

Q1 2023 Results Conference Call

May 3, 2023



Mantoverde - April 2023



Today's Presenters



John MacKenzie
CEO



Raman Randhawa
SVP & CFO



Cashel Meagher
President & COO



Wendy King
SVP Risk, ESG & General
Counsel



Jerrold Annett
SVP Strategy & Capital Markets



Cautionary Notes

CAUTIONARY NOTE REGARDING FORWARD LOOKING INFORMATION

The financial results contained in this document are preliminary and represent the most current information available to the Company's management, as the Company completes its financial procedures. The Company's audited consolidated financial statements for such period may result in material changes to the financial information contained in this document (including by any one financial metric, or all of the financial metrics, being below or above the figures indicated) as a result of the completion of normal accounting procedures and adjustments. 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. 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.

Forward-looking statements include, but are not limited to, statements with respect to 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 MB-CDP (as defined below), the timing and cost of the MV Development Project, the timing and results of the Pinto Valley pre-feasibility study ("PV4 PFS"), 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, environmental risks, unanticipated reclamation expenses and title disputes, the success of the synergies and catalysts related to prior transactions, the anticipated future production, costs of production, including the cost of sulphuric acid and oil and other fuel, capital expenditures and reclamation of 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'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. 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, 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.



Cautionary Notes

CAUTIONARY NOTE TO UNITED STATES INVESTORS REGARDING PRESENTATION OF MINERAL RESERVE AND MINERAL RESOURCE ESTIMATES

As a British Columbia corporation and a “reporting issuer” under Canadian securities laws, we are required to provide disclosure regarding our mineral properties in accordance with Canadian National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. In accordance with NI 43-101, we use the terms mineral reserves and resources as they are defined in accordance with the CIM Definition Standards on mineral reserves and resources (the “CIM Definition Standards”) adopted by the Canadian Institute of Mining, Metallurgy and Petroleum. In particular, the terms “mineral reserve”, “proven mineral reserve”, “probable mineral reserve”, “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” used in this annual information form and the documents incorporated by reference herein and therein, are Canadian mining terms defined in accordance with CIM Definition Standards. These definitions differ from the definitions in the disclosure requirements promulgated by the SEC. Accordingly, information contained in this annual information form and the documents incorporated by reference herein may not be comparable to similar information made public by U.S. companies reporting pursuant to SEC disclosure requirements.

United States investors are also cautioned that while the SEC will now recognize “measured mineral resources”, “indicated mineral resources” and “inferred mineral resources”, investors should not assume that any part or all of the mineralization in these categories will ever be converted into a higher category of mineral resources or into mineral reserves. Mineralization described using these terms has a greater amount of uncertainty as to their existence and feasibility than mineralization that has been characterized as reserves. Accordingly, investors are cautioned not to assume that any “measured mineral resources”, “indicated mineral resources”, or “inferred mineral resources” that we report are or will be economically or legally mineable. Further, “inferred resources” have a greater amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Therefore, United States investors are also cautioned not to assume that all or any part of the inferred resources exist. In accordance with Canadian rules, estimates of “inferred mineral resources” cannot form the basis of feasibility or other economic studies, except in limited circumstances where permitted under NI 43-101.

CURRENCY

All amounts are in US\$ unless otherwise specified.

ALTERNATIVE PERFORMANCE MEASURES

“C1 cash costs”, “cash cost”, “adjusted EBITDA”, “adjusted EPS”, “operating cash flow before changes in working capital”, “adjusted net income”, “net debt”, “net cash”, “attributable net debt/net cash”, “all-in sustaining costs”, “all-in costs”, “available liquidity”, “realized copper price per pound”, “expansion capital” and “sustaining capital” 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.

COMPLIANCE WITH NI 43-101

Unless otherwise indicated, Capstone has prepared the technical information in this document (“Technical Information”) based on information contained in the technical reports, Annual Information Form 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”) as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators (“NI 43-101”). Readers are encouraged to review the full text of the Disclosure Documents 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.

Disclosure Documents include the National Instrument 43-101 compliant technical reports titled “NI 43-101 Technical Report on the Cozamin Mine, Zacatecas, Mexico” effective October 23, 2020, “NI 43-101 Technical Report on the Pinto Valley Mine, Arizona, USA” effective March 31, 2021 and “Santo Domingo Project, Region III, Chile, NI 43-101 Technical Report” effective February 19, 2020.

