

GEMFIELDS



Gemfields celebrates the 50th Kagem emerald auction

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This November, Gemfields proudly celebrates its 50th auction of Kagem emeralds, marking a significant milestone in the coloured gemstone industry.

As a world-leading miner of emeralds from Zambia's Kagem mine and rubies from Mozambique's Montepuez Ruby Mining (both majority-owned and operated by Gemfields), the company has transformed the international gemstone market with its pioneering auction process, launched in 2009. This innovative approach has brought transparency and a steady, reliable supply to an industry previously limited by inconsistent and fragmented availability. The introduction of a consistent supply has allowed stakeholders throughout the supply chain to invest more confidently in Zambian emeralds.

Before the introduction of Gemfields' auction system, the sale of rough coloured gemstones was irregular and unpredictable, much like the nature of gemstone deposits themselves. Coloured gemstones, including emeralds and rubies, are often discovered in remote locations, with their

Gemfields Limited, 1 Cathedral Piazza, London, SW1E 5BP, United Kingdom

Tel: +44 20 7518 3400

gemfields.com

occurrence difficult to anticipate. Today, more than 100 varieties of coloured gemstones used in jewellery come from over 50 countries worldwide, each with distinct mining regulations, economic conditions and cultural practices.

Gemfields' vision of transforming the coloured gemstone industry – beginning with emeralds and later extending to rubies – has brought stability to a market that was once unpredictable. This approach has improved conditions in local communities, creating both long-term skilled jobs and support roles in the mining industry.

In 2009, Gemfields conducted its first auction of rough emeralds from the Kagem mine, offering 1.36 million carats of well-graded rough Zambian emeralds to leading manufacturers from around the world. In 2024, Gemfields achieved a significant milestone, with the total cumulative revenue from its emerald auctions surpassing the USD 1 billion mark.

Appreciation for Zambian emeralds has also increased exponentially since the introduction of the auction system. Zambian emeralds are prized for their deep, rich green colour with bluish undertones, which sets them apart from emeralds found in other regions. Known for their excellent clarity and durability, these emeralds often contain fewer inclusions than others, making them visually appealing and versatile for jewellery manufacture.

During auction preparation, a team of experts meticulously evaluates and categorises the emeralds based on factors such as colour, potential yield, shape, size and unique characteristics. These graded emeralds are then organised into schedules, which may include a single high-quality gemstone or several lots and offered to buyers at auction. The schedules are carefully designed to provide auction buyers with a range of rough emeralds suited for manufacturing and tailored to meet diverse market demands.

The auctions have evolved over time, but the core tender-style system has remained unchanged. Gemfields has actively adapted its approach to maintain a sustainable supply of gems in response to changing market conditions.

Most of these changes have been driven by customer needs and shaped by meaningful discussions and the company's understanding of the international market, while also responding to external factors such as the COVID pandemic.

Examples of these developments include extending the viewing period to give customers ample time to inspect the lots in a comfortable environment and the introduction of an electronic bidding system. Transparency and maintaining customer confidence remain top priority, and Gemfields

has consistently excelled in this regard. Additionally, Gemfields places strong emphasis on Know Your Customer and due diligence practices, ensuring that each gemstone continues its journey with reputable businesses.

Gemfields' emerald auction customer demographic reveals a notable presence of Indian and Israeli buyers. Most of Gemfields' Indian customers hail from Jaipur, which has been a centre for emerald cutting for centuries, reflecting their deep cultural ties to the emerald market and their expertise in transforming rough gemstones into stunning cut gems, with skills often handed down through generations.

In recent years, the emerald auctions have attracted customers who had traditionally focused on rubies and sapphires, but recognised an opportunity to conveniently purchase high-quality rough emeralds, knowing they were responsibly mined and backed by a system and company they can trust.

Previously seen as secondary to Colombian emeralds, Zambian cut gemstones now stand alongside their Colombian counterparts in several categories, often at comparable price points. As the market has evolved, greater emphasis has been placed on the quality of the gemstones themselves, as well as on the positive impact of their supply chains, allowing responsibly mined Zambian emeralds to flourish. Gemfields is proud to have played a central role in this transformation.

Reflecting on the journey since that first auction 15 years ago, the success of Zambian emeralds would not have been possible without the vital and unwavering support of Gemfields' customers.

Gemfields remains dedicated to nurturing these relationships while upholding its core values of transparency, legitimacy and integrity. With deep gratitude, the Gemfields Group looks forward to welcoming its customers to the 50th Kagem emerald auction taking place this month.

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ENQUIRIES

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HEAD OFFICE

LONDON Helena Choudhury helena.choudhury@gemfields.com

Albertina Namburete albertina.namburete@gemfields.com

REGIONAL CONTACTS

DUBAI Yvonne Ehiguese yvonne@z7communications.com

HONG KONG Cindy Choo cindy.choo@thisisgusto.com

LONDON Beniamino Muroi beniamino.muroi@purplepr.com

MUMBAI Andrea Rebeiro andrea.rebeiro@madisonpr.in

NEW YORK Meline Agabaian meline.agabaian@purplepr.com

SHANGHAI Bolong Zheng bolong.zheng@thisisgusto.com

NOTES TO EDITORS

About Gemfields

Gemfields is a world-leading responsible miner and marketer of coloured gemstones. The operator and 75% owner of both the Kagem emerald mine in Zambia (believed to be the world's single largest producing emerald mine) and the Montepuez ruby mine in Mozambique (one of the most significant recently discovered ruby deposits in the world), Gemfields believes that those who mine gemstones should do so with transparency, legitimacy and integrity.

Gemfields introduced a technologically advanced coloured gemstone sort house at its operation in Mozambique, with state-of-the-art equipment, like optical sorting machines. In addition, a proprietary grading system, a pioneering auction platform and an active marketing presence have all contributed to Gemfields playing a significant role in the rise of African gemstones. Underlying this achievement has been the strong belief that coloured gemstones should create a positive impact for the country and community from which they originate.

Responsible mining for Gemfields means implementing industry-leading policies and practices across operations, transparency in its auction sales process, an active role in working groups to

modernise the sector, projects to improve health, education and livelihoods for the communities around its mines and conservation efforts (#conservationgemstones) to protect Africa's great wildlife and biodiversity.

Gemfields Foundation is the charitable arm of Gemfields, through which donors can contribute funding to directly support community and conservation projects in Africa, magnifying the scale of the work already carried out by Gemfields itself.

Fabergé – an iconic name with an exceptional heritage – is a member of the Gemfields Group. The beauty of Fabergé's designs and craftsmanship helps to raise consumer awareness of responsibly mined coloured gemstones.

As well as supplying a significant share of the world's rough rubies and emeralds, Gemfields initiates activations to build desire for coloured gemstones: for example, collaborations with international jewellery brands and other creative partners. Often surprising, unexpected and unique, these collaborations are chosen to promote consumer awareness and increase the appeal of coloured gemstones, raising their profile, and, in turn, providing greater benefit to their place of origin in Africa.

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