1. BOARD OF DIRECTORS CORPORATE GOVERNANCE GUIDELINES

ROLE OF THE BOARD AND MANAGEMENT

The Articles of Capstone Copper Corp. ("Capstone") provide that the business and affairs of Capstone are to be managed under the direction of the Board of Directors (the "Board"). The Board is responsible for the overall stewardship of Capstone and is accountable to its shareholders who elect the Board annually. Management of Capstone's business is the responsibility of the President and Chief Executive Officer ("CEO") and the other officers of Capstone holding the title of Chief Officer or Senior Vice President ("Senior Management").

2. GOALS AND RESPONSIBILITIES

To carry out its responsibilities, the Board will:

BOARD FUNCTION AND OPERATION

1. Approve Directors for appointment to the Board and nominate candidates for election at the next annual meeting of shareholders. The Governance, Nominating and Sustainability (GNS) Committee aids in this process, considering selection criteria established through a review of skills, experience, personality, and other attributes that ensures an appropriate mix to guide the strategy and business operations of Capstone and in accordance with Capstone's Director Succession and Recruitment Process.

2. Determine whether each Director is "independent" in accordance with criteria established by the Board, including relevant laws and the listing requirements of the Toronto Stock Exchange. In making this determination, the Board may also consider the independence guidance of the Australian Securities Exchange (ASX), as the Board considers appropriate.

3. Periodically review, with the assistance of the GNS Committee the Corporate Governance Guidelines applicable to the Board.

4. Determine with the assistance of the Human Resources and Compensation (HRC) Committee reasonable compensation to be received for services as a Director.

5. Annually evaluate the overall performance of the Board with the assistance of the GNS Committee and review the performance of Board committees, Chair, Lead Director (if any) and individual directors.

6. Regularly hold *in camera* sessions without management present. The Chair or Lead Director (if any) will be responsible for reporting to management regarding any comments or concerns of the Directors.

CAPSTONE OPERATIONS

1. Review and approve Capstone's long-term business plan and goals.

2. Review and approve the fundamental financial and business strategies designed to achieve Capstone's goals, including annual capital and operating targets.

3. Approve corporate actions and decisions of Capstone that exceed the authority delegated to Senior Management, and delegate to Senior Management the responsibility for day-to-day

management of Capstone and the authority to enter into certain types of transactions subject to specified limits, as appropriate.

4. Oversee the quality and integrity of Capstone's accounting, auditing, and financial reporting practices, and oversee compliance with legal and regulatory requirements, with the assistance of the Audit Committee. Approve with the assistance and recommendation of the Audit Committee, Capstone's interim financial statements, Capstone's annual audited financial statements and the MD&A and all relevant portions of the continuous disclosure information filed on SEDAR ASX.

5. Approve with the assistance and recommendation of the GNS Committee, Capstone's annual report as required by the Fighting Against Forced Labour and Child Labour in Supply Chains Act and Australia's Modern Slavery Act 2018 (Cth).

6. Act as advisor and counselor to Senior Management and monitor its performance. The CEO will facilitate contact between the Directors and Senior Management of Capstone.

7. Provide oversight of Capstone's Enterprise Risk Management system.

8. Provide oversight of Capstone's health, safety and environmental performance, policies and practices, with the assistance of the Technical & Operational Performance Committee and Governance, Nominating & Sustainability Committee.

9. Provide oversight to Capstone's Environmental, Social and Governance (ESG) Strategy and Performance.

10. Oversee compliance with all applicable laws, significant policies and procedures by which Capstone is operated with the assistance of the Audit Committee and GNS Committee.

11. Annually review, with the assistance of the GNS Committee, Capstone's Our Values and Ethics - Code of Conduct Policy (the "Code of Conduct"). Monitor compliance and approve any waivers of such principles regarding Capstone's CEO, finance and accounting officers and for promptly disclosing such waivers.

12. Annually review and approve Capstone's proxy materials for distribution to shareholders in connection with the annual meeting of shareholders.

13. Appoint Capstone's corporate officers.

MANAGEMENT SUCCESSION

1. Approve the selection and appointment of Capstone's CEO.

2. Annually evaluate the performance of the CEO using the evaluation process established by the GNS Committee. Based on the performance evaluation, annually determine the compensation to be paid to the CEO with the assistance of the Human Resource and Compensation Committee.

