

Capstone Copper Announces New Sustainable Development Strategy and GHG Emissions Reduction Targets

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VANCOUVER, British Columbia –

Capstone Copper Corp. («Capstone» or the «Company») (TSX:CS) is pleased to announce a new Sustainable Development Strategy (the «Strategy») and the adoption of GHG emissions reduction targets to support the Company's commitment to responsible copper production. The Strategy identifies five initial priorities with milestones, goals and targets for each. Click [HERE](#) to view a presentation of our Sustainable Development Strategy.

The Sustainable Development Strategy reflects the Company's core values and commitment to responsible mining practices. A series of ongoing and future initiatives with specific goals, key performance indicators and targets will focus on five initial priority areas.

Targets against the 2021 baseline are as follows:

Climate – Reduce GHG emissions from fuel and power by 30% by 2030. We operate in countries that are signatories to the Paris Agreement and have committed to materially reduce national GHG emissions. We are developing and executing decarbonization strategies through several initiatives including adding more renewable power to our energy mix, studying independent renewable energy generation alternatives, and displacing diesel consumption.

Water – Reduce freshwater consumption intensity by 2030. Freshwater is an increasingly scarce resource essential to our operations and to society and communities. We aim to reduce freshwater intensity and increase low-quality, desalinated or recycled water as a proportion of total water consumed in our operations.

Tailings – Adopt the Global Industry Standard for Tailings Management («GISTM») by 2026. Responsible management of tailings is critical for minimizing negative environmental and social impacts. We aim to achieve independent assurance of all our tailings storage facilities in conformance with GISTM.

Biodiversity – Establish a Biodiversity Standard and Assess All Sites by 2025. Responsible mining practices are critical for minimizing disruption to the land and ensuring the preservation of ecosystems. We aim to assess all our sites against our framework for applying a mitigation hierarchy and prioritizing nature-related risks and opportunities, and to complete site-specific reclamation, reforestation, and habitat restoration projects.

Communities – Establish a Social Performance Standard and Assess All Sites by 2025. Fostering trust and constructive working relationships with local communities, organizations and governments is important to secure and maintain broad social acceptance. We are developing a Social Performance Standard to identify and manage social risks and impacts, stakeholder engagement, grievance management and community investment, informed by the following best practices: International Finance Corporation PS1, ICMM guidance, and the UN Guiding Principles on Business and Human Rights.

Targets for each priority are supported by robust reporting and evaluation processes under the direction of senior leadership and the Board of Directors.

John MacKenzie, CEO of Capstone commented, «We are very proud to announce our new Sustainable Development Strategy today. Responsible operating practices are a vital component of our commitment to the environment, our employees, local communities and governments and must remain front of mind in everything we do. By setting priorities, milestones and interim targets, we recognize our role as producers of copper in the world's efforts to address the causes of climate change. Our Board of Directors and management are committed to achieving our Strategy and goals to contribute to a net zero future.»

Wendy King, SVP ESG and General Counsel, commented, «This Sustainable Development Strategy and our GHG reduction targets follow a detailed review of our operations to establish a 2021 baseline. We are aligned with good international and industry standards while supporting the continued development of our assets. Several of our policies, standards and operational initiatives are already contributing to these targets and we look forward to providing regular updates as we progress.»

To find out more about Capstone's Sustainable Development Strategy and initiatives, visit [Responsibility – Capstone Copper](#).

ABOUT CAPSTONE COPPER CORP.

Capstone Copper Corp. is an Americas-focused copper mining company headquartered in Vancouver, Canada. We own and operate the Pinto Valley copper mine located in Arizona, USA, the Cozamin copper-silver mine located in Zacatecas, Mexico, the Mantos Blancos copper-silver mine located in the Antofagasta region, Chile, and 70% of the Mantoverde copper-gold mine, located in the Atacama region, Chile. In addition, we own the fully permitted Santo Domingo copper-gold project, located approximately 30 kilometres northeast of Mantoverde in the Atacama region, Chile, as well as a portfolio of exploration properties in the Americas.

