Management's Discussion & Analysis of

Financial Conditions & Results of Operations

For the Nine Months Ended September 30, 2017

CORNERSTONE CAPITAL RESOURCES INC.

Management's Discussion & Analysis of Financial Conditions & Results of Operations for the three nine months ended September 30, 2017

The following discussion and analysis, dated November 27, 2017, should be read in conjunction with the Consolidated Financial Statements and related notes, as well as the annual consolidated financial statements and Management's Discussion & Analysis for the year ended December 31, 2016. All dollar amounts are stated in Canadian dollars, unless otherwise noted.

This discussion includes certain statements that may be deemed forward-looking statements. All statements in this discussion, other than statements of historical facts, that address exploration drilling, exploration activities and events or developments that Cornerstone Capital Resources Inc. (the "Company" or "Cornerstone") expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and investors are cautioned that actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include market prices, exploration, continued availability of capital and financing and general economic, market or business conditions.

Description of Business

Cornerstone Capital Resources Inc. ("Cornerstone" or the "Company"), is incorporated under the laws of Alberta, Canada and has its principal office in Ottawa, Ontario, Canada. The Company, through its wholly-owned subsidiaries, Cornerstone Ecuador S.A. ("CESA"), La Plata Minerales S.A., Bellamaria Mining S.A., Cañabrava Mining S.A., Vetasgrandes Mining S.A., Exploaurum S.A. and Minera Cornerstone Chile Limitada, and CESA's 15% shareholding in Exploraciones Novomining S.A. ("ENSA"), is engaged in the evaluation, acquisition and exploration of mineral properties in Ecuador and Chile. The Company hopes to ultimately develop the properties, option or lease properties to third parties, or sell the properties outright.

Results of Operations

At September 30, 2017, the Company had a total of 44 concessions in Chile and 5 concessions in Ecuador (not counting the Cascabel concession held by ENSA), Bella Maria, Caña Brava, Shyri NW (containing the Vetas Grandes target), Bramaderos, and Tioloma (adjacent to Caña Brava). On January 5, 2017, the Company's subsidiary La Plata Minerales S.A. (PLAMIN) was awarded the 4th concession in Ecuador called "Bramaderos (please refer to news release 17-02 dated January 5, 2017). On March 6, 2017, the Company announced that its joint venture partner, Ecuador State Mining Company ENAMI EP, had been granted eight mineral concessions totaling more than 37,182 hectares in Imbabura and Carchi provinces in the same area as the Cascabel and the Llurimagua concessions, for exploration by the ENAMI-CESA strategic exploration joint venture (please refer to news release 17-06 dated March 6, 2017). On March 14, 2017, one additional concession called "Espejo 3", reported as still pending in the March 6 news release, was received by ENAMI. On May 9, 2017 the Company announced PLAMIN had been awarded the 5th concession in Ecuador, Tioloma.

The three and nine months ended September 30, 2017, compared with the three six months ended September 30, 2016.

During the three and nine months ended September 30, 2017, the Company had a net loss before other comprehensive income of $3,226,935 and $6,176,145 respectively, compared to a net loss before comprehensive income of $548,082 and $1,687,608 for the three and nine months ended September 30, 2016, respectively. During the three and nine months ended September 30, 2017, the Company had other comprehensive (loss)/income of ($6,882,866) and $49,368,560 compared to $Nil for both the three and nine months ended September 30, 2016. The other comprehensive income relates solely to the change in valuation of the long term investment in ENSA from one quarter to the next. Refer to the financial statemens for the quarter ended September 30, 2017 as well as the year ended December 31, 2016, for more details regarding the change in valuation as well as the valuation method used to determine the value of the investment in ENSA.

Expenses incurred during the three and nine months ended September 30, 2017 were $3,442,079 and $6,517,238 respectively, compared to $548,452 and $1,740,031 for the three and nine months ended September 30, 2016, respectively. The most notable variances in expenses from the three and nine months ended September 30, 2016 are:

General & Administrative increased by $86,401 for the three months ended September 30, 2017 compared the same period in 2016. The increase during the period is due to the fact that in 2017, the Company hired additional staff in its office in Quito and increased its operations in Ecuador considerably compared to 2016. The general and administrative expenses increased by $674,347 for the nine months ended September 30, 2017 compared the same period in 2016. The increase during the period is due to the fact that in 2017, the Company was well funded and had resumed normal operations compared to 2016 in which the Company had to reduce expenses in order to obtain shareholder loans.

Share based payments expense increased by $1,590,211 and $2,052,597 for the three and nine months ended September 30, 2017, respectively compared to the same periods in 2016.

On July 12, 2017, the Company issued 7,500,000 stock options to directors, officers and consultants of the company which are exercisable at $0.475 until July 12, 2022. The stock options vest in three tranches with 2,500,000 options vesting on grant, 2,500,000 vesting nine months after grant and 2,500,000 vesting eighteen months after grant. The stock options have a Black-Scholes option pricing value of $2,988,000. Only options vested during the year have been realized and recorded as an expense in the profit or loss.

On January 1, 2017, the Company issued 450,000 stock options to directors, officers and consultants of the company which are exercisable at $0.16 until June 23, 2018. The stock options vest in three tranches with 150,000 options vesting on grant, 150,000 vesting nine months after grant and 150,000 vesting eighteen months after grant. The stock options have a Black-Scholes option pricing value of $42,021. Only options vested during the year have been realized and recorded as an expense in the profit or loss.

On June 14, 2016, the Company issued 3,200,000 stock options to directors, officers and consultants of the company and are exercisable at $0.05 until June 14, 2021. The stock options vest in three tranches with 1,066,666 options vesting on grant, 1,066,666 vesting nine months after grant and 1,066,667 vesting eighteen months after grant. The stock options have a Black-Scholes option pricing value of $113,500. Only options vested during the year have been realized and as a result an expense of $44,139 has been recorded in the consolidated statement of loss and comprehensive loss.

On August 9, 2016, the Company issued 2,875,000 stock options to directors, officers and consultants of the company and are exercisable at $0.05 until August 8, 2021. The stock options vest in three tranches with 958,333 options vesting on grant, 958,333 vesting nine months after grant and 958,334 vesting eighteen months after grant. The stock options have a Black-Scholes option pricing value of $218,000. Only options vested during the year have been realized and as a result an expense of $96,467 has been recorded in the consolidated statement of loss and comprehensive loss.

