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## Bluestone Files Positive Preliminary Economic Assessment for the Cerro Blanco Gold Project

March 23, 2017

Vancouver, B.C. – Bluestone Resources Inc. (TSX VENTURE:BSR) ("Bluestone" or the "Company") today announced the filing of a National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101") technical report (the "Technical Report") titled "Preliminary Economic Assessment Technical Report for the Cerro Blanco Project, Guatemala" that has an effective date of February 7, 2017 and a report date of March 20, 2017 for the Cerro Blanco Gold Project ("Cerro Blanco") located 160 km southeast of Guatemala City in Guatemala (the "PEA"). The results of the PEA were published in a news release of the Company on February 7, 2017. Bluestone signed an agreement dated January 4, 2017 to acquire 100% of Cerro Blanco and the associated Mita Geothermal ("Mita Geothermal") from subsidiaries of Goldcorp Inc., as disclosed in the Company's news release dated January 11, 2017 (the "Proposed Acquisition").

The independent Technical Report was prepared by JDS Energy & Mining Inc. and is filed on SEDAR and can be viewed at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.bluestonerresources.ca](http://www.bluestonerresources.ca).

### Technical Report and Qualified Persons

The PEA was conducted under the overall direction of Maz Mohaseb, P. Eng. of JDS Energy & Mining Inc. Mr. Mohaseb is a JDS project manager and an independent qualified person under NI 43-101, who has verified and approved the technical and scientific information included in this news release.

Under Mr. Mohaseb's supervision, the following persons are responsible for specific inputs into the PEA:

- **Garth Kirkham, P.Geo., Kirkham Geosystems Ltd.:** Geological modelling and resource estimation;
- **Michael Makarenko, P.Eng., JDS Energy & Mining Inc.:** Mining design criteria, mining capital and operating cost models and production scheduling;
- **Kelly McLeod, P.Eng., JDS Energy & Mining Inc.:** Process design criteria, recovery methods and processing capital and operating cost models;
- **Rob Gutowski, P.Eng., JDS Energy & Mining Inc.:** Infrastructure design and infrastructure/G&A cost models;
- **Marcel Pineau, Ph.D., P.Eng., JDS Energy & Mining Inc.:** Environmental/permitting review and recommendations;
- **Mike Levy, P.E., SRK Consulting (US) Inc.:** Geotechnical recommendations for underground mine design;

- **Ken Embree, P.Eng., Knight Piésold Ltd.:** Design of Dry Stack Tailings Facility; and
- **Hhan Olsen, P.G., Stantec Inc.:** Water management.

The foregoing persons are all independent qualified persons as defined in NI 43-101.

### ***Financing Updates***

The Company is pleased to announce that it has closed its working capital bridge financing (the “Working Capital Financing”) announced by the Company on February 7, 2017 and issued unsecured, interest-free convertible promissory notes (each, a “Note”) raising gross proceeds to the Company of \$3,829,075, with each Note having the terms set out in the Company’s press release dated February 7, 2017. All securities issued in connection with the Working Capital Financing are subject to a hold period expiring on July 21, 2017. However, if the Company files a prospectus in connection with the Offering (as defined below), it will use reasonable commercial efforts to have the prospectus qualify the issuance of the securities convertible under the Notes, which would eliminate the hold period. The Company intends to use the gross proceeds of the Working Capital Financing to fund the costs to complete the Proposed Acquisition, including the costs associated with preparing the PEA, audit fees, domestic and foreign legal fees, due diligence costs and site visit costs.

The Company also wishes to provide an update on the status of the Proposed Acquisition. The Company is working towards finalizing definitive agreements with Goldcorp Inc. and completion of due diligence, and as a result is extending the closing date for the private placement offering of subscription receipts being conducted in connection with the Proposed Acquisition as announced in the Company’s news releases dated February 7, 2017 and February 28, 2017 (the “Offering”). The Company will provide a further update on the closing date of the Offering as soon as the date has been confirmed. The Company does not anticipate a delay in the closing of the Proposed Acquisition currently anticipated to occur on or before April 28, 2017.

### **About Bluestone Resources Inc.:**

Bluestone Resources Inc. (TSX-V: BSR) announced on January 11, 2017 that it had entered into an agreement with Goldcorp Inc. to acquire 100% of Goldcorp's Cerro Blanco Gold project and Mita Geothermal projects located 160 km southeast of Guatemala City in Guatemala. Cerro Blanco is one of the world’s highest grade undeveloped gold projects that is fully permitted for production. The Cerro Blanco project economics as disclosed in the Company's press release dated February 7, 2017 announcing the results of the PEA and updated Mineral Resource Estimate for Cerro Blanco indicate a rapid pay-back, high margin, underground mining project with robust economics in the current gold price environment. At a gold price of US\$1,250/oz, the Cerro Blanco base case estimate generates an after-tax net present value at a 5% discount rate of US\$317 million and an internal rate of return of 43.9%. The proposed mine is expected to operate over a nine year mine-life with total gold and silver production of approximately 952,000 ounces and 3,141,000 ounces, respectively. Initial capital expenditures to fund construction and commissioning is estimated at US\$170.8 million. The all-in sustaining cash costs (as defined per World Gold Council guidelines, less corporate general and administration costs) is estimated to be US\$490 per ounce of gold produced.

On behalf of the Board

Bluestone Resources Inc.

John Robins, Chairman and Chief Executive Officer

For further information, contact:

John Robins at (604) 657-6226 or Robert Simpson at (604) 681-1407

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

### **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.

### **Forward-Looking Statements**

*This news release contains forward-looking statements within the meaning of Canadian securities legislation. All statements, other than statements of historical fact, that address activities, events or developments that Bluestone believes, expects or anticipates will or may occur in the future including, without limitation: statements relating to the Proposed Acquisition; 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; preparation of a feasibility study; 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 the Company 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 assumptions 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 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; currency exchange rates; 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, the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things: risks and uncertainties relating to the Proposed Acquisition, such as Bluestone’s ability to complete the Proposed Acquisition; risks related to regulatory approvals related to the Proposed Acquisition; 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; and risks related to fluctuations in currency exchange rates.*

*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, 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 their inherent uncertainty.*