Capstone Copper's strategy is to unlock transformational copper production growth while executing on cost and operational improvements through innovation, optimization and safe and responsible production throughout our portfolio of assets. We focus on profitability and disciplined capital allocation to surface stakeholder value. We are committed to creating a positive impact in the lives of our people and local communities, while delivering compelling returns to investors by sustainably producing copper to meet the world's growing needs.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Our Sustainable Development Strategy goals and strategies are based on a number of assumptions, including regarding the biodiversity and climate-change consequences; availability and effectiveness of technologies needed to achieve our sustainability goals and priorities; availability of land or other opportunities for conservation, rehabilitation or capacity building on commercially reasonable terms and our ability to obtain any required external approvals or consensus for such opportunities; the availability of clean energy sources and zero-emissions alternatives for transportation on reasonable terms; our ability to successfully implement new technology; and the performance of new technologies in accordance with our expectations.

This document may contain «forward-looking information» within the meaning of Canadian securities legislation and «forward-looking statements» within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, «forward-looking statements»). These forward-looking statements are made as of the date of this document and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation.

Forward-looking statements relate to future events or future performance and reflect our expectations or beliefs regarding future events and the impacts of the ongoing and evolving COVID-19 pandemic and the evolving geopolitical environment. Forward-looking statements include, but are not limited to, statements with respect to the execution of our future growth projects, our financial liquidity and development of our projects, the estimation of Mineral Resources and Mineral Reserves, the success of the underground paste backfill and tailings filtration projects at Cozamin, the timing and cost of the construction of the paste backfill and dry stack tailings plant at Cozamin, the success and timing of the Mantos Blancos Concentrator Debottlenecking Project, the timing and cost of the Mantoverde Development Project, the timing and results of the PV4 study, timing and success of the Jeti Technology, the successful execution of a port services agreement with Puerto Abierto S.A., the expected reduction in capital requirements for the Santo Domingo project, the timing and success of the Cobalt Study for Santo Domingo, the timing and results of the integrated plan for Mantoverde – Santo Domingo, the realization of Mineral Reserve estimates, the timing and amount of estimated future production, the costs of production and capital expenditures and reclamation, the budgets for exploration at Cozamin, Santo Domingo, Pinto Valley, Mantos

Blancos, Mantoverde and other exploration projects, the timing and success of the Copper Cities project, the success of our mining operations, the continuing success of mineral exploration, the estimations for potential quantities and grade of inferred resources and exploration targets, our ability to fund future exploration activities, our ability to finance the Santo Domingo project and other current or future projects and expansions, environmental risks, unanticipated reclamation expenses and title disputes, the success of the synergies and catalysts related to the combined business following the Company's recent arrangement, and the anticipated future production, costs of production, including the cost of sulphuric acid and oil and other fuel, capital expenditures and reclamation of the Company's operations and development projects and the risks included in our continuous disclosure filings on SEDAR at www.sedar.com. The potential effects of the COVID-19 pandemic on our business and operations are unknown at this time, including Capstone Copper's ability to manage challenges and restrictions arising from COVID-19 in the communities in which Capstone Copper operates and our ability to continue to safely operate and to safely return our business to normal operations. The impact of COVID-19 to Capstone Copper is dependent on a number of factors outside of our control and knowledge, including the effectiveness of the measures taken by public health and governmental authorities to combat the spread of the disease, global economic uncertainties and outlook due to the disease, supply chain delays resulting in lack of availability of supplies, goods and equipment, and evolving restrictions relating to mining activities and to travel in certain jurisdictions in which we operate.

