

# NEWS RELEASE

October 21, 2019  
TSX-V: LDI

## Lithoquest Discovers Two New Kimberlites on the North Kimberley Diamond Project

VANCOUVER, B.C., October 21, 2019 – Lithoquest Diamonds Inc. (TSX-V: LDI) (“Lithoquest”, or the “Company”) today announced that kimberlite was intersected at drill targets 1805 and 1826 during the recently completed drill program on its 100% owned North Kimberley Diamond Project (“NKDP” or the “Property” or the “Project”) in Western Australia.

### 2019 Drill Program Highlights

- Two new kimberlites discovered - Potential for significant tonnage.
- Increasing evidence of a new diamond-bearing kimberlite field on the Company’s property.
- Increase in the size of Kimberlite 1804 (discovered in 2018).

“These new discoveries reinforce the diamond potential of the North Kimberley Diamond Project and validate the technical team’s approach to exploration. Kimberlite 1805 is particularly exciting given the extent of the anomaly and potential for a significant volume of material,” says Bruce Counts, President and CEO of Lithoquest. “We are well positioned to continue advancing the project and look forward to providing diamond results to the market in the coming weeks.”

### Drilling Summary

A total of 928 m of drilling was completed in 11 reverse circulation holes on targets 1805, 1826 and 1827 during the 2019 drill program (Figure 1). Kimberlite was intersected at targets 1805 and 1826. No kimberlite was intersected at target 1827; however, work was suspended after completing one hole due to time constraints. Target 1827 remains prospective and additional work is planned for 2020. Drilling was also conducted on the 1804 kimberlite discovered in 2018.

