

## Bluestone Drills 3.0 meters of 16.3 g/t Au and Intercepts New Veins at Cerro Blanco as Part of its Infill Drill Program to Convert and Upgrade Resources

January 9, 2018 – VANCOUVER, BRITISH COLUMBIA – Bluestone Resources Inc. (TSXV:BSR | OTCQB:BBSRF) ("Bluestone" or the "Company") today announced initial assays from the ongoing 3,500 meter infill drilling program currently underway at its high-grade Cerro Blanco Gold project. The primary focus of the program is to upgrade the Inferred resources identified during the drill program completed last year and to define new resources along veins in the mine plan that extend outside of the current resource envelope.

In addition, a new mineralized vein was drilled in hole UGCB18-101 that assayed 2.7 meters of 12.6 g/t Au. This new vein is in the North Zone and was drilled underground from the positive ramp.

Two LM-75 drill rigs are situated within the North Zone of the Cerro Blanco underground workings and are targeting specific areas of veins in the upper part of the Cerro Blanco resource that can be converted to the Indicated resource category by infill drilling. Additionally, certain veins with Indicated resources are expected to be upgraded into Measured resources where drill density is sufficient.

"Initial results from this program validate our belief in the exploration and growth potential of Cerro Blanco, advance our near-term goal of upgrading and converting resources from Inferred resources into Indicated resources, and potentially add new ounces outside of the area hosting the current resource estimate," stated Darren Klinck, Bluestone's President and CEO. "The resource estimate announced in September 2018 defined 360,000 ounces in the Inferred resource category<sup>1</sup>. The conversion of a large portion of these ounces into the Indicated resource category represents a significant opportunity to add value to the economics of the project. The majority of the current Inferred resource ounces are located on veins which already demonstrate Measured and Indicated resources with adequate grades and widths for mining. These Inferred resources are to be incorporated into a mine plan once upgraded. The current program is intended to provide the greater drilling density required to upgrade these resources to Measured and Indicated resource status."

**Table 1. Significant Intercepts**

HOLE ID	FROM (m)	TO (m)	CORE INTERVAL (m)	EST. TRUE WIDTH (m)	Au g/t	Ag g/t	Vein ID
CB18-409	106.9	107.9	1.0	1.0	10.5	24.4	VN_17
	130.9	134.2	3.2	3.2	4.4	9.1	New Vein
	156.5	159.6	3.1	3.1	6.4	6.9	VN_16
	161.9	165.0	3.2	3.2	6.9	10.5	VN_15
	217.8	218.8	1.0	1.0	86.9	227.0	VN_11
	221.0	222.0	1.0	1.0	5.6	6.8	New Vein
	<b>226.0</b>	<b>229.0</b>	<b>3.0</b>	<b>3.0</b>	<b>16.3</b>	<b>15.1</b>	<b>VN_10</b>
	237.4	238.4	1.0	1.0	22.0	12.1	VN_09
	241.8	243.0	1.2	1.2	6.1	5.4	New Vein
246.5	247.5	1.0	1.0	14.3	8.8	VN_07	
UGCB18-100	48.46	49.46	1	1	7.2	10.4	VN_01
	81.6	85.66	4.06	2.68	13.7	20.0	VN_02
	89.41	92.66	3.25	2.3	14.5	36.0	VN_03
	108.05	109.12	1.07	1.07	22.5	18.4	VN_05

<sup>1</sup> As per the press release dated September 11, 2018 with an effective date of August 6, 2018.

HOLE ID	FROM (m)	TO (m)	CORE INTERVAL (m)	EST. TRUE WIDTH (m)	Au g/t	Ag g/t	Vein ID
UGCB18-101	<b>63.45</b>	<b>66.14</b>	<b>2.69</b>	<b>1.95</b>	<b>12.6</b>	<b>107.1</b>	<b>New Vein</b>
	131.67	132.72	1.05	1.03	5.9	115	VN_02

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 meters 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)

Hole CB-409 was drilled from surface (Figure 3) with a principal objective of intercepting an Inferred resource portion of Vein VN\_10, which contains a total of 32,215 ounces in the Inferred resource category (87,367 tonnes grading 11.5 g/t Au at a 3.5 g/t Au cut-off) as per the current resource estimate, effective date August 6, 2018 as per the press release dated September 11, 2018. The target was intercepted as anticipated 226 meters down hole and assayed 3.0 meters of 16.3 g/t Au and 15.1 g/t Ag, some 62 meters down dip of its exposure within the North Ramp underground workings, where four 1.0-meter channel samples taken across the vein averaged 34.5 g/t Au. The hole intersected all other adjacent veins as expected including a new extension of Vein VN\_07 which extends this structure some 52 meters down dip.

Holes UGCB18-100 and UGCB18-101 were drilled from the underground workings (Figures 4 & 5) with the objective of infill drilling Vein VN\_02, a primary vein with a total of 46,800 ounces in the Inferred resource category (154,500 tonnes grading 9.4 g/t Au) as per the current resource estimate, effective date August 6, 2018 as per the press release dated September 11, 2018. The target was intercepted in both holes as anticipated. Importantly, UGCB18-100 intersected extensions of veins VN\_01, VN\_03, and VN\_05 that are outside of the current resource envelope which could potentially add new resources in the future.

A plan view showing drill hole locations and cross sections can be accessed by clicking [HERE](#).

#### 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 scientific and technical information set out above in this news release is accurate and therefore approves this written disclosure of the scientific and 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, as disclosed in the Company's Cerro Blanco Preliminary Economic Assessment (“PEA”) which is available at [www.sedar.com](http://www.sedar.com), returned robust economics with a quick pay back and all-in sustaining cash costs (as defined per World Gold Council guidelines, less corporate general and

administration costs) in the first quartile. 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 conversion of the inferred mineral resources; increasing the amount of measured mineral and indicated mineral resources; the proposed timeline and benefits of further drilling; 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 relating to variations in the mineral content within the mineral identified as mineral resources from that predicted; 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; 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.