Consulting fees increased by $60,429 and $270,281 for the three and nine months ended September 30, 2017, respectively compared to the same periods in 2016. The increase is primarly due to bonuses which were paid to the CEO, CFO and VP of exploration in Q1 and Q2 2017. There were no similar bonuses paid in 2016.

Accounting, audit and legal fees increased by $738,546 and $893,837 for the three and nine months ended September 30, 2017, respectively compared to the same periods in 2016. The increase is primarily an increase in legal and advisory fees relating to the circular prepared for the Cornerstone shareholder meeting for the Spinout of the Exploration assets, legal fees relating to the acquisition of the SolGols common shares, as well as other general corporate consultations.

Exploration and evaluation expenses increased by $311,887 and $841,190, for the three and nine months ended September 30, 2017, respectively, compared to 2016. The variances are due to the timing of the work programs, properties being advanced as well as the size of the current exploration programs compared to those performed in the prior year. As the current programs are based on the previous programs results as well as previously collected data on the companies projects the size of the current program is budgeted to meet the exploration goals for the current year and not based on requirements for spending a fixed amount on annual exploration. The proceeds from the last financing of $4.5 million announced April 7, 2016 (see below under ***Financial Conditions, Liquidity and Capital Resources***) will be used to maintain these current properties until partners can be found to advance them further (including drilling the 4 drill-ready Ecuador properties), acquire new concessions in Ecuador in a bidding process during the remainder of 2016, and to do initial prospecting and early stage exploration work on those new properties and on the concessions included in the ENAMI-CESA Strategic Alliance (see Exploration Outlook below).

Exploration and evaluation assets

Net property expenditures of $314,733 and $1,227,989 were incurred during the three and nine months ended September 30, 2016, compared to $2,846 and $386,799 during the same periods in 2016. Please also see text above under ***Exploration and evaluation expenses.***

	Three months ended September 30, 2017		Nine months ended September 30, 2017	
Geographical Area	**Exploration and Evaluation expenditures**	Exploration and Evaluation expenditures	**Exploration and Evaluation expenditures**	Exploration and Evaluation expenditures
	$	$	**$**	$
Chile	**4,423**	11,784	**269,267**	197,766
Ecuador	**310,310**	(8,938)	**958,722**	189,033
	314,733	2,846	**1,227,989**	386,799

Financial Conditions, Liquidity and Capital Resources

As at September 30, 2017, the Company had cash of $2,521,287 compared to cash of $2,627,882 at December 31, 2016. As at September 30, 2017, the working capital surplus (current assets less current liabilities) of the Company was $2,088,509 (not included in working capital are the $132,721,613 of marketable securities held by the Company as long term strategic investments. The marketable securities consist of common shares of SolGold Plc. and can be liquidated in the short term should management change its long term objectives) compared to a working capital surplus of $2,697,130 at December 31, 2016.

During the nine months ended September 30, 2017, 33,716,148 warrants were exercised for gross proceeds of $3,214,281. The warrants had an exercise price of $0.10 and would have expired between April 2019 and May 2021. As a result of the exercise of the warrants a total of $626,398 was transferred from warrants to share capital.

During the nine months ended September 30, 2017, 2,374,164 options with an average exercise price of $0.12 and expiry dates between January 13, 2017 and November 15, 2021, were exercised for gross proceeds of $276,685. As a result of the exercise of the stock options a total of $197,894 was transferred from contributed surplus to share capital.

Subsequent to September 30, 2017, a total of 2,535,000 common share purchase warrants were exercised for gross proceeds of $253,500. The warrants had an average exercise price of $0.10, expiring May 16, 2021.

Outstanding Share Data

As at September 30, 2017, the Company had 585,284,508 common shares outstanding. The Company had 28,391,002 options outstanding at September 30, 2017, at various exercise prices as shown in the following chart, and 90,524,811 warrants issued in connection with private placement financings.

The following table summarizes information about stock options outstanding and exercisable at September 30, 2017:

Expiry date	Grant date	Exercise price	Options outstanding	Contractual Life (years)	Options vested	Options unvested	Years remaining to maturity
8-May-18	8-May-13	$0.10	510,000	5	510,000	-	0.60
11-Jun-18	11-Jun-13	$0.10	125,000	5	125,000	-	0.70
5-Mar-19	5-Mar-14	$0.19	3,400,000	5	3,400,000	-	1.43
29-Jan-20	29-Jan-15	$0.10	1,843,500	5	1,843,500	-	2.33
4-Jun-20	4-Jun-15	$0.10	50,000	5	50,000	-	2.68
15-Nov-21	15-Nov-16	$0.15	8,900,001	5	6,000,001	2,900,000	4.13
23-Jun-18	23-Dec-16	$0.16	387,500	1.5	258,333	129,167	0.73
14-Jun-21	14-Jun-16	$0.05	2,800,001	5	2,800,001	-	3.71
8-Aug-21	9-Aug-16	$0.11	2,875,000	5	1,916,667	958,333	3.86
12-Jul-22	12-Jul-17	$0.475	7,500,000	5	2,500,000	5,000,000	4.78
			28,391,002		**19,403,502**	**8,987,500**	

Financial Instrument Risk

The Corporation's financial assets and financial liabilities are exposed to various risk factors that may affect the fair value presentation or the amount ultimately received or paid on settlement of its assets and liabilities. A summary of the major financial instrument risks and the Corporation's approach to the management of these risks are highlighted below.

Credit risk

Credit risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations, as and when they fall due. It is inherent to the business as potential losses may arise due to the failure of its customers and counterparties to fulfill their obligations on maturity periods or due to adverse market conditions. The Company's financial assets exposed to credit risk are primarily composed of cash, and accounts receivable (trade and other). Maximum exposure is equal to the carrying values of these assets. The Company's cash is held at several large financial institutions. Funds are kept in Canadian banks and transferred as needed to Ecuador and Chile, which have experienced political and economic stability for many years, and whose banking systems and standards for professional services are comparable to those in North America.

As of the date of the MD&A, the Company's receivables are with the Canadian government and other recognized, creditworthy third parties.

