

## Bluestone Reviews Progress at Cerro Blanco during 2021 and Submits Permit Amendment

January 12, 2022 – VANCOUVER, BRITISH COLUMBIA – Bluestone Resources Inc. (TSXV:BSR | OTCQB:BBSRF) ("Bluestone" or the "Company") is pleased to provide an update on the Company's activities during 2021 and an outlook for 2022.

In the first quarter of 2021, Bluestone made a strategic decision to pivot development scenarios that significantly improved the economics and production profile of the project. The Company released a preliminary economic assessment ("PEA") on the Cerro Blanco gold project that outlined a new open pit development scenario.

Since the release of the PEA, the Company has submitted an environmental permit amendment application to capture the change in mining method and is working toward completing a feasibility study on the project.

### Q2-Q4 2021 Highlights Since the Change in Development Strategy

- Submitted the permit amendment application in late November to capture a change in development to an open pit from the existing approved underground permit
- Secured the land required for the permanent infrastructure and mine development of the project
- Advanced the Feasibility Study which is on schedule for completion in early 2022
- Released an updated Mineral Resource Estimate that increased Measured and Indicated Mineral Resources to 3.1 Moz gold grading 1.5 g/t Au and 13.4 Moz silver grading 6.6 g/t Ag, with 77% of gold ounces assigned to Measured category (for further details please refer to the Company's technical report entitled "Cerro Blanco Project, NI 43-101 Technical Report & Preliminary Economic Assessment dated October 28, 2021" and press release dated [July 19, 2021](#))
- Initiated job skills training and adult education programs with the local communities in preparation for early works and construction of the project in Q4 2022
- Re-branded the Guatemalan subsidiary and re-aligned Company values to reflect the new approach and improved project

Jack Lundin, President and CEO, commented, "2021 was a truly transformational year for the Company. Despite the challenges due to the pandemic, we were able to accomplish a large amount in a short period of time which has positioned the Company for a productive 2022. Major milestones in 2022 are expected to include the completion of the feasibility study, initiation of project financing, along with the anticipated approval of the permit amendment application. This will lead into licensing for early works which we are targeting to initiate by the end of the year."

"Furthermore, training programs in preparation for construction were initiated which will maximize local employment, creating long term shared benefits with our stakeholders. During the year the team has been actively engaging with communities and to date we have had approximately 300 individuals from 34 different stakeholder groups participate in site visits to learn about the project."

Mr. Lundin added, "The health and safety of our employees and communities is our top priority. During the year we provided the opportunity for our workforce to be vaccinated resulting in 100% participation. In addition, the Cerro Blanco project facilitated over 3,161 vaccinations by providing transportation and facilities to administer doses at the mine site and in surrounding rural communities. We continue to take the necessary steps and precautions to ensure the wellbeing of our employees and communities remains safe during the pandemic."

### Permit Amendment Application Submitted

The Company completed the permit amendment application for the change in mining method, which was submitted to the local authorities in November 2021, for review. The amendment application is a

comprehensive document that covers all aspects of the project in detail, it builds on the historical data and the previously approved 2007 EIA, to incorporate the new mining method. While aspects of the project layout have increased in size, fundamental design characteristics remain unchanged, including the processing plant, dry stack tailings, water management, infrastructure, and facilities.

Jack Lundin, President and CEO, commented, "Completing the permit amendment application was a significant milestone and accomplishment. It provides the authorities with a comprehensive set of information on social, environmental, and mitigation plans to support the development of the project."

### **Education and Local Skills Development Training Underway in Preparation for Construction**

In Q2 2021, the Company announced a partnership with a nationally accredited Guatemalan institution and recognized leader in job skills training. Bluestone has initiated training programs with over 500 individuals from the local communities. Courses range on average from 12 to 18 months in duration and will help prepare for early works which the Company will be looking to initiate late in 2022. The first course of masonry is underway, and participants are expected to graduate in Q1 2022. Additional programs will kick off in the first quarter of 2022 with a focus on carpentry, mechanics, technicians, and welding.

In addition to job skills training, Bluestone has initiated an Adult Education Program with the national government and local educational institutions. The program is aimed at enhancing the social and economic conditions of the communities within the project area of influence, to improve eligibility for future employment and/or entrepreneurship. These skills are aimed at increasing literacy and education levels to meet entry requirements for job skills training programs. The first class of 50 participants from our Adult Education Program graduated in Q4, 2021 from various programs.

Nadia Carotenuto, Vice President, Human Resources & Organizational Development, commented, "We are so proud of our first graduating class at Cerro Blanco. Taking the time and effort to prioritize education, often later in life, is an inspiring undertaking for any individual, and we would like to acknowledge and congratulate our graduates. This is the first step as they build up their skills to not only participate in the development of the Cerro Blanco project, but in reducing poverty, fostering economic growth, and achieving gender equality."

### **Qualified Person**

David Cass, P.Geol., 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 scientific and technical information. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

### **About Bluestone Resources**

The Cerro Blanco Gold Project is an advanced stage near surface development project. 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, CEO & 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: the development scenario for the Project; the estimated gold production volume per year from the Project; financial estimates of Project economics resulting from the PEA, life of mine gold and silver production amounts, measured and indicated mineral resources; the Company’s plan to advance an EIA application in parallel to completing a Feasibility Study; the timing of completion of the Feasibility Study; 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; and engagement with local communities and stakeholders to remain on-going through the process. 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, 2020, 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, except as otherwise required by applicable securities laws. 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.