

# Bluestone Drills 21.4m grading 9.6 g/t Au and 34.9 g/t Ag at Cerro Blanco

Vancouver, British Columbia--(Newsfile Corp. - July 5, 2018) - **Bluestone Resources Inc. (TSXV: BSR) (OTCQB: BBSRF) ("Bluestone" or the "Company")** is pleased to announce further positive drill results from its resource definition drill program at the Cerro Blanco Gold project in Guatemala.

Highlights include the following intercepts representing true widths of the veins:

- **9.6 g/t Au and 34.9 g/t Ag over 21.4 m (UGCB18-92)**
- **11.5 g/t Au and 48.6 g/t Ag over 12.9 m (UGCB18-96)**
- **16.5 g/t Au and 18.4 g/t Ag over 7.9 m (CB18-393)**
- **7.0 g/t Au and 65.2 g/t Ag over 17.2 m (CB18-394) including 17.5 g/t Au and 197 g/t Ag over 4.1 m**

Results in this press release include seven holes drilled from within the 3.2 km of underground mine workings and six holes drilled from surface.

Holes UGCB18-92 and UGCB18-96 are infill holes drilled in the South Ramp underground workings from the same platform as holes UGCB18-86 and UGCB18-89 previously reported (see Company press release May 30, 2018). These latest holes continue to re-affirm the new geological model developed by Bluestone, where broad widths of high-grade mineralization occur due to multiple quartz-adularia veins converging at depth, possibly representing a feeder structure. Visible gold can be observed associated with zones of dark grey quartz and acanthite (a silver sulphide mineral) within these high-grade vein intercepts.

Importantly, UGCB18-98, drilled in the southeast into the hanging wall of the veins, encountered a series of new high-grade veins that were discovered by Bluestone's recent underground channel sampling program in the South Ramp access tunnel. These veins were previously unknown and will be included in the updated resource estimate being undertaken as part of the current Feasibility Study expected in Q4 2018.

Darren Klinck, President & CEO, commented, "We continue to be very pleased with the results from the feasibility drilling program earlier this year. As a result, we have enhanced our confidence in the continuity of the high-grade veins and the geologic model has now been transferred to the mine design team as part of the mine planning activities for the Feasibility Study." He added, "Our understanding of the geologic potential within, and immediately adjacent to the current deposit, has been significantly enhanced through the drilling and sampling programs. The focus of our geology team on exploration will certainly be key as we move ahead with our objective to expand the resources at Cerro Blanco over the coming quarters."

A plan view showing drill hole locations and cross sections can be accessed by clicking [HERE](#). A selection of illustrative core photographs can be viewed [HERE](#).

Additional assays continue to be received that show long intervals of low grade mineralization in surface holes collared in a tabular, silicified sedimentary unit that is roughly 100-120 m thick that overlies and conceals the majority of the high-grade veins at Cerro Blanco. This unit is host to disseminated gold showing potential for bulk tonnage mineralization, e.g., CB-388 drilled 108.9m grading 1.03 g/t Au and 1.91 g/t Ag from 21.7 m to 130.5 m below surface. Assays are still being received and will be compiled and assessed when complete. Host rocks comprise a sequence of sandstones, conglomerates, phreatic breccias and thin sinter horizons (*Salinas Group*) that have been subject to widespread silicification and argillic alteration, characteristic of a silica cap preserved above hot springs precious metal deposits.

**Table 1: Drill Results Table**

HOLE ID	FROM (m)	TO (m)	CORE INTERVAL (m)	EST. TRUE WIDTH (m)	Au g/t	Ag g/t	
UGCB18-92	18.0	19.0	1.0	1.0	4.3	18.3	
	27.0	30.7	3.7	3.7	15.2	138.7	
	<b>36.8</b>	<b>58.2</b>	<b>21.4</b>	<b>21.4</b>	<b>9.6</b>	<b>34.9</b>	
	Incl.	47.4	51.2	3.8	3.8	34.1	132.2
		62.0	63.8	1.8	1.8	5.2	13.0
		96.5	100.0	3.5	3.5	8.0	33.8
	112.3	117.6	5.4	5.4	12.8	10.8	
UGCB18-93	10.3	11.3	1.0	1.0	24.5	32.2	
	21.8	22.9	1.1	1.1	5.2	11.7	
	116.5	117.5	1.0	1.0	6.5	27.2	
UGCB18-94	98.1	100.3	2.2	2.2	7.2	15.7	
	103.4	104.4	1.0	1.0	7.9	16.1	
UGCB18-95	6.4	7.6	1.2	1.2	8.9	49.2	
	14.1	15.6	1.5	1.5	12.2	27.3	
	22.6	23.6	1.0	1.0	4.1	11.0	
	40.3	41.3	1.0	1.0	4.1	12.7	
	68.8	69.8	1.0	1.0	6.3	17.5	
UGCB18-96	32.6	36.4	3.8	3.3	3.7	12.9	
	<b>39.4</b>	<b>52.4</b>	<b>13.0</b>	<b>12.9</b>	<b>11.5</b>	<b>48.6</b>	
	Incl.	47.4	51.3	3.9	3.8	29.5	137.5
		56.4	61.4	5.0	4.8	7.1	30.5
		64.4	68.8	4.3	4.1	4.3	11.1

