Cascabel Exploration Update; Orion Electrical Surveys Support Robust Porphyry Copper-Gold Target at Northwest Alpala

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MOUNT PEARL, NEWFOUNDLAND AND LABRADOR--(Marketwired - Dec 1, 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 Cascabel copper-gold porphyry exploration project in northern Ecuador, in which the Company has a 15% interest financed through to completion of a feasibility study.

HIGHLIGHTS:

- **Final electrical geophysical models received for both Alpala and Aguinaga Orion 3D Induced Polarisation ("3DIP") and magnetotelluric ("MT") surveys;**
- **A high priority porphyry copper-gold target (T1) is strongly validated at Northwest Alpala;**
- **T1 target lies in the hanging wall of the Alpala Footwall Structure and comprises deep magnetic anomalies with strong electrical conductive responses;**
- **T1 target which spans Central Alpala and Northwest Alpala is 1100m long, with high copper and gold grades drilled at southeast end of the target (Hole 5);**
- **IP data yields results consistent with both magnetic vector inversion ("MVI") and geological datasets, indicating both magnetic and IP models are robust;**
- **Alpala Structural Zone increasingly recognised as being an important control for high-grades at Central Alpala, and as an important structural zone for the potential emplacement of additional porphyry deposits; and**
- **Updates on the T2 target at Southeast Alpala and on the Aguinaga porphyry target will be made within the next few days.**

References to figures, photographs and tables 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/NR14-28Figures.pdf. Due to the highly technical nature of the information provided in this market release, a Glossary of Terms has been uploaded on the Company's website.

FURTHER INFORMATION

Final Orion 3DIP chargeability models and conductivity models were received on 25 November from Quantec Geoscience for both the Alpala and the Aguinaga surveys.

The Orion data at Alpala and at Aguinaga has three components:

1. Deep Conductivity data (0-4 km depth) derived from the MT survey.
2. Shallow Conductivity data (0-900m) derived from the 3DIP survey.
3. Shallow Chargeability data (0-900m) derived from the 3DIP survey.

Summary of Alpala Orion Data

The Alpala Shallow Conductivity data above 900m depth has mapped the distribution of conductive rocks (anomalies C0-C10; Figure 1) primarily within the lithocap (a lithocap is defined as a shallow region of intense silica and clay hydrothermal alteration that commonly occurs over porphyry Cu-Au deposits). Strong conductors (C0, C1, C2) are located over a deep conductive anomaly under Central and Northwest Alpala and are attributed to combinations of sulphide, fracturing and clays, features that typically occur together and over the top of porphyry Cu-Au systems. Conductors were also mapped under the peripheral parts of the Southeast Alpala lithocap (C3; Figure 1). More information on the Southeast Alpala area will be provided in subsequent market updates.

The Alpala Shallow Chargeability data above 900m depth has mapped the distribution of disseminated sulphide within the overlying lithocap. The strongly anomalous chargeable responses are extensive with the most chargeable IP anomalies occurring within the Northwest lithocap in the Alpala region and further north near the Quebrada Moran porphyry prospect (Figure 1 and 4).

The Chargeability anomalies at Northwest Alpala (Target T1) are more extensive and envelop the conductivity anomalies (Figure 1). This pattern is very typical of porphyry deposits. The central highly conductive zones within the lithocap are caused by both intense fracturing, sulphides and clays, typical of zones directly above a porphyry copper deposit. The surrounding and more extensive high chargeability anomalies typically reflect disseminated sulphides which are common in the pyrite shell around the periphery of porphyry copper-gold deposits.

The Alpala Deep Conductivity model has mapped conductive rocks extensively within the Northwest Alpala lithocap. These conductors extend from the surface lithocap down to several kilometres depth. Conductive rocks are identified within and surrounding the deep MVI anomaly that underlies the Central Alpala and Northwest Alpala area (Figure 3). The spatial coincidence between this deep conductive feature and the MVI anomaly, particularly the coincidence between the strongest part of the deep conductivity structure and the apical region of the MVI anomaly, strongly indicates that both models are robust and that sulphides and fracturing occur in association with hydrothermal magnetite below the Northwest lithocap lobe (Target T1 at Northwest Alpala).

The MVI model at Alpala defines shallow magnetic features to the east and west of Alpala, and a northwest-southeast trending belt of multiple, deep magnetic anomalies, with more subtle magnetic signatures above them (Figure 2). This linear belt of anomalies appears to comprise multiple mineralizing centres along the northwest-trending Alpala Structural Zone (ASZ), with hydrothermal alteration above them forming the lithocaps and magnetite-destructive alteration at shallow levels.

