Cornerstone Capital Resources Inc.: Cascabel Exploration Update ((June, 2014)

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MOUNT PEARL, NEWFOUNDLAND--(Marketwired - Jun 13, 2014) - **Cornerstone Capital Resources Inc. ("Cornerstone"** or **"the Company") (TSX VENTURE:CGP) (FRANKFURT:GWN) (BERLIN:GWN) (OTCBB:CTNXF)** announces the following project update for the Stage 2 drilling program at the Alpala prospect within the Company's Cascabel copper-gold porphyry joint venture exploration project in northern Ecuador.

Highlights:

- **Drill hole CSD-14-007 ("Hole 7") has intersected visual copper sulphide mineralization from 540.7 to 960 metres.**
- **Hole 7 is still drilling and encountering copper sulphide mineralization in potassic alteration including magnetite and stockwork quartz veining.**
- **South East and North West targets are high priority areas that are reinforced by the updated magnetic model and the intersection of copper sulphides in Hole 7.**
- **Preliminary metallurgical testwork strategy defined and laboratory selected.**

All reported intervals referred to in this news release are core lengths. At present the true thicknesses are uncertain due to the early stage of drilling.

References to figures related to the version of this release on the Company's website (www.cornerstoneresources.com) or visible in PDF format by clicking the link below: http://www.cornerstoneresources.com/i/pdf/NR14-15Figures.pdf.

"We are very pleased with the visual intercepts from the upper part of hole CSD 14-007 and overall exploration results at Alpala", stated Cornerstone's President & CEO, Brooke Macdonald. "The exploration model gradually being refined indicates the potential for this target to host a significant porphyry copper-gold deposit. The technical success to date on the Cascabel property combined with the recent (May 31) public declarations by Ecuadorean President Rafael Correa stating that Ecuador has failed so far in developing its mining sector and that it will make in the next few months all necessary tax and regulatory changes for the country to be competitive and to attract direct foreign investment, is a very positive development both for the Cascabel joint venture and for the 100%-owned Cornerstone properties we are currently re-activating".

Hole CSD-14-007 ("Hole 7") Progress

Hole 7 is presently at a depth of 1079 metres and has intersected significant intervals of visible copper sulphide mineralization over a near-vertical interval of at least 418.70m, from 541.3m to 960m down hole. Visible mineralization occurs in association with quartz stockwork veins within a potassic-altered diorite intrusion. Mineralization that is continuing below 960m down hole is currently being assessed in the field. Hole 7 is progressing towards a strong modeled magnetic target in the Central Zone (Figure 1). Drilling has progressed smoothly to date.

Hole 7 intersected argillic and phyllic altered volcaniclastics, dacite porphyry intrusions and minor andesite from surface to 567.1m depth and then intersected an extensive diorite intrusion from 567.10 metres to at least 960 metres depth. This extensive diorite intrusion is potassic altered with local zones of overprinting phyllic alteration. Quartz veins are observed in the upper part of the hole between 13.7m and 355.3m within the wall rocks, and then reappear with greater intensity from 528.4m to 960m and beyond. The quartz

stockwork veins coincide with the appearance of pervasive magnetite that typifies potassic alteration, and also coincide with the appearance of visible copper sulphide minerals that are dominated by chalcopyrite, bornite and chalcocite in association with visible molybdenite.

Hole 7 will continue to be deepened to test the strongest part of the modeled magnetic anomaly and the lower limit of visible copper sulphide mineralization (Figure 1).

South East and North West Targets

The South East Target and the North West Target were further defined in the second generation magnetic modeling (Figure 2). They are extensive, semi-annular magnetic anomalies that directly underlie highly acidic alteration cores to the lithocap at surface. Importantly, these two large magnetic targets are partly contiguous with the magnetic anomaly in the Central Zone which has been demonstrated by Hole 5 to be strongly mineralized (see NR 14-10 dated 24th March 2014 for results of Hole 5) and further supported by the Hole 7 intersection of visible copper sulphides.

The discovery of extensive peripheral (low-grade) copper mineralization in Holes 3 and 6 provide robust additional encouragement that the magnetic cores of the South East and (or) North West Targets are mineralized.

Hole 3 drilled above the South East Target was terminated due to hole collapse. It intersected 747.33m grading 0.11% Cu with grades peaking near the bottom of the hole at 0.23% Cu and 0.14 g/t Au over 128 metres.

In light of the recent 2nd Stage 3D magnetic inversion modeling that highlighted the South East Target as a high priority for high-grade copper and gold mineralization, the following comments from NR 13-26 dated November 4, 2013 and NR 13-31 dated December 16, 2013 are worth re-iterating as they clarify the potential significance of the South East Target:

NR - November 4, 2013: Hole 3 intersected increasing intensities of porphyry-related quartz stockwork veining from surface (~0.5 veins per metre) to 713m depth (~18 veins per metre). The eastward trend of increasing stockwork veining is consistent with the hole drilling obliquely through the marginal halo of a porphyry system whose centre may be located to the northwest or southeast. Porphyry copper-gold-molybdenum deposits are typically surrounded by haloes of lower grade mineralization (pyrite plus chalcopyrite +/- traces of molybdenite and gold) that can extend hundreds of metres and up to a kilometre from the centre of the porphyry deposit.

