

1 December 2009

TanzaniteOne Limited

("TanzaniteOne" or "the Company") (AIM: TNZ)

Operational Update and Sales of USD\$4.3million

TanzaniteOne Limited, the gemstone producer and developer, today announces an operational update governing production information and recent sales revenues.

Highlights

- USD\$ 1.82 million sales from the third sight of 2009
 - US\$ 11.22 million tanzanite sales to date in 2009
- USD\$ 2.48 million in sales achieved outside of sights in H2 to date
- Price for lower grade stones up 42% in H2
- Average price per carat of USD\$ 32 / carat achieved at November sight
- USD\$ 0.93 million in revenue from "The Tanzanite Experience" retail outlet to October 2009
- 1.71 million carats mined to date in 2009
- Year to date grade of 51 carats per tonnes achieved
- Extension of Tsavorite deposit

Sales

The Company achieved USD\$ 2.48 million in sales in the second half of the year (to date), in addition to the traditional sight sales. The recent re-grading and classification scheme and the Company's new marketing and sales direction yielded a 42% price increase for the smaller, included, fractured and lighter stones in H2.

The third formal sight of 2009 was conducted in November 2009, in Dubai. All six parcels, comprising a total of 11,290 grams (56,450 carats) of stones were sold, resulting in total sales revenue of USD\$ 1.82 million. This third sight of the year achieved an average price of USD\$ 32 per carat. This represents a 15% decrease in the average price per carat of the parcels relative to the August sight due to the lower quality of the stones mined since August 2009. This brings the total revenue achieved from August 2009 (excluding the July sight) to USD\$ 4.3 million.

The Tanzanite Experience (TTE) has generated approximately USD\$ 0.93 million in revenue from its two Arusha (Tanzania) based retail operations until end October 2009. TTE also opened its visitor centre at the mine in October 2009. A percentage of the entrance fee charged at the Visitors Centre is donated to the local community.

Production

In the third quarter of 2009, the Company achieved production totalling 567,897 carats, an increase of 21.4% from the previous quarter, resulting in the total production to the end of September of 1.43 million carats. The production total for the year to date currently stands at 1.71 million carats. The Company has therefore already achieved and surpassed its production target of 1.7 million carats for the year.

TanzaniteOne which uses state-of-the-art optical sorters and technically advanced processing and sorting methods has further enhanced its sorting techniques resulting in the unlocking of further value in the non A-quality categories. This initiative forms part of the Group's stated refocus on its main production source, lighter but equally brilliant stones. Additional evaluation continues in this area as TanzaniteOne strives to unlock value in this significant portion of its production.

Tsavorite

Recent pitting, trenching and sampling at the Lemshuku deposit resulted in the extension of the identified scope of the deposit. Rotary air blast (RAB) drilling at the Lemshuku Tsavorite deposit is currently underway and the mobile mineral-processing plan has been commissioned.

Outlook

During 2009 to date, the Company has recorded sales revenue of approximate US\$ 11 million, demonstrating a progressive return and stabilising of demand, albeit at prices still off their 2008 peaks. Following the encouraging response from the November sales, TanzaniteOne will conduct further non-sight sales during December rather than the previously planned 4th Sight.

Commenting on the operational update, Zane Swanepoel, Managing Director of TanzaniteOne, said: *"We are pleased to report an increase of over 40% in the average per carat price of the smaller, included, fracture and lighter stones. This is testimony to the success of the Company's new grading, marketing and sales initiative. We are also very pleased that the Tanzanite mine has already achieved its 1.7 million carat production target and that encouraging results have been obtained from the Tsavorite exploration project"*.

END

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

Willi Boehm, Company Secretary

+61 8 9367 5211

Public Relations

Laurence Read/Beth Harris

Threadneedle Communications

Bernard Olivier, Executive Director

+61 408948182

+44 (0)7979 955923

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