TSX-V: BKR
FSE: BR2
WKN: A110N3 February 21, 2018

Berkwood reports continued high grade Graphite assays with large true thickness intersections up to 71.1 m on the Phase 2 drill program on Zone 1 Graphite Body, and world class grades of up to 37.68% over 27.11m

February 21st, 2018, VANCOUVER, B.C. Berkwood Resources Ltd. (TSX-V: BKR, FSE: BR2, WKN: A110N3) ("Berkwood" or the "Company") is pleased to announce the assay results from the Phase 2 drilling program on the **Zone 1 Graphite Body** at the Company's 100% owned Lac Gueret South Project. Five HQ diamond drill holes were drilled in this program with every hole intersecting visible Graphite. Saw-cut samples of the drill core were sent for assay, and we are pleased to confirm high grade Graphite with average grades in the range of 13.64 to 21.86% Cgr and true thicknesses ranging from 20.9 to 71.1 m with shorter high grade interior graphite intervals.

Mr. Edward Lyons PGeo (BC, QC, NL) states "The Phase 2 drilling intersected thick intervals on two short lines of holes perpendicular across Section 3000E. These intercepts support an evolving structural model of multiple recumbently folded horizon(s) hosting thicker and more consistent graphitic intervals. Use of oriented core adds rigour to the interpretation. The Phase 3 drill program will continue to define and evaluate this geometry. The grades and true thickness suggests strong continuity in the system."

The **Zone 1** target is a conductive and magnetic system with a 2.2 km east-west strike length and 0.6 km width in plan view. It shows two parallel zones, which may reflect a large-scale fold. The Zone 1 drill program has intersected graphite in each of the 18 holes drilled to date on the western extent of the Zone. Preliminary metallurgical assessment is in progress.

Certificate of Analyses # YVR1800133 reports the analytical results for all samples taken in the five HQ diamond drill holes comprising Phase 2 drilling on **Zone 1 Graphite Body**. The holes were drilled from three sites with the drill holes oriented east and west across Section 3000E with inclinations of -45° to -75°. The sites are located on a cut grid and are spaced about 70m apart. Significant results are described below:

Significant Drill Intersections

DDH ID	From (m)	To (m)	Cgr% avg	Sample length (m)	True thickness (m) **
BK1-14-17	19.40	84.09	20.95	64.69	20.9
includes	53.99	79.55	37.68	27.11	
BK1-15-17	47.21	129.53	13.64	74.75	71.10
includes	47.21	56.43	27.20	9.22	
includes	67.41	81.75	27.52	14.34	
BK1-16-17	18.32	46.66	21.86	28.34	26.61
includes	18.32	39.08	29.84	20.76	

DDH ID	From (m)	To (m)	Cgr% avg	Sample length (m)	True thickness (m) **
BK1-16-17	50.79	125.38	17.34	74.59	38.48
includes	50.79	57.91	32.00	10.17	
& includes	69.75	87.02	30.75	17.27	
BK1-17-17	47.74	104.32	16.23	56.58	43.30
includes	59.90	78.81	26.33	18.91	
BK1-18-17	57.31	70.24	18.58	12.93	8.01

True thickness was estimated based on foliation to core axis in oriented core and on the present structural interpretation

The drillholes were completed on two short sections crossing Section 3000E near sites 2 and 3 described in the news release of November 27, 2017. Several narrower intervals with graphite greater than 10% Cgr occur, but are not listed above. An updated map of drill hole locations by Phase of the Program is posted to the website at http://berkwoodresources.com/lac-gueret-extensions-graphite-project-quebec-canada/

Evaluation of the oriented core and on-site data collection procedures was supervised by Tony Gilman of Terrane Geosciences Inc supports the working model. The thicker intersections along Section 3000E geology suggest an asymmetrically east dipping and shallowly north-plunging synform that includes a relatively thick band (or bands) of graphite schist on the limbs with average grades as reported here and in the November 27, 2017 news release. There are few outcrops in the heavily forested area. The Company is exploring the possibility of testing the specific horizon by electromagnetic charging of the horizon in a borehole and mapping the traces of the unit on surface to constrain interpretations. This *"mise a la masse"* EM (MALM) technique successfully demonstrated that the two main Quinto/Mason's Lac Gueret showings were connected during the Qualified Person's work there in 2002. The west-dipping topography area along section 3000E has the potential to could keep the horizon closer to the present surface. The MALM survey will be better undertaken when the present snow cover is reduced.

