	**1.1**	2.1	
Net finance costs	**(3.5)**	(2.2)	
Profit before tax for the Period	**9.9**	4.0	148
Income tax expense	**(4.4)**	(2.5)	
Profit after tax for the Period	**5.5**	1.5	267
Non-controlling interests	**(3.5)**	(2.5)	
Attributable profit / (loss)	**2.0**	(1.0)	300
Earnings / (loss) per share (US cents)	***1.5***	*(0.7)*	*314*

LETŠENG UNIT COST ANALYSIS

	H1 2024	H1 2023	% change
Ore tonnes treated (millions)	**2.5**	2.5	3
Total direct cash operating costs[1]	**243.84**	296.54	(18)
Non-cash accounting charges[2]	**100.22**	78.24	28
Total operating costs per ore tonne treated – LSL	**344.06**	374.78	(8)
Average foreign exchange rate	***18.73***	*18.21*	
Total operating costs per ore tonne treated – US$	**18.36**	20.57	(11)

[1] Direct cash costs represent all operating costs, excluding royalty and selling costs.
[2] Non-cash accounting charges include waste stripping cost amortised, inventory and ore stockpile adjustments and finance lease costs, and excludes depreciation and mining asset amortisation.

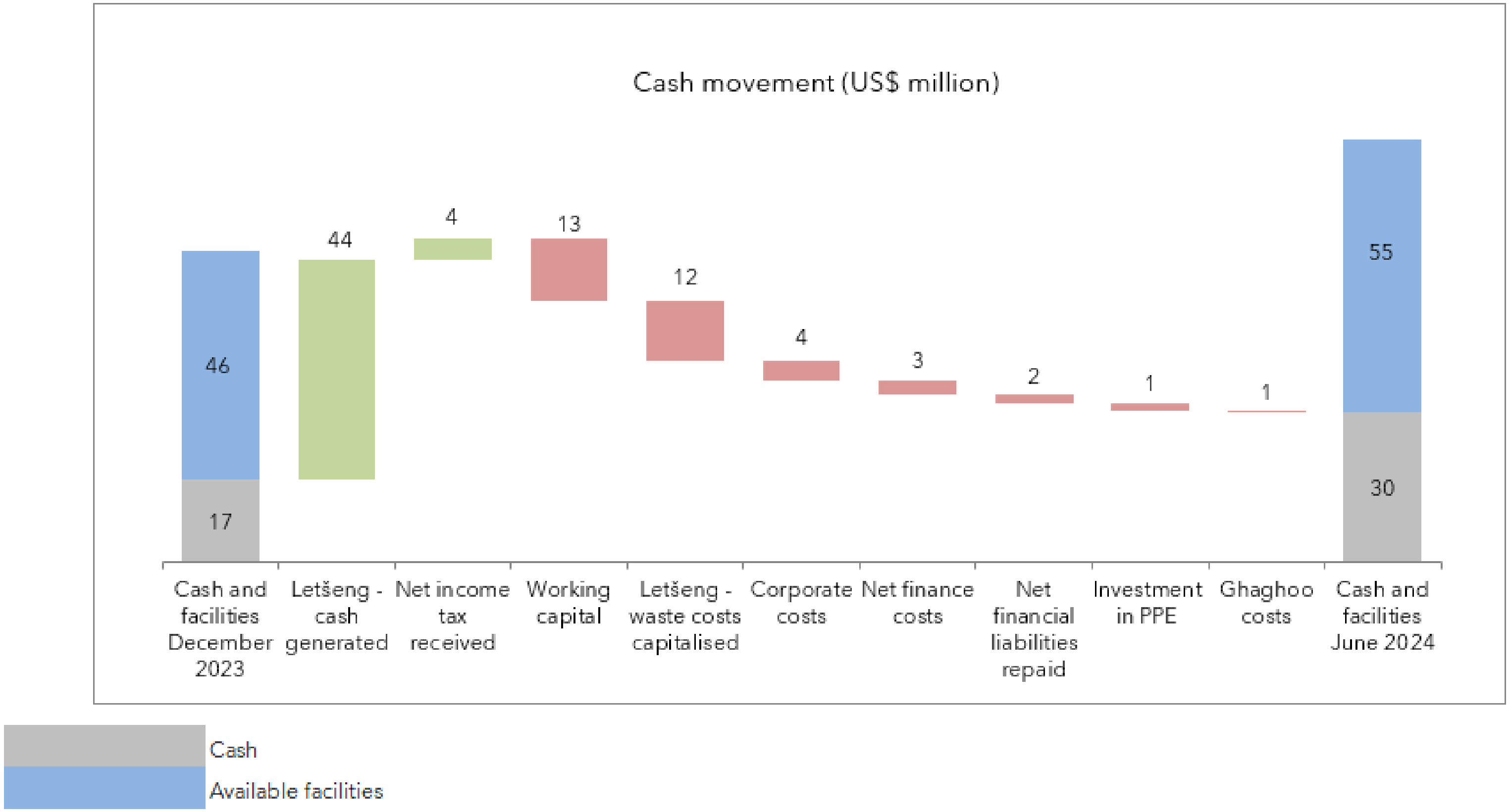
	H1 2024	H1 2023	% change
Waste tonnes mined (millions)	**3.2**	4.8	(35)
Total waste cash costs per waste tonne mined – LSL	**59.94**	63.80	(6)
Average foreign exchange rate	***18.73***	*18.21*	
Total waste cash costs per waste tonne mined – US$	**3.20**	3.50	(9)