UGCB18-97	No Significant Results					
UGCB18-98	10.5	11.5	1.0	1.0	6.8	81.1
	38.2	40.5	2.3	2.3	4.6	14.0
	52.2	53.2	1.0	1.0	3.5	30.8
	108.2	110.6	2.3	2.1	9.9	8.7
	115.2	116.2	1.0	1.0	28.6	112.0
	148.9	149.9	1.0	1.0	4.2	11.0
CB18-388	37.7	41.0	3.3	3.3	8.6	3.5
	145.5	147.0	1.5	1.5	2.9	4.1
CB18-389	104.7	110.0	5.3	5.3	7.9	35.1
	182.0	183.8	1.8	1.8	4.9	13.6
CB18-393	<b>253.6</b>	<b>261.5</b>	<b>7.9</b>	<b>7.9</b>	<b>16.5</b>	<b>18.4</b>
CB18-394	52.3	56.6	4.3	4.3	4.0	8.6
	101.5	102.5	1.0	1.0	15.6	52.6
	<b>110.6</b>	<b>128.0</b>	<b>17.4</b>	<b>17.2</b>	<b>7.0</b>	<b>65.2</b>
Incl.	<b>116.9</b>	<b>121.0</b>	<b>4.1</b>	<b>4.1</b>	<b>17.5</b>	<b>196.9</b>
CB18-395	46.3	51.0	4.7	4.7	5.8	4.2
	78.0	79.2	1.3	1.3	6.4	5.6
CB18-397	36.0	40.2	4.2	4.2	3.2	15.8
	78.7	81.4	2.6	2.6	4.0	15.0
	96.9	102.7	5.8	5.8	3.1	14.3
	151.8	154.0	2.2	2.2	3.9	11.3
	184.2	185.3	1.1	1.1	6.3	9.1

**Notes:** Intervals in bold are cited in the text of the news release. Only intercepts averaging over 3 g/t Au when diluted to a minimum 3 m true width are stated. A complete table with hole coordinates and azimuth/ dip information accompany the plan view attached to this release. No grade capping was applied (highest assay 104 g/t Au, 2nd highest 39.3 g/t Au)

### Quality Analysis and Quality Control

Assay results listed within this release were performed by Inspectorate Laboratories ("Inspectorate"), a division of Bureau Veritas, which are ISO 17025 accredited laboratories. Logging and sampling are undertaken on site at Cerro Blanco by Company personnel under a QA/QC protocol developed by Bluestone. Samples are transported in security-sealed bags to Inspectorate, Guatemala City, Guatemala, for sample preparation. Sample pulps are shipped to Inspectorate Laboratories in Vancouver, BC, Canada or Reno, NV, USA, and assayed using industry-standard assay techniques for gold and silver. Gold and silver were analyzed by a 30-gram charge with atomic absorption and/or gravimetric finish for values exceeding 5 g/t Au and 100 g/t Ag. Analytical accuracy and precision are monitored by the analysis of reagent blanks, reference material and replicate samples. Quality control is further assured by Bluestone's QA/QC program, which involves the insertion of blind certified reference materials (standards) and field duplicates into the sample stream to independently assess analytical precision and accuracy of each batch of samples as they are received from the laboratory. A selection of samples is submitted to ALS Chemex Laboratories in Vancouver for check analysis and additional quality control.

