High potential Porphyry Cu-Au-Mo Targets Discovered at Espejo and Rio Magdalena Projects within the ENAMI EP strategic exploration alliance in NW Ecuador

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OTTOWA, Feb. 27, 2020 - Cornerstone Capital Resources Inc. (“Cornerstone” or “the Company”) (TSXV-CGP) (F-GWN) (B-GWN) (OTC-CTNXF) is pleased to announce exploration results to date at its Espejo and Rio Magdalena projects located within the Cornerstone Ecuador S.A. (“CESA”) - ENAMI EP strategic exploration alliance (the “ENAMI-CESA SEA”) in Northern Ecuador.

Figures 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/NR20-05Figures.pdf.

HIGHLIGHTS:

Espejo:

- Prospecting work and initial geological mapping completed
- Heliborne magnetic and radiometric survey (1560 lineKm) defines anomalies related to magnetic bodies, altered zones and structures
- 3410 samples collected to date
- Spectrometry work (Terraspec) defines alteration patterns typical of porphyry systems
- Three sizeable (more than 1 km²), high priority porphyry Cu-Mo (Au) targets defined
- Epithermal style Au-Ag mineralization locally associated to porphyries
- Several lower priority targets to be followed up
- Future work to focus on target areas: Detailed ground surveys and 3D magnetic modeling (underway), ground geophysics being planned, drilling targets to be defined
- Minimal work commitment over the first 4 years attained in less than 3 years

Rio Magdalena:

- Prospecting work and initial geological mapping completed
- Heliborne magnetic and radiometric survey (915 lineKm) defines anomalies related to magnetic bodies, structures, altered and mineralized zones
- 3801 samples collected to date
- Spectrometry work (Terraspec) defines alteration patterns typical of porphyry systems
- Two high priority, sizeable (more than 1 km²), porphyry Cu-Au (Mo) targets outlined
- Other lower priority targets to be followed up
- Future work to focus on target areas: Detailed surveys ongoing, ground geophysics being planned, drilling targets to be defined
- Minimal work commitment over the first 4 years attained in less than 3 years

In commenting on the results, Cornerstone’s CEO, Brooke Macdonald, said:

“We and our partner, Ecuador’s state mining company ENAMI, are pleased to announce the initial results on two of the 3 project blocks within the ENAMI-CESA SEA. The size and intensity of the anomalies and the outcropping mineralization are similar to those we identified at Cascabel back in

2012-2013 when Cascabel was at a similar stage of development. Cascabel totals around 5,000 hectares; the 3 concession blocks in the ENAMI-CESA SEA (Espejo, Rio Magdalena and Playa Rica) total around 42,000 hectares, and none of the targets on the 9 concessions within the 3 blocks have ever been drilled.

"The Espejo, Rio Magdalena, and Playa Rica blocks were identified and ranked by Cornerstone in 2015-2016 as highly prospective after an exhaustive analysis of public and private information available at the time, reserved by CESA after the opening of the cadastral map and then transferred to ENAMI for inclusion in the SEA. We believe we have secured some of the best areas in this largely unexplored region of north west Ecuador.

"Exploration targets are of high quality, showing strong coincidence between highly anomalous copper-gold-moly geochem results, porphyry-type magnetic response and prospective geological environment. Subject to permitting and securing a suitable funding partner, drilling of these targets is planned during the second half of 2020.

"We would like to thank ENAMI’s management and technical staff for their assistance and support during these past 3 years, and look forward to making one or more major discoveries with them on these projects.”

FURTHER INFORMATION:

Cornerstone Ecuador SA (“CESA”), a wholly owned subsidiary of Cornerstone Capital Resources Inc. (TSXV: CGP) has outlined several high priority porphyry Cu-Mo (Au) and Cu-Au (Mo) exploration target areas on its Espejo and Rio Magdalena projects located, respectively, in Carchi and Imbabura provinces, in northern Ecuador. See location map on Figure 1. These properties are part of the Ecuadorian State mining company, ENAMI EP – CESA Strategic Exploration Alliance (the “ENAMI-CESA SEA”). The properties, totaling 9 concessions in three blocks, Espejo, Playa Rica and Rio Magdalena, were selected by CESA through a thorough compilation of public and private data and a regional prospecting program during the period 2015 and 2016. Concessions were applied for by and granted to ENAMI on behalf of the SEA partners.

Following various community & social responsibility outreach processes carried out by CESA and ENAMI with regional and local authorities and communities, systematic exploration surveys were implemented starting in Q3 of 2017, including prospecting work, stream sediment sampling (1063 samples), rock sampling (1459 rock samples), ridge and spurs and grid soil sampling (4691 samples).

Spectrometry work was carried out on all rock and soil samples. Alteration patterns typical of porphyry style mineralization were used as vectors to mineralization.

A detailed heliborne magnetic and radiometric survey was carried out at Espejo (1560 lineKm) and Rio Magdalena (965 lineKm). Geophysical data was processed and anomalies defined. 3D magnetic modelling is underway to refine the geological and metallogenic models.

Full data integration, including geology, alteration, geochem results and geophysical data was then performed and anomalous areas defined for follow-up work.