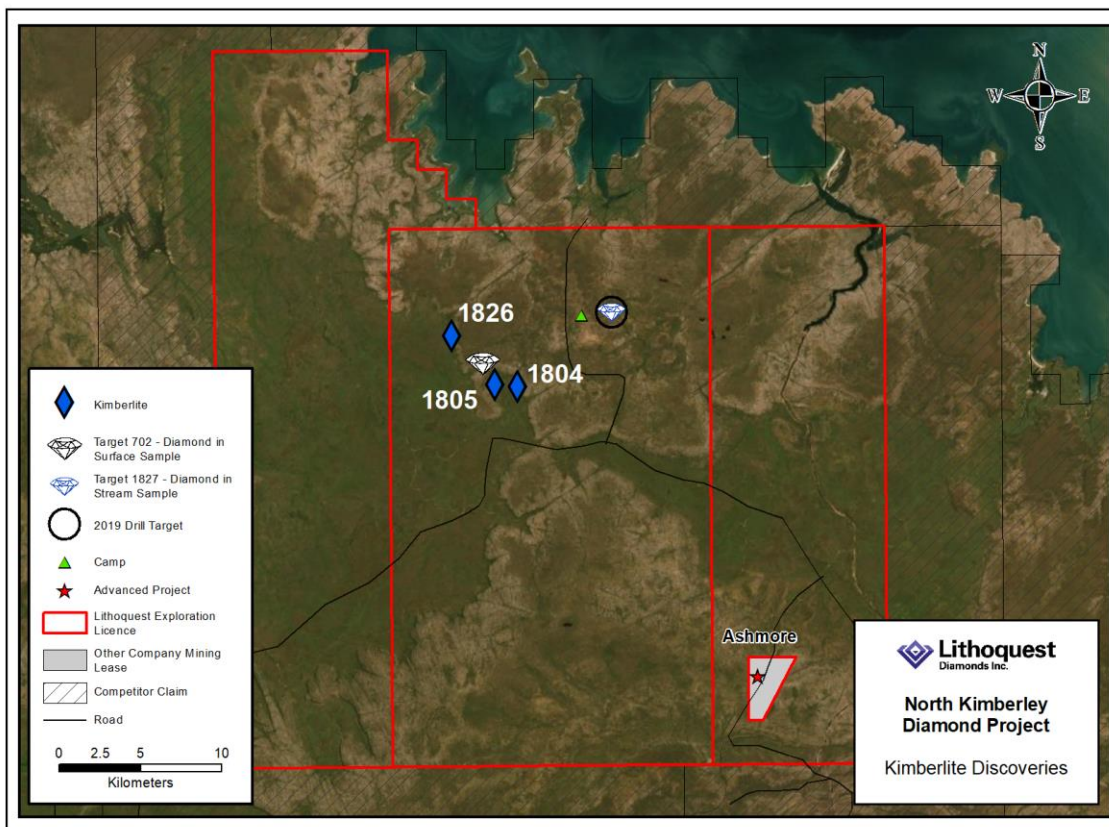


Figure 1: 2019 Kimberlite discoveries

Results from the program are summarized in the table below:

Table 1: 2019 RC Drill Hole Summary

Drill Hole	Target	Easting	Northing	Azimuth (degrees)	Inclination (degrees)	End of Hole (metres)	Kimberlite (metres)	
							From	To
RC19-01	1804	300947	8443597	358	-61	189.5	132	185
RC19-02	1805	299252	8443719	184	-60	88	57	58
							73	74
RC19-03	1805	299535	8443736	180	-60	28	10	13
RC19-04	1805	299547	8443748	178	-59	49	32	43
RC19-05	1805	299547	8443748	177	-50	40	26	37
RC19-06	1805	298878	8443674	180	-50	88	49	52
RC19-07	1826	296885	8446750	115	-50	94	41	44
RC19-08	1826	296889	8446752	48	-48	94		
RC19-09	1826	296762	8446790	6	-49	64		
RC19-10	1826	296791	8446703	163	-50	70		
RC19-11	1827	306274	8448050	198	-58	124		

### Target 1805

Target 1805 (Figure 2) is a 1.7 km long linear feature defined by the presence of kimberlite indicator minerals including diamonds, topographic lows as well as gravity and magnetic anomalies. 1805 was drill tested with 5 holes in three locations over approximately 700 m.

