



Fura Gems Inc.
("Fura" or "the Company")

FURA PROVIDES MOZAMBICAN OPERATIONS UPDATE

For Immediate Release: January 25, 2018

TORONTO, ONTARIO - Fura Gems Inc. (TSXV: FURA) is pleased to announce its maiden operations update, including drilling results, for its four ruby licenses **4392, 3868, 3869** and **6811** (collectively, the "Ruby Assets" or "Licences") in Mozambique. Fura prepared this operations update to provide investors with additional information on the exploration planning, drilling, sampling, washing, sorting and the geological studies carried out by the Company from October 4, 2017 to the present date.

Key Highlights

- Fura acquired an 80% interest in ruby licences 4392, 3868, 3869 and 6811, covering a total area of 394.24 Km², in September 2017. These licenses are located within the Montepuez complex in Mozambique.
- Fura has set up an operational office in Montepuez with 42 employees consisting of mining engineers, geologists, gemmologists, finance, security and other support team members.
- A drilling contractor has been appointed and the facility consisting of the pilot wash-plant has been commissioned to wash the drilling samples. A sort-house facility consisting of expert geologists has been commissioned in Montepuez.
- The auger (non-core) and core drilling program was commenced in October 2017 to delineate the thickness of the gravel bed ("secondary ruby mineralisation") and ruby bearing amphibolite rock ("primary ruby mineralisation").
- The first phase of the drilling program consists of 5,000 metres (400m x 200m grid), of which 2,350 metres of non-core drilling has been completed to date.
- A total of 399 non-core bore holes have been drilled and 627 wash samples have been completed. Out of the 399 bore holes, 49 positive bore holes of gravel bed ("secondary ruby mineralisation") have been intersected.
- Out of 627 wash samples (including gravels), a total of 316 samples (50%) have been processed and sorted.
- The wash results have generated 926.1 carats of Ruby, Corundum and Garnets.
- The drilling program is expected to be completed on or before June 30, 2018 and the bulk mining is expected to commence in the second half of 2018.

Dev Shetty President and CEO of Fura, commented: *"We are delighted to announce our maiden operational update from Mozambique, including the initial findings from our drilling program. Within four months of acquiring our Mozambican ruby licenses, we have managed to recruit the key management team, set up infrastructure facilities and deliver 50% of the drilling results from phase 1 of our drilling program. The initial findings from our drilling program have been encouraging with both secondary gravel bed and primary amphibolite reported. The finding of rubies and corundum from the samples further confirms our understanding of the geology."*

About Mozambique Ruby Assets

Mozambican rubies have been historically found in the north-eastern part of Mozambique in the Montepuez District of Cabo Delgado province. Cabo Delgado has an area of 77,867 km² and a population of 1,893,156 and it shares borders to the north with Tanzania, to its west with the province of Niassa, Mozambique and to its south with the province of Nampula, Mozambique.

Fura owns an 80% interest in each of the Licences with the balance held by its local partners.

The four Licences cover a total area of 394.24 km² and the mineral granted under such concessions are rubies and other precious and semi-precious stones.

