NEWS RELEASE

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Lithoquest Diamonds Inc. Completes Field Program

VANCOUVER, B.C., January 10, 2018 – Lithoquest Diamonds Inc. (TSX-V: LDI) ("Lithoquest", or the "Company") today announced that it has completed the 2017 field work on its 100%-owned North Kimberley Diamond Project located in Western Australia.

Field work focused on four high priority targets where composite rock samples collected in April 2017 yielded kimberlite indicator minerals with diamond inclusion chemistry. Work included 60 line-kilometres of ground magnetic surveys, 20 line-kilometres of ground gravity surveys, geologic mapping, and the collection of composite rock samples.

"We successfully completed our first field program on time and under budget," stated Bruce Counts, President and CEO of Lithoquest. "The results will be used to help define the 2018 field program which is expected to commence in the second quarter."

The Company has also initiated desk top work to identify additional targets of interest. The work includes a detailed photo-geological study as well as a review and re-interpretation of archived diamond exploration data. Historic information comprises data from several generations of airborne geophysical surveys, kimberlite indicator mineral sampling programs and exploration drilling.

Qualified Person
The technical contents of this news release have been reviewed and approved by Bruce Counts, P. Geo., President, CEO and a Director of Lithoquest Diamonds Inc. and Qualified Person under National Instrument 43-101.

About Lithoquest Diamonds Inc.
Lithoquest is a Canadian diamond exploration company focused on the discovery and development of economic diamond deposits on its 100%-owned North Kimberley Diamond Project located in Western Australia, approximately 65km east of the community of Kalumburu.

FORWARD LOOKING INFORMATION
This news release includes certain information that may constitute "forward-looking information" under applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, the Company's strategic plans, future operations, future work programs and objectives. Forward-looking

information is necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. All forward-looking information contained in this press release is given as of the date hereof and is based upon the opinions and estimates of management and information available to management as at the date hereof. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

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