Foreign currency risk

The Company transacts business primarily in U.S. dollars, the currency of Ecuador, and therefore is subject to foreign exchange risk on U.S. dollar receivables, trade payables and cash balances. The Company attempts to mitigate these risks by managing its U.S. dollar inflows and outflows. No hedging instruments have been used by the Company, however, depending upon the nature and level of future foreign exchange transactions, consideration may be given to the use of hedging instruments. The Company believes that it adequately manages its foreign exchange risk, and the risk is minimal. The following table shows the net exposures in Canadian dollars.

	September 30, 2017 (CAD)	December 31, 2016 (CAD)
Cash	**202,952**	1,848,860
Receivables	**99,931**	79,600
Trade payables and accrued liabilities	**(11,428)**	(9,663)
Net US dollar exposure presented in CAD	**291,455**	1,918,797

Based upon the above net exposures to US dollars, as at September 30, 2017, a 10% change in the value of the US dollar to the Canadian dollar exchange rate would impact the Company's net loss by approximately $29,146 (December 31, 2016 - $191,880).

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. As at September 30, 2017, the Company had a cash balance of $2,521,287 (December 31, 2016 - $2,627,882) to settle current liabilities of $669,765 (December 31, 2016 - $91,567). To the extent that the Company does not believe it has sufficient liquidity to meet its current obligations, the Board of Directors considers securing additional funds through equity or partnering transactions. All of the Company's financial liabilities are normally paid within 30 days and are subject to normal trade terms. The Company has no source of operating cash flow to fund its exploration and development projects. Funding for projects requires equity or debt financing. The Company has limited financial resources and there is no assurance that funding will always be available to allow the Company to fulfill its obligations on existing or future exploration projects.

Other price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company monitors commodity prices of gold, copper and other metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. The Company believes that both commodity and equity price movements can have a substantial effect on the market value of the Company's investments.

The valuation of ENSA was based on a modified market model which was based on the trading price of the 85% owner of ENSA, SolGold Plc ("SolGold"). This was accomplished by taking the market capitalization of SolGold and subtracting out the estimated fair value of all other identifiable assets and liabilities, to come up with the expected value of 85% of ENSA. This value was then used to determine the value of a 15% interest in ENSA is worth after applying a marketability discount of 5%. The model is most sensitive to the value of the common shares of SolGold (which trade in active market) and the amount of the marketability discount.

Interest rate risk

As at September 30, 2017, and December 31, 2016, the Company does not have any cash balances subject to interest rate risk. The Company's current policy is to invest excess cash in interest bearing deposit accounts or guaranteed investment securities with its financial institutions.

Related Party Transactions

The following represents a summary of transactions with parties under common control and shareholders for the three and nine months ended September 30, 2017 and 2016. The amounts are expensed as professional and administrative charges.

Brooke Macdonald, who serves as the Company's President and CEO, provided the Company with management consulting services. During the three and nine months ended September 30, 2017, Mr. Macdonald billed a total of $75,012 ($51,777 – September 30, 2016) and $333,288 ($125,579 – September 30, 2016) respectively. Included in the fees billed was a performance bonus of $134,110 ($Nil - September 30, 2016) in recognition of the performance in the Company's share price.

Sabino Di Paola, who serves as the CFO and Corporate Secretary for the Company, provided the Company with management consulting services. During the three and nine months ended September 30, 2017, Mr. Di Paola billed a total of $39,000 ($17,500 – September 30, 2016) and $114,100 ($52,000 – September 30, 2016) respectively, for accounting and management consulting services. Included in the fees billed was a performance bonus of $22,500 ($Nil - September 30, 2016) in recognition of the performance in the Company's share price.

During the three and nine months ended September 30, 2017, non-management directors of the Company accrued stipends of $32,500 ($Nil - September 30, 2016) and $86,500 ($21,000 - September 30, 2016) respectively.

Compensation for the three and nine months ended September 30, 2017, for key management personnel, not included above, is $1,686,365 ($135,803 – September 30, 2016) and $2,385,468 ($271,353 – September 30, 2016) respectively, which includes salary and other short-term benefits of $64,258 ($63,768 – September 30, 2016) and $281,780 ($137,934 – September 30, 2016) respectively, and share-based payments of $1,662,107 ($72,035 – September 30, 2016) and $2,103,688 ($133,419 – September 30, 2016) respectively. These amounts include salary and benefits for the Company's Vice President, Exploration, group insurances for all management and share based payments for all management and directors. Included in the Company's Vice President, Exploration's fees billed was a performance bonus of $67,055 ($Nil - September 30, 2016) in recognition of the performance in the Company's share price.

Acquisition of Mineral Properties

The Company's strategy is grass roots project generation followed by project level exploration usually with a partner which funds exploration costs. All properties which are under consideration for acquisition must initially pass through Company generated evaluation criteria. Properties which are considered worthy are then acquired, provided a reasonable agreement can be reached with the owner or the property is available for staking or acquisition upon application. In cases where the project does not develop to the stage that management perceives it to be likely to attract such financing or if subsequent work by the Company indicates that further in-house work will not yield favourable results, the property is abandoned.

Off-Balance Sheet Arrangements

At September 30, 2017 and December 31, 2016, the Company had no off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Property Agreements and Exploration

The Company is engaged in the evaluation, acquisition and exploration of mineral properties in Ecuador and Chile, of which most of the exploration activities of the Company are carried on with partners. The Company plans to ultimately develop the properties, bring them into production, option or lease properties to third parties, or sell the properties outright. The Company typically uses an "earn-in" arrangement with partners, whereby the partner funds all the exploration expenditures in return for a percentage ownership in the project. The Company capitalizes all such property expenditures and reduces the property carrying value by payments received from its partners.

Details of material property agreements are disclosed by press release at the time of formation. Updates concerning the results of ongoing exploration programs are also updated by press release. Press releases issued by the Company, including those issued during the year ended December 31, 2016, are archived at the Company's website www.cornerstoneresources.com. Regulatory filings are also available through www.sedar.com.

Business Changes

Share Swaps to Acquire 11.23% of SolGold Plc

On June 19, 2017 the Company announced it had agreed to acquire 78,212,500 ordinary shares of SolGold plc from multiple parties, including funds managed by Rosseau Asset Management Ltd. ("Rosseau"), in exchange for 120,821,675 common shares of Cornerstone. Rosseau received 81,236,501 common shares, representing 19.3% of Cornerstone, and agreed not to divest more than 2.5% of the outstanding common shares of Cornerstone to any one party without the consent of Cornerstone. For as long as Rosseau owns over 10% of the outstanding common shares of Cornerstone, Rosseau is entitled to appoint a director to the board of Cornerstone, but to date has not exercised that right.