The disclosure of Scientific and Technical Information in this document was reviewed and approved by Cashel Meagher, P. Geol., President and COO (technical information related to mineral exploration activities and to Mineral Resources at Cozamin), Clay Craig, P.Eng, Manager, Mining & Evaluations (technical information related to Mineral Reserves and Mineral Resources at Pinto Valley) and Tucker Jensen, Superintendent Mine Operations, P.Eng (technical information related to Mineral Reserves at Cozamin), Carlos Guzmán, RM CMC, FAusIMM, Principal, Project Director, NCL, Gustavo Tapia, RM CMC, Metallurgical and Process Consultant, GT Metallurgy, and Ronald Turner, MAusIMM CP(Geo), Golder Associates (technical information related to Mineral Reserves and Mineral Resources at Mantos Blancos and Mantoverde), and Cashel Meagher, P.Geol., President and COO (technical information related to project updates at Santo Domingo) all Qualified Persons under NI 43-101.

ADDITIONAL REFERENCE MATERIALS

Refer to the Company’s news release of May 3, 2023 and MD&A and Financial Statements for the quarter ended March 31, 2023, for full details to the information referenced throughout this presentation.



MVDP – Construction On Time & On Budget

~3Mt of Sulphide Ore Grading ~0.6% Cu Stockpiled as at March 31, 2023

Wet commissioning to commence before year end



Mining sulphides at Mantoverde



Photos captured April 5th, 2023.

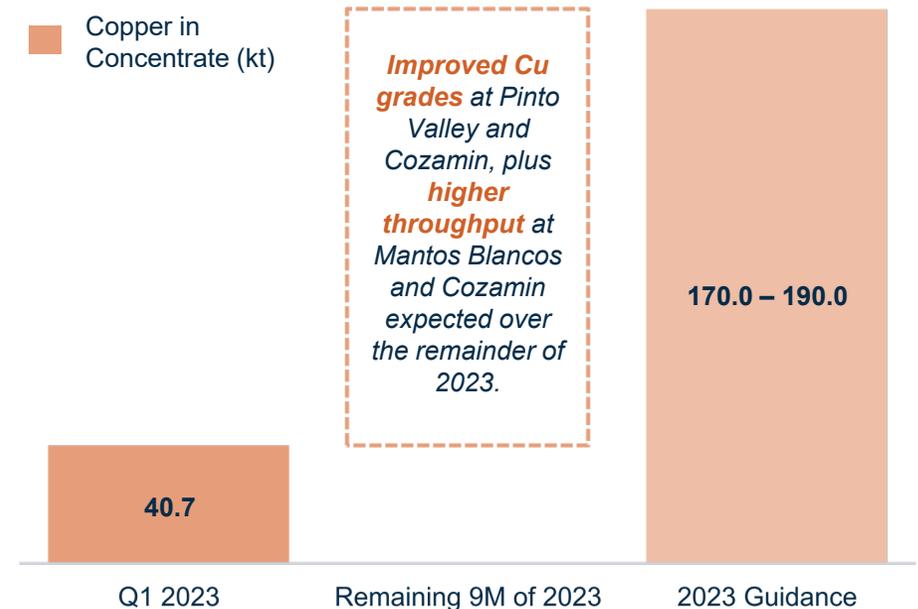
Q1 2023 Operating Highlights

	Cu Production (kt)	C1 Cash Costs ¹ (US\$/lb Cu)
Sulphide Business		
Pinto Valley ²	12.9	\$3.09
Cozamin	5.2	\$1.72
Mantos Blancos	10.8	\$2.46
Total Sulphides	28.9	\$2.61
Cathode Business		
Mantos Blancos	3.3	\$3.36
Mantoverde ³	8.5	\$4.02
Total Cathodes	11.8	\$3.83
Consolidated Cu Production	40.7	\$2.96

Factors Impacting Production

- Heavy rainfall at Pinto Valley during late January through mid-March
- Preventative maintenance downtime at Mantos Blancos
- Low grade oxides and higher acid consumption at Mantoverde as per mine plan
- Focus on development and ramp-up of paste backfill and dry-stack tailings at Cozamin

Production Expected to Improve Over Remainder of 2023



1. This is an alternative performance measure; refer to the Company's MD&A for the three months ended March 31, 2023 for full details. C1 cash costs (US\$ per payable lb Cu produced).
 2. Pinto Valley's cathode production is included in Pinto Valley's sulphides production.
 3. Mantoverde production shown on a 100% basis.



