
MAJORITY VOTING POLICY

1. PURPOSE

The purpose of this policy is to enhance director accountability by providing shareholders with a mechanism to elect directors by a majority of votes cast.

2. SCOPE

This policy applies to all members of the Board of Directors (the “Board”) of Capstone Copper Corp. (“Capstone”).

The Governance, Nominating and Sustainability Committee of the Board is responsible for overseeing the implementation and continued application of this policy.

3. MAJORITY VOTE

If any nominee for election as a director of Capstone receives a greater number of votes “withheld” than votes “for” in an uncontested election of directors at a meeting of the shareholders of Capstone:

1. The director will tender his or her resignation to the Chairman of the Board forthwith following the shareholders’ meeting.
2. The Chairman of the Board will refer the resignation to the Governance, Nominating and Sustainability Committee for consideration.
3. The Governance, Nominating and Sustainability Committee will consider the offer of resignation taking into account all factors deemed relevant by its members in considering whether to recommend acceptance of the resignation to the Board, including whether there are exceptional circumstances relating to the composition of the Board or the voting results that should delay the acceptance of the resignation or (in cases that are expected to be very rare) justify rejecting it. Exceptional circumstances may, for example, include (i) if, as a result of the resignation, Capstone would not be compliant with corporate or securities law requirements, applicable regulations or legal commitments regarding the composition of the Board as a result of accepting the resignation; (ii) the applicable director is a key member of an established, active special committee of the Board that has a defined term or mandate (such as a strategic review) and accepting the resignation of such Director would jeopardize the achievement of the special committee’s mandate; (iii) the majority voting requirement appears to have been used for a purpose inconsistent with the policy objectives of the Toronto Stock Exchange’s majority voting requirements; or (iv) the resignation of the Director could result in the triggering of change in control or similar provisions under any legal commitment or have an adverse effect under any material benefit plan of the Company.
4. On completion of its consideration, the Governance, Nominating and Sustainability Committee will make a recommendation to the Board on whether to accept the resignation.
5. A director who tenders his or her resignation pursuant to this policy will not participate in any meeting of the Board or the Governance, Nominating and Sustainability Committee at which the resignation is considered.
6. The Board will make its final decision and announce it in a press release within 90 days following the shareholders’ meeting and provide a copy of the news release with the Board’s decision to the TSX.



7. Subject to any corporate law restrictions, where the Board accepts the offer of resignation of a director and that director resigns, the Board may exercise its discretion with respect to any resulting vacancy and may, without limitation, leave the resultant vacancy unfilled until the next annual general meeting of shareholders, fill the vacancy through the appointment of a new director whom the Board considers to merit the confidence of the shareholders, or call a special meeting of shareholders to elect a new nominee to fill the vacant position.

4. ADOPTION, GOVERNANCE, NOMINATING AND SUSTAINABILITY COMMITTEE OVERSIGHT

Following adoption of this policy by the Board, (a) each existing director shall sign an undertaking in a form approved by the Governance, Nominating and Sustainability Committee from time to time pursuant to which he agrees to be bound by the terms of this policy and (b) each individual nominated for election to the Board, who is not an existing director at the date of adoption of this policy by the Board, shall, prior to his or her election as a director, sign an undertaking in a form approved by the Governance, Nominating and Sustainability Committee from time to time pursuant to which he or she agrees to be bound by the terms of this policy.

5. AMENDMENT

This Policy may be translated into other languages. In the event of any discrepancy between the original English version and any translation, the English version will prevail.

Issue Date: October 27, 2022

Review: Annually

Revised Date:

Authorized By: Board of Directors