

# TSODILO RESOURCES LIMITED

## NEW DRILLING RESULTS FOR BLOCK 2A CONFIRM SIGNIFICANT UPGRADE POTENTIAL OF THE XAUDUM IRON FORMATION

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**TORONTO, ONTARIO** - Tsodilo Resources Limited ("Tsodilo" or the "Company") (TSX-V: TSD) (OTCQB: TSDRF) (FSE: TZO) is pleased to announce that its advanced evaluation program on the Xaudum Iron Formation (XIF) project is progressing as planned. Drill and assay results confirm that Block 2a located 10 kilometers south of Block 1 is a continuation of the same Block 1 magnetite rich units which will result in a significant increase in the resource tonnage for the XIF project upon completion of the Block 2a drill program.

Assay Results for 10 holes drilled in Block 2a show the following:

- **Ten** (10) evaluation drill holes were drilled within the **Block 2a** area of the XIF totaling 2,046.40 meters;
- **1,197.70** meters of highly magnetic magnetite rich iron mineralization of the same type as seen in Block 1 were intersected;
- Drilling results indicate that Block 2a contains the same three magnetite resource lithological units that are seen in Block 1 with the following average grades;
  - ◆ **35.6%** Fe is the average Block 2a grade of the major Banded Magnetite BIF unit coded **MBA** (inclusive of weathered material);
    - **35.5%** Fe was the average Block 1 grade for MBA;
  - ◆ **25.1%** Fe is the average Block 2a grade of the major Magnetite Diamictite Schist unit coded **DIM** (inclusive of weathered material);
    - **20.8%** Fe was the average Block 1 grade for DIM;
  - ◆ **25.0%** Fe is the average Block 2a grade of the minor Magnetite Garnet Schist unit coded **MGS** (inclusive of weathered material);
    - **22.1%** Fe was the average Block 1 grade for MGS;
  - ◆ These results confirm that the units in Block 2a are a continuation of the same magnetite rich iron formation 10 kilometers south of Block 1;
  - ◆ Based on metallurgical Davis Tube Recovery (DTR) magnetic separation (P80 of 80 micron) results for Block 1, a general average high-grade iron concentrate of **66 - 67%** Fe and above can be expected from Block 2a;
- Block 2a will represent a significant increase in the XIF resource tonnages as it is of a similar size to Block 1.

### Assay Results

XRF assays results have been returned from ALS Chemex for ten (10) drill holes from Block 2a totaling 755 samples consisting of 1,197.70 meters of intersected mineralization showing significant magnetite rich resource material of the same type as seen in Block 1. The Company has defined a CIM compliant Inferred Mineral Resource Estimate within Block 1 of 441 million tonnes (Mt) with an average grade of 29.4% Fe, 41.0% SiO<sub>2</sub>, 6.1% Al<sub>2</sub>O<sub>3</sub> and 0.3% P for the magnetite XIF in Block 1. The interval weighted average grades for this magnetite rich iron mineralized Block 2 units are shown in Table 1. The hole-by-hole breakdown is shown in Table 2 below. Block 2a will represent a significant increase in the XIF resource tonnage upon completion of the drilling program.

Table 1. Assay results for the 10 Block 2a drill holes. Including results for density and Magnetic Susceptibility (Mag Sus)

| Geodomain Codes<br>(Lithological Units)                              | Total<br>Intervals (m) | Fe<br>% | SiO <sub>2</sub><br>% | Al <sub>2</sub> O <sub>3</sub><br>% | P<br>% | LOI<br>% | S<br>% | Density<br>(g/cm <sup>3</sup> ) | Mag Sus<br>(x10 <sup>-3</sup> ) |
|--|------------------------|---------|-----------------------|-------------------------------------|--------|----------|--------|---------------------------------|---------------------------------|
| MBA (Banded Magnetite BIF<br>inclusive of weathered material)        | 195.2                  | 35.61   | 37.82                 | 2.89                                | 0.262  | 1.66     | 0.029  | 2.90                            | 390.5                           |
| DIM (Magnetite Diamictite Schist<br>inclusive of weathered material) | 926.6                  | 25.11   | 45.57                 | 7.72                                | 0.237  | 1.13     | 0.021  | 3.01                            | 579.4                           |
| MGS (Magnetite Garnet Schist<br>inclusive of weathered material)     | 75.9                   | 24.97   | 48.89                 | 8.73                                | 0.208  | -1.21    | 0.070  | 3.30                            | 187.7                           |

