

Bluestone Provides an Update on Progress at Cerro Blanco

June 6, 2022 – VANCOUVER, BRITISH COLUMBIA – Bluestone Resources Inc. (TSXV:BSR | OTCQB:BBSRF) ("Bluestone" or the "Company") provides a corporate update on the Cerro Blanco gold project. Since the start of the year Bluestone has released the results of a robust Feasibility Study, advanced engineering and procurement activities, and initiated construction of key offsite infrastructure.

Offsite Infrastructure

During the quarter, environmental, forestry, and construction permits for the new bridge were received from the Guatemalan authorities. Construction of the bridge is underway with earthworks and pile installation nearing completion. The new bridge will be a significant improvement to the existing bridge and will ensure long-term access to the urban centre for communities within the surrounding area. Completion of the construction of the bridge is anticipated in the Fall of 2022.

Right of way negotiations for the transmission line continue and are progressing according to schedule.

Permitting

The environmental permit amendment application was submitted to national authorities late last year. The amendment application is a comprehensive document that covers all aspects of the project in detail, building on the historical data and the previously approved 2007 EIA, to incorporate the new surface mining method. The Company has been monitoring progress with the relevant authorities and currently anticipates receiving the approval of the environmental permit amendment by the end of the year, followed by a construction licence and forestry permits.

Procurement & Engineering

Procurement activities have progressed, and firm pricing was received for major equipment such as the mining fleet, grinding mills, and filter presses. Pricing received to date has been in line with the capital estimates in the Feasibility Study. With the work achieved to date, the Company is positioned to initiate detailed engineering.

Project Timelines

Bluestone has progressed project finance discussions with streamers, commercial banks, and private equity groups. Based on the initial indications that have been received, the availability of funding will be contingent on the approval of the environmental permit amendment. As a result, the Company will wait to receive the permit amendment before committing capital to long lead items, detailed engineering, and further training programs for the construction phase. Waiting for the approval of the environmental permit amendment will impact previously communicated timelines.

The Company will continue the development of the bridge and certain transmission line ROWs, to be shovel-ready when the permit amendment is approved.

Jack Lundin, President and CEO commented, "Our timeline had many activities advancing prior to the receipt of the environmental permit amendment. Important procurement vendor package negotiations have been completed to understand delivery times on critical long lead equipment. We will adjust project activities to preserve capital and to reflect a more traditional approach where capital commitments do not occur until approval of the permit amendment is received. The Company remains fully committed to advancing the Cerro Blanco project and will continue to advance the approval of the permit amendment."

Community Relations

Progress to date from an increase in site development activities has resulted in a rise in anti-mining activity, which is not uncommon in Central America. This anti-mining opposition is primarily based from outside of the region of the project but directed at influencing local communities surrounding the project. The Company does not believe that these anti-mining and anti-development groups represent the underlying local stakeholder sentiment toward the project. Bluestone will continue to advance its community engagement and socialization efforts to safeguard social acceptance for the development of Cerro Blanco. The Company is committed to demonstrating responsible mining practices and formalizing social acceptance to continue advancing the project.

Jack Lundin commented, “The Company has made significant progress in advancing the Cerro Blanco project and as a result has drawn attention from certain groups that are known in the region for spreading misinformation on impacts of development projects like ours. However, responsible mining delivers socioeconomic benefits that transform communities through employment, economic opportunity, and development. We remain committed to building positive relationships with our neighbouring communities and stakeholders as we work toward amending our environmental license.”

Benefits to Guatemala

The development of Cerro Blanco is expected to provide substantial economic benefits to Guatemala, both locally and at a national level. Cerro Blanco will be one of the largest foreign direct investments in the country since the Covid-19 pandemic and will be a meaningful contributor to gross domestic product.

- It is estimated that during production the mine will contribute about \$160 million annually and approximately \$1.8 billion over the life of mine (“**LOM**”) to the Guatemalan economy through direct employee wages, local purchasing, taxes, and royalties.
- In taxes and royalties alone, the project is anticipated to generate payments to the Government of approximately \$300 million over the LOM.
- During construction, direct employment including employees of the Company and contractors is estimated to peak at approximately 1,100 persons.
- During operations, direct employment including employees of the Company and contractors is estimated to range between 400 and 500 persons. In addition to direct employment, the project will generate several thousand indirect jobs to support the mine operations.
- The project will improve local and regional infrastructure through the development of a new access road and bridge.

Prospectors & Developers Association of Canada (PDAC)

The Company will be attending the PDAC convention in person in Toronto from June 13th to 15th and invites stakeholders to visit the Company or to arrange one-on-one meetings with management.

Amendment to Stock Option Plan

Bluestone has received disinterested shareholder approval and TSX Venture Exchange (“**TSXV**”) approval to amend its stock option plan (the “**Plan**”) so it is compliant with TSXV’s amendments to Policy 4.4 – *Security Based Compensation* (as amended from time to time, the “**New Policy 4.4**”) which was introduced on November 24, 2021, and to permit the exercise of stock options on a Net Settlement basis (as described in the Plan). These amendments were fully described in the meeting materials for Bluestone’s annual shareholder meeting held on May 18, 2022, and may be viewed on the Company website bluestonerresources.ca or on the Company profile at sedar.com.

