Santo Domingo Project, Chile – Cu, Au, Fe and Co

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 expected timing and success of the underground paste backfill system study and tailings filtration project at Cozamin, the Pinto Valley HydroFloat project, the outcome and timing of the PV4 study, the success of our use of the Jetti Technology, the expected scope and timing of Pinto Valley updated Technical Report, the successful completion of a rail and/ or port agreement with Puerto Ventanas, the success of our strategic process for the Santo Domingo project, 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 success of the PV3 Optimization project, the realization of Mineral Reserve estimates, the timing and amount of estimated future production, costs of production and capital expenditures and reclamation, 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, Capstone’s ability to fund future exploration activities, Capstone’s ability to finance the Santo Domingo project, 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 “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. In this document certain forward-looking statements are identified by words including “anticipated”, “expected”, “guidance” and “plan”. 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, availability of water, 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 and potential legal challenges to permit applications, contractual risks including but not limited to, our ability to meet the completion test requirements under the Cozamin Silver Stream Agreement with Wheaton Precious Metals, our ability to meet certain closing conditions under the Santo Domingo Gold Stream Agreement with Wheaton Precious Metals, acting as Indemnitor for Minto Exploration Ltd.’s surety bond obligations post divestiture, impact of climate change and changes to climatic conditions at our Pinto Valley and Cozamin operations, changes in regulatory requirements and policy related to climate change and GHG emissions, 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, increased cost of reclamation, challenges to title to our mineral properties, increased taxes in jurisdictions the Company operates or is subject to tax, changes in tax regimes we are subject to and any changes in law or interpretation of law may be difficult to react to in an efficient manner, 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 including but not limited to competition for skilled labour, risks associated with joint venture partners, our ability to integrate new acquisitions and new technology 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 and Annual Information Form, 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.

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 cost", "cash cost", "adjusted EBITDA", "operating cash flow before changes in working capital", "adjusted net income", "net debt", "all-in sustaining costs", "all-in costs" and "available liquidity" 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, "Pinto Valley Mine Life Extension – Phase 3 (PV3) Pre-Feasibility Study" effective January 1, 2016 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 presentation was reviewed and approved by Brad Mercer, P. Geol., Senior Vice President and Chief Operating Officer (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), Tucker Jensen, Superintendent Mine Operations, P.Eng (technical information related to Mineral Reserves at Cozamin) and Albert Garcia III, PE, Vice President, Projects (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 April 27, 2021 and MD&A and Financial Statements for the three months ("Q1 2021") ended March 31, 2021, and the Company's 2020 Annual Information Form for full details to the information referenced throughout this presentation.

Capstone Mining in the world

HEAD OFFICE, Vancouver, BC, Canada

PINTO VALLEY MINE, Arizona, US
Wholly owned by Pinto Valley Mining Corp. a US subsidiary.

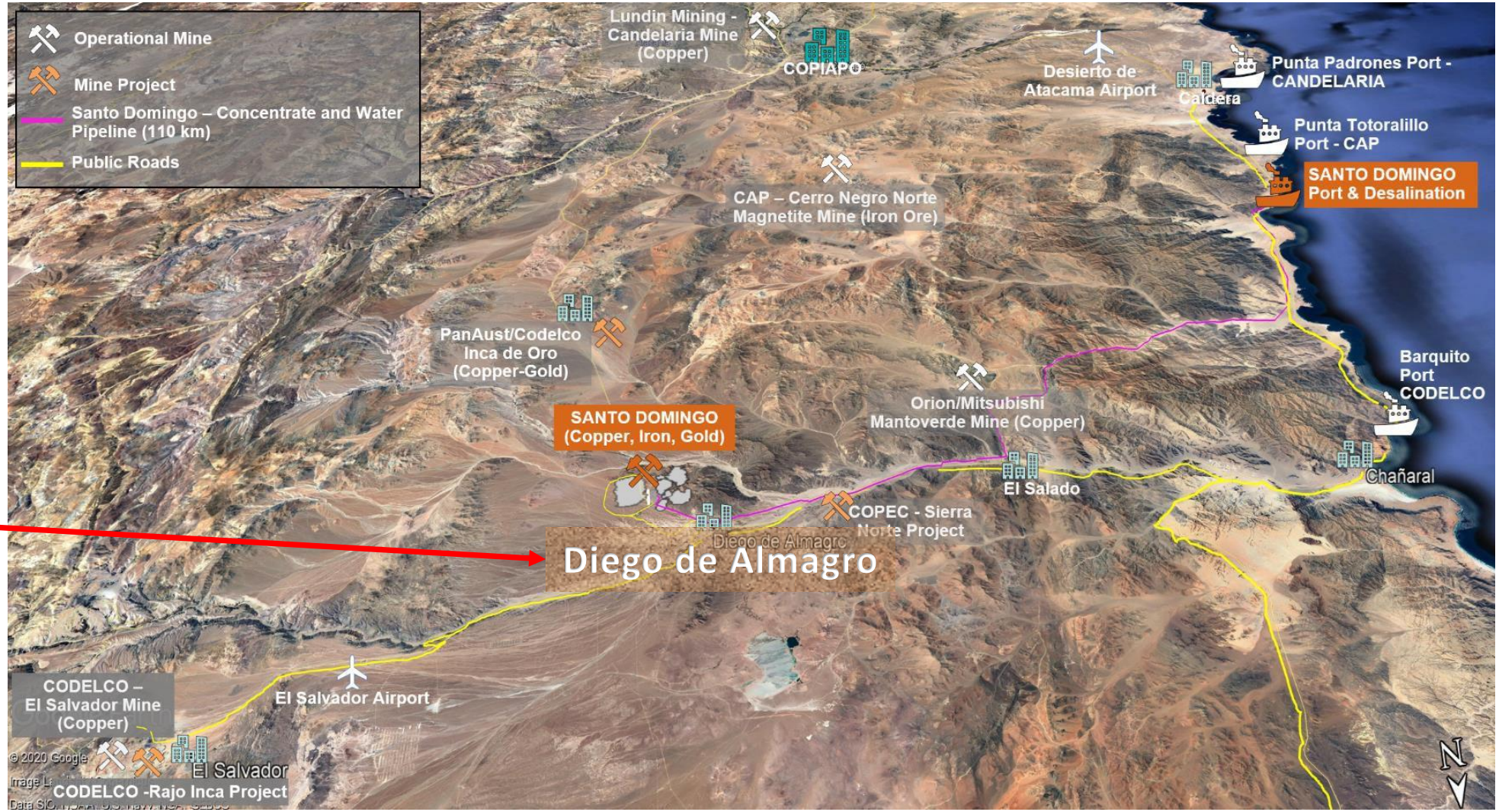
COZAMIN MINE, Zacatecas, Mexico
Owned and operated by Capstone Gold, S.A. de C.V., a wholly owned Mexican subsidiary.