On July 4, 2017 the Company announced it had agreed to acquire an additional 91,943,914 ordinary shares of SolGold plc from multiple parties in exchange for 140,957,200 common shares of Cornerstone. Greg Chamandy received 62,696,371 common shares, and combined with his current holdings owns 11.9% of Cornerstone, and has agreed not to divest more than 2.5% of the outstanding common shares of Cornerstone to any one party without the consent of Cornerstone. For as long as Mr. Chamandy owns over 10% of the outstanding common shares of Cornerstone, he is entitled to appoint a director to the board of Cornerstone. The Company appointed Mr. Chamandy as a director and Chairman of the Board on July 11, 2017. Dmyant Sangha received 66,513,619 common shares, and combined with his current holdings owns 13.9% (15.8% partially diluted) of Cornerstone, and has agreed not to divest more than 2.5% of the outstanding common shares of Cornerstone to any one party without the consent of Cornerstone.

After the closing of these two sets of share swaps, Cornerstone owns 11.22% of SolGold plc. Cornerstone now has an approximate 24% economic interest in the Cascabel concession.

Creation of a SpinCo to maximize shareholder value

On July 13, 2017, the Company announced that it plans to spin off all of its assets except for its interests in the Cascabel concession in Ecuador and shares of SolGold plc into a new, well funded exploration company called Cornerstone Exploration Inc. ("SpinCo"). SpinCo will own the drill ready Caña Brava, Bella Maria, Vetas Grandes and Bramaderos properties in Ecuador, the pending applications for new properties in Ecuador made by Cornerstone subsidiary La Plata Minerales S.A., and the Miocene property in Chile, in addition to Cornerstone's generative exploration databases for Ecuador and Chile.

The Board of Directors of Cornerstone is also evaluating the transfer to SpinCo of Cornerstone's interest in the generative exploration joint venture with Ecuadorian state mining company ENAMI EP, a joint venture which is currently exploring nine highly prospective concessions to the east, south, and south-west of the Cascabel concession.

Cornerstone shareholders will receive shares of SpinCo on a pro rata basis, and Cornerstone will be changing its name to Cascabel Gold & Copper Inc. Details of the proposed spin-off will be contained in an information circular to be mailed to Cornerstone shareholders and filed on SEDAR. Cornerstone intends to apply to list the shares of SpinCo on the TSX Venture Exchange. The spin off will be subject to TSX Venture Exchange and Cornerstone shareholder approvals, with the meeting scheduled for December 14, 2017.

Lock up Agreement with SolGold shareholder

On July 14, 2017 the Company announced it had entered into a lock up agreement (the "Lock Up") with a SolGold plc shareholder that owns 6.80% of the outstanding ordinary shares of SolGold (the "Lock Up Holder"). The Lock Up commits both Cornerstone and the Lock Up Holder to not sell their respective shares of SolGold and, in the case of Cornerstone, not to sell Cornerstone, without the consent of the other, unless the applicable purchaser offers to purchase the SolGold shares held by the other or Cornerstone, as applicable. The 6.80% interest in SolGold owned by the Lock Up Holder, combined with the 11.23% interest held by Cornerstone, represents a strategic 18.03% stake in SolGold, and together with the 15% carried interest in Cascabel held by Cornerstone, represents an approximate 30% economic interest in the Cascabel concession. The Lock Up expired August 28, 2017.

Exploration Outlook

Cascabel Joint Venture with SolGold Plc

On April 10, 2012, the Company and SolGold Plc ("SolGold") announced that they had signed a binding letter of intent ("LOI") outlining the terms of an option arrangement for the Cascabel property in northern Ecuador. On July 24, 2012 the Company and SolGold signed the definitive agreement and on February 19, 2013, the Company announced re-negotiated terms of the agreement with SolGold. The agreement was further amended effective February 24, 2014 (see News release dated December 16, 2013 for a summary of the agreed amendments, which were later formalized on February 24, 2014 and filed on Sedar on February 25, 2014).

On February 25, 2014, the Company announced it had been notified by SolGold of its election to increase its ownership in ENSA to 85%. SolGold will finance Cornerstone's 15% interest in the project to completion of a feasibility study on SolGold's schedule and budget. If Cornerstone fails to fund its proportionate share of ongoing expenditures following completion of the feasibility study and its interest is diluted below 10% such interest will be converted to a 0.5% Net Smelter Return ("NSR"). SolGold may buy out this and other royalties on Cascabel for payments of US$7.5 million ($3.5 million to buy out Cornerstone's 0.5% NSR and $4 million to buy out an underlying 2% NSR to a 3rd party). SolGold may recover Cornerstone's financed costs to completion of the feasibility study from 90% of Cornerstone's share of Cascabel project cash flows.

The most significant holes drilled to date at Cascabel are listed in the Company's 2016 Annual MD&A, filed on Sedar on April 28, 2017, and in news releases also filed on Sedar and on the Company's web site.

As of November 1, 2017 (as reported in Cornerstone news release 17-39):

The Alpala deposit continues to grow with each new drill hole as drilling focuses on high grade porphyry centres at Alpala Northwest, Alpala Central, Alpala East and Alpala Southeast. Over 53,500m of drilling has been completed to date along the greater Alpala trend, with the use of the directional drilling techniques for deviated path holes from existing parent holes (Devico^{tm}), delivering significant time and cost advantages, focusing on drilling mineralized zones.

The Company is directing drilling capability and operations currently to the collection of drill data to be used in the delivery of a Maiden Resource Estimate and is preparing to make several follow up resource estimation updates through 2018 as drilling continues to expand the resource at Alpala as well as identify new resources at satellite prospects such as Aguiñaga, Cristal, Moran, and Tandayama-America.

- Hole 26-D2 (Rig 4 Alpala Northwest) was a "daughter" hole drilled to the southwest off "parent" Hole 26 from 778.2m depth. Hole 26-D1 intersected strongly mineralized diorite and lesser quartz-diorite porphyry over an (approximate) 470m interval from 1180m to 1650m. Hole 26-D2 infilled mineralization between Holes 15R2, 7 and 13.

- Hole 26-D2 was stopped at a depth of 1333.6m within strongly mineralized diorite porphyry due to operational complications experienced by the drilling contractor. Assay results are pending.

