

Q1 2020 RESULTS

APRIL 2020



Cautionary Notes

CAUTIONARY NOTE ON FORWARD LOOKING INFORMATION

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. Forward-looking statements include, but are not limited to, statements with respect to the estimation of Mineral Resources and Mineral Reserves, the realization of Mineral Reserve estimates, the timing and amount of estimated future production, costs of production and capital expenditures, the success of our mining operations, the continuing success of mineral exploration, Capstone’s ability to fund future exploration activities, environmental risks, unanticipated reclamation expenses and title disputes. 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 “plans”, “expects”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes” or variations of such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved” or the negative of these terms or comparable terminology. In this document certain forward-looking statements are identified by words including “anticipated”, “guidance”, “plan” and “expected”. 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, 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, acting as Indemnitor for Minto Exploration Ltd.’s surety bond obligations post divestiture, impact of climatic conditions on our Pinto Valley and Cozamin operations, aboriginal title claims and rights to consultation and accommodation, 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, challenges to title to our mineral properties, 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, risks associated with joint venture partners, our ability to integrate new acquisitions 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 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.

COMPLIANCE WITH NI 43-101

Unless otherwise indicated, Capstone has prepared the technical information in this presentation (“Technical Information”) based on information contained in the technical reports and news releases (collectively the “Disclosure Documents”) available under Capstone Mining Corp.’s company profile on SEDAR at www.sedar.com. Each Disclosure Document was prepared by or under the supervision of a qualified person (a “Qualified Person” or “QP”) as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators (“NI 43-101”). For readers to fully understand the information in this presentation, they should read the Technical Reports (available on www.sedar.com) in their entirety, including all qualifications, assumptions and exclusions that relate to the information set out in this presentation which qualifies the Technical Information. Readers are advised that mineral resources that are not mineral reserves do not have demonstrated economic viability. The Disclosure Documents are each intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Information is subject to the assumptions and qualifications contained in the Disclosure Documents. For further details refer to the Company’s NI 43-101 Technical Reports as follows:

- Cozamin Mine, Zacatecas, Mexico published Jan 24, 2019, effective Oct 24, 2018;
- Pinto Valley Mine Life Extension – Phase 3 (PV3) Pre-feasibility Study, Miami, Arizona, published Feb 23, 2016, effective Jan 1, 2016; and
- Santo Domingo Project, Region III, Chile, Feasibility Study Update, published Jan 3, 2019, effective Nov 26, 2018.

The Technical Information in this presentation has been prepared in accordance with NI 43-101 and reviewed and approved by Brad Mercer, P. Geol., Capstone’s Senior Vice President, Operations and Exploration, a Qualified Person as defined in NI 43-101.

ALTERNATIVE PERFORMANCE MEASURES

“C1 cash cost”, “cash cost”, “adjusted EBITDA”, “operating cash flow before changes in working capital”, “adjusted net income” and “net debt” are Alternative Performance Measures. Alternative performance measures are furnished to provide additional information. These non-GAAP performance measures are included in this presentation because these statistics are key performance measures that management uses to monitor performance, to assess how the Company is performing, to plan and to assess the overall effectiveness and efficiency of mining operations. These performance measures do not have a standard meaning within IFRS and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. These performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS. For full information, please refer to the Company’s latest Management Discussion and Analysis published on its [Financial Reporting](#) webpage or on SEDAR.

CURRENCY

All amounts are in US\$ unless otherwise specified.

ADDITIONAL REFERENCE MATERIALS

Refer to the Company’s news release of April 28, 2020 and MD&A and Financial Statements for the three months ended March 31, 2020, both available on our website, for full details to the information referenced throughout this presentation.

Participants On Today's Call



Darren Pylot
President & CEO



Raman Randhawa
CFO



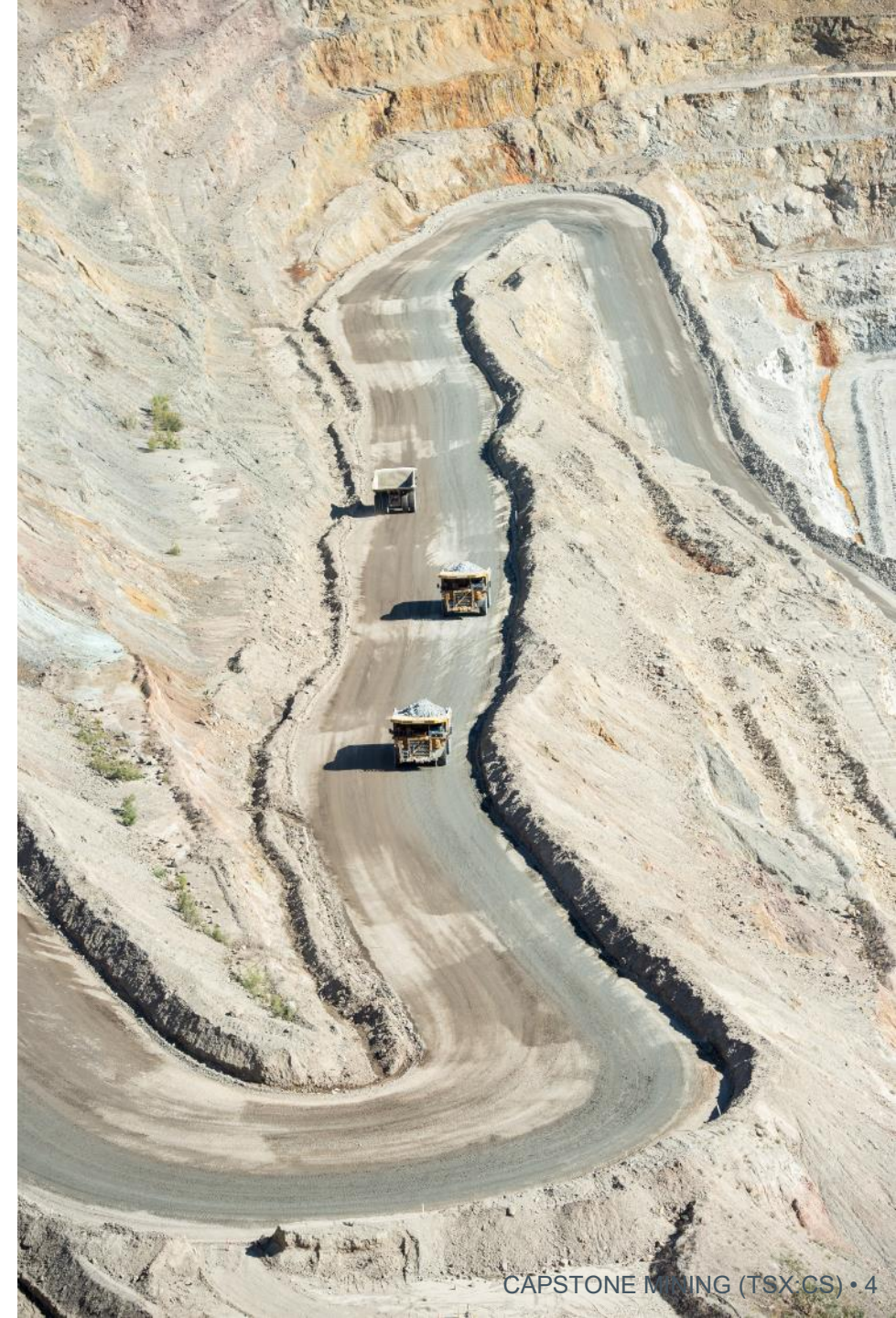
Brad Mercer
SVP, Exploration
and Operations



