

## Bluestone Drills 15.0 meters grading 21.6 g/t Au and 52 g/t Ag at Cerro Blanco

June 9, 2020 – VANCOUVER, BRITISH COLUMBIA – Bluestone Resources Inc. (TSXV:BSR | OTCQB:BBSRF) ("Bluestone" or the "Company") is pleased to report additional high grade drill assays received from its infill drilling activities currently underway at the Cerro Blanco gold project. In addition, Bluestone announces that John Robins, Founder and Executive Chair has transitioned to the role of non-executive Chair; this change is part of the Company's efforts to streamline reporting structures as the Company moves into the engineering and development phase of the project.

Results from 14 underground and 4 surface holes are reported in this press release. Highlights include the following intercepts representing true widths of the veins:

- 21.6 g/t Au and 52 g/t Ag over 15.0 meters including 48.5 g/t Au and 97 g/t Ag over 3.8 meters (CB20-420)
- 10.7 g/t Au and 131 g/t Ag over 7.0 meters (CBUG19-157)
- 22.2 g/t Au and 18 g/t Ag over 1.0 meters (CBUG19-161)
- 18.2 g/t Au and 97 g/t Ag over 4.8 meters CBUG19-168)
- 14.6 g/t Au and 9 g/t Ag over 2.3 meters (CBUG19-162)

Following the Guatemalan Government's recommendations and guidelines, the Company is taking steps to gradually resume drilling activities. The Company will continue to follow measures that were implemented in March to protect and prioritize the well-being of employees, contractors, their families, and the communities in which it operates.

A 9,000-meter drill program is ongoing focused on the South Zone of the deposit. Three drill rigs will continue drilling the South Zone from surface, and in the underground workings two additional rigs are expected to be added over the coming weeks. The drilling will build on the infill drill program completed in the North Zone of the deposit in 2019 which resulted in an updated resource estimate of 1.41 million ounces of gold averaging 10.3 g/t in Measured and Indicated categories (see [Press Release dated November 6, 2019](#)).

Jack Lundin, CEO, commented, "Our drill program at Cerro Blanco for 2020 kicked off in earnest in January. Despite a temporary hiatus due to the COVID-19 pandemic, we were able to successfully resume activities with additional health and safety protocols. Together with the cooperation of the Entre Mares team, the drilling contractor, and the local government agencies, we will look to ramp up drilling initiatives with two additional rigs when deemed appropriate. We are very encouraged with the results from the drilling achieved to date. The Cerro Blanco deposit continues to display upside potential as evidenced by the attractive intercepts contained within this news release."

The focus of the current drill program is infill drilling and improved definition of key veins in parallel to testing vein extensions outside of the current resource envelope. The drilling is expected to continue into Q4 2020.

**Table 1. Significant Intercepts (this Press Release)**

HOLE ID	FROM (m)	TO (m)	CORE INTERVAL (m)	TRUE WIDTH (m)	Au g/t	Ag g/t	Vein ID
UGCB19-156	30.6	31.6	1.0	1.0	5.5	42.4	VS_20
	42.1	43.3	1.2	1.0	6.3	25.4	VS_20
	61.5	64.0	2.5	2.5	5.8	44.3	VS_23
	100.5	101.5	1.0	1.0	5.3	20.1	VS_31
	113.7	117.0	3.3	3.1	6.5	24.6	VS_24
	122.0	136.6	14.5	13.9	4.5	32.2	VS_25
UGCB19-157	32.9	37.9	5.0	5.0	4.4	27.1	VS_22
	89.9	93.0	3.0	3.0	7.0	25.9	VS_24
	103.2	104.2	1.0	1.0	8.7	77.3	New
	107.3	109.8	2.5	2.5	5.5	43.6	VS_26
	121.8	123.3	1.5	1.5	5.3	39.4	New
	<b>132.3</b>	<b>139.3</b>	<b>7.0</b>	<b>7.0</b>	<b>10.7</b>	<b>131.5</b>	New
	143.0	144.3	1.3	1.3	7.8	30.5	New
	151.8	153.0	1.2	1.2	11.3	239.0	New
UGCB19-158	94.2	95.3	1.1	1.1	6.4	30.9	VS_24
	126.3	127.4	1.0	1.0	4.4	20.1	New
UGCB19-159	30.3	31.3	1.0	1.0	7.8	16.4	New
	36.5	38.7	2.1	2.0	4.8	26.8	VS_31
	93.6	94.8	1.2	1.1	5.7	28.5	VS_24
	101.2	102.4	1.2	1.2	5.0	12.9	VS_25
	114.3	115.5	1.2	1.2	8.5	31.0	VS_26
	148.7	150.8	2.1	2.1	5.3	33.0	New
UGCB19-160	35.9	38.1	2.3	2.3	8.6	63.5	VS_22
	116.2	117.5	1.3	1.3	5.2	7.7	VS_26
	130.2	134.7	4.6	4.6	6.5	10.3	New
UGCB19-161	40.0	41.5	1.4	1.4	8.9	24.1	VS_22
	118.4	119.5	1.1	1.1	9.3	21.3	VS_26
	128.8	129.9	1.0	1.0	8.4	22.7	New
	174.6	176.0	1.4	1.4	9.9	13.6	New
	197.5	198.5	1.0	1.0	10.5	10.3	VS_29
	202.7	203.7	<b>1.0</b>	<b>1.0</b>	<b>22.2</b>	<b>17.7</b>	VS_29
UGCB19-162	113.4	114.5	1.1	1.1	8.9	7.8	VS_26
	168.2	170.6	<b>2.4</b>	<b>2.3</b>	<b>14.6</b>	<b>9.0</b>	VS_29
	195.6	196.6	1.0	1.0	5.8	5.9	New
	212.0	213.1	1.1	1.1	8.0	11.4	New
UGCB19-163	76.5	77.5	1.0	1.0	6.0	32.5	VS_01
UGCB19-164	4.8	5.8	1.0	1.0	11.5	47.9	VS_02
UGCB19-165	3.6	4.4	0.8	0.8	5.3	16.5	VN_24
UGCB19-165	90.5	91.7	1.2	1.0	5.2	14.6	VS_01