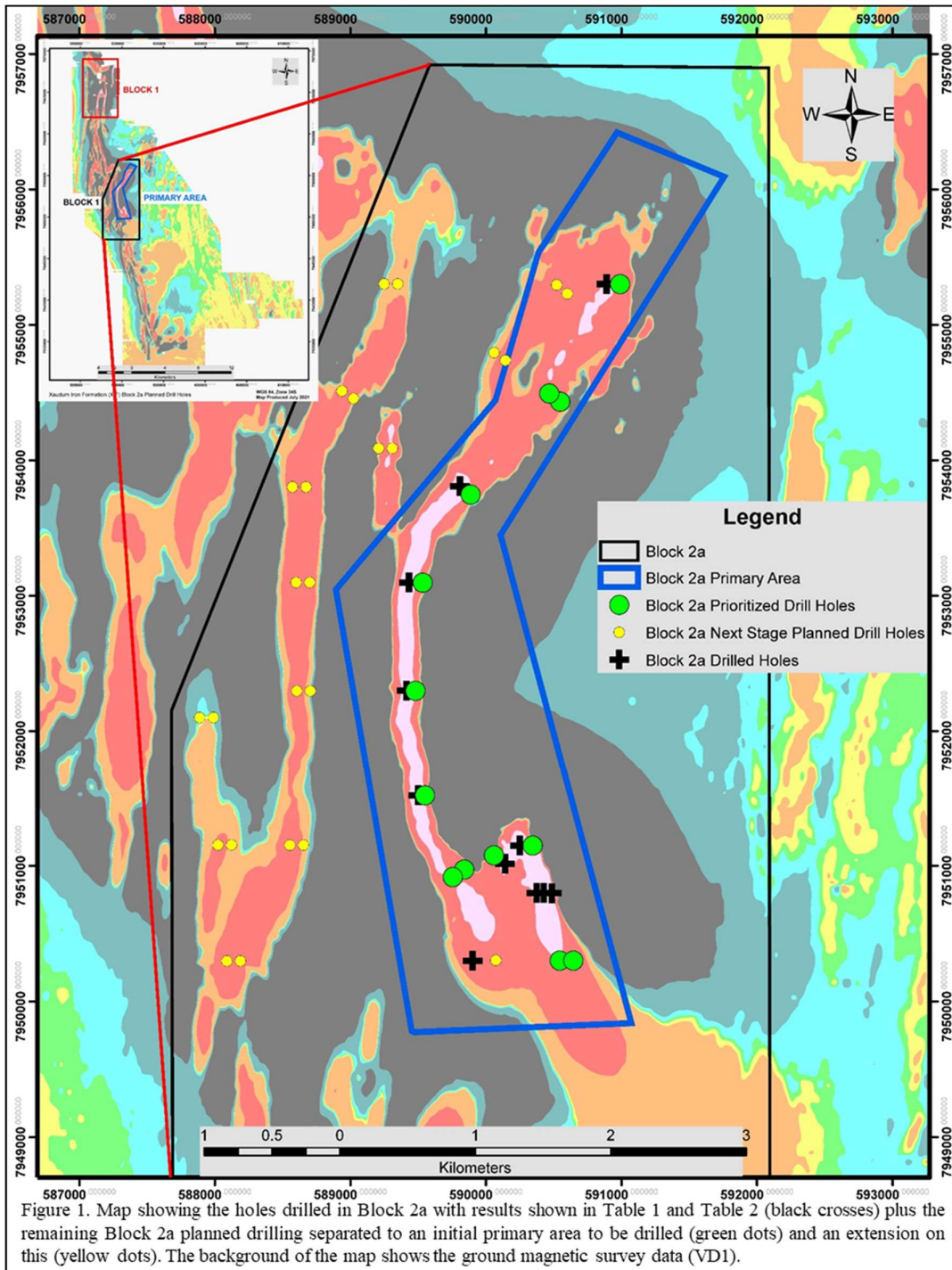


Figure 1. Map showing the holes drilled in Block 2a with results shown in Table 1 and Table 2 (black crosses) plus the remaining Block 2a planned drilling separated to an initial primary area to be drilled (green dots) and an extension on this (yellow dots). The background of the map shows the ground magnetic survey data (VD1).