Mike Wickersham
Mine General Manager,
Pinto Valley

Q1 2020 Results Summary

| | Copper Production (million pounds) | C1 Cash Costs¹ Per Pound Payable Produced |
|---------------------|--|--|
| Pinto Valley | 26.8 | \$2.41 |
| Cozamin | 8.7 | \$0.95 |
| Total | 35.5 | \$2.05 |



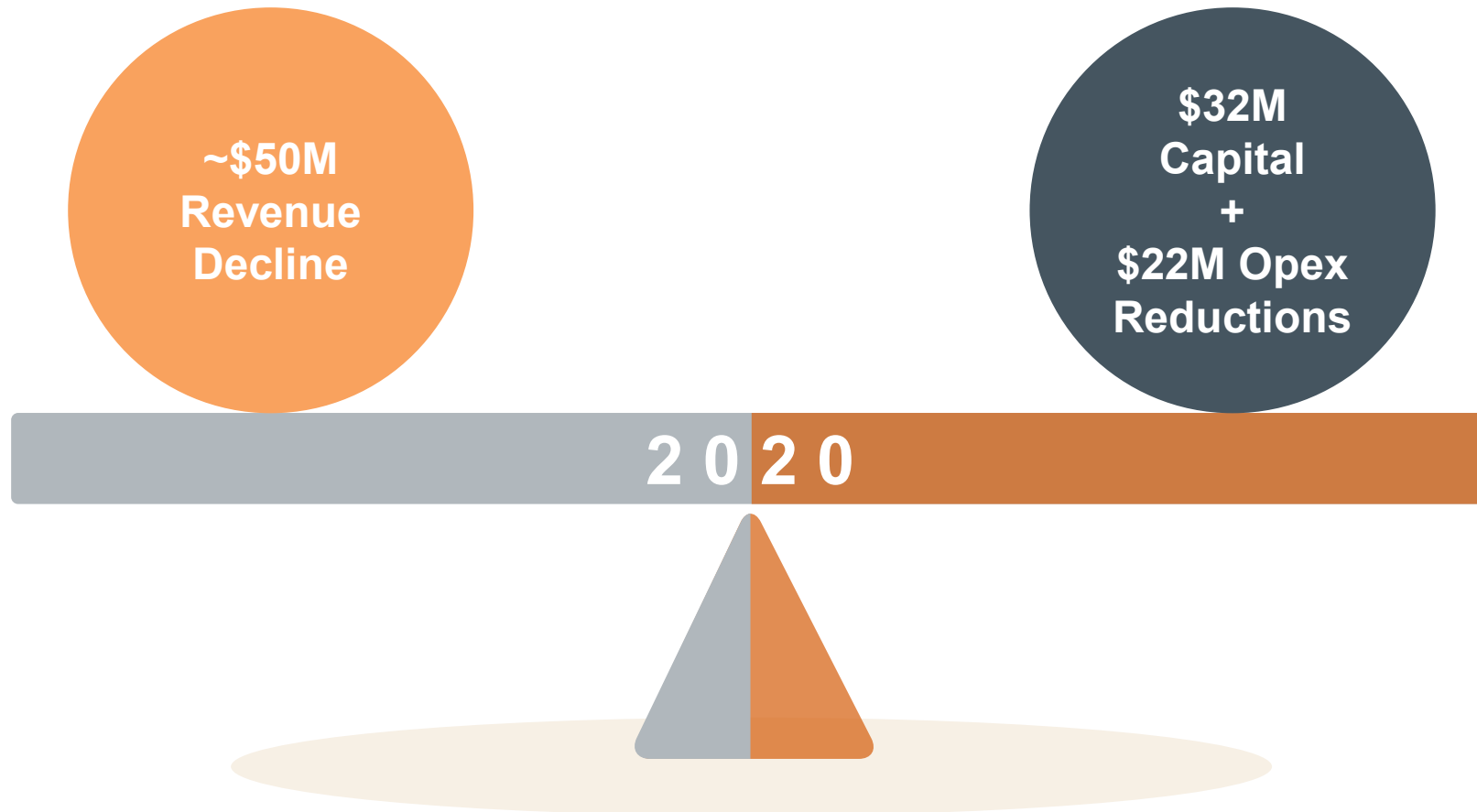
1. This is an Alternative Performance Measure; refer to the Company's MD&A for the three months ended March 31, 2020 for full details.