### Qualified Person

David Cass, P. Geo., Vice President Exploration, is the designated Qualified Person for this news release within the meaning of National Instrument 43-101 and has reviewed and verified that the technical information set out above in this news release is accurate and therefore approves this written disclosure of the technical information.

### About Bluestone Resources

Bluestone Resources is a mineral exploration and development company that is focused on advancing its 100%-owned Cerro Blanco Gold and Mita Geothermal projects located in Guatemala. The Cerro Blanco Gold project economics, as disclosed in the Company's Cerro Blanco Preliminary Economic Assessment ("PEA") which is available at [www.sedar.com](http://www.sedar.com), and updated mineral resource estimate for Cerro Blanco, indicate a robust project with an expected nine-year mine life producing 952,000 ounces of gold and 3,141,000 ounces of silver. Initial capital expenditures in the PEA to fund construction and commissioning is estimated at US\$170.8 million with all-in sustaining cash costs (as defined per World Gold Council guidelines, less corporate general and administration costs) estimated to be US\$490 per ounce of gold produced. The Company trades under the symbol "BSR" on the TSX Venture Exchange and "BBSRF" on the OTCQB.

### On Behalf of Bluestone Resources Inc.

"Darren Klinck"

**Darren Klinck | President, Chief Executive Officer & Director**

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### Cautionary Language

The PEA is preliminary in nature, it includes inferred mineral resources that are considered too speculative geologically to have

the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

*Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

### **Forward Looking Statements**

This press release contains "forward-looking information" within the meaning of Canadian securities legislation and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, "**forward-looking statements**"). All statements, other than statements of historical fact, that address activities, events or developments that Bluestone Resources Inc. ("**Bluestone**" or the "**Company**") believes, expects or anticipates will or may occur in the future including, without limitation: the proposed timeline and benefits of the Feasibility Study; statements about the Company's plans for its mineral properties; Bluestone's business strategy, plans and outlook; the future financial or operating performance of Bluestone; capital expenditures, corporate general and administration expenses and exploration and development expenses; expected working capital requirements; the future financial estimates of the Cerro Blanco Project economics, including estimates of capital costs of constructing mine facilities and bringing a mine into production and of sustaining capital costs, estimates of operating costs and total costs, net present value and economic returns; proposed production timelines and rates; funding availability; resource estimates; and future exploration and operating plans are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to Bluestone and often use words such as "expects", "plans", "anticipates", "estimates", "intends", "may" or variations thereof or the negative of any of these terms.

All forward-looking statements are made based on the Company's current beliefs as well as various assumptions made by them and information currently available to them. Generally, these assumptions include, among others: the ability of Bluestone to carry on exploration and development activities; the price of gold, silver and other metals; there being no material variations in the current tax and regulatory environment; the exchange rates among the Canadian dollar, Guatemalan quetzal and the United States dollar remaining consistent with current levels; the presence of and continuity of metals at the Cerro Blanco Project at estimated grades; the availability of personnel, machinery and equipment at estimated prices and within estimated delivery times; metals sales prices and exchange rates assumed; appropriate discount rates applied to the cash flows in economic analyses; tax rates and royalty rates applicable to the proposed mining operation; the availability of acceptable financing; anticipated mining losses and dilution; success in realizing proposed operations; anticipated timelines for community consultations and the impact of those consultations on the regulatory approval process.

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, Bluestone. Factors that could cause actual results or events to differ materially from current expectations include, among other things: risks and uncertainties related to expected production rates, timing and amount of production and total costs of production; risks and uncertainties related to ability to obtain or maintain necessary licenses, permits, or surface rights; risks associated with technical difficulties in connection with mining development activities; risks and uncertainties related to the accuracy of mineral resource estimates and estimates of future production, future cash flow, total costs of production and diminishing quantities or grades of mineral resources; risks associated with geopolitical uncertainty and political and economic instability in Guatemala; risks and uncertainties related to interruptions in production; the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; uncertain political and economic environments and relationships with local communities; risks relating to variations in the mineral content within the mineral identified as mineral resources from that predicted; variations in rates of recovery and extraction; developments in world metals markets; risks related to fluctuations in currency exchange rates; as well as those factors discussed under "Risk Factors" in the Company's Amended and Restated Annual Information Form.

Any forward-looking statement speaks only as of the date on which it was made, and except as may be required by applicable securities laws, Bluestone 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 Bluestone 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 their inherent uncertainty. There can be no assurance that forward-looking statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements.