

21 April 2010

TanzaniteOne Limited

(“TanzaniteOne” or “the Company”) (AIM: TNZ)

Operational Update

TanzaniteOne Limited (“TanzaniteOne” or “the Company”) (AIM: TNZ), the gemstones producer and developer today announces an operational, sales and marketing update. All figures are unaudited.

Highlights

- Total production of 562,992 carats for Q1 2010 (a 17% increase versus Q4 2009)
- Average grade of 55 carats per tonne achieved
- Increased production target of 2.2 million carats set for 2010

Production

In the first quarter of 2010, the Company achieved production totalling 562,992 carats from the processing of 10,263 tonnes of material at an average grade of 55 carats per tonne for the quarter. This strong performance represents an increase of approximately 17% versus the previous quarter.

Production Target

As a result of the increase in demand for tanzanite and the steady recovery of the coloured gemstone and luxury goods markets the Company has re-initiated its production ramp-up programme. In the light of the production ramp-up, the internal production target for 2010 has been increased significantly to 2.2 million carats. This represents a 15% increase over 2009 production of 1.91 million carats.

Sales

As announced in the Sales Update, released on 24 March 2010, the Company achieved \$ 2.68 million in sales for the first quarter of 2010. The next rough sight or auction is scheduled for early May 2010.

Tsavorite

As previously reported, the tsavorite drilling and bulk sampling programme is sub-contracted to TanzMinEx, a specialised independent exploration and geological services company. During the

quarter ended 31 March 2010, TanzMinEx experienced delays due to heavy seasonal rains and challenges with both its mobile processing plant and RAB drilling rig. This may result in delays in the exploration programme, but the Company remains confident that it will have a JORC compliant resource by H2 2010. Despite the challenges, however, a total of 18 RAB drill holes were completed totalling over 391m during the first quarter of 2010. Each hole was geologically logged and sampled at 1.5m intervals. Approximately 70% of the drilling and pitting programme has now been completed. Ten bulk samples of approximately 30 – 47 cubic metres each have also been treated during the quarter.

Management

Gavin Pearce has joined the Company full time as General Manager of Group Sales and Marketing. As a result of this the Company has restructured TanzaniteOne CuttingEdge, which is now 100% owned by TanzaniteOne Ltd.

Commenting today Bernard Olivier, Chief Executive Officer said: “We continue to build value from our first-rate gemstone operations which achieved sales of US\$ 2.68 million for the first quarter of this year. As a result of these encouraging sales, driven by the evident recovery in tanzanite demand and prices, we are re-initiating our production ramp-up programme. We have increased the production target for 2010 to 2.2 million carats, representing a 0.5 million carats increase relative to last years production target of 1.7 million carats. Given the performance in the first quarter we are confident of being able to achieve the new target and look forward to updating shareholders on progress with operations and sales, with the next tanzanite sight scheduled for May of this year”

END

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

Willi Boehm, Company Secretary
+61 8 9367 5211

Bernard Olivier, Chief Executive Director
+61 4089 481812

Nominated Adviser and Broker

Ambrian Partners Limited
Richard Greenfield/ Richard Chase
+44 (0) 20 7634 4700

Public Relations
Threadneedle Communications
Laurence Read/ Beth Harris
+44 (0)7979 955 923

Notes to the Editor:

The intrinsic attraction of tanzanite and the finite nature of a single known resource at the foothills of Mount Kilimanjaro in northern Tanzania are undoubtedly part of tanzanite's allure.

TanzaniteOne is the largest and most scientifically advanced miner and supplier of rough tanzanite, a unique position that affords it the opportunity to support and influence the entire channel, from mine to market, ensuring that maximum stakeholder value is achieved at each stage of the process.

Our leading position in the tanzanite market has ensured TanzaniteOne the recognition and respect of its peers and provides the opportunity for expansion into a broader range of PCGs located at various key sites around the world.

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 B and BL 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.