3. Provide counsel and oversight with the assistance of the HRC Committee on the selection, evaluation, and development of Senior Management.

3. BOARD ORGANIZATION AND COMPOSITION

SIZE AND COMPOSITION OF THE BOARD

The Articles of Capstone provide that the Board must consist of a number to be set annually at Capstone's Annual General Meeting. The Board will determine from time to time the number and

qualification of Directors appropriate for effective operations of the Board. The Board should encompass a mix of skills, experience and expertise sufficient to provide sound and prudent guidance with respect to Capstone's operations and interests. At all times a majority of the Board must be "independent directors" as defined from time to time by law, the listing requirements of the Toronto Stock Exchange and any specific requirements established by the Board.

DIRECTOR ELECTIONS

1. The Board with the assistance of the GNS Committee will annually review, identify and recommend to shareholders, candidates for election or re-election to the Board.

2. At the Annual General Meeting ("AGM"), shareholders entitled to vote at the AGM for the election of directors must elect a Board for a term of one year.

3. All directors cease to hold office immediately before the election of directors but are eligible for re-election.

4. Capstone has an Advance Notice Policy which requires any person proposing to nominate a director for election at a meeting of shareholders to provide the company with advance notice of, and prescribed details concerning, any such proposed nominee in accordance with the Advance Notice Policy.

5. Capstone has a Majority Voting Policy which applies to uncontested elections of Directors.

BOARD TENURE

The Board currently believes it is not necessary to institute mandatory retirement or term limits for Directors. Instead, the Board, with the assistance of the GNS Committee, promotes Board renewal through the annual evaluation of the Board, its committees and individual Directors, a review of the skills and experience of the Board as a whole, and Director succession planning. In assessing Board renewal, the GNS Committee considers individual Director performance, any gaps in skills and experience, and Directors' anticipated retirement plans.

DIRECTOR SUCCESSION AND RECRUITMENT PROCESS

The Board has adopted a Director Succession Plan and Board Recruitment Process Guideline. With the assistance of the GNS Committee, the Board maintains a skills matrix that identifies the competencies and experience of each Director. Directors complete an annual skills self-assessment, and the results are used to evaluate the composition of the Board as a whole, identigy areas for strengthening the Board, and guide the recruitment of new Directors and Director education.

DIVERSITY

The Board has adopted a Diversity and Inclusion Policy with respect to the recruitment process for Directors and Senior Management.

DIRECTOR SHARE OWNERSHIP

To align the interest of Directors with those of shareholders, Directors are required to hold a minimum level of Capstone shares or share units in accordance with Capstone's Share Ownership Guideline.

OUTSIDE BOARD MEMBERSHIPS

1. Multiple Board Memberships

a) No directors shall sit on more than four[1] public company boards in total and no directors, who also serve as an executive of a public company shall sit on more than two public company boards in total, without the approval of the Board.

b) If any director does sit on more than four public company boards or any director who also serves as an executive of a public company does sit on more than two public company boards, the GNS Committee shall annually review the appropriateness of that director's continued membership on the Capstone Board and make a recommendation to the Board.

c) Directors should inform the GNS Committee of any invitations to join the board of any other public company prior to accepting another directorship so that any potential conflicts or other issues may be carefully considered in advance.

2. Interlocking Boards
   a) No more than two directors shall sit together on other public company boards without the approval of the Board.

   b) If such a situation does exist on the Board, the GNS Committee shall annually review the continued appropriateness of the situation and make a recommendation to the Board.

3. Multiple Audit Committees
   a) No member of the Audit Committee of the Board shall serve on the audit committee of more than three (3) public companies without the approval of the Board.

CHAIR OF THE BOARD AND LEAD DIRECTOR

The Chair will be appointed by the Board in the shareholders' best interest. The Board shall select from among the independent directors a lead director ("Lead Director") if the Chair is non-independent. The Board periodically will review the Chair's and the Lead Director's performance as provided in "Goals and Responsibilities – Board Function and Operation" above.