COVID-19

- Implemented rigorous control and prevention measures at all our offices and operations.
- Reduced discretionary capital and exploration expenditures by \$32 million and \$22 million in operating expenditures in 2020.
- At March 31, we had \$80 million of undrawn credit on the revolver and cash and short-term investments of \$32 million.
- On April 7, safely ramped down operations at Cozamin to comply with Mexican Federal Government decree which was recently extended to May 30, 2020.
 - The decree allows for normal operations to resume on May 18 in municipalities which present low or null transmission of COVID-19. Zacatecas is a low-risk jurisdiction based on current statistics.
 - The Company is taking all steps necessary to be able to quickly and safely ramp production back up to full capacity by May 18, 2020.

Our top priority is to ensure the health of our employees and the communities in which we operate, while maintaining the health of our business

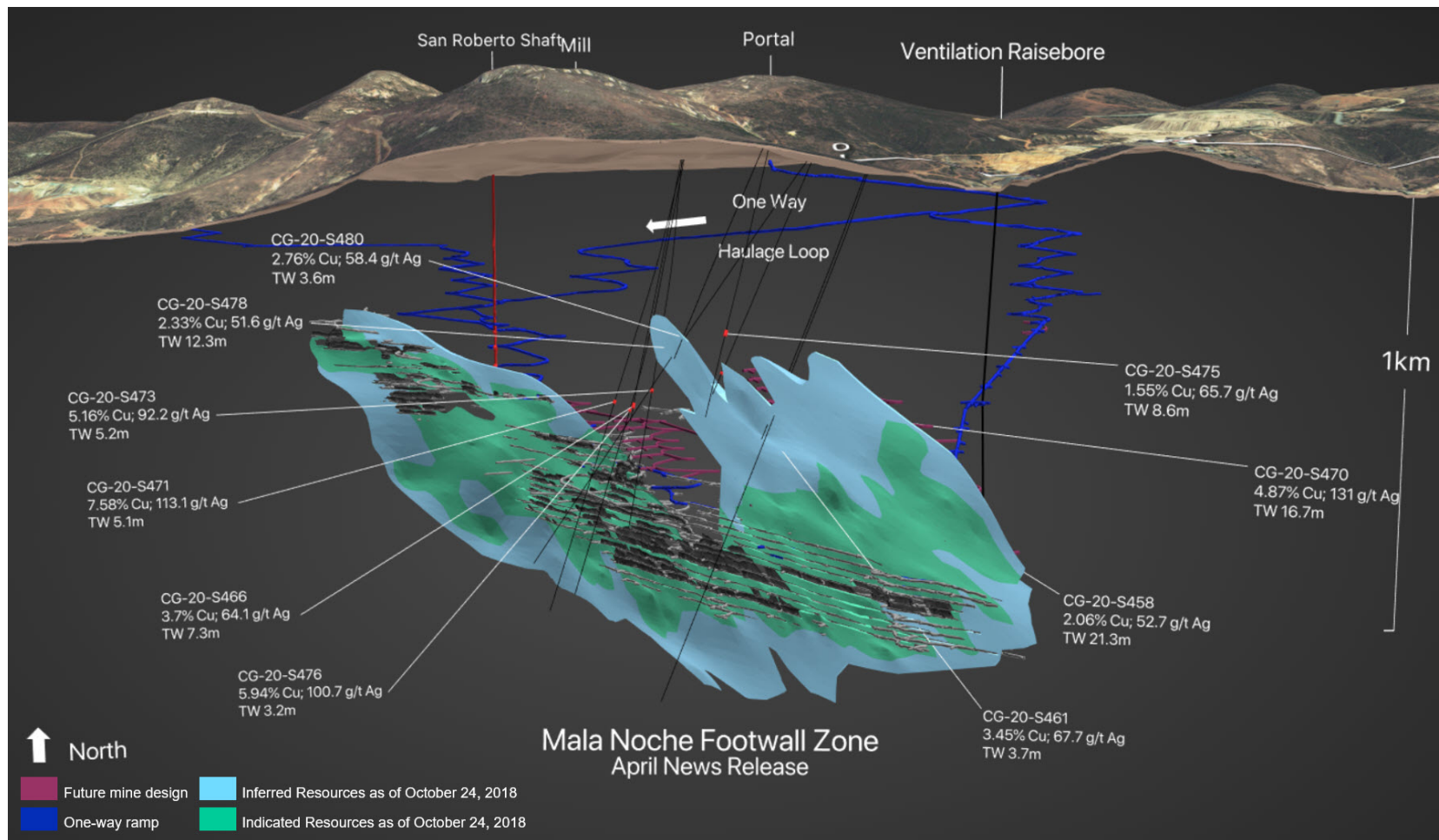
Cost Reductions Expected to Offset Low Copper Prices



1. Fixing a contract for low cost diesel
2. Hedged foreign exchange in Mexico
3. Interest rate swaps
4. Contractor reductions

Cozamin: On Track for 50% Production Growth in 2021

- One-way ramp is on schedule for completion by end of 2020, with expected 50% production growth to 50-55 Mlbs copper and 1.5 Moz silver by 2021
- Major projects towards underground expansion were completed in early April
 - The 818 meter raisebore completed 52 days ahead of schedule, immediately improving ventilation and reducing underground temperatures
 - Underground electrical substation upgrade to boost the mine from 7.5MW to 9.5MW
 - An additional underground maintenance shop was completed, increasing fleet maintenance capacity by 50%
- Step-out and infill drilling campaign aimed at doubling the current reserve base is three months ahead of schedule and 85% complete
 - 177 of 200 holes released to date¹ point to potentially higher grades and wider intercepts than current reserve



1. See the Company's news release of April 23, 2020 for full details.

PV3 Optimization: Permitted for 79.5 ktpd Throughput

PV3 Optimization: focus on maximizing throughput with a series of low capex and quick payback initiatives