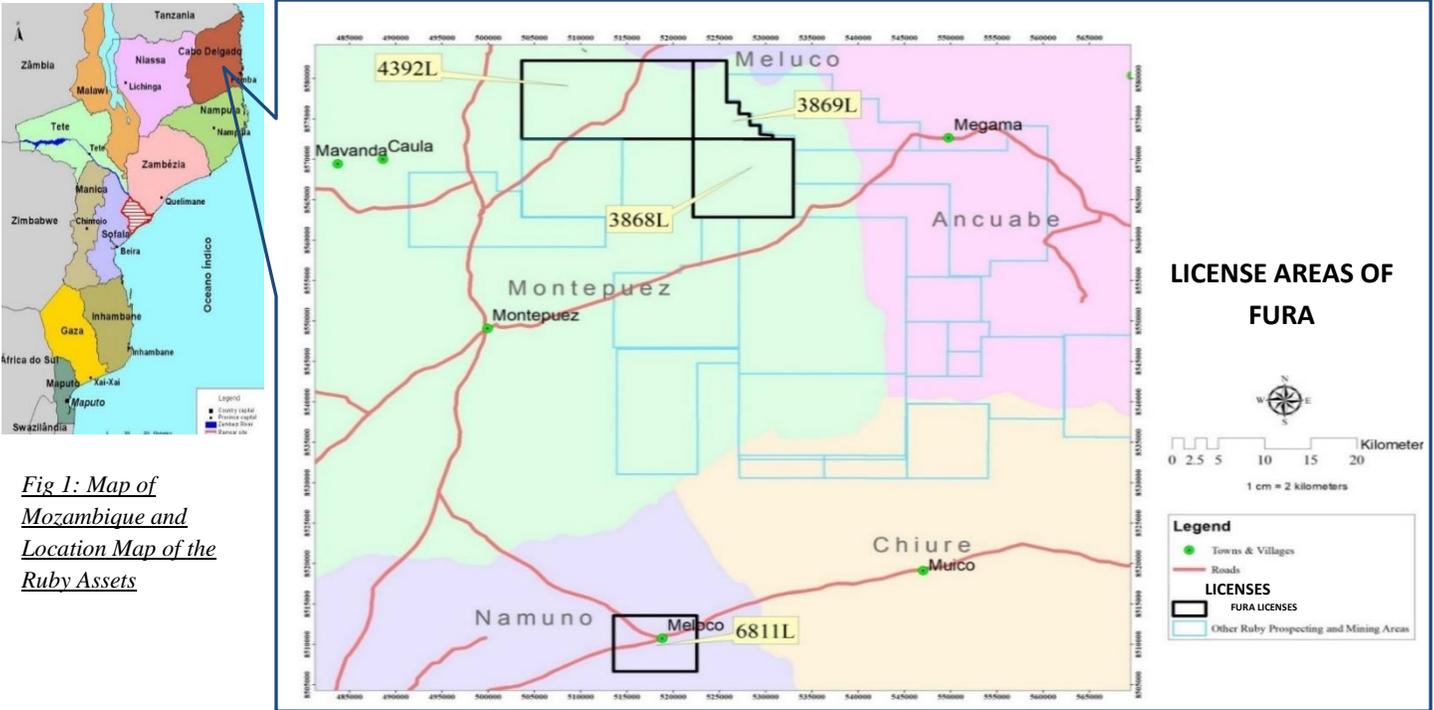


Fig 1: Map of Mozambique and Location Map of the Ruby Assets

Deposit Type

Ruby mineralisation at Montepuez occurs in two settings, namely the underlying primary mineralisation, which is associated with amphibolites, and the overlying secondary mineralisation, hosted by the gravel bed above the basement. The current focus for exploration and production is both the primary and secondary mineralisation, which historically has been the source of both high and low-quality gemstones.

Secondary rubies, which are confined to the gravel bed horizon above basement, are typically more transparent, less included and often of a darker red colour than primary rubies in the in-situ amphibolite. Primary rubies are liberated by chemical and physical weathering of the host rock. These are then carried by one or more major fluvial cycle and concentrated in the gravel bed due to its high specific gravity.

Alluvial reworking resulted in the fragmentation of the more heavily included and fractured material into particle sized grains, concentrating the more durable clean material into the gravel bed deposits. As a result, the average gem quality of the secondary rubies is typically much higher than those contained within the primary amphibolite.

Management Team

Fura’s key management team in Mozambique is as follows:

- Debananda Tripathy is the Project Manager of Fura Gems Mozambique. Mr. Tripathy joined Fura in June 2017. He has over 22 years of experience in mineral exploration including 10 years of working experience in Mozambique and South Africa.
- Rajendra Rajeeva Karanth is Head – Finance & Administration. He has over 28 years of finance experience and has been working in the African continent for the past 18 years. He has been with Fura since December 2017.



