

## Bluestone Announces Additional Drill Results including 28.6 meters grading 11.6 g/t Gold and 217.6 meters grading 1.4 g/t Gold

May 4, 2021 – VANCOUVER, BRITISH COLUMBIA – Bluestone Resources Inc. (TSXV:BSR | OTCQB:BBSRF) ("Bluestone" or the "Company" - <https://www.commodity-tv.com/ondemand/companies/profil/bluestone-resources-inc/>) is pleased to report additional drill assays from the infill drill program completed in the South Zone of the Cerro Blanco gold project in late 2020. Results from three underground holes and thirteen surface holes are reported in this press release, totalling 4,493 meters.

Highlights include the following drilled intercepts:

- 28.6 meters grading 11.6 g/t Au and 11.7 g/t Ag (CB20-442)
- 217.6 meters grading 1.4 g/t Au and 5.6 g/t Ag (CB20-433)
- 111.8 meters grading 2.1 g/t Au and 12.5 g/t Ag (CB20-444)
- 114.9 meters grading 2.5 g/t Au and 13.4 g/t Ag (CB20-449)
- 101.4 meters grading 2.4 g/t Au and 9.7 g/t Ag (UGCB20-191)
- 21.2 meters grading 11.2 g/t Au and 11.7 g/t Ag (CB20-443)

The holes reported include significant widths of near surface mineralization within the Salinas unit, and underlying Mita sediments and tuffs, which host the majority of the high-grade epithermal vein swarms. Drilling is currently focused on mineralization within the upper portion of the deposit to improve drill density and better define limits of the mineralization.

Jack Lundin, President and CEO, commented, "As anticipated, the South Zone continues to yield +100-meter intervals at over 2 g/t gold near surface. Combined with the impressive widths of high-grade vein mineralization deeper in the deposit, these unique attributes to Cerro Blanco create an asset capable of producing over 300,000 oz Au per year. The drill results will be incorporated into an updated resource estimate that will form the basis of our ongoing Feasibility Study which is progressing on schedule."

Assay results include infill sampling of mineralized wall rocks, and compliment assay results for individual veins reported previously for some holes (see news releases dated [February 16, 2021](#) and [March 18, 2021](#)). High-grade intervals reported in holes CB20-442 and CB20-443 (11.6 g/t Au over 28.6 meters and 11.2 g/t Au over 21.2 meters respectively) represent approximate true widths and incorporate vein VS\_01 and associated splay vein VS\_21.

Assays for several holes are still being received and compiled, in addition to holes currently being drilled that are targeting mineralization in the Salinas unit.

Drill hole locations, sections, and core photos can be accessed by clicking [HERE](#).

**Table of Drill Intercepts and Assays**

HOLE ID	PREVIOUSLY REPORTED	FROM (m)	TO (m)	CORE INTERVAL (m)	Au g/t	Ag g/t
CB20-432	*	64.0	161.9	97.9	0.9	4.6
<b>CB20-433</b>	*	<b>75.6</b>	<b>293.2</b>	<b>217.6</b>	<b>1.4</b>	<b>5.6</b>
CB20-437	*	75.3	147.0	71.7	1.4	5.0
CB20-438	*	61.2	86.6	25.4	0.9	4.7
CB20-439		70.4	134.1	63.7	0.8	4.6
CB20-440		210.9	212.2	1.3	6.7	1.5
		281.8	306.6	24.9	1.5	4.3
CB20-442	*	58.2	166.7	108.5	0.9	4.9
		182.0	253.5	71.5	1.5	1.9
		<b>263.5</b>	<b>292.1</b>	<b>28.6</b>	<b>11.6</b>	<b>12.3</b>
CB20-443		77.7	173.3	95.6	1.0	4.8
		204.2	217.0	12.8	0.7	1.0
		<b>293.1</b>	<b>314.3</b>	<b>21.2</b>	<b>11.2</b>	<b>11.7</b>
<b>CB20-444</b>	*	<b>54.6</b>	<b>166.3</b>	<b>111.8</b>	<b>2.1</b>	<b>12.5</b>
CB20-445	*	0.0	12.2	12.2	0.5	2.7
		85.0	151.5	66.5	1.2	5.2
CB20-446		74.7	134.8	60.1	0.9	5.5
		190.2	199.8	9.6	0.5	0.5
		333.8	349.4	15.6	2.0	18.9
<b>CB20-449</b>	*	<b>43.3</b>	<b>158.2</b>	<b>114.9</b>	<b>2.5</b>	<b>13.4</b>
CB20-450		92.7	240.8	148.2	0.6	9.7
		308.0	314.3	6.3	8.2	16.9
UGCB20-189	*	34.7	96.6	61.9	2.8	14.8
		122.9	154.7	31.7	0.5	2.3
UGCB20-190	*	0.0	80.9	80.9	0.8	4.9
		122.5	145.4	22.9	0.8	5.0
		168.4	185.0	16.6	1.1	2.0
<b>UGCB20-191</b>	*	<b>24.8</b>	<b>126.2</b>	<b>101.4</b>	<b>2.4</b>	<b>9.6</b>

