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## 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**

A third parcel of 279 diamonds totaling 43.95 carats has been delivered to I Hennig & Co's. (Hennig) office at the Diamond Technology Park (DTP) in Gaborone in preparation for acid cleaning. After the diamonds have been acid treated they will be stored at Hennig's secure facilities located at the DTP with the other BK16 diamonds for valuation and breakage studies. All the diamonds have been photographed and the carat weights and basic descriptions were entered in the company's data base prior to shipment to the DTP.

The diamonds were transported from the Company's recovery facility in Maun to the DTP by Brinks Global Services Botswana. A detailed record of the recoveries was lodged with 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 in Maun; to the acid cleaning facility in Gaborone; and then to Hennig's secured storage facility at the DTP.

Mr. Ray Ferraris (QTS-Kristal Dinamika, South Africa), will conduct a valuation and a Diamond Reconstruction Breakage study (DRB) study after the stones have been acid cleaned.

Dr Paddy Lawless (Dr Paddy Lawless & Associates CC, South Africa) has been retained to initiate a Size Frequency Distribution (SFD) study and value modelling study. This SFD and value study will be utilized to predict the diamond size frequency, and potential diamond value in a diamond deposit and contributes significantly towards the estimation of expected revenue.

#### **Processing and Recovery Progress**

Processing of the Dense Media Separation (DMS) concentrates of the Large Diameter Drill (LDD) samples through the Bourestnik (BV) Polus-M X-ray recovery unit has been completed. The processing of the DMS concentrates of the LDD tailing samples is still on-going. The BV concentrated 3-8 mm material has been hand-sorted, while +8 mm fraction was also hand-sorted but not processed through the BV. These fractions will be crushed by a small jaw crusher down to 3 mm which will be re-analyzed by the BV X-ray unit and then hand sorted. This process is necessary to recover any locked-up diamonds. In addition, a small-scale grease process will be used in the end to audit the BV tailings and selected BV concentrates.

Final diamond counts and weights; detailed breakage descriptions and resorption characteristics; definitions of habit, color, size distributions; sample grade calculations; and commercial characteristics will be compiled and finalized once all samples and audit samples have been processed, and sorted.

#### **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 Gwihaba 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 prospection 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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