- Hole 26-D3 (Rig 4 Alpala Northwest) is now underway, at a current depth of 1168.4m. Hole 26-D3 is the third "daughter" hole drilled off "parent" Hole 26 from 778.4m depth, and is testing for depth extensions to mineralization encountered in Holes 13, 7 and 26.

- Hole 29 (Rig 5 Alpala East) is at a current depth of 901.0m, Hole 29 is currently suspended while the third "daughter" Hole 29-D2 is drilled to completion, before deepening of Hole 29 continues. Hole 29 is planned to test deeper high-grade extensions along the eastern flank of the Alpala Central deposit.

- Hole 29-D1 (Rig 5 Alpala East) was a “daughter” hole drilled from “parent” Hole 29 from 450.2m depth, and was completed at 1168.4m. Hole 29-D1 intersected strongly mineralized diorite porphyry and minor late stage hydrothermal breccia over an (approximate) 202m interval from 966m to 1168.4m. Assay results are pending.

- Hole 29-D2 (Rig 5 Alpala East) is underway, at a current depth of 1438.0m, as the second “daughter” hole drilled from “parent” Hole 29 from 901.0m depth. Hole 29-D2 intersected strongly mineralized volcaniclastics rocks and diorite porphyry from approximately 1140m depth, and continues drilling. Hole 29-D2 is planned to extend mineralization some 250m beneath that intersected in Hole 29-D1, and is planned to continue to at least 1500m depth, to test for extensions below Hole 23R-D1 and 16.

- Intense stockwork veining and copper sulphide mineralization logged in Holes 29-D1 and 29-D2 confirm the presence of strongly mineralized intrusions some 200m outboard (to the east) of the main deposit.

- Hole 30 (Rig 1 Alpala Central) is underway at a current depth of 1047.0mm. Hole 30 is currently intersecting mineralized volcaniclastic rocks and diorite porphyry from approximately 592m depth.

- Hole 30 is designed to infill between Holes 22 and 27 and extend mineralization approximately 100m above the intersection achieved in Hole 28.

- Hole 30-D1 (Rig 1 Alpala Central) was a “daughter” hole drilled from “parent” Hole 30 from 527.8m depth, and was completed at a depth of 1109.8m, ahead of deepening of the parent hole. Hole 30-D1 intersected volcanic host rocks and minor mineralized diorite porphyry. Hole 30-D1 was planned to extend mineralization between Holes 19, 28 and 27, extending mineralization approximately 150m southeast of Hole 22. Assay results are pending.

- Hole 31 (Rig 3 Alpala Southeast) is underway at a current depth of 859.1m. Hole 31 is currently intersecting volcaniclastic rocks and hydrothermal breccias, and is planned to infill mineralization between Holes 24-D1 and 27.

- Hole 31-D1 (Rig 3 Alpala Southeast) was a “daughter” hole drilled from “parent” Hole 31 from 605.9m, and was completed at 1530.0m depth, ahead of deepening of the parent hole. Hole 31-D1 intersected weakly mineralized volcaniclastic rocks and diorite porphyry from approximately 1248m to 1371m. Assay results remain pending. Hole 31-D1 was planned to infill mineralization between Holes 24-D1 and 27.

- Hole 32 (Rig 2 Alpala Southeast) is underway, at a current depth of 1214.2m, intersecting volcaniclastic rocks, towards a planned depth of 1800m. Hole 32 is planned to extend high grade mineralization at depth approximately 100m east of Hole 25.

- Hole 33 (Rig 6 Alpala Central) is underway, at a current depth of 606.2m, intersecting volcaniclastic rocks, towards a planned depth of 1600m. Hole 32 is planned to extend mineralization northwest of Hole 17, and above Hole 9.

- Hole 34 (Rig 7 Alpala West) is underway, at a current depth of 278.2m, intersecting volcaniclastic rocks, towards a planned depth of 2000m, testing the Alpala West porphyry copper-gold target, defined by surface mapping, 3D geochemical modelling and 3D MVI magnetic modelling.

SolGold has further reported it is currently planning further metallurgical testing, completion of an independent Pre-Feasibility Study, and is investigating both high tonnage open cut and underground block caving operations, as well as a high grade / low tonnage initial underground development towards the economic development of the copper gold deposit/s at Cascabel.

Joint Venture with Ecuadorian State Mining Company ENAMI

For the next 2 years, Cornerstone plans an aggressive prospecting program within the ENAMI-CESA strategic exploration joint venture (announced June 14, 2016), and on other high priority target areas within Ecuador. At the time the Company signed the letter of intent with ENAMI in 2015, the only way to gain access to new prospective ground in Ecuador was through ENAMI exercising its preferential right under the mining law. This situation changed in March 2016, as a result of the Government opening up vast areas of the country for concession applications. As noted above under Results of Operations, on March 6 and 14, 2017, ENAMI was granted a total of 9 mineral concessions for exploration by the ENAMI-CESA strategic exploration joint venture.

The terms of the Agreement with ENAMI are as follows (announced June 14, 2016):

In the First Phase, CESA will identify, at its own cost and risk, geologically prospective areas in parts of Ecuador (“Areas of Interest” or “AOIs”), and identify them to ENAMI, which will make application to the Ministry of Mining (“MM”) for a concession or concessions covering such areas. Once a concession has been granted, ENAMI and CESA will form a specific purpose corporation (the “SPC”). ENAMI will transfer the concession to the SPC as a capital contribution in return for a 16% shareholding in the SPC. CESA, employing its project generator business model, and a funding partner who will earn a majority interest in the projects (collectively, “CESA & Partner”), the exact percentage to be negotiated with CESA, will prospect the concession to identify the most prospective parts. CESA & Partner will have a collective 84% shareholding. In the short term, the Company may decide to use its own funds to advance exploration on the properties and define drill targets to add more value to the properties before seeking a funding partner.

The First Phase will be subdivided into: (i) Prospecting, with committed expenditures of $5 per hectare within the AOI (e.g., $100,000 per 20,000 hectares), (ii) Initial Exploration (up to 4 years including 18 months of prospecting), with optional expenditures of an additional $600,000; (iii) Advanced Exploration, including drilling (up to 4 years), with optional expenditures of an additional $4.3 million. Expenditures may be accelerated, amounts in excess in any period will be credited to the next succeeding periods, and shortfalls may be paid in cash to maintain the option in good standing. CESA & Partner may abandon their option at any time, except during the prospecting portion of the First Phase where the $5 per hectare expenditures are committed, delivering all technical information to ENAMI and arranging for a re-conveyance of the respective concessions to ENAMI from the SPC. ENAMI will have a "free" carried interest through to completion of a Bankable Feasibility Study, or "BFS".

