

Q3 2018 Conference Call/Webcast Presentation

October 31, 2018

Cautionary Note On Forward Looking Information

This presentation, and the documents incorporated by reference herein, 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 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 estimation of mineral resources and mineral reserves, 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, 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”, “guidance”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes” or variations of such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved” or the negative of these terms or comparable terminology. In this document certain forward-looking statements are identified by words such as “targeting”, “guidance”, “potential”, “pending receipt”, “plan” and “expected”. 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, 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, aboriginal title claims and rights to consultation and accommodation, land reclamation and mine closure obligations, uncertainties and risks related to the potential development of the Santo Domingo 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. 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.

Alternative Performance Measures

“C1 cash cost”, “cash cost”, “all-in-sustaining cost”, “all-in cost”, “fully-loaded all-in cost”, “adjusted net income/loss”, “adjusted EBITDA”, “operating cash flow before changes in working capital” and “net debt” 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 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 included in the Company’s unaudited condensed interim consolidated financial statements prepared in accordance with IFRS.

Currency

All amounts are in US\$ unless otherwise specified.

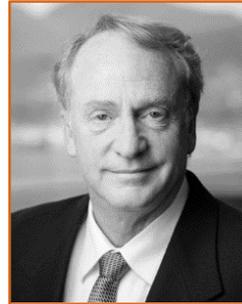
Participants



Darren Pylot
President, CEO &
Director



Jim Slattery
SVP & CFO



Gregg Bush
SVP & COO



Raman Randhawa
VP Finance, FP&A



Cindy Burnett
VP IR &
Communications

Financial Highlights for Q3 2018*

- Consolidated C1 cash costs¹ of \$1.85 per pound
- QoQ reduced AISC¹ by over 5%
- Realized copper price of \$2.72 per pound
- Operating cash flow before changes in working capital^{1,2} \$25.9 million, or \$81.3 million YTD
- Adjusted EBITDA¹ of \$94.4 million YTD
- Paid down debt by \$40 million



On track with full year consolidated production and cost guidance

Operating Results (from continuing operations*)

Pinto Valley (Arizona, US)	Q3 2018	Q3 2017	2018 YTD	2017 YTD
Copper Production (tonnes)	14,200	14,400	39,000	41,200
C1 Cash Cost ¹ (\$/lb Cu produced)	\$2.15	\$2.06	\$2.23	\$2.01
Adjusted EBITDA ¹	\$20.1	\$29.7	\$63.2	\$65.2

Cozamin (Zacatecas, Mexico)	Q3 2018	Q3 2017	2018 YTD	2017 YTD
Copper Production (tonnes)	4,400	4,200	12,200	12,500
C1 Cash Cost ¹ (\$/lb Cu produced)	\$0.87	\$1.10	\$0.76	\$1.21
Adjusted EBITDA ¹	\$16.2	\$16.0	\$50.0	\$37.1

Consolidated	Q3 2018	Q3 2017	2018 YTD	2017 YTD
Copper Production (tonnes)	18,600	18,600	51,200	53,700
C1 Cash Cost ¹ (\$/lb Cu produced)	\$1.85	\$1.84	\$1.88	\$1.82
Adjusted EBITDA ¹	\$29.8	\$28.8	\$94.4	\$57.0

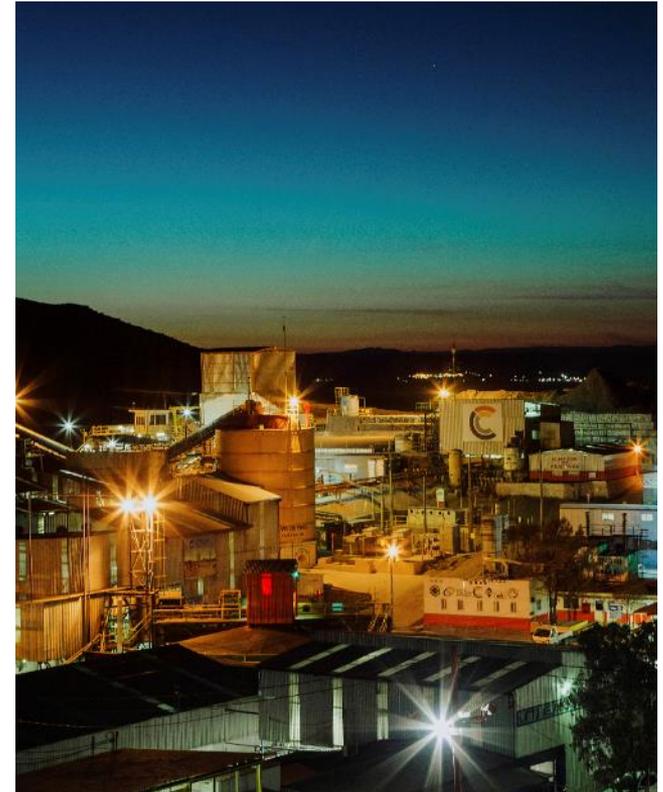
Operating Performance – Pinto Valley

- Production increased in Q3 as result of planned higher grade
- Asset reliability program continuing on track and has realized positive improvements
- Throughput rose from Q2 due to more stable operations and steadily improving reliability in crushing and milling circuits
- Increased planned maintenance while increasing throughput in Q3



