

20 April 2011

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 for the first quarter of 2011. All figures are unaudited.

Highlights

- Total production of 609,737 carats for Q1 2011 (562,992 carats for Q1 2010)
- Total sales of \$3.96 million for Q1 2011 (\$2.68million in Q1 2010)
- Average grade of 71 carats per tonne achieved (55 carats per tonne in Q1 2010)
- Recovery of 12,100 carat gemstone, third largest ever mined in the company’s history
- Maiden Tsavorite JORC resource

Production

In the first quarter of 2011, the Company achieved production totalling 609,737 carats from the processing of 8,615 tonnes of material at an average grade of 71 carats per tonne for the quarter. During the quarter the Company also recovered a 12,100 carat tanzanite from the newly intersected Main Shaft fold structure.

Sales

The Company achieved \$3.96 million in total sales for the first quarter of 2011. The sales were achieved in compliance with the ban on the export of rough tanzanite larger than 5 carats and were achieved through a combination of the sales of cut stones; rough tanzanite smaller than 5 carats and material sold at the Company’s retail outlets.

Tsavorite

As announced on 10 January 2011, the Company has achieved its Maiden JORC compliant Inferred and Indicated Resource for its Tsavorite exploration. The Company currently has a JORC compliant Inferred Resource of 7.6 to 10.4 million bank cubic metres (“bcm”) or approximately 18.2 to 24.9 million tonnes and a JORC compliant Indicated Resource of 0.89 to 2.17 million bcm or approximately 2.1 to 5.2 million tonnes located within the Inferred Resource. During the Quarter the Company has also started the second phase of

pilot sampling.

Power Shortage – Tanzania

The Company was not significantly affected by the power shortage experienced earlier in the quarter in Tanzania since in addition to the National Grid connection, the Company has its own power generating capacity and can produce over 1.6 Megawatts, which is significantly more than the mine's entire power consumption (including mining, processing, sorthouse etc).

Management

The Company would also like to announce the departure of Zane Swanepoel as Chief Operating Officer (Tanzania). Zane has left the company in order to pursue other interests. The Company continues to progress towards its 2011 goals, and with a highly proficient technical team on the ground in Tanzania, including a team of 12 qualified mining engineers and geologists and a very experienced management team, the Company has a structure in place for continued development and growth. The Company has also significantly strengthened and restructured its management team in Tanzania and also plans to appoint a new General Manager for Mining shortly (to be based on the ground in Tanzania).

Commenting today Bernard Olivier, Chief Executive Officer said: "We continue to build value from our first-rate gemstone operations which achieved sales of US\$3.9 million for the first quarter of this year. During the quarter we have achieved an increase in production, grade and sales compared with same period last year. We have also achieved a maiden JORC compliant inferred and indicated resource at our Tsavorite project, which we are now completing a second phase of pilot sampling on. I would like to take this opportunity to thank Zane Swanepoel for all his efforts and hard work during his time with us. We have a highly experienced management team including an extensive team of highly proficient technical personnel on the ground in Tanzania who along with the company Directors will lead the next phase of growth and development."

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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.

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.