

January 20, 2025

Capstone Copper Announces 2024 Production Results and Provides 2025 Guidance

All amounts in US\$ unless otherwise indicated

Vancouver, British Columbia – Capstone Copper Corp. (“Capstone” or the “Company”) (TSX:CS) (ASX:CSC) today announced consolidated copper production for 2024 and provided operations and capital expenditure guidance for 2025.

- Record consolidated copper production in 2024 was **184,458 tonnes** at C1 cash costs^{1,2} of approximately **\$2.75 to \$2.80 per payable pound of copper**.
- Consolidated copper production **increased by 12%** compared to 2023 driven by the ramp-up of the Mantoverde Development Project (“MVDP”).
- During Q4 2024, Capstone produced record consolidated copper production of **53,942 tonnes** at C1 cash costs^{1,2} of approximately **\$2.55 to \$2.60 per payable pound of copper**.
- 2025 forecasted production volumes of **220,000 to 255,000 tonnes of copper** are expected to increase by approximately 19% to 38%, while 2025 forecasted C1 cash costs¹ of **\$2.20 to \$2.50 per payable pound of copper** are expected to decrease by approximately 10% to 20% compared to 2024.

John MacKenzie, CEO of Capstone, commented, “The fourth quarter was an overall record for Capstone’s consolidated copper production, with our output up 14% and unit costs down approximately 9% quarter-over-quarter. Although total 2024 consolidated copper production of 184,458 tonnes finished slightly below our guidance range, largely attributable to ramp-up delays at Mantos Blancos and Mantoverde, we exited the year close to design production levels. At Mantos Blancos, we averaged above our design mill throughput rate of 20,000 tonnes per day in November and December. Meanwhile at Mantoverde, after producing first copper in June, our ramp up showed sequential improvement over the second half of 2024, with mill throughput averaging just over 27,000 tonnes per day and copper recoveries averaging almost 85% in December.

“This year in 2025, we will deliver meaningful copper production growth, with a commensurate decrease in unit costs, that will drive a significant increase in cash flow generation. Meanwhile, we intend to advance our Mantoverde Optimized brownfield expansion project after receipt of a DIA permit amendment which is expected around the middle of the year. We also plan to continue progressing financing and partnership discussions at our fully permitted Santo Domingo project, while in parallel advancing opportunities to incorporate the recently acquired Sierra Norte project and Santo Domingo’s oxide material into the mine plan, and advancing studies across the remainder of our portfolio that will define our future growth.”

2024 Consolidated Copper Production and Costs Highlights

Consolidated copper production in 2024 was 184,458 tonnes at C1 cash costs^{1,2} of approximately \$2.75 to \$2.80 per payable pound of copper. Consolidated copper production increased by 12% compared to 2023 driven by the ramp-up of the Mantoverde Development Project (“MVDP”) which produced first copper concentrate in late June. For Q4 2024, Capstone produced record consolidated copper production of 53,942 tonnes at C1 cash costs^{1,2} of approximately \$2.55 to \$2.60 per payable pound of copper.

¹ These are Non-GAAP performance measures. Refer to the section entitled “Non-GAAP and Other Performance Measures” in the Cautionary Notes.

² Full year 2024 and Q4 2024 C1 Cash Costs are preliminary and unaudited. Final results will be released on February 19, 2025.

Summary of 2024 Copper Production:

	Q4 2024 Copper Production (tonnes)	Full Year 2024 Copper Production (tonnes)
Sulphides Business		
Pinto Valley	11,626	57,271
Cozamin	6,724	24,906
Mantos Blancos	12,165	37,744
Mantoverde ³	13,580	21,777
Total Sulphides	44,094	141,698
Cathode Business		
Mantos Blancos	1,398	6,830
Mantoverde ³	10,045	35,930
Total Cathodes	11,294	42,760
Consolidated Copper Production	53,942	184,458

Table footnotes:

³ Mantoverde production shown on a 100% basis.

Production at Pinto Valley in Q4 2024 was impacted by unplanned maintenance, resulting in lower than expected availabilities and lower plant throughput. Copper grades averaged 0.30% in Q4 (compared to 0.34% overall in 2024) consistent with the mine sequence.