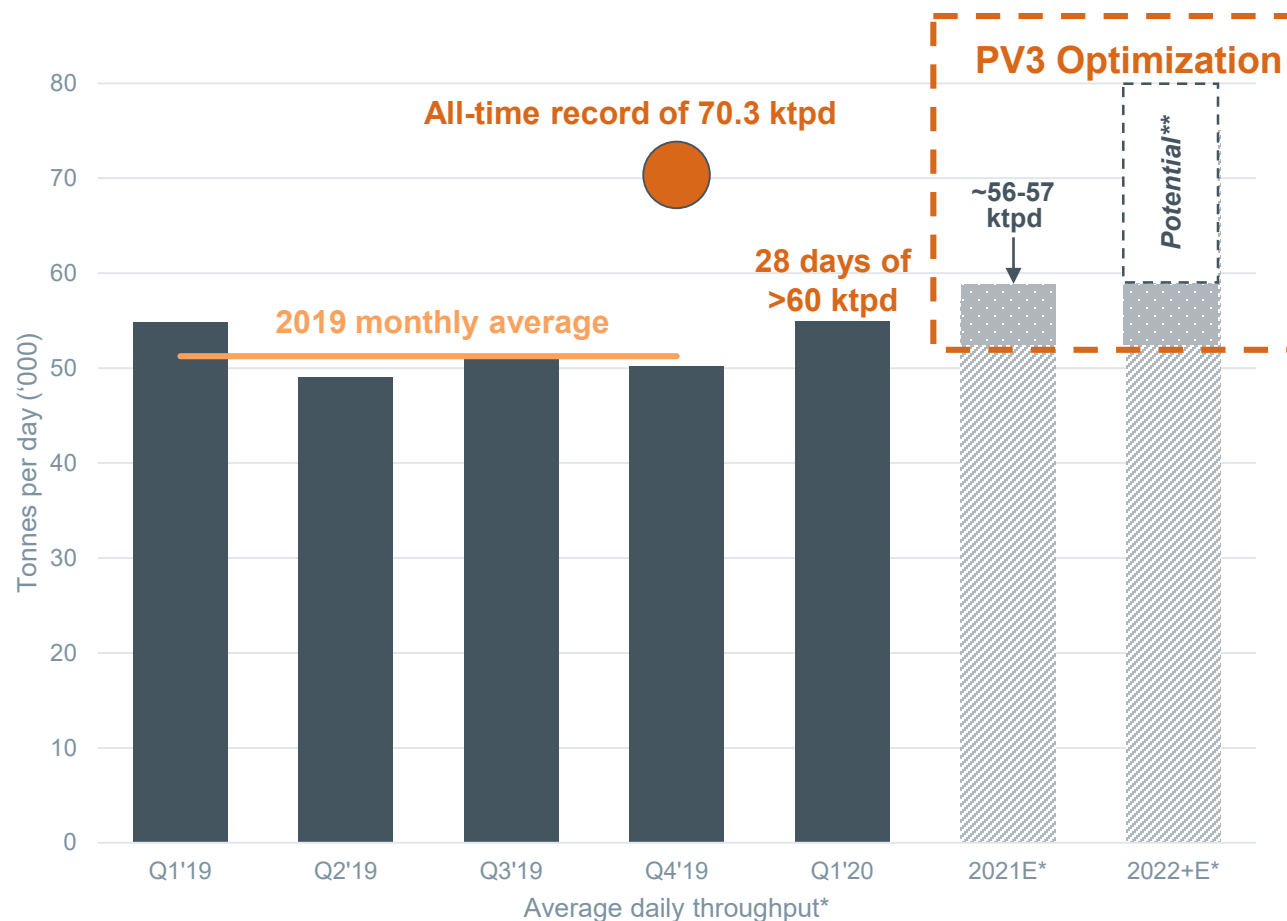
PHASE 1: targets 56-57 ktpd by 2021, with improved copper recoveries

- Improved blast fragmentation (ongoing)
- Two new secondary crushers (first installed Jul/20), three new secondary screen decks (installed Jul/20) and six new tertiary screens decks (Q4'20)
- Two new ball mill shells (first installed Jul/20; second Q1'21)
- Increased mass pull in flotation circuit by increased pumping capacity

PHASE 2: targets 60+ ktpd by 2022

- Increased fine ore storage capacity
- New tertiary crushers
- Upgraded ball mill motors
- Increased regrind capacity
- Increased concentrate filtration and handling capacity
- Increased tailings capacity

- Dec 2019: 18 days >60 ktpd and an all-time record of 70,334 tpd
- During Q1/20: 28 days >60 ktpd and average of ~54.9 ktpd, which is 5% higher than previous three-year average (2017 to 2019)

