

## BLUESTONE RESOURCES INC.

### MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024

The following Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Bluestone Resources Inc. ("Bluestone" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the three and six months ended June 30, 2024. The MD&A was prepared as of August 14, 2024, and should be read with the unaudited condensed interim consolidated financial statements and related notes for the three and six months ended June 30, 2024, which can be found along with other information of the Company on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). All figures are in United States ("U.S.") dollars unless otherwise stated. References to C\$ are to Canadian dollars. The unaudited condensed interim consolidated financial statements and related notes for the three and six months ended June 30, 2024 have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard 34, *Interim Financial Reporting*.

#### Forward-Looking Statements

This MD&A 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 the Company believes, expects, or anticipates will or may occur in the future including, without limitation: the Company's intended use of proceeds of the Loan (as defined herein); expectations of required permits; the anticipated results of the appeal process of the notification received from Guatemala's Ministry of Environment ("MARN"); expectations for project timelines; the Company's expectations for life of mine production and the production profile of the Cerro Blanco gold project ("Cerro Blanco" or the "Project"); capital requirements; mineral reserve estimates; forecasts regarding Guatemala's energy mix; expectations that greater private sector engagement will carry out projects of generation and transmission through the development of public-private partnerships; the Company's expectations regarding the objectives for the next twelve months; the Company expectations to meet its contractual commitments; expectations regarding the availability of, and ability to secure, funding; expectations regarding the Company's ability to meet its existing obligations and commitments and fund ongoing operations; expectations regarding the need for, and use of, further funding; expectations regarding actual funding requirements; management's expectations regarding the Company's ability to raise equity capital and/or debt as required and the potential that the Company's planned initiatives or other work programs may be postponed or otherwise revised; the Company's consideration of a strategic transaction by way of a sale of part or all of the assets of the Company, a sale of the Company, a merger or other business combination with another party, or other strategic transaction; the increases in the Company's liabilities; power availability and cost; the impact of commodity prices; expectations and impacts regarding groundwater dewatering; expectations regarding site land negotiations; estimates regarding working capital requirements; the issuance of common shares under the Loan; expectations relating to social acceptance of the Project and the nature of community and socio-political opposition; the impact of geopolitical conflict, epidemics or pandemics and inflation; the Company's belief that challenges including technical challenges such as hot water management can be managed; the Company's intended approach regarding the payment of dividends; the expected timing of the completion of offsite infrastructure and potential benefits; the Company's ability to attract and retain qualified personnel; expectations regarding climate change regulatory trends and the associated costs of compliance; the objectives and benefits of the feasibility study on Cerro Blanco titled "N.I. 43-101 Technical Report & Feasibility Study of the Cerro Blanco Gold Project, Department of Jutiapa, Guatemala" dated April 6, 2022 with an effective date as of February 22, 2022 and filed on the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca) on April 6, 2022 (the "Feasibility Study"); 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.

## Forward-Looking Statements (cont'd)

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 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; 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 the Company's commitment under the Loan; risks related to the Company's ability to meet their obligations as they become due; risks related to the notification received from MARN challenging the procedure for the approval of environmental permit amendment (the "Permit Amendment") for the Project and the detrimental effects on the development of the Project, including potential revocation of the Permit Amendment; risks related to increasing community and political 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; international political and economic instability; risks related to global epidemics or pandemics and other health crises; 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; risks related to fluctuations in commodity prices and currency exchange rates; environmental hazards and infrastructure; compliance with government laws and regulations, including anti-corruption laws, and associated costs of compliance; tax risks; reliance on third parties and risks associated with having foreign subsidiaries; risks associated with having a limited operational history; risks related to substantial capital requirements; acquisition risk; future sales or issuances of common shares; risks related to competition and dependence on key personnel; risks related to conflicts of interest; uninsurable risks; risks related to changes in climate conditions; risks related to control persons; information technology security risks; litigation risk; geopolitical risks and conflict; and inflation. For a further discussion of risks relevant to Bluestone, see "Risk Factors" in the Company's MD&A for the year ended December 31, 2023, available on the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

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.

## Overview

Bluestone is a Canadian-based precious metals exploration and development company focused on opportunities in Guatemala. The Company's flagship asset is Cerro Blanco, a near surface mine development project located in Southern Guatemala in the department of Jutiapa. The Company's head and registered office is located at 2800 - 1055 Dunsmuir Street, Vancouver, BC, V7X 1L2. The Company trades under the symbol "BSR" on the TSX Venture Exchange and "BBSRF" on the OTCQB.