Fig 2: Primary Ruby Mineralisation in the Fura License Area

- Harswardhan Singh Rajawat is Head of Security. He is a former officer of the Indian army with 17 years of experience in strategic management, security and operations. He is an expert in strategic and intelligence services in the mining and gemstones industry. He has been with Fura since December 2017.

Infrastructure Set-up

Fura set up its administrative office in Maputo, Mozambique in October 2017 and has a total of four employees. The Montepuez project office was set up in July 2017 and at present has over 42 employees. The project office houses the exploration, human resources, finance and administration departments.

Exploration and washing at the Licenses is being carried out by three senior geologists, assisted by a team of six junior geologists, two sorters and technical assistants.

The exploration camp of Fura is situated in the village of Merenje, which is 35 kilometres northeast of Montepuez city. A team of exploration geologists, samplers, sorters and drilling crew consisting of about 25 people are presently working on site.

Fura has also acquired a Bushman Jig for washing of the samples from South Africa. The jig was commissioned in January 2018.

Drilling Update

In July 2017, a systematic exploration method was employed over the whole area comprising the Licences to get a better understanding of its primary and secondary ruby occurrences/potential. This work included satellite image interpretation, lineament analysis, detailed lithological and structural mapping, and soil geochemical sampling.

Based on the above studies and geological/geophysical and geomorphological interpretation, a series of potential exploration blocks (twenty-one) were identified and an Auger drilling program was initiated in the area comprising the Licenses in a large grid pattern.

Auger drilling is used for getting data relating to the depth and thickness of the gravel bed, the thickness of the over burden and the basement geology. Following the auger drilling, core drilling will be undertaken in the areas where amphibolites rocks with primary mineralisation have been encountered. Auger drilling data will also help in identifying the areas for mining by bulk sampling which will determine the actual potential of the area.



Fig 3: Auger Drilling Program

Fig.4:
Gravel
Bed

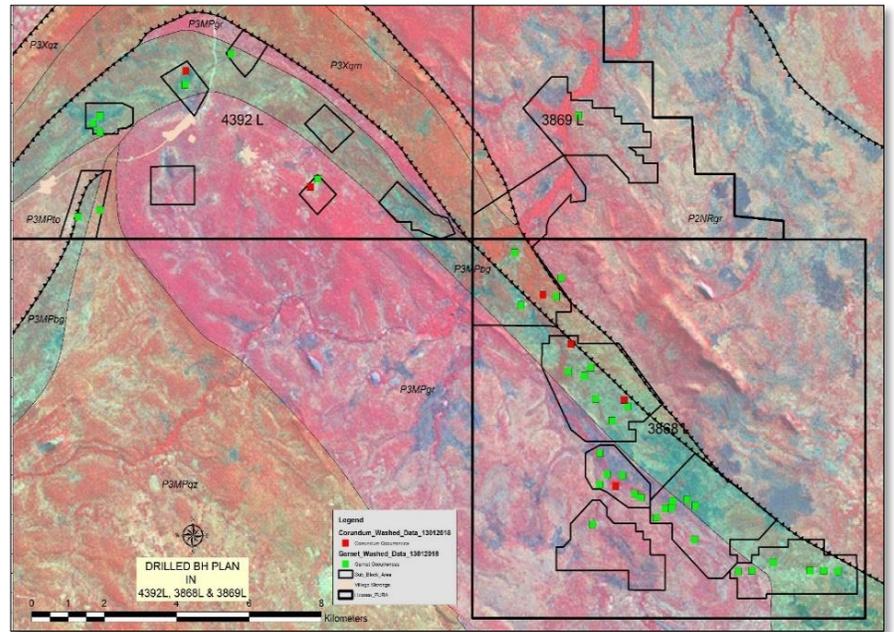


Fig.5: Borehole intersected with primary and secondary mineralisation

Drilling Summary

Auger drilling was carried out in 4392L, 3868L and 3869L from October 4, 2017 to December 9, 2017. A total of 399 noncore auger bore holes were drilled in these three Licenses. A total of 2,345 metres of drilling was carried out in 16 selected sub blocks.

