

OTTAWA, ONTARIO--(Marketwired - May 16, 2016) - [Cornerstone Capital Resources Inc.](http://www.cornerstoneresources.com) ("Cornerstone" or "the Company") (TSX VENTURE:CGP) (FRANKFURT:GWN) (BERLIN:GWN) (OTCBB:CTNXF) 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:

- Hole 17 has intersected mineralization from 641.3 m and bornite and chalcopyrite copper sulphide mineralization from 816.2 m to 999.2 m depth, and is extending the surface footprint of the Alpala target 100 m southwest and 300 m closer to surface at this position
- Drilling continues

Figures, table and photographs 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) or by clicking on the link below:

<http://www.cornerstoneresources.com/i/pdf/NR16-11Figures.pdf>.

FURTHER INFORMATION:

The Cascabel Project is located in Northern Ecuador, within the northern portion of the Andean copper belt (refer Figure 1, Location, and Figure 2, Regional Setting).

At 12 noon Ecuador time on Friday 13 May 2016, Hole 17 (CSD-16-017) was drilling at a depth of 999.2m. Rig 1 is drilling Hole 17 to the southwest at a declination of -74 degrees, from the same drill site as Hole 16, towards a planned depth of 1400m (refer Figure 3, Drill Hole Location Plan).

Hole 17 is targeting shallow extensions of the Alpala deposit to the west, along the interpreted continuation of copper and gold mineralization intersected in Holes 1, 5 and 12, which returned the following intersections:

- Hole 1: 302m @ 0.39 % Cu and 0.48 g/t Au (0.77% CuEq*) from 16m, including

100m @ 0.65 % Cu and 1.00 g/t Au (1.44% CuEq) from 222m.

- Hole 5: 1306m @ 0.62 % Cu and 0.54 g/t Au (1.05% CuEq) from 24m, including

552m @ 1.03m % Cu and 1.05 g/t Au (1.86% CuEq) from 778m.

- Hole 12: 1312m @ 0.67 % Cu and 0.63 g/t Au (1.17% CuEq) from 128m, including

576m @ 1.03m % Cu and 1.19 g/t Au (1.97% CuEq) from 844m.

** Copper Equivalent (CuEq) is calculated using the following equation: $Cu\ Eq. = Cu\% + (Au\ g/t \times 0.79)$, using a copper price of \$2.25/pound and gold price of \$1225/oz and 100% recovery of metals.*

Hole 17 passed into intrusion hosted, porphyry style copper sulphide mineralization from 641.3m depth, and has intersected over 350m of mineralization to date.

The intersection so far in Hole 17 has the effect of extending high grade envelopes in the project operator's 3D models to the southwest by 100 metres and upwards (shallower) by 300 metres. This is expected to enhance the interpreted copper cutoff tonnages in the vicinity of Hole 17.

Drill Hole 17 passed into bornite-chalcopyrite copper sulphide mineralization from 816.2m. Bornite and chalcopyrite are important copper ore minerals containing around 63% and 35% copper, respectively.

Examples of mineralization encountered to date in Hole 17 are shown in Figures 4 and 5 (refer Figures 4 and 5, Core Photos).

Rig 2 continues drilling Hole 15R2 towards a revised planned depth of 2000m, having intersected over 950m of intrusion hosted,

porphyry style copper sulphide mineralization from 803.2m to the current depth of 1749.4m.

Hole 15R2 is targeting extensions of the Alpala deposit to the north, and at depth, some 100m north of the deeper high-grade zone intersected in Hole 9, which returned 1050.8m @ 0.68% Cu and 0.92 g/t Au (1.42% CuEq), including 420m @ 1.00 % copper and 1.34 g/t gold (2.06% CuEq).

Assay results and a detailed review on Hole 15R2 will be forthcoming when assay results are released later in May.

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 northwestern 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 LAC y Asociados ISO 9001-2008 certified sample preparation facility in Cuenca. Core samples are prepared crushing to 70% passing 2 mm (10 mesh), splitting 250 g and pulverizing to 85% passing 75 microns (200 mesh) (MSA code PRP-910). Prepared samples are then shipped to MS Analytical Services (MSA), an ISO 9001-2008 laboratory in Langley, BC, Canada where samples are assayed for a multi-element suite (MSA code IMS-230, 0.2g split, 4-acid digestion, ICP-AES/MS finish). Over limit results for Cu (>1%) are systematically re-assayed (MSA code ICF-6Cu, 0.2 g, 4-acid digestion, ICP-AES finish). Gold is assayed using a 30 g split, Fire Assay (FA) and AAS finish (MSA code FAS 111). Over limit results for Au (>10 g/t) are systematically re-assayed (MSA code FAS-415, FA, 30g., gravimetric finish).

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.

Quality assurance / Quality control (QA/QC)

The MSA Analytical 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, Alpala NW, Hematite Hill, Alpala SE, Cristal, Tandayama America and Chinambicito within 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 (which may or may not be the approximate equivalent of a preliminary economic assessment as defined under National Instrument 43-101) for an economic development at Cascabel.

About Cornerstone:

[Cornerstone Capital Resources Inc.](http://www.cornerstoneresources.com) 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 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

Neither 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.

Contact

For investor, corporate or media inquiries:

Investor Relations

(613) 421-6923

ir@cornerstoneresources.ca