In certain cases, forward-looking statements can be identified by the use of words such as «anticipates», «approximately», «believes», «budget», «estimates», «expects», «forecasts», «guidance», «intends», «plans», «scheduled», «target», or variations of such words and phrases, or statements that certain actions, events or results «be achieved», «could», «may», «might», «occur», «should», «will be taken» or «would» or the negative of these terms or comparable terminology. In this document certain forward-looking statements are identified by words including «anticipated», «expected», «guidance» and «plan». The forward-looking statements in this document are necessarily based on a number of estimates and assumptions that, while considered reasonable by the Company as at the date of such statements, are inherently subject to the business, economic and competitive uncertainties and contingencies. The Company has based these forward-looking statements on the Company's current expectations and projections about future events. By their very nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, amongst others, risks related to inherent hazards associated with mining operations and closure of mining projects, future prices of copper and other metals, compliance with financial covenants, surety bonding, our ability to raise capital, Capstone Copper's ability to acquire properties for growth, counterparty risks associated with sales of our metals, use of financial derivative instruments and associated counterparty risks, foreign currency exchange rate fluctuations, market access restrictions or tariffs, changes in general economic conditions, availability and quality of water, accuracy of Mineral Resource and Mineral Reserve estimates, operating in foreign jurisdictions with risk of changes to governmental regulation, compliance with governmental regulations, compliance with environmental laws and regulations, reliance on approvals, licences and permits from governmental authorities and potential legal challenges to permit applications, contractual risks including but not limited to, our ability to meet the completion test requirements under the Cozamin Silver Stream Agreement with Wheaton Precious Metals Corp. («Wheaton»), our ability to meet certain closing conditions under the Santo Domingo Gold Stream Agreement with Wheaton, acting as Indemnitor for Minto Metals Corp.'s surety bond obligations post divestiture, impact of climate change and changes to climatic conditions at our operations and projects, changes in regulatory requirements and policy related to climate change and greenhouse gas («GHG») emissions, land reclamation and mine closure obligations, aboriginal title claims and rights to consultation and accommodation, risks relating to widespread epidemics or pandemic outbreak including the COVID-19 pandemic; the impact of COVID-19 on our workforce, risks related to construction activities at our operations and development projects, suppliers and other essential resources and what effect those impacts, if they occur, would have on our business, including our ability to access goods and supplies, the ability to transport our products and impacts on employee productivity, the risks in connection with the operations, cash flow and results of Capstone Copper relating to the unknown duration and impact of the COVID-19 pandemic, impacts of geopolitical events and the effects of global supply chain disruptions, uncertainties and risks related to the potential development of the Santo Domingo project, risks related to the Mantos Blancos Concentrator Debottlenecking Project and the Mantoverde Development Project, increased operating and capital costs, increased cost of reclamation, challenges to title to our mineral

properties, increased taxes in jurisdictions the Company operates or is subject to tax, changes in tax regimes we are subject to and any changes in law or interpretation of law may be difficult to react to in an efficient manner, maintaining ongoing social licence to operate, seismicity and its effects on our operations and communities in which we operate, dependence on key management personnel, potential conflicts of interest involving our directors and officers, corruption and bribery, limitations inherent in our insurance coverage, labour relations, increasing input costs such as those related to sulphuric acid, electricity, fuel and supplies, increasing inflation rates, competition in the mining industry including but not limited to competition for skilled labour, risks associated with joint venture partners and non-controlling shareholders or associates, our ability to integrate new acquisitions and new technology into our operations, cybersecurity threats, legal proceedings, the volatility of the price of the Common Shares, the uncertainty of maintaining a liquid trading market for the Common Shares, risks related to dilution to existing shareholders if stock options or other convertible securities are exercised, the history of Capstone Copper with respect to not paying dividends and anticipation of not paying dividends in the foreseeable future and sales of Common Shares by existing shareholders can reduce trading prices, and other risks of the mining industry as well as those factors detailed from time to time in the Company's interim and annual financial statements and MD&A of those statements, all of which are filed and available for review under the Company's profile on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause our actual results, performance or achievements to differ materially from those described in our forward-looking statements, there may be other factors that cause our results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that our forward-looking statements will prove to be accurate, as our actual results, performance or achievements could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on our forward-looking statements.

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