



Tanzanite One Ltd

£3.49m Private Placing - Amen

RNS Number : 5594S
Tanzanite One Limited
20 May 2009

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TanzaniteOne Limited

£3.49 MILLION PRIVATE PLACING: AMENDMENT

This announcement replaces that of 7:00 on 20 May 2009 (RNS number 5199S). The replacement is to reflect the fact that the date of submission is 26 May 2009 as opposed to 26 June 2009, as previously announced.

The full and amended announcement is as below.

£3.49 MILLION PRIVATE PLACING

The Board of TanzaniteOne ('TanzaniteOne' or 'the Company') (LSE AIM: TNZ.L) today announces that it has raised approximately £3.49 million (approximately US\$5.3 million) gross of expenses through a private placing of 23,270,469 common shares of US\$ 0.0003 each ('Placing Shares') at 15p per Placing Share (the 'Placing'). The net proceeds of the Placing will be used to provide funds for the acquisition of gem quality tanzanite in the local market, fund the bulk sampling of the Company's tsavorite assets, fund further development work on the Company's tanzanite assets and provide general working capital for the group.

Use of Funds

Tanzanite trading

In order to generate a stable tanzanite market and to secure a reliable supply of gem quality tanzanite for its customers, Tanzanite One operates a trading operation from its offices in Arusha. This trading operation focuses on acquiring gem quality stones of at least 1 carat in the local market.

In order to facilitate further purchases of gem quality tanzanite during this period of depressed prices, the Company intends to use up to \$2 million of the placing proceeds to fund further purchases.

Tsavorite

The Company intends to utilise US\$1 million of the placing proceeds to develop its tsavorite projects as part of its diversification strategy. The funds will be used to continue the bulk sampling and scoping study of the 20Mt alluvial deposit located approximate 20km - 40km from the existing Tanzanite operation.

General working capital

The balance of the placing proceeds will be used to fund the general working capital requirements of the business going forward. This included ongoing mine development costs, tanzanite and tsavorite marketing as well as the development of new sales and markets.

Directors' Participation

The following Directors have subscribed for Placing Shares at the Placing Price. Immediately after Admission, it is expected that these Directors will have the following beneficial shareholdings:

Director	No. of Placing Shares subscribed for	Total number of common shares held following the Placing	Percentage of the enlarged issued share capital immediately following Admission
Edward Nealon	1,333,333	2,779,855	2.63%
Bernard Olivier	88,067	301,087	0.29%
Nicholas Sibley	1,333,333	4,402,243	4.22%
Zane Swanepoel	66,050	66,050	0.06%

Settlement

The Placing Shares will rank *pari passu* in all respects with the Common Shares and will represent 22.31% of the Company's enlarged issued share capital. Application has been made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM and it is expected that admission will occur on 26 May 2009 ('Admission').

Following Admission the Company will have 105,197,160 Common Shares in issue.

Bernard Olivier, Head of Development commented today: 'I am extremely pleased that TanzaniteOne has been able to raise this additional capital at a time of such turbulence in world markets. This placing will enable us to follow our strategy; to concentrate on supporting the tanzanite prices by purchasing gem quality tanzanite via our trading operation in Arusha and fund further development work on our tanzanite assets as well as developing our tsavorite projects. We are encouraged by the recent signs of improvement in the tanzanite market particularly the sales and demand increases which was evident in our recent upturn in total sales; US\$ 4.64 million tanzanite sales in the four months to 30 April 2009.'

For more information please visit www.tanzaniteone.com or contact:

Willi Boehm, Company Secretary
+61 (0)8 9367 5211

Bernard Olivier
+614 (0)894 8182

Nick Bias, Investor Relations
+41 (0)79 888 1642

Laurence Read, Public Relations
+44 (0)7979 955 923

Nominated Advisor and Joint Broker: Evolution
Securities
Simon Edwards or Neil Elliot
+44 (0)20 7071 4300

Joint Broker: Ambrian Partners
Richard Chase
+44 (0)20 7634 4700

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Evolution Securities Limited is acting exclusively for Tanzanite One and for no one else in connection with the Placing and will not be responsible to anyone other than Tanzanite One for providing the protections afforded to the customers of Evolution Securities Limited or for providing advice in relation to the Placing or any transaction or arrangement referred to herein.

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