



# Bluestone

RESOURCES INC.

Darren Klinck | President, CEO & Director  
Beaver Creek Precious Metals Summit

*A leading natural resource company driving stakeholder value through responsible, sustainable, and innovative development*



# Forward Looking Statements & Risk Factors

TSXV:BSR OTCQB:BBSRF | 2

This presentation 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: 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 mine life, production timelines and rates; funding availability; resource estimates; metal or mineral recoveries; metal price assumptions; 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 the Company and information currently available to the Company. 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.

All mineral resource information has been estimated and disclosed in accordance with the definition standards on mineral resources and mineral reserves of the Canadian Institute of Mining, Metallurgy and Petroleum referred to in Canadian Securities Administrators National Instrument 43-101 (“NI 43-101”), which requires disclosure of mineral resource information. U.S. reporting requirements for disclosure of mineral properties are governed by the United States Securities and Exchange Commission Industry Guide 7, which sets forth substantially different guidelines than NI 43-101.

This presentation does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

## Compliance with NI 43-101

Certain information in this presentation is derived from the results of a preliminary economic analysis of the Cerro Blanco Project effective February 7, 2017, with a report date of March 20, 2017 and a revised report date of June 2, 2017 (the “PEA”) prepared in accordance with NI 43-101. A copy of the PEA is available on the SEDAR website under the Company’s profile at [www.sedar.com](http://www.sedar.com).

*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. The mineral resources may be affected by subsequent assessment of mining, environmental, processing, permitting, taxation, socio-economic and other factors.*

The scientific and technical information in this presentation has been reviewed and approved by John Robins, Executive Chairman of Bluestone, a qualified person as defined in NI 43-101.

## Risk Factors

As a mineral resource development company, Bluestone is engaged in a highly speculative business that involves a high degree of risk and is frequently unsuccessful. In addition to the information disclosed elsewhere in this presentation, readers should carefully consider the risks and uncertainties described in the Company’s Amended and Restated Annual Information Form dated June 2, 2017 and its Final Short Form Prospectus dated June 15, 2017, both of which are available at [www.sedar.com](http://www.sedar.com). These risk factors do not necessarily comprise all of the risks to which Bluestone is or will be subject.



# Cerro Blanco Highlights

TSXV:BSR OTCQB:BBSRF | 3

## Permitted

Exploitation mining license with underground mining activities occurring

## Geothermal Power

50 year license for 50 MW of annual production, 19 geothermal wells in place

CERRO BLANCO

## Infrastructure

US\$230 M spent to date on the project (includes US\$60 M on the geothermal project), 3 km of underground development

## High-Grade

Resource of 1.2 Moz at 10.1 g/t gold (M&I Category)

## 1<sup>st</sup> Quartile AISC<sup>1</sup>

AISC US\$490/oz | Robust Economics

1. Preliminary Economic Assessment on the Cerro Blanco Gold project as disclosed in the Feb 7, 2017 press release.



# Cerro Blanco Gold Project





# Achievements To Date

Bluestone acquired the Cerro Blanco project a little over one year ago

## Feasibility Study on track for the end of 2018





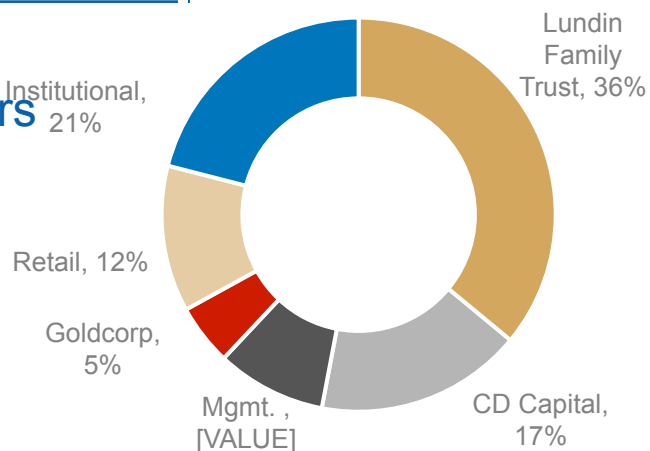
# Corporate Structure

TSXV:BSR OTCQB:BBSRF | 6

## Capital Structure – Sept 1, 2018

Listing	TSXV:BSR   OTCQB:BBSRF
Share Price	C\$1.35
Shares Outstanding	63,840,560
Options	5,930,000
Warrants <sup>1</sup>	5,189,309
Cash <sup>2</sup>	~US\$17.5 M
Enterprise Value	~US\$50 M

