



September 18, 2017

### **Bluestone Commences Feasibility Study on Cerro Blanco Project**

VANCOUVER, BRITISH COLUMBIA - Bluestone Resources Inc. (TSX VENTURE:BSR) ("Bluestone" or the "Company") today announced its Board of Directors has approved the commencement of the Feasibility Study (the "Feasibility Study") on the Company's Cerro Blanco Project located in Guatemala.

Earlier this year, in conjunction with the acquisition of the project from Goldcorp, the Company released a Preliminary Economic Assessment ("PEA") on Cerro Blanco that indicated a robust project generating an after tax internal rate of return of 43.9% and an NPV of US\$317 million using US\$1,250 per ounce of gold.

Following the positive findings from the PEA, Bluestone's Board of Directors has elected to advance directly to a Feasibility Study that is expected to be completed by the end of 2018. The Feasibility Study will be led by JDS Energy & Mining Inc. ("JDS") and contributed to by Hatch Ltd., Kirkham Geosystems Ltd., Knight Piésold Ltd. and Stantec Inc.

#### Appointment of Technical Advisor

The Company is pleased to announce the appointment of A.L (Alf) Hills as a Technical Advisor to assist the Company with oversight on the Feasibility Study. Alf will lead the Technical Advisory Committee that will be established over the coming months to assist Bluestone management throughout the feasibility study process in evaluation and review of key aspects of the program.

Mr. Hills is registered as a Professional Engineer in the Province of British Columbia and holds a degree in Mining and Mineral Process Engineering with over 40 years of international mine evaluation, development, start-up operating, general management and board experience. Mr. Hills spent 26 years of his career with Placer Dome Inc, where he held a number of positions including Vice President Evaluations, Mine General Manager at Placer's Australian Kidston Gold Mine and in Papua New Guinea in various construction, start-up and operating positions. Mr. Hills also participated in developing the CIM Best Practice guidelines for Mineral Resource and Mineral Reserve Estimation and was a corporate member of the SME Resources and Reserve Committee.

Darren Klinck, President and Chief Executive Officer, commented, "We are pleased to be launching the Cerro Blanco feasibility study which is an important next step as we further evaluate the opportunities for this high-grade, small footprint underground gold project." Mr. Klinck also added, "We are very fortunate to have someone with the depth of global experience that Alf Hills has to join Bluestone in an advisory capacity. Alf will play an important role as we establish the Technical Advisory Committee and work closely with Bluestone and JDS as the study advances."

#### **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 Project economics, as disclosed in the Company's Cerro Blanco Preliminary Economic Assessment which is available at [www.sedar.com](http://www.sedar.com), and updated mineral resource estimate for Cerro

Blanco indicates 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 estimated 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.

#### **On Behalf of Bluestone Resources Inc.**

*“Darren Klinck”*

Darren Klinck

President and Chief Executive Officer

#### **About JDS Energy & Mining**

JDS is a Vancouver-based, international engineering firm that has produced feasibility studies for some of premier gold projects globally. JDS take projects from the early conceptual vision, right through every stage of planning and development, to the establishment of a fully operational business. JDS offers extensive mining and mine management experience including: mine planning, production & general mine engineering, infrastructure analysis, process design, regulatory compliance, cost estimating, economic analysis and project management.

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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.

The scientific and technical disclosure in this news release has been reviewed and approved by John Robins, Executive Chairman of the Company, who is a Qualified Person as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects.

*Neither the TSX Venture 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.