

## Bluestone Provides an Update on the Cerro Blanco Project

October 3, 2022 – VANCOUVER, BRITISH COLUMBIA – Bluestone Resources Inc. (TSXV:BSR | OTCQB:BBSRF) ("Bluestone" or the "Company") provides an update to its press release dated September 19, 2022, on the Cerro Blanco Gold Project located in Guatemala.

The Constitutional Court of Guatemala has issued a ruling that nullifies the referendum and its results held on September 18<sup>th</sup> in Asuncion Mita. The ruling, of definitive nature, is based on clear evidence showing the referendum was unconstitutional. The Constitutional Court ruled on the following articles:

- The self-established Commission that carried out the vote does not have the authority to hold a referendum outside of the legal framework of the municipality.
- The referendum was misrepresented by the Commission as being valid and binding. Only the relevant national governmental agencies have the legal jurisdiction over mining licenses in Guatemala.

The Government of Guatemala recently reiterated its support for the Cerro Blanco Project. The Ministry of Energy and Mines within the national government has issued a [public statement](#) regarding the referendum and future mining activities within the municipal limits.

As part of the permit amendment application (November 2021) for the Cerro Blanco Project, social baseline data was collected by an independent international consulting firm. The information collected through door-to-door interactions indicated a positive attitude toward the project. Furthermore, since filing the amendment application, Bluestone has continued relations with local authorities, community groups, associations, students, NGOs, and media. Examples include project tours, panel discussions, participation in local radio shows, visitor centre information sessions, door-to-door campaigns, mineral resource education courses, and participation at community events.

Jack Lundin, President and CEO, commented: "We will remain committed to transparent communication, and constructive dialogue. Social acceptance is one the most important aspects of developing natural resources responsibly and is integral to the Company's approach. Without a social license to operate, the project will not advance to its next phase, and we are here to work in a collaborative way with the local government of Asuncion Mita and the members of its community. We believe the municipality will ultimately support this project, considering the opportunities, jobs, and overall economic benefits that will be generated."

Bluestone employees will continue to work side by side with local governments and community groups to deliver impactful programs such as COVID-19 vaccinations, health clinics, adult education, technical training programs, and infrastructure projects.

### 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 provide substantial economic benefits to Guatemala, both locally and at a national level. During construction direct employment will be over 1,000 persons and once in operation Cerro Blanco will contribute approximately \$160 million annually to the economy. The Company trades under the symbol "BSR" on the TSX Venture Exchange and "BBSRF" on the OTCQB.

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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 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](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-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.