Reiterating 2023 Consolidated Guidance

	(A) Cu Production (kt)	(B) C1 Cash Costs ¹ (US\$/lb Cu)
Sulphide Business		
Pinto Valley	56 – 62	\$2.40 – \$2.60
Cozamin	23 – 25	\$1.50 – \$1.65
Mantos Blancos	45 – 51	\$2.20 – \$2.40
Total Sulphides	124 – 138	\$2.15 – \$2.35
Cathode Business		
Mantos Blancos	10 – 12	\$2.85 – \$3.00
Mantoverde*	36 – 40	\$3.50 – \$3.70
Total Cathodes	46 – 52	\$3.35 – \$3.55
Consolidated	170 – 190	\$2.50 – \$2.70

* Mantoverde production shown on a 100% basis.

- (A)** Copper production expected to sequentially improve quarter-over-quarter
- Pinto Valley production increased +30% month-over-month in March; no planned shutdowns expected for remainder of the year
 - Pinto Valley and Cozamin throughput and grades forecast to increase
 - Mantos Blancos preventative maintenance program in Q1 expected to improve online time
- (B)** Operating costs expected to improve driven by higher production levels and lower contracted spot sulphuric acid and power prices over the remainder of the year

Note: Key C1 cash costs input assumptions include: CLP/USD: 800:1; MXN/USD: 20:1; Silver: \$20/oz; Gold: \$1,700/oz; Molybdenum: \$14/lb

1. This is an alternative performance measure; refer to the Company's MD&A for the three months ended March 31, 2023 for full details. C1 cash costs (US\$ per payable lb Cu produced).



Q1 2023 Financial Highlights

	Q1 2023
Production (000s tonnes; contained)	40.7
Sales (000s tonnes)	A 37.5
Realized copper price ¹ (\$/lb)	\$4.17
LME average copper price (\$/lb)	\$4.05
C1 cash costs ¹ (\$/lb)	\$2.96
Gross Margin (\$/lb)	\$1.21
Adj. EBITDA ¹ (\$M)	B \$65.2
Operating cash flow* ¹ (\$M)	\$41.7
Operating cash flow* ¹ per share	\$0.06
Adj. EPS ¹	\$0.02

*Before changes in working capital

- A** Sales lagged payable production by ~2.4kt in Q1/23
- Sales lag was the result of availability of ocean vessels for shipments in Chile
 - Sales catch-up expected in Q2
- B** Adjusted EBITDA¹ of \$65.2 million impacted by sales lag, lower production due to heavy rain in Arizona, inflationary pressures on costs, and realized FX and derivative losses of \$9M and \$8M, respectively

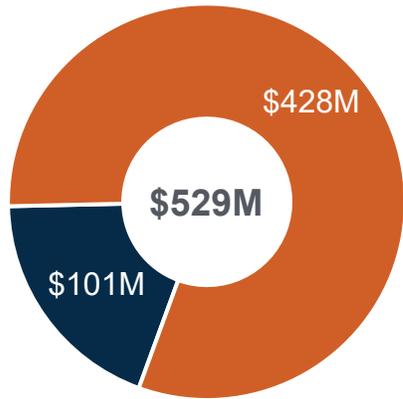
In 2023, provisional pricing impacts expected to be largely offset by quotational period hedges

Balance Sheet Strength & Financial Flexibility

Through Next Stage of Growth

Available Liquidity*,¹ (US\$M)