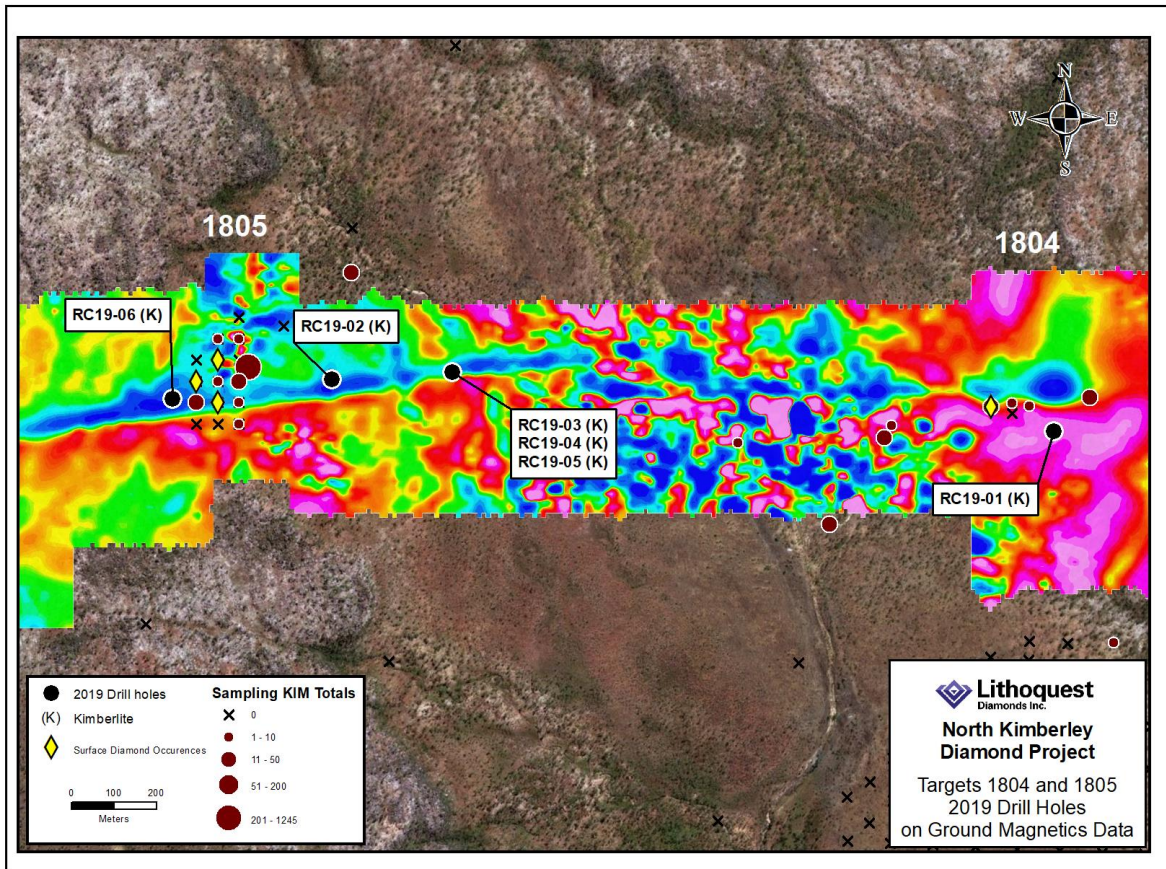


Figure 2: Kimberlites 1804 and 1805

Kimberlite was intersected in all five holes with the widest intersection encountered in drill hole RC19-04 between 32 m and 43 m. RC19-04 was drilled at an inclination of -60 degrees. Kimberlite intersections from a second hole, RC19-05, drilled from the same location indicate that the body is vertical and has a true width of approximately 5 m.

The eastern end of Target 1805 is located approximately 1 km from kimberlite 1804 which is associated with a similar linear feature. Data suggests that the two features may be part of a system that is continuous over 3.1 kms. Further work will be required to establish whether the two occurrences are related.

### Target 1826

A total of 4 holes were drilled at target 1826 (Figure 3). Kimberlite was intersected over a 3 m interval between 41 m and 44 m in drill hole RC19-07. RC19-07 was inclined at -50 degrees and targeted coincident gravity and magnetic anomalies at the head of well constrained indicator dispersion. No kimberlite was intersected in the other three holes.

