

28 September 2009

## TANZANITE ONE LIMITED

### EMPLOYEE SHARE PLAN ESTABLISHED; DIRECTORS' DEALINGS; AND ADDITIONAL LISTING

TanzaniteOne Limited ("TanzaniteOne" or the "Company") (AIM:TNZ) today announces that it has established the "TanzaniteOne Employee Share Plan" to allow key employees of the Company to benefit from the long term performance of the Company through equity participation.

The Company has established a trust solely for the purpose of acquiring and holding shares in the Company for the benefit of Participants. The Company will issue 7,275,000 common shares ("New Shares") at 16.0327 pence per share (being the 10 day VWAP for the period of 9 September to 22 September 2009) to be held in trust for 20 participating employees and two executive directors; namely Zane Swanepoel (Managing Director) and Bernard Olivier (Executive Director – Head of Development). The shares to be allotted under the TanzaniteOne Employee Share Plan represent 6.92% of the current issued capital. The New Shares are subject to a vesting period with one third of the shares vesting annually, commencing 31 December 2009. Accordingly, Zane Swanepoel and Bernard Olivier are expected to receive 300,000 shares each on each of 31 December 2009, 2010 and 2011, totalling 1,800,000 shares held in trust for executive directors.

Participating employees will be invited to apply for an interest free loan up to the amount payable in respect of the shares acquired by the eligible employee in accordance with the terms of the share plan. Shares issued under the plan will rank equally in all respects (other than with respect to any restrictions on transfer for the term of the loan).

#### Key terms of the loan:

- An Eligible Employee must repay the loan in full prior to expiry of the loan term but may elect to repay the loan amount in respect of any or all of the shares (in multiples representing not less than 1,000 shares) at any time prior to expiry of the loan term.
- Cash dividends which are paid in respect of loan shares will be applied by the Company on behalf of the eligible employee to repayment of the amount outstanding under the loan and any surplus of the cash dividend will be paid to the eligible employee.
- Any fees, charges and stamp duty payable in respect of a loan will be payable by the eligible employee.
- The Company shall have a lien over the loan shares in respect of which the loan amount is outstanding and the Company shall be entitled to sell those loan shares in accordance with the terms of the share plan.
- The amount repayable in respect of a loan share is the lesser of the issue price of the share (less any cash dividend applied in repayment of the loan share) and the market price of the Company's shares on the date on which the loan is repaid.
- An eligible employee may not transfer or otherwise deal with a loan share until the loan amount in respect of that share has been repaid.

In addition, the Board of Directors have also requested that their aggregate directors' fees of \$298,883 (which has accrued since October 2008) are taken in shares, at the above VWAP calculation, to preserve the cash resources of the company.

Following the issue of shares in the Directors and Employee Share Plan and settlement of outstanding directors fees in shares, the shareholdings of each director of TanzaniteOne comprises:

	Current shareholding	Shares issued in settlement of accrued fees	Total shareholding	Percentage of the enlarged issued share capital immediately following Admission
Ami Mpungwe	2,972,045	312,328	3,284,373	3.09%
Ed Nealon	2,779,855	315,890	3,095,745	2.91%
Bernard Olivier	301,087	151,961	453,048	0.43%
Nick Sibley	4,402,243	190,664	4,592,907	4.32%
Zane Swanepoel	66,050	164,625	230,675	0.22%
<b>Total</b>	<b>10,521,280</b>	<b>1,135,468</b>	<b>11,656,748</b>	<b>10.96%</b>

Application has been made for 1,135,468 common shares of US\$0.0003 each in the Company to be admitted to trading on the London Stock Exchange's AIM market for listed securities. Admission is expected to become effective on 2 October 2009. The New Shares will rank pari passu with the Company's existing common shares.

Following admission of the New Shares, the total issued share capital of the Company will be 106,332,628 common shares, all of which have voting rights.

Chairman of TanzaniteOne, Ami Mpungwe, said, "We have a very talented team now established at TanzaniteOne and this share plan ensures that they are rewarded for success by being able to hold an equity stake in the Company. As the world's most efficient and technically advanced coloured gemstone miner I hope our employees benefit from the continued recovery in the Tanzanite price, our new JV and from plans to develop the Tsavorite project just 20km away from existing operations."

**For more information please contact:**

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