First Drill Hole at Tandayama-America Copper Molybdenum Gold Anomaly, Cascabel, Discovers New Highly Mineralized Alpala-Style Porphyry System 3km North of Alpala

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OTTAWA, Dec. 17, 2020 - Cornerstone Capital Resources Inc. (“Cornerstone” or “the Company”) (TSXV:CGP) (Frankfurt:GWN) (Berlin:GWN) (OTC:CTNXF) is pleased to announce the following update on its Cascabel copper-gold porphyry joint venture project in northern Ecuador in which Cornerstone has a 15% interest[1] financed through to completion of a feasibility study plus 7.5% of the shares of joint venture partner and project operator SolGold Plc, for a total direct and indirect interest in Cascabel of 21.4%.

HIGHLIGHTS:

- Drilling at the Tandayama-America Porphyry Copper-Gold Target at Cascabel is currently intersecting intense visible chalcopyrite[2] copper sulphide mineralization within a quartz-diorite intrusion.
- The mineralization intersected at Tandayama-America is very similar to the “QD10” quartz-diorite source intrusion at the Alpala deposit on Cascabel 3km to the south. At Alpala, the QD10 source intrusion is almost wholly responsible for the presence of the high-grade core of the deposit which boasts 442 Mt at 1.40% CuEq[3].
- Rig 5 is drilling the first hole at Tandayama-America, TAD-20-001, and is at a current depth of 595m. Drilling initially intersected visible chalcopyrite copper sulphide mineralization from 55m depth, with significant increase in chalcopyrite abundance occurring from 327m. At 524.5m depth, drilling passed into a zone of intense visible chalcopyrite copper sulphide mineralization within a quartz-diorite intrusion.
- Detailed core logging across the quartz-diorite intrusion intersected so far in TAD-20-001 estimates chalcopyrite percentages of up to 4 % by volume with associated porphyry style total quartz vein abundance of up to a measured 35 % by volume.
- The Tandayama-America target characterized by coincident Cu-Mo-Au soil geochemical highs centred upon outcropping mineralization in Tandayama and America creeks, which remained untested previously due to the high demand of drilling rigs at the Alpala Deposit.

Figures referenced in this release can be viewed in PDF format on the Company’s website (www.cornerstoneresources.com) or through the direct link:
https://cornerstoneresources.com/site/assets/files/5789/nr20-37figures.pdf

SolGold CEO, Nick Mather, commented on today’s update at Cascabel:

“This discovery will impact significantly on the upside for the Alpala development. We will have to carefully assess the impact on currently planned site infrastructure, however it is a high-quality problem. More copper and gold discoveries will add to Alpala’s already impressive credentials in a robust copper and gold market and a supportive nation. The quartz diorite host with close similarities to the richly endowed QD10 at Alpala is indeed an encouraging element.”

FURTHER INFORMATION:

The Alpala Deposit is located on the Cascabel property within the Imbabura province of northern Ecuador, approximately 100 km north of the capital city of Quito and approximately 50 km north-northwest of the provincial capital, Ibarra. The Alpala Deposit occurs upon the northern section of the prolific Andean Copper belt, renowned as the base for nearly half of the world’s copper production. The project area hosts mineralization of Eocene age, the same age as numerous Tier 1 deposits along the Andean Copper Belt in

Chile and Peru to the south. The project is a three-hour drive north of Quito, close to water, power supply and Pacific ports (Figure 1).

Drilling targets within the Cascabel concession comprise a cluster of Eocene aged porphyry deposits and prospects which include:

- The Alpala deposit, incorporating several targets defined along The Greater Alpala Trend including Alpala Central, Alpala NW, Trivinio, Alpala Western Limb, Alpala SE, and Alpala South),
- The Aguinaga Porphyry Copper-Gold prospect,
- The Chinambicito and Parambas porphyry Copper-Gold prospects, and
- Untested porphyry targets at Tandayama-America, Moran and Upper Moran (Figure 2).

Drilling is underway at the Tandayama-America Porphyry Copper-Gold Target, Cascabel utilizing diamond drill rigs 5 and 6 of the Cascabel fleet, as part of the ongoing Cascabel Feasibility Sterilization Program (Figure 3).

Selected examples in mineralization intersected so far within the quartz-diorite intrusion in TAD-20-001 are shown on Figures 4 and 5.

The Tandayama-America target is considered a high-quality porphyry target characterized by coincident Cu, Mo, Au, CuZn ratio, and MoMn ratio soil geochemical highs centred upon outcropping mineralization in Tandayama and America creeks (Figure 6).