In the Second Phase, CESA & Partner will fund the SPC to commence Economic Evaluation (e.g., scoping, pre-feasibility and/or feasibility studies) (up to 2 years, renewable for up to an additional 2 years), incurring optional expenditures of an additional $10 million. Total expenditures on each concession (which can by law cover an area up to 5,000 hectares) through completion of a BFS could total a minimum of $15 million - i.e., $100,000 or more in prospecting (assuming an AOI of 20,000 hectares), $600,000 in Initial Exploration, $4.3 million in Advanced Exploration, plus $10 million during Economic Evaluation. In the event CESA & Partner make a Production Decision to construct a mine/mill and related infrastructure, ENAMI will have the option of financing the totality of its own participating interest, or electing to have CESA & Partner finance the totality of ENAMI's interest (including sustaining capital after commercial production is achieved) at cost of funds plus an agreed financing arrangement fee.

Other Exploration (to be continued by the proposed SpinCo)

The Company was unsuccessful in its bid for the 5 concessions (the "Cristal" block) applied for in the same mineral district as Cascabel and the 9 ENAMI JV concessions by Cornerstone subsidiary La Plata Minerales S.A. for the benefit of the SpinCo. A competitive bidding process was held and the block was awarded in September 2017 to a major mining company. A further 11 concessions have been applied for in other provinces, most of them in Loja near Ecuador's southern border with Peru, near the Bramaderos concession and the area previously explored jointly by Cornerstone and Newmont.

In addition to generative work, the Company will be making plans, subject to the SpinCo raising or joint venture partners providing sufficient financing, to drill the following projects. Drill programs would typically include a 6-9 month period to carry out an Environmental Impact Study (EIS), a social license consultation process and water permitting followed by a 12-month, 5,000m to 7500m drilling program.

Bramaderos - Copper/Gold - (Cornerstone owns 100% - earn in agreement with Sunstone Metals)

As noted above, on January 5, 2017, the Company's subsidiary La Plata Minerales S.A. (PLAMIN) was awarded a new concession in Ecuador called "Bramaderos", a porphyry Au-Cu property located in the "Macara" area in Loja Province where the Company previously had a strategic alliance with Newmont Ventures. On April 10, 2017 the Company announced it had entered into an earn-in agreement for Bramaderos with Avalon Minerals Inc., which subsequently changed its name to Sunstone Metals Inc. ("Sunstone"). Sunstone has the right to earn a 51% interest in the project by spending US$3.4 million over 3 years to complete a phase 1 drill program. If this first option is earned, Sunstone can go to 70% by funding a bankable feasibility study, and can go to 80% by financing 100% of the cost of construction of a mine and mill (see news release 17-08 dated April 10, 2017).

Approximately 2/3 of the Bramaderos concession surface area is subject to an underlying 2% NSR in favour of a third party (the "2% NSR "). A $50,000 annual advance royalty is payable on and after the first anniversary of the delivery of a Positive Feasibility Study (as defined in the underlying agreement). One-half of the 2% NSR may be purchased for $3 million, leaving the holder of the NSR with a 1% NSR.

Sampling results from the initial field program at Bramaderos were announced by Cornerstone on September 25, on October 17 and 18, and on November 8, 2017.

Shyri NW Concession (Vetas Grandes Prospect, - Gold/Silver - 100% Cornerstone)

The Company believes its 100% owned “Shyri NW” concession, the site of the **Vetas Grandes** prospect, has the potential to host a significant epithermal style gold-silver deposit. The Company has retained a local consultant to prepare a stakeholder map and action plan to carry out community consultations and obtain environmental approvals required to commence Phase 1 drilling at Vetas Grandes.

Caña Brava - Gold/Copper - (Cornerstone has the right to earn 100%)

On February 26, 2015, the Company announced results from prospecting and geological mapping surveys carried out during 2014 on its 100% owned Caña Brava property located in south-central Ecuador. The surveys identified (1) two significant porphyry Cu-Au targets well defined by coincident geological, geochemical and ground magnetic anomalies, (2) an intermediate sulphidation, higher grade, epithermal Au-Ag-Cu veins-breccia system mapped on the northern margin of the porphyry targets, and (3) a high sulphidation epithermal Au-Ag system recognized in the northeast corner of the property. Subsequently, a trenching program was completed (20 trenches, 599 metres, 301 channel samples), spectrometry (Terraspec) work carried out on soil samples (552), rock chips and channel samples (706) and a Phase 1 drill program has been prepared.

The Company has the right to earn a 100% interest in the Caña Brava project in return for cash option payments each 6 months, starting at $15,000 and increasing by $5,000 increments to $ 40,000 at month 42 and then continuing at that level until the Company decides to exercise the option by making a final balloon payment of $350,000. The $350,000 balloon payment may be made early, and the option exercised at any time, in which case the remaining semestral payments in the schedule do not have to be made (all amounts are US$). The Company made the first option payment on signing the option contract, and then declared force majeure due to the 2008 Mining Mandate (Moratorium) in Ecuador and the recovery of the concession title during a long appeal process. Force majeure was lifted in 2014 due to recent resumption of limited exploration activities by the Company at Caña Brava, at which time the option payments resumed again.

Bella Maria – Gold (100% Cornerstone)

On May 11, 2012, the Company announced that it has received authorization to resume activities on the Bella Maria project (adjacent to Odin Mining’s Greater Cangrejos property) and provided a summary of results for exploration work carried out prior to the April 2008 Mining Moratorium. Initial results indicate that the property has excellent potential for hosting significant gold and copper mineralization. Stream sediment samples collected across the property are exceptionally anomalous in gold, and a large coincident gold- and copper-in-soil anomaly accompanied by porphyry style mineralization has been identified in the central part of the property. Seven mineralized prospects have been identified and a Phase 1 drilling program designed.

On October 2, 2014 the Company announced that (1) systematic exploration programs carried out in 2014 confirm previously defined extensive gold-copper-molybdenum in-soil anomalies, and (2) three new prospective areas have been defined for copper-gold mineralization.

