Cornerstone Capital Resources Cascabel Exploration Update

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Intersections from Hole 26-D1 and Hole 28 extend high grade mineralization outside of previous boundary of the deposits

OTTAWA, Nov. 01, 2017 - Cornerstone Capital Resources Inc. (“Cornerstone” or “the Company”) (TSX-V:CGP) (Frankfurt:GWN) (Berlin:GWN) (OTC:CTNXF) announces the following update on the drilling results of Holes 26-D1 and 28, and the progress of drilling, at the Alpala copper-gold porphyry deposit, the most advanced of several targets at Cascabel copper-gold porphyry joint venture exploration project in northern Ecuador.

Figure 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/NR17-39Figures.pdf

HIGHLIGHTS:

• Hole 26-D1 (Alpala Northwest) ended in significant, open ended, mineralization. Assay results returned:

748.7m[1] @ 0.85% CuEq[2] (0.58% Cu, 0.43 g/t Au) from 914m (open at depth), including:

- 650.7m @ 0.94 % CuEq (0.64% Cu, 0.48 g/t Au) from 1012m (open at depth), or:
- 512.7m @ 1.05% CuEq (0.70% Cu, 0.55 g/t Au) from 1150m (open at depth).

• Hole 28 (Alpala Central) also ended in significant mineralization. Assay results returned;

938.2m @ 0.82% CuEq (0.59% Cu, 0.36 g/t Au) from 630m (open ended), including:

- 550.0m, @ 1.06% CuEq (0.74% Cu, 0.52 g/t Au) from 902m.
- Intersections in Hole 26-D1 extend mineralization approximately 100m northeast of the previous boundary of the deposit.
- Intersections in Hole 28 extend mineralization 100m south of Hole 16 and the known southeast edge of the Alpala Central deposit.
- Intense stockwork veining and copper sulphide mineralization logged in strategic Holes 29-D1, 29-D2 and 32, confirm presence of strongly mineralized intrusions 300m to the east of the main deposit.
- Hole 34 testing the promising Alpala West target.

Commenting on the current drilling, Cornerstone Vice President Exploration Yvan Crepeau said:

“Very significant progress is being made at Cascabel. Each new drill hole at Alpala extends the known boundary of the mineralized zones, increasing the potential tonnage of high grade copper-gold mineralization. The outer limit of mineralized zones has not yet been found. The mineralization model is constantly being refined, optimizing drilling of targets. The addition of new rigs and directional drilling

capacities will increase the release of new results with the objective to finalize a maiden inferred mineral resource in the following months.”

FURTHER INFORMATION:

Drilling Results - Continued Growth at Alpala

The Alpala deposit continues to grow with each new drill hole as drilling focuses on high grade porphyry centres at Alpala Northwest, Alpala Central, Alpala East and Alpala Southeast. Over 53,500m of drilling has been completed to date along the greater Alpala trend (Figure 1), with the use of the directional drilling techniques for deviated path holes from existing parent holes (Devico^{tm}), delivering significant time and cost advantages, focusing on drilling mineralized zones.

Hole 26-D1 (Rig 4 Alpala Northwest) was a “daughter” hole drilled to the southwest off “parent” Hole 26 from 788.4m. Hole 26-D1 was stopped prematurely at a depth of 1662.7m within strongly mineralized diorite porphyry due to operational complications experienced by the drilling contractor.

The open-ended intersections achieved in Hole 26-D1 indicate the extension of high-grade mineralization open to the northeast approximately 100m northeast of Hole 15R2, which previously returned 830.0m @ 0.93% CuEq (0.63% Cu, 0.46 g/t Au)[3].

Hole 28 (Rig 3 Alpala Southeast) was drilled to the west from the same drill site as previous holes 21, 25, and 27, and was completed at a depth of 1568.2m.

The intersections achieved in Hole 28 extended mineralization approximately 100m south of Hole 16, which previously returned 936m @ 1.35% CuEq (0.75% Cu, 0.95 g/t Au)[4].

Intersections achieved in Holes 23R-D1 and 24-D1R at selected cut-off grades are detailed in Table 1.

