

27 September 2010

TanzaniteOne Limited

ISSUE OF EQUITY

DIRECTORS DEALINGS

TanzaniteOne Ltd ('TanzaniteOne' or 'the Company') (LSE AIM: TNZ.L) today announces that it has issued 2,032,622 common shares of US\$0.0003 each ('Shares') to members of its board of directors and senior management in satisfaction of accrued directors fees which have been unpaid since October 2009.

Each of the Company's directors and a member of the Company's senior management team has converted all or a portion of their outstanding Directors fees into new Shares at a price of 12p per Share, being equal to the volume weighted average price ('VWAP') of the Company's Shares over the period of the outstanding fees. In total, unpaid fees totalling US\$382,946 have been converted into Shares. It is the Company's current intention following the return to profitability and cash generation, as evidenced by the Company's interim results published today, that fees will be paid in cash going forward.

Following the issue of Shares described above, the beneficial shareholdings of each director of TanzaniteOne will be as follows:

Director	Current shareholding	Shares issued in settlement of accrued fees	Total number of common shares held following settlement	Percentage of the enlarged issued share capital immediately following Admission
Ami Mpungwe	3,284,373	342,357	3,626,730	3.14%
Edward Nealon	3,095,745	331,741	3,427,486	2.96%
Bernard Olivier	453,048	212,314	665,362	0.58%
Nicholas Sibley	5,692,907	252,123	5,945,030	5.14%
Zane Swanepoel	230,675	97,909	382,584	0.28%

Application has been made for 2,032,622 Shares to be admitted to trading on the AIM market of the London Stock Exchange. Admission is expected to become effective on 1 October 2010. Following Admission the Company will have 115,640,250 Shares in issue.

The Directors have all opted to have their outstanding Directors fees for the last year converted into shares at the volume weighted average price of the Company's shares over the last 12 months. The VWAP over the period of 12p represents a premium of 37% to the current share price and is a further testimony to the dedication of the Board and the belief it has in the Company.

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