## **Highlight for the Three Months Ended June 30, 2024**

- On June 17, 2024, the Company announced that it had received a notification from MARN which challenges the approval procedure that approved the Permit Amendment for Cerro Blanco.
- On June 21, 2024, the Company announced that it had reviewed the legal aspects of the notification received from MARN, as announced on June 17, 2024, and had begun an appeal process.

## **Project Updates**

### ***Cerro Blanco***

The Company has one principal mining property interest, namely Cerro Blanco. Elevar Resources, S.A., a wholly-owned subsidiary of the Company, is the 100% owner of Cerro Blanco. An exploitation license for Cerro Blanco was granted in 2007.

The Company commissioned a technical report, entitled "N.I. 43-101 Technical Report & Feasibility Study on the Cerro Blanco Gold Project," which was prepared by G Mining Services Inc. in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, has an effective date of February 22, 2022, which can be found on the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

### Permit Amendment

In the first quarter of 2021, Bluestone made a strategic decision to pivot development scenarios that significantly improved the economics, safe operation, and production profile of the Project. The Company released a Preliminary Economic Assessment and subsequently a Feasibility Study on Cerro Blanco that outlined a surface mining development scenario.

The Company completed the Permit Amendment application for the change in mining method and submitted it for review to governmental authorities in November 2021. The Permit 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 environmental permit, to incorporate the new mining method. While aspects of the Project layout increased in size, fundamental design characteristics remain unchanged, including the processing plant, dry stack tailings, water management, infrastructure and facilities.

On January 18, 2024, the Company announced that the MARN approved the Permit Amendment to change the mining method from the existing permitted underground development to surface mining development. The approved Permit Amendment met and exceeded the terms of reference that the MARN instructed the Company to follow, and it adhered to Guatemalan law. The Permit Amendment was granted after a 26-month review period consisting of multiple field visits and was approved and signed by a team of government experts from various ministries who participated in the different stages of the process.

On August 20, 2023, Bernardo Arévalo of the Semilla party won the presidential runoff election. Arévalo was formally inaugurated as the new president on January 14, 2024. Following the change in government, Arévalo's administration announced a review of all recent approvals by the previous government which included forming an inter-ministerial committee to audit Cerro Blanco and investigate the recent approval of the Permit Amendment. The audit concluded within the first quarter and Cerro Blanco was found to be in compliance with Guatemalan law. Subsequent to the audit concluding, a new Minister of the MARN was appointed in April 2024 and has made several public complaints as to the internal approval process of the Permit Amendment and the Minister and Vice Minister have made public statements calling for the revocation of the Permit Amendment.

On June 17, 2024, the Company announced that MARN had notified the Company that it is challenging the approval procedure of the Permit Amendment for Cerro Blanco. On June 21, 2024, the Company announced that it had reviewed the legal aspects of the notification received from MARN and had begun an appeal process. While the notification is under appeal, the approved Permit Amendment remains valid.

***Mita Geothermal Project ("Mita Geothermal")***

The Company owns a 100% interest in Mita Geothermal through its wholly-owned subsidiary, Geotermia Oriental de Guatemala, S.A. ("Geotermia"). Mita Geothermal is a geothermal energy resource located adjacent to Cerro Blanco and is 7 kilometers from the Pan American Highway near the town of Asuncion Mita, in the region of Jutiapa in Guatemala. In November of 2015, the Government of Guatemala granted Geotermia a 50-year license to build and operate up to a 50-megawatt geothermal plant.

It is currently forecasted that Guatemala's energy matrix will transition to a more renewable mix as Guatemala has stated it is promoting more renewable energy usage and expanding the regional market. It is expected that greater private sector engagement will carry out projects of generation and transmission through the development of public-private partnerships. The Company continues to evaluate advancement options for Mita Geothermal as these developments occur.

***Strategic review process***

The Company believes that the Permit Amendment for surface mining, approved by MARN in January 2024, will broaden the Company's opportunities to provide value to shareholders. The strategic review, announced on July 6, 2023, continues to explore and evaluate potential strategic alternatives to further advance Cerro Blanco and the Mita Geothermal. These alternatives could include, among other things, the sale of part or all of the assets of the Company, a sale of the Company, a merger or other business combination with another party, or other strategic transaction. The Company has not set a timetable for this process, nor has it made any decisions related to any strategic alternatives at this time. There can be no assurance that the exploration of strategic alternatives will result in a transaction. The Company does not intend to provide announcements or updates unless or until it determines that further disclosure is appropriate or necessary.

