

March 11, 2021

## **Capstone Files Technical Report for Cozamin Mine**

**Vancouver, British Columbia** – Capstone Mining Corp. (“Capstone” or the “Company”) (TSX:CS) has today filed on SEDAR a National Instrument 43-101 (“NI 43-101”) compliant technical report titled “NI 43-101 Technical Report on the Cozamin Mine, Zacatecas, Mexico” for the updated life of mine plan to 2031 and estimated Mineral Reserves announced on January 27, 2021.

The Technical Report was prepared in accordance with the Canadian Securities Administrator’s NI 43-101- Standards of Disclosure for Mineral Projects; and is available for review under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) and the Company’s web site at [www.capstonemining.com](http://www.capstonemining.com).

### **ABOUT CAPSTONE MINING CORP.**

Capstone Mining Corp. is a Canadian base metals mining company, focused on copper. 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 70% of Santo Domingo, a large scale, fully-permitted, copper-iron-gold project in Region III, Chile, in partnership with Korea Resources Corporation, 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. We are committed to the responsible development of our assets and the environments in which we operate. Our headquarters are in Vancouver, Canada and we are listed on the Toronto Stock Exchange (TSX). Further information is available at [www.capstonemining.com](http://www.capstonemining.com).

### **FOR FURTHER INFORMATION PLEASE CONTACT:**

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### **CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION**

This news release, and the documents incorporated by reference herein, 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 Capstone Mining Corp. (“Capstone” or 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. Forward-looking statements include, but are not limited to, statements with respect to the continuing success of mineral exploration, Capstone’s ability to fund future exploration activities, the estimation of mineral resources and mineral reserves, the expected success of the underground paste backfill system study, 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 estimations for potential quantities and grade of inferred resources and exploration targets, environmental risks, unanticipated reclamation expenses and title disputes. In certain cases, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “aiming”, “approximately”, “guidance”, “scheduled”, “target”, “estimates”, “forecasts”, “extends”, “convert”, “potential”, “intends”, “anticipates”, “believes” or variations of such words and phrases, or statements that certain actions, events or results “may”, “could”, “should”, “would”, “will”, “might” or “will be taken”, “occur” or “be achieved” or the negative of these terms or comparable terminology. 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, the inherent uncertainty of mineral exploration and estimations of exploration targets, potential delays in exploration due to COVID-19 or governmental action, increase to operating costs directly or indirectly related to due to COVID-19 including but not limited to supply chain issues, future prices of copper and other metals, compliance with financial covenants, surety bonding, our ability to raise capital or fund explorations, Capstone's ability to acquire properties for growth, counterparty risks associated with sales of our metals, foreign currency exchange rate fluctuations, 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, licences and permits from governmental authorities, impact of climatic conditions on our operations, title or royalty claims and rights to mineral tenure, increased taxes on mining activities, interruption of production due indirectly or directly to criminal activity land reclamation and mine closure obligations, uncertainties and risks related to the potential development of the Cozamin 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](http://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.

### **NATIONAL INSTRUMENT 43-101 COMPLIANCE**

Unless otherwise indicated, Capstone has prepared the technical information in this news release ("Technical Information") based on information contained in the technical reports, news releases and MD&A's (collectively the "Disclosure Documents") available under Capstone Mining Corp.'s company profile on SEDAR at [www.sedar.com](http://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, 13 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.

The following Qualified Persons, as defined by NI 43-101, are independent from Capstone (except as noted below) and have reviewed and approved the content of this news release that is based on content from their respective portions of the 2020 Technical Report: Gregg Bush, P.Eng. (Non-independent), Leslie Correia, Pr.Eng., Paterson & Cooke Canada Inc., Jenna Hardy, P.Geo., FGC, Nimbus Management Ltd., Tucker Jensen, P.Eng., Capstone Mining Corp. (Non-independent), Darren Kennard, P.Eng., Golder Associates Ltd., Garth Kirkham, P.Geo., FGC, Kirkham Geosystems Ltd., Chris Martin, CEng MIMMM, Blue Coast Metallurgy Ltd., Vivienne McLennan, P.Geo., Capstone Mining Corp. (Non-independent), Josh Moncrieff, P.Geo., Capstone Mining Corp. (Non-independent) and Humberto Preciado, PhD, P.E., Wood Environment & Infrastructure Solutions, Inc.

The Technical Information in this news release has been prepared in accordance with definitions and best practices referenced in NI 43-101 and 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 exploration activities on the Cozamin Mine property.

## Cautionary Note to US Investors Concerning Estimates of Mineral Reserves and Mineral Resources

The disclosure in the Technical Report uses Mineral Resource and Mineral Reserve classification terms that comply with reporting standards in Canada, and, unless otherwise indicated, all Mineral Resource and Mineral Reserve estimates included in the Technical Report have been prepared in accordance with 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. These standards differ significantly from the current disclosure requirements of the SEC set forth in Industry Guide 7. Consequently, Mineral Resource and Mineral Reserve information contained in this Technical Report is not comparable to similar information that would generally be disclosed by US companies in accordance with the rules of the SEC. SEC disclosure requirements apply different standards in order to classify mineralization as a Reserve. As a result, the definitions of Proven and Probable Reserves used in NI 43-101 differ under SEC requirements. Under SEC standards, mineralization cannot be classified as a "Reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the Reserve determination is made. Accordingly, Mineral Reserve estimates contained in this Technical Report may not qualify as "Reserves" under SEC standards.

In addition, this Technical Report uses the terms "Measured Mineral Resources", "Indicated Mineral Resources" and "Inferred Mineral Resources" to comply with the reporting standards in Canada. The SEC does not recognize Mineral Resources and US companies are generally not permitted to disclose Mineral Resources in documents they file with the SEC. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into SEC defined mineral "Reserves." Further, "inferred Mineral Resources" have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Therefore, investors are also cautioned not to assume that all or any part of an inferred Mineral Resource exists. In accordance with Canadian rules, estimates of "inferred Mineral Resources" cannot form the basis of feasibility or other economic studies, except in rare cases. In addition, disclosure of "contained ounces" in a Mineral Resource estimate is permitted disclosure under NI 43-101 provided that the grade or quality and the quantity of each category is stated; however, the SEC normally only permits issuers to report mineralization that does not constitute "Reserves" by SEC standards as in place tonnage and grade without reference to unit measures. For the above reasons, information contained in this Technical Report containing descriptions of our Mineral Resource and Mineral Reserve estimates is not comparable to similar information made public by US companies subject to the reporting and disclosure requirements of the SEC.