



# TANZANIA MINERALS CORP

## NEWS RELEASE

### TANZANIA OPTIONS URANIUM PROPERTIES TO KAROO EXPLORATION AND ANNOUNCES GRANT OF INCENTIVE STOCK OPTIONS

**Vancouver, BC, Canada – August 21, 2012** – TANZANIA MINERALS CORP. (the "Company" or "Tanzania") (TSX-V: TZM.V) (FRANKFURT: CA87600X1087) is pleased to announce that it has entered into a Property Option Agreement (the "Agreement"), dated August 9, 2012, with Karoo Exploration Corp. ("Karoo") whereby Karoo can acquire a 100% interest in certain mineral claims located in the Songea and Lindi regions of southern Tanzania (the "Property"). Karoo is a privately held mining company, incorporated under the laws of British Columbia.

Pursuant to the Agreement, Tanzania will grant to Karoo the option to acquire a 100% interest in the Property (the "Option"), by issuing 2,000,000 common shares to Tanzania, and incurring exploration expenditures on the Property totalling \$750,000, over a three year period. Upon exercise of the Option, Karoo will grant to Tanzania a 2.0% NSR on the proceeds of any commercial production from the Property. One-half of the NSR and a right of first refusal on the other half can be purchased by Karoo for a cash payment of \$2,000,000. The other half of the NSR can be purchased by Karoo for a cash payment of \$5,000,000.

During the term of the Option, Tanzania will have the right to nominate two (2) individuals to the Board of Karoo. It is anticipated that prior to exercise of the Option, Karoo will list its shares on a public stock exchange, or complete a transaction with an existing publically traded company.

**COMPANY ANNOUNCES GRANT OF INCENTIVE STOCK OPTIONS** – The Company also announced that it has granted incentive stock options to an officer of the Company to purchase up to 100,000 common shares of the Company at a price of \$0.19 per share, exercisable for a period of five years. The options are being granted pursuant to the terms of the Company's stock option plan and are subject to regulatory approval.

Tanzania Minerals Corp. is an emerging junior exploration company trading on the TSX Venture Exchange. The company has an extensive portfolio of projects in Tanzania.

On behalf of the Board of Directors of Tanzania Minerals Corp.

*"Kal Matharu"*

Kal Matharu, President & CEO

For further information contact Tanzania Minerals Corp., Kal Matharu, President and CEO, Tanzania Minerals Corp, or visit the website at: [www.tanzaniaco.com](http://www.tanzaniaco.com).

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Statements included in this announcement, including statements concerning our plans, intentions and expectations, which are not historical in nature are intended to be, and are hereby identified as, "forward looking statements". Forward looking statements may be identified by words including "anticipates", "believes", "intends", "estimates", "expects" and similar expressions. The Company cautions readers that forward looking statements, including without limitation those relating to the Company's future operations and business prospects are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward looking statements.