Operating Performance – Cozamin

- Copper production in Q3 increased on higher grade and throughput
- Production from San Rafael zinc zone resulted in the highest quarterly zinc production in over five years
- Reserve update including materials handling optimization expected in Q4 2018
- Exploration ongoing in the footwall zone



Upcoming Catalysts

- Pinto Valley stabilization and optimization; seeing improving operations
 - Mine plan calls for increasing grade in Q4 versus Q3
- Cozamin reserve update targeting mine life increase with materials handling optimization targeting mine expansion
- Santo Domingo technical report with updated project economics expected in Q4, along with planning for an appropriate path forward for Capstone



Compliance with NI 43-101

Unless otherwise indicated, Capstone has prepared the technical information in this presentation (“Technical Information”) based on information contained in the technical reports 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” or “QP”) as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators (“NI 43-101”). For readers to fully understand the information in this presentation, they should read the Technical Reports (available on www.sedar.com) in their entirety, including all qualifications, assumptions and exclusions that relate to the information set out in this presentation 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.

The technical information in this presentation has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators (“NI 43-101”) and reviewed and approved by Gregg Bush, P.Eng., Senior Vice President and Chief Operating Officer for Capstone Mining. Technical Information related to mineral exploration activities has been reviewed and approved by Brad Mercer, P. Geol., Senior Vice President, Exploration. Both are QP’s under NI 43-101.

This presentation summarizes some of the information disclosed in the Pinto Valley Mine Life Extension – Phase 3 (PV3) Pre-Feasibility Study Technical Report dated February 23, 2016. The following QP’s authored the technical report: Gregg Bush, P.Eng. of Capstone Mining Corp., Garth Kirkham, P.Geo. of Kirkham Geosystems Ltd., John Marek P.E. of Independent Mining Consultants, Inc., Ken Major, P.Eng. of KWM Consulting Inc., Tony Freiman, P.E. of Amec Foster Wheeler Environment & Infrastructure Inc. and Cori Hoag C.P.G. of SRK Consulting (U.S.), Inc.

This presentation summarizes some of the information contained in the NI 43-101 Technical Report on the Cozamin Mine, Zacatecas, Mexico dated July 19, 2018. The following QP’s were responsible for the preparation of their relevant portions of the Technical Report: Gregg Bush, P.Eng. of Capstone Mining Corp., Jenna Hardy, P.Geo. of Nimbus Management Ltd., Garth Kirkham, P.Geo. of Kirkham Geosystems Ltd., Chris Martin, Ceng MIMMM, Blue Coast Group Ltd., Vivienne McLennan, P.Geo. Of Capstone Mining Corp., Pooya Mohseni, MBA, MASc., P.Eng. of Capstone Mining Corp., and Humberto Preciado, PhD, P.E. of Wood Environment & Infrastructure Solutions, Inc.

This presentation summarizes some of the information contained in the Santo Domingo Project; Region III, Chile; NI 43-101 Technical Report on Feasibility Study dated July 8, 2014, 100% basis. The following QP’s were responsible for the preparation of their relevant portions of the Technical Report based on the Feasibility Study: David Frost, F.AusIMM (AMEC Ingeniería y Construcción Ltda.), Hans Gopfert, P.Eng (AMEC Ingeniería y Construcción Ltda.), Joyce Maycock, P. Eng (AMEC Ingeniería y Construcción Ltda.), Vikram Khera, P. Eng (AMEC Ingeniería y Construcción Ltda.), Anna Klimek, P.Eng (AMEC Ingeniería y Construcción Ltda.), Roy Betinol, P.Eng. (BRASS Chile S.A.) -- Seawater and Magnetite Concentrate Pipeline System, Carlos Guzmán, F.AusIMM (NCL Ingeniería y Construcción Ltda.) -- Mineral Reserve Model, Mine Equipment and Mine Development , Tom Kerr, P.Eng. (Knight Piésold S. A.) - Tailings Storage Facility, David Rennie, P. Eng (Roscoe Postle Associates Inc.) -- Mineral Resource Model. The technical information in the July 8, 2014 report was reviewed by Court Muggli, P.E., formerly Project Director, Capstone Mining Corp., and Gregg Bush, P. Eng., Senior Vice President and Chief Operating Officer, Capstone Mining Corp., both QP’s under NI 43-101.



For additional information, please visit capstonemining.com
or contact us at:

Phone: +1-604-684-8894

Toll Free: 1-866-684-8894

Email: info@capstonemining.com