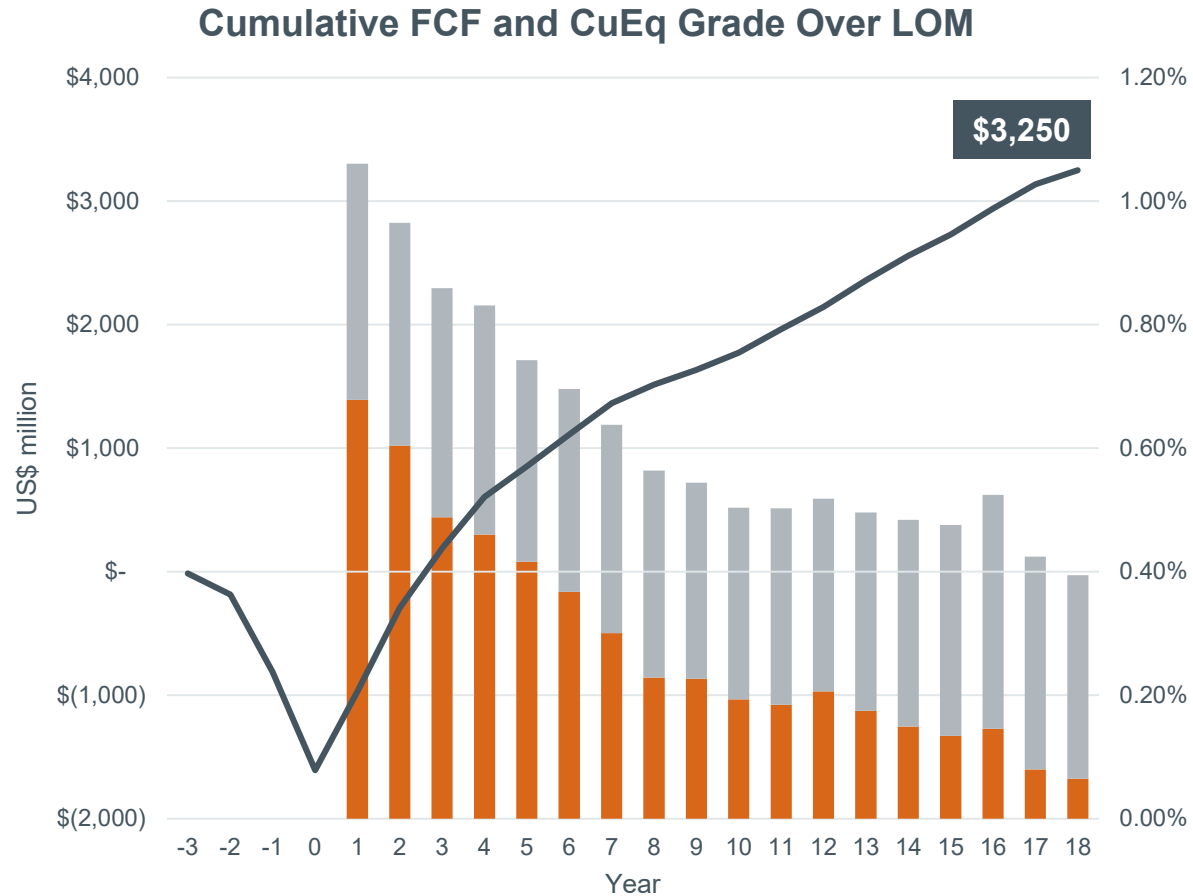


*2020E, 2021E and 2022+E from Company estimates, subject to change. Refer to the Company's news release of February 11, 2020 for more details.

** Potential estimates only, subject to results of PV Optimization analysis and study results.

Santo Domingo: Opportunity to Build a Cobalt Business

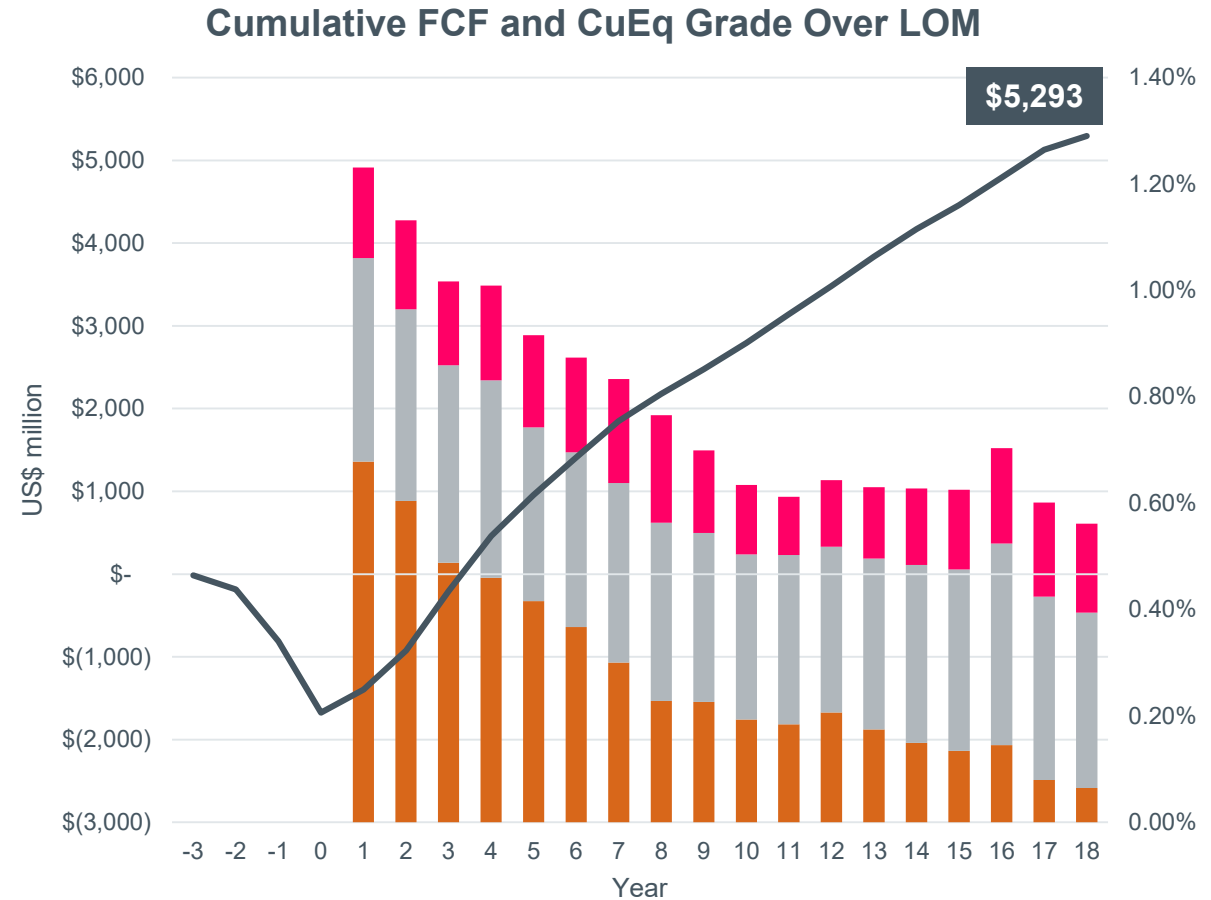
Base Case – No Cobalt Processing



■ Copper Grade (Cu)
 ■ Copper Eq. Grade (Fe)
 — Cumulative free cash flow (base case) - \$M

Note: Copper equivalent grade includes the conversion of magnetite iron grade into copper equivalent grade based on relative values using 2020 Santo Domingo technical report pricing assumptions of Copper: \$3.00 per pound and Iron (65%, FOB Santo Domingo Port): \$80 / tonne (Refer to the Company's news release of February 19, 2020 for full details).