Intervals in bold are cited in the text of the news release. A drill hole location plan table with hole coordinates and azimuth/ dip information is attached to this release. \* denotes drill hole with high-grade assay results for individual veins previously reported (see Bluestone news releases dated February 16, 2021 and March 18, 2021).

### 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 Labs in Managua, Nicaragua for sample preparation. Sample pulps are then shipped to Inspectorate in Hermosillo, Mexico, 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**

The Cerro Blanco Gold Project is an advanced stage near surface development project. A PEA on the project highlighted an asset capable of producing over 300 koz/yr with an average annual production of 231 koz/yr at all-in sustaining costs of ~\$642/oz (as defined per World Gold Council guidelines, less corporate general and administration costs) over an initial 11-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.**

*"Jack Lundin"*

**Jack Lundin | President, 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: the estimated value of the Cerro Blanco Project (the "Project"); the planned open pit development scenario for the Project; the estimated gold production volume per year from the Project; gold and silver price estimates used in the preliminary economic assessment ("PEA"); additional financial estimates of Project economics resulting from the PEA, including peak and average annual gold productions amounts, average all-in sustaining costs, average annual free cash flow, after-tax net present value ("NPV"), after-tax internal rate of return, initial capital requirements, life of mine gold and silver production amounts, measured and indicated resources and NPV assuming a higher gold price estimate; the Company's plan to advance an EIA application in parallel to completing a bankable Feasibility Study by the end of 2021; the Company's target to initiate Project development in the second half of 2022; anticipated receipt of an EIA permit in the second half of 2022; mineral resource estimates; the estimated tonne-per-day recovery volume of the planned open pit operation; the planned conventional process plant and associated processing methods; the Company's goal to prepare a coordinated Environmental and Social Impact Assessment document that aligns with the IFC Performance Standards, Equator Principles as well as national requirements; engagement with local communities and stakeholders to remain on-going through the process; the Company's plan to advance

the development of the EIA document in 2021 for submittal prior to the end of the year; the reasonable prospect of eventual economic extraction demonstrated by reported mineral resources; gold and silver price estimates and a reasonable contingency factor used as the basis for mineral resource estimate cut-off grades; reasonable expectation that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration; results of mineral resource estimate sensitivity analysis; uncertainty that the PEA will be realized; the potential for subsequent assessment of mining, environmental, processing, permitting, taxation, socio-economic and other factors to affect mineral resources; estimated diluted mill feed to be processed over the life of mine from the main pit area; planned trucking of mill feed to a primary crushed located to the east of the main pit; amount of waste to be stored in a dump adjacent to the main pit; estimated open-pit mining dilution; measured and indicated mill feed amounts; estimated process plant capacity in tonnes per day of ore; planned processing rate measured in dry tonnes per year and average feed grade thereof; details of planned processing, including pre-oxidation, 48-hour leach and carbon-in-pulp absorption circuit elements and expected gold and silver recovery percentage to produce a dore; estimated initial capital required to fund construction and commissioning; beneficial existence of a significant amount of development already in place, a water treatment plant, maintenance and warehouse facilities, offices and communications; capital and operating cost estimates; estimated all-in cash costs including sustaining capex; planned installation of a new power transmission line as part of the construction of the Project; the Project's expected economic benefits to Guatemala. 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: 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; 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.