### **Block 2a Drill Plan Continuation**

The Company is looking to expand its XIF resource into Block 2a and these assay results represent the first 10 drill hole results from Block 2a (black crosses in Figure 1). These 10 drill holes show that the Company can expect a significant resource increase in this area. Block 2a has been split into an initial “primary area” to be drilled (green dots in Figure 1) which will result in an initial resource to coincide with the Company’s Preliminary Economic Assessment (PEA). The remaining “next stage” Block 2a planned drilling (yellow dots in Figure 1) will then be drilled.

The background of the Figure 1 map shows the First Vertical Derivative (FVD) of the ground magnetic survey data. The drill plans shown on Figure 1 will be continually reviewed and revised to ensure that they are optimal and will result in a resource to be included in mineral resource estimation (MRE) updates.

### **Sampling and QAQC (Quality Control and Quality Assurance)**

The split mineralized core (half core) is sampled at two-meter intervals, these two-meter samples are measured for density using the Archimedeian method of weighing dry and then weighing submerged in water, see Table 1 and Table 2. The density measurements are supplemented with QAQC check samples to ensure precision and repeatability of the density measurements.

The two-meter samples from the split cores are then bagged and labeled, and consigned for crushing, pulverizing (pulp creation) and XRF chemical assay. 755 samples from these holes were analyzed by ALS Chemex for XRF assay analysis, this included QAQC check samples.

All returned XRF assay results are checked that they pass QAQC before they are uploaded into the Company’s drillhole database. Standards are checked against control limits; blanks are checked for contamination; and, duplicates are plotted against the original to ensure reproducibility of the process. All QAQC assays have satisfactorily passed the QAQC checks and the assay data has been uploaded into the database.

### **About the Xaudum Iron Formation Project**

- ◇ The project is located in the North-West District of Botswana and is proximate to the Namibian boarder and lies twenty-two (22) miles from the town of Divundu in Namibia. The Walvis Bay-Ndola-Lubumbashi Development Corridor (previously known as the Trans-Caprivi), line linking Zambia and Namibia is planned to pass through Divundu providing access to Walvis Bay, Namibia’s deep-sea port.
  - The Company has joined the Walvis Bay Corridor Group (WBCG). Currently the portion of the corridor between Grootfontein (Namibia) to Katima Mulilo located on the Zambia border is the portion of the corridor closest to the Xaudum Iron Project. In March 2021, the Namibian Ministry of Works and Transport commissioned a Feasibility Study for the Trans-Zambezi Railway Extension Grootfontein – Rundu - Katima Mulilo. The proposed rail extension between Grootfontein and Katima Mulilo is significant to Tsodilo as the extension is planned to pass through Divundu. The feasibility study is expected to be completed by the end of 2021 and its results will be considered in our Preliminary Economic Assessment (PEA).
  - The project is also located within forty-three (43) miles of the proposed Mucusso line to Angola’s Namibe Port.
- ◇ Preliminary work on the Xaudum Iron project has defined a CIM compliant Inferred Mineral Resource Estimate of 441 million tonnes (Mt) with an average grade of 29.4% Fe, 41.0% SiO<sub>2</sub>, 6.1% Al<sub>2</sub>O<sub>3</sub> and 0.3% P for the Block 1 magnetite XIF.
- ◇ Block 1 is a fraction of the potential XIF magnetite resource. An extrapolated exploration target has defined the XIF to be in the order of 5 to 7 billion tonnes at 15 - 40% Fe. This

exploration target was generated by inversion modelling of ground magnetic geophysical data which was compared and moderated to volumes from drilling data within Block 1 and its potential quantity and grade is conceptual in nature. To date, there has been insufficient exploration to define a mineral resource other than in Block 1 and it is uncertain if further exploration will result in the target being delineated as a mineral resource. See *Press Release of 9/14/2014* on the Company's website for further details.

- ◇ Metallurgical magnetic separation results (Davis Tube Recovery) show an average concentrate of 67.2% Fe, 4.2% SiO<sub>2</sub>, 0.5% Al<sub>2</sub>O<sub>3</sub>, 0.07% P is obtained at P80 grind size of 80 microns, although higher grades are possible at finer P80's. See *Press Release of 12/17/2013* on the Company's website.
- ◇ Further exploration will be focused on Block 2a where the Company expects an increase in the resource.

An informational presentation of the project outlining more information can be found on the Company's website at [http://www.tsodiloresources.com/i/pdf/3\)-Tsodilo-Iron-Project-Overview\\_March-2021.pdf](http://www.tsodiloresources.com/i/pdf/3)-Tsodilo-Iron-Project-Overview_March-2021.pdf).