NR - December 16, 2013: The mineralization encountered throughout hole CSD-13-003 is consistent with an extensive low-grade copper halo that typically develops around the margins of large porphyry copper-gold systems. The assays from hole CSD-13-003 confirm that mineralizing fluids have moved through extensive volumes of rock at Alpala, further evidence for our confidence in the potentially large size of the Alpala copper-gold porphyry system.

The Company continues to interpret the large South East Target as a mineralized potentially high-grade copper-gold porphyry system, with Hole 3 skimming the upper margin.

Hole 6 drilled adjacent to the North West Target and the Central Zone was terminated following receipt of the updated 2nd stage magnetic model. It intersected 821.50m grading 0.14 % Cu and 0.10 g/t Au with peak grades in the lower half of the hole adjacent to the North West Target and Central Zone.

These vertically extensive halo intersections (747.33 metres long above the South East Target and 821.50 metres long adjacent to the North West Target) reflect copper-bearing fluids interacting with large volumes of rock, a feature characteristic of large copper deposits.

The combination of two well mineralized holes within (i.e. Hole 5) or on the margins (i.e. Hole 7) of the Central Zone magnetic high, and two peripheral holes with long runs of low-grade halo copper mineralization

above the South East Target magnetic high (i.e. Hole 3) and adjacent to the North West Target magnetic high (i.e. Hole 6), provides an increasingly solid understanding of the likely geometry and locus of the Alpala porphyry system(s). The assay evidence of high grades (Hole 5) and continued association of visible copper sulphide mineralization with magnetic rocks in Hole 7 provide the Company confidence that it can begin to build a significant resource at Alpala.

Preliminary Metallurgical Test-work Strategy

Preparation for preliminary metallurgical testwork on high-grade copper and gold mineralization from Hole 5 has advanced significantly. The Metallurgical Division of Inspectorate Exploration and Mining Services Ltd of Richmond, British Colombia, Canada ("Inspectorate") has been selected to conduct the initial testwork.

The proposal and quotation from Inspectorate has been approved and the intervals for metallurgical testwork selected following acquisition of coarse reject sample weights from the sample preparation laboratory that the Company uses in Cuenca, Ecuador.

The next steps in the process is for the selected samples to be riffle split, packaged and exported from Ecuador to Vancouver where the testwork will be conducted.

The objective of this work is to conduct a preliminary metallurgical test program, including hardness tests and flotation tests, to study the recovery of copper and gold in three sample composites that have been selected to represent the high-grade intersection in Hole 5. In summary, the scope of work comprises sample preparation, head assays, test grinds, rougher flotation and cleaner flotation. The selected composites are listed in Table 1 with further details of the testwork listed in Table 2.

Table 1 - Metallurgical Composites

Composite	Comment	Interval (metres)	Sub-Samples	Target Cu grade (%)	Target Au grade (g/t)	Target Mo grade (ppm)	Target Weight (Kg)
Composite 2	Intermediate Grade	936-982	24	0.67	0.58	5.89	71.16
Composite 1	High Grade	804-850	24	1.04	0.94	1.00	72.00
Composite 3	Very High Grade	1098-1144	24	1.84	2.31	3.44	70.91

Table 2 - Metallurgical Testing Of Each Composite

Test	Details	Comment
Bond Mill Work Index	Bico-Braun laboratory mill	Hardness
Test Grinds	Three tests on each composite for varying grinding times	Develop a grind time versus P80 sizing curve
Rougher Flotation Kinetics	Scoping level flotation tests on each composite at 3 grind sizes to establish a grind versus recovery basis	Products analyzed for Cu, Au, S
Rougher Flotation Optimization	Using optimum grind size and flotation times from the Kinetic testing, 4 additional rougher tests to be conducted	Using various Ph and reagent schemes
Cleaner Flotation	Using the optimum grind and rougher kinetics parameters, a 3 stage cleaner circuit test with and without regrind	Products analyzed for Cu, Au, S
Size by Assay Analysis	Rougher scavenger tailings to be screened to 7 size fractions and undergo screen by assay	Each fraction assayed for Cu, Au, S to calculate metal and mineral distribution.
Mineralogy	Particle Mineral Association Study (PMA) using QEMSCAN (if required)	Mineral composition and deportment, associations, liberation characteristics, effect of primary grind, and size elemental mineral analysis.

The results of the preliminary metallurgy testwork on Hole 5 are anticipated during the September quarter.