Rock-saw channel sampling over surface exposure in Tandayama Creek returned a significant assay result of 37m @ 0.25%CuEq (0.15% Cu, 0.18 g/t Au), where B-type porphyry quartz veins hosting chalcopyrite mineralization were discovered at surface (Figure 7).

The Tandayama-America target remained untested previously due to the high demand of drilling rigs at the Alpala Deposit.

Quality Assurance / Quality Control on Sample Collection, Security and Assaying

Exploraciones Novomining S.A. (“ENSA”), the Ecuadorian company owned by SolGold and Cornerstone that holds 100% of the Cascabel concession operates according to SolGold’s Quality Assurance and Quality Control (QA/QC) protocol, which is consistent with industry best practices.

Primary sample collection involves secure transport from the Cascabel concession to the ALS certified sample preparation facility in Quito, Ecuador. Samples are then air freighted from Quito to the ALS certified laboratory in Lima, Peru where the assaying of drill core, channel samples, rock chips and soil samples is undertaken. SolGold utilizes ALS certified laboratories in Canada and Australia for the analysis of metallurgical samples.

Samples are prepared and analyzed using 100g 4-Acid digest ICP with MS finish for 48 elements on a 0.25g aliquot (ME-MS61). Laboratory performance is routinely monitored using umpire assays, check batches and inter-laboratory comparisons between ALS certified laboratory in Lima and the ACME certified laboratory in Cuenca, Ecuador.

In order to monitor the ongoing quality of its analytical database, SolGold’s QA/QC protocol encompasses standard sampling methodologies, including the insertion of certified powder blanks, coarse chip blanks, standards, pulp duplicates and field duplicates. The blanks and standards are Certified Reference Materials supplied by Ore Research and Exploration, Australia.

SolGold’s QA/QC protocol also monitors the ongoing quality of its analytical database. The Company’s protocol involves Independent data validation of the digital analytical database including search for sample overlaps, duplicate or absent samples as well as anomalous assay and survey results. These are routinely performed ahead of Mineral Resource Estimates and Feasibility Studies. No material

QA/QC issues have been identified with respect to sample collection, security and assaying.

Reviews of the sample preparation, chain of custody, data security procedures and assaying methods used by SolGold confirm that they are consistent with industry best practices and all results stated in this announcement have passed SolGold’s QA/QC protocol.

The data aggregation method for calculating Copper Equivalent (CuEq) for down-hole drilling intercepts and rock-saw channel sampling intervals are reported using copper equivalent (CuEq) cut-off grades with up to 10m internal dilution, excluding bridging to a single sample and with minimum intersection length of 50m.

Copper Equivalent is currently calculated (assuming 100% recovery of copper and gold) using a Gold Conversion Factor of 0.751 (CuEq = Cu + Au x 0.751), calculated from a current nominal copper price of US$3.30/lb and a gold price of US$1700/oz.

True widths of downhole intersections are not well constrained. Drill hole one was inclined -55 degrees towards the east, and the interpreted trend of the Cacharposa Intrusive Complex and its associated porphyry copper-gold mineralization is subvertical, dipping approximately 85-90 degrees to the west. The true width of down-hole intersections reported are therefore expected to be approximately 55-60% of the down-hole lengths.

Qualified Person

Information in this report relating to the exploration results is based on data reviewed and approved by Mr. Jason Ward ((CP) B.Sc. Geol.), the Chief Geologist of joint venture partner and project operator SolGold. Mr. Ward is a Fellow of the Australasian Institute of Mining and Metallurgy, holds the designation FAusIMM (CP), has in excess of 20 years’ experience in mineral exploration and is a Qualified Person in accordance with National Instrument 43-101. Mr. Ward consents to the inclusion of the information in the form and content in which it appears.

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. is a mineral exploration company with a diversified portfolio of projects in Ecuador and Chile, including the Cascabel gold-enriched copper porphyry joint venture in northwest Ecuador. Cornerstone has a 21.4% direct and indirect interest in Cascabel comprised of (i) a direct 15% interest in the project financed through to completion of a feasibility study and repayable at Libor plus 2% out of 90% of its share of the earnings or dividends from an operation at Cascabel, plus (ii) an indirect interest comprised of 7.5% of the shares of joint venture partner and project operator SolGold plc Exploraciones Novomining S.A. (“ENSA”), an Ecuadoran company owned by SolGold 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.

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

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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

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.

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[1] See “About Cornerstone” above.
[2] Chalcopyrite mineral contains approximately 34.5% copper.
[3] See CuEq calculation in the QA/QC section of the NR.