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 technical information.

About Bluestone Resources

Bluestone Resources is a Canadian-based precious metals exploration and development company focused on opportunities in Guatemala. The Company's flagship asset is the Cerro Blanco Gold Project, a near surface mine development project located in Southern Guatemala in the department of Jutiapa. The Company released the results of a Feasibility Study for the Project, outlining an asset capable of producing over 300 koz/yr at head grades of +2.0 g/t gold. The Project will produce 2.6 million ounces of gold over the life of mine at an all-in sustaining cost of \$629/oz (as defined per World Gold Council guidelines, less corporate general and administration costs) over an initial 14-year mine life. The Company trades under the symbol "BSR" on the TSX Venture Exchange and "BBSRF" on the OTCQB.

On Behalf of Bluestone Resources Inc.

"Jack Lundin"

Jack Lundin | Chief Executive Officer & Director

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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.

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 anticipated approval of an environmental permit amendment by the end of the year and expected project timelines; expectations relating to social acceptance of the Cerro Blanco Project (the "Project") and the nature of community opposition; the Company's intention to hire and train local employees and the initiation of training programs; the Project's expected economic benefits to Guatemala; the expected timing of the completion of offsite infrastructure and potential benefits; and the estimated value of the Project.. 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 Bluestone's current beliefs as well as various assumptions made by Bluestone and information currently available to Bluestone. 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 operations; the availability of acceptable financing; the impact of the novel coronavirus (COVID-19); anticipated mining losses and dilution; success in realizing proposed operations; and 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 Bluestone 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 related to increasing community opposition to the Project and its effect on permitting and Project timelines; potential changes to the mining method and the current development strategy; risks and uncertainties related to expected production rates; timing and amount of production and total costs of production; risks and uncertainties related to the ability to obtain, amend, 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; changes in Project parameters as plans continue to be refined; title matters; risks associated with geopolitical uncertainty and political and economic instability in Guatemala; risks related to global epidemics or pandemics and other health crises, including the impact of the novel coronavirus (COVID-19); risks and uncertainties related to interruptions in production; risks related to Project working conditions, accidents or labour disputes; the possibility that future exploration, development, or mining results will not be consistent with Bluestone's expectations; uncertain political and economic environments and relationships with local communities and governmental authorities; risks relating to variations in the mineral content and grade 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 commodity prices and currency exchange rates. For a further discussion of risks relevant to Bluestone, see "Risk Factors" in the Company's annual information form for the year ended December 31, 2021, available on the Company's SEDAR profile at www.sedar.com.

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.

Non-GAAP Financial Performance Measures

The Company has included certain non-Generally Accepted Accounting Principles ("GAAP") measures in this news release that are not defined under International Financial Reporting Standards ("IFRS"), including cash costs and AISC per payable ounce of gold sold and per tonne processed. Non-GAAP measures do not have any standardized meaning prescribed under IFRS and, therefore, they may not be comparable to similar measures employed by other companies. The Company believes that these measures, in addition to measures prepared in accordance with GAAP, provide investors an improved ability to evaluate the underlying performance of the Company and to compare it to information reported by other companies. The non-GAAP measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. These measures do not have any standardized meaning prescribed under GAAP, and therefore may not be comparable to similar measures presented by other issuers.

Cash costs

Cash operating costs and cash operating costs per ounce sold are non-IFRS financial measures and ratios. In the gold mining industry, these metrics are common performance measures but do not have any standardized meaning under IFRS. The Company follows the recommendations of the Gold Institute Production Cost Standard. The Gold Institute, which ceased operations in 2002, was a non-regulatory body and represented a global group of producers of gold and gold products. The production cost standard developed by the Gold Institute remains the generally accepted standard of reporting cash operating costs of production by gold mining companies. Cash operating costs include mine site operating costs such as mining, processing and administration, but exclude royalty expenses, depreciation and depletion, share based payment expenses and reclamation costs. Revenue from sales of by-products including silver, lead and zinc reduce cash operating costs. Cash operating costs per ounce sold is based on ounces sold and is calculated by dividing cash operating costs by volume of gold ounces sold. The most directly comparable measure prepared in accordance with IFRS is production costs. Cash operating costs and cash operating costs per ounce of gold sold should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS.

Net free cash flow

The Company calculates net free cash flow by deducting cash capital spending from net cash provided by operating activities. The Company believes that this measure provides valuable assistance to investors and analysts in evaluating the Company's ability to generate cash flow after capital investments and build the cash resources of the Company. The most directly comparable measure prepared in accordance with IFRS is net cash provided by operating activities less net cash used in investing activities.

All-in sustaining costs

The Company believes that all-in sustaining costs ("AISC") more fully defines the total costs associated with producing gold.

The Company calculates AISC as the sum of refining costs, third party royalties, site operating costs, sustaining capital costs, and closure capital costs all divided by the gold ounces sold to arrive at a per ounce amount. Other companies may calculate this measure differently as a result of differences in underlying principles and policies applied. Differences may also arise due to a different definition of sustaining versus non-sustaining capital.

AISC reconciliation

AISC and costs are calculated based on the definitions published by the World Gold Council ("WGC") (a market development organization for the gold industry comprised of and funded by 18 gold mining companies from around the world). The WGC is not a regulatory organization.