## Major Shareholders



## Analyst Coverage

C\$3.80	Tyron Breytenbach	CORMARK SECURITIES INC.
C\$2.55	Ian Parkinson	GMP
C\$2.75	Kerry Smith	HAYWOOD CAPITAL MARKETS
C\$2.35	David Medilek	MACQUARIE
C\$2.40	John Sclodnick	NATIONAL BANK
C\$2.40	Philip Ker	PI FINANCIAL experience. driven.

1. Warrants: 3,654,162 @ \$0.35 and 1,535,147 @ \$2.00, Options @ \$1.50  
2. As of June 30, 2018 financial statements



## Board of Directors

**John Robins, Executive Chairman**

Kaminak, Stornoway, Grayd, Hunter Exploration

**Darren Klinck, President, CEO & Director**

Previously EVP at OceanaGold

**Zara Boldt, Director**

Lucara, Kaminak, Stornoway

**Leo Hathaway, Director**

Lumina Copper, Anfield Gold, Lumina Capital

**William Lamb, Director**

Lucara Diamonds, De Beers

**Paul McRae, Director**

Lundin Mining, Lundin Gold, INCO, De Beers

**James Paterson, Director**

Kivalliq, Northern Empire, Kaminak

**Keith Peck, Director**

Centenario Copper, RBC, Haywood

## Technical Advisory Committee

**Alf Hills**

Mining – Placer Dome, CIM

**Scott Donald**

Hydrogeologist - Golder

**Allan Moss**

Mining & Geo-technical – Freeport, Golder

**Roger Nendick**

Operations – Sherritt, Fluor, Glamis

**Robert Sim**

Resource Estimation – SIM Geological, Inmet

**Ward Wilson**

Mine Waste Management – University of Alberta





# Cerro Blanco Project Location

## Cerro Blanco Project

- ~160 km by road east-southeast of Guatemala City (2.5 hour drive)
- Connected by the Pan American Highway (mine site is 7 km from the highway)
- Nearest town is Asuncion Mita with a population of 15,000
  - No relocation or land resettlement required for the project
- The population is ethnically "mestizo" (European and non-indigenous)
- Natural resources account for 15% of Guatemala's exports
  - On a local basis, the economy is primarily derived from agriculture and ranching
- 50% of the religious population practices Evangelicalism, a contrast to the rest of Latin America

