



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

ACQUISITION OF ICONIC COLOMBIAN EMERALD MINE, COSCUEZ

For Immediate Release: October 29, 2017

Toronto, Ontario – Fura Gems Inc. (TSXV: FUR), a new gemstone mining and marketing company, has entered into a share purchase agreement (the "**Share Purchase Agreement**") with Emporium HS S.A.S. ("**Emporium**") pursuant to which Fura has agreed to purchase 76% of the issued and outstanding shares of Esmeracol S.A. ("**Esmeracol**") from Emporium (the "**Transaction**").

Key Highlights

- Fura to acquire a 76.00% interest in Esmeracol for total consideration of US\$10.2 million from Emporium;
- Emporium will continue to hold a 21.71% interest in Esmeracol with the balance of 2.29% held by other minority holders;
- Esmeracol owns a 100% interest in the mining licence no. 122 – 95M (the "**Coscuez Emerald Mine**" or "**Coscuez Licence**"); and
- The Coscuez Emerald Mine is in the "**Muzo formation**" in Boyacá department, Colombia and covers an area of 46 hectares.

Dev Shetty, Fura's President and Chief Executive Officer, commented:

"Fura is delighted to announce the proposed acquisition of the renowned Colombian emerald mine, Coscuez. With our vision to create an employee friendly, sustainability-driven and community-centered enterprise, we are confident in our ability to close this transaction and build a sustainable, transparent and organized supply chain for these iconic Colombian emeralds."

Share Purchase Agreement

Pursuant to the Share Purchase Agreement, Fura has agreed to acquire from Emporium 76% of the issued and outstanding shares of Esmeracol. As consideration for the Esmeracol shares, Fura will pay to Emporium US\$10.2 million on the following schedule:

- US\$2.50 million on the closing of the Transaction;
- US\$200,000 to be satisfied by way of the issuance of common shares in the capital of Fura at an issue price equal to the 45 day VWAP of the common shares of Fura for the period ending on the business day prior to the closing of the Transaction;
- US\$2.00 million on the 12-month anniversary of the closing of the Transaction;

- US\$2.50 million on the 24-month anniversary of the closing of the Transaction; and,
- US\$3.00 million on the 36-month anniversary of the closing of the Transaction;

and assume certain expenses of Esmeracol not exceeding US\$5 million. If Esmeracol earns a net profit of US\$17 million or more in a fiscal year, then Fura will pay to Emporium an additional one-off bonus of US\$3 million.

The completion of the Transaction is expected to take place on or before December 15, 2017 on satisfaction of the pre-completion obligations by Emporium. On completion of the Transaction, Fura, with a 76% interest in Esmeracol, will assume the complete management control of the Coscuez Mine; Emporium will continue to hold 21.71 % interest in Esmeracol and the balance 2.29% to be held by the other minority holders.

The closing of the Transaction remains subject to certain customary closing conditions, including the approval of the TSX Venture Exchange. The Transaction is an arm's length transaction and Fura is not paying any finder's fees in connection therewith.

The Coscuez Emerald Mine

The Coscuez Licence (figure 1 below) covers an area of 46 hectares and includes exclusive rights for the exploration, construction and mining of emerald deposits granted by the Government of the Republic of Colombia within the area historically known as the "Coscuez Mine" in the municipality of San Pablo de Borbur, Department of Boyacá. The population of San Pablo de Borbur municipality is 9,189 people, with 28.69% of the population resident in the village (vereda) of Coscuez. The municipality is predominantly rural with a local economy currently based on the twin activities of mining and farming.

Post completion of the Transaction, Fura, as a short-term plan, will immediately focus on improving the mine's infrastructure, developing safe and effective operations, including the construction of a 1/7 gradient, positive and negative ramp system, complemented by horizontal tunnel construction to optimise access to the orebody, which will allow modernising the extractive process and converting the mine into a safer operation. This ramp will optimize the transport of product through LHD trucks, as well as the flow of clean air for ventilation. Fura will set-up a communication platform to engage directly with the local community. Fura believes that it will ramp up the emeralds production within six (6) months of completion of the Transaction.

Contemporaneously with the short-term plan, Fura will also work with the respective government authorities for the necessary approvals for the technical plans such as design of the new decline, entrance of the tunnel, washing plant, waste dump design and other necessary areas.