More technical information a report prepared by SRK Consulting (UK) Ltd. for Gcwihaba Resources (Pty) Ltd. titled "Mineral Resource Estimate for the Xaudum Iron Project (Block 1), Republic of Botswana" with an effective date of August 29, 2014 and filed on SEDAR under the Company's profile at [www.sedar.com](http://www.sedar.com).

#### **About ALS Chemex, South Africa**

ALS is a global leader in providing laboratory testing, inspection, certification and verification solutions with a reputation for providing quality analytical services to the global mining industry in the fields of analytical chemistry, mineralogy and metallurgical testing, commodity analysis and certification.

#### **About Tsodilo Resources Limited**

Tsodilo Resources Limited is an international diamond and metals exploration company engaged in the search for economic diamond, metal deposits and industrial stone at its Bosoto (Pty) Limited ("Bosoto"), Gcwihaba Resources (Pty) Limited ("Gcwihaba") and Newdico (Pty) Ltd. ("Newdico") projects in Botswana. 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 seven metal (base, precious, platinum group, and rare earth) prospecting licenses all located in the North-West district of Botswana. The Company has a 100% interest in its Newdico industrial stone project located in Botswana's Central District. Tsodilo manages the exploration of the Newdico, Gcwihaba, and Bosoto projects. Overall supervision of the Company's exploration program is the responsibility of Dr. Alistair Jeffcoate, Project Manager and Chief Geologist of the Company and a "qualified person" as such term is defined in National Instrument 43-101.

Table 2. Detailed XRF assay data for the interval weighted average for the 10 Block 2a drill holes. Including results for density (g/cm<sup>3</sup>) and Magnetic Susceptibility (Mag Sus x10<sup>-3</sup>).