SANTO DOMINGO DEVELOPMENT PROJECT, Region III, Chile
100% owned by Minera Santo Domingo SCM, a Chilean subsidiary. Exploration in Chile is performed by Capstone Mining Chile SpA, a wholly owned Chilean subsidiary.
Conducted brownfield exploration and confirmatory drilling in 2021

EXPLORATION
During 2020, Capstone conducted greenfield exploration activity in Brazil and Mexico.

Santo Domingo in the middle of a growing mining districts

150 km north of Copiapo, at 1000 m.a.s.l. and 7 km from Diego de Almagro



Santo Domingo Project

Santo Domingo Reserves & Resources

COPPER EQUIVALENT	
Total Measured & Indicated CuEq Mineral Resource	**537 Mt @ 0.52% CuEq**
Inferred CuEq Mineral Resource	48 Mt @ 0.41% CuEq

COPPER

Total Proven & Probable Cu Mineral Reserve	**1,167 kt contained metal: 392.3 Mt @ 0.30% Cu**
Total Measured & Indicated Cu Mineral Resource	**537 Mt @ 0.30% Cu**
Inferred Cu Mineral Resource	48 Mt @ 0.19% Cu

GOLD

Total Proven & Probable Au Mineral Reserve	**506.7 koz contained metal: 392.3 Mt @ 0.04 g/t Au**
Total Measured & Indicated Au Mineral Resource	**537 Mt @ 0.039 g/t Au**
Inferred Au Mineral Resource	48 Mt @ 0.025 g/t Au

IRON

Total Proven & Probable Fe Mineral Reserve	**75.1 Mt magnetite concentrate: 392.3 Mt @ 28.2% Fe**
Total Measured & Indicated Fe Mineral Resource	**537 Mt @ 25.7% Fe**
Inferred Fe Mineral Resource	48 Mt @ 23.6% Fe

COBALT

Total Measured & Indicated Co Mineral Resource	**123 kt @ 229 ppm Co**
Inferred Co Mineral Resource	9 kt @ 197 ppm Co

RESOURCES: *Mineral Resources are classified according to CIM (2014) standards. Mineral Resources are reported inclusive of Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The Qualified Person for the estimates is Mr. David Rennie, P. Eng., an associate of Roscoe Postle Associates Inc. Mineral Resources for the Santo Domingo Sur, Iris, Iris Norte and Estrellita deposits have an effective date of 13 February 2020. Mineral Resources for the Santo Domingo Sur, Iris, Iris Norte and Estrellita deposits are reported using a cut-off grade of 0.125% copper equivalent (CuEq). CuEq grades are calculated using average long-term prices of US$3.50/lb) Cu, US$1,300/oz Au and US$99/(dmt) Fe conc. The CuEq equation is: % Cu Equivalent = (Cu Metal Value + Au Metal Value + Fe Metal Value) / (Cu Metal Value per percent Cu). The general equation for metal value is: Metal Value = Grade * Cm * R * (Price – TCRC – Freight) * (100 – Royalty) / 100, where Cm is a constant to convert the grade of metal-to-metal price units, R is metallurgical recovery, and TCRC is smelter treatment charges and penalties. Only copper, gold and iron were recognized in the CuEq calculation; cobalt and sulphur were excluded. Mineral Resources are constrained by preliminary pit shells derived using a Lerchs–Grossmann algorithm and the following assumptions: pit slopes averaging 45º; mining cost of US$1.90/t, processing cost of US$7.27/t (including G&A cost); processing recovery of 89% copper and 79% gold, iron recoveries are calculated based on magnetic susceptibility; and metal prices of US$3.50/lb Cu, US$1,300/oz Au and US$99/dmt Fe concentrate. Rounding as required by reporting standards may result in apparent summation differences. Tonnage measurements are in metric units. Copper, iron and sulphur are reported as percentages, gold as grams per tonne and cobalt as parts per million.*

