



## **Fura Gems Inc.**

### **FURA ANNOUNCES MAIDEN MINERAL RESOURCE ESTIMATE FOR THE COSCUEZ EMERALD MINE, A FIRST FOR THE COLOMBIAN EMERALD SECTOR**

For Immediate Release: December 12, 2018

TORONTO, ONTARIO - **Fura Gems Inc.** (TSXV: FURA, OTC: FUGMF and FRA: BJ43) (“Fura” or the “Company”) is pleased to announce a maiden Mineral Resource estimate for its 76% owned Coscuez emerald mine in Colombia (the “Coscuez Emerald Mine”, or “Coscuez”), and the first Mineral Resource estimate in the Colombian emerald sector.

The maiden Mineral Resource estimate, prepared and classified by independent group Watts, Griffis and McOuat Limited (“WGM”), contains an estimated 3 million tonnes of Inferred Mineral Resources at a grade of 2.0 carats per tonne, for a total of 6 million carats with a conservative price of USD\$200 per carat. Coscuez Emerald Mine is located in the heart of the most important emerald mining region of Colombia and was acquired by Fura in January 2018.

The Mineral Resources estimate is reported in accordance with Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves and Guidelines and was prepared in accordance with National Instrument 43-101 (“NI 43-101”).

#### **Highlights**

- Maiden Inferred Mineral Resource estimate at Coscuez Mine is in accordance with the NI 43-101 and the first of its kind at an Emerald deposit in Colombia.
- Activities to deliver the Mineral Resource estimate included:
  - Mapping of more than 20 km of existing underground tunnels;
  - Completion of more than 1,600 m of core drilling; and,
  - Recovery of nearly 16,000 carats of emeralds from bulk sampling activities.
- Inferred Mineral Resource estimate:
  - 3 million tonnes of Inferred Mineral Resources;
  - Grade of 2.0 carats per tonne;
  - 6 million carats contained;
  - Estimated life of mine for Coscuez of 30 years;
  - Conservative case price of USD\$200/carats; and,
  - Estimate prepared and classified by WGM, an independent group of consulting geologists and engineers based in Toronto, Canada.

Dev Shetty, President and CEO of Fura, commented:

*“We have today published our maiden Mineral Resource estimate at Coscuez, which is a first for the Colombian emerald sector. Pleasingly, this maiden Mineral Resource estimate comes less than a year since acquiring this mine. These results highlight the opportunity we have here, at a mine that has previously produced some of the finest emeralds in the world.”*

*“Fura’s Colombian team have worked hard during the year to complete this resource estimate, including the mapping of more than 20km of our existing underground mine workings. Our findings have been confirmed by WGM, one of the longest running mining consultant groups in Canada. In addition, WGM has estimated a price of USD\$200 per carat, which is significantly higher than the average prices achieved by Zambia’s emerald producers.”*

*“This maiden Mineral Resource estimate is also the result of our ongoing bulk sampling activities, where we have recovered nearly 16,000 carats of emeralds. Importantly, this continues to give us additional confidence to the geological understanding, emerald distribution and the potential value of the stones we have recovered.”*

*“This historic mine’s maiden Mineral Resource estimate is a significant milestone for the Company. We look forward to upgrading the resource estimate to higher category in the upcoming year. I would like to thank all of the Fura employees for their constant hard work, the community, local partners and the Government of Colombia for their consistent support.”*

### **Inferred Emerald Mineral Resource Estimate**

The maiden Mineral Resource estimate (Table 1) for the Coscuez Emerald Mine was prepared and classified by WGM, an independent group of consulting geologists and engineers based in Toronto, Canada. WGM is one of the longest running mining consultant groups in Canada and has used this experience to geologically model and estimate the initial emerald Mineral Resource. To complete this Mineral Resource estimate, WGM has reviewed Fura’s geological mapping, 3D modelling and drill log files, as well as having their qualified professionals (QPs) make three site visits to the Coscuez mine site and Fura’s offices in downtown Bogota.