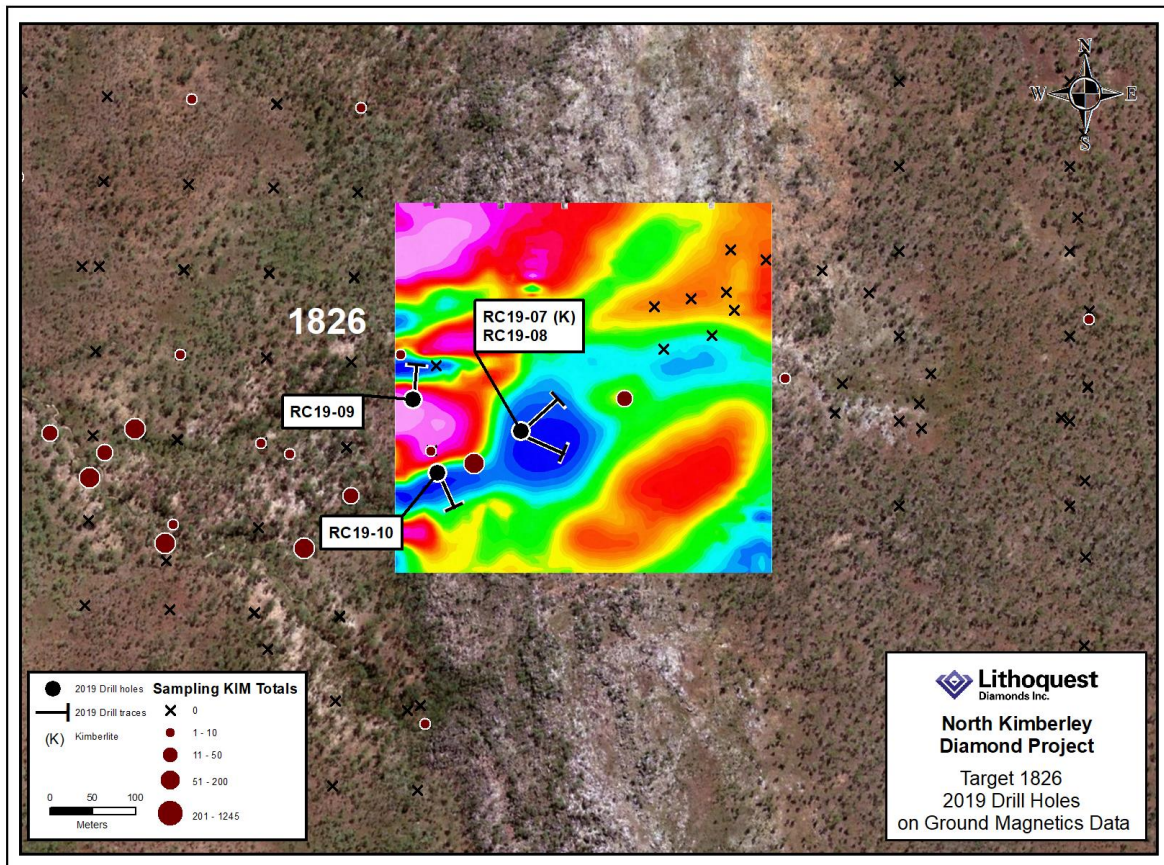


Figure 3: Kimberlite 1826

### Kimberlite 1804

One hole was drilled at kimberlite 1804 (Figure 2) with the goals of:

- Obtaining a better understanding of body geometry and size.
- Testing for additional lithologic units or phases.
- Gaining a better understanding of how the observed geophysical signature relates to the body.

Drill hole RC19-01 intersected 53 m of kimberlite from a depth of 132 m to 185 m. The hole was drilled at an inclination of -50 degrees towards the north. A reinterpretation of the geophysical signature suggests that the dimensions of the 1804 kimberlite are 40 m by 125 m. Geochemical testing and indicator work will be completed to determine if new kimberlitic units were intersected.

### Kimberlite Analysis and Diamond Testing

Drill cuttings representing one metre intervals were logged and tested with a portable XRF instrument on site to determine the lithologies intersected. Drill cuttings were collected in sample bags and sealed for transport. Samples will be submitted to Australian laboratories for geochemical analysis, indicator mineral recovery, and diamond testing. Diamond Recovery

Services based in Perth, Australia will undertake the indicator and diamond processing. Diamond results are expected before the end of the year.

### **Technical Leadership**

The Phase II field program and laboratory work have been overseen by Mr. Dave Skelton P.Geol. and Mr. Tom Reddcliffe FAusIMM. Mr. Skelton has more than 25 years of diamond exploration experience and was involved in the discovery of several kimberlite fields including the Buffalo Head Hills cluster. Mr. Reddcliffe has more than 40 years of diamond exploration experience in Australia and is credited with the discovery of the Merlin Diamond Mine. The field team is further supported by Ms. Gina Rockett, a senior exploration consultant with more than 25 years of experience who recently served as Senior Exploration Geologist at Merlin Diamond Mines.

### **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. The 100% owned land package covers 1,500 sq-km and is accessible by tidewater and a seasonal road. Lithoquest is led by experienced management with a history of success in diamond exploration and development. During its first year in operation, the Company rapidly advanced the NKDP in Western Australia through the discovery of diamonds and kimberlite.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) has reviewed or accepts responsibility for the adequacy or accuracy of this release.

### **FORWARD LOOKING INFORMATION**

This news release includes certain information that constitutes "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, data analysis 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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