Hole ID	Depth From m	Depth To m	Interval m	Cu %	Au g/t	*CuEq %*	Cut-off *(CuEq%)*	Comment
CSD-17-026-D1	914	1662.7	748.7	0.58	0.43	0.85	0.20	open ended
CSD-17-026-D1	1012	1662.7	650.7	0.64	0.48	0.94	0.30	open ended
CSD-17-026-D1	1066	1662.7	596.7	0.66	0.50	0.98	0.40	open ended
CSD-17-026-D1	1150	1662.7	512.7	0.70	0.55	1.05	0.50	open ended
CSD-17-026-D1	1392	1662.7	270.7	0.80	0.55	1.15	0.70	open ended
CSD-17-028	630	1568.2	938.2	0.59	0.36	*0.82*	0.30	open ended
CSD-17-028	902	1452	550	0.74	0.52	*1.06*	0.50	
CSD-17-028	1028	1450	422	0.78	0.58	*1.15*	0.70	

NOTE: Data Aggregation Method: Intercepts reported using copper equivalent cutoff grades with up to 10m internal dilution, excluding bridging to a single sample. Minimum intersection length 50m. Gold Conversion Factor of 0.63 calculated from a copper price of US$3.00/lb and a gold price US$1300/oz. True widths of downhole interval lengths are estimated to be approximately 25% to 50% for individual holes. No hole has entirely crossed the mineralized zone and it is therefore not possible to calculate the true width of the deposit from a single drill hole. Cut-off grades are selected with reference to comparisons for block cave mines globally.

Table 1: Selected intervals from Holes CSD-17-026-D1 and CSD-17-028

Current Drill Holes at Alpala – Expanding Resource Potential

Hole 26-D2 (Rig 4 Alpala Northwest) was a “daughter” hole drilled to the southwest off “parent” Hole 26 from 778.2m depth. Hole 26-D1 intersected strongly mineralized diorite and lesser quartz-diorite porphyry over an (approximate) 470m interval from 1180m to 1650m. Hole 26-D2 infilled

mineralization between Holes 15R2, 7 and 13.

Hole 26-D2 was stopped at a depth of 1333.6m within strongly mineralized diorite porphyry due to operational complications experienced by the drilling contractor. Assay results are pending.

Hole 26-D3 (Rig 4 Alpala Northwest) is now underway, at a current depth of 1168.4m. Hole 26-D3 is the third “daughter” hole drilled off “parent” Hole 26 from 778.4m depth, and is testing for depth extensions to mineralization encountered in Holes 13, 7 and 26.

Hole 29 (Rig 5 Alpala East) is at a current depth of 901.0m, Hole 29 is currently suspended while the third “daughter” Hole 29-D2 is drilled to completion, before deepening of Hole 29 continues. Hole 29 is planned to test deeper high-grade extensions along the eastern flank of the Alpala Central deposit.

Hole 29-D1 (Rig 5 Alpala East) was a “daughter” hole drilled from “parent” Hole 29 from 450.2m depth, and was completed at 1168.4m. Hole 29-D1 intersected strongly mineralized diorite porphyry and minor late stage hydrothermal breccia over an (approximate) 202m interval from 966m to 1168.4m (Figure 2). Assay results are pending.

Hole 29-D2 (Rig 5 Alpala East) is underway, at a current depth of 1438.0m, as the second “daughter” hole drilled from “parent” Hole 29 from 901.0m depth. Hole 29-D2 intersected strongly mineralized volcaniclastics rocks and diorite porphyry from approximately 1140m depth, and continues drilling (Figure 3). Hole 29-D2 is planned to extend mineralization some 250m beneath that intersected in Hole 29-D1, and is planned to continue to at least 1500m depth, to test for extensions below Hole 23R-D1 and 16.

Intense stockwork veining and copper sulphide mineralization logged in Holes 29-D1 and 29-D2 confirm the presence of strongly mineralized intrusions some 200m outboard (to the east) of the main deposit.

Hole 30 (Rig 1 Alpala Central) is underway at a current depth of 1047.0mm. Hole 30 is currently intersecting mineralized volcaniclastic rocks and diorite porphyry from approximately 592m depth (Figure 4).