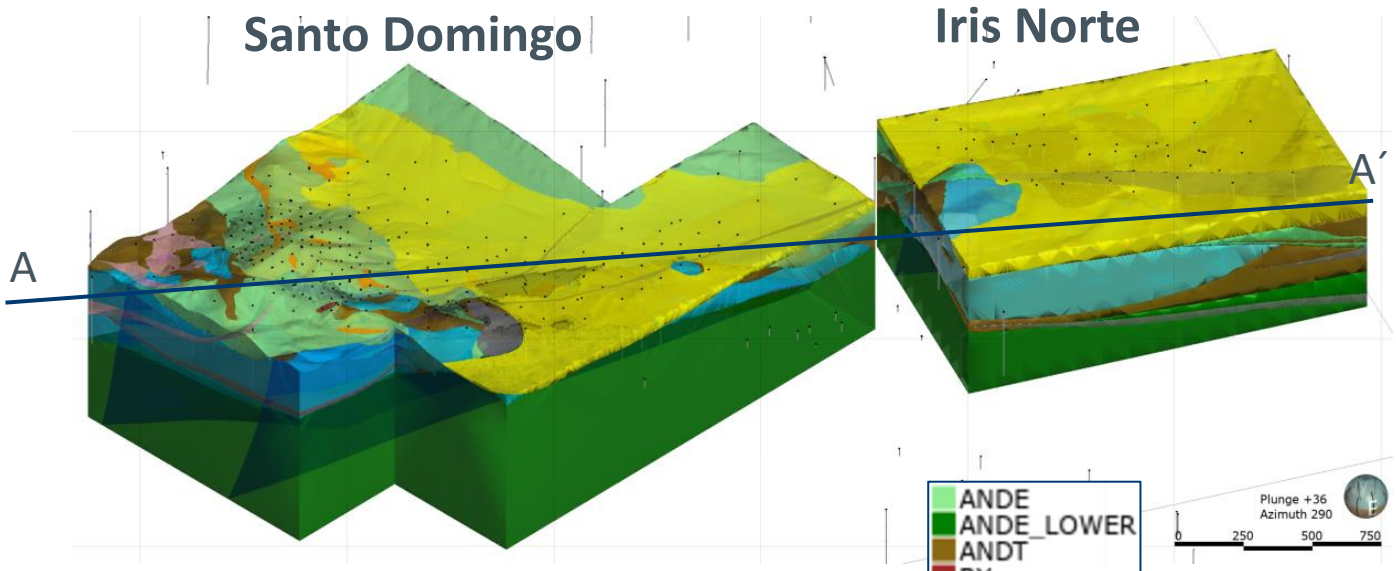
NOTES: *Mineral Reserves as at December 31, 2020 and Mineral Resources as at December 31, 2020. For full information, please refer to the Company's Annual Information Form for December 31, 2020 available on www.capstonemining.com or SEDAR.*

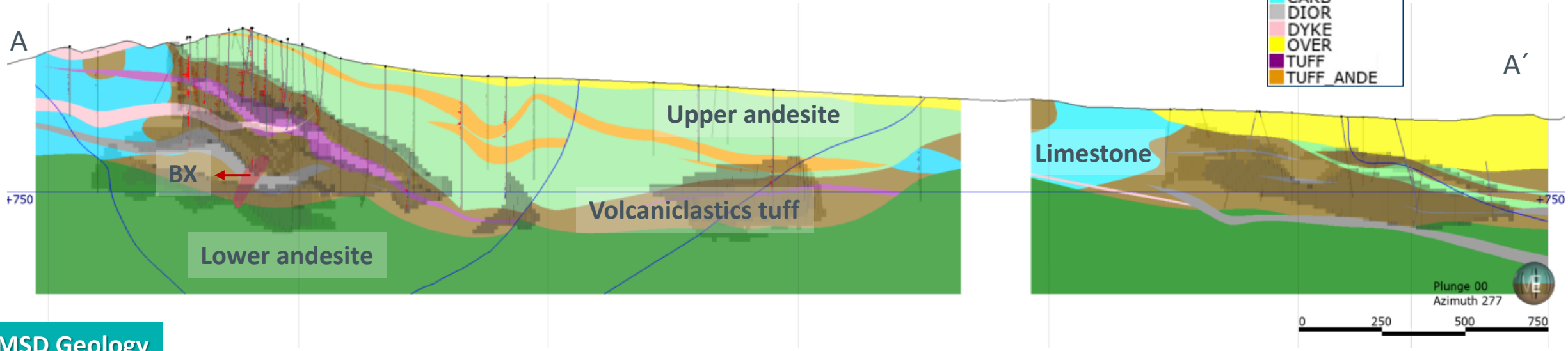
Santo Domingo Project

Santo Domingo Geology

Lithology

- Stratiform replacement mantos and lesser breccias within a volcaniclastics tuffaceous rocks sequence (ANDT & TUFF).
- Deposit is covered by andesites flows (ANDE & ANDE_LOWER) and gravel (OVER).
- Inter-mineral (DIOR) and post-mineral dikes (DYKE) intruding the sequence
- Alteration controlled by lithology; Sodic-Calcic, Potassic, Carbonate and Skarn.
- Orebody striking NE dipping ~20° to NW