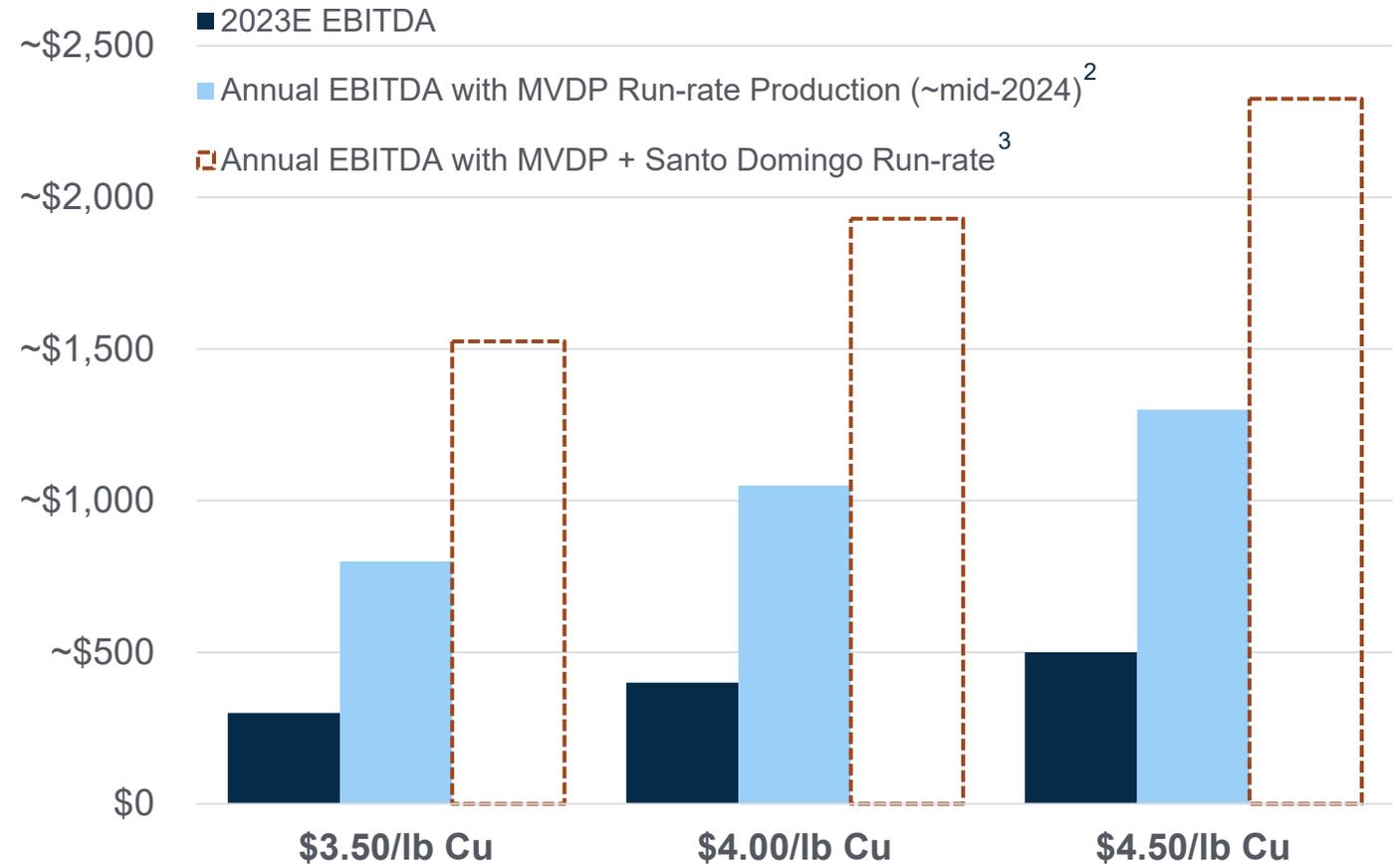
■ Cash & ST Investments ■ Undrawn RCF Capacity



Net Debt¹ (US\$M)

	Consolidated	Attributable
Cash & Short-term Investments	\$101	\$86
Long-term Debt ⁴	\$752	\$578
Net Debt	\$651	\$492

Adjusted EBITDA* Sensitivity (US\$M)



*Adjusted EBITDA and Available Liquidity are alternative performance measures; shown on a consolidated basis (100% of Mantoverde) unless noted as attributable.

1. As at March 31, 2023.

2. MVDP construction completion expected in Q4 2023. Based on 32ktpd throughput rate. Run-rate based on first full 2-years of production.

3. Santo Domingo project not currently sanctioned. Potential timeline subject to project sanctioning decision. Assumes \$80/t 65% Fe China. Run-rate based on first full 2-years of production.

