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TANZANITEONE COMPLETES TSAVORITE TRANSACTION

- Objective to develop world's largest single source of tsavorite into production
 - Tsavorite a brilliant green gemstone
 - Project located 20 km from TanzaniteOne mine and operations office
- Bulk sampling will enable Indicated resource
 - Independent resource estimation of 18.24 to 24.96 million tonnes of potentially open pit mineable tsavorite-bearing gravels
- Transfer highly efficient tanzanite extraction model to Tsavorite project

TanzaniteOne Limited ("TanzaniteOne" or "the Company") (AIM:TNZ) today announces the completion of the acquisition of the Tsavorite Project, located in North East Tanzania. The Project was acquired from Green Hill Mining Ltd and Kirkwood Resources Ltd for an aggregate consideration of 7,450,000 fully paid TanzaniteOne common shares and US\$350,000 cash. The value of the shares equates to £1,444,723 at a share price of £0.16 and represents 9.09% of the enlarged share capital of TanzaniteOne.

TanzaniteOne began work on the Tsavorite Project in 2007 and has already established an independent resource estimation of 7.6 to 10.4 million bank cubic metres, equating to approximately 18.24 to 24.96 million tonnes of potentially open pit mineable tsavorite-bearing gravels (both alluvial and eluvial). With the project potentially containing the world's largest single source of tsavorite, TanzaniteOne will further define the resource and develop a mine plan taking into account prioritisation of high value extraction. Bulk sampling of the tsavorite deposit has commenced and forms part of a larger, ongoing resource upgrade to an Indicated Resource.

The licence area covers a 100 square kilometre area located approximately 20 to 40km southwest of TanzaniteOne's existing tanzanite operations. The Tsavorite Project is primarily an alluvial open pit mineable deposit. Generally the mining costs of an open pit mine are significantly lower than an underground mining operation.

Commenting today Zane Swanepoel, Managing Director, said: "TanzaniteOne is one of the few mining companies on the Alternative Investment Market (AIM) which has to date repeatedly returned a dividend since listing. We have had major success in implementing highly specialised and advanced coloured gemstone extraction processes that allow us to operate at maximum efficiencies. TanzaniteOne's objective for the Tsavorite project is to successfully replicate the high value stone extraction model achieved at our tanzanite operations and command a premium through consistent supply of high value stones to customers."

The acquisition of the Tsavorite project is part of our strategy to become the world's most profitable and consistent miner of premium coloured gemstones."

For the purposes of the AIM rules, in view of the beneficial interests in Kirkwood held by the TanzaniteOne non-executive Directors Edward Nealon and Nicholas Sibley, the transaction was deemed to be a related party transaction pursuant to Rule 13 of the AIM Rules. Accordingly, the decision to acquire the Tsave Project was made and its terms approved by the independent directors of the Board (the "Independent Directors"). As indicated in the original acquisition announcement of 22 October 2007, the Independent Directors considered, having received a fair and reasonable report from and after consulting with the Company's Nominated Advisor (NOMAD), Evolution Securities Limited, that the terms of the transaction are fair and reasonable insofar as TanzaniteOne's shareholders are concerned.

Following completion of the Acquisition, the following Directors and Michael Adams will have the following beneficial shareholdings:

Shareholder	No. of Shares allotted under the acquisition agreement	Total no. of Ordinary Shares held following the acquisition	Percentage of the enlarged issued share capital
Michael Adams	1,148,092	9,960,322	12.16%
Edward Nealon	1,446,522	1,446,522	1.77%
Bernard Olivier	209,020	213,020	0.26%
Nicholas Sibley	1,151,132	3,068,910	3.75%

Qualified Person

The technical information has been reviewed and verified by Mr Ross McMaster, who has sufficient relevant experience to the style of mineralisation and type of deposit under consideration. Mr McMaster is a Member of the Australasian Institute of Mining and Metallurgy and meets the criteria of a qualified person under the AIM guidance note for mining, oil and gas companies.

Notes to the editor:

Tsave is the brilliant green gemstone variety of grossular garnet ((Ca₃Al₂(SiO₄)₃)), which was first discovered in 1968 in Lemshuku, NE Tanzania. In 1974, the new gemstone was introduced to the world market by Tiffany & Co in New York and named "Tsave," after the famous nearby "Tsavo National Park" game reserve in Kenya. Tsave has a beautiful vivid green colour, is bright and lively with a high refractive index, durability and clarity. Tsave has a hardness approaching 7.5 on the Mohs Scale of Hardness and has no cleavage, which makes it suitable for almost any jewellery application and makes it durable enough for every day wear. Tsave is also not treated in any way. The price per carat of tsave is approximately two to four times higher than tanzanite and roughly a quarter of the price of emerald.

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