

Thursday, 11 March 2021

Gem Diamonds Limited
Full Year 2020 Results

Gem Diamonds Limited (LSE: GEMD) ("Gem Diamonds", the "Company" or the "Group") announces its Full Year Results for the year ending 31 December 2020 (the "Period").

FINANCIAL RESULTS:

- Revenue of US\$189.6 million (US\$182.0 million in 2019)
- Underlying EBITDA from continuing operations of US\$53.2 million (US\$41.0 million in 2019)
- Profit for the year from continuing operations US\$27.5 million (US\$15.0 million in 2019)
- Attributable profit from continuing operations US\$16.9 million (US\$7.1 million in 2019)
- Earnings per share from continuing operations 12.1 US cents (5.1 US cents in 2019)
- Cash on hand of US\$49.8 million as at 31 December 2020 (US\$9.2 million attributable to Gem Diamonds)

DIVIDEND

- Ordinary dividends of 2.5 US cents per share proposed by the Directors and subject to approval by the shareholders at the 2021 AGM
- These dividends will be paid on 15 June 2021 to shareholders who are on the register of members on the record date of 14 May 2021 (ex-div date 13 May 2021)

OPERATIONAL RESULTS:

Letšeng

- Carats recovered of 100 780 (113 974 carats in 2019)
- Waste tonnes mined of 15.6 million tonnes (24.0 million tonnes in 2019)
- Ore treated of 5.4 million tonnes (6.7 million tonnes in 2019)
- Average value of US\$1 908 per carat achieved (US\$1 637 in 2019)
- Sixteen diamonds larger than 100 carats each recovered (eleven in 2019)
- The highest dollar per carat achieved for a white rough diamond during the year was US\$38 827 per carat

COVID-19

The Group's priority in 2020 was, and continues to be, to safeguard its employees, contractors and surrounding communities from COVID-19. The implemented measures include thermal screening, X-ray screening, Rapid Anti-body and Anti-gen Diagnostic screening and Polymerase Chain Reaction (PCR) testing, promotion of sanitation measures, appropriate social distancing, compulsory wearing of face masks and the provision of Personal Protective Equipment. As part of the COVID-19 management strategy, all suspected positive cases are safely transferred to their respective residences, or national health facilities if determined medically necessary, for quarantining, thus limiting suspected positive cases on mine site.

Commenting on the results today, Clifford Elphick, Chief Executive Officer of Gem Diamonds, said:

"Gem Diamonds has delivered positive operational and financial results during a very challenging year. Our first priority remains the safety of our employees, contractors and surrounding communities and we have taken steps to support the Lesotho Government in securing COVID-19 vaccinations for our workforce and surrounding communities.

The operational results were characterised by strong cash flows, the achievement of all revised operational metrics and the recovery of 16 diamonds greater than 100 carats each, the highest number recovered in a single year. The stronger prices achieved in the second half of 2020, reaffirms the recovery of the diamond market and the unique quality of the Letšeng production.

The Group has proven its ability to respond to an unprecedented global crisis in an agile and effective manner. This, together with the cost containment and cash preservation initiatives implemented, positions the Company well for the ongoing recovery of the diamond market in the coming years.

We are pleased to announce that based on the results achieved in 2020, the Board has recommended the payment of an ordinary dividend of 2.5 US cents per share."

The Company will host a live audio webcast presentation of the full year results today, 11 March 2021, at 9:30 GMT. This can be viewed on the Company's website: www.gemdiamonds.com

The page references in this announcement refer to the Annual Report and Accounts 2020, which can be found on the Company's website: www.gemdiamonds.com.

The Gem Diamonds Limited LEI number is 213800RC2PGGMZQG8L67

FOR FURTHER INFORMATION:

Gem Diamonds Limited
ir@gemdiamonds.com
Celicourt Communications
Mark Antelme / Ollie Mills
Tel: +44 (0) 208 434 2643

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. 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.