| Hole ID    | From  | To    | Interval | Geodomain Codes (Lithological Units)* | Fe %  | SiO <sub>2</sub> % | Al <sub>2</sub> O <sub>3</sub> % | P %   | LOI %  | S %   | Density | Mag Sus |
|------------|-------|-------|----------|---------------------------------------|-------|--------------------|----------------------------------|-------|--------|-------|---------|---------|
| L9630 15   | 77.7  | 86.2  | 8.5      | MBW                                   | 35.67 | 41.10              | 3.34                             | 0.456 | -0.27  | 0.023 | NA      | NA      |
| L9630 15   | 86.2  | 96.2  | 10       | MBA                                   | 31.41 | 43.42              | 5.82                             | 0.581 | -1.03  | 0.020 | NA      | NA      |
| L9630 15   | 96.2  | 150.2 | 54       | DIM                                   | 27.68 | 43.44              | 6.89                             | 0.232 | 1.23   | 0.003 | NA      | NA      |
| L9630 15   | 150.2 | 160.2 | 10       | MBA                                   | 37.82 | 32.56              | 3.03                             | 0.252 | 1.12   | 0.064 | NA      | NA      |
| L9650 8    | 36.7  | 44.6  | 7.9      | DMW                                   | 26.47 | 41.18              | 6.04                             | 0.206 | 3.90   | 0.004 | NA      | 121.4   |
| L9650 8    | 44.6  | 84.6  | 40       | DIM                                   | 25.96 | 44.64              | 7.41                             | 0.213 | 1.31   | 0.007 | NA      | 592.8   |
| L9650 8    | 84.6  | 86.6  | 2        | MGS                                   | 25.92 | 50.10              | 8.78                             | 0.210 | -1.64  | 0.054 | NA      | 248.3   |
| L9650 8    | 86.6  | 128.6 | 42       | DIM                                   | 26.35 | 45.99              | 7.80                             | 0.210 | -0.003 | 0.058 | NA      | 524.0   |
| XIF0010E 2 | 32    | 60    | 28       | MBW                                   | 34.59 | 35.50              | 1.82                             | 0.209 | 5.19   | 0.003 | 3.20    | 134.1   |
| XIF0010E 2 | 60    | 64    | 4        | DMW                                   | 19.00 | 43.10              | 9.35                             | 0.195 | 5.21   | 0.007 | 3.03    | 58.8    |
| XIF0010E 2 | 64    | 70    | 6        | MBA                                   | 33.18 | 36.37              | 2.64                             | 0.256 | 4.04   | 0.004 | 3.44    | 229.6   |
| XIF0010E 2 | 70    | 75    | 5        | DIM                                   | 27.67 | 45.47              | 6.62                             | 0.247 | 0.27   | 0.002 | 3.07    | 664.3   |
| XIF0010W 1 | 9.3   | 38    | 28.70    | MBW                                   | 34.35 | 38.39              | 3.12                             | 0.206 | 3.06   | 0.005 | 3.01    | 153.0   |
| XIF0010W 1 | 42    | 108   | 66       | MBA                                   | 36.47 | 38.90              | 2.54                             | 0.244 | 0.60   | 0.033 | 3.52    | 638.2   |
| XIF0010W 1 | 108   | 201   | 93       | DIM                                   | 23.86 | 46.32              | 8.33                             | 0.216 | 0.93   | 0.005 | 3.18    | 718.2   |
| XIF0011E 1 | 20    | 44    | 24       | DMW                                   | 21.63 | 47.64              | 8.03                             | 0.175 | 3.28   | 0.020 | 2.96    | 73.9    |
| XIF0011E 1 | 44    | 58    | 14       | MBA                                   | 36.97 | 37.36              | 2.49                             | 0.252 | 1.27   | 0.008 | 3.53    | 774.2   |
| XIF0011E 1 | 58    | 92    | 34       | DIM                                   | 28.00 | 43.35              | 6.62                             | 0.233 | 0.87   | 0.011 | 3.33    | 582.2   |
| XIF0011E 1 | 92    | 112   | 20       | MBA                                   | 35.90 | 36.81              | 4.13                             | 0.249 | 0.33   | 0.090 | 3.62    | 509.9   |
| XIF0013V   | 20    | 44    | 24       | DMW                                   | 22.08 | 48.48              | 7.29                             | 0.194 | 2.75   | 0.004 | 2.97    | 145.4   |
| XIF0013V   | 44    | 126   | 82       | DIM                                   | 23.71 | 47.17              | 8.55                             | 0.204 | 0.59   | 0.013 | 3.21    | 724.6   |
| XIF0013V   | 126   | 130   | 4        | MBA                                   | 39.66 | 33.15              | 1.68                             | 0.270 | 0.87   | 0.078 | 3.71    | 885.2   |
| XIF0014V   | 50    | 66    | 16       | DMW                                   | 27.82 | 43.83              | 6.27                             | 0.455 | 1.63   | 0.004 | 3.24    | 72.4    |
| XIF0014V   | 66    | 162   | 96       | DIM                                   | 26.53 | 44.65              | 7.54                             | 0.258 | 0.63   | 0.022 | 3.26    | 615.0   |
| XIF0014V   | 170   | 200   | 30       | DIM                                   | 23.81 | 47.35              | 8.83                             | 0.197 | 0.55   | 0.034 | 3.25    | 812.4   |
| XIF0015V   | 50    | 58    | 8        | DMW                                   | 27.27 | 43.73              | 6.10                             | 0.430 | 1.83   | 0.005 | 3.21    | 100.1   |
| XIF0015V   | 58    | 172   | 114      | DIM                                   | 24.90 | 45.26              | 7.77                             | 0.261 | 1.21   | 0.077 | 3.20    | 579.7   |
| XIF0015V   | 172   | 200.7 | 28.7     | MGS                                   | 24.95 | 46.79              | 8.26                             | 0.222 | -0.51  | 0.035 | 3.35    | 187.3   |
| XIF0016V   | 40    | 60    | 20       | DMW                                   | 25.50 | 44.77              | 6.27                             | 0.442 | 2.77   | 0.007 | 3.07    | 119.0   |
| XIF0016V   | 60    | 140   | 80       | DIM                                   | 25.39 | 45.77              | 7.50                             | 0.261 | 0.86   | 0.006 | 3.18    | 605.9   |
| XIF0016V   | 140   | 185.2 | 45.2     | MGS                                   | 24.94 | 50.17              | 9.02                             | 0.199 | -1.64  | 0.094 | 3.40    | 185.3   |
| XIF0017V   | 48    | 62    | 14       | DMW                                   | 23.85 | 44.80              | 7.33                             | 0.207 | 3.05   | 0.009 | 3.14    | 207.2   |
| XIF0017V   | 62    | 200.7 | 138.7    | DIM                                   | 24.54 | 45.99              | 8.07                             | 0.203 | 1.07   | 0.011 | 3.19    | 686.3   |

\*Weathered Magnetite BIF (MBW) / Magnetite BIF (MBA) / Magnetite Diamictite Schist (DIM) / Weathered Magnetite Diamictite Schist (DMW) / Magnetite Garnet Schist (MGS)

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