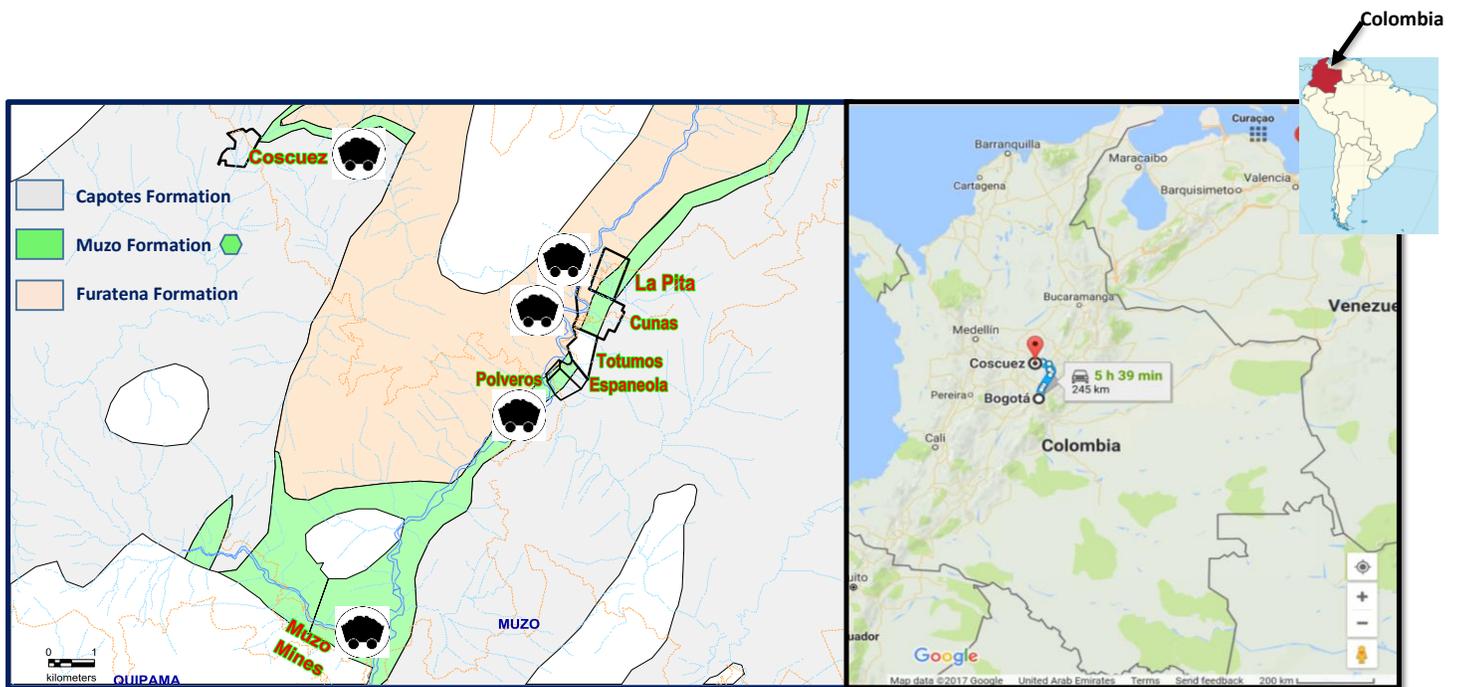


Figure 1: Map showing the location of the Coscuez Mine and other major producers in the “Muzo formation”

The Colombian Emerald Market and Opportunity

While the emerald market in Colombia is closely linked to the country’s history and identity, as well as to the socio-economic dynamics of the extractive regions, the capital investment required to develop a modern and sustainable mining operation has been largely absent from the region.

In 1966, 95% of the emerald world market came from Colombia and largely from the Coscuez emerald mine. Yet in the late 1970s the region became engulfed by the Green Wars. In 1990, the Green Wars subsided through a negotiated peace led by the Bishop of Chiquinquirá, and an emerald boom was sparked, evidenced by the highest record exports in 1995, reported to total US\$452 million FOB; as well as highest production levels in 2004, with a reported 9.82 million carats

Unfortunately for local communities and global consumers alike, a lack of investment in operational modernization and geological studies reservoirs, emerald exports and productions decreased to about 2.4 million carats and US\$150 million FOB in exports, representing only 0.4% of total country exports (MinMinas, 2015)

Coupled with Colombia’s historic recent peace accord with the FARC, however, a recovery trend has become evident and Fura now has the unique opportunity to implement responsible mining best practices and operational modernization to support the recovery of the sector.

Sector recovery also means reinvigorated participation in the Colombian and local economies. Recent figures indicate emeralds only represented 0.5% of Colombian royalties from minerals (UPME, 2015) reflecting not only the impacts of past conflicts but a lack of studies and implementation of technological advances in the sector

With over 25 years of peace in the region and new peace in Colombia, the opportunities are abundant. Fura sees tremendous potential value to its shareholders in investing in developing robust geological studies to determine reservoir deposits, modernization of extraction, product processing methods, selling the emeralds through an organised platform and promoting Colombian emeralds in globally. Another great opportunity will be through implementing best practices on transparency, labour, and safety, promoting the modernization of the sector throughout the value chain, from extraction to commercialization. Finally, Fura strongly believes there is an excellent opportunity to leverage its deep knowledge in social performance, environmental practices and responsible risk management work to work with both state and local communities to improve socio-economic conditions in the extractive regions, and continue to promote the sector's recognition nationally and internationally

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 "FUR"

Fura has also entered into a purchase agreement to enter the exploration and mining of rubies in Mozambique through the proposed acquisition of an 80% effective interest in the four ruby licences (4392, 3868, 3869 and 6811) and the submission of an application for an additional ruby licence. Fura is engaged in the exploration of resource properties in Colombia and owns a 100% interest in the emerald licence ECH -121.

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 ability to close the Transaction, the mineralization as the Coscuez mine, the prospectivity of the Coscuez Licence, the Company's ability to raise capital, 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 the acquisition; uncertainties with respect to the successful integration of Emporium to our business; general business, economic, competitive, geopolitical and social uncertainties; the actual results of exploration activities; regulatory risks; risks inherent in foreign operations, uncertainties with respect to Coscuez deposit, which has never been subject to modern mining methods; 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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