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*). The following phases of pre-resource mineralization kimberlite were identified during the 2015 drilling program:

- Red Country rock Breccia (CB);
- Black Volcaniclastic Kimberlite (VK2);
- Grey Volcaniclastic Kimberlite (VK3);
- Volcaniclastic Kimberlite with high concentrations of basalt country rock xenoliths (VKxxx) also referred to as the basalt breccia; and,
- Coherent Kimberlite (CK1).

The 24 inch (60.96 cm) Large Diameter Drilling (LDD) program, which included collaring of the holes, was executed between July and October 2017. Including the Kalahari cover sediments a total of 3,150 meters was drilled into 4 of the main kimberlite facies (VK2, VK3, VKxxx and CB, see table below). Excluding the cover sediments, 2,043.4 dry metric tonnes of kimberlite was extracted. A 1 mm screening unit attached to the drill removed material below 1 mm resulting in 1,441.5 tonnes of kimberlite material over 1 mm to be processed through the DMS plant (see table below). The kimberlite was generally sampled every 12 meters down each LDD hole, although geological intervals were honored, subdividing the 1,441.5 tonnes into 243 individual samples for treatment. Each LDD hole was piloted by a core drill hole to identify the lithology in advance of each LDD hole to ensure that no country rocks would be sampled and to ensure the representative nature of the samples to the kimberlite phase ascribed.

Kimberlite Phases	LDD Interval (m)	No. of LDD Samples	Assumed LDD Hole Diameter (m) *1	Dry Bulk Density Used (g/cm^3) *2	LDD Dry Metric Tonnes (Calculated) *3	Tonnes to the plant (wet) *4
VK2	961	81	0.6096	2.51	704.0	539.6
VK3	1,686	141	0.6096	2.54	1,249.9	852.0
VKxxx	89	8	0.6096	2.51	65.2	28.7
CB	33	3	0.6096	2.52	24.3	21.2
Total	**2,769**	**243**			**2,043.4**	**1,441.5**

*1 0.9069 is the assumed diameter of 24 inch LDD drill holes. Caliper data has been obtained for these holes, however the volume calculation are still being verified.

*2 Domain average Dry Bulk Density, where the density is measured via the Archimedes principle on larger numbers of representative diamond drill core.

*3 Calculated Dry Metric Tonnes using the volume of a cylinder formula, where the LDD Interval in meters is the height. Then converted to Dry Metric Tonnes using the Dry Bulk Density.

*4 Wet LDD Tonnes placed into bulk bags (mass measured using a hanging scale) after drilling and processing through the 1mm drill site screens (as per standard industry LDD practice).

Dense Medium Separation (DMS) Plant

All of the 243 LDD samples have now been processed through the company's 10 tonnes per hour (tph) mobile Dense Medium Separation (DMS) plant located in Letlhakane, Botswana. The DMS plant has a scrubber with a trommel screen of 16 mm (effective ~12 mm), a primary jaw crusher that has a closed size setting of ~25 mm and a secondary cone crusher that has a closed size setting of 10 mm. This cone crusher product is pumped back to the scrubber making a closed circuit. The lower cut aperture on the plant screens is 1mm (effective ~0.8 mm). Therefore, material between ~12 mm and ~0.8 mm goes to the DMS cyclone that has an inlet density of 2.55 to 2.65 g/cm^3, and an inlet pressure of around 90 to 110kPa. This achieves an effective cut point of around 3.10 to 3.15 g/cm^3. The DMS tailings are screened with 8 mm panels (effective ~6 mm) where anything larger than ~6 mm is conveyed back to the cone crusher before it joins the jaw crusher product. Material smaller than ~6 mm is discarded into tailings bags and stockpiled. The DMS concentrate product is placed into drums and sealed in a hands off manner via a glove box for transport to the X-ray facilities.

Quality control measures were introduced at the DMS plant whereby sub-samples of the tailings from each sample are tested using a mechanical jig for kimberlitic heavy minerals. Although rare, any sample with more than 6 ilmenites recovered have been earmarked for re-treatment. In addition, a number of tailings from other samples have been set aside for auditing purposes, and this process of re-treatment of selected samples has commenced as of today.

The total concentrate weight (wet) from the approximately 1,441 tonnes of kimberlite delivered to the plant is slightly over 5,300 kg. Although the DMS plant is not accredited to the ISO/IEC guide 17025, all industry standard practices for the treatment of diamond exploration samples through the DMS plant have been set-up and observed by a competent independent plant metallurgist, as defined in National Instrument 43-101, hired to oversee the entire treatment process.

A third consignment of 71 drums of concentrate have been securely moved using industry security standard and protocols to its secure complex in Maun for storage waiting to be processed through its final recovery unit. The chain of custody has been maintained during the transport and storage of the concentrate.

Diamond Recoveries
The Bourevestnik (BV) Polus-M X-ray sorter has to date sorted 56 of the LDD concentrate samples, representing 925 kg of DMS concentrate. This DMS concentrate has been dried and classified into the following three fractions before each fraction is processed through the Polus-M X-ray sorter (weights after X-ray sorting shown):

- 1-3 mm (10.6 kg)
- 3-8 mm (1.2 kg)
- 8-12 mm (70.6 kg)

Please see press releases located on the Company's website from December 11, 2017 and January 15, 2018 for a more detailed description of the BV Polus-M X-ray sorting machine.

An independent and experienced diamond classifier was deployed for 5 days (March 20-24) to sort the first X-ray concentrate samples from both the LDD samples and the historical tailings samples which were used for commissioning and calibrating the DMS plant (*see press release of January 15, 2018).* One hundred and one (101) diamonds (18.571 carats) were recovered from these samples, the largest of which was 1.375 ct. The diamonds recovered so far are very similar in appearance to those diamonds that have been recovered from previous operations which were all classified as D, E and F colors with a high percentage (8%) of Type II stones (*see press release of May 31, 2016 located on the Company's website*). Photos of some of the diamonds recovered from the LDD samples have been posted on the Company's website at: http://www.tsodiloresources.com/s/Photo_Gallery.asp?ReportID=820507 .

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 conducted.

Detailed breakage descriptions and resorption characteristics; definitions of habit, color, size distributions; sample grade calculations; and commercial characteristics will be finalized once 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 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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