Mantos Blancos sulphides posted record quarterly copper production of 12,165 tonnes, driven by the successful ramp-up of the concentrator after the installation of new equipment in the tailings handling area during Q3 2024. Overall in Q4 2024, Mantos Blancos averaged plant throughput of approximately 19,579 tonnes of ore per day (“tpd”), including an average of 20,137 tpd through November and December (compared to 16,027 tpd overall in 2024).

Mantoverde sulphides posted record quarterly copper production of 13,580 tonnes from the new sulphide concentrator in Q4 2024. During the quarter, plant throughput averaged 24,800 tpd, copper grades averaged 0.80%, and copper recoveries averaged 74.4%. Plant throughput was impacted by a combination of planned and unplanned downtime, with the planned downtime used to improve recoveries, and the unplanned downtime mostly driven by typical ramp-up issues. Plant availability and recoveries have steadily increased since first copper production in June, and in December, plant throughput averaged 27,105 tpd, copper grades averaged 0.73%, and copper recoveries averaged 84.8%.

¹ These are Non-GAAP performance measures. Refer to the section entitled “Non-GAAP and Other Performance Measures” in the Cautionary Notes.

2025 Production and Costs Guidance

2025 forecasted production volumes of 220,000 to 255,000 tonnes of copper are expected to increase by approximately 19% to 38%, while 2025 forecasted C1 cash costs¹ of \$2.20 to \$2.50 per payable pound of copper are expected to decrease by approximately 10% to 20% compared to 2024.

Capstone 2025 production and cost guidance are as follows:

	Copper Production (tonnes)	C1 Cash Costs ² (US\$ per payable lb Cu Produced) ⁴
Sulphides Business		
Pinto Valley	51,000 – 58,000	\$2.55 – \$2.85
Cozamin	23,000 – 26,000	\$1.60 – \$1.80
Mantos Blancos	43,000 – 51,000	\$2.20 – \$2.50
Mantoverde ³	68,000 – 80,000	\$1.25 – \$1.55
Total Sulphides	185,000 – 215,000	\$1.85 – \$2.15
Cathode Business		
Mantos Blancos	6,000 – 8,000	\$3.40 – \$3.70
Mantoverde ³	29,000 – 32,000	\$4.10 – \$4.40
Total Cathodes	35,000 – 40,000	\$3.95 – \$4.25
Consolidated Copper Production	220,000 – 255,000	\$2.20 – \$2.50

Table footnotes:

³ Mantoverde production shown on a 100% basis.

⁴ Key C1 cash costs¹ input assumptions include: CLP/USD: 900:1; MXN/USD: 18.5:1; Silver: \$27/oz; Gold: \$2,350/oz; Molybdenum: \$18/lb.

Pinto Valley: Similar copper production is forecasted when compared to 2024 as higher mill availability is expected to offset lower copper grades of approximately 0.31% in 2025. Production is weighted towards the second half of the year driven by higher copper grades and a planned maintenance shutdown in Q1 2025.

Cozamin: Copper production is expected to be similar compared to 2024, with grades expected to approximate 1.87%. Production is expected to be consistently weighted through the year.

Mantos Blancos: Copper production at Mantos Blancos is forecasted to increase in 2025 due to higher mill throughput, with a commensurate decrease in C1 cash costs¹. Sulphide copper grades are expected to approximate 0.88%. Production is slightly weighted towards the second half of the year driven by higher throughput as a planned maintenance shutdown is scheduled in Q1 2025.

Mantoverde: Copper production at Mantoverde is forecasted to significantly increase in 2025 driven by the new sulphide concentrator, with a corresponding decrease in consolidated cash costs¹. Sulphide copper grades are expected to approximate 0.77% in 2025. Planned maintenance is scheduled during Q1 and Q3 2025. In addition, we expect to complete the ramp up from December 2024 monthly performance to full rates within Q1 2025.

2025 Capital Expenditures Guidance

In 2025, the Company plans to spend a total of \$315 million in sustaining and expansionary capital expenditures at its operating mines and the Santo Domingo Project. This is broken down into \$255 million on sustaining capital and \$60 million on expansionary capital.

¹ These are Non-GAAP performance measures. Refer to the section entitled “Non-GAAP and Other Performance Measures” in the Cautionary Notes.