## Results from Operations

The Company's net loss for the three and six months ended June 30, 2024, totaled \$2,141,283 and \$4,251,925 (2023 - \$1,737,669 or \$4,963,174), respectively. The Company incurred operating expenses of \$1,947,820 and \$3,756,513 during the three and six months ended June 30, 2024 (2023 - \$1,509,409 and \$4,267,022), respectively. The period-over-period increase in operating expenses is mainly due to a change in estimates and rates of the restoration provision of \$569,527 during the three months ended June 30, 2024, which was recognized as a gain within exploration and evaluation expenses. Exploration and evaluation expenses were \$1,191,655 and \$2,261,424 during the three and six months ended June 30, 2024 (2023 - \$786,278 and \$2,130,541), respectively.

Office and general administration expenses for the three and six months ended June 30, 2024 were \$315,896 and \$509,075 (2023 - \$188,321 and \$413,859), respectively. The increases from 2023 were primarily due to costs associated with a change in the location of the corporate office. Office and general administration expenses also consist of insurance costs, office facilities and related services, corporate consultants and information technology costs.

Share-based compensation expense for the three and six months ended June 30, 2024 was \$132,823 and \$509,842 (2023 - \$143,723 and \$624,023), respectively. Share-based compensation is a non-cash cost which reflects the amortization of the estimated fair value of stock options over their vesting periods. The fair value of stock options is calculated using the Black-Scholes pricing model, which relies on the Company's share price and historical share price volatility. The actual future value to the option holders may differ materially from these estimates as it depends on the trading price of the Company's shares if and when the stock options are exercised. In addition, as the granting of stock options and their vesting is at the discretion of the Company's Board of Directors, the related expense is unlikely to be uniform across quarters or financial years.

During the three and six months ended June 30, 2024, the Company recognized foreign exchange losses of \$94,189 and \$391,496 (2023 - gains of \$191,288 and \$151,925), respectively. The foreign exchange losses are the result of fluctuations in the Canadian dollar and Guatemalan quetzal relative to the U.S. dollar, and changes in the Company's net monetary position during the three and six months ended June 30, 2024.

During the three and six months ended June 30, 2024, the Company recognized income tax recoveries of \$147,068 and \$354,284 (2023 - expenses of \$99,286 and \$274,217), respectively. Income tax recovery (expense) is due to the decrease (increase) of a deferred income tax liability due to the effects of foreign exchange on the tax basis of property, plant and equipment and the exploration and evaluation asset in Guatemala.

In other comprehensive income, the Company reported foreign exchange translation adjustment gain of \$73,677 and \$354,883 during the three and six months ended June 30, 2024 (2023 - losses of \$179,752 and \$164,084), respectively, on translation of subsidiary company accounts from their respective functional currencies to the U.S. dollar presentation currency. Foreign exchange translation adjustments are primarily the result of fluctuations of the Canadian dollar relative to the U.S. dollar over the period.

## Summary of Quarterly Results

The following table summarizes selected financial data reported by the Company as at, and for the three months ended, June 30, 2024, and the previous seven quarters. The Company's unaudited condensed interim consolidated financial statements are reported under IFRS applicable to interim financial reporting.

	Jun-24	Mar-24	Dec-23	Sep-23	Jun-23	Mar-23	Dec-22	Sep-22
Current assets	<b>\$1,007,296</b>	\$1,559,045	\$1,154,882	\$2,893,495	\$1,261,398	\$2,420,618	\$2,445,187	\$2,297,623
Property, plant and equipment	<b>22,486,271</b>	22,550,117	22,615,388	22,681,948	22,721,878	22,748,998	23,639,371	24,158,370
Exploration and evaluation assets	<b>30,126,433</b>	30,126,433	30,126,433	30,126,433	30,126,433	30,126,433	30,126,433	30,126,433
Total assets	<b>54,068,062</b>	54,684,396	54,347,312	56,160,244	55,772,000	57,035,212	57,956,356	58,326,913
Current liabilities	<b>18,969,753</b>	17,435,043	3,700,546	15,155,382	12,865,522	12,919,451	11,161,780	8,576,932
Weighted avg. shares outstanding	<b>151,929,514</b>	151,751,769	151,605,572	151,464,087	151,351,665	151,261,519	151,198,411	151,164,655
<b>Three months ended</b>	<b>Jun-24</b>	<b>Mar-24</b>	<b>Dec-23</b>	<b>Sep-23</b>	<b>Jun-23</b>	<b>Mar-23</b>	<b>Dec-22</b>	<b>Sep-22</b>
Net loss	<b>(\$2,141,283)</b>	(\$2,110,642)	(\$1,482,030)	(\$2,242,453)	(\$1,737,669)	(\$3,225,505)	(\$2,480,949)	(\$5,204,946)
Basic and diluted loss per share	<b>(0.01)</b>	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)	(0.03)

