

# Bluestone

## RESOURCES INC.

Bluestone Appoints Mr. Peter Hemstead as Chief Financial Officer and Mr. David Gunning as Senior Vice-President of Operations

VANCOUVER, BRITISH COLUMBIA--(Marketwired – May 9, 2017) - Bluestone Resources Inc. (TSX VENTURE: BSR) ("Bluestone" or the "Company") today announced the appointments of Mr. Peter Hemstead, CPA, CMA as Chief Financial Officer and Mr. David Gunning, P. Eng. as Senior Vice President of Operations.

Mr. Hemstead is an experienced international mining finance executive with over 20 years of experience and an extensive background in financial management, banking, mining finance and directing mine-site financial operations.

Mr. Gunning has over 35 years of experience, specializing in high grade underground gold mining. Mr. Gunning will be responsible for the oversight and management of the Bluestone's activities in Guatemala, including the Cerro Blanco Gold Mine and the Mita Geothermal projects.

"On behalf of Bluestone Resources, I am pleased to welcome Mr. Peter Hemstead as Chief Financial Officer and Mr. David Gunning as Vice President of Operations," stated John Robins, Chairman and CEO. "Mr. Hemstead's extensive mining finance experience and Mr. Gunning's extensive operational experience in high grade underground gold mining and exploration will be a great addition to our team as we progress towards the completion of our acquisition and development of the Cerro Blanco and Mita Geothermal projects."

### Mr. Peter Hemstead, CPA, CMA

Peter Hemstead is a Chartered Professional Accountant with an Honours Economics degree from the University of Western Ontario. Mr. Hemstead has over 20 years of finance experience, with the last 10 years spent in a senior financial executive role at Capstone Mining Corp., leading the finance team through the successful expansion from a development stage mining company to an intermediate producer. He has a proven track record of providing financial leadership and his extensive experience in financial management, corporate finance, project finance, treasury, commercial banking, marketing/sales, financial risk management, insurance and international tax planning.

### Mr. David Gunning, P. Eng

David Gunning is a graduate of Mining Engineering from the University of British Columbia (1983) and a practicing Professional Engineer since 1989. Mr. Gunning has over 35 years of operational experience in underground mining, processing and exploration in Canada, the United States, Mongolia and Mexico. For the last 8 years, Mr. Gunning acted as Chief Operating Officer and Director of Starcore International Mines during which time he was responsible for all aspects of the operation at the 900 tonne per day underground San Martin gold mine located in central Mexico. During his tenure at Starcore the company developed many successful strategies to aid the nearby community while improving the environmental

footprint of the operation. He is experienced with all aspects of both underground gold mining and processing. Mr. Gunning is a qualified person according to National Instrument 43-101 and speaks Spanish.

#### 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.

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

On behalf of the Board

Bluestone Resources Inc.

John Robins, Chairman and Chief Executive Officer

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*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.*

#### 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

Certain information set forth in this news release contains "forward-looking statements", and "forward-looking information" under applicable securities laws. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements, which include the Company's expectations about the completion of the proposed transaction with Goldcorp Inc. and related financing, future performance based on current results and expected cash costs and are based on the Company's current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. Some of the forward-looking statements may be identified by words such as "will", "expects",

"anticipates", "believes", "projects", "plans", and similar expressions. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which, may cause the Company's actual performance and financial results in future periods to differ materially from any projects of future performance or results expressed or implied by such forward-looking statement. These risks and uncertainties include, but are not limited to: liabilities inherent in mine development and production; geological risks, the financial markets generally, the results of the due diligence investigations to be conducted by the Company, the ability of the Company to complete the financing or obtain requisite TSX Venture Exchange acceptance and shareholder approvals. 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 anticipate in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.