

OTTAWA, ONTARIO--(Marketwired - Oct 19, 2016) - [Cornerstone Capital Resources Inc.](#) ("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:

- New drilling contracts signed with Hubbard Drilling and Major Drilling for Cascabel exploration appraisal and feasibility programs over the next four years
- Drilling commenced with three rigs on site and a fourth to commence by end of February 2017. Initial holes CSD-16-018, 019 and 020, will test the deep portions of the Alpala Central deposit
- Major Drilling track mounted rigs to focus on extension of the Alpala deposit, and are expected to bear the brunt of deep drilling with higher penetration rates, faster access and rig moves between holes
- Major Drilling rigs expected to drill to 2,800 metres deep, testing the Alpala deposit a further kilometre below the deepest known mineralization in the deposit
- Directional drilling equipment under negotiation to effect fewer drilling metres overall, but more drill metres within the deposit itself
- Hubbard Drilling man-portable rigs will be free to test six other defined and priority targets at Moran, Triviño, Aguinaga, Tandayama - America, Alpala South East and Hematite Hill
- Reduction in drilling costs from previous \$670/metre to \$370/metre forecast (all-in field and fixed program costs excluding corporate overheads)
- Twelve month drill program for 36,000 metres with up to six rigs. Two year program to end October 2018 for a total of 95,000 metres with up to 10 rigs

FURTHER INFORMATION:

Drilling at Cascabel is underway at initial holes CSD-16-018, 019 and 020 to test the deep portions at Alpala Central.

New drilling contracts have been signed with both Hubbard Drilling and Major Drilling, underpinning an aggressive exploration and appraisal program which will allow for the expansion of exploration depths to further test the deepest known mineralization within the Cascabel concession.

The man portable rigs supplied by Hubbard Drilling and Major Drilling are earmarked to test new drill ready targets at Aguinaga, Moran, Triviño, Alpala South East, Hematite Hill and Tandayama - America. The new contracts afforded by an increase in the number of rigs and higher efficiencies delivered by improved road access and servicing are expected to reduce overall drill costs including all operational (but not corporate) costs from \$670 to \$370/metre.

In addition, directional drilling services are currently being negotiated and this is expected to deliver multiple daughter drill holes from each parent hole, facilitating increased frequency of mineralized intercepts, within the Alpala deposit.

SolGold's planned resource statement at Alpala (the most advanced target at Cascabel) has been delayed by the discovery of high-grade mineralization in Holes 15R2, 16 and 17 at Alpala, extending the immediate resource potential. The Alpala deposit is open at depth and in the upper extensions, as well as to the north, north-east, south-east and south-west.

This will initially be achieved from intersections targeted in holes 018, 019, 020 which have commenced at Alpala and are targeting lower extensions of the Alpala deposit in the bornite bearing wide centre sections.

A planned 36,000 metre program is envisaged with up to six rigs, including four Major Drilling rigs, in the next 12 months. Three of these will be track mounted Major-50 rigs with a drill rate of over 40m/per day and depth comparability of 2,800m. The new Santa Cecilia-Carmen Road will provide access to multi-hole pads for the Major-50 rigs and facilitate higher tonnage supplies in, and core out, at a faster rate. SolGold's geological and logistics team has been boosted to facilitate the increase in drill intensity.

By end of October 2018, SolGold estimates the completion of 95,000m of drilling including testing the targets at Moran, Aguinaga, Triviño, Alpala South East, Tandayama-America and Hematite Hill. Ongoing field mapping, sampling and ground magnetics continues to mature these targets and define proposed drill locations.

The coming two year program, with the use of directional diamond drilling techniques, represents approximately four times the drilling metres completed to date at the Alpala deposit drilled over the past four years. The program will include six additional drill-ready targets.

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 Andean Copper Belt, 60 km northeast of the undeveloped inferred resource of 982 million tons at 0.89% Cu Llurimaga (formerly 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 Llurimaga 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.

About Cornerstone:

[Cornerstone Capital Resources Inc.](http://www.cornerstoneresources.com) is a well funded 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

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