Increases in current liabilities were mainly due to the Loan payable (see "*Liquidity and Capital Resources*") and liabilities relating to the purchases of land. During the three months ended December 31, 2023, current liabilities decreased significantly due to the extension of the Loan payable to March 2025. Net loss mainly fluctuates due to the level of exploration and evaluation activities, such as those related to the Permit Amendment, and fluctuations in the C\$/US\$ rate. There are no seasonal fluctuations in the results for the presented periods.

## Liquidity and Capital Resources

Cash increased by \$95,541 during the six months ended June 30, 2024, from \$606,603 as at December 31, 2023, to \$702,144 as at June 30, 2024. Cash utilized in operating activities during the six months ended June 30, 2024, was \$2,954,732 (six months ended June 30, 2023 - \$5,128,563). Cash generated by investing activities during the six months ended June 30, 2024, was \$46,633 (six months ended June 30, 2023 - \$1,094,650), mainly from proceeds received from the disposal of property, plant and equipment and interest on cash. During the six months ended June 30, 2024, the Company generated cash from financing activities of \$3,009,686 mainly from drawing on a loan facility, compared to \$3,000,000 during the six months ended June 30, 2023.

As at June 30, 2024, share capital was \$180,119,941 and was comprised of 152,098,033 issued and outstanding common shares (December 31, 2023 - \$180,003,370 comprised of 151,701,045 shares outstanding). The increase in outstanding common shares during the six months ended June 30, 2024, was primarily due to shares issued in relation to the Loan facility. Reserves, which increased due to the vesting of stock options, were \$13,512,326 (December 31, 2023 - \$13,006,049). As a result of the net loss for the six months ended June 30, 2024, the deficit at June 30, 2024, increased to \$181,004,505 from \$176,752,580 at December 31, 2023. Accordingly, shareholders' equity on June 30, 2024, was \$23,617,465 compared to \$26,913,056 at December 31, 2023.

## **Liquidity and Capital Resources (cont'd)**

As at June 30, 2024, the Company had a working capital deficit (current assets less current liabilities) of \$17,962,457. The Company currently has the ability to draw on the \$30,000,000 loan facility (the "Loan") from related parties until March 11, 2025. Thereafter, the Company will need further funding to support the advancement of Cerro Blanco and to meet general corporate and working capital requirements. The Company is evaluating potential sources of funding, in addition to drawing on the Loan, and obtaining an extension of the maturity of the Loan beyond March 11, 2025. Historically, capital requirements have been primarily funded through the sale of equity instruments, the exercise of convertible securities and drawing from loans from related parties. While management expects these sources of funding to continue to be available to the Company, there can be no assurance that the Company will be successful in securing this funding. Based on the amount of funding raised, the Company's planned initiatives and other work programs may be postponed, or otherwise revised, as necessary.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to advance its projects for the benefit of its shareholders and other stakeholders. The Company considers the components of shareholders' equity as capital. The Company manages the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company may issue new shares through private or public placements in order to maintain or adjust the capital structure.

There were no changes to the Company's approach to capital management during the six months ended June 30, 2024. The Company is not subject to externally imposed capital requirements.

### Loan

On March 11, 2022, the Company established the Loan with Nemesia S.à.r.l (the "Lender") to fund general corporate purposes and to advance Cerro Blanco. The Loan provides for the drawdown of funds by the Company in tranches of not less than \$1,000,000.

The Lender and its affiliates are significant shareholders of the Company, making them a related party.

In consideration for the Loan, the Company issued 150,000 common shares of the Company with a fair value of \$234,670 to the Lender upon execution, and will issue an additional 4,000 common shares per month (pro-rated for partial months) for each \$1,000,000 of the principal amount outstanding under the Loan from time to time up to March 11, 2025. During the six months ended June 30, 2024, the Company issued 330,322 common shares of the Company with a fair value of \$103,320 to the Lender. During the six months ended June 30, 2023, the Company issued 184,130 common shares of the Company with a fair value of \$271,780 to the Lender.