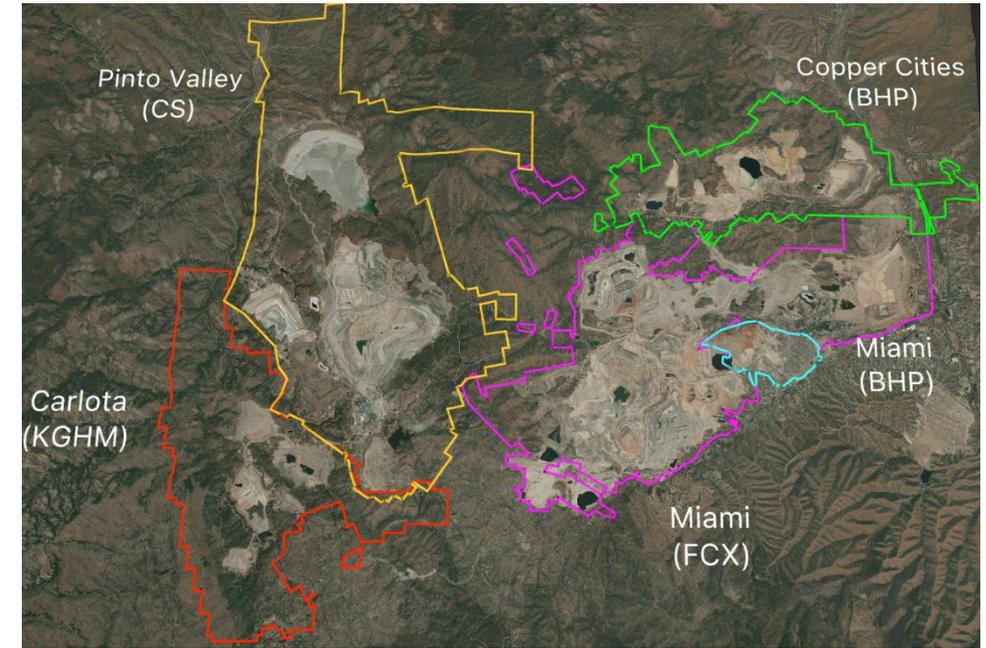
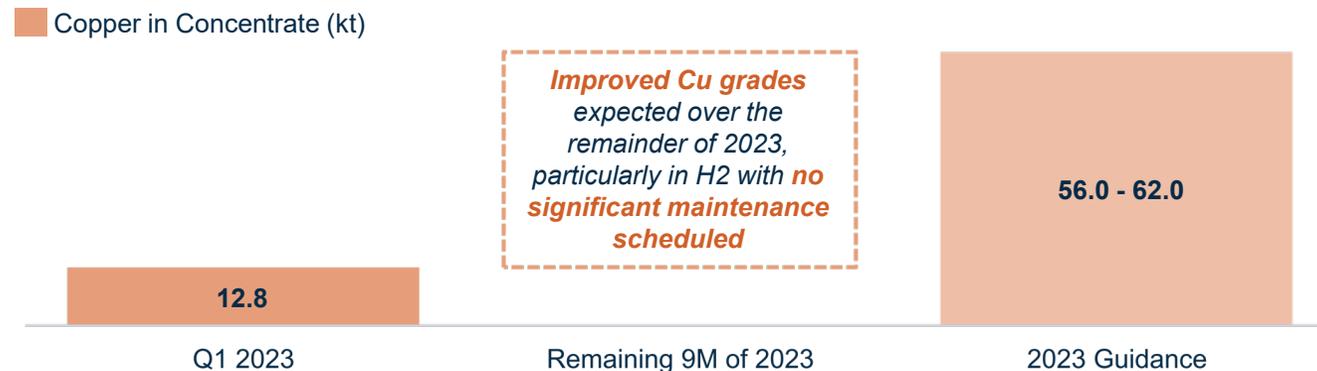
4. Includes \$60 million drawn on the cost overrun facility (defined as "Due to related party" as per our financial results) and excludes deferred financing costs and PPA fair value adjustments.

Pinto Valley: Q1 2023 Update

	Q1 2023
Production (000s tonnes)	12.8
C1 Cash Cost¹ (US\$/payable lb Cu produced)	\$3.09

- Production and costs were impacted by heavy rainfall in Q1/2023
- PV4 PFS deferred
 - Near-term focus is on district consolidation opportunities to allow for incorporation of potential mill expansion and increased leaching capacity supported by optimized water, heap and dump leach, and tailings infrastructure
 - Potential for significant ESG opportunities
 - Could transform our approach to surface value for all stakeholders

Production Expected to Improve Over Remainder of 2023



PV4 Study and District Consolidation Opportunities

Advancing FS to maximize conversion of ~1 billion tonnes of resources to reserves to extend mine life beyond 2039 (into 2050s) through:

- Expanding existing mill throughput, expanding tailings impoundment facility, and improving metal recovery
- Currently identifying opportunities within the Globe-Miami District.
- Copper Cities 18-month exploration access agreement extended by 6 months.
 - Metallurgical test work underway

¹ This is an alternative performance measure; refer to the Company's MD&A for the three months ended March 31, 2023 for full details. C1 cash costs (US\$ per payable lb Cu produced).