Tom Yingling, President and CEO states, *"I am pleased we have succeeded in demonstrating significant graphite in large true thicknesses in our continuing exploration and evaluation program. Having had success in every one of the 18 holes drilled to date on Zone 1 is very exciting. On the basis of the announced results, we are proceeding immediately with Stage 3 of the Drill Program, and we are expediting preliminary metallurgical assessment. There is substantial as-yet untested strike length as defined geophysically at Zone 1. The field project continues to be managed by the same team that made Berkwood's Zone 1 discovery."*

Lac Gueret South Zone 1

Lac Gueret South is located in Cote Nord, Quebec, a three-hour drive from Baie-Comeau in an area with very good infrastructure. The Project lies directly south of Mason Graphite's (TSX-LLG) advanced Lac Gueret Project. Mason is developing one of the largest medium to high-grade graphite deposits in the world.

Success in this drill program confirms that a significant component of the distinct electromagnetic conductors that occur over a two kilometer length and 50 meters to 600 meters in width as defined by airborne EM geophysics (see the Berkwood news release dated February 10, 2015) includes graphite.

Sampling & Analytical Procedures

Sample intervals were marked based on the presence of graphite-bearing lithology and significant visual changes in graphite appearance and range from 0.75 to 3.2 m in length. Most were between 1.1 to 2.2 m. Bracket samples to a maximum of 3.0 m length of unmineralised or very low grade (visually <3% Cgr) mineralisation were taken to join groups of narrower graphite intersections for continuous data for future resource calculations. The samples were cut lengthwise with a diamond bladed rock saw perpendicular to the foliation. One half was placed in plastic bags with numbered tags and arranged in sequence of collection. The other half has been retained in core trays on site.

Field QA/QC materials consisted of granitic gneiss rock with no observable graphite and sulphide as blank material and quarter-cut drill core for duplicate samples. No standards or certified reference material (CRM) were used in the field. Visual inspection of blank material analyses showed the expected nil values for blank rock, which indicated no contamination from prior samples. Duplicate samples showed the close but not exact correlation with the original half-core samples as is typical of layered material. The laboratory includes five QA/QC materials, including blank material and Certified Reference Materials appropriate to the expected grade ranges in each batch of 35 client samples.

Sampling of sawn drill core was completed, weighed, and packed in rice bags under supervision by the QP, and was shipped from Baie-Comeau, QC by truck on pallets to MS Analytical Laboratories in Langley, BC. Comparisons of field weights, with the received sample weights taken at the laboratory, show a good correlation. The field weights are of use in packaging samples and estimating shipping weight.

Standard sample preparation included crushing and pulverising with silica sand "wash" prior to each sample at both stages on all samples to reduce contamination. The pulps of all samples were analyzed by MS Analytical's SPM-140 method for graphitic carbon by ashing the sample followed by an acid digestion to eliminate carbonate and SPM-210 for total sulphur by oxidation in a LECO furnace. The standard SPM-140 analyses method of carbon as graphite (Cgr) is valid to a maximum grade of 50% Cgr. It can be increased to 100% graphite by changing oxygen flow parameters and rerun, however with our results, this has not proved necessary. Total Sulfur has no upper interference level. Density (core-in-water) measurements were done on every 10th sample in the batch. Rejects and pulps are presently stored at the MS Analytical warehouse for future metallurgical tests.

Discussion of Results

The analyses show that the thick unit on Section 3100E as well as shorter intervals showed a similar range of grades that occurs at Mason Graphite's Lac Gueret deposit nearby. The cut-off grade used to define the intervals was the same 5% Cgr level used for Mason's Lac Gueret resource and reserve estimations with a denser data set, published on SEDAR. One difference is that the highest grades found in one area at Lac Gueret, just over 60% Cgr, have not been matched here. Another is that the population of analyses around 5% Cgr constitute a small proportion of samples; the data are generally significantly higher or lower. Three levels of graphite concentration were codified in the field based on local estimations and follows the known data from Lac Gueret: graphite-bearing schist less than 5% (to 3%) Cgr as low grade; graphite schist with grades between 5% and 25% Cgr as medium grade; and high grade (HiG) material where the sample grades exceeded 25% Cgr and makes visual estimation is impossible in core.

Edward Lyons PGeo (BC, QC, NL) is a Qualified Person under the definition of Canadian National Instrument 43-101, and has approved the technical information in this news release. He has worked extensively on the Lac Gueret Property, now owned by Mason, and neighbouring graphite properties since 2000.