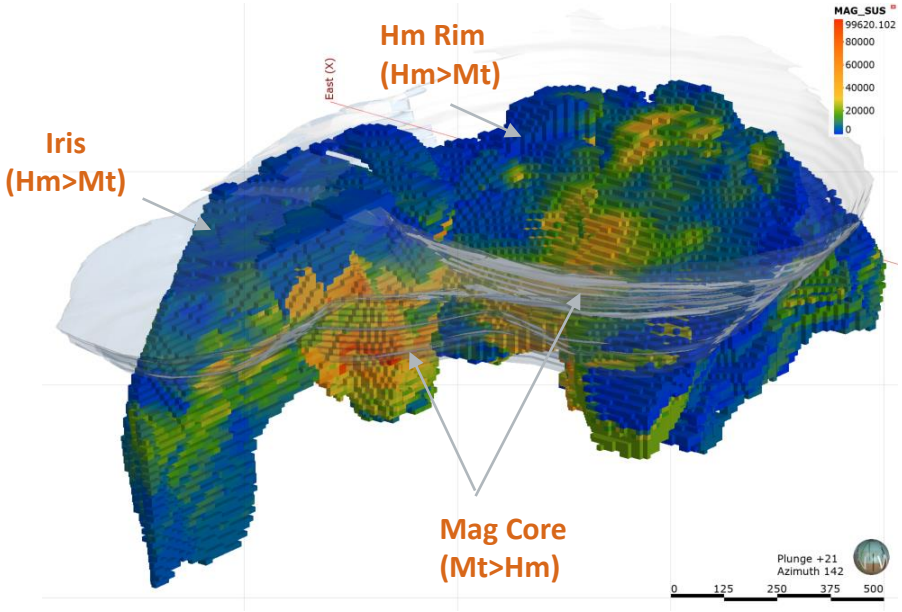
MSD Geology

Santo Domingo Geology

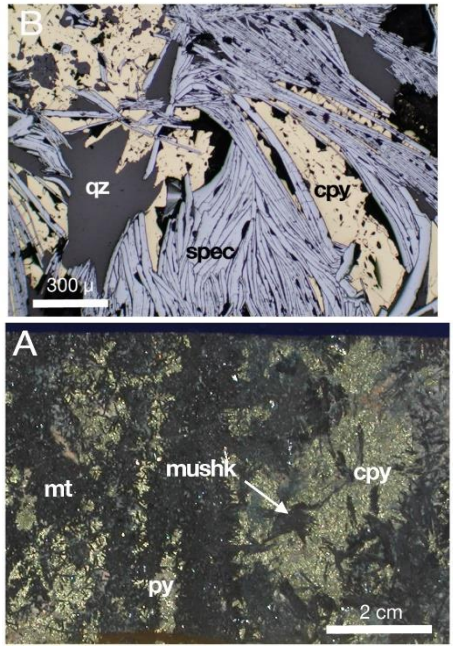
Mineralogy

- Chalcopyrite-bearing specularite-magnetite mantos with Co-rich pyrite.
- Iron Oxides zoning from specular hematite rim towards a magnetite rich core.
- Higher copper grades associated with hematite and little magnetite
- Copper and gold associated together

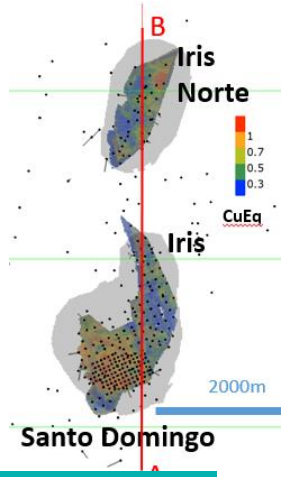
Iron Oxide Zoning (MagSus)