The Mineral Resources estimate is reported in accordance with Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves and Guidelines and is prepared in accordance with National Instrument 43-101 (“NI 43-101”). The Mineral Resource estimate is effective as of November 30, 2018 and the technical report (the “Technical Report”) summarizing the results will be filed under the Company’s profile on SEDAR and Fura’s website within 45 days of this news release. For further information with respect to the key assumptions, parameters, risks, the mineral resource estimate, data verification, QA/QC and other technical information with respect to the Coscuez Emerald Mine, please refer to the Technical Report, when available.

The Coscuez Emerald Mine is estimated to contain three million tonnes and six million carats.

**Table 1: Estimate of Inferred Mineral Resource at Coscuez as at November 30, 2018**

Estimated inferred mineral resource			
Grade (ct/t)	Value per carat (\$/ct)	Tonnes (t)	Carats
2.0	\$200	3 million	6 million

**Notes:**

1. All currency in US\$.
2. Following a review of emeralds produced during Fura's bulk sampling program, a conservative US\$200 per carat average value was used.
3. A broad range of potential grades from 0.5 carats per tonne up to 4.5 carats per tonne are plausible. 2.0 carats per tonne is the most suitable for the inferred Mineral Resource estimate.
4. Fura's current mine plan is targeting 105,000 tonnes per year by underground methods which may be improved as the understanding of the rock mechanics and vein/breccia distribution increases.
5. Estimated 105,000 tonnes per year over 30 years (i.e. 3 million tonnes) in the Mineral Resource estimate, with an inference that such mining can be done for roughly US\$50 per tonne.
6. The potentially mineralized Muzo formation is more than sufficient in tonnage to support Fura's current mine plan.
7. All reported Mineral Resources are limited to fall within the property boundaries of the project area.
8. Inferred Mineral Resources have a large degree of uncertainty as to their existence and whether they can be mined economically. It cannot be assumed that all or any part of the Inferred Mineral Resource will be upgraded to a higher confidence category.
9. There is both considerable downside and upside in this maiden Mineral Resource estimate. On the downside, it is plausible that further bulk sampling will not support grades as high as considered in the Mineral Resource estimate. As well, limitations to the site, the situation with artisanal miners, and government regulations may impact the resource estimate negatively. On the upside, the size of the Muzo Formation may prove sufficient to support a significantly larger mining operation, and high grades may continue to be encountered at a greater frequency than assumed in this estimate. As well, the mining cost estimate may decrease as methods are refined.
10. There are no other known environmental, permitting, legal, title, taxation, socio-economic, political, marketing or other relevant factors that could materially affect the above estimate of mineral resources.

Table 2 below, is a summary of the potential grades (from 0.5 to 4.5 cts/t), against per carat values (US\$140/ct, US\$200/ct, and US\$260/ct) and indicates nearly all cases exceed likely mining costs by a factor of at least 2 times (Table 1). Only the lowest potential grade and value case (red in Table 2) is less than 2 times the expected roughly US\$50/tonne mining cost. Blue values in Table 2 are 2 to 10 times expected mining costs, and black values are 10 to 20 times, or more.

**Table 2: Exploration Target - Range of Potential Grades and Per Carat Values**

Range of potential grades	\$ 140	\$ 200	\$ 260	per carat
0.5 ct/tonne	\$ 70	\$ 100	\$ 130	per tonne
1.0 ct/tonne	\$ 140	\$ 200	\$ 260	per tonne
1.5 ct/tonne	\$ 210	\$ 300	\$ 390	per tonne
2.0 ct/tonne	\$ 280	\$ 400	\$ 520	per tonne