## Mining Projects in Guatemala

### Goldcorp | Marlin

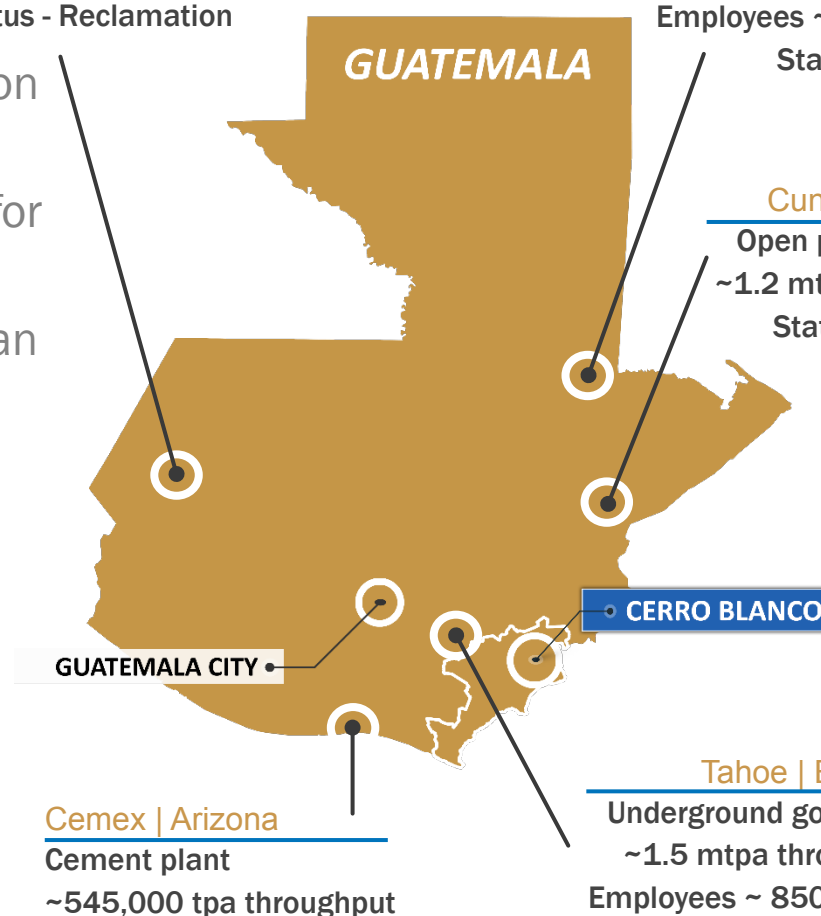
Open pit & underground gold mine  
~1.6 mtpa throughput  
Operated 12 years  
Employed ~1,500 people  
Status - Reclamation

### Solway | Fenix

Open pit nickel mine  
Purchased for US\$140 M in 2011  
Invested US\$600 M  
~5.0 mtpa throughput  
Employees ~ 1,750 people  
Status - Operating

### Cunico | Guaxilan

Open pit nickel mine  
~1.2 mtpa throughput  
Status - Operating



Cemex | Arizona  
Cement plant  
~545,000 tpa throughput

Tahoe | Escobal  
Underground gold mine  
~1.5 mtpa throughput  
Employees ~ 850 people



# Cerro Blanco Deposit Characteristics

- The Cerro Blanco Gold project is a classic hot springs-related, low sulphidation epithermal gold-silver deposit, resource sits within the low hill
  - High grade veins are best developed between 200 to 500 masl, dipping up to 60°
- The deposit is currently dewatered to 417 masl with approx. 40% of the gold resource above that level; dropping one level (25 m) would represent approx. 60% of the gold resource dewatered





# Updated Resource Estimate

M&I inline with previous resource estimate, converted some ounces into the Measured category and added ~300,000 oz to the Inferred category

3.5 g/t Au Cut-Off	Grade			Resource	
	Tonnes (000s t)	Gold (g/t)	Silver (g/t)	Gold (Moz)	Silver (Moz)
Measured	290	10.3	39.1	0.10	0.4
Indicated	3,426	10.0	37.8	1.11	4.2
M&I Total	3,718	10.1	37.9	1.20	4.5
Inferred Resource	1,373	8.1	23.6	0.36	1.0

Figures may not add up due to rounding. See press release dated September 10, 2018 and notes in the appendix for additional information on the resource estimate