To view a virtual reality video of the autumn Phase 1 Zone 1 drill program as well as the most recent winter Phase 2 drill program, visit the bottom of our home page at: http://www.berkwoodresources.com

About the Company: Berkwood is engaged in exploration for the commodities that enable the modern revolution in essential technologies. These technologies are dependent upon the ethical mining and supply of naturally occurring elements and minerals that enhance the performance of energy storage systems and permit the development and miniaturization of new electronics and structural components for the new suite of innovative tools. The Company is led by a team with collectively over 100 years experience and whose members have been involved with the discovery of several producing mines.

On Behalf of the Board of Directors

Berkwood Resources Ltd.

'Thomas Yingling'

President, CEO & Director

FOR MORE INFORMATION, PLEASE CONTACT:

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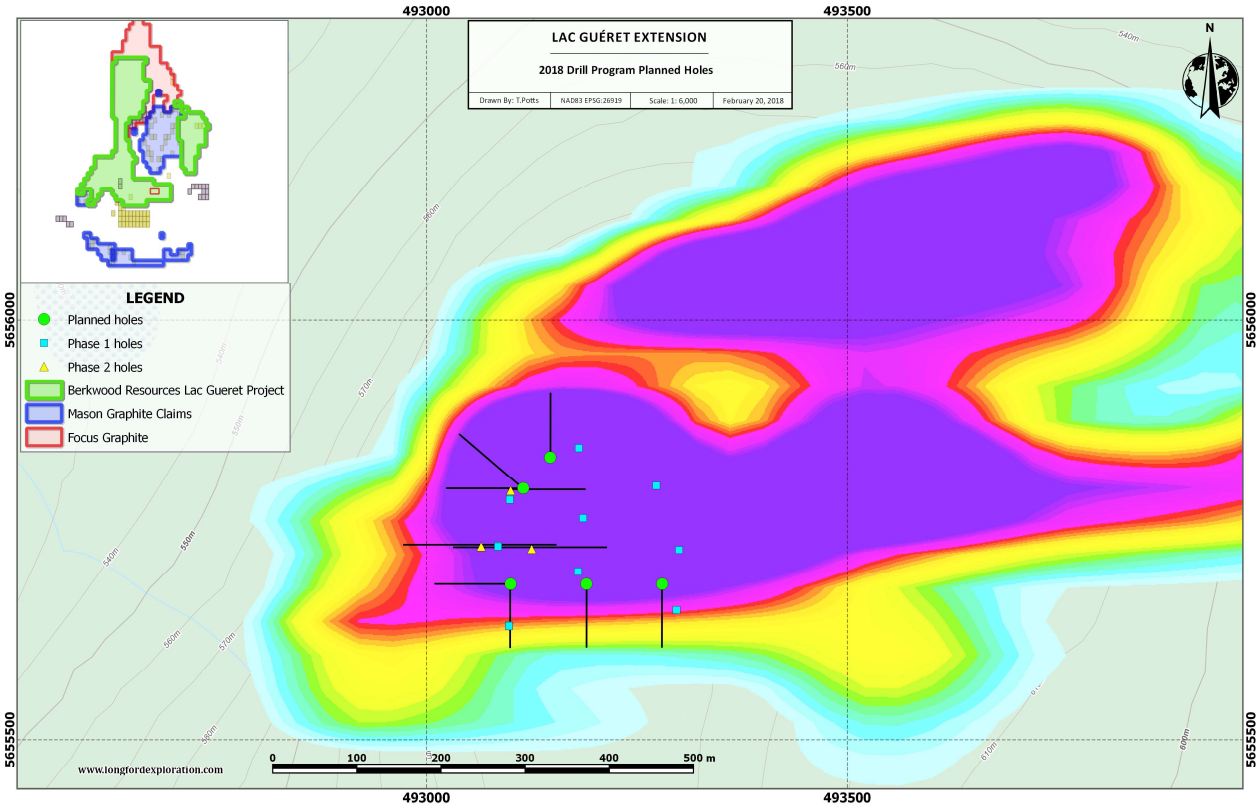
Disclaimer for Forward-Looking Information:

Certain statements in this release are forward-looking statements, which reflect the expectations of management. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain expectations, estimates and assumptions, which may prove to be incorrect.


LAC GUÉRET EXTENSION
2018 Drill Program Planned Holes
Drawn By: T.Potts
NAD83 EPSG:26919
Scale: 1: 6,000
February 20, 2018
N
LEGEND
Planned holes
Phase 1 holes
Phase 2 holes
Berkwood Resources Lac Gueret Project
Mason Graphite Claims
Focus Graphite
493000
493500
5656000
5655500
0
100
200
300
400
500 m
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