

## Bluestone Announces Additional Drill Results - 3.3 meters of 27.9 g/t Au and 260 g/t Ag at Cerro Blanco

**February 07, 2019 – VANCOUVER, BRITISH COLUMBIA – Bluestone Resources Inc. (TSXV:BSR | OTCQB:BBSRF) ("Bluestone" or the "Company")** is pleased to announce additional infill drill results from resource conversion drilling underway at its high-grade Cerro Blanco Gold project. The focus of the ongoing infill drill program is to upgrade the Inferred Resources into Measured and Indicated Resources.

Bluestone recently announced results of a Feasibility Study on the high-grade Cerro Blanco Gold project (see press release January 29, 2019) where one of the principal recommendations for optimizing and further enhancing the project was through potential conversion of a portion of the 360,000 ounces of Inferred Resources to Measured and Indicated Resources through infill drilling (currently ongoing), which will be followed by an updated mineral resource and mine plan.

Two LM-75 diamond drill rigs are currently situated within the North Zone of the Cerro Blanco underground workings and are targeting specific veins in the upper part of the Cerro Blanco resource that can be converted to the Indicated Resource category by infill drilling.

The primary focus of the program is to upgrade the Inferred Resources identified during the previous infill drill program completed in 2018. In addition, this program is also designed to define new resources along known veins in the mine plan that extend outside of the current resource envelope.

**Table 1. Significant Intercepts**

HOLE ID	FROM (meters)	TO (meters)	CORE INTERVAL	TRUE WIDTH	Au g/t	Ag g/t	VEIN ID
UGCB18-107	Results Pending						
UGCB18-108	Results Pending						
UGCB18-109	33.7	34.7	1.0	1.0	8.5	P	New
	80.2	81.38	1.2	1.2	5.1	83	VN_01
	86.0	87.1	1.1	1.1	4.8	44	-
	<b>95.85</b>	<b>99.1</b>	<b>3.3</b>	<b>3.3</b>	<b>27.9</b>	<b>260</b>	<b>VN_02</b>
UGCB18-110	33.7	34.74	1.0	1.0	19.9	170	New
	<b>108.4</b>	<b>110.4</b>	<b>2.0</b>	<b>2.0</b>	<b>10.0</b>	<b>113</b>	<b>VN_02</b>
	113.1	114.1	1.0	1.0	18.3	97	VN_03

Notes: Intervals in bold are cited in the text of the news release. A complete table with hole coordinates and azimuth/dip information accompany the plan view attached to this release. P – Results pending

David Cass, Vice President of Exploration commented, “The infill drilling program has been designed to strategically target key veins with upgrading resource categories. To date, the program has had an excellent success rate with every key intercept expected to have a positive impact on future project economics, with intercepted veins showing remarkable consistency and continuity, validated by optimum hole orientations reflected in the drilled true widths.”

Hole UGCB18-109 and UGCB18-110 were both drilled from the same underground platform at a positive angle (+35 and +51 degrees respectively). The principal objective of these holes was conversion or extension of veins VN\_01, 02 and 03 from Inferred to Indicated Resources. UGCB18-109 intercepted all targeted veins as planned with VN\_02 assaying 3.3 meters at 27.9 g/t. Hole UGCB18-110 intersected veins VN\_02 and VN\_03 with the former assaying 2.0 meters at 10 g/t Au (see table).

Additionally, a new vein, located in the footwall of vein VN\_01 was intercepted at 33.7 meters in both holes ( 1.0 meter at 8.5 g/t Au and 1.0 meter at 19.9 g/t Au) and correlates with intercepts drilled in holes UGCB18-101 and UGCB18-106 that assayed 1.95 meters at 12.6 g/t Au and 1.0 meter at 12.4 g/t Au respectively (see press releases January 9<sup>th</sup> and January 24<sup>th</sup>, 2019). This new vein is outside of the current resource and will be referred to as VN\_18 in future updated resource models.

Drilling is continuing and further results will be reported as received. A plan view showing drill hole locations can be accessed by clicking [HERE](#).

#### **Quality Analysis and Quality Control**

Assay results listed within this release were performed by Inspectorate Laboratories (“Inspectorate”), a division of Bureau Veritas, which are ISO 17025 accredited laboratories. Logging and sampling are undertaken on site at Cerro Blanco by Company personnel under a QA/QC protocol developed by Bluestone. Samples are transported in security-sealed bags to Inspectorate, Guatemala City, Guatemala, for sample preparation. Sample pulps are shipped to Inspectorate Laboratories in Vancouver, BC, Canada or Reno, NV, USA, and assayed using industry-standard assay techniques for gold and silver. Gold and silver were analyzed by a 30-gram charge with atomic absorption and/or gravimetric finish for values exceeding 5 g/t Au and 100 g/t Ag. Analytical accuracy and precision are monitored by the analysis of reagent blanks, reference material, and replicate samples. Quality control is further assured by Bluestone’s QA/QC program, which involves the insertion of blind certified reference materials (standards) and field duplicates into the sample stream to independently assess analytical precision and accuracy of each batch of samples as they are received from the laboratory. A selection of samples is submitted to ALS Chemex Laboratories in Vancouver for check analysis and additional quality control.

#### **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 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 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**

#### **For further information, please contact:**

Bluestone Resources Inc.

Stephen Williams | VP Corporate Development & Investor Relations

Phone: +1 604 646 4534

[info@bluestonerresources.ca](mailto:info@bluestonerresources.ca)

[www.bluestonerresources.ca](http://www.bluestonerresources.ca)

*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 conversion of the inferred mineral resources; increasing the amount of measured mineral and indicated mineral resources; the proposed timeline and benefits of further drilling; the proposed timeline and benefits of the Feasibility Study; statements about the Company’s plans for its mineral properties; Bluestone’s business strategy, plans and outlook; the future financial or operating performance of Bluestone; capital expenditures, corporate general and administration expenses and exploration and development expenses; expected working capital requirements; the future financial estimates of the Cerro Blanco Project economics, including estimates of capital costs of constructing mine facilities and bringing a mine into production and of sustaining capital costs, estimates of operating costs and total costs, net present value and economic returns; proposed production timelines and rates; funding availability; resource estimates; and future exploration and operating plans 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.

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.

***Total cash costs***

Total cash costs is a common financial performance measure in the gold mining industry but has no standard meaning. The Company reports total cash costs on a gold ounce sold basis. The Company believes that, in addition to measures prepared in accordance with IFRS, such as revenue, certain investors can use this information to evaluate the Company's performance and ability to generate operating earnings and cash flow from its mining operations. Management uses this metric as an important tool to monitor operating cost performance.

Total cash costs include (cost of sales such as mining, processing, maintenance and site administration, royalties, selling costs and by-product credits) to arrive at total cash costs per ounce of gold sold. Other companies may calculate this measure differently.

***AISC and total cash costs reconciliation***

ASIC and total cash 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.