COMMITTEES

The Board may establish committees to assist in the execution of the Board's responsibilities and, with the assistance of the GNS Committee, approve the mandate, terms of reference and scope of responsibilities delegated to each committee and appoint the members of each committee. Committees may be standing committees or ad hoc. Standing committees of the Board will include an Audit Committee, HRC Committee, GNS Committee, Technical and Operational Performance and such other committees as the Board determines are necessary and appropriate from time to time. Committee composition must be in compliance with all laws and listing requirements of the Toronto Stock Exchange as well as requirements established by the Board in the committee terms of reference. Each committee will report to the Board with respect to its activities. Committees will have the power and authority to retain the services of advisers, consultants and experts as necessary or appropriate with respect to matters within the scope of responsibility of the committee and such authority will be provided for in each committee's terms of reference.

BOARD MEETINGS

The Board has a number of scheduled meetings a year at which it reviews and discusses reports by management on the performance of Capstone, its plans and prospects, as well as immediate issues facing Capstone. In addition to regularly scheduled meetings, unscheduled Board meetings may be called upon appropriate notice at any time to address specific needs of Capstone.

MEETING AGENDAS

[1] ISS' and Glass Lewis current policy is no more than five public company boards. Management does not recommend amending Capstone's Governance Guidelines.

The Chair, together with the Lead Director (if any) will establish the agenda for each Board meeting. Directors are encouraged to suggest items for inclusion on the agenda or request the presence of or a report by members of Capstone's Senior Management and may at any Board meeting, raise subjects that are not on the agenda for consideration at that meeting.

4. BOARD CONDUCT

GENERAL STANDARD

Each Director is expected to exhibit high standards of integrity, commitment and independence of thought and judgment; to use their skills and experiences to provide independent oversight to Capstone's business and represent the long-term interests of shareholders.

Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively. Directors must be committed to devoting the time and effort necessary to learn the business of Capstone and the Board.

ORIENTATION AND TRAINING

Capstone will assist the Board by providing appropriate orientation programs for new Directors as outlined in Capstone's Director Orientation and Education Guideline. Capstone will also help Directors to develop and maintain skills necessary or appropriate for the performance of their responsibilities and will provide periodic visits to Company facilities to assist the Directors in understanding Capstone's businesses. Directors are expected to participate in training programs and visits to facilities.

MEETING MATERIALS

Directors will receive routine reports as well as background information and summaries with regard to major presentations in advance of each Board meeting to facilitate informed discussion of Board decisions. Directors are expected to attend, be prepared for and actively participate in Board and committee meetings.

ETHICS AND CONFLICTS OF INTEREST

The Board expects Directors, as well as Capstone's officers and employees, to act ethically at all times and to adhere to the policies and principles set out in the Code of Conduct. If any actual or potential conflict of interest arises for a Director, the Director should promptly disclose to the GNS Chair and obtain pre-approval and guidance (as appropriate) from the GNS Committee. If a significant conflict exists and cannot be resolved, the Director should resign from the Board. All Directors will recuse themselves from any decision affecting their personal, business or professional interests and may participate in discussions of such matters where appropriate only after fully informing the other Directors of the nature of the interest in the matter.

BOARD INTERACTION WITH INSTITUTIONAL INVESTORS, CUSTOMERS AND THE PRESS

The CEO is responsible for establishing communications with Capstone's stakeholder groups such as shareholders, customers, communities, suppliers, governments and the media. The Board endorses the current practice that Directors do not communicate with outside constituencies unless requested to do so by the Chair, the Lead Director (if any) or the CEO in accordance with Capstone's Disclosure and Confidentiality Policy. Shareholders and other interested parties may communicate with the Board, by contacting the Corporate Secretary. The Board has also adopted a Shareholder Engagement Policy.

5. DOCUMENT CONTROL

Version	Approval Date	Author	Reviewer	Approver
1.0	23/03/2022	Tammy Ho	Wendy King	Board of Directors
2.0	27/10/2022	Tammy Ho	Wendy King	Board of Directors
3.0	02/11/2023	Tammy Ho	Wendy King	Board of Directors
3.1	12/08/2025	Tammy Ho	N/A	N/A
4.0	29/10/2026	Tammy Ho	Wendy King	Board of Directors