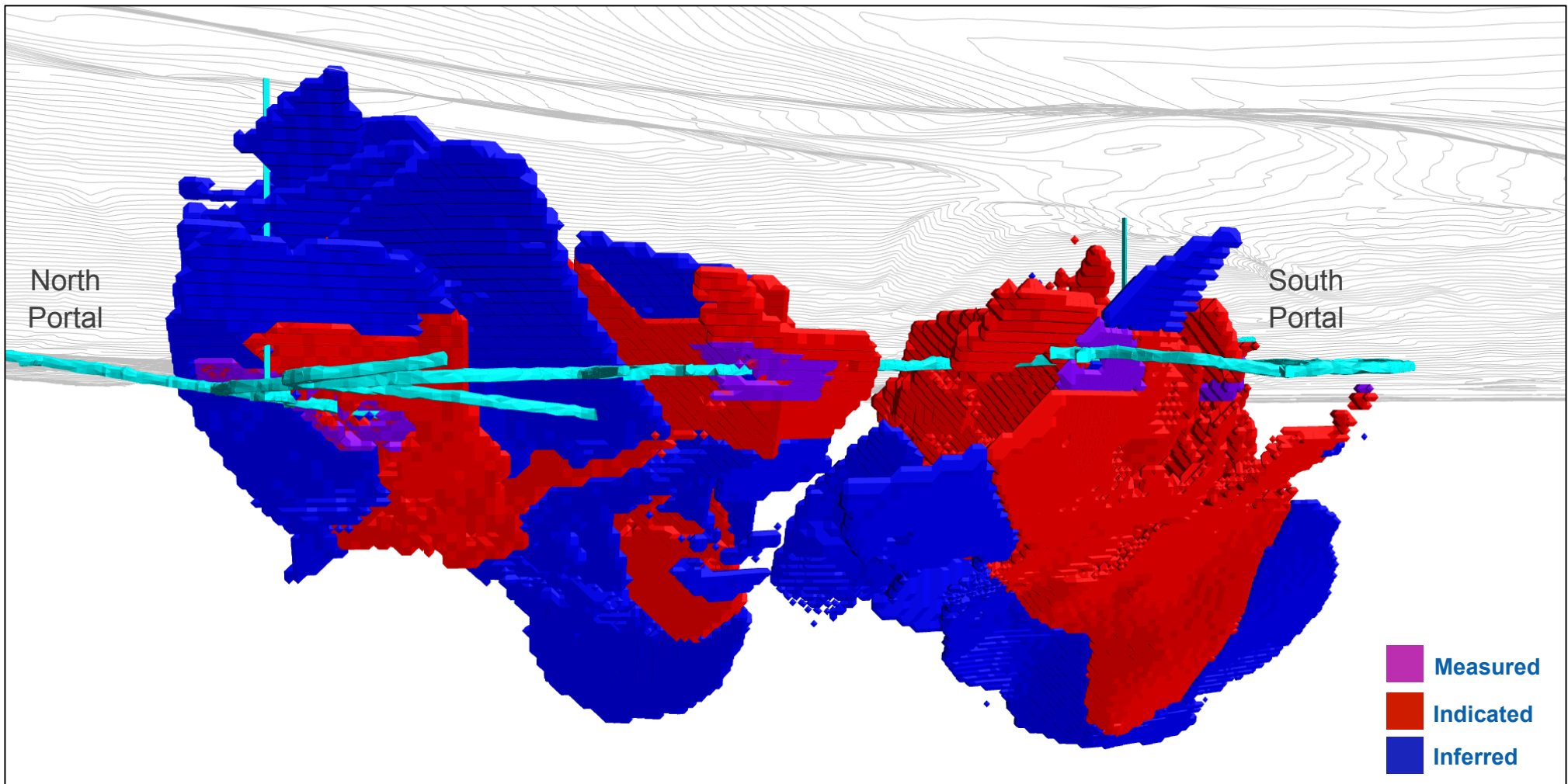




# Updated Resource Estimate

Opportunity to convert Inferred ounces (blue) into the mine plan ~350,000 oz

Distribution of resource categories (looking South East)





