

25 October 2010

TanzaniteOne Limited

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

Q3 Operational and Sales 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

- US\$ 3.78 million in sales achieved in Q3 2010
- Fourth official sight of 2010 resulted in a revenue of US\$ 2.2 million
 - 206,295 carats of rough tanzanite was sold at fourth sight sale at an average price of US\$10.6/carats
- Total production of 618,285 carats for Q3 2010
- Average grade of 62 carats per tonne achieved

Production

In the third quarter of 2010, the Company achieved production totalling 618,285 carats from the processing of 9,901 tonnes of material at an average grade of 62 carats per tonne for the quarter. The strong production performance is in line with the Company’s 2010 production ramp-up strategy implemented in the beginning of the year as a result of the gradual recovery in the tanzanite market.

Sales

The Company achieved US\$3.78 million in sales for the third quarter of 2010. The fourth official sight was held in Hong Kong from 19 to 21 September to coincide with the Hong Kong Jewellery and Gem Fair. Revenue from sales of US\$2.2 million was achieved at the sight from the sale of 206,295 carats of rough tanzanite, at an average of US\$10.6 per carat. The next rough sight or auction is scheduled for early November 2010.

Tsavorite

The tsavorite drilling, sampling and data interpretation has been completed and bulk sampling commenced in mid-September. The bulk sampling is scheduled to continue until the end of October and the final processing and data interpretation will be concluded in November. As previously announced, the first independent JORC compliant report is expected in December 2010.

Commenting today, Bernard Olivier, Chief Executive Director, said: "These continued positive sales figures of US\$ 3.78 million for the quarter build on the company's return to profit in the first half as reported last month. We continue with our strategy to ramp-up production, achieving production totalling 618,285 carats in the third quarter, and maximising sales of lighter stones via our marketing joint ventures. We look forward to reporting our next quarterly sales figures, and the first independent JORC compliant report for the tsavorite project in December".

END

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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.

The following modified tanzanite grading and classification system is currently being used by the Company:

Grade	Description
A	Exceptional Colour, Eye Clean
B	Rare Deep Colour, Eye Clean
B (SI)	B Colour - Slightly Included
B (I)	B Colour – Included
BL	Lighter Colour B grade, Eye Clean
BL (SI)	B Light - Slightly Included
BL (I)	B Light – Included
D	Opaque Material

Further information is available on the Company's website: www.tanzaniteone.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.