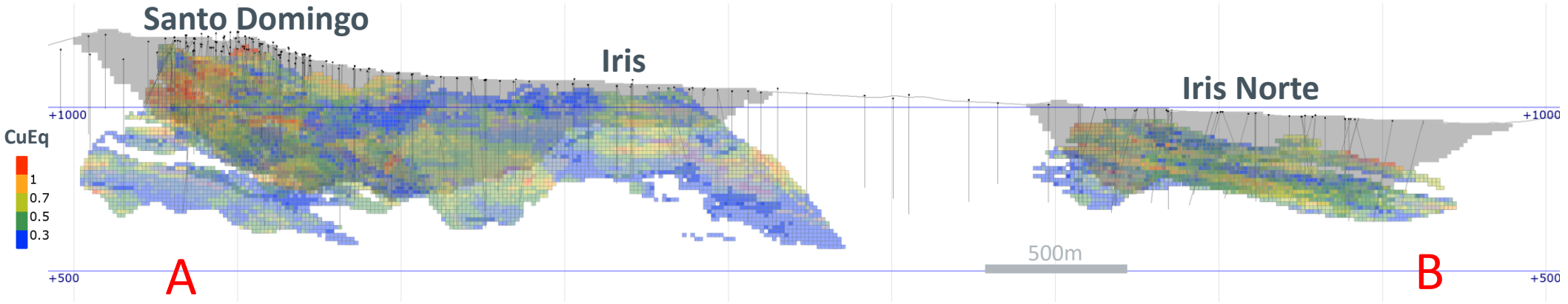


Hm rich ore



Mt rich ore

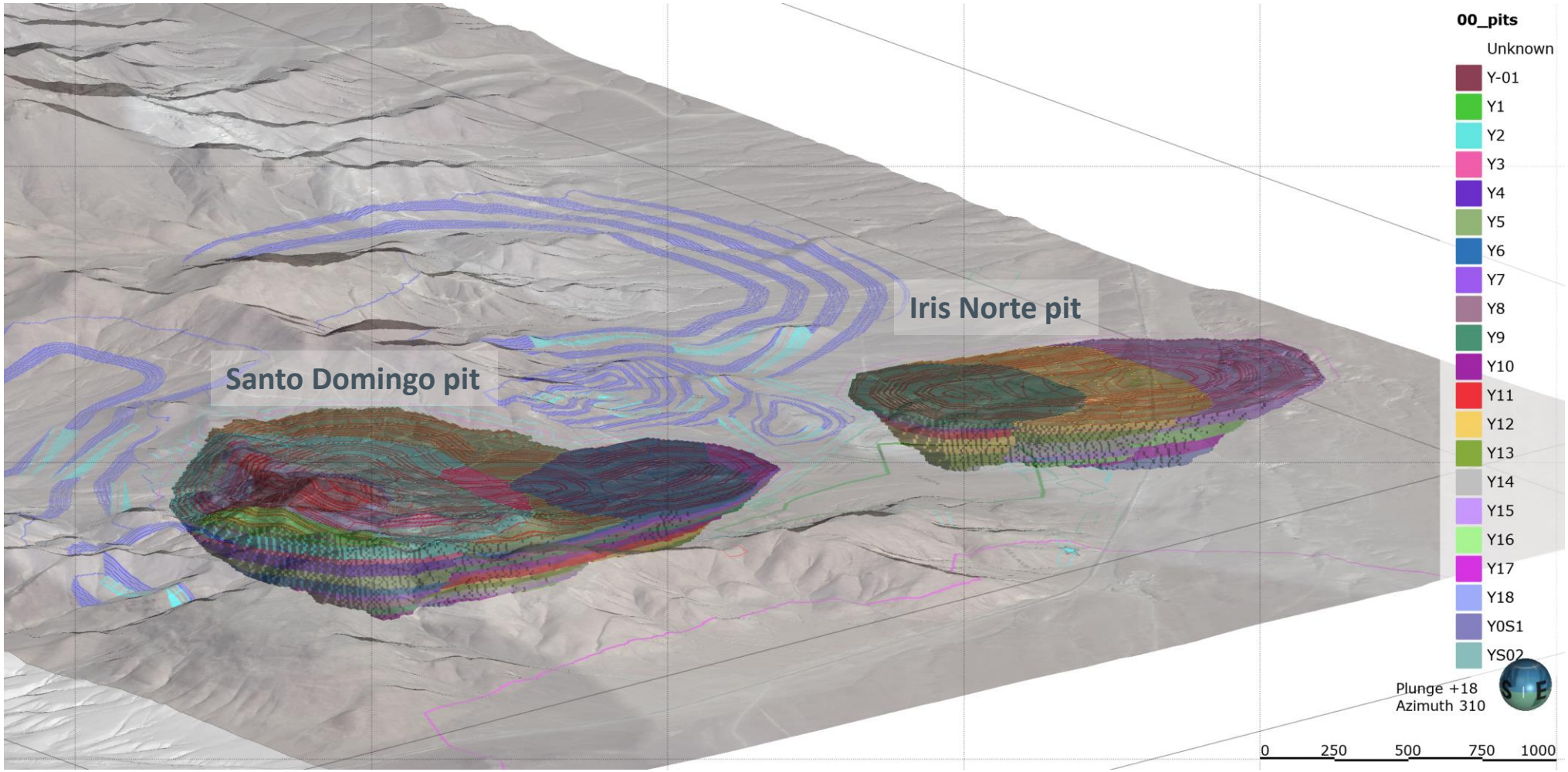




MSD Geology

Final pit design

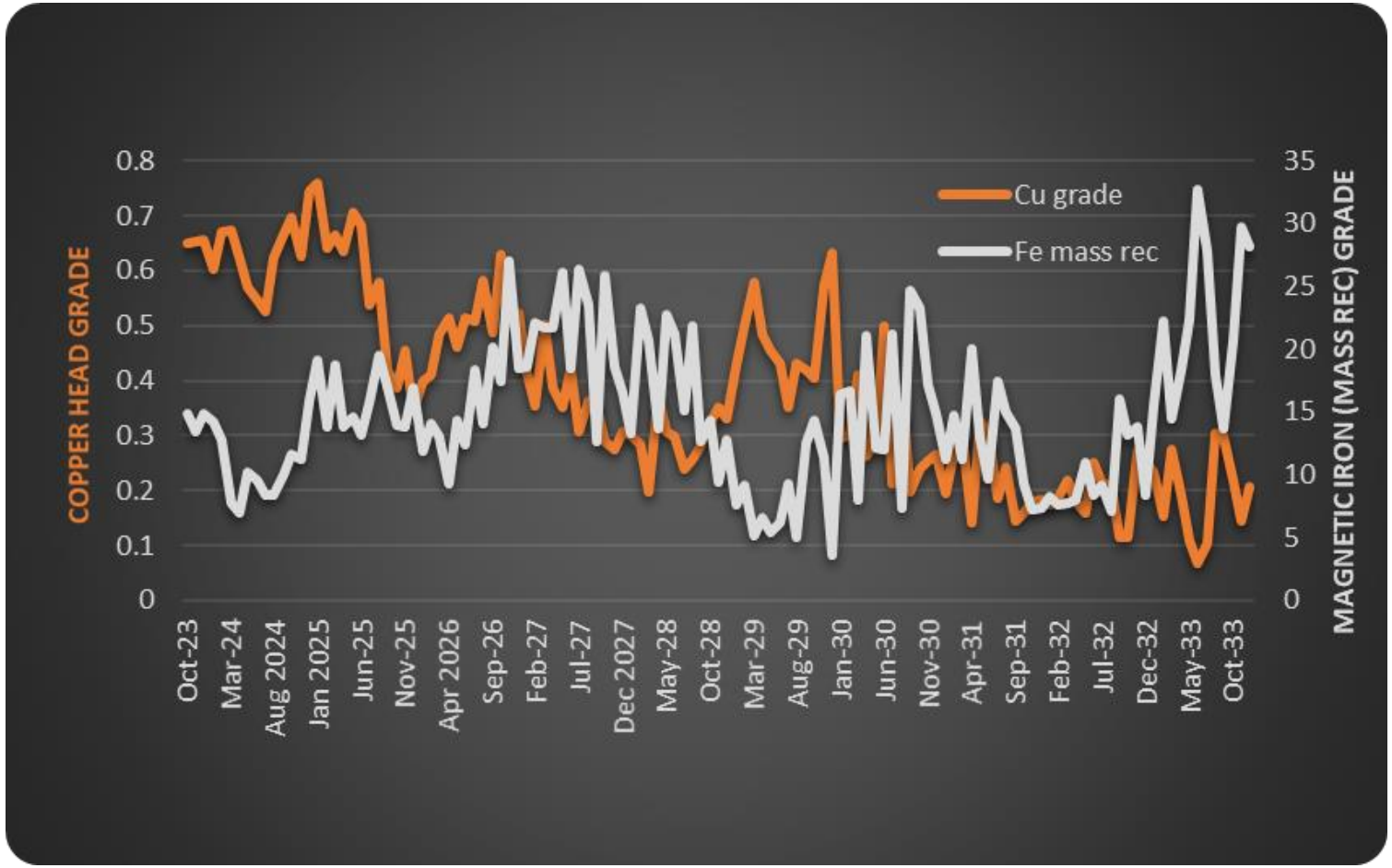
Santo Domingo (left) and Iris Norte (right) pits