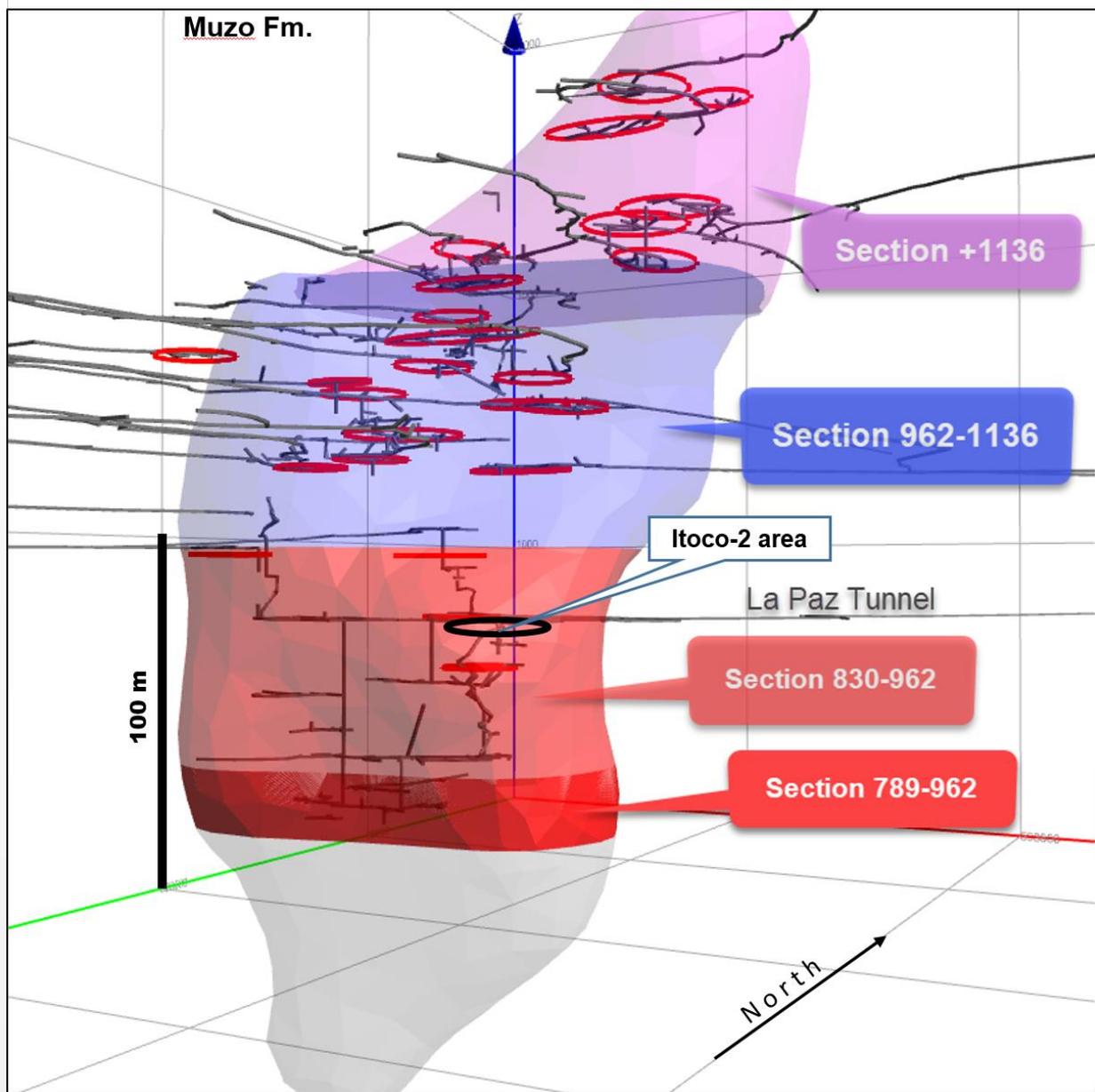
2.5 ct/tonne	\$	350	\$	500	\$	650	per tonne
3.0 ct/tonne	\$	420	\$	600	\$	780	per tonne
3.5 ct/tonne	\$	490	\$	700	\$	910	per tonne
4.0 ct/tonne	\$	560	\$	800	\$	1,040	per tonne
4.5 ct/tonne	\$	630	\$	900	\$	1,170	per tonne

From the broad range of potential grade and per carat values, it was determined that 2.0 carats per tonne, and US\$200/carat is the most reasonable and conservative case on which to estimate an initial Mineral Resource estimate at Coscuez.

Fura's ongoing bulk sampling program is providing additional confidence to the geological understanding, emerald distribution and potential value of the stones, and as additional bulking sampling and drilling information is made available, WGM is of the opinion that the categorization of the current Mineral Resources can be upgraded.

The upside at Coscuez may be viewed as an exploration target of considerable potential (a "target for further exploration" in CIM usage). The entire body of the Muzo Formation potentially encloses 30 million m<sup>3</sup> of rock, as estimated by Fura from its 3D modelling which is based on tunnel and drill hole geology (Fig. 1).