A summary of the drilling completed in 2017 is as follows:

Sr. No.	License Number	Number of Bore Holes Drilled	Meterage (m.)
1	4392L	95	487.2
2	3869L	52	397.2
3	3868L	252	1460.6
4	6811L	None	None
Total		399	2345

Sample preparation and other studies are ongoing by Fura. Based on the results of this first phase of drilling, a close grid, second phase of drilling will be planned to define the target blocks which will be then tested by bulk sampling pits.

Geochemical Surveys

Geochemical sampling of boreholes was completed for all the drill holes completed to date. Each meter interval samples were stored in a chip tray/zip-lock sample bag. A total of 2,376 samples were collected for analysis by XRF/ICP MS. The results of such analysis is pending.



Fig. 6: Chip tray used to store geo-chemical samples.

Sample Processing

Gravel and possible primary mineralised samples of approximate weight 35-50 Kg were fed to a scrubber cum classifier with three different size fractions, 1-5mm, 5mm-10mm and more than 10mm. The 1-5mm and 5-10mm samples are being processed by the Plietz Jig and the 5-10mm samples are being hand sorted at site.

The scrubber cum classifier's has a round pan, approximately 500mm across and 50mm deep, with a very tight screen bottom which is shaken up and down (jigged) below the water level of its bin. Gravel is fed on to the pan at a controlled rate and this jiggling motion gyrates the gravel in the water causing the material with the heavier specific gravity to collect at the bottom of the pan and the lighter material to float over the edge. After feeding the machine with a prescribed amount of gravel, the machine is stopped, the pan lifted out carefully, overturned onto a sorting table and lifted away to expose the collected layer of gravel. Due to the unique jiggling action, all the heavy specific gravity material, which includes rubies and garnets are on top of this layer.

Fura has also procured Bushman Jig from South Africa. It is commissioned at site and expedites the washing process. A summary of the washing and sorting results is summarised below.

A summary of Fura's washing and sorting results is found below (as of January 14, 2018):

Bore Holes (BH) Drilled	Meterage Drilled	Wash Sample Generated	BH Gravel Bed (GB) Intersected	Samples Washed	Corundum, Garnet Weight (Ct)
399	2345	627	49	312	926.1

Fig. 7: Classifier



Fig. 8: Bushman Jig



Fig. 9: Plietz Jig



Gemmological Studies

Fura has a team of specialist gemmologists for immediate study of sample grains obtained from wash samples and field samples. Fura has also established a small-scale field gemmological laboratory in its Montepuez office for immediate reporting of the quality of gemstones identified. All reports are immediately uploaded to Fura's intranet site for further internal expert analysis.



Fig.10: Gemological Laboratory at Montepuez



Fig. 11: Microscope Photographs of Exploration samples

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

Fura Gems Inc.	
Dev Shetty - President & Chief Executive Officer	Tel: +971 (0) 4 240 8760 dev.shetty@furagems.com
Investor Relations	
Vikram Pathak	Tel: +1-647-276-7816 vikram.pathak@furagems.com

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 involved in the exploration and mining of rubies in Mozambique through its 80% effective interest in the four ruby licences (4392, 3868, 3869 and 6811) that it acquired from Cobadale Ltd. in November 2017. Fura is engaged in the exploration of resource properties in Colombia and owns a 100% interest in the emerald licence ECH -121. In addition, Fura owns 76% of the issued and outstanding shares of Esmeracol S.A., which wholly owns the Coscuez emerald mine in Boyacá, Colombia.

Qualified Person

Ricardo A. Valls, M.Sc., P.Geo., of Valls Geoconsultant, Toronto, Ontario, a Qualified Person as defined by National Instrument 43-101, has reviewed the scientific and technical information disclosed in this news release and has approved its dissemination.

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 Company's drill program and exploration program, the adequacy of Fura's infrastructure, the prospectivity of the Licences, the Company's management and operational team; the Company's exploration activities 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 state 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: the risk with respect to the ability of Fura to financing its operations; general business, economic, competitive, geopolitical and social uncertainties; the actual results of exploration activities; regulatory risks; risks inherent in foreign operations, 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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