Hole 30 is designed to infill between Holes 22 and 27 and extend mineralization approximately 100m above the intersection achieved in Hole 28.

Hole 30-D1 (Rig 1 Alpala Central) was a “daughter” hole drilled from “parent” Hole 30 from 527.8m depth, and was completed at a depth of 1109.8m, ahead of deepening of the parent hole. Hole 30-D1 intersected volcanic host rocks and minor mineralized diorite porphyry. Hole 30-D1 was planned to extend mineralization between Holes 19, 28 and 27, extending mineralization approximately 150m southeast of Hole 22. Assay results are pending.

Hole 31 (Rig 3 Alpala Southeast) is underway at a current depth of 859.1m. Hole 31 is currently intersecting volcaniclastic rocks and hydrothermal breccias, and is planned to infill mineralization between Holes 24-D1 and 27.

Hole 31-D1 (Rig 3 Alpala Southeast) was a “daughter” hole drilled from “parent” Hole 31 from 605.9m, and was completed at 1530.0m depth, ahead of deepening of the parent hole. Hole 31-D1 intersected weakly mineralized volcaniclastic rocks and diorite porphyry from approximately 1248m to 1371m. Assay results remain pending. Hole 31-D1 was planned to infill mineralization between Holes 24-D1 and 27.

Hole 32 (Rig 2 Alpala Southeast) is underway, at a current depth of 1214.2m, intersecting volcaniclastic rocks, towards a planned depth of 1800m. Hole 32 is planned to extend high grade mineralization at depth approximately 100m east of Hole 25.

Hole 33 (Rig 6 Alpala Central) is underway, at a current depth of 606.2m, intersecting volcaniclastic rocks,

towards a planned depth of 1600m. Hole 32 is planned to extend mineralization northwest of Hole 17, and above Hole 9.

Hole 34 (Rig 7 Alpala West) is underway, at a current depth of 278.2m, intersecting volcaniclastic rocks, towards a planned depth of 2000m, testing the Alpala West porphyry copper-gold target, defined by surface mapping, 3D geochemical modelling and 3D MVI magnetic modelling.

About Cascabel:

Exploraciones Novomining S.A. (“ENSA”), an Ecuadorean company owned by SolGold plc and Cornerstone, holds 100% of the Cascabel concession. Subject to the satisfaction of certain conditions, including SolGold’s fully funding the project through to feasibility, SolGold plc will own 85% of the equity of ENSA and Cornerstone will own the remaining 15% of ENSA. SolGold plc is funding 100% of the exploration at Cascabel and is the operator of the project.

Cascabel is 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.

Logging, sampling, assaying and reporting

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-MSP61, 1g split, 4-acid digestion, ICP-MS 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 0.63, determined using an updated copper price of USD3.00/pound and an updated gold price of USD1300/ounce. Copper equivalent calculation assumes 100% recoveries of copper and gold.

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). 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 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.

Further information is available on Cornerstone’s website: www.cornerstoneresources.com and on Twitter. For investor, corporate or media inquiries, please contact:

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Due to anti-spam laws, many shareholders and others who were previously signed up to receive email updates and who are no longer receiving them may need to re-subscribe at http://www.cornerstoneresources.com/s/InformationRequest.asp

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 after 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.

Note [1] Not true width - All intercepts announced in this news release and cited previous news releases are down-hole intercepts. True widths are estimated at 25% to 50% of the drill hole intersection.

Note [2] All % copper equivalent in this news release are defined using a Gold Conversion Factor of 0.63 calculated from a copper price of US$3.00/lb and a gold price of US$1300/oz.

Note [3] News Release 16-15 dated June 30, 2016. Recalculated intercept using a Gold Conversion Factor of 0.89 calculated using a copper price of US$3.00/lb and a gold price US$1300/oz.

Note [4] News Release 16-09 dated April 29, 2016. Recalculated intercept using a Gold Conversion Factor of 0.89 calculated using a copper price of US$3.00/lb and a gold price US$1300/oz.