Cobalt PEA Opportunity



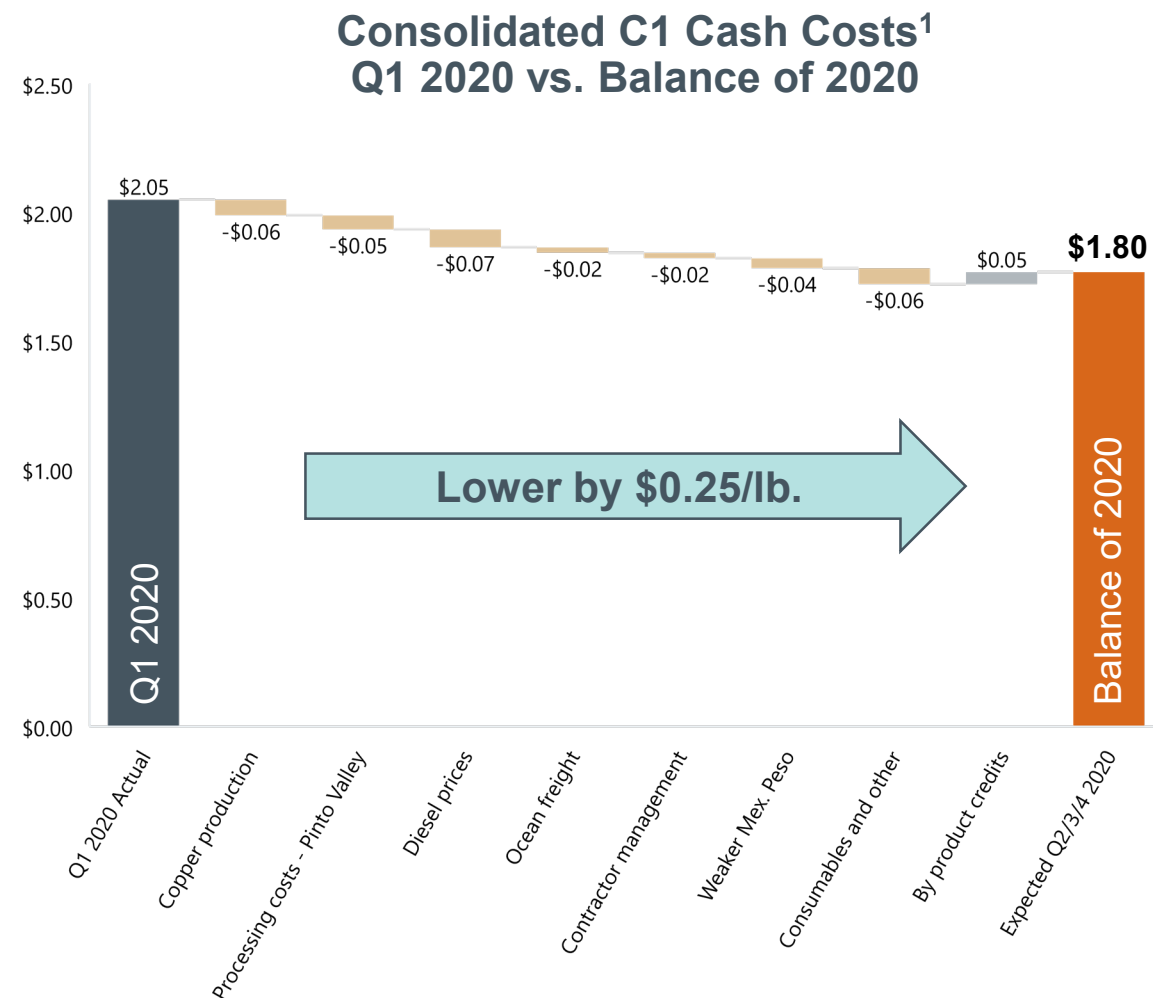
■ Copper Grade (Cu)
 ■ Copper Eq. Grade (Fe)
 ■ Copper Eq. Grade (Co)
 — Cumulative free cash flow (PEA case) - \$M

Note: Copper equivalent grade includes the conversion of magnetite iron grade and cobalt grade into copper equivalent grade based on relative values using 2020 Santo Domingo technical report pricing assumptions of Copper: \$3.00 per pound, Iron (65%, FOB Santo Domingo Port): \$80 per tonne and Cobalt: \$20 per pound (Refer to the Company's news release of February 19, 2020 for full details).

Q1 2020 Financial Results

| OPERATIONAL OVERVIEW | Q1 2020 |
|--|---------|
| Copper production (million pounds) | 35.5 |
| C1 cash costs ¹ (\$/lb.) produced | 2.05 |
| Copper sales (million pounds) | 30.4 |
| Realized copper price (\$/lb.) | 2.29 |

| FINANCIAL OVERVIEW (US\$ millions) | Q1 2020 |
|--|---------|
| Revenue | 70.4 |
| Net income (loss) | (21.9) |
| Adjusted net income (loss) ¹ | (17.7) |
| Adjusted EBITDA ^{1,2} | 11.1 |
| Cash flow from operating activities | 6.9 |
| Operating cash flow before changes in working capital ¹ | (3.5) |



