

## Bluestone Reports Positive Metallurgical Optimization Test Work

September 18, 2018 – VANCOUVER, BRITISH COLUMBIA – Bluestone Resources Inc. (TSXV:BSR | OTCQB:BBSRF) ("Bluestone" or the "Company" - [http://www.commodity-tv.net/c/search\\_adv/?v=298564](http://www.commodity-tv.net/c/search_adv/?v=298564)) is pleased to announce positive metallurgical optimization test results from its 100% owned Cerro Blanco Gold project. Optimization test work confirmed an improvement to the metallurgical recovery results that were published in the Preliminary Economic Assessment (the "PEA"), effective date February 7, 2017 and available at [www.sedar.com](http://www.sedar.com).

Highlights from the optimization test work include:

- Potential gold recoveries increase to 96%
- Improved leach kinetics reducing leach residence time to 48 hours
- Lower reagent consumption

Darren Klinck, President & CEO commented, "We continue in our work to de-risk the project utilizing trade-off studies across all aspects of the Feasibility Study. These metallurgical results demonstrate gold recoveries of 96% versus the 91% assumed in the PEA, while at the same time simplifying the flowsheet. Pre-oxidation tests have proven to be a key to these enhanced recoveries and should further reduce reagent consumption for the project."

In 2018, a metallurgical test program was completed on the Cerro Blanco Gold project at Base Metallurgical Laboratories Ltd. ("Base Met") in Kamloops, BC. Test work included grind recovery optimization, gravity, leach optimization, tailings generation and cyanide destruction. Optimization test work completed on drill core has shown encouraging results with improved leach kinetics, indicating that a recovery of 96.6% is achievable utilizing pre-oxidation, a finer grind size (P80 passing 50 micron vs. P80 passing 75 micron) and the addition of lead nitrate. As a result of the optimization test work, residence time has decreased to 48 hours (previously 96 hours), and reagent consumption has lowered. The Feasibility Study flowsheet will include 6 hours of carbon in pulp (CIP) compared to the PEA which was based on a Merrill Crowe process for gold and silver recovery. These improvements should have a positive impact on both the capital and operating costs in the Feasibility Study.

A significant amount of historical metallurgical test work has been conducted on samples from the Cerro Blanco Gold deposit between April 1999 and January 2012. The historical test programs investigated grade variability and different lithologies. The results were in line with the most recent test program and the expected recoveries based on the optimized flowsheet and design parameters.

### Qualified Persons

Kelly McLeod, P.Eng., Senior Process Engineer, JDS Energy & Mining Inc., is the designated Qualified Person for the metallurgical component of the Feasibility Study within the meaning of National Instrument 43-101 ("NI 43-101") and has reviewed and verified that the technical information contained herein is accurate and approves of the written disclosure of the same.

The scientific information in this release was reviewed and approved by David Gunning, P.Eng., Vice President Operations for Bluestone.

### 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. The Cerro Blanco Gold project economics, as disclosed in the Company's Cerro Blanco Preliminary Economic Assessment ("PEA") which is available at [www.sedar.com](http://www.sedar.com), and updated Mineral Resource estimate for Cerro Blanco, indicate a robust project with an expected nine-year mine life producing 952,000 ounces of gold and 3,141,000 ounces of silver. Initial capital expenditures in the PEA to fund construction and commissioning is estimated at US\$170.8 million with all-in sustaining cash costs (as defined per World Gold Council guidelines, less corporate general and administration costs) estimated to be US\$490 per ounce of gold produced. 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)

In Europe:

Swiss Resource Capital AG  
Jochen Staiger  
[info@resource-capital.ch](mailto:info@resource-capital.ch)  
[www.resource-capital.ch](http://www.resource-capital.ch)

**Cautionary Language**

The PEA is preliminary in nature, it includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is no certainty that the PEA will be realized. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

*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 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 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; 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; 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.