



This Supplemental News Report is published as required, is part of the annual MERGENT INDUSTRIAL and INTERNATIONAL Manuals and will be included in the bound February 2018 Monthly News Reports and is published on our Website.

BLUESTONE RESOURCES INC

Company Website: www.bluestoneresources.ca

History: Incorporated in Canada on Nov. 7, 2000. Present name adopted on Jan. 11, 2012.

On Nov. 1, 2010, Co. acquired Bluestone Resources Inc.

On Nov. 1, 2010, Co. acquired Four Point Construction, Inc.

Business Summary: Bluestone Resources is a natural resource company focused on advancing the permitted, Cerro Blanco gold project located in southeastern Guatemala; and the Mita Geothermal project, which is an advanced-stage renewable energy project, licensed to produce up to 50 megawatts of power.

Property: Co. maintains its head office in Vancouver, British Columbia.

Co. owns a 100% interest in the Cerro Blanco Gold and Mita Geothermal Projects located 160 km southeast of Guatemala City in Guatemala. Cerro Blanco is a classic "bonanza style" hot springs-related, low sulphidation gold-silver deposit. Mineralization occurs within composite veins of chalcedony, quartz, adularia and calcite which are hosted in altered sequence of volcanoclastic and sedimentary rocks. The resource has a footprint of 800 m x 400 m between elevations of 300 m and 500 m above sea level. It occurs at the south end of a north-south corridor of hydrothermal alteration, about five kilometers long and one kilometer wide, which has potential for discovery of additional mineralization.

Subsidiaries

Mohave Resources Inc.
Four Point Construction, Inc.
864396 BC Ltd.
Bluestone Resources (Delaware) Inc. (United States)

Officers

John E. Robins, P.Geo., Executive Chairman
Darren Klinck, President; Chief Executive Officer
Peter T. Hemstead, Chief Financial Officer
David Cass, P.Geo., M.Sc., Vice President - Exploration
David R. Gunning, P.Eng., Vice President - Operations
Jeff Reinson, M.Sc., Vice President - Project Development
Stephen Williams, P.Eng., M.B.A., Vice President - Corporate Development; Vice President - Investor Relations

Directors

John E. Robins, P.Geo., Executive Chairman; Director
Zara E. Boldt, CPA, CGA, Director
Leo Hathaway, P.Geo., Director
Darren Klinck, Director
William Lamb, M.B.A., Director
Paul McRae, Director
James (Jim) Paterson, Director
Keith L. Peck, Director

Auditors: Davidson & Company LLP (member of Nexia International)

Annual Meeting: In December

Shareholder Relations: Stephen Williams **Tel:** 604-331-5092

No. of Stockholders: Jan. 1, 2018, 200, approximately

No. of Employees: Jan. 1, 2018, 100

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Web: www.bluestoneresources.ca

Email: info@bluestoneresources.ca

Consolidated Income Statement, Years Ended Nov. 30 (Can\$):

	2016	2015	2014
		(revised)	(revised)
Advertising & promotion	(815)	(989)	(3,895)
Corporate listing & filing fees	(10,376)	(19,527)	(12,460)
Investor relations .....	...	...	(1,337)
Office & administration	(2,681)	(7,837)	(9,809)
Professional fees	(8,580)	(47,346)	(27,467)
Rent	(39,004)	(1,704)	(3,890)
Interest expense .....	...	(71,694)	(26,159)
Transfer agent fees	(12,514)	(11,086)	(11,551)
Write-off exploration & evaluation assets	(940,407)	(1,936,158)	...
Wages & consulting fees	(42,111)	(112,584)	(174,226)
Other income (expense)	3,665	7,500	...
Loss on disposal of subsidiary .....	...	...	(306,903)
Net income (loss)	(1,052,823)	(2,201,425)	(577,697)
Weighted average number of common shares outstanding - basic	2,262,968	2,186,963	359,739
Weighted average number of common shares outstanding - diluted	2,262,968	2,186,963	359,739
Year end shares outstanding	2,262,968	4,262,968	359,739
Basic income (loss) per common share ...	Can\$(0.25)	Can\$(1.00)	Can\$(1.60)
Diluted income (loss) per common share	Can\$(0.25)	Can\$(1.00)	Can\$(1.60)
Number of employees	100	...	...
Number of stockholders	200	...	...

Reclassified to conform with 2015 presentation; Adjusted for 1-for-5 stock split, May 24, 2017; Approximately

Consolidated Balance Sheet, Years Ended Nov. 30 (Can\$):

	2016	2015
		(revised)
Assets:		
Cash	28,356	129,133
Sales tax receivable	1,894	7,730
Prepaid expenses	111	2,500
Total current assets	30,361	139,363
Deposits .....	...	37,276
Exploration & evaluation assets .....	...	930,000
Total assets	30,361	1,106,639
Liabilities:		
Accounts payable & accrued liabilities	80,617	104,072
Total current liabilities	80,617	104,072
Common shares	23,828,827	23,828,827
Share capital	23,828,827	23,828,827
Reserves	7,880,573	7,880,573
Retained earnings (deficit)	(31,759,656)	(30,706,833)
Total shareholders' equity (deficit)	(50,256)	1,002,567
Total shareholders' equity & liabilities	30,361	1,106,639

Auditor's Report:

The following is an excerpt from the Report of the Independent Auditors, Davidson & Company LLP (member of Nexia International), as it appeared in Co.'s 2016 Annual Report:

"Opinion"

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Bluestone Resources Inc. as at November 30, 2016 and 2015 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

"Emphasis of Matter"

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Bluestone Resources Inc.'s ability to continue as a going concern."

Capital Stock: 1. Bluestone Resources Inc common; no par.

OUTSTANDING—Nov. 30, 2016, 21,314,838 shs; no par. WARRANTS—Warrants 19,251,880.

STOCK SPLITS—No par shares reverse split 1-for-20 on Jan. 11, 2012; reverse split 1-for-10 on Oct. 28, 2014; reverse split 1-for-5 on May 24, 2017.

OPTIONS—Nov. 30, 2015, outstanding, 4,925.

PRIMARY EXCHANGE—Venture Exchange (TVX): BSR.

SECONDARY EXCHANGES—National Bulletin Board (NBB): IMEE F.

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