



24 May 2012

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

**Q1 Operational and Sales Update**

**Richland Resources Ltd**, the gemstones producer and developer, today announces its Q1 2012 operational, sales and marketing update. All figures are unaudited.

**Highlights:**

- Total production of 533,400 carats at 51 carats per tonne average grade
- Tanzanite production stockpiled for sale at the inaugural Arusha International Gem, Jewellery and Mineral Fair, Tanzania
  - Richland part of organising committee for gem fair
  - Company decision to restrict sales to US\$1.5 million in Q1
  - Approximately US\$3 million in sales achieved at the gem fair post period
- JORC compliant resource upgrade
  - Total Inferred and Indicated Resource of 105 million carats
- Tsavorite pilot sampling completed and bulk sampling underway
- DSE listing and prospectus being reviewed by CMSA

**Production**

In the first quarter of 2012, the Company achieved production totalling 533,400 carats from the processing of 10,488 tonnes of material at an average grade of 51 carats per tonne. The reduction in grade is due to increased in-mine development and infrastructure work that was conducted during the first quarter.

**Sales**

The Company stockpiled the majority of its Q1 production for display and sales during the inaugural Arusha International Gem, Jewellery and Minerals Fair 2012, that was held post reporting period, from the 26 to 29 April 2012 in Arusha. The fair, which attracted participants and buyers from around the world, was hosted by the Ministry of Energy and Minerals of Tanzania and the Tanzanian Minerals Dealers Association, with Richland



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Resources being part of the organising committee. The Company therefore restricted its sales during Q1 to US\$1.5 million to allow for sales during the Arusha gem fair, which resulted in sales in excess of US\$3million and will be officially reported as part of the next reporting period. For comparison, the Company had achieved \$3.96 million in total sales for the first quarter of 2011.

### **Tanzanite Resource Upgrade**

During the first quarter the Company achieved a significant resource upgrade at its Merelani tanzanite mine, owned and operated by its wholly-owned subsidiary, TanzaniteOne Mining Ltd. The new resource is now JORC compliant and was announced in an RNS to the market on 6 February 2012. The Company now has a JORC compliant Indicated Resource of 30.6 million carats and a JORC compliant Inferred Resource of 74.4 million carats, totalling a combined Resource of 105 million carats.

### **Tsavorite**

The tsavorite pilot sampling that commenced during the second half of 2011 continued throughout the first quarter. During the first quarter, 19 pilot samples of approximately 5 cubic meters each were excavated and processed from various site lines up to a depth of 7 meters. The results of the 19 pilot samples plus the previous 72 pilot samples also of around 5 cubic meters each have identified areas for large scale bulk sampling of over 50 cubic meters each. The first bulk sample was also completed during the quarter and 4 samples totalling 155 cubic meters were excavated and processed. The stripping ratio for the bulk sample varied from 3:1 to 6:1 with a maximum depth of 9.2m. The pilot sampling and bulk sampling exercise is aimed at establishing a grade and value per carat for the gemstones located within the maiden JORC resource announced in January 2011.

### **Dar es Salaam Listing**

During the first quarter the Company officially submitted its prospectus to the Dar es Salaam Stock Exchange ("DSE") and the Tanzanian Capital Markets & Securities Authority ("CMSA") with a view to obtaining a secondary listing on the Main Investment Market Segment ("MIMS") of the DSE. The prospectus is currently being reviewed by CMSA. The Company is in ongoing discussion with the CMSA to try and address any issues raised by



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CMSA and to assist in speeding up the process. Further announcements will be made in due course.

## **Australian sapphire project**

As previously reported, the Company has sought to complete its dual listing on the DSE prior to the exercise of its option to acquire the Australian sapphire project. Due to the protracted listing process the Company has decided, with the agreement of the parties involved, to further extend its option until the end of August 2012, or later if required, in order to avoid submission of additional information to the DSE and CMSA.

Commenting today, Bernard Olivier, Chief Executive Officer, said: "The Company is very pleased with the success of the Arusha gem show in Tanzania and looks forward to reporting the final sales figures achieved during the show in our next operational update. Our listing on the DSE and the review and approval of our prospectus is taking longer than expected but we are in continuing discussions to try and get our dual listing on the DSE completed as soon as possible."

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**Notes to the Editor:**

Further information is available on the Company's website: [www.richlandresourcesltd.com](http://www.richlandresourcesltd.com).

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.