

Bluestone Announces Strategic Review Process

July 6, 2023 – VANCOUVER, BRITISH COLUMBIA – Bluestone Resources Inc. (TSXV:BSR | OTCQB:BBSRF) ("Bluestone" or the "Company") today announced that the Company has commenced a process to explore and evaluate potential strategic alternatives to further advance the Cerro Blanco gold project and Mita geothermal project. 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.

Bluestone has successfully advanced the Cerro Blanco gold project through several technical studies unlocking additional value through an open pit development scenario, which effectively doubled the gold resource ounces and tripled the projected project returns (see press release dated [February 22, 2022](#)).

The Company has also advanced the Mita geothermal project, including an updated reservoir calculation and economic analysis. The economics of the project highlight a viable development scenario. Permitted for up to 50 MW with 18 geothermal wells, Mita is one of the most advanced geothermal projects in Guatemala.

As outlined in the [2022 feasibility study](#), the Cerro Blanco gold project is a robust, rapid pay-back, high-grade operation. However, as a single-asset developer with no operating revenues, safeguarding capital, shareholder dilution, and value is a top priority. A larger company or entity with cash flow could be more appropriately suited to maintain and advance the Cerro Blanco gold project and Mita Geothermal project over any future development timeline.

The Cerro Blanco gold project is currently permitted as an underground gold mine. A permit amendment was submitted to the Guatemalan Ministry of Environment in late 2021 for an open-pit development scenario. The amendment application is a comprehensive document that covers all aspects of the project in detail. The Company has been in regular contact with the relevant authorities as they complete their technical reviews, including site visits and providing responses to questions and comments on the amendment application. The Company is waiting for the formal response with comments and questions to conclude the technical review of the project.

Strategic Review

As part of the strategic review, 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. During this time the Company will continue to pursue the approval of the permit amendment for the Cerro Blanco gold project.

Cerro Blanco Feasibility Study [Link](#)

For further information please contact: strategicreview@bluestonerresources.ca.

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.

"Peter Hemstead"

Peter Hemstead | 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: potential outcomes of the strategic review process; the existence of future business opportunities and the level of interest in the Company’s assets; timeline of the permit amendment; projections on returns from the Cerro Blanco gold project (the “Project”); the Company’s ability to realize additional value, as outlined in the 2022 Feasibility Study, by developing Cerro Blanco as an open pit operation; the estimated gold production volume per year from the Project; life of mine gold production amounts; average all-in sustaining costs (“AISC”); and length of initial mine life; and the anticipated economics and viability of the Mita geothermal project.

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; the impact of the 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 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; 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 annual information form for the year ended December 31, 2022, 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 a non-Generally Accepted Accounting Principles (“GAAP”) measure in this news release that is not defined under International Financial Reporting Standards (“IFRS”), being AISC per payable ounce of gold sold. 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.

All-in sustaining costs

The Company believes that 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.