# Bulk Tonnage Resource Estimate

3.0 Moz at 1.5 g/t gold (M&I) and 0.6 Moz at 1.0 g/t gold (Inferred)

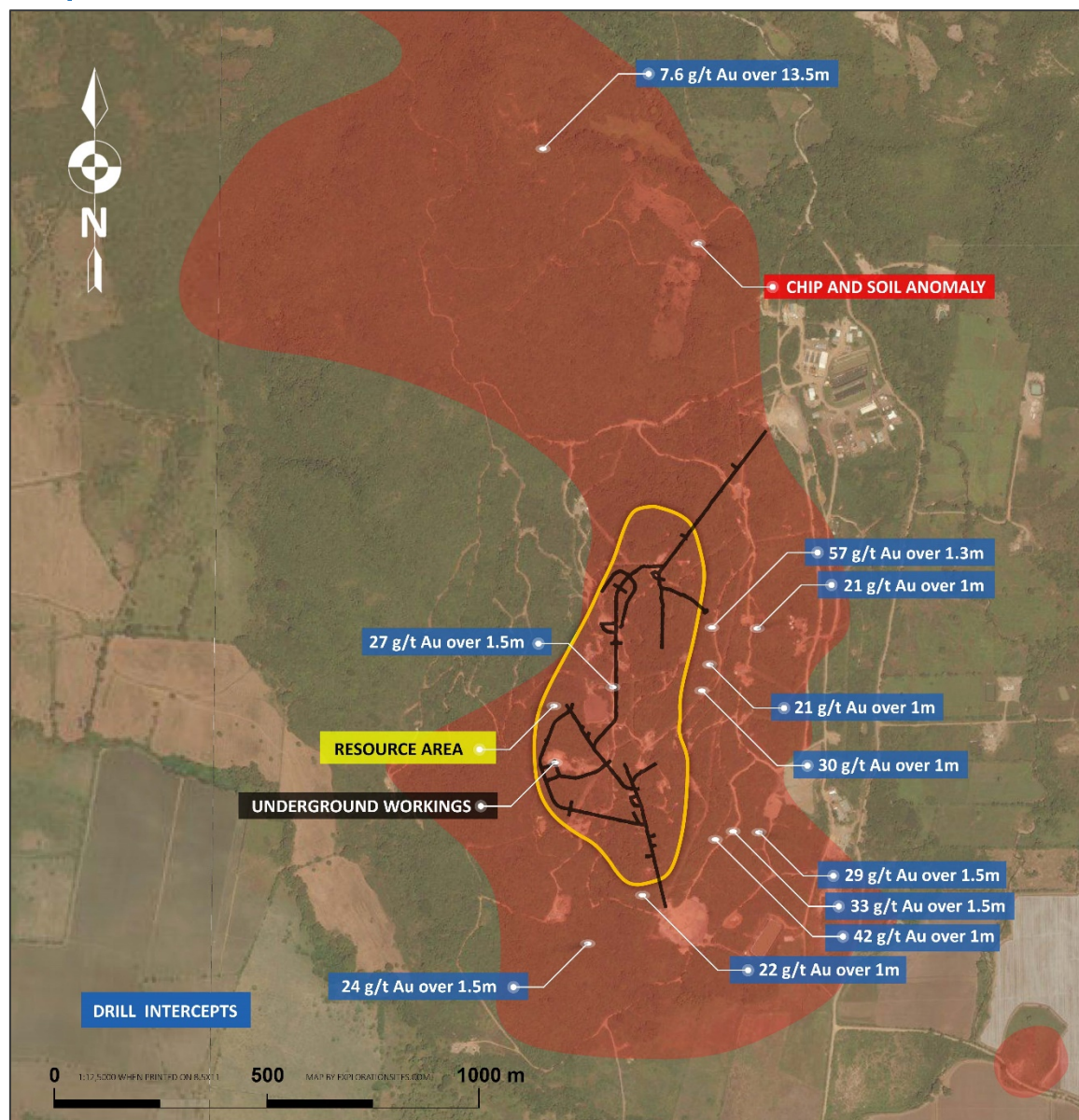
The bulk tonnage resource estimate, while not the focus of the Feasibility Study, represents an estimate of total in-situ inventory of ounces at Cerro Blanco and demonstrates mineral endowment potential

0.5 g/t Au Cut-Off	Tonnes (000s t)	Grade		Resource	
		Gold (g/t)	Silver (g/t)	Gold (Moz)	Silver (Moz)
Measured	12,368	2.3	11.0	0.91	4.4
Indicated	48,219	1.3	6.1	2.08	9.4
M&I Total	60,587	1.5	7.1	2.99	13.8
Inferred	18,531	1.0	5.0	0.58	3.0

