Drilling continues at the Limon and Bramaderos Main gold-copper porphyry prospects

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OTTAWA, Oct. 29, 2019 - Cornerstone Capital Resources Inc. (“Cornerstone” or “the Company”) (TSXV-CGP) (F-GWN) (B-GWN) (OTC-CTNXF) is pleased to provide an update on its Bramaderos gold and copper project in southern Ecuador, which it is exploring together with ASX listed Sunstone Metals Inc. under a farm-in agreement (see “About Bramaderos”, below).

Figures and plates related to 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/NR19-33Figures.pdf.

HIGHLIGHTS:

- The Phase 2 drilling program is designed to follow-up the highly promising results achieved in Phase 1
- Drilling at Bramaderos Main underway with BMDD004 drilling below BMDD001 to test a 500m vertical extent of porphyry gold-copper mineralization
- Drilling at Limon is about to commence – drill hole LMDD005 is targeting a porphyry gold-copper system adjacent to, and beneath holes LMDD002 and LMDD004
- Drilling at West Zone just completed with 8 shallow holes - Results will be released once assays are received

FURTHER INFORMATION:

The Phase 1 drill program of 5,347m tested the three targets of Bramaderos Main, Limon and West Zone. The Phase 2 has commenced with follow-up drilling at Limon and Bramaderos Main.

The Bramaderos Project comprises multiple gold-copper porphyry targets and an epithermal gold corridor (Figures 1 & 2).

Receipt of assay results from drill holes at West Zone and Limon have been delayed due to laboratory delays. These are being managed and incorporated into future planning.

Cornerstone Vice President, Exploration, Yvan Crepeau said:

“It is still early days at the Bramaderos Project. Our Phase 1 drilling delivered a gold-copper porphyry at Bramaderos Main that shows potential for significant scale with mineralization extending from surface to at least 300m deep, and with a strike extent of at least 500m. Drilling now will focus on increasing the scale of this system.

“At Limon, we have intersected compelling ‘near porphyry’ alteration and mineralization in a very large system, with evidence in one drill hole of a shallow ‘high sulphidation’ copper-gold system. Follow-up drilling is aimed at intersecting both the shallow copper-gold system and the deeper main porphyry gold-copper zone.

“At the West Zone epithermal gold prospect, we have completed eight shallow holes which intersected a variety of host rocks and several zones of alteration. We need to wait for assay results before we can comment on the significance of the West Zone drill program.”

Limon Prospect:

Drill hole LMDD005 is currently being collared to test a porphyry gold-copper target (Figures 3 & 4).

Importantly, the process for targeting hole LMDD005 has included further detailed review of all Limon datasets and has focused on a 3-D review of new ground magnetics data in the context of geological constraints provided by drilling results. It is still early days at Limon, but we have established that we are within a large alteration envelope to a porphyry system.

LMDD005 will also test for extensions to the shallow high-sulphidation epithermal copper-gold system intersected in LMDD004 (13.3m at 0.43% copper and 0.11g/t gold, see Cornerstone news release dated October 15, 2019), and then drill to a final depth of ~1100m to test a magnetic anomaly approximately 800m below surface that is located adjacent to and below the intervals of most intense veining, alteration and gold-copper mineralization intersected in holes LMDD002 (see Cornerstone news release dated July 2, 2019) and LMDD004 (see Cornerstone news release dated October 15, 2019). LMDD002 intersected 14m at 0.2% copper, 0.1g/t gold, and 40.8ppm molybdenum at bottom of hole, with clear evidence of a porphyry gold-copper system.

In addition to LMDD005, two more drill holes have been planned that will test targets that may be associated with outcropping gold-copper porphyry mineralization defined in trench LM-01 which intersected 97.6m at 0.71g/t gold and 0.23% copper (see Cornerstone news release dated May 29, 2018).

The link between outcropping porphyry gold-copper mineralization (trench LM-01), shallow high-sulphidation mineralization at ~60m below surface in LMDD004, and deep porphyry mineralization in LMDD002 at 600m below surface, is being pursued with this exploration program and the next 3 drill holes.

Bramaderos Main Prospect:

Final assays for hole BMDD002 at Bramaderos Main have been received and, as predicted, the bottom of hole has returned low grade gold results (Table 1 and Figure 7). The copper assays are consistent throughout the hole, but the gold grade is lower at depth. We interpret this to most likely represent multiple ‘events’ of mineralization and the target zone now becomes the domain on the north-eastern side of the diorite host rock (see Figure 6).

This is mapped out well at surface from extensive trenching with three higher grade domains defined (see Cornerstone news release dated August 26, 2019, and Figure 5). A north-west extension of the longitudinal trench is currently being prepared and sampled which is expected to extend the domain of surface mineralization.

BMDD004 is currently at ~70m downhole and has intersected mineralization from 5m downhole comparable to that seen in the upper part of hole BMDD001 (see Cornerstone news release dated July 18, 2019). It is designed to test a 500m vertical section of the higher-grade domain (Figure 6) below hole BMDD001.

