

OTTAWA, ONTARIO--(Marketwired - Feb 25, 2016) - [Cornerstone Capital Resources Inc.](#) ("Cornerstone" or "the Company") (TSX VENTURE:CGP)(OTCBB:CTNXF)(FRANKFURT:GWN)(BERLIN:GWN) announces the following project update for the Cascabel copper-gold porphyry joint venture exploration project in northern Ecuador, in which the Company has a 15% interest financed through to completion of a feasibility study. SolGold Plc is funding 100% of the exploration at Cascabel and is the operator of the project.

#### HIGHLIGHTS:

- CSD-16-016 ("Hole 16") was at a depth of 973m at 6pm Ecuador time Tuesday February 23. Drilling has intersected continuous visible copper mineralization shallower than expected, from 568m, an intersection so far of 405m.
- Hole 16 is progressing without difficulty, targeting a depth of 1800m. Intense mineralization is being encountered.
- Mineralization to date in Hole 16 comprises diagnostic "B" type quartz veins containing magnetite, chalcopyrite (*a sulphide mineral containing 34% copper*) and bornite (*a sulphide mineral containing 63% copper*). Disseminated chalcopyrite and bornite occur in the groundmass. Mineralization is enriched by overprinting of later "C" type veins consisting of pure chalcopyrite.
- Mineral alteration indicators show assemblages in the phyllic and propylitic zones suggesting that the predicted richer potassic core is yet to be intersected at depth.
- Hole 16 extends the Alpala deposit by 100m to the southeast in the direction of significant magnetite/hematite alteration at surface at Hematite Hill and significant bornite mineralization evident at surface at Alpala Southeast and Cristal prospects.
- Drill hole CSD-16-015R2 ("Hole 15R2") is underway from the Hole 15 pad, and is at a current depth of 149m. Hole 15R2 targets extensions of the Alpala deposit to the northeast, and at depth.
- The El Carmen road, being built by the Ecuadorean Government is expected to reach the Alpala camp from the town of Santa Cecilia in April, lowering exploration costs and enhancing logistic efficiency and drill rig access.
- Negotiations for additional rig and additional contractor are progressing.

All reported intervals referred to in this news release are core lengths. At present the true thicknesses of Hole 16 intersections are uncertain due to the early stage of drilling.

Figures, photographs and tables referred to in this news release can be seen in PDF format by accessing the version of this release on the Company's website ([www.cornerstoneresources.com](http://www.cornerstoneresources.com)) or by clicking on the link below:

<http://www.cornerstoneresources.com/i/pdf/NR16-03Figures.pdf>

#### DETAILED INFORMATION:

Hole 16 is drilling ahead at the Alpala copper-gold deposit within well mineralized porphyry host rock.

The Cascabel copper gold porphyry is located in northern Ecuador on the Andean copper belt which produces 48% of the world's copper (Figure 1). Paradigm shifts in the development of sophisticated geophysical and geochemical surveying techniques identified a cluster of targets at Cascabel, of which Alpala is only the first prospect drilled to date. The project area has significant advantages over competitor projects in South America, being high grade, and rich in gold, at low elevation as well as being located close to power supply, water, sealed highways and port sites for access and export (Figure 2).

The Alpala deposit has been confirmed to date with 16 drill holes as a significant copper-gold porphyry discovery and is one of 6 major targets on the Cascabel project concession (Figure 3).

#### Hole 16 Confirms Trend to the Southeast

Hole 16 is located along the southeastern margin of the Alpala drilling area to date (Figure 4). This hole is being drilled off the same pad location as Holes 4 and 14, towards the south-southeast at 198 degrees azimuth and a declination of 85 degrees.

The drill hole is currently at a depth of 973m, progressing at the planned rate of 30m/day and is expected to traverse across a 250m width of the Alpala structural zone. The hole is designed to outline a continuation of the Alpala deposit some 100m southeast of where it was previously intersected in Hole 12. The addition of Hole 12 defined the Alpala deposit over a total vertical column of over 1700 metres from near surface and a cross width of some 250m.

Strong mineralization and intense veining have been encountered thus far in Hole 16 from 568m depth. The prospective "D10"

diorite intrusion was intersected from 609m, more than 270m shallower than previously predicted from geological modelling. Drilling is expected to enter the highly prospective "QD10" quartz diorite intrusion from around 1270m (Figure 5).

The progressive shallowing of mineralization to the southeast supports the evolving interpretation that the Alpala deposit plunges towards the NW, and high grade mineralization is expected closer to surface as drill testing progresses further to the southeast (Figure 6).

A feature of Hole 12 was the presence of finely disseminated specks of the high copper content mineral species, bornite. Visible bornite in the Hole 16 core, as both disseminated grains and within veins, and the increasing abundance of bornite in outcrop to the south east provides encouraging evidence of extensions of the central copper-gold rich core zone of the Alpala porphyry system in this area.