About Cascabel

SolGold Plc owns 85% of the equity of Exploraciones Novomining S.A. ("ENSA"), an Ecuadorean registered company that holds 100% of the Cascabel concession in northern Ecuador. Cornerstone owns the remaining 15% of ENSA, which also holds the rights to the La Encrucijada gold-silver project. SolGold is funding 100% of the exploration at Cascabel and is the operator of the project with Cornerstone Ecuador S.A. providing

some exploration and administrative services. Cornerstone's 15% interest is financed through completion of a feasibility study.

Cascabel is located in north-western Ecuador in an under-explored northern section of the richly endowed Andean Copper Belt, 60 km northeast of the undeveloped inferred resource of 982 million tons at 0.89% Cu Junín copper project. (Mineralization identified at the Cu Junin copper project is not necessarily indicative of the mineralization on the Cascabel Property).

Qualified Person:

Yvan Crepeau, MBA, P.Geo., Cornerstone's Vice President, Exploration and a qualified person in accordance with National Instrument 43-101, is responsible for supervising the exploration program at the Cascabel project and has reviewed and approved the information contained in this news release.

Logging, sampling and assaying

Holes referred to in this release were or are being drilled using HTW, NTW and NQ core sizes (respectively 7.1, 5.6 and 4.8 cm diameter). Geotechnical measurements such as core recovery, fracturing, rock quality designations (RQD's), specific density and photographic logging are performed systematically prior to assaying. The core is logged, magnetic susceptibility measured and key alteration minerals identified using an on-site portable spectrometer. Core is then sawed in half at Cornerstone's core logging facility and half of the core is delivered by Cornerstone employees for preparation at Acme Analytical Laboratories (ACME) affiliate laboratory in Cuenca. Core samples are prepared crushing 1 kg to 80% passing 2 mm (10 mesh), splitting 250 g and pulverizing to 85% passing 0.075 mm (200 mesh) (ACME code R200-250). Prepared samples are then shipped to ACME in Vancouver, Canada where samples are assayed for a multi-element suite (ACME code 1E, 0.25g split, 4-acid digestion, ICP-ES finish). Over limit results for Ag (> 100 g/t), Cu, Pb and Zn (each one > 1%) are systematically re-assayed (ACME code 7 TD1 or 7 TD2, 4-acid digestion, ICP-ES finish). Gold is assayed using a 30 g split, Fire Assay (FA) and AA or ICP-ES finish (ACME code G601).

Quality assurance / Quality control (QA/QC)

The ACME affiliate preparation facility in Cuenca was audited by Cornerstone prior to the start of the drilling program and ACME is an ISO 9001:2008 qualified assayer that performs and makes available internal assaying controls. Duplicates, certified blanks and standards are systematically used (1 control sample every 15 samples) as part of Cornerstone's QA/QC program. Rejects, a 100 g pulp for each core sample and the remaining half-core are stored for future use and controls.

About Cornerstone:

Cornerstone Capital Resources Inc. is a well-funded mineral exploration company based in Mount Pearl, Newfoundland and Labrador, Canada, with a diversified portfolio of projects in Ecuador and Chile, and a strong technical team that has proven its ability to identify, acquire and advance properties of merit. The company's business model is based on generating exploration projects whose subsequent development is funded primarily through joint venture partnerships. Commitments from JV partners constitute significant validation of the strength of Cornerstone's projects.

Further information is available on Cornerstone's website: www.cornerstoneresources.com and on Twitter.

Cautionary Notice:

This news release may contain 'Forward-Looking Statements' that involve risks and uncertainties, such as statements of Cornerstone's plans, objectives, strategies, intentions and expectations. The words "potential," "anticipate," "forecast," "believe," "estimate," "expect," "may," "project," "plan," and similar expressions are intended to be among the statements that identify 'Forward-Looking Statements.' Although Cornerstone believes that its expectations reflected in these 'Forward-Looking Statements' are reasonable, such

statements may involve unknown risks, uncertainties and other factors disclosed in our regulatory filings, viewed on the SEDAR website at www.sedar.com. For us, uncertainties arise from the behaviour of financial and metals markets, predicting natural geological phenomena and from numerous other matters of national, regional, and global scale, including those of an environmental, climatic, natural, political, economic, business, competitive, or regulatory nature. These uncertainties may cause our actual future results to be materially different than those expressed in our Forward-Looking Statements. Although Cornerstone believes the facts and information contained in this news release to be as correct and current as possible, Cornerstone does not warrant or make any representation as to the accuracy, validity or completeness of any facts or information contained herein and these statements should not be relied upon as representing its views subsequent to the date of this news release. While Cornerstone anticipates that subsequent events may cause its views to change, it expressly disclaims any obligation to update the Forward-Looking Statements contained herein except where outcomes have varied materially from the original statements.

On Behalf of the Board,

Brooke Macdonald, President and CEO

Further information is available on the Cornerstone Web site at www.cornerstoneresources.com**; via e-mail at** communications@crigold.com**; or toll free at 1-877-277-8377.**

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