Additional holes to be drilled include at least two holes on sections to the NW of BMDD001 and 004 testing the higher-grade zones in trenches over a strike length of 400m, a shallow hole to twin and extend historical hole CURI-03, and two holes under the main topographic high of Bramaderos Hill which exhibits extensive epithermal style alteration.

Detailed ground magnetics have been collected over Bramaderos Main and these will be processed over the next month to assist with further drill targeting.

	From (m)	To (m)	Interval (m)[1]	Gold (g/t)	Silver (g/t)	Copper (%)
BMDD002	8.4	68.7	60.3	0.18	0.82	0.10
	68.7	310.3	241.6	0.42	1.82	0.14
incl.	234.3	307.1	72.8	0.68	2.17	0.16

incl.	250.0	305.8	55.8	0.74	2.24	0.15
incl.	266.0	284.1	18.1	1.04	2.91	0.19
incl.	291.6	297.7	6.1	0.81	1.43	0.14
and	320.5	328.8	8.3	0.34	1.29	0.07
and	463.55	684.6	221.05	0.16	1.18	0.13
Incl.	463.55	524.35	60.80	0.27	2.00	0.18

Table 1: Assay results from BMDD002.

West Zone:

Drilling has just been completed and comprised 8 shallow diamond drill holes for 1200m. The West Zone target is an epithermal gold breccia system and the drilling program has been focused on follow-up to high-grade trench sampling and to determine the geometry of the breccia systems which host the mineralization at surface.

From drilling it is clear that the geometry of the breccia bodies is complex, and other epithermal style veins and zones of alteration have been defined.

A complete release of the West Zone drilling results will be prepared once all assay results have been received and a coherent geological and mineralization model can be presented.

Drill hole details for the Bramaderos project to date are shown in Figure 8.

About Bramaderos

Measuring 4,949 hectares, the Bramaderos project is located approximately 130km from the Loja provincial capital in southern Ecuador. The project is easily accessible via the Pan American Highway which crosses the property.

The Bramaderos concession is owned by La Plata Minerales S.A. (“PLAMIN”), which in turn is owned 51% by Sunstone and 49% by Cornerstone, Sunstone having earned its initial 51% interest by spending US$3.4 million over 3 years to complete a phase 1 drill program. Sunstone has 90 days (i.e., until November 27, 2019) to elect to earn an additional 19% to go to 70% by funding a bankable feasibility study within 5 years, and can go to 80% by financing 100% of the cost of construction of a mine and mill (see Cornerstone news releases dated April 10, 2017 and August 28, 2019).

Sunstone is the project operator.

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 Bramaderos project for Cornerstone and has reviewed and approved the information contained in this news release.

Sampling and assaying

PLAMIN uses a fire assay gold technique for Au assays (FAS-111) and a four acid multi element technique (IMS-230) for a suite of 48 elements. FAS-111 involves Au by Fire Assay on a 30-gram aliquot, fusion and atomic absorption spectroscopy (AAS) at trace levels. IMS-20 is considered a near total 4 acid technique using a 20g aliquot followed by multi-element analysis by ICP-AES/MS at ultra-trace levels. This analysis technique is considered suitable for this style of mineralization.

Standards, blanks and duplicates are inserted ~1/28 samples. The values of the standards range from low to high grade and are considered appropriate to monitor performance of values near cut-off and near the mean grade of the deposit. The check sampling results are monitored and performance issues are communicated to the laboratory if necessary.

Sample security was managed through sealed individual samples and sealed bags of multiple samples for secure delivery to the laboratory by permanent staff of the joint-venture. MS Analytical is an internationally accredited laboratory that has all its internal procedures heavily scrutinized in order to maintain their accreditation. MS Analytical is accredited to ISO/IEC 17025 2005 Accredited Methods.

PLAMIN’s sampling techniques and data have been audited multiple times by independent mining consultants during various project assessments. These audits have concluded that the sampling techniques and data management are to industry standards. All historical data has been validated to the best degree possible and migrated into a database.

Rock samples are collected by PLAMIN’s personnel, placed in plastic bags, labeled and sealed, and stored in a secure place until delivery by PLAMIN employees to the LAC y Asociados ISO 9001-2008 certified sample preparation facility in Cuenca, Ecuador.

Rock 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-136, 15.0 g split, Aqua Regia digestion, ICP-AES/MS finish) and gold by Fire Assay (MSA code FAS-111, 30 g fusion, AAS 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).

Soil samples are dried at low temperature, screened to 80 mesh (MSA code PRP-757), a 15 grams portion is then assayed for a multi-elements suite (MSA code IMS-136, Aqua Regia digestion, ICP-AES/MS finish).

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 20-25 samples) as part of PLAMIN’s QA/QC program. Rejects, a 100 g pulp for each rock sample, 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, including in the Cascabel gold-enriched copper porphyry joint venture in north west Ecuador.
Further information is available on Cornerstone’s website: www.cornerstoneresources.com and on Twitter. For investor, corporate or media inquiries, please contact:

Investor Relations:
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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

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On Behalf of the Board,
Brooke Macdonald
President and CEO

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[1] True widths cannot be determined at this time from the limited number of holes drilled.