The sustaining capital expenditure includes approximately \$80 million of spending related to ESG initiatives, largely related to upgrading tailings storage facilities at Pinto Valley and Mantos Blancos, as well as improving tailings stewardship as the Company works towards implementing the Global Industry Standard for Tailings Management (“GISTM”) by year end 2028. Pinto Valley sustaining capital includes approximately \$50 million related to ESG initiatives (\$10 million attributable to improving dust control and \$25 million on GISTM upgrades), while Mantos Blancos sustaining capital includes approximately \$30 million (\$15 million attributable to a new tailings thickener and \$10 million related to other GISTM initiatives).

Expansionary capital includes \$10 million of early works spending for the Mantoverde Optimized Project, and approximately \$50 million at Santo Domingo. At Mantoverde Optimized, a DIA permit amendment is anticipated around the middle of 2025, after which the Company will look to sanction the project, subject to necessary approvals, and revisit expansionary capital expenditure guidance during the second half of 2025. At Santo Domingo, the Company plans to progress partnership discussions and its financing strategy throughout 2025. A potential project sanctioning decision is not anticipated prior to 2026.

	Pinto Valley	Cozamin	Mantos Blancos	Mantoverde*	Santo Domingo	Total
Capital Expenditure (\$ millions)						
Sustaining Capital ¹	85	25	70	75	-	255
Expansionary Capital ¹	-	-	-	10	50	60
Total Capital Expenditures	85	25	70	85	50	315

*Mantoverde shown on a 100% basis

In addition, the Company plans to spend a total of \$210 million in capitalized stripping at its three open pit mines.

	Pinto Valley	Mantos Blancos	Mantoverde*	Total
Capitalized Stripping (\$ millions)				
	50	85	75	210

*Mantoverde shown on a 100% basis

2025 Exploration Guidance

The Company plans to spend \$25 million in brownfield and greenfield exploration activities in 2025. The brownfields exploration is focused on resource conversion at Pinto Valley, Mantoverde, Mantos Blancos, and Santo Domingo. The greenfield exploration relates to expansionary work in the highly prospective northern area of the Mantoverde land package and at Sierra Norte.

2025 Copper Cathode Hedging Strategy

During Q4 2024, the Company entered into approximately 20,000 tonnes of zero cost copper collars for 2025 in order to ensure break-even pricing on a portion of its higher cost copper cathode production. The collars have an average floor price of LME Copper \$4.15/lb, an average ceiling price of LME Copper \$4.85/lb, and are evenly distributed through 2025.

2024 Year-end Results Announcement and Conference Call

Capstone will release its 2024 full-year results on Wednesday, February 19, after market close. The announcement will be followed by an investor conference call the same day at 5:00pm Eastern Time / 2:00pm Pacific Time (Thursday, February 20, 2025, 9:00 am Australian Eastern Daylight Time).

¹ These are Non-GAAP performance measures. Refer to the section entitled “Non-GAAP and Other Performance Measures” in the Cautionary Notes.

2024 Year-end Webcast and Conference Call Details

Conference call webcast link: <https://app.webinar.net/pWrNOolZnQV>

To connect by phone:

To instantly join the conference call by phone, please use the following URL <https://emportal.ink/4gloBUG> to easily register yourself and be connected into the conference call automatically.

You can also dial direct to be entered to the call by the operator:

Toronto: 1-437-900-0527

Australia: 61-280-171-385

North America toll free: 1-888-510-2154

An audio replay of the conference call will be available until February 26, 2025.

Replay Dial-in Numbers

Toronto: 1-289-819-1450

North America toll free: 1-888-660-6345

Code: 65051#

After the replay expiration, an audio file will be available on Capstone's website at Capstone Copper - Events and Presentations. Further information is available at www.capstonecopper.com

ABOUT CAPSTONE COPPER CORP.

Capstone Copper Corp. is an Americas-focused copper mining company headquartered in Vancouver, Canada. We own and operate the Pinto Valley copper mine located in Arizona, USA, the Cozamin copper-silver mine located in Zacatecas, Mexico, the Mantos Blancos copper-silver mine located in the Antofagasta region, Chile, and 70% of the Mantoverde copper-gold mine, located in the Atacama region, Chile. In addition, we own the fully permitted Santo Domingo copper-iron-gold project, located approximately 30 kilometres northeast of Mantoverde in the Atacama region, Chile, as well as a portfolio of exploration properties in the Americas.

Capstone Copper's strategy is to unlock transformational copper production growth while executing on cost and operational improvements through innovation, optimization and safe and responsible production throughout our portfolio of assets. We focus on profitability and disciplined capital allocation to surface stakeholder value. We are committed to creating a positive impact in the lives of our people and local communities, while delivering compelling returns to investors by responsibly producing copper to meet the world's growing needs.

