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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 (Lethakane, 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). The following phases of kimberlite were identified during the 2015 drilling program: volcanoclastic kimberlite VK1, Black VK2, Grey VK3 and VKxxx also referred to as the basalt breccia, red country rock breccia (CB) and coherent kimberlite (CK1).

The Large Diameter Drilling (LDD) program, including collaring of the holes, was executed between July and October 2017, and including the Kalahari cover sediments a total of 3,150 meters was drilled. Excluding the cover sediments, 2,008.6 tonnes of kimberlite was extracted. A 1 mm screening unit attached to the drill removed the fines resulting in 1,441.5 tonnes of +1 mm of kimberlite to be processed through the DMS plant (see table below). The kimberlite was sampled every 12 meters down each LDD hole subdividing the 1,441.5 tonnes into 243 individual samples for treatment.

<b>Kimberlite Phases</b>	<b>LDD Meters</b>	<b>LDD Tonnes</b>	<b>Tonnes to the plant</b>
VK2	961	691.5	539.6
VK3	1686	1227.8	852.0
VKxxx	89	65.1	28.7
CB	33	24.2	21.2
<b>Total</b>	<b>2,769</b>	<b>2,008.6</b>	<b>1,441.5</b>

#### **Dense Medium Separation (DMS) Plant**

The DMS plant was commissioned on January 18, 2018 using the historic tailing material to test the plant. Treatment of the LDD samples started on the 18<sup>th</sup> and to date 724.7 tons have been processed representing 141 samples out of a total of 243 or 61 % of the tonnage. These 141 samples have generated 2,778.6 kg of concentrate translating to a DMS yield of 0.38%. It must be emphasized that the weight of the samples that were moved to the plant from the drill site in 2017 and are not comparable to the weight of the samples awaiting treatment at the plant due to water loss over the last 5 months. It is projected that the treatment of the Large Diameter Drill (LDD) samples through the DMS plant will be completed in the first week of April. The treatment of the tailing material of BK16 will then resume.

The second consignment of 71 drums of concentrate have been securely moved to the company's final recovery area at its secure complex in Maun.

The POLUS-M X-ray sorter has been set up to treat dry DMS concentrate in the size range of -8 +3 mm and -3 +1 mm. To date, the Polus-M sorter has treated 32 LDD samples and produced cumulatively 7.0 kg of concentrate in 1 to 3 mm size range and 0.6 kg of the 3 to 8 mm size material. The material in the 8 to 12 mm size range for these 32 LDD samples have a combined weight of 43.6 kg. The X-ray sorted concentrates will be hand sorted in Maun at

the Company's secure sorting facility by a third-party sorter starting on March 19<sup>th</sup>. The -12 +8 mm material will also be hand-sorted in Maun. The recovered diamonds will be transported to the Diamond Technology Park in Gaborone, Botswana for acid cleaning and valuation. The company is exploring avenues to obtain the use of a larger BV machine to treat the plus 8 mm fraction.

The sorter operation concept is based on the use of diamonds' property of luminescence under X-ray impact and on the difference of those properties with diamonds and associate luminescent minerals. The mode under reference term "luminescence and absorption" when the X-ray tube and photo detectors are located on both sides of the material flow is implemented. The effect of difference in X-ray absorption by diamonds and associate luminescent minerals is used. Additional information on the POLUS-M sorter from Bourevestnik, Inc. can be obtained from the press release of December 11, 2017 available on the Company's website.

## **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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**FOR FURTHER INFORMATION PLEASE CONTACT:**

James M. Bruchs	Chairman and Chief Executive Officer	JBruchs@TsodiloResources.com
Dr. Mike de Wit	President and Chief Operating Officer	MdeWit@TsodiloResources.com
Head Office	Telephone +1 416 572 2033	Facsimile + 1 416 987 4369
Website	<a href="http://www.TsodiloResources.com">http://www.TsodiloResources.com</a>	