Cozamin: Q1 2023 Update

	Q1 2023
Production (000s tonnes)	5.2
C1 Cash Cost ¹ (US\$/payable lb Cu produced)	\$1.72

- Mill throughput affected by implementation of new cut-and-fill mining method
- C1 cash costs¹ were 23% higher quarter-over-quarter due to lower copper production and higher mining costs associated with the implementation of the new mining method in some areas

Updated Mine Plan and Technical Report

- Average Cu production of 20 kt at C1 cash costs¹ of \$1.51/lb;
 - First 5 years: 24 kt at C1 cash costs¹ of \$1.46/lb
- Combination of longhole stoping (60%) and cut-and-fill (40%) mining methods represents optimal production plan for Cozamin and will improve ore extraction versus experience to date
- Opportunities to improve the LOM plan include: exploration, selective mining techniques to decrease dilution, and enhanced pillar recovery



Dry Stack Tailings and Paste Backfill Plant Construction

- Project is complete and ramping up in H1 2023
- Total cost of \$55 million

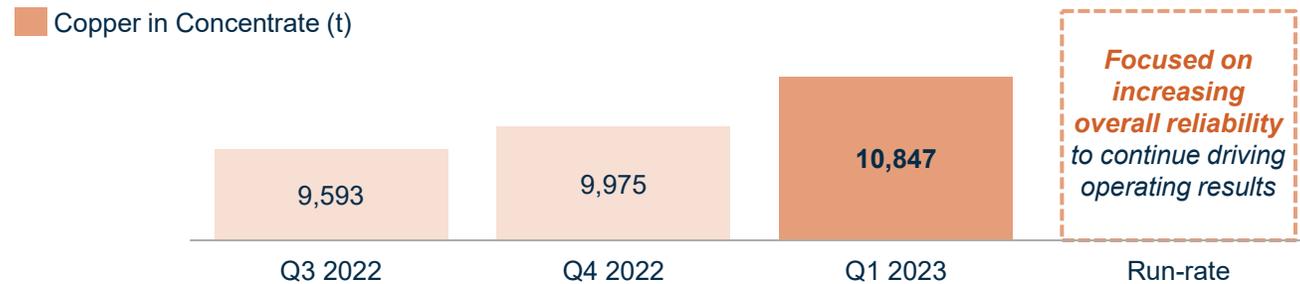
¹ This is an alternative performance measure; refer to the Company's MD&A for the three months ended March 31, 2023 for full details. C1 cash costs (US\$ per payable lb Cu produced).

Mantos Blancos: Q1 2023 Update

	Q1 2023
Sulphide Production (000s tonnes)	10.8
Cathode Production (000s tonnes)	3.3
Total Production (000s tonnes)	14.1
Sulphide C1 Cash Cost ¹ (US\$/payable lb Cu produced)	\$2.46
Cathode C1 Cash Cost ¹ (US\$/payable lb Cu produced)	\$3.36
Combined C1 Cash Cost¹ (US\$/payable lb Cu produced)	\$2.68



Operating Performance Sequentially Improving



	Q3 2022	Q4 2022	Q1 2023	Run-rate
Throughput (ktpd)	14.3	15.2	16.0	20.0
Cu Grade (%)	0.92%	0.94%	0.94%	0.80%+
Cu Recovery (%)	79.3%	75.1%	80.2%	80.0%+

Mantos Blancos Phase II

- Analyzing potential to increase concentrator plant's throughput from 7.3M to 10M tonnes/year by using existing and unused or underutilized ball mills and process equipment
- Analyzing potential to extend life of copper cathode production
- Environmental DIA application submitted in August 2022
- FS in H2 2023

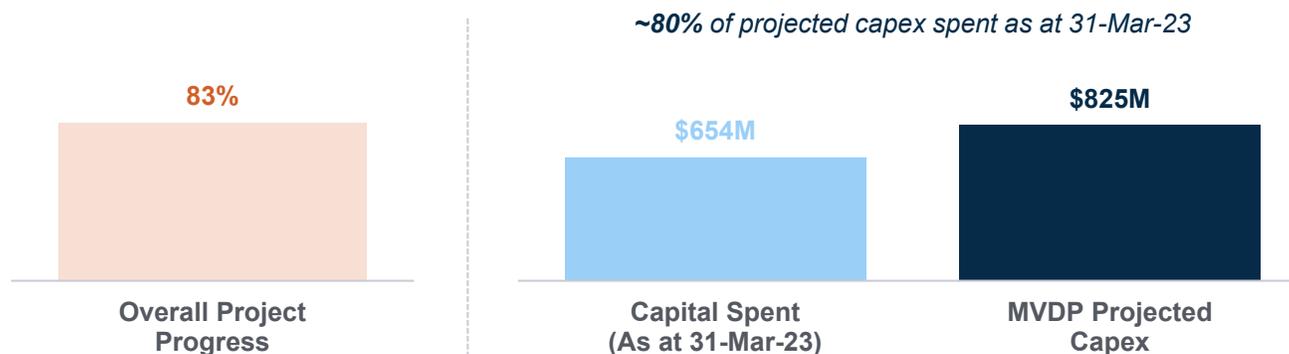
¹ This is an alternative performance measure; refer to the Company's MD&A for the three months ended March 31, 2023 for full details. C1 cash costs (US\$ per payable lb Cu produced).

