

Tsodilo Resources Limited

Confirms the Presence of Rare and Valuable Type IIa Diamonds in BK16

FOR IMMEDIATE RELEASE

May 31, 2016

TORONTO, CANADA - Tsodilo Resources Limited (TSX-V: TSD) ("Tsodilo" or the "Company") is pleased to announce that kimberlite BK16 contains rare and valuable Type IIa diamonds.

The Company reported in its press release of June 22, 2015, that it had taken possession of diamonds that were previously recovered from BK16. The stones have been stored with I. Hennig & Co. ("Hennig") at the Diamond Technology Park ("DTP") in Gaborone, Botswana since the Company took possession. The stones were recently cleaned by Lucara Diamond at its facilities in the DTP and then analysed by a Tsodilo technical staff member supervised by Hennig personnel using a Yehuda ZVI colorimeter, with one stone in Parcel 1 (25 stones total) and seven stones in Parcel 2 (83 stones total) being consistently identified as 'Type IIa white,' all grading as D color with no or only a faint level of fluorescence.

Diamonds are classified as either Type I or Type II, with Type I diamonds containing nitrogen while Type II diamonds are nitrogen free. Type II diamonds (both Type IIa and Type IIb) are very rare and generally thought to comprise less than 2% of all diamonds. Scientifically speaking, Type IIa diamonds are almost pure carbon diamonds, containing no significant amount of nitrogen in the crystal lattice. Since nitrogen is the impurity in diamond that imparts a yellowish hue, the lack of nitrogen results in a pure, very valuable colorless (D, E or F color) diamond. While it is possible to obtain D Flawless diamonds from Type I diamonds, the most sought after diamonds are Type IIa flawless diamonds. Type IIb diamonds are similar to Type IIa diamonds in their lack of nitrogen, but they are also infused with boron, leading to a desirable blue tone within the stone. Type II diamonds have superior optical properties and have a superior overall polish to Type I diamonds. Type IIa diamonds dominate the special stone size fraction, i.e., stones greater than 10.8 carats. Such famous diamonds as the Cullinan (the world's largest cut diamond found in the South African Premier Mine in 1905) and the Koh-i-Noor (Urdu for "Mountain of Light"), which was found in India and now rests in the Tower of London, are Type IIa diamonds. The Letšeng mine (Gem Diamond Limited) located in the Kingdom of Lesotho and the Karowe mine (Lucara Diamond Corporation "Lucara") in Botswana are two mines currently producing some of the largest and most valuable Type IIa diamonds in the world. The reader is encouraged to visit the Company's website at: <http://www.tsodiloresources.com/s/Diamond.asp?ReportID=718080> for additional information on Type IIa diamond and diamond classification in general.

"One cannot emphasize enough the importance of BK16 containing Type IIa diamonds. Recent and more well-known examples of Type IIa diamonds are the 1,111 carat, 813 carat and 374 carat diamonds all recovered in the later part of 2015 from the Karowe mine owned by Lucara and located 16 miles from BK16, with the 1,111 carat 'Lesedi La Rona' diamond being one of the largest gem quality diamonds ever recovered, second only to the famous Cullinan diamond, and the 813 carat stone, 'The Constellation', recently selling at auction for over US\$63M. It remains to be determined whether BK16 holds such historic diamonds as the Karowe mine, but it is encouraging to know that BK16 does contain Type IIa diamonds", commented Dr. Mike de Wit, Tsodilo's President and COO.

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 its Gcwihaba project area consisting of twenty-two (22) metal (base, precious, platinum group, and rare earth) prospecting licenses and eight (8) radioactive mineral licenses all located in the North-West district of Botswana. The Company has a 75% stake in Bosoto (Pty) Ltd. which holds the BK16 kimberlite project in the Orapa Kimberlite Field in 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. Dr. de Wit has reviewed the information contained herein and approved the contents of this Press Release.

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

This press release contains 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 relating to the development of the Company's projects) 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, 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, 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.

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