Exploration follow-up results confirmed the presence of several, highly prospective, porphyry Cu-Mo (Au) style mineralization at Espejo and porphyry Cu-Au (Mo) style mineralization at Rio Magdalena. Mineralization is usually hosted by (but not restricted to) high density quartz veinlets stockworks within altered intrusive and sedimentary and/or volcanic host rocks. No drilling has ever been carried out on the two projects. Several lower priority targets still need to be followed up.

Espejo Project (19,462 Has property – 4 concessions):

Anomaly ESP #1 is 1.9km by 1.3km in size, showing strong and coincident Cu-Mo-Au results and high Cu/Zn ratio with both rock and soil samples (Figure 2, Figure 3 and Plate 1). The anomaly is wide open to the NW.

Geological mapping and soil sampling indicates that mineralization is preferentially associated to high density B, M and D-type quartz veinlets stockworks within dacitic porphyries and surrounding mylonite, andesitic volcanic and sedimentary host rocks. Higher density veinlets (>50 vn/m) are located in the core of the anomaly. This anomalous zone is located at the contact zone of NE oriented, high and low magnetic bodies.

Anomaly ESP #2 as explored to date has a minimal size of 2.0km by 1.0km (Figure 4, Figure 5 and Plate 2). It hosts partially coincident Cu-Mo-Au rock. Grid soil sampling has begun. Mineralization is associated to B and A quartz veinlets stockworks within porphyry intrusive and sedimentary country rocks. The anomaly is mostly located within a moderate magnetic surrounded to the N, W and S by magnetic bodies.

Anomaly ESP #3 as explored to date has a minimal size of 1.8km by 0.9km (Figure 6, Figure 7 and Plate 3), showing partially coincident Au-Cu-Mo results and moderate to high Cu/Zn ratio with both rock and soil samples. Mineralization found so far is associated to weakly developed quartz stockwork close to NNW structures, within andesitic porphyry. The anomaly is located within a moderate magnetic background surrounded by NE oriented magnetic bodies.

Rio Magdalena project (9.909 Has property – 3 concessions):

Two high priority porphyry Cu-Au (Mo) targets are defined.

Anomaly RM #1 is 1.5 km by 0.8 Km in size and shows coincident Cu-Au (Mo) rock and soil anomaly and high Cu/Zn rock within a low frequency magnetic low (Figure 8, Figure 9 and Plate 4). The anomaly is still open to the north. Mineralization is associated to high density quartz-magnetite veinlets stockwork within diorite porphyries hosted (and partially covered) by altered/mineralized sedimentary rocks. A, B and M-type veinlets density is higher than 100 vn/m in the core of the anomaly.

Anomaly RM #2 has a 1.5km by 1.5km size and shows similarities with anomaly #1 but associated to a high amplitude magnetic high this time: coincident Cu-Au-Mo rock and soil anomaly and high Cu/Zn ratio (Figure 10, Figure 11 and Plate 5). The soil anomaly is still open in several directions. Mineralization is associated to magnetite veinlets stockworks within diorite porphyries hosted (and partially covered) by altered sedimentary country rocks.

About the ENAMI EP - Cornerstone Strategic Exploration Alliance (SEA)

On June 14, 2016, Cornerstone announced that its Ecuadorean subsidiary, Cornerstone Ecuador S.A. (“CESA”), had signed a Spanish language Agreement, or Acuerdo de Colaboración e Inversión para el Desarrollo Conjunto de Proyectos de Exploración Minera (the “Agreement”) with Ecuador’s State Mining Company, Empresa Nacional Minera Empresa Pública (“ENAMI EP”), replacing a letter of intent announced April 14, 2015, and creating a structure to jointly prospect and explore for mineral deposits in Ecuador (the “ENAMI-CESA Strategic Exploration Alliance” or “ENAMI-CESA SEA”).

On March 6, 2017, Cornerstone announced that ENAMI EP had been granted a number of mineral concessions in Imbabura and Carchi provinces in the same area as the Cascabel (SolGold/Cornerstone) and Llurimagua (Codelco/Enami) concessions, for exploration by the ENAMI-CESA SEA. Nine concession titles totaling around 42,000 hectares were granted in 2017 by the Ministry of Mining (now the Ministry of Energy and Non-Renewable Natural Resources).

For more information about the ENAMI-CESA SEA, please see Cornerstone news release 16-12 dated June 14, 2016 http://www.cornerstoneresources.com/s/NewsReleases.asp?ReportID=752183

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

Espejo and Rio Magdalena projects for Cornerstone and has reviewed and approved the information contained in this news release.

Sampling and assaying

CESA 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 ~1/25 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.

CESA’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 CESA’s personnel, placed in plastic bags, labeled and sealed, and stored in a secure place until delivery by CESA 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 a 22.2% interest in the Cascabel gold-enriched copper porphyry joint venture in north west Ecuador, composed of a 15% direct equity interest in Exploraciones Novomining S.A. (“ENSA), the Ecuadorian company that holds title to the Cascabel concession, financed by joint venture partner and project operator SolGold plc through to completion of a feasibility study and repayable at

Libor plus 2% out of 90% of Cornerstone’s 15% share of earnings or dividends from an operation at Cascabel, plus 8.5% of the shares of SolGold.

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

Investor Relations: Mario Drolet; Email: Mario@mi3.ca; Tel. (514) 904-1333

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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