Mantoverde: Q1 2023 Update

	Q1 2023
Cathode Production (000s tonnes)	8.5
C1 Cash Cost ¹ (US\$/payable lb Cu produced)	\$4.02

- C1 cash costs¹ were impacted by high energy costs and carry-over sulphuric acid in inventory costs
- MVDP remains on-time and on-budget, with completion expected before year-end 2023

Mantoverde Development Project (“MVDP”) Progress



For a virtual tour of MVDP, please visit:
<https://vrify.com/decks/12698-mantoverde-development-project>



MVDP Construction Update

- Third shovel commissioned in Q1 2023. Fourth shovel following soon
- Critical equipment components on site (SAG + ball mill shells, etc.)
- Structural and mechanical assembly in primary crusher, grinding, flotation, and tailings thickener area progressing as planned
- Nearly 3 Mt of sulphide ore grading >0.6% Cu stockpiled to date

MVDP Optimized and Mantoverde Phase II

- Targeting a potential 25%+ throughput increase through optimization efforts
- Analyzing sulphide concentrator's next expansion. Major components of MVDP's comminution and flotation circuits capable of up to 45,000 tpd
- Evaluating addition of second processing line (possible duplication of MVDP Optimized line) to process 77% of resources not utilized by optimized MVDP



MVDP Construction Progress – April 2023

Primary Crushing



Grinding + Flotation



Photos captured April 5th, 2023.

MVDP Construction Progress (cont'd)

Concentrate Thickening and Filtering



SAG/Ball Mills



Photos captured April 5th, 2023.

MVDP Construction Progress (cont'd)

Truck Shop



Ore Stockpile



Photos captured April 5th, 2023.



MVDP Construction Progress (cont'd)

Desalination Plant expansion to 380 l/s on track for Q2/23



Tailings Storage Facility



Photos captured April 5th, 2023.



Sustainable Development Strategy

- *Our Sustainable Development Strategy and GHG reduction targets follow a detailed review of our operations to establish a 2021 baseline.*
- *The Strategy identifies five initial priorities with milestones, goals and targets supported by robust reporting and evaluation processes under the direction of the Board of Directors and senior leadership:*



Climate

Interim target: reduce GHG emissions from fuel and power by 30% by 2030 compared to a 2021 baseline year.



Water

Reduce freshwater use intensity by 2030, compared to a 2021 baseline.

Increase low quality or recycled water as a proportion of total water consumed by 2030, compared to a 2021 baseline.



Tailings

100% of Capstone TSFs independently assured for conformance with the Global Industry Standard for Tailings Management (GISTM) by YE 2026.



Biodiversity

100% sites assessed against the Capstone Biodiversity Standard by 2025

Reclamation, reforestation, and habitat conservation project-specific metrics are achieved, with results annually reported.



Communities

100% sites assessed against the Capstone Social Performance Standard by 2025

Visit [Responsibility - Capstone Copper](#) to learn more about our Sustainable Development Strategy and initiatives to reach our targets.

Sustainability Q1 Developments



- ✓ Completed the self-assessment stage of the Copper Mark at Mantos Blancos & Mantoverde and the gap-assessment stage at Pinto Valley



- ✓ Use of retainers for concentrate storage and shipment for MVDP for dust control

Arrival of Capstone retainers (in blue) in preparation for shipments of MVDP sulphides by YE 2023



- ✓ Donation of copper metal to the Navajo Reservation northeast of the Pinto Valley mine for use in constructing jewelry and other crafts

Jewelry created from Pinto Valley copper metal



Our inaugural combined Sustainably Report, Growing Responsibly is well underway and expected to be released in Q3 2023; more continuous disclosure expected



Upcoming Catalysts

2023 will be a catalyst-rich year.

Feasibility studies support sector-leading copper production growth and further upside across our portfolio.