MSD Mine Plan

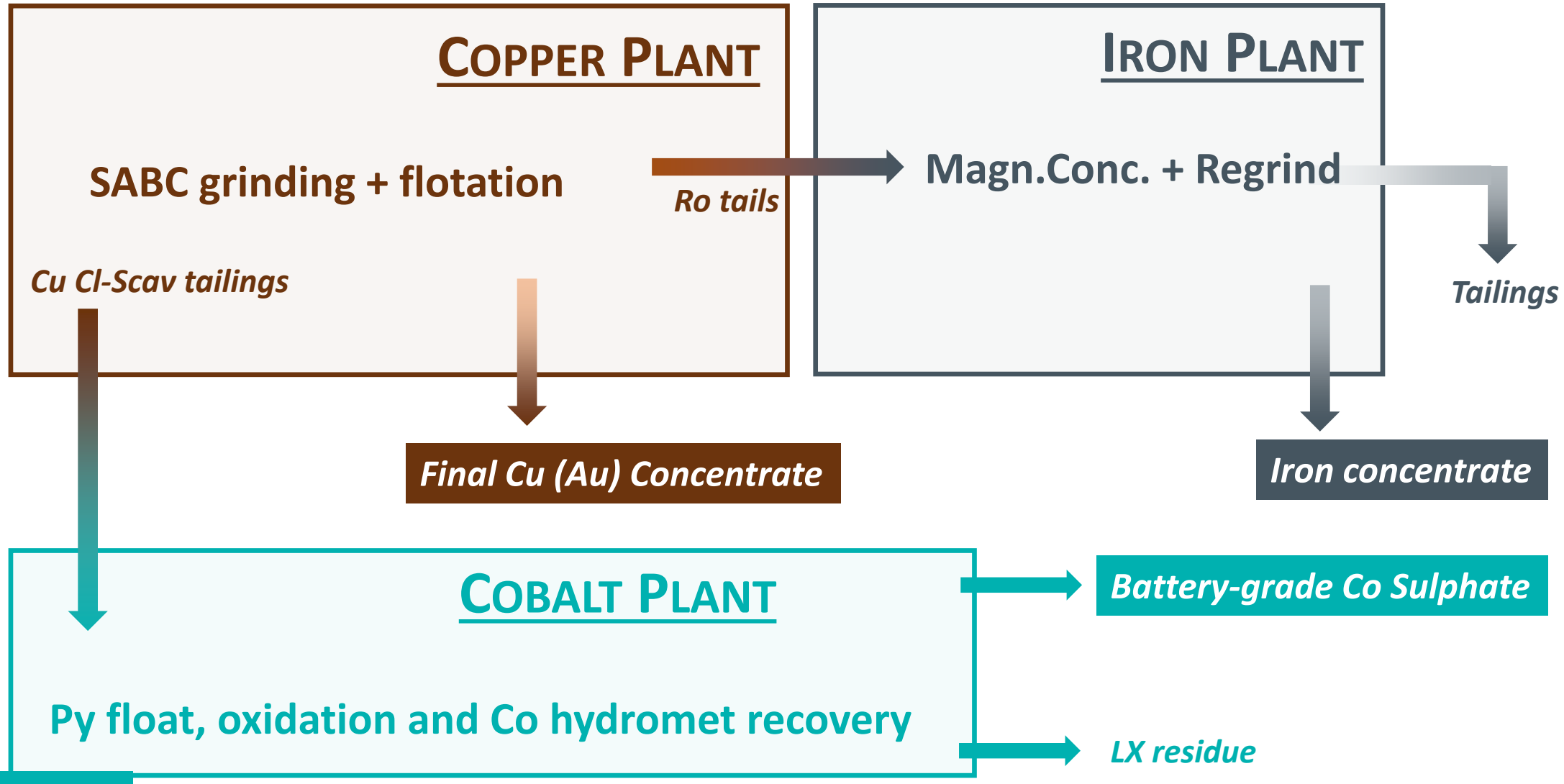
MSD In-situ ore variability (first 10 years of operation)

Highly variable Cu and magnetic_iron grades (*in-situ* block values – monthly average)



