

20 July 2011

TanzaniteOne Limited

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

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

Highlights

- Total sales of \$6.2 million for Q2 2011
 - Represents a 57% improvement on the first quarter sales of \$3.96 million
 - Best Quarterly sales figures since Q2 2008
- Total production of 641,615 carats for Q2 2011
- Average grade of 53 carats per tonne achieved
- Advisers appointed to progress secondary listing on the Dar es Salaam Stock Exchange by end of 2011

Sales

The Company achieved \$6.2 million in total sales for the second quarter of 2011. The second quarter sales represent a 57% improvement on the first quarter sales of \$3.96 million. The second quarter sales revenue of \$6.2 million also represents the best quarterly sales figures achieved by the Company since Q2 2008, prior to the onset of the global financial crisis. The sales 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.

Production

In the second quarter of 2011, the Company achieved production totalling 641,615 carats from the processing of 12,198 tonnes of material at an average grade of 53 carats per tonne for the quarter.

Tsavorite

The Company has decided to incorporate the final phase of the tsavorite resource establishment work with the upcoming bulk sample scheduled to commence later this quarter. The Company is currently in the process of constructing a larger processing plant that will be able to treat the bulk sampling material on site.

Secondary Listing

The Company is pleased to announce that it has now begun to appoint advisers with regards to the Company's aim of achieving a secondary listing on the Dar es Salaam Stock Exchange ("DSE") before the end of the year. The secondary listing on the DSE will give Tanzanians and Company employees the ability to invest in the Company's shares.

Commenting today Bernard Olivier, Chief Executive Officer said: "The Company has had a very successful quarter and we are extremely pleased with the impressive sales results obtained in the second quarter of 2011, with sales revenues of over US\$6.2 million achieved. During the period we not only achieved an increase in production and sales compared with same period last year but also achieved the best quarterly sales figures by the Company in three years. We are also very excited by the sapphire project in Australia and the initiation of our secondary listing on the Dar es Salaam Stock Exchange. "

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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.