
NEWS RELEASE

TSODILO RESOURCES LIMITED BK16 UPDATE

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TORONTO, CANADA - Tsodilo Resources Limited (TSX Venture Exchange: TSD) ("Tsodilo" or the "Company") is pleased to provide an update on its BK16 kimberlite project in Botswana.

BK16

The BK16 kimberlite project is located within the Orapa Kimberlite Field ("OKF") in Botswana. The diamond mines in Botswana have produced an average of 27 million carats annually in the last 10 years and Botswana is the world's largest producer of diamonds by value. In 2017, the OKF area produced 11.07 million carats. Of the 83 known kimberlite bodies, eleven have been or are currently being mined. These are AK01, AK02 and AK07 (Orapa, Debswana), AK06 (Karowe, Lucara Diamond Corporation), BK01, BK09, BK12 and BK15 (Damtshaa, Debswana), DK01 and DK02 (Letlhakane, Debswana) and BK11 (Firestone Diamonds). The Karowe mine has produced such notable diamonds as the 1,109 carat 'Lesedi La Rona' and the 813 carat 'Constellation'.

The diamondiferous BK16 kimberlite pipe is approximately 6 hectares in size at surface and is known to contain rare and valuable Type Iia diamonds (*see press release dated May 31, 2016 located on the Company's website*).

Diamond Recoveries

The first two parcels of diamonds (101 stones - 18.571 carats and 130 stones - 17.791 carats) were delivered to Lucara Diamond Corp. today for cleaning at its' acid cleaning laboratory located at the Diamond Technology Park (DTP) in Gaborone, Botswana. The diamonds will be stored at I Hennig & Co. secured facilities located at the (DTP) after cleaning has taken place. The two parcels consist of diamonds recovered as of May 4, 2018. The diamonds have been photographed and carat weight and descriptions were entered in the company's data base prior to delivery to the DTP. Photos of many of the diamonds can be seen on the Company's website at: http://www.tsodiloresources.com/s/Photo_Gallery.asp?ReportID=820507.

The diamonds are transported from the Company's recovery facility by Brinks Global Services Botswana and a detailed report of the recoveries are provided to the Ministry of Mineral Resources, Green Technology and Energy Security's Department of Mines as required. A coherent chain of custody has been established by the Company from the BK16 kimberlite; to the Dense Media Separation (DMS) treatment plant; to the company's diamond recovery facility; to Lucara's cleaning facility; and then to I Hennig's secured storage facility.

Ray Ferraris of QTS-Kristal Dinamika - South Africa, has been retained to initiate a size frequency distribution (SFD) study as well as a Diamond Reconstruction and Breakage study (DRB) study after the stones have been acidized. The SFD study is utilized to predict the diamond size frequency in a diamond deposit and contributes significantly towards the estimation of expected revenue. The purpose of the DRB study is to establish a first-order profile for the extent and nature of diamond breakage related to natural or imposed industrial causes. The latter in particular, relates to sample recovery and processing which may have been caused by the Large Diameter Drilling (LDD) program as well as the breakage which may have occurred as the kimberlite samples were processed through the DMS treatment plant. Diamond breakage could skew the SFD towards the finer sizes as larger diamonds are potentially broken into many smaller pieces. This breakage study will also do a comparison with the parcel of historic diamonds that were recovered between 1999 and 2000 from previous operations (*see press release May 31, 2016*). Those diamonds were 'mined' from an old underground shaft and tunnel system and were not impacted by a LDD drilling program.

Processing and Recovery Progress

All 243 LDD samples and all historical tailings have now been processed through the company's DMS plant located in Letlhakane, Botswana. The DMS plant is currently processing tailings retreatment samples for audit purposes and this should be completed within the next two weeks.

The recovery unit, which has been established in the Company's security area in Maun, has recently moved to a double shift operation of 15 daily hours to speed up the recovery process. The recovery unit is sorting both the main LDD sample concentrates and the audit retreatment samples through the Company's Bourevestnik (BV) Polus-M X-ray sorter. The plus 3 mm BV concentrates will be re-crushed, screened and reprocessed through the X-ray unit to

recover any locked-up diamonds in the 3 to 12 mm fraction.

Final diamond counts and initial weights will be compiled once all samples have been processed, sorted, and a thorough tailings re-treatment audit has been completed.

Detailed breakage descriptions and resorption characteristics; definitions of habit, color, size distributions; sample grade calculations; and commercial characteristics will be finalized once all the diamonds have been cleaned by acid treatment.

About Tsodilo Resources Limited

Tsodilo Resources Limited is an international diamond and metals exploration company engaged in the search for economic diamond and metal deposits at its Bosoto (Pty) Limited ("Bosoto") and Gcwihaba Resources (Pty) Limited ("Gcwihaba") projects in Botswana and its Idada 361 (Pty) Limited ("Idada") project in Barberton, South Africa. The Company has a 100% stake in Bosoto (Pty) Ltd. which holds the BK16 kimberlite project in the Orapa Kimberlite Field (OKF) in Botswana and the PL216/2017 diamond prospecting license also in the OKF. The Company has a 100% stake in its Gcwihaba project area consisting of seven metal (base, precious, platinum group, and rare earth) prospecting licenses all located in the North-West district of Botswana. Additionally, Tsodilo has a 70% stake in Idada Trading 361 (Pty) Limited which holds the gold and silver exploration license in the Barberton area of South Africa. Tsodilo manages the exploration of the Gcwihaba, Bosoto and Idada projects. Overall supervision of the Company's exploration program is the responsibility of Dr. Mike de Wit, President and COO of the Company and a "qualified person" as such term is defined in National Instrument 43-101.

This press release may contain forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements pertaining to the use of proceeds, the impact of strategic partnerships and statements that describe the Company's future plans, objectives or goals) are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things, changes in equity markets, changes in general economic conditions, political developments in Botswana and surrounding countries, changes to regulations affecting the Company's activities, uncertainties relating to the availability and costs of financing needed in the future, exploration and development risks, the uncertainties involved in interpreting exploration results and the other risks involved in the mineral exploration business. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

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