During the six months ended June 30, 2024, the Company drew \$3,000,000 (six months ended June 30, 2023 - \$3,000,000) from the Loan. As at June 30, 2024, the Company had a Loan payable of \$15,000,000. An additional \$1,000,000 was drawn from the Loan subsequent to the period end.

## **Risks and Uncertainties**

An analysis of risks and uncertainties, as they have the potential to impact the Company, can be found in the Company's MD&A for the year ended December 31, 2023. The risks and uncertainties have not changed from those disclosed in the Company's MD&A for the year ended December 31, 2023.

### Outstanding Share Data

Bluestone's authorized capital consists of an unlimited number of common shares and an unlimited number of preferred shares without par value. No preferred shares have been issued to date. The following common shares and stock options are outstanding as at August 14, 2024:

	Number of Shares	Exercise Price C\$	Remaining life (years)
Issued and Outstanding Common Shares	152,158,807		
Stock options	14,023,892	0.20 - 1.91	0.45 - 4.58
<b>Fully diluted at August 14, 2024</b>	<b>166,182,699</b>		

### Off Balance Sheet Arrangements

The Company does not utilize off balance sheet arrangements.

### Transactions with Related Parties

#### *Key management compensation*

Key management personnel include persons who have authority and responsibility for planning, directing and controlling the activities of the Company. The Company has determined that key management personnel consist of non-executive members of the Company's Board of Directors and certain executives and corporate officers. The remuneration of key management personnel included in the consolidated statements of loss and comprehensive loss is as follows:

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Salaries	<b>\$145,454</b>	\$247,418	<b>\$222,199</b>	\$544,984
Share-based compensation	<b>113,597</b>	96,769	<b>431,837</b>	413,291
	<b>\$259,051</b>	\$344,187	<b>\$654,036</b>	\$958,275

Accrued compensation due to key management as at June 30, 2024, was \$91,328 (December 31, 2023 - \$267,655). The accrued balances were in connection with short-term incentives related to 2024 and 2023.

#### *Loan*

The Lender and its affiliates are significant shareholders of the Company, making them a related party. Details of the Loan can be found in the MD&A section "*Liquidity and Capital Resources*" and note 4 of the Company's condensed interim consolidated financial statements for the three and six months ended June 30, 2024.

### Financial Instruments and Financial Risk Management

A description of the Company's financial instruments and financial risk management can be found in notes 8 and 9, respectively, of the Company's condensed interim consolidated financial statements for the three and six months ended June 30, 2024.



## **Commitment**

On January 1, 2024, the Company entered into an agreement for office facilities and related services (the "Office Agreement"), with a termination date of February 28, 2039. As a part of the terms of the Office Agreement, the Company is required to make a lump-sum payment of the remaining fees, which would have been \$1,543,070 on June 30, 2024, if it were to terminate the Office Agreement. This amount is not recognized as a liability in the consolidated statement of financial position as at June 30, 2024.

## **Material Accounting Policies, Estimates and Judgments**

A description of the Company's material accounting policies, estimates and judgments, can be found in note 2, of the Company's audited consolidated financial statements for the year ended December 31, 2023.

## **New Standards and Interpretations Adopted**

A description of the International Accounting Standards Board's new standards and interpretations adopted by the Company can be found in note 2(c) of the Company's unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2024.

## **Disclosure of Internal Controls**

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence that: (i) the condensed interim consolidated financial statements for the three and six months ended June 30, 2024, do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, and (ii) the condensed interim consolidated financial statements for the three and six months ended June 30, 2024, fairly present in all material respects the financial condition, results of operations and cash flow of the Company.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing the certificate are not making any representations relating to the establishment and maintenance of:

1. Controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
2. A process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting principles.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

## **Approval**

The Board of Directors of Bluestone has approved the disclosure contained in this MD&A on August 14, 2024. A copy of this MD&A will be provided to anyone who requests it.

## **Additional Information**

Additional information relating to Bluestone is on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) or can be obtained by contacting:

Bluestone Resources Inc.  
2800 - 1055 Dunsmuir Street  
Vancouver, BC, Canada  
V7X 1L2  
[www.bluestonerresources.ca](http://www.bluestonerresources.ca)  
Email: [info@bluestonerresources.ca](mailto:info@bluestonerresources.ca)