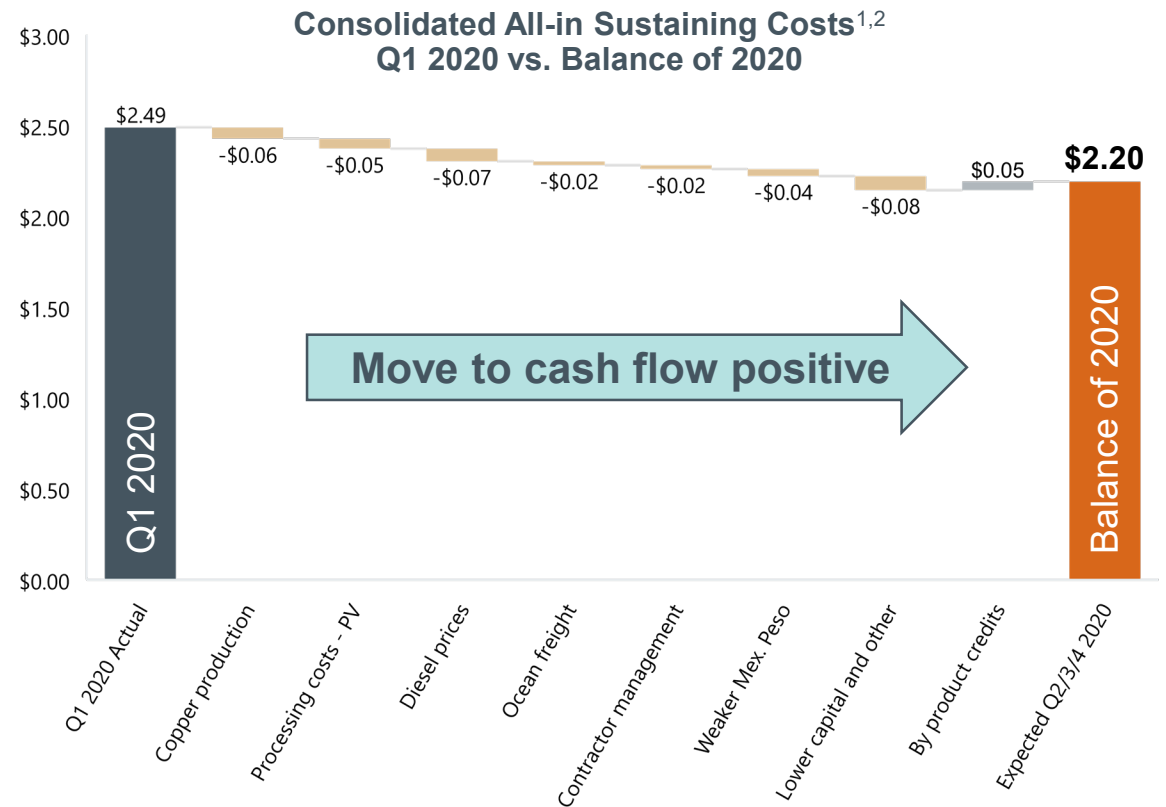
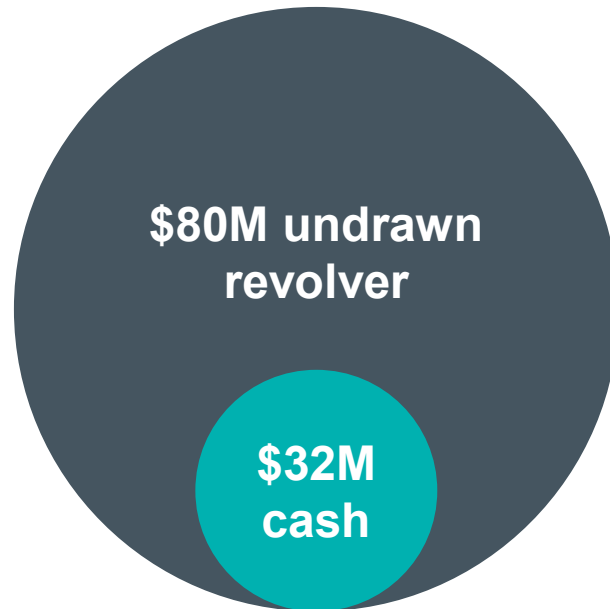
1. These are alternative performance measures; refer to the Company's MD&A for the three months ended March 31, 2020 for full details.
2. EBITDA is earnings before interest, taxes, depletion and amortization.

Balance of 2020: C1 Costs \$1.80/lb. and AISC \$2.20/lb.

