



NEWS RELEASE

Tsodilo Resources Limited Completes Large Diameter Drilling Program At The Bk16 Kimberlite, Orapa Kimberlite Field, Botswana

November 7, 2017

Trading Symbol: TSXV: TSD

Tsodilo Resources Limited (“Tsodilo” or the “Company”) (TSX-Venture Exchange: TSD) is pleased to announce it has completed its 2017 drilling and bulk sampling program at the Company’s 100% owned BK16 kimberlite project located in the Orapa Kimberlite Field (OKF) in Botswana.

The program focused on bulk sampling of the six-hectare BK16 kimberlite, one of the few untested kimberlites in the OKF. A small parcel of previously recovered diamonds from BK16 indicates that this kimberlite contains a high proportion of ‘Type IIa’ white diamonds all grading as D color with no or only faint levels of fluorescence (see press release May 31, 2016: http://www.tsodiloresources.com/i/pdf/2016-05-31_NR.pdf). The BK16 kimberlite has an estimated volume of some 16.2 million tonnes made up of the main kimberlite phases VK2 (5.4 million tonnes), VK3 (9.4 million tonnes), and CB (1.5 million tonnes) to a depth of 250 meters from the base of the Kalahari surface (updated from the press release of July 15, 2015: http://www.tsodiloresources.com/i/pdf/TSD_BK16_Model-Completion-Press-Release_F.pdf). The volume figures are in the process of being updated using the latest LDD drill holes logs.

The bulk sampling was executed using a 24-inch Large Diameter Drilling (‘LDD’), which commenced in August and was completed on time and on budget at the end of October. The LDD program was contracted to De Wet Drilling (Pty) Ltd using their *Elephant* drill rig. This rig has a direct hydraulic pullback of 120 metric tons and a rotational torque of 100,000 Nm. The slow rpm was achieved through the large torque on the rotary action combined with the weight of the bit and collars ensured optimum sample recovery with large kimberlite chips up to 12 cm in length. This program was preceded by the Pilot Holes Drill program during which core holes were drilled at each proposed LDD site between February and June. A Collar Drill program which was executed between May and June to position the 30-inch casing to 22 meters through the Kalahari cover on each LDD hole.

This stage of the evaluation program will define the grade and diamond content of the two main kimberlite phases, VK2 and VK3, of BK16 in support of an economic assessment. It will also provide a first pass valuation of the diamonds that will be recovered from these samples.

Program Highlights:

- ◇ \$1.7 million 2017 LDD program was completed on time and on budget.
- ◇ 3,121 m of 24-inch LDD drilling was completed in 14 holes varying in depth from 123 – 368 meters. A total of 961 meters was drilling into VK2; 1,686 meters into VK3; 89 meters into VKxxx; and, 33 meters in CB.
- ◇ Based on the density measurements of the different kimberlite phases, a total of 2008.9 tonnes of kimberlite has been extracted in addition to the 231.1 tonnes of the overburden Kalahari sediments. This is broken down into 691.5 tonnes of VK2; 1,227.8 tonnes of VK3; 65.1 tonnes of VKxxx; and, 24.2 tonnes of CB.
- ◇ Samples were collected over 12-meter intersections resulting in 243 samples contained in 1,143 bulk bags. The 243 samples will be treated individually through the Company owned 10tph DMS plant.
- ◇ All drill holes have been calipered by at least three runs per hole in order to get consistent repeatability.
- ◇ Drilling of the LDD holes confirmed the kimberlite internal geology as obtained from the 2015 Core drilling program and the 2017 Pilot Hole Drill program in most intersections. One hole (No. 26) intersected footwall slightly earlier than expected but four holes (Nos. 19, 22, 32 & 33)

were drilled deeper in kimberlite than originally planned. These data will be incorporated into the geological model and pipe volume which will be upgraded accordingly

Chairman and CEO, James M. Bruchs commented, "There is still work to do on BK16 to assess its full potential but the work that Mike (Mike de Wit, President and COO) and his team in Botswana has accomplished is nothing short of being first-rate. The control of the LDD drilling program by the Company's geological team has resulted in a product that has an abundance of coarse chip material with fragments over 10 cm in length from some holes. From the day we were awarded the prospecting license the work has been non-stop. Tackling big projects like this, which would normally be set aside for mid or major companies, is nothing new to us but it is always gratifying when we reach this level, our staff is to be commended".

