

THIS NEWS RELEASE IS NOT FOR DISTRIBUTION TO UNITED STATES NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

Bluestone Closes C\$92 Million Bought Deal Equity Financing Including Full Exercise of Over-Allotment Option

May 1, 2020 – VANCOUVER, BRITISH COLUMBIA – Bluestone Resources Inc. (TSXV:BSR | OTCQB:BBSRF) ("Bluestone" or the "Company" - <https://www.commodity-tv.com/play/bluestone-resources-targeting-a-project-financing-package-in-q2-2020-for-cerro-blanco/>) is pleased to report that it has closed its previously announced bought deal equity offering (the "Offering"). A total of 52,578,000 common shares (the "Common Shares") were issued at a price of C\$1.75 per Common Share for gross proceeds to the Company of C\$92,011,500, which includes the exercise, in full, of the over-allotment option of an additional 6,858,000 Common Shares.

The Offering was conducted through a syndicate of underwriters led by Canaccord Genuity Corp., and included Cormark Securities Inc., PI Financial Corp., Haywood Securities Inc., National Bank Financial Inc., and Stifel Nicolaus Canada Inc.

The Offering was completed pursuant to a prospectus supplement dated April 27, 2020 (the "Prospectus Supplement") to a short form base shelf prospectus dated September 26, 2019 (the "Base Shelf Prospectus") and in the United States on a private placement basis pursuant to an exemption from registration requirements of the Securities Act of 1933, as amended (the "1933 Act") and other jurisdictions outside of Canada on an exempt basis. The Offering remains subject to final approval from the TSX Venture Exchange.

The Company currently intends to use the net proceeds from the Offering to advance the Cerro Blanco project, as well as for working capital and general corporate purposes (as more fully described in the Prospectus Supplement).

The Prospectus Supplement and Base Shelf Prospectus, and the documents incorporated by reference therein, are available on the Company's profile on SEDAR at www.sedar.com.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the 1933 Act, or under any U.S. state securities laws, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act and applicable state securities laws.

Insiders of the Company purchased an aggregate of 13,843,575 Common Shares pursuant to the Offering. CD Capital Natural Resources Fund III LP ("CD"), Lorito Holdings S.à.r.l ("Lorito") and Jack Lundin, the Chief Executive Officer of the Company, held and controlled approximately 14.4%, 11.4% and 0.2%, respectively, of the issued and outstanding common shares in the capital of the Company, on a non-diluted basis, prior to the closing of the Offering. Lorito, along with Zebra Holdings and Investment S.à.r.l ("Zebra") and Nemesia S.à.r.l ("Nemesia"), both shareholders of the Company, are all controlled by a trust settled by the late Adolf H. Lundin. Prior to the closing of the Offering, Lorito, Zebra, and Nemesia collectively held and controlled approximately 33.1% of the issued and outstanding Common Shares. Pursuant to the Offering, CD subscribed for 2,857,145 Common Shares, Lorito subscribed for 10,415,000 Common Shares, and Mr. Lundin subscribed for 571,430 Common Shares. Following completion of the Offering, CD, Lorito, and Mr. Lundin hold and control 14,843,478, 19,916,959, and 771,430 Common Shares, respectively, representing approximately 10.9%, 14.7% and 0.6%, respectively, of the issued and outstanding Common Shares. Following the completion of the Offering, Lorito, Zebra, and Nemesia

collectively hold and control 37,978,221 Common Shares, representing approximately 28% of the issued and outstanding Common Shares. The Company has relied on the exemptions from the valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") contained in sections 5.5(b) and 5.7(1)(a), respectively, of MI 61-101 in respect of such insider participation. The board of directors of the Company has approved the Offering, the related party transactions with CD, Lorito, and Mr. Lundin, and all ancillary matters. The Company did not file a material change report 21 days prior to closing of the Offering, which the Company deemed reasonable in the circumstances in order to complete the Offering in a timely manner.

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 the Board of Directors of Bluestone Resources Inc.

"Jack Lundin"

Jack Lundin | CEO & Director

For further information, please contact:

Bluestone Resources Inc.

Stephen Williams | VP Corporate Development & Investor Relations

Phone: +1 604 646 4534

info@bluestonerresources.ca

www.bluestonerresources.ca

In Europe:

Swiss Resource Capital AG

Jochen Staiger

info@resource-capital.ch

www.resource-capital.ch

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 applicable United States securities legislation (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: statements relating to the Offering, including the proposed use of proceeds, estimates of sustaining capital costs and production rates 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 use of the proceeds from the Offering; the timing and ability of the Company to satisfy the final listing conditions of the TSX Venture Exchange and ability of the Company to obtain all necessary approvals; 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.

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 have been derived from the Company's financial statements, and applied on a consistent basis, because the Company believes they are of assistance in the understanding of the results of operations and financial position. Please refer to the Company's Year End 2019 MD&A for an explanation of non-IFRS measures used.