

12 December 2013

Richland Resources Ltd
("Richland" or "the Company") (AIM: RLD)

Joint Venture Agreement With State Mining Corporation, Tanzania

Richland Resources Ltd today announces that the Company's subsidiary, Tanzanite One Mining Limited ("TML") has signed a full and formal legally binding Agreement with the State Mining Corporation ("STAMICO") over the operation and licence ownership relating to tanzanite mining.

Highlights:

Joint Venture Agreement and appointment contracts executed between TML and STAMICO covering:

- 50:50 Joint Venture partnership over new licence: ML 490/2013
- 10 year agreement securing all licence areas relating to existing TML tanzanite production
- Net profit share arrangement on 50:50 basis between TML and STAMICO
- US\$ 4 million payable by STAMICO in recognition of the previous expenditure incurred by TML, to be paid by STAMICO utilising 40% of its future share of the net residual profit
- All existing assets, including all buildings, plant, equipment etc., remain in the sole ownership of TML
- STAMICO will facilitate and liaise with the Tanzanian Government authorities to ensure that necessary regulatory and law enforcement actions are taken to curb tanzanite smuggling and illegal mining operations
- TML to run operations as Operator. TML as Operator will report to Joint Operating Committee comprising equal members of TML and STAMICO
- Richland's cutting factory ("Urafiki") appointed as cutting, polishing and marketing contractor under a 3 year agreement ("Marketing Contract")

The Joint Venture Agreement only relates to the mining operations in the Mining Licence Area and does not include other group activities in Tanzania including the Tavorite Project and the trading activities of the Company's subsidiary TanzaniteOne Trading Limited which includes the Tanzanite Experience retail operations.

Bernard Olivier, Chief Executive Officer of the Company said as follows, "Today's agreement secures us a new, 10 year, mining agreement and a clear alignment of interests with the Government and people of Tanzania. I would like to thank the TML board and management and all the Government bodies, especially STAMICO, involved in finalising and signing the agreement, so that we may develop a sustainable tanzanite industry for the country that supports the national economy. We look forward to working with our new partners, STAMICO, in redeveloping areas to be secured from illegal miners and rebuilding production in a safe environment for workers."

END

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Agreement

Richland Resources Ltd, the London Stock Exchange, AIM quoted gemstones producer and developer, today announces that the Company's subsidiary, Tanzanite One Mining Limited ("TML") has, signed a full and formal legally binding Joint Venture Agreement stipulating the terms upon which Mining Licence 490/2013 will be held, how operations thereunder will be conducted and how costs and revenues will be allocated.

Under the agreement, both TML and STAMICO shall have 50% undivided participating interests in the Joint Venture. Interests in the Mining Licence will not be transferable to any third party without obtaining the prior consent of the other party or, alternatively, that each party will be entitled to a right-of-first-refusal on any proposed sale or transfer of the other party's interest in the Mining Licence.

The agreement will continue for 10 years from 20 June 2013 or for the term of the Mining Licence if renewed or extended.

STAMICO will reimburse TML a sum of US\$ 4 million in recognition of the expenditure incurred by TML in developing Mine Infrastructure prior to the date of the issue of the Mining Licence. The reimbursement will be paid by STAMICO utilising 40% of its share of the Net Residual Profit profit until the amount is paid in full. The sum of US\$ 4million was agreed by the parties as representing a fair and reasonable amount taking into account the costs incurred by TML in developing the mine infrastructure from which both Parties will benefit.

All revenue and profits earned from Tanzanian activities other than the mining operations on Block C by TML are not affected by the Joint Venture Agreement.

All existing assets including, but not limited to, buildings, machinery and plant and equipment currently owned by TML and used for the purposes of operations under the former special mining licence (the “**Existing Assets**”) shall remain in the sole and absolute ownership of TML. TML will give STAMICO reasonable notice of any intention to sell, transfer or otherwise dispose of the Assets or any of them.