**Figure 1: The Coscuez mine – Muzo Formation and Tunnels.**



### **Exploration Target**

Using a density of 2.4 implies an overall potential of roughly 70 million tonnes. Applying a range of plausible and conservative grades between 0.5 and 2 cts/t, points toward an exploration target potential for the entire Muzo Formation of between 35 million and 140 million total contained carats. Using arbitrary reduction factors of 50% and 75% to conservatively account for mining recovery limits, this Coscuez exploration target is estimated to host between approximately 10 million to 70 million carats (Table 3). The potential quantity and grade is conceptual in nature, as there has not been sufficient exploration to define a Mineral Resource

and it is uncertain if further exploration will result in the target being delineated as a Mineral Resource.

**Table 3: Coscuez exploration target potential, subject to further results from Fura’s ongoing exploration program.**

<b>Range of potential grades</b>	<b>Potential Carats at 75% tonnage reduction factor (~20 million tonnes)</b>	<b>Potential Carats at 50% tonnage reduction factor (35 million tonnes)</b>	<b>Potential Carats from Exploration target of total 70 million tonnes</b>
0.5 ct/tonne	9,000,000	17,500,000	35,000,000
1.0 ct/tonne	18,000,000	35,000,000	70,000,000
1.5 ct/tonne	27,000,000	52,500,000	105,000,000
2.0 ct/tonne	36,000,000	70,000,000	140,000,00

### **Coscuez Emerald Mine**

Fura acquired the Coscuez mine in January 2018 and has moved steadily forward to upgrade the project to modern standards of geological understanding, safety and environmental controls. Fura’s geological investigations in 2018 have included mapping more than 20 km of underground tunnels, completing 1,600 m of core drilling, and recovering nearly 16,000 carats of emeralds from underground bulk samples.

The Coscuez mine is a historically important producer of valuable emeralds. Fura is in the early stages of testing but has already produced results sufficient for WGM to estimate an inferred resource of emeralds occurs at Coscuez. The bulk sample has produced 15,864 carats (plus emeralds contained in rocks) from 2,242 tonnes processed through October, mostly from the Itoco-2 area following a calcite breccia vein zone.

### **Qualified Person**

Dr. Harrison Cookenboo, Ph.D., P.Geo., is a Qualified Person as defined by NI 43-101 and is independent of Fura. Dr. Cookenboo is responsible for reviewing and approving this Mineral Resource estimate. He has verified, reviewed and approved the technical data contained in this news release.

**For more information about Fura Gems Inc., please contact:**

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### **About Fura Gems Inc.**

Fura Gems Inc. is a gemstone mining and marketing company which is engaged in the mining, exploration and acquisition of gemstone licences. Fura's headquarters are located in Toronto, Canada and its administrative headquarters are located in the Almas Tower, Dubai. Fura is listed on the TSX Venture Exchange under the ticker symbol "FURA".

Fura is engaged in the exploration of resource properties in Colombia and owns a 76% interest in the Coscuez emerald mine in Boyacá, Colombia. Fura is also involved in the exploration and mining of rubies in Mozambique through its 80% effective interest in the four ruby mining licenses (4392L, 3868L, 3869L and 6811L).

## **Regulatory Statements**

*This press release may contain “forward looking information” within the meaning of applicable Canadian securities legislation. Forward looking information includes, but is not limited to, statements with respect to the Mineral Resource estimate, the Company’s ability to complete successfully complete its bulk sampling program, the Company’s ability to complete the Technical Report, the Company’s strategies and the Company’s ability to execute such strategies, the Company’s ability to build an economically viable mine at Coscuez, the Company’s ability to obtain adequate financing, the mineralization of the Coscuez Emerald Mine, the assumptions made in calculating the Mineral Resource estimate, and the Company’s performance. Generally, forward looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: general business, economic, competitive, geopolitical and social uncertainties; the actual results of exploration, development and production activities; access to sufficient financing to continue the development of its assets; regulatory risks; risks inherent in foreign operations, uncertainties with respect to the Company’s assets; legacy environmental risks, title risks and other risks of the mining industry. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.*

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