HOLE ID	FROM (m)	TO (m)	CORE INTERVAL (m)	TRUE WIDTH (m)	Au g/t	Ag g/t	Vein ID	
UGCB20-167	93.0	94.4	1.4	1.2	4.6	1.3	VS_01	
UGCB20-168	70.7	75.7	<b>5.01</b>	<b>4.8</b>	<b>18.2</b>	<b>97.2</b>	VS_01,07	
UGCB20-169	52.6	54.6	2.0	1.8	8.0	81.6	VS_01	
CB20-417	127.9	129.5	1.6	1.4	7.9	42.7	VS_01	
CB20-420	114.9	115.9	1.0	0.9	15.4	19.8	VS_22	
	121.2	123.4	2.3	1.8	4.6	11.3	VS_22	
	167.6	169.2	1.5	1.3	4.6	10.8	VS_14	
	<b>179.5</b>	<b>195.0</b>	<b>15.5</b>	<b>15.0</b>	<b>21.6</b>	<b>51.7</b>	VS_06,07,08,10	
	<i>inc.</i>	<b>179.5</b>	<b>183.7</b>	<b>4.2</b>	<b>3.8</b>	<b>48.5</b>	<b>96.7</b>	VS_10
	<i>inc.</i>	185.4	189.8	4.4	4.1	23.0	25.0	VS_8
	<i>inc.</i>	189.8	195.0	5.2	5.1	4.8	53.5	VS_6 & 7
	200.1	201.2	1.0	1.0	3.9	3.5	VS_05	

Hole coordinates and azimuth/dip information are included in Figure 1 in the link below. Intervals in bold are cited in the text of this press release. No assay top-cut was applied (maximum assay 107.7 g/t Au, CB20-420 181.9 to 183.7m).

Plans and sections showing drill hole locations, core photos and a full table of assay results can be accessed by clicking [HERE](#).

### Drilling Summary

Drill holes UGCB19-156 to 162 were horizontal to sub-horizontal holes drilled at positive and negative angles from a single platform in the underground workings to improve definition of a wide zone of veining located in the hanging wall of the main South Zone resource ([Figure 3](#)). All holes intercepted multiple mineralized zones with three new veins delineated (VS\_34, 35, 36) plus many new vein intercepts requiring further modelling and follow-up that could represent additional new structures.

Hole CB20-420 is the first of several step-out holes to be drilled to test for extensions of Vein VS\_10 and sub-parallel veins in the deeper levels of the South Zone ([Figure 4](#)). The hole was drilled at -63 degrees to the north-west. Vein VS\_10 was successfully intercepted some 25 meters outside the current vein envelope and assayed 48.5 g/t Au and 97 g/t Ag over 3.84 meters (true width). This interval was part of a wider zone of converging veins and stockworks mineralization comprising veins VS\_06, 07, 08, and 10 that assayed 21.6 g/t Au and 52 g/t Ag over a true width of 15.0 meters.

Holes UGCB19-163 to UGCB20-168, and CB20-417 to CB20-419 targeted the upper extension of vein VS-101, the principal footwall feeder vein. Five of seven holes drilled in the underground workings successfully intercepted the target vein, with a best intercept of 4.8 meters grading 18.2 g/t Au in UGCB20-168. CB20-417, drilled from surface, intersected the vein at 127.9 meters and assayed 1.4 meters grading 7.9 g. Au and 42.7 g/t Ag. CB20-418 and CB20-419 did not intercept the vein, instead intercepted clay fault gouge.

Precious metal mineralization at Cerro Blanco is associated with classic low sulphidation adularia-sericite epithermal quartz veins and vein swarms hosted in altered sequence of volcanoclastic and sedimentary rocks. Higher grades (>20 g/t Au and >60 g/t Ag) are associated with visible gold and silver sulphides in ginguro-style colloform-banded veins.

### 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 scientific and 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.**

*"Jack Lundin"*

### **Jack Lundin | 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 Bluestone Resources Inc. ("Bluestone" or the "Company") believes, expects or anticipates will or may occur in the future including, without limitation: to the market for Bluestone's common shares, preferred shares, debt securities, subscription receipts, units, warrants and share purchase contracts; 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 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 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; 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; 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 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 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, 2019, 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-IFRS Financial Performance Measures**

The Company has included certain non-International Financial Reporting Standards (“IFRS”) measures in this news 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 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.