# NEWS RELEASE

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## Capstone Mining Corp. Announces Filing of Preliminary Base Shelf Prospectus for Future Financial Flexibility and Updated Technical Report for Pinto Valley

June 11, 2021

(All amounts in US$ unless otherwise specified)

VANCOUVER, British Columbia –
Capstone Mining Corp. ("Capstone" or the "Company") (TSX:CS) is pleased to announce that it has filed a preliminary base shelf prospectus (the "Shelf Prospectus") with the securities commissions in each of the provinces and territories of Canada.

The Shelf Prospectus, upon a receipt for the final base shelf prospectus, would allow Capstone to make offerings up to C$500,000,000 of common shares, warrants, subscription receipts, units, debt securities, share purchase contracts, or any combination thereof, from time to time over a 25-month period. The specific terms of any future offering of securities (if any) will be set forth in a shelf prospectus supplement. Capstone has filed this base shelf prospectus for future financial flexibility and has no immediate intentions to undertake an offering. As reported in its quarterly financial statements ending March 31, 2021, Capstone had a cash position of $44.8[1] million and was debt-free[2]. Subsequent to March 31, 2021, Capstone received $30 million as an upfront deposit on the Wheaton Precious Metals Gold Stream Agreement.

This news release shall not constitute an offer to sell, or a solicitation of an offer to buy, any securities nor shall there be any sale of securities in any jurisdiction in which an offer, solicitation or sale would be unlawful prior to registration or qualifications under the securities laws of any such jurisdiction.

A copy of the preliminary Shelf Prospectus, and copies of the final base shelf prospectus and any shelf prospectus supplements that may be filed in the future, can be found under the Company's SEDAR profile at www.sedar.com, or may be obtained by request to Wendy King, Senior Vice President, Risk, ESG, General Counsel and Corporate Secretary, Suite 2100 – 510 West Georgia Street, Vancouver, BC, V6B 0M3, info@capstonemining.com.

**Filing of Pinto Valley Technical Report**

In addition, the Company has filed on SEDAR a technical report titled "NI 43-101 Technical Report on the Pinto Valley ("PV") Mine, Arizona, USA" (the "Technical Report") updating the PV3 life of mine plan.

The Technical Report was prepared in accordance with the Canadian Securities Administrator's National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"), and is available for review under the Company's profile on SEDAR at www.sedar.com and on the Company's website at capstonemining.com.

The Company expects to release an updated NI 43-101 Technical Report in 2022 presenting the results of several initiatives aimed at increasing the value of the Pinto Valley Mine, including a PV4 pre-feasibility study and studies of Eriez Hydrofloat coarse particle flotation and Jetti catalytic technology.

1. Cash and cash equivalents and short-term investments of $44.8 million as at March 31, 2021

2. Debt Free is in reference to zero long term debt balance as at March 31, 2021

**ABOUT CAPSTONE MINING CORP.**

Capstone Mining Corp. is a Canadian base metals mining company, focused on copper. We are committed to the responsible development of our assets and the environments in which we operate. Our two producing mines are the Pinto Valley copper mine located in Arizona, US and the Cozamin copper-silver mine in Zacatecas State, Mexico. In addition, Capstone owns 100% of Santo Domingo, a large scale, fully permitted, copper-iron-gold project in Region III, Chile, as well as a portfolio of exploration properties. Capstone's strategy is to focus on the optimization of operations and assets in politically stable, mining-friendly regions, centred in the Americas. Our headquarters are in Vancouver, Canada and we are listed on the Toronto Stock Exchange (TSX). Further information is available at www.capstonemining.com.

This news release has been reviewed and approved by Brad Mercer, P. Geol., Capstone's Senior Vice President and Chief Operating Officer, a Qualified Person and the person who oversees operational and exploration activities at Pinto Valley Mine.

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION**

This document contains "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. Forward-looking statements include, but are not limited to, statements with respect to the filing of a final base shelf prospectus, future offerings of securities and updated technical reports or technical information. In addition, the potential effects of the COVID-19 pandemic on our business and operations are unknown at this time, including Capstone's ability to manage challenges and restrictions arising from COVID-19 in the communities in which Capstone 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 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, and the 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". 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'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 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, licenses 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, our ability to meet certain closing conditions under the Santo Domingo Gold Stream

Agreement with Wheaton Precious Metals, acting as Indemnitor for Minto Exploration Ltd.'s surety bond obligations post divestiture, impact of climate change and changes to climatic conditions at our Pinto Valley and Cozamin operations, changes in regulatory requirements and policy related to climate change and GHG emissions, land reclamation and mine closure obligations, risks relating to widespread epidemics or pandemic outbreak including the COVID-19 pandemic; the impact of COVID-19 on our workforce, 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 relating to the unknown duration and impact of the COVID-19 pandemic, uncertainties and risks related to the potential development of the Santo Domingo 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 license to 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 energy prices, competition in the mining industry including but not limited to competition for skilled labour, risks associated with joint venture partners, our ability to integrate new acquisitions and new technology into our operations, cybersecurity threats, legal proceedings, and other risks of the mining industry as well as those factors detailed from time to time in the Company's public filings, including the Shelf Prospectus, 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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