Further information is available at www.capstonecopper.com

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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 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 Mantoverde Development Project (“MVDP”), the timing and results of the Optimized Mantoverde Development Project (“MV Optimized FS”) and Mantoverde Phase II study, the timing and results of PV District Growth Study (as defined below), the timing and results of Mantos Blancos Phase II Feasibility Study, the timing and success of the Mantoverde - Santo Domingo Cobalt Feasibility Study, the timing and results of the Santo Domingo FS Update and success of incorporating synergies previously identified in the Mantoverde - Santo Domingo District Integration Plan, the timing and results of exploration and potential opportunities at Sierra Norte, the realization of Mineral Reserve estimates, the timing and amount of estimated future production, the costs of production and capital expenditures and reclamation, the timing and costs of the Minto obligations and other obligations related to the closure of the Minto Mine, 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 development project, environmental and geotechnical risks, unanticipated reclamation expenses and title disputes, the success of the synergies and catalysts related to prior transactions, in particular but not limited to, the potential synergies with Mantoverde and Santo Domingo, 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, our estimates of available liquidity, and the risks included in our continuous disclosure filings on SEDAR+ at www.sedarplus.ca. The impact of global events such as pandemics, geopolitical conflict, or other events, 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 diseases, global economic uncertainties and outlook due to widespread diseases or geopolitical events or conflicts, 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.

COMPLIANCE WITH NI 43-101

Unless otherwise indicated, Capstone Copper 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 Copper’s company profile on SEDAR+ at www.sedarplus.ca. 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 technical reports titled "NI 43-101 Technical Report on the Cozamin Mine, Zacatecas, Mexico" effective January 1, 2023, "NI 43-101 Technical Report on the Pinto Valley Mine, Arizona, USA" effective March 31, 2021, "Santo Domingo Project, NI 43-101 Technical Report and Feasibility Study Update, Atacama Region, Chile" effective July 31, 2024, and "Mantos Blancos Mine NI 43-101 Technical Report Antofagasta / Región de Antofagasta, Chile" effective November 29, 2021 and "Mantoverde Mine NI 43-101 Technical Report and Feasibility Study / Atacama Region, Chile", effective July 1, 2024.

The disclosure of Scientific and Technical Information in this document was reviewed and approved by Peter Amelunxen, P.Eng., Senior Vice President, Technical Services (technical information related to project updates at Santo Domingo and Mineral Resources and Mineral Reserves at Mantoverde), Clay Craig, P.Eng., Director, Mining & Strategic Planning (technical information related to Mineral Reserves at Pinto Valley and Cozamin), and Cashel Meagher, P.Geo., President and Chief Operating Officer (technical information related to Mineral Reserves and Resources at Mantos Blancos) all Qualified Persons under NI 43-101.

NON-GAAP AND OTHER PERFORMANCE MEASURES

The Company uses certain performance measures in its analysis. These Non-GAAP performance measures are included in this document because these statistics are key performance measures that management uses to monitor performance, to assess how the Company is performing, and to plan and 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.

Some of these performance measures are presented in Highlights and discussed further in other sections of the document. These measures provide meaningful supplemental information regarding operating results because they exclude certain significant items that are not considered indicative of future financial trends either by nature or amount. As a result, these items are excluded for management assessment of operational performance and preparation of annual budgets. These significant items may include, but are not limited to, restructuring and asset impairment charges, individually significant gains and losses from sales of assets, share based compensation, unrealized gains or losses, and certain items outside the control of management. These items may not be non-recurring. However, excluding these items from GAAP or Non-GAAP results allows for a consistent understanding of the Company's consolidated financial performance when performing a multi-period assessment including assessing the likelihood of future results. Accordingly, these Non-GAAP financial measures may provide insight to investors and other external users of the Company's consolidated financial information.

C1 Cash Costs per payable pound of copper produced: C1 cash costs per payable pound of copper produced is a measure reflective of operating costs per unit. C1 cash costs is calculated as cash production costs of metal produced net of by-product credits and is a key performance measure that management uses to monitor performance. Management uses this measure to assess how well the Company's producing mines are performing and to assess the overall efficiency and effectiveness of the mining operations and assumes that realized by-product prices are consistent with those prevailing during the reporting period.