Q1 2023

- ESG Strategy Rollout & GHG Emissions Targets ✓



H1 2023

- Updated Cozamin 43-101 ✓



H2 2023

- MVDP Completion + Commissioning
- MVDP Optimization FS
 - 25%+ Throughput Target
- Mantoverde Phase II Study
 - Potential for a second line
- Mantos Blancos Phase II FS
- Santo Domingo Cu/Fe FS¹



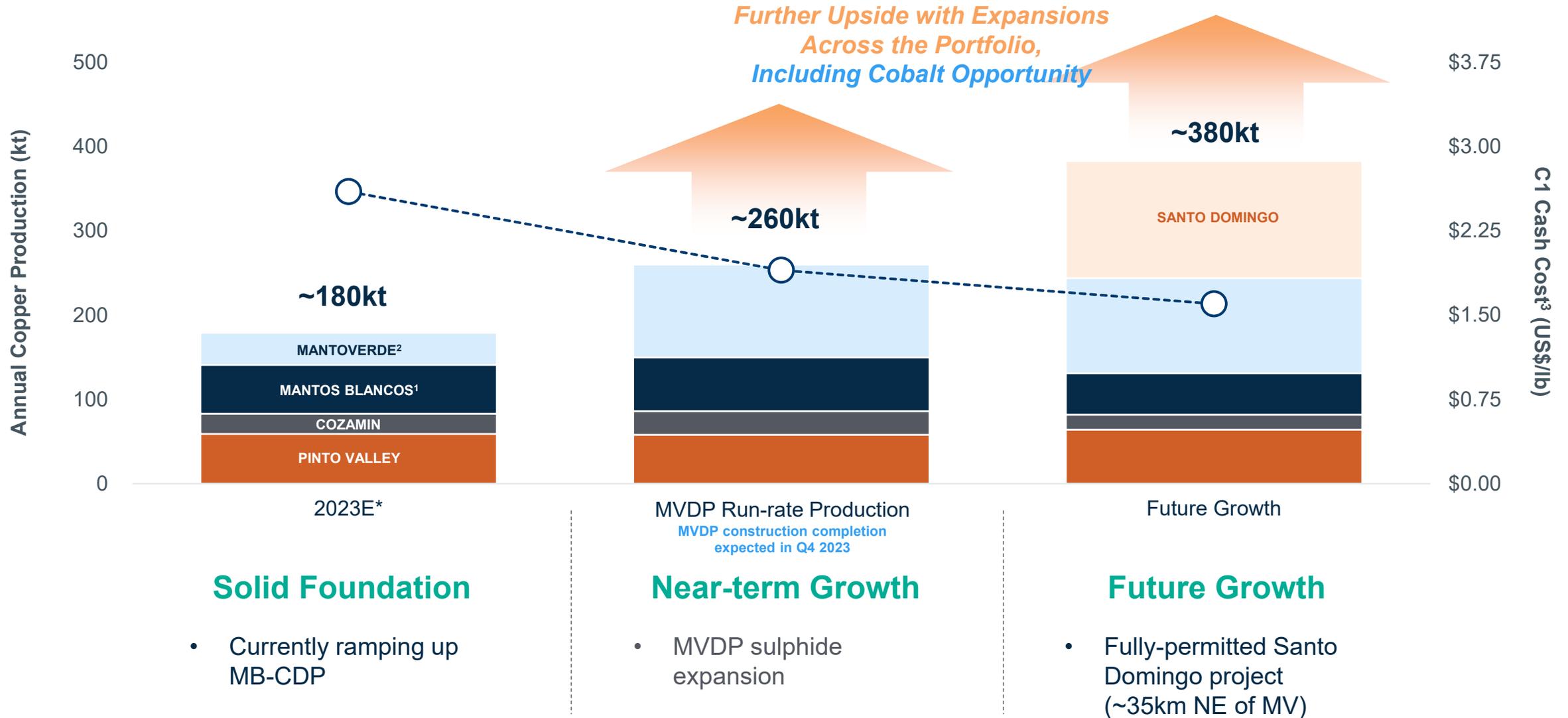
2024

- MVDP ramp-up
- MV-SD Cobalt Roaster FS
- MV-SD Leaching-IX PEA
- PV District Evaluation

¹ Santo Domingo Cu/Fe FS will include MV-SD District synergies.



A Clear Path to Permitted Transformational Growth



*2023E copper production and C1 cash cost reflects midpoint of 2023 annual guidance.

¹ Mantos Blancos figures exclude Phase II expansion ² Mantoverde production numbers shown on a 100% basis.

³ This is an alternative performance measure; refer to the Company's MD&A for the three months ended March 31, 2023 for full details. C1 cash costs (US\$ per payable lb Cu produced).

Contact

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