Geometallurgy

Integrated metallurgical flowsheet

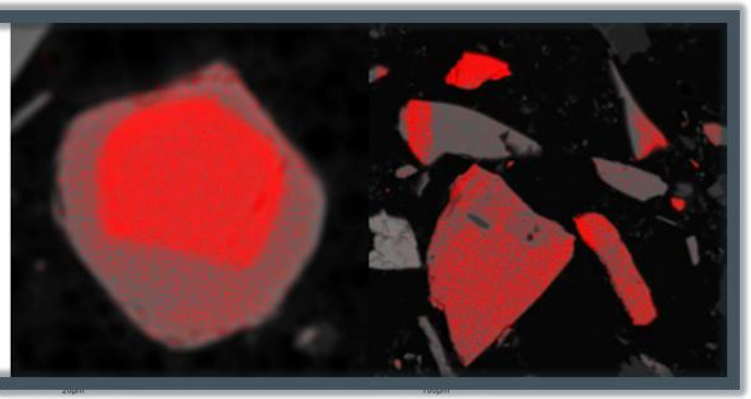


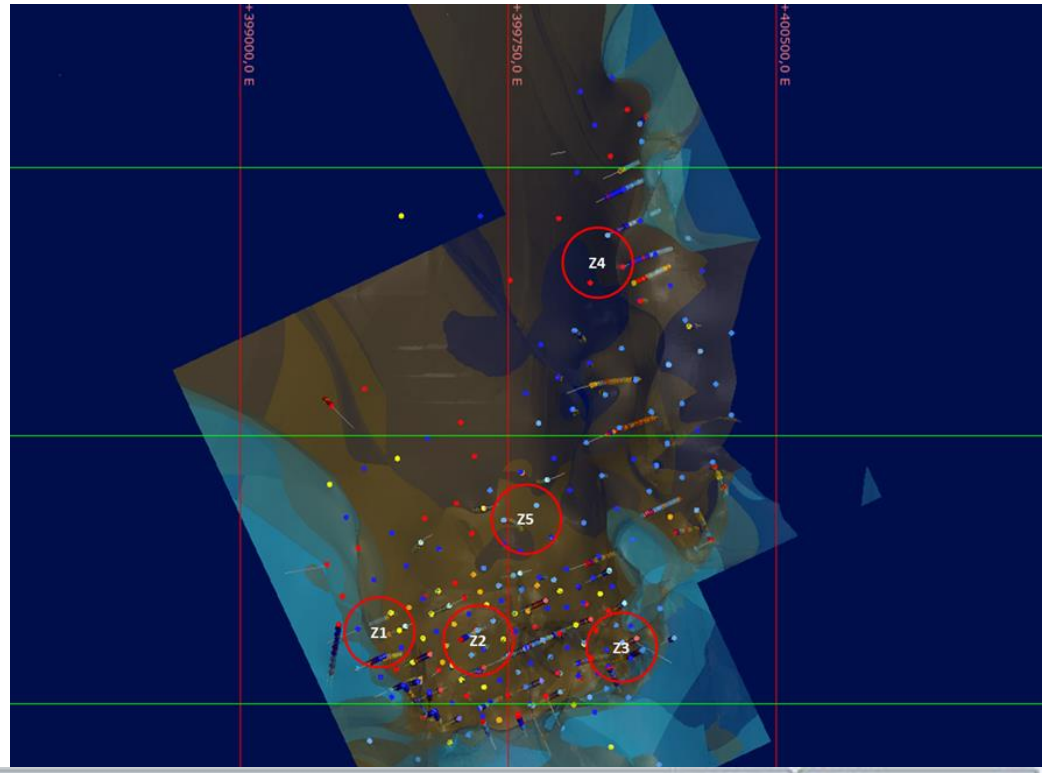
MSD flowsheet design

Co drilling targets SDMET21

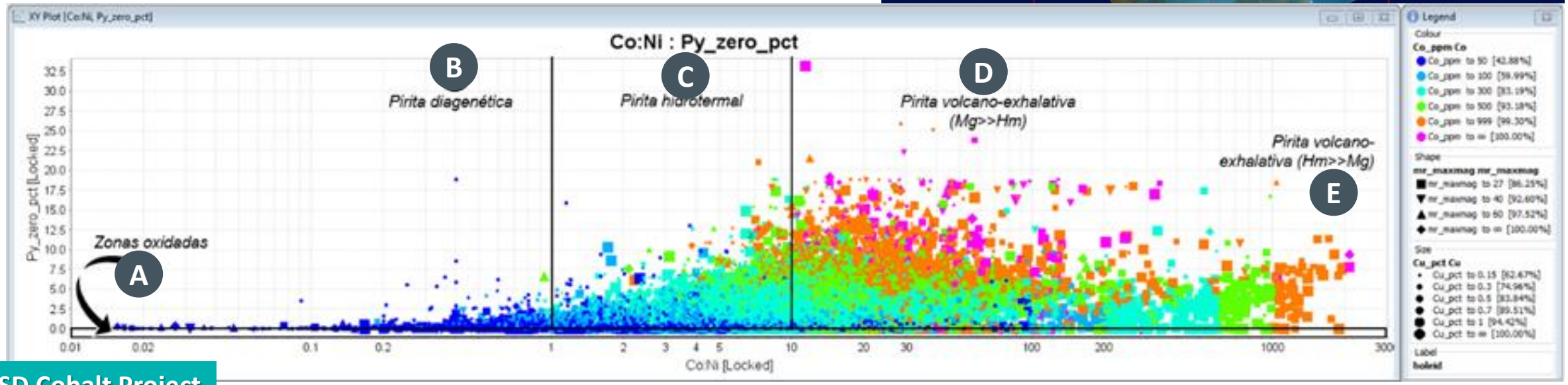
Co/Ni genetic classification and Py/Co zoning

Cobalt (in red) is predominantly present in pyrite crystals (in grey), typical for IOCG ores (microprobe image of Santo Domingo pyrites)





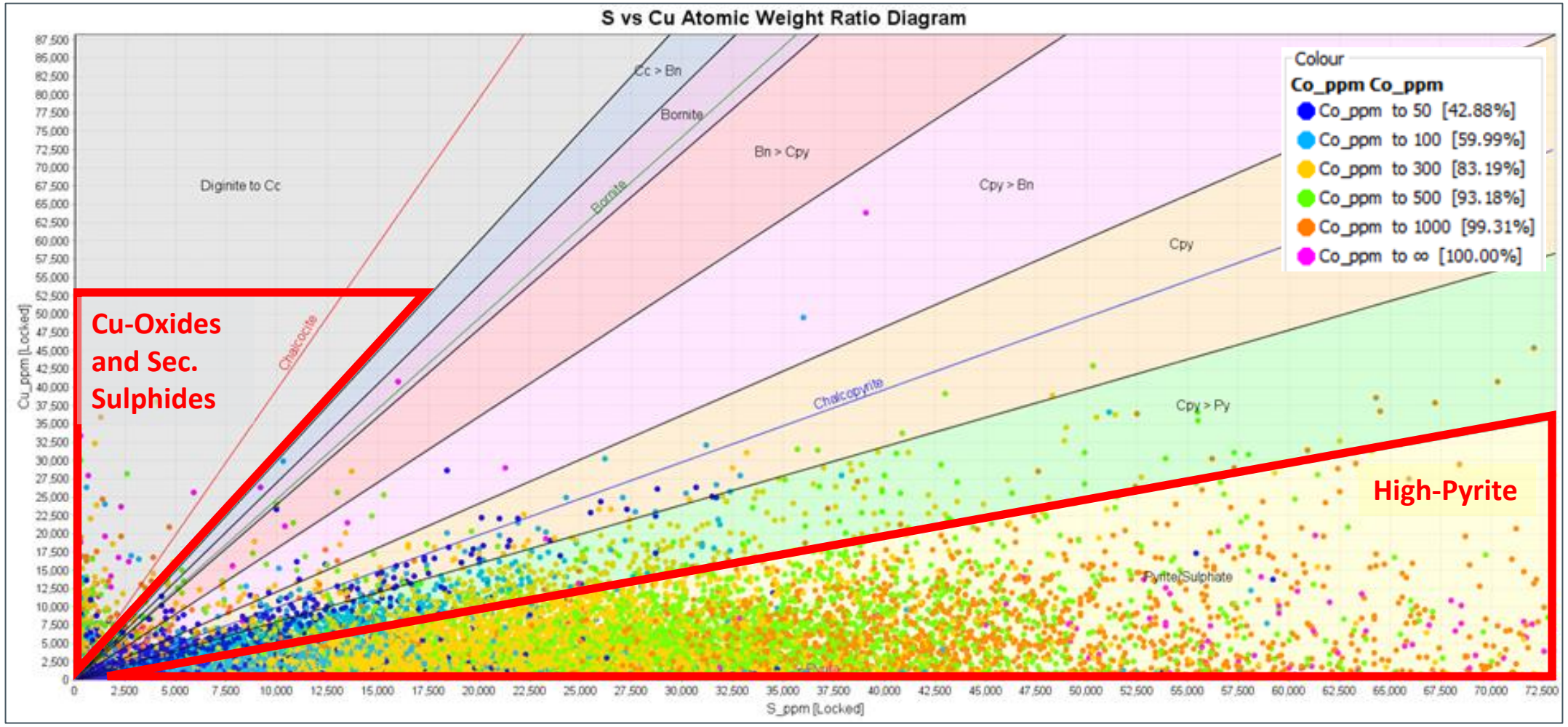
Source: Blue Coast Mountain, 2019 (left); Townley et al., 2021 (right and below)



MSD Cobalt Project

Two distinct Co mineralization zones at MSD with Co > 300 ppm

Co presence as function of Cu:S ratio



Source: Townley et al., 2021

MSD Cobalt Project

Teamwork is key

Get the geologist into the met lab!

