

6 May 2013

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

**Letter of Intent between TanzaniteOne Mining Limited ("TML") and STAMICO**

Highlights:

- Letter of Intent signed between TML and STAMICO the mining arm of the Tanzanian Government with main points being:
  - A new mining licence to be issued on a 50:50 basis between TML and STAMICO.
  - The new mining licence to be issued in the next few working days.
  - Full legal documentation to be completed between TML and STAMICO over the coming weeks. The documentation will cover the price to be paid by STAMICO to TML for their 50% interest in the licence.
  - 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
  - Assets, including all buildings, plant, equipment and infrastructure to remain the sole ownership of TML
  - Graphite project to be subject to separate provisions

Richland Resources Ltd, the London Stock Exchange, AIM quoted gemstones producer and developer, today announces that the Company's wholly owned subsidiary, TanzaniteOne Mining Limited ("TML") has, signed a Letter of Intent ("LOI") that set out the proposed terms upon which the New Mining Licence will be held, how operations thereunder will be conducted, and how costs and revenues will be allocated. It is intended that a formal, legally binding agreement, confirming the terms in the LOI will be entered into shortly between TML and STAMICO.

The New Mining Licence will be held between TML and STAMICO on a 50:50 basis. STAMICO will pay to TML a sum to be agreed that represents fair and reasonable value for the 50% interest of the New Mining Licence. Should TML and STAMICO not be able to agree on such a fair value, then the parties agree to accept a value determined by a suitably qualified expert, acceptable to both parties, using the principles contained within the JORC Code. Upon agreement, STAMICO can pay for their equity in full or utilise 40% of the annual profits due to them from the mining of tanzanite.

It is proposed that equity held by a party in the New Mining Licence will not be capable of transfer to any other third party without the prior consent of the non-selling 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 New Licence on terms at least as favourable as those offered to any third party.

All revenue and profits earned from activities other than mining by TML, or other Richland subsidiaries, shall be excluded from the profit sharing arrangements and this shall be for the sole benefit of Richland.

All 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 “**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 New Licence relates and which have an adverse effect on the profitability of the operations under the New Licence and underground mining operations. In particular, STAMICO will facilitate and liaise with the Tanzanian Government authorities to ensure that necessary regulatory and law enforcement actions are taken in a timely manner and mining operations are conducted in a safe, secure and conducive environment.

Bernard Olivier, Chief Executive Officer of the Company said as follows, *“Following the execution of the LOI, we expect that the new Mining Licence will to be issued shortly. We are pleased to have reached mutually acceptable terms in principle for a partnership with the Government of Tanzania that recognises the Company’s investment under its former licence in full compliance with the local participation requirement of the 2010 Mining Act and provides a commercially acceptable framework for the continuation of its mining operations in Tanzania”*

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