# Cerro Blanco Exploration Potential

- Significant exploration potential in the larger district, the current resource is confined to a 400 m by 800 m area
- Highly prospective targets ~1 km north of the main deposit – underexplored to date
- Gold bearing structures extend at least 2 km northwest and 1 km south of the deposit; resources are wide open at depth
- Previous drilling focused on the main deposit area, regional sampling and trenching returned highly-anomalous gold results – significant exploration potential in the larger land package

## Exploration Potential



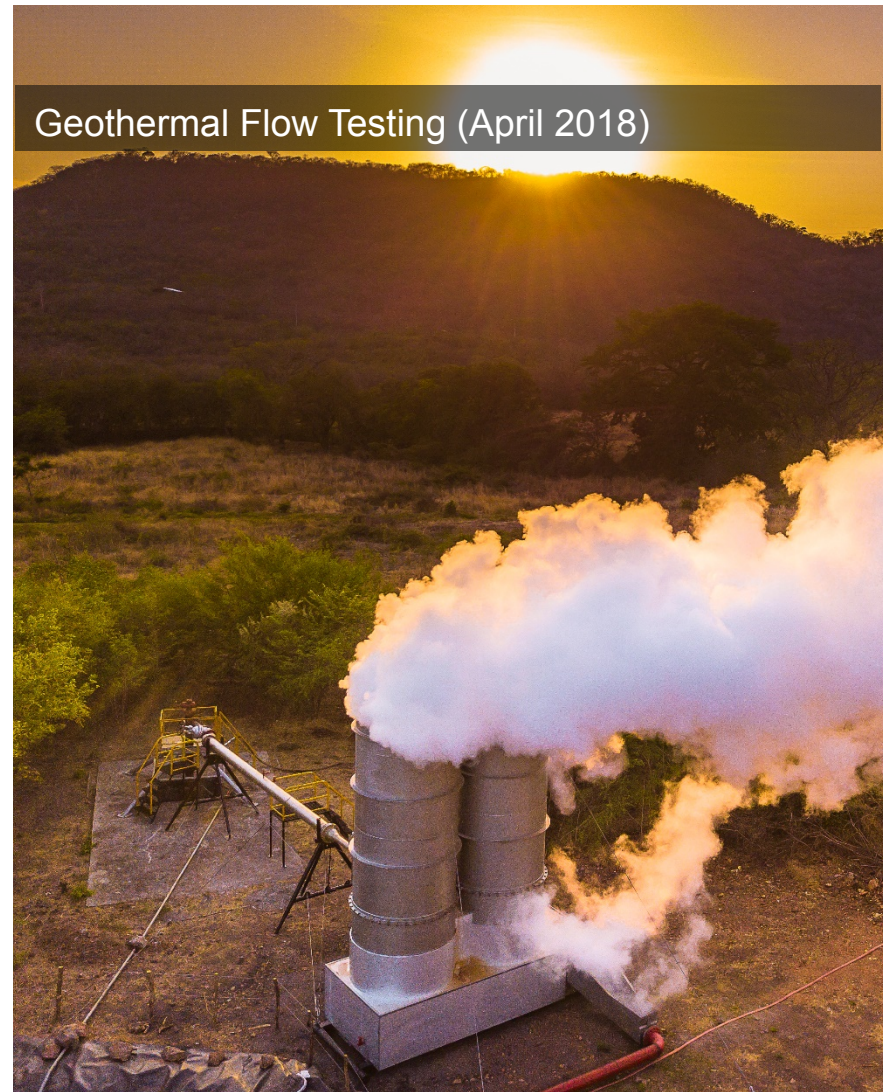


# Cerro Blanco Geothermal Potential

TSXV:BSR OTCQB:BBSRF | 14

US\$60 M spent to date, 19 geothermal wells drilled and a feasibility study completed