Alpala Northwest Target (T1) Post Interpretation of Orion 3DIP and MT Data

A high priority target is T1 at Alpala, which was previously referred to as the 'North West Target' in prior RNS releases, is located beneath the northwest lithocap lobe (Figure 4).

First-pass integration of the Orion electrical geophysical data with surface soil geochemistry, alteration, the current mineralization model and recent surface geological mapping has validated and refined existing targets, and defined new targets (Figure 4). Many of these targets are positioned along the Alpala Structural Zone (also referred to as the Alpala Footwall Structure at Central Alpala). Target T1 (Northwest Alpala) is discussed in this market update.

Target T1 - Northwest Alpala

The T1 target (Northwest Alpala) lies on the northeast side of the Alpala Footwall Structure and coincides with the 1100 metre long MVI anomaly. The target extends from 300m southeast of Central Alpala to 800m northwest of Central Alpala, a strike length of 1100m. Drilling has identified widespread secondary magnetite associated with copper sulphides within the magnetic anomaly at Central Alpala. The magnetic signature of the MVI anomaly at Central Alpala is caused by magnetic intrusions and hydrothermal magnetite associated with copper sulphides and gold.

The Alpala Deep Conductivity model reveals a coherent conductive response centred around the northwest

end of the MVI magnetic anomaly at Northwest Alpala (Figures 5 and 6). This extensive conductive response is likely caused by sulphides and fracturing that occur in association with secondary magnetite within the MVI anomaly. The juxtaposition of strong electrical conductivity and magnetic susceptibility signatures under the Northwest Alpala lithocap suggests the presence of potassic and peripheral magnetite-bearing alteration which hosts sulphides. Drilling to date at Central Alpala has focussed near the southeast end of this deep MVI magnetic anomaly. The most conductive part of the Alpala Deep Conductivity model is centred on the broader northwest end of the MVI body (Figures 5 and 6).

The Alpala Shallow Conductivity model (0-900m depth; Figure 1) reveals a cluster of strong conductivity anomalies that lie within the overlying alteration lithocap (Conductors C0, C1 and C2) directly over the strongest part of the deep conductivity anomaly and coincident magnetic anomaly (Figure 1). These shallower anomalies are likely caused by combinations of sulphides, fracturing and clays which are abundant around the top of porphyry systems and occur clustered over the T1 target area.

The Orion 3DIP, magnetic and geological data collectively suggest that the highest priority porphyry copper-gold target lies under the Northwest lithocap at Alpala. Additional surface mapping is planned in this area prior to definition of refined drill targets.

Further details of the Northwest Alpala target (T1) will be provided following the result of surface mapping in the region that is about to commence.

Implications for High Grade mineralization along the Broader Alpala T1 target

Drilling to date at Central Alpala has discovered high grade copper and gold mineralization in proximity to the Alpala Footwall Structure in Holes 1, 5 and 7. The highest grades intersected to date were in Hole 5, where the higher grade intersections included 532m grading 1.05% Cu and 1.08 g/t Au and including 150m grading 1.49% Cu and 1.71 g/t Au (announced November 10, 2014). To date drilling has encountered predominantly peripheral or transitional potassic alteration, with stronger potassic alteration expected at greater depths. Thus there is potential for existing high-grade intersections to strengthen with depth towards stronger potassic alteration.

The Alpala Footwall Structure is a pre-existing fault that was exploited by dioritic intrusions and is thought to be a structure that controlled the emplacement of mineralizing intrusions at Central Alpala. The location of several targets along this structure, and which were defined primarily from other datasets, is strong evidence that the Alpala Structural Zone is a key host structure that is controlling the emplacement of porphyry systems along its length.

The Company see's good potential for high grade mineralization to develop at several of the defined targets, including Central Alpala, Northwest Alpala (T1) and Southeast Alpala (T2) where these targets are in contact against the northeast side of the Alpala Structural Zone. Further details on these additional targets will be provided in a future market release as more information is gathered.

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 services and personnel. Cornerstone's 15% interest is financed through to completion of a National Instrument 43-101 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 cutoff grade; Micon International Co. Ltd. Technical Report for Ascendant Exploration SA, August 20, 2004, pages 28 & 29). 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 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 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 partnerships. Commitments from 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

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