

Announcements - Gemstones Of Africa PLC - Option Agreement For Two Gemstone Licences In Tanzania

The Board of Gemstones of Africa, the AIM quoted mineral explorer focused on Tanzania, is pleased to announce the signing of an Option Agreement with Javan Investments Company Limited (JICL), a private Tanzania registered company for two (2) prospecting licences in Tanzania.

The two prospecting licences, granted for Gemstones, occur in south-eastern Tanzania with a total area of 19.54 km². The area is known to host sapphires, green and red garnets, and rubies, with a number of artisanal workings nearby.

Under the terms of the Option Agreement GoA will acquire an initial 25% interest in both licences for a consideration payment of US\$15,000 per licence. GoA will have the sole right and option to purchase an additional sixty percent (60%) beneficial interest in the licences, within 24 month of signing the Option Agreement, in exchange for a cash payment of US\$75,000 for each individual licence. GoA has a further option to purchase an additional thirteen percent (13%) beneficial interest in the licences, within 48 month of signing the Option Agreement, in exchange for either a cash payment or the issuing of common shares, or a combination of both to the equivalent of US\$200,000 for each individual licence.

David Hargreaves, Managing Director of Gemstones of Africa, commented that "Tanzania is well known for being rich in gemstones and we are delighted to have signed this agreement which gives us the opportunity to partake operationally in an area well known for its quality gemstones. These additions to the mineral portfolio are expected to be beneficial to the creation of shareholder value for the future."

For further information please contact:

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