Actions taken during March and April 2020

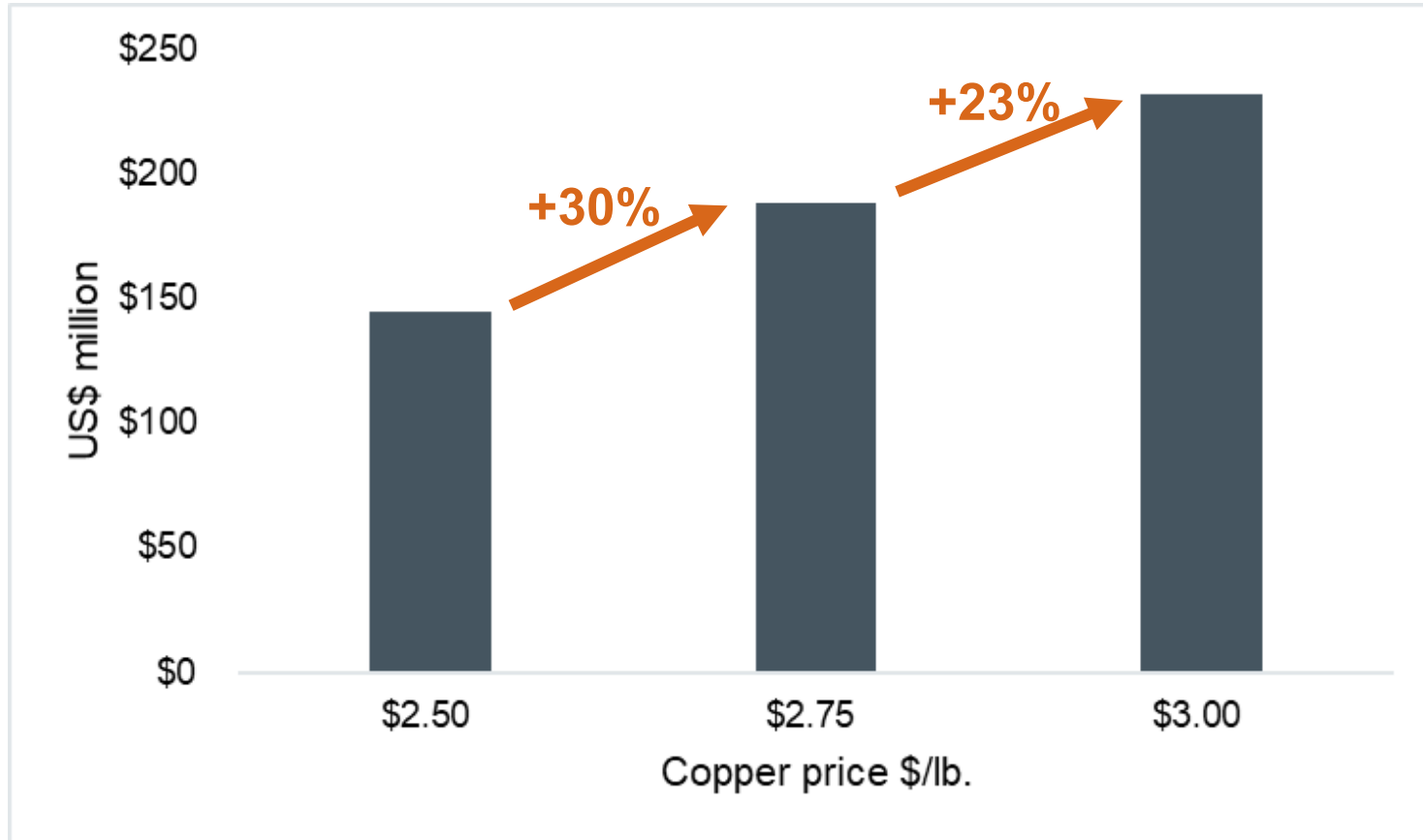
- Reduced expected 2020 discretionary capital and exploration by \$32 and \$5 million
- Reduced operating costs for the remainder of 2020 by \$22 million or by ~\$0.21 per pound
- Executed financial hedges protecting a portion of our Mexican Peso exposure through 2021 and interest rate swaps through 2022
- Consolidated production growth of 20% with 10% lower costs in 2021 still on track

**Total liquidity \$112M
as of March 31, 2020**



1. These are alternative performance measures; refer to the Company's MD&A for the three months ended March 31, 2020 for full details.
 2. All-in sustaining costs (AISC) are comprised of C1 cash costs plus sustaining capital and corporate general and administrative costs. AISC does not include exploration, interest expense and expansionary capital.

2021 EBITDA at Various Copper Prices



100%

EBITDA¹ growth

in 2021 from 2020, with low capex
projects on track and cost reductions

~2.2x

EV / EBITDA¹

2021 EBITDA at \$2.50/lb. copper price

1. These are alternative performance measures; refer to the Company's MD&A for the three months ended March 31, 2020 for full details. EBITDA growth of 100% based on \$2.50/lb. copper pricing in 2020 and 2021. Enterprise value ("EV") is market capitalization plus net debt.

Upcoming Catalysts Remain On Track for Growth in 2021+

✓ **PINTO VALLEY**
Commence modernization projects starting with crushing plant modifications

✓ **SANTO DOMINGO**
Updated NI 43-101, including recovering cobalt study results

PINTO VALLEY

PV3 Optimization results of low-capital, quick-payback projects to execute on, to maximize existing mill
PV3 final EIS/Draft Record of Decision expected from USFS

COZAMIN

Updated reserve & resource completed with new mine plan
One-way haulage loop development completed

COMPANY-WIDE TARGET

Production +20% to ~180M lbs/year,
C1 costs -10% to ~\$1.70/lb

COZAMIN

Production of 50-55 Mlbs copper and 1.5 Moz silver

Q1 2020



Q2 2020



H2 2020



H1 2021



2021+



✓ **COZAMIN**
Raisebore development completed
52 days ahead of schedule
Completion of 200-hole drilling program

PINTO VALLEY

PV4 Expansion work continues

PINTO VALLEY
PV3 permit expected for Plan of Operations

Positioned to Weather COVID-19 Affects

| | |
|--------------------------------------|--|
| Quality Assets | <ul style="list-style-type: none">• Cozamin is a Tier 1 mine, cash flow generating at current commodity prices• Arizona has declared mining an essential service, no temporary suspensions to Pinto Valley operations |
| Financial Flexibility | <ul style="list-style-type: none">• Reduced 2020 capital and exploration expenditures by \$32M, without materially affecting 2021+ growth |
| Improving Cost Structure | <ul style="list-style-type: none">• Sustainable cost reduction program in 2019 eliminated \$27.5M¹ from the business• Additional operating cost reductions by \$22M for balance of 2020² |
| On Track for Long-Term Growth | <ul style="list-style-type: none">• Targeting 20% organic production growth and 10% lower costs in 2021 and beyond• Cozamin and Pinto Valley have potential for significant expansions and extensions to mine life• Santo Domingo provides transformational growth opportunity |
| 2020 Guidance | <ul style="list-style-type: none">• Withdrew 2020 production and cost guidance, will assess as situation with COVID-19 evolves |
| Health & Safety | <ul style="list-style-type: none">• Rigorous health and safety controls implemented in response to COVID-19 |

1. Refer to the Company's Annual Audited Financial Statements and MD&A for the year ended December 31, 2019 for full details.

2. Refer to the Company's Financial Statements and MD&A for the three months ended March 31, 2020 for full details.

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