- Economic geothermal resource located east of the Cerro Blanco Gold project with potential to reduce costs or be monetized
- US\$60 M spent on exploring and advancing the Mita Geothermal project
- 50-year license to build and operate a 50 MW geothermal plant granted
- Flow testing program completed to upgrade the confidence level in the geothermal resource
- Further studies ongoing in conjunction with synergies from the Cerro Blanco Gold project
- Bluestone envisions a staged approach, with Phase 1 being a smaller operation that could supplement power requirements to the mine or be sold into the privatized national grid

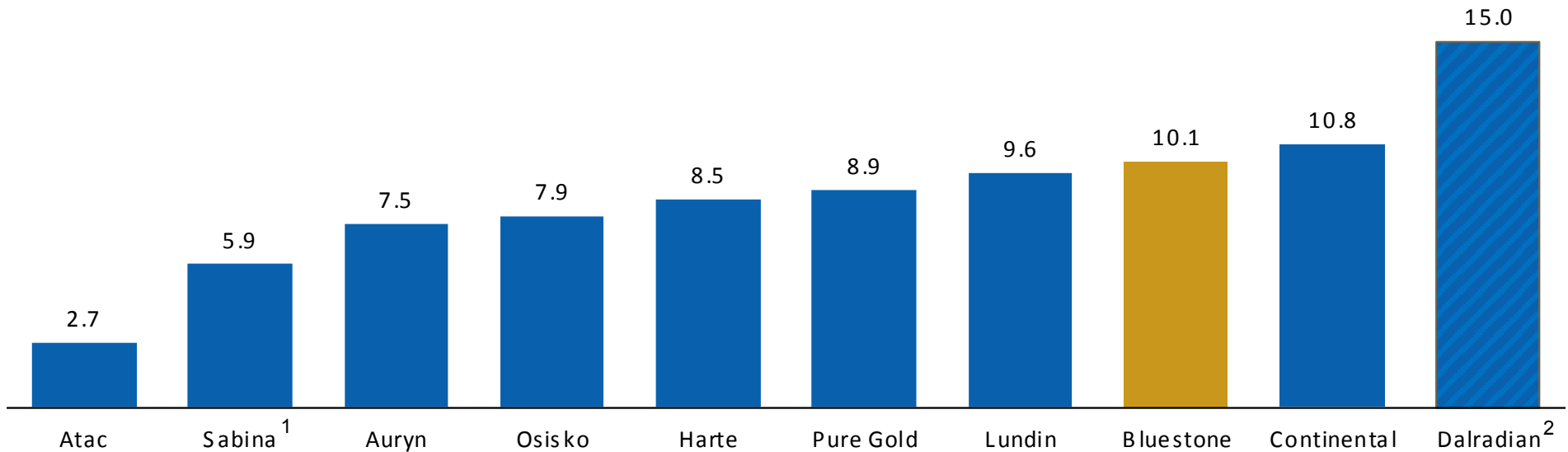


# High-Grade

One of the highest grade deposits amongst its peers, and it is permitted for construction

High-grade resource of 1.2 Moz at 10.1 g/t gold (M&I category)

## M&I Resource Grade



Sources: Corporate disclosure as of Sep 1, 2018.

1. Sabina grades represent Back River Project, respectively

2. Transaction pending with Orion for C\$537 M



# Summary

TSXV:BSR OTCQB:BBSRF | 16

Permitted

High-grade

Resource growth opportunities

Feasibility Study on track for the end of 2018

Strong shareholder support (Lundin Family, CD Capital)

Compelling valuation



Cerro Blanco Gold Project from the East

# Bluestone

RESOURCES INC.

Darren Klinck  
President, CEO & Director

Contact:

Stephen Williams, P.Eng., MBA  
Vice President Corporate Development & Investor Relations  
Email: [stephen.williams@bluestonerresources.ca](mailto:stephen.williams@bluestonerresources.ca)  
Phone: +1 (604) 646-4534

A  
**DISCOVERY GROUP**  
COMPANY