## Emerging Resource

Drill hole, surface mapping and geophysical data now supports a three dimensional model of the mineralization at Alpala. At a cut-off grade of 0.6 % copper, standard interpolant volumes contain mean estimated copper and gold grades of over 1% Cu and 1g/t respectively, and infer an elongate orebody of some 400m length with an average horizontal thickness of 200m, over a vertical extent of 900m. Mineralization remains open to the northeast and the southeast, as well as being open both up-dip and at depth (Figure 7). Readers are cautioned that the three dimensional model of the mineralization including the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the Alpala target being delineated as a mineral resource. Once the limits of the high grade mineralization have been defined through further drilling, the increased drill hole density at 100m x 100m spacing should provide sufficient basis for the calculation of a maiden resource. This is expected over the next 6 months and will form the basis for initial scoping studies to address a staged development program (Figure 8).

Geological similarities with the Golpu copper-gold orebody in Papua New Guinea (50% Newcrest/ 50% Harmony Gold Joint Venture) suggest that the Alpala system could reasonably reveal over 1500 metre vertical extent in the high grade potassic core zone, which despite the extensive high grade intersections returned to date at Alpala, has not yet been encountered. In addition to the evident outcropping potentially open cut mineralization at Alpala, Aguinaga and Trivinio, SolGold geologists are also pursuing high grade underground targets beneath the existing drill hole intersections. The presence of the Alpala Deeps target is supported by a deep 3D Magnetic Vector Image (MVI) model, constrained by down hole magnetics readings from drill core and modelled in 3 dimensions using powerful computer software (Figure 9).

## Additional Rig and Access Road will Expedite Cascabel Program

In order to test the thick and rich positions in the deposit, SolGold expects to engage a second drilling contractor supplying track mounted rigs capable of over drilling core-holes as deep as 2500m. These rigs will gain access via the new Santa Cecilia-El Carmen road, currently under construction by the Ecuadorean Government. The additional contractor and rig is expected to be available in late April in time for the planned completion of the new access road. (Figure 10).

Drill hole CSD-16-015R2 ("Hole 15R2") is underway from the Hole 15 pad, and is at a current depth of 149m. Hole 15R2 targets the extensions of the Alpala deposit to the northeast, and at depth. This hole is a re-drill of Hole 15 which was terminated at 1048.4m after drilling contractors were unable to continue the hole due to technical issues. Drilling of Hole 15 intersected visible copper sulphide mineralization from 870m.

Photos of drill core from Hole 16 to date are provided in Figure 11.

## About Cascabel:

SolGold Plc owns 85% of the equity of Exploraciones Novomining S.A. ("ENSA"), an Ecuadorean 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. 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 Junin copper project (0.4% Cu cut-off grade; Micon International Co. Ltd. Technical Report for Ascendant Exploration SA, August 20, 2004, pages 28 & 29). Mineralization identified at the 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 for Cornerstone 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, NQ and BQ core sizes (respectively 7.1, 5.6, 4.8 and 3.7 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 the ENSA core logging facility, and half of the core is delivered by ENSA employees for preparation at ALS Minerals Laboratories (ALS) sample preparation facility in Quito. Core samples are prepared crushing to 70% passing 2 mm (10 mesh), splitting 250 g and pulverizing to 85% passing 75 microns (200 mesh) (ALS code CRU-31, SPL21 and PUL-32). Prepared samples are then shipped to ALS in Lima, Peru where samples are assayed for a multi-element suite (ALS code ME-ICP61, 1g split, 4-acid digestion, ICP-AES finish). Over limit results for Ag (> 100 g/t) and Cu, (> 1%) are systematically re-assayed (ALS code Ag-AA62, 4-acid digestion, AAS finish). Gold is assayed using a 30 g split, Fire Assay (FA) and AA finish (ALS code Au-AA23).

Drill hole intercepts are calculated using a data aggregation method, defined by copper equivalent cut-off grades and reported with up to 10m internal dilution, excluding bridging to a single sample. Copper equivalent grades are calculated using a gold conversion factor of 0.6, determined using copper price of US\$3/pound and gold price of US\$40/gram.

#### Quality assurance / Quality control (QA/QC)

The ALS Laboratory is a qualified assayer that performs and makes available internal assaying controls. Duplicates, certified blanks and standards are systematically used (1 control sample every 15-20 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. Plans:

SolGold has announced it is planning a resource statement at Alpala, the most advanced target at Cascabel, during 2016, in addition to drill testing the other key targets at Aguinaga, Trivino, Tandayama America and Chinambicito in the Cascabel concession. By the end of 2016 SolGold has reported it is planning further metallurgical testing, and completion of early stage mine and plant design and a scoping study for an economic development at Cascabel. SolGold is investigating both high tonnage / low grade open cut and high grade / low tonnage underground developments as a block caving operation.

#### About Cornerstone:

[Cornerstone Capital Resources Inc.](#) is a mineral exploration company with a diversified portfolio of projects in Ecuador and Chile, and a proven 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 partnerships.

Further information is available on Cornerstone's website: [www.cornerstoneresources.com](http://www.cornerstoneresources.com) and on Twitter.

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#### 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](http://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](http://www.cornerstoneresources.com); via e-mail at [ir@cornerstoneresources.ca](mailto:ir@cornerstoneresources.ca); or toll free at 1-877-277-8377.

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