Miocene – Gold - (Chile – 100% Cornerstone)

The Chile-Miocene project will be promoted to potential funding partners, or the SpinCo may decide to advance it without a partner.

On July 3rd, 2014, the Company announced that it had further amended the Miocene (Chile) Property Agreement (see also news releases dated February 22, 2011 and May 8, 2014), to reduce the $5 million in required exploration expenditures to $2.5 million. Under an amended Agreement dated April 28, 2017, Cornerstone now has acquired an undivided 100% interest in any concessions acquired using a proprietary database within the Miocene Project area having made option payments totaling $250,000 and $250,000 in common shares of Cornerstone and having satisfied all required work commitments (all amounts are CAD$). The Company has incurred exploration expenditures to date of $1,321,059 (and is not required to incur any further work expenditures).

On November 4, 2014 the Company announced the re-start of work at Miocene during the austral summer. Five prospective areas defined by previous compilation and exploration work within the Miocene property were the focus of the recent exploration program: El Chaco, Zona Norte, Llano Blanco, Cerro Bayos Norte and Cerro Bayos Sur. Semi-detailed geological mapping (scale 1:5000) and systematic rock geochemical sampling were carried out in these five areas. 390 rock samples were collected, assayed for precious metals (gold and silver) and a suite of base metals and epithermal pathfinder elements. Spectrometry work (ASD TerraSpec) was carried out on all rock specimens (478 samples) collected during the 2011 to 2014 field programs.

Two sub-parallel NW-SE oriented alteration / anomalous trends affect the volcanic units present on the property. The Cerro Bayos (CB) alteration zone covers an area of approximately 9km by 3km and is located in the SW extension of the Atlas Gold, Atlas Silver and the Pampa epithermal prospects. Alteration minerals (native sulphur, predominant alunite, vuggy and massive silica and some silica-clay in the peripheral parts) and 3D distribution mapped along this trend are typical of high sulphidation epithermal system, centered on the highest part of Cerro Bayos Norte (CBN), with the top of the paleo-phreatic zone estimated to be at approximately 4260 masl. Similar alteration patterns are present at Cerro Bayos Sur (CBS) where the top of the paleo-phreatic zone at this location is estimated at 4150 masl. High temperature alunite and high crystallinity kaolinite minerals are centered on the CBN and CBS zones, with some minor presence within the Llano Blanco trend to the south. The aerial extent of the prospective CBN and CBS alteration zones are at least 5 km by 3 km and 4 km by 2.5 km but can possibly be significantly larger as they are partly covered by a thin veneer of relatively fresh younger volcanic rocks and gravels.

Rock geochemical anomalies defined on the Miocene property are very similar in distribution and intensities to anomalies defined during the regional prospecting program in the vicinity of the Atlas Gold and Silver prospects located to the NW. As expected in the upper part of this epithermal environment, the gold content is systematically low. Strong arsenic and mercury anomalies are present at El Chaco, CBN and CBS and to a minor degree at Azufre and Silice Masiva zones. Barium anomalies are present at CBN, Llano Blanco Norte and Cerro Azufre. Molybdenum is anomalous at CBN, to the NE of CBN and to a minor degree at CBS, Llano Blanco Norte and Silice Masiva zones. A large and strong copper anomaly is present at CBN and some less intense but widespread anomalies at Llano Blanco Norte and Cerro Azufre sectors. Sulphur anomalies are present at CBN, CBS, Llano Blanco Norte and Cerro Azufre.

One of the Miocene concessions lies adjacent to Mirasol Resources Ltd.'s (TSXV-MRZ) Titan project, where recent trench channel sampling has returned anomalous gold of 194 m at 0.41 g/t gold and higher grade intervals including 31 m at 1.36 g/t gold and 10 m at 2.13 g/t gold. Mirasol interprets the newly discovered mineralization as a high-sulphidation epithermal gold system sitting above a postulated mineralized intrusion at depth. Recently completed ground geophysical surveys comprising high resolution magnetics and induced polarization support the aforementioned deposit model(s). The Company holds a strong land position in this part of the Miocene Belt (>31,000 hectares), including approximately 16,000 hectares in the same district as the Titan project. The Company is encouraged by early results from Mirasol's Titan project, which serve to support the conceptual model utilized in acquiring the Miocene concessions. The Company continues to seek a partner to help advance exploration on this exciting early-stage project.

For the next austral field season (November 15, 2017 to March 15, 2018), it is planned to carry out a ground magnetic survey and a trenching program over most prospective areas to further define and prioritize targets to be drill tested.

Qualified Person

The technical information contained in this exploration update has been reviewed and approved by Yvan Crepeau, P.Geo., Vice President Exploration of the Company. Mr. Crepeau is also president of Cornerstone Ecuador S.A., La Plata Minerales S.A., and Minera Cornerstone Chile Limitada, and a Qualified Person in accordance with National Instrument 43-101.

Investor Relations Activities

The Company continues to work at broadening its investor base through strategic marketing, attendance at mining investment conferences, and on-going investor communications through timely news releases and regular targeted updates.

By agreement dated January 1, 2017, Cornerstone agreed to retain Raymond M. Mullaney to provide communication services on behalf of the Company in Northeastern United States, which services will include communication of news releases and information about Cornerstone on Mr. Mullaney's web sites www.BostonMining.com and www.ThePerfectTrade.com, and assisting Cornerstone at PR roadshows across the northeastern United States. As consideration for these services, the Company agreed to pay to Mr. Mullaney a monthly retainer of US$1,000 and to grant him a stock option to purchase up to 200,000 common shares in the capital stock of the Company at an exercise price of C$0.16 per share, for a term of 18 months from the date of grant.

By agreement dated January 1, 2017 Cornerstone agreed to retain M13 Communications Financièrs Inc. ("M13") to provide communication services on behalf of the Company in Eastern Canada, which services include, but are not limited to, communication of all news releases and information on the

Company, including technical notes, posting on Twitter and Facebook, and assisting the Company at PR roadshows across 14 cities in Canada. As consideration for these services, the Company agreed to pay to MI3 a monthly retainer of C$1,500 and to grant a stock option to purchase up to 250,000 common shares in the capital stock of the Company at an exercise price of C$0.16 per share, for a term of 18 months from the date of grant.