Bulk Sample

The 243 samples from the LDD program, totaling some 2,008.9 tonnes, will be treated through the Company's 10 tph DMS plant which is positioned just outside Letlhakane. In addition, the plant will also treat up to 1,500 tonnes of a mixture of pre-1976 and 2000 historical tailings that were removed from the BK16 site and deposited next to the plant, before the PHD and LDD program started.

The refurbishing and upgrading of the plant is almost complete and should be in a position to treat the tailings in the second week of November and the LDD samples shortly thereafter. Refurbishment and upgrading of the plant is being conducted under the direction of independent contractor of Phillip Mills, a diamond metallurgist with over 20 years' experience in diamond mining production, and his company Silent Skies (Pty) Ltd.

The mobile Newdico DMS treatment plant, also referred to as a Crushing, Screening and Concentrating plant, was purchased in March 2015 by the Company's Newdico Pty Ltd subsidiary from the original owner De Beers Botswana Prospecting Ltd. The plant was built for De Beers in Kimberley, South Africa, and later transported and installed just outside Letlhakane to evaluate the AK6 kimberlite (now Karowe mine) in 2005. It was used over several years for the feasibility study of AK6.

The plant is set on a concrete foundation and has been in place at the De Beers Letlhakane Exploration Camp since it arrived from South Africa in 2005. It is connected to the power grid and has access to water through the Debswana pipeline and one local borehole. A settling dam and a connected overflow dam have been built next to the plant to receive and recycle the water used by the plant into the treatment system. The plant is enclosed by its own security fence and consists of a scrubbing unit, jaw and cone crushers, screening units, DMS cyclone, a DMS concentrate cage to collect and secure the DMS concentrate, and several conveyor belts that are used to direct the materials to the various sections of the plant. Office facilities, laboratory and storage containers are adjacent to the plant and within the plant security fencing. The containers are secured and locked and contain all the spares for the plant, additional screens, and miscellaneous equipment. The secure containers will also house the drums that will contain the DMS concentrate from the various samples. Photos of the plant can be viewed at: http://www.tsodiloresources.com/s/Photo_Gallery.asp?ReportID=703027 .

The plant has a capacity to treat some 10 tons per hour ('tph') but due to treatment of individual samples with blank samples in between, and with purging and cleaning the circuit between different drill holes, this rate is rarely achieved and a production of 5 tph is more realistic for drill samples. The first test samples through the crushing and DMS section of the plant are scheduled for the second week of November. The circuit for final recovery of the DMS concentrate is presently being finalized.

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 prospecting license also in the OKF. The Company has a 100% stake in its Gcwihaba project area consisting of twenty-one (21) 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.

The Company has offices in Toronto, Canada and Gaborone, Maun and Letlhakane, Botswana. Please visit the Company's website, www.TsodiloResources.com, for additional information and background on our projects.

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.

Neither the TSX Venture Exchange ("TSXV") nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this news release. This news release may contain assumptions, estimates, and other forward-looking statements regarding future events. Such forward-looking statements involve inherent risks and uncertainties and are subject to factors, many of which are beyond the Company's -control, which may cause actual results or performance to differ materially from those currently anticipated in such statements.

FOR FURTHER INFORMATION PLEASE CONTACT:

James M. Bruchs
Dr. Mike de Wit
Head Office
Website

Chairman and Chief Executive Officer
President and Chief Operating Officer
Telephone +1 416 572 2033
<http://www.TsodiloResources.com>

JBruchs@TsodiloResources.com
MdeWit@TsodiloResources.com
Facsimile + 1 416 987 4369