

## Bluestone Closes Upsized \$22 Million Bought Deal Financing

### NOT FOR DISSEMINATION IN THE UNITED STATES OR THROUGH U.S. NEWSWIRE SERVICES

March 19, 2019 – VANCOUVER, BRITISH COLUMBIA – Bluestone Resources Inc. (TSXV:BSR | OTCQB:BBSRF) ("Bluestone" or the "Company") is pleased to announce that it has closed its previously announced increased bought deal financing (the "Offering"). The Offering was comprised of 12,800,000 units of the Company (the "Units") at C\$1.25 per Unit as well as an over-allotment of 5,141,321 Units for total gross proceeds of C\$22,426,651.

Each Unit consisted of one common share of the Company (each, a "Share") and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each Warrant entitles the holder to acquire one Share for 24 months from the closing of the Offering at a price of C\$1.65.

The Units issued pursuant to the Offering are subject to a statutory hold period in Canada expiring on July 20, 2019.

The Company plans to use the net proceeds from the Offering towards advancing the Company's Cerro Blanco Gold project and for general corporate purposes.

The Offering was made through a syndicate of underwriters led by Cormark Securities Inc. and included Haywood Securities Inc., Canaccord Genuity Corp., GMP Securities L.P., Macquarie Capital Markets Canada Ltd., National Bank Financial Inc., and PI Financial Corp. (collectively, the "Underwriters"). The Corporation paid to the Underwriters a cash commission equal to 6.0% of the aggregate gross proceeds of the Offering and a reduced cash commission of 3.0% on Units sold to certain insiders of the Company (collectively, the "Underwriting Fee"). The Company paid no Underwriting Fee to the Underwriters on orders from certain retail groups designated by the Company.

Insiders of the Company purchased an aggregate of 6,164,221 Units pursuant to the Offering. Zebra Holdings and Investments S.à.r.l ("Zebra"), CD Capital Natural Resources Fund III LP ("CD") and Lorito Holdings S.à.r.l ("Lorito" and together with Zebra and CD, the "Significant Shareholders"), held 23.70%, 16.71% and 12.53%, respectively, of the issued and outstanding common shares in the capital of the Company, on a non-diluted basis, prior to the closing of the Offering. Pursuant to the Offering, Zebra subscribed for 2,845,262 Shares, CD subscribed for 1,320,000 Shares and Lorito subscribed for 1,503,959 Shares. Following completion of the Offering, Zebra, CD and Lorito hold 17,976,262, 11,986,333 and 9,501,959 Shares, respectively, representing 21.98%, 14.65% and 11.62%, respectively, of the issued and outstanding Shares. The Company has relied on the exemptions from the valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") contained in sections 5.5(b) and 5.7(a) of MI 61-101 in respect of such insider participation. The Company did not file a material change report 21 days prior to closing of the Offering as the participation of insiders of the Company in the Offering had not been confirmed at that time.

This news release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

#### 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. A Feasibility

Study on Cerro Blanco returned robust economics with a quick pay back. The average annual production is projected to be 146,000 ounces per year over the first three years of production with all-in sustaining costs of \$579/oz (as defined per World Gold Council guidelines, less corporate general and administration costs). 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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**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 the Company believes, expects or anticipates will or may occur in the future including, without limitation: the use of proceeds of the Offering and estimates of the average annual projected production 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, a copy of which has been filed on the Company’s profile on SEDAR at [www.sedar.com](http://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-IFRS Financial Performance Measures***

The Company has included certain non-International Financial Reporting Standards (“**IFRS**”) measures in this new release. The Company believes that these measures, in addition to measures prepared in accordance with IFRS, 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-IFRS 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 IFRS. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to similar measures presented by other issuers.

***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 is 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.