Bring the engineers into the field!

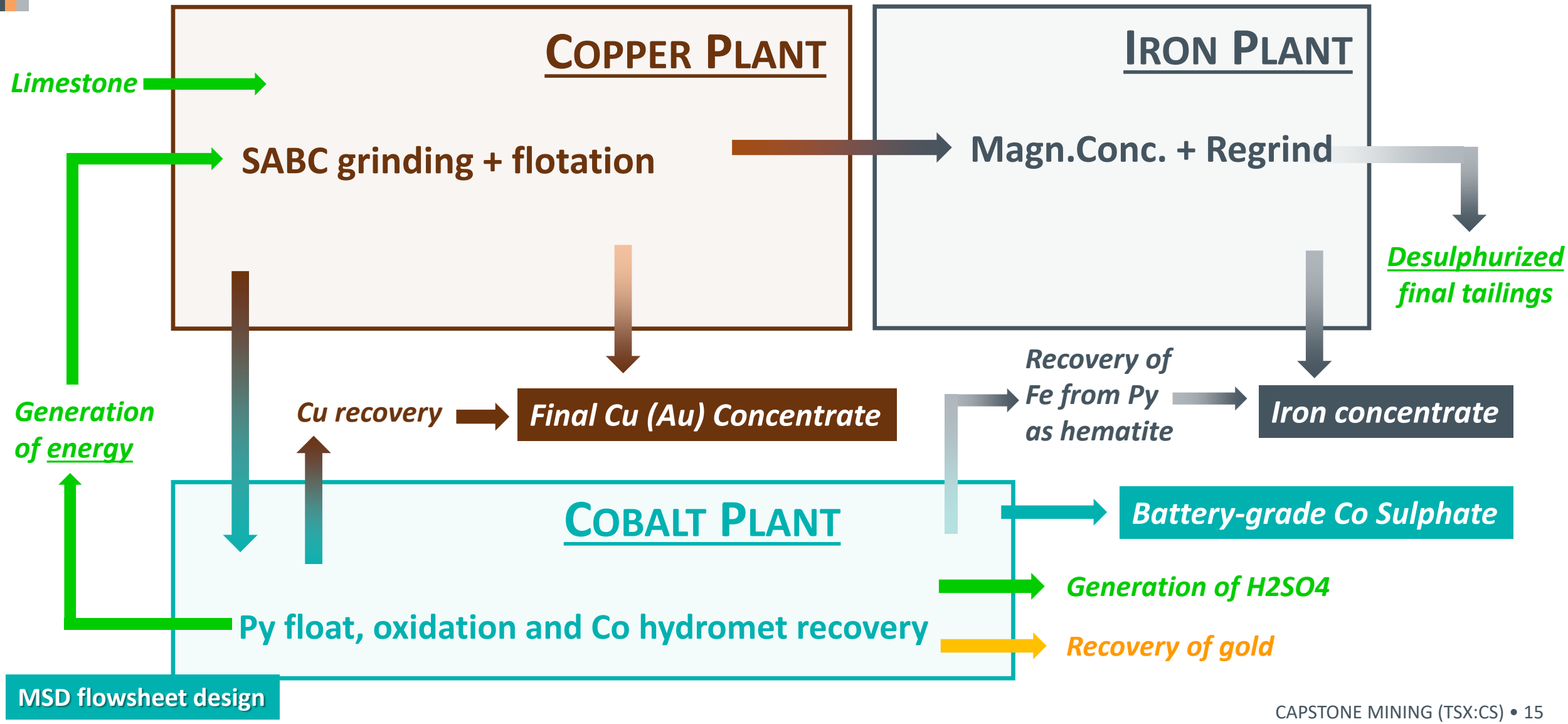
Involve and empower your key providers!

Geologist at Met Lab

Engineering team on site

MSD Technical Services team & key providers

Integrated metallurgical flowsheet



Increased value from (centralized) Co-recovery plant

Reduced environmental footprint – locally and globally

1. Tailings desulphurization
   - Potential for acid generation reduces significantly at TSF
2. Generation of sulphuric acid as by-product from Cobalt
   - Possible consumable for MSD oxides zones
   - Decreases dependence on import of key consumable for Cu LX plants
   - Decreased exposure to adverse port conditions
3. Co-generation of energy as by-product from Cobalt
4. Production of cobalt
   - key commodity for electromobility and other green technologies
5. Recovery of other minor elements become economically viable
   - Nickel; Vanadium; Gold
   - Phosphate to be used as potential fertilizer
   - Rare earth elements that could be recovered
     - through gravity concentration from Py flotation tailings

Añañuca flower – Atacama desert

Final remarks

Minera Santo Domingo

- MSD has the opportunity to become the first fully integrated Cu-Fe-Au-Co operation in the world.
- The process as developed assures sustainable production through recovery and internal recirculation of several by- and sub-products.
- At regional level, a centralized treatment facility for Co-rich IOCG ores has great potential generating value for all stake-holders
- The combined production of Cu and Fe requires a combination of process expertise that is uncommon at present but gives insight into what the future (of processing) could look like.
- Geometallurgy, or better to say, geo-mining-metallurgy, becomes even more relevant when treating multiple-commodity orebodies characterized by independent mineralization events