The stock options granted to both Raymond M. Mullaney and M13 are subject to vesting provisions whereby 25% shall vest three months from the date of grant, with an additional 25% vesting every three months thereafter.

Risks and Uncertainties

The Company is principally involved in mineral exploration, which is an inherently high-risk activity. Exploration is also capital intensive and the Company has no sources of funding other than financing arrangements with other mining and exploration companies and equity financing. Only the skills of management and staff in mineral exploration and exploration financing serve to mitigate these risks. The ability of the Company to continue operations into the future is dependent upon continuing to obtain favourable results from its exploration activities, which will affect its ability to attract partners and to raise financing. The participation of partners is very important to the future success of the Company.

The Company has a simple business model, one which is as low risk as possible in such a high risk business as mineral exploration: to generate diversified exploration projects at low cost to the Company, to attract partners to finance further exploration and to be the operator on the majority of these projects which allows the Company to transfer personnel and administration costs to the project on a cost plus basis, thereby maintaining a lower burn rate. The more projects that can be generated and the longer the company can obtain financing the better its chances for achieving success. The Cascabel project in Ecuador is an example of the Company's success in generating prospects with excellent potential for large discoveries.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and may be affected by undetected defects. Exploration activity is also dependent on the laws of local governments, including aboriginal governing bodies, which may change from time to time, and may have an effect on the Company's exploration programs.

The Company is subject to political risk, operating in foreign jurisdictions. The Government of Ecuador, which on March 5, 2012 signed its first major mining development agreement for the Mirador copper project, and has agreed on the terms of a development agreement with Lundin Gold for advancement of the Fruta del Norte gold deposit, is increasingly welcoming environmentally friendly, socially responsible, sustainable mining development and the Company is positioning itself to be a major player and a partner of choice in Ecuador.

Selected Financial Information

The following information has been derived from the three most recently completed annual financial statements:

As at December 31,	2016	2015	2014
	$	$	$
Comprehensive income	61,084,049	-	-
Net loss	(2,833,094)	(3,121,541)	(2,068,776)
Operating loss	(2,339,640)	(3,363,908)	(1,170,266)
Exploration and evaluation expenses	(614,538)	(773,291)	(898,510)
Loss per share - basic and diluted	(0.03)	(0.02)	(0.01)
Total assets	84,916,133	473,162	3,326,869

Summary of Quarterly Results

The following information has been derived from the eight most recently completed quarters, all presented under IFRS.

	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016
	$	$	$	$
Net income (loss)	(3,226,935)	(1,700,221)	(1,248,989)	(1,145,486)
Other comprehensive (loss) income	(3,655,931)	(2,519,172)	61,719,808	63,917,143
Loss per share - Basic and diluted	(0.02)	(0.01)	(0.01)	-

	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
	$	$	$	$
Net loss	(548,082)	(830,145)	(313,750)	486,232
Other comprehensive income	-	-	-	-
Loss per share - Basic and diluted	-	-	-	-

Management's Responsibility for Financial Statements

The Board of Directors carries out its responsibility for the consolidated financial statements primarily through the audit committee which is composed of a majority of independent, non-executive directors who meet periodically with management and auditors to review financial reporting and internal control matters.

Future Accounting Changes

The following standards are effective for annual periods beginning after January 1, 2017, with earlier adoption permitted. The Company has not early adopted these standards and is currently assessing the impact they will have on the financial statements.

IFRS 9 - Financial Instruments - A finalized version of IFRS 9 which contains accounting requirements for financial instruments, replacing IAS 39 Financial Instruments: Recognition and Measurement has been issued and is effective for annual periods beginning on or after January 1, 2018. The standard contains requirements in the following areas: classification and measurement, impairment, hedge accounting and de-recognition. IFRS 9 (2014) supersedes IFRS 9 (2009), IFRS 9 (2010) and IFRS 9

(2013), but these standards remain available for application if the relevant date of initial application is before February 1, 2015.

IFRS 15 - Revenue from Contracts with Customers - The new standard replaces IAS 11 - Construction Contracts, IAS 18 - Revenue and IFRIC 13 - Customer Loyalty Programs, as well as various other interpretations regarding revenue. IFRS 15 outlines a single comprehensive model to account for revenue arising from contracts with customers, except for contracts that are within the scope of the standards on leases, insurance contracts and financial instruments. IFRS 15 also includes enhanced disclosure requirements. It will be applied retrospectively for annual periods beginning on or after January 1, 2018. Early adoption is permitted.

Contingencies

There are three claims for alleged non-payment of annual mineral concession fees in Ecuador (relating to the relinquished Shyri SE, Shyri NE, and Rodeo concessions), payment of which CESA contends would have become due only after it formally relinquished the concessions and turned them back to the government following the 2008 Mining Moratorium in Ecuador when CESA was prohibited by law from working on the concessions. Shyri SE and Rodeo are in the 1st District Administrative Court in Quito, and Shyri NE case is in the Supreme Court. Shyri SE, Rodeo and Shyri NE do not in the aggregate amount to a material sum even if found due and owing in a final unappealable hearing or judgment, and the Company's lawyers in Quito at Tobar ZVS are monitoring the cases and hope to eventually resolve all of them to the satisfaction of CESA, although they cannot guarantee any result.

There is one administrative claim by the Ministry of Environment (ME) for the cost of remediating some moderate environmental disturbance caused by illegal miners trespassing on CESA's La Rinconada concession. CESA contends that it formally notified the ME immediately upon becoming aware of the presence of the illegal miners and that the damages were done following the giving such notice and occurred, as a result of the ME failing to timely act to bring in Police to evict the miners. At the present time the Company's Ecuadorean legal counsel believes that the Company's claim has enough merit to be successful in the Court, although they cannot guarantee any result.

Management currently considers the Company's exposure to these matters to be minimal, except for increased legal fees to defend them. As such, no provision has been recorded in these financial statements.

Other

The Company's shares are traded on the TSX Venture Exchange under the stock symbol CGP as well as the over the counter market in the USA under the symbol CTNXF. The Company is also listed on the Frankfurt and Berlin Stock Exchanges under the stock symbol GWN.

Financial Statements and press releases issued by the Company, including those issued during the quarter ended September 30, 2017, and other information concerning the Company are archived at the Company website www.cornerstoneresources.com. Regulatory filings are also available through www.sedar.com.