FINANCIAL POSITION

US$ million	**30 June 2024**	31 December 2023	% change
Non-current assets	**307.4**	317.6	
IFRS 16 Right-of-use assets	**4.1**	4.7	
Current assets	**41.5**	41.3	
Income tax receivable	**–**	3.7	
Cash	**30.0**	16.5	
Total assets	**383.0**	383.8	–
Equity attributable to the parent company	**141.1**	138.9	
Non-controlling interest	**82.7**	79.2	
Total equity	**223.8**	218.1	3
Interest-bearing loans and borrowings (long and short term)	**38.3**	38.6	
IFRS 16 lease liabilities (long and short term)	**5.2**	5.9	
Non-current liabilities	**16.5**	15.7	
Deferred tax liabilities	**81.3**	82.1	
Current liabilities	**13.3**	23.4	
Income tax payable	**4.6**	–	
Total liabilities	**159.2**	165.7	(4)

CASH MANAGEMENT

- Group cash of US$30.0 million
- Net debt of US$8.4 million
- Available undrawn facilities at Period end - US$54.9 million
- RCF extension commenced



LETŠENG 2024 GUIDANCE

	2024 Original Guidance	2024 Revised Guidance
Waste stripped (Mt)	**6 – 7**	**5 – 6**
Ore treated (Mt)	**4.9 – 5.1**	no change
Satellite pipe ore contribution[1] (Mt)	**1.8 – 2.0**	no change
Carats recovered (Kct)	**88 – 92**	**98 – 101**
Carats sold (Kct)	**91 – 95**	**100 – 103**
Direct cash costs (before waste) per tonne treated[2] (LSL)	**245 – 260**	no change
Operating costs per tonne treated[3] (LSL)	**345 – 360**	no change
Mining waste cash costs per tonne of waste mined (LSL)	**60 – 70**	no change
Total capital[4] (US$ million)	**5 – 7**	no change

[1] *The contribution from Satellite pipe material is evenly spread throughout the year.*
[2] *Direct cash costs excludes royalty and selling costs.*
[3] *Operating costs comprise direct cash costs, waste stripping cost amortised, inventory and ore stockpile adjustments, depreciation and mining asset amortisation and finance lease costs.*
[4] *At an exchange rate of US$1: LSL18.90.*

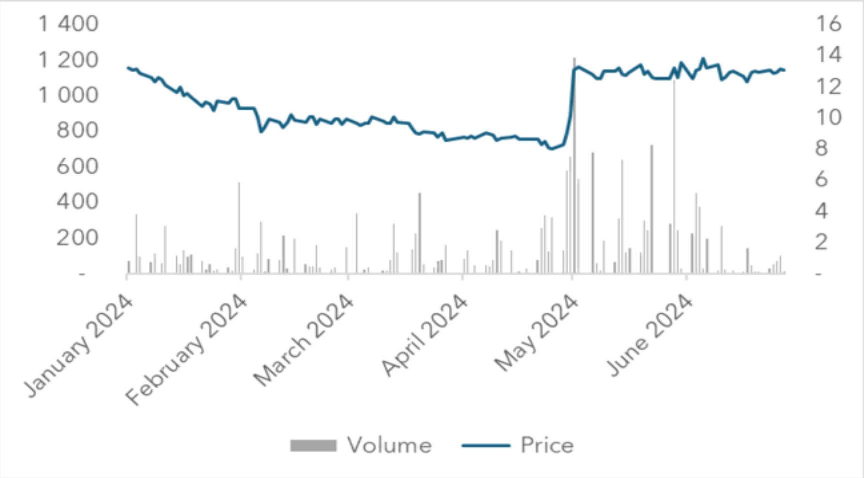
CONTACT US

Gem Diamonds Limited
Kiki Constantopoulos, Company Secretary
IR@gemdiamonds.com

Celicourt Communications
Mark Antelme / Felicity Winkles
T: +44 (0)207 777 6424

APPENDIX A: MARKET INFORMATION

H1 2024 Share price movement



Gem Diamonds Limited is listed on the Main Board of the London Stock Exchange LSE: GEMD

Daily average trading volume across all platforms in H1 2024	**127k**
Shares in issue (excl. treasury shares)	**139 715 915**
Free float (excl. holders above 5%, ESOP and Directors' holdings) (%)	**31.3**
Share price (27 August 2024)	**£0.14**
Market capitalisation (millions)	**£19/US$25**

Major shareholders	**As at 13 August 2024 (%)**
Sustainable Capital Limited	**21.9**
Graff Investments Limited	**15.0**
Lansdowne Partners Ltd	**13.4**
Aberforth Partners LLP	**12.1**
Gem Diamonds Holdings Ltd	**6.7**
Hosking Partners LLP	**4.2**
UBS Switzerland AG	**2.2**

Company officers

Clifford Elphick	Chief Executive Officer
Michael Michael	Chief Financial Officer
Brandon de Bruin	Chief Operating Officer

GEM DIAMONDS

2nd Floor, Coastal Building,
Wickham's Cay II, PO Box 2221,
Road Town,
Tortola, British Virgin Islands,
Registration number: 669758

GEM DIAMONDS LIMITED
www.gemdiamonds.com