TML and STAMICO will use their respective reasonable endeavours to curb tanzanite smuggling and illegal mining operations in the area to which the Mining Licence relates and which have had an adverse effect on the profitability of the operations under the Mining Licence and underground mining operations. In particular, STAMICO will use best endeavours to facilitate and liaise with the Tanzanian Government authorities to ensure that necessary regulatory actions are taken in a coordinated and timely manner, both parties will work together to ensure mining operations are conducted in a safe, secure and conducive environment.

The parties intend that the Mining Operation shall be self-financed from the proceeds therefore, subject to the retention from Net Residual Profits otherwise available for distribution of an appropriate sum to cover future anticipated working capital and capital expenditure.

TML has been appointed the Operator to run the Joint Venture operations under the agreement. TML shall be responsible for the day to day mining operations and all associated obligations, as well as technical and financial matters relating to the search for, mill, process, refine, transport, use and with prior consent from the Joint Operating Committee, market of graphite, marble, tanzanite or other minerals found to occur with those minerals. The Operator shall be paid a management fee of 1% Gross Sales Revenue.

Under the agreement, TML and STAMICO shall establish a Joint Operating Committee (“JOC”) which shall constitute three representatives from each Party. The JOC shall decide all matters relating to the conduct of the operations, including but not limited to, overseeing the Operator (TML), make strategic decisions relating to the conduct of the operations, consider and approve budgets and other operation plans. Each party shall receive 2.5% Gross Sale Revenue being administrative charges of the Joint Venture. The budget of the JOC which shall be deducted from the calculation of Gross Sales Revenue shall not exceed US\$100,000 per financial year.

The parties shall also establish an independent Monitoring and Evaluation Unit (“Monitoring Unit”) with each party appointing two executives. The Monitoring Unit is mandated to monitor and evaluate implementations of the Operator.

Richland’s wholly owned subsidiary, Urafiki Gemstones EPZ Limited (“Urafiki”) has been awarded a 3 year Marketing Contract for the cutting, polishing and marketing of all material produced by the Joint Venture Operations.

Both parties agree to work together to evaluate the graphite resource found in the Mining Licence Area with a view to re-starting graphite mining operations and develop a mechanism for financing the graphite mining operations in attracting new investment into the venture.

Notes to editors

Tanzanite One Mining Limited

www.tanzaniteone.com

Tanzanite One Mining Limited is a wholly owned subsidiary of Richland Resources Ltd and the world's largest and most scientifically advanced extractor and supplier of rough Tanzanite. The TanzaniteOne mine operates on the single economic source of the gemstone, located in the foothills of Mount Kilimanjaro, Tanzania. This state-of-the-art operation produces a consistent and high quality supply of gemstones.

TanzaniteOne has also created an onsite polishing and cutting facility producing truly brilliant Tanzanite with state of the art equipment. Calibrated stones are cut to exact proportions that allow for maximum internal reflection. Cut and polished stones can be bought through the Company for retail or, for individual customers, at the online retail site www.tanzaniteonline.com. The Company also has 5 “Tanzanite Experience’ retail outlets located in Africa.

TanzaniteOne Mining Ltd, was winner of the Tanzanian Presidential Corporate Social Responsibility Award in August 2013 and all gems and jewellery supplied by the Company are guaranteed to have been ethically mined and polished under conventions of the Tuscon Tanzanite Protocol, Tanzanian employment law and the United Nations ILO Declaration on Fundamental Principles and Rights at Work (1998). The Company is extremely conscious of ensuring it has minimal impact on the environment and makes a positive contribution to the community it works in.

STAMICO

<http://stamico.co.tz>

State Mining Corporation (“STAMICO”) is a Tanzanian parastatal, which was established in 1972. STAMICO’s main objective is to increase the contribution of the mineral sector to the national economy and create gainful employment opportunities to Tanzanians. This is achieved by investing in the mining sector through mineral prospecting; developing and operating mines; shareholding; share and mineral commodities trading; engaging in mineral value addition; and to provide quality services in management of mines, drilling, consultancies and other related businesses.