

October 13, 2015

### Capstone Mining 2015 Third Quarter Production Results

Third quarter production of 22,100 tonnes of copper

**Vancouver, British Columbia** - Capstone Mining Corp. (“Capstone”) (TSX: CS) today announced production results for the three and nine months ending September 30, 2015. Combined production totalled 22,100 and 66,900 tonnes of copper in the third quarter and year-to-date periods, respectively, with additional by-products of zinc, molybdenum, lead, silver and gold.

#### Q3 2015 Copper Production (tonnes)

	Q1	Q2	Q3	YTD 2015
Pinto Valley	15,800	14,300	14,000	44,100
Cozamin	3,800	2,700	4,300	10,800
Minto	4,100	4,100	3,800	12,000
<b>Total copper production</b>	<b>23,700</b>	<b>21,100</b>	<b>22,100</b>	<b>66,900</b>

“Production for the third quarter met our expectations and we remain on track to meet our overall 2015 production guidance, with Minto operating above expectations for the quarter and Pinto Valley and Cozamin overcoming earlier production challenges,” said Darren Pylot, President and CEO of Capstone. “We are particularly pleased that the operational improvements at Pinto Valley are starting to be realized, achieving a monthly throughput record for Capstone in September.”

#### Operational Highlights

- At Pinto Valley, production was on plan for the quarter and remains on track for the year with better than predicted block grades and recoveries continuing to offset throughput. In the third quarter, throughput was negatively affected by six days of downtime in August for repairs to the primary crusher. Excluding the August down days associated with a single incident, throughput for the operating days in the quarter averaged 49,800 tonnes per day (“tpd”) and the month of September averaged 52,400 tpd for the full month, surpassing the 52,000 tpd throughput target. The run rate exiting the quarter was very strong, with throughput averaging 56,500 tpd for the last 10 days of September and averaging over 55,300 tpd for the first 10 days of October. The current mine plan calls for copper grade to increase to 0.38% for the fourth quarter.
- At Cozamin, activities related to dilution control produced a significant improvement in grade for the quarter and recoveries returned to planned levels. Throughput improved each month during the quarter as the mine made good progress in catching up development and long-hole inventory shortfalls carried forward from earlier in the year.
- At Minto, grades and recoveries were on plan for the quarter as the mill returned to processing solely underground and stockpiled ore while transitioning to the next open pit mining area. Throughput, however, significantly outperformed, allowing production to continue above plan in the third quarter. The Yukon Water Board issued the final Water Use Licence on August 5, 2015, and stripping of the Minto North open pit commenced immediately. Stripping of Minto North is on schedule for first ore to the mill starting in December 2015, with high grade ore commencing in the second quarter of 2016. The mill will continue to process underground and stockpiled ore while stripping is taking place.

### Q3 2015 Operating Details

	Pinto Valley		Cozamin		Minto	
	Q3	YTD 2015	Q3	YTD 2015	Q3	YTD 2015
<b>Contained Production <sup>(1)</sup></b>						
- Copper in concentrate and cathode (tonnes)	13,979	44,054	4,301	10,767	3,829	12,065
- Zinc (tonnes)	-	-	1,452	4,516	-	-
- Molybdenum (Mo tonnes)	26.4	88.8	-	-	-	-
- Lead (tonnes)	-	-	107	580	-	-
- Silver (ounces)	61,096	197,241 <sup>(2)</sup>	342,899	886,940	40,512	117,644
- Gold (ounces) <sup>(3)</sup>	252	1,002	-	-	4,098	11,794
<b>Payable Copper Production <sup>(1)</sup> (tonnes)</b> (in concentrate and cathode)	<b>13,517</b>	<b>42,587</b>	<b>4,119</b>	<b>10,300</b>	<b>3,704</b>	<b>11,673</b>
<b>Mine</b>						
- Ore (tonnes) – open pit	6,047,249	17,293,117	-	-	-	170,782
- Waste (tonnes)	3,986,248	8,281,060	-	-	1,944,585	2,045,860
- Ore (tonnes) – underground	-	-	250,030	790,823	111,361	324,340
<b>Mill</b>						
- Tonnes processed	4,337,329	12,752,090	240,078	784,255	356,782	1,044,976
- Tonnes processed per day	47,145	46,711	2,610	2,873	3,878	3,828
- Copper grade (%)	0.35 <sup>(4)</sup>	0.38 <sup>(4)</sup>	1.90	1.48	1.28	1.36
- Zinc grade (%)	-	-	0.90	0.88	-	-
- Molybdenum grade (%)	0.006	0.007	-	-	-	-
- Lead grade (%)	-	-	0.12	0.16	-	-
- Silver grade (g/t)	*	*	62	51	5	5
- Gold grade (g/t)	*	*	-	-	0.49	0.49
<b>Recoveries</b>						
- Copper (%)	89.2 <sup>(4)</sup>	87.8 <sup>(4)</sup>	94.5	92.5	83.7	84.8
- Zinc (%)	-	-	67.0	65.3	-	-
- Lead (%)	-	-	35.9	47.7	-	-
- Silver (%)	*	*	71.5	69.6	74.8	75.3
- Gold (%)	*	*	-	-	72.4	72.2
<b>Concentrates <sup>(3)</sup></b>						
- Copper concentrate (dmt)	45,277	146,162	16,162	41,534	10,088	33,228
Copper (%)	29.7	29.0	26.6	25.9	38.0	36.3
Silver (g/t)	*	*	624	592	125	110
Gold (g/t)	*	*	-	-	12.64	11.04
- Zinc concentrate (dmt)	-	-	3,041	9,546	-	-
Zinc (%)	-	-	47.7	47.3	-	-
- Molybdenum concentrate (dmt)	59	184	-	-	-	-
- Lead concentrate (dmt)	-	-	184	973	-	-
Lead (%)	-	-	58.0	59.6	-	-
Silver (g/t)	-	-	3,120	3,084	-	-
<b>Payable Copper Shipped (tonnes)</b>	<b>15,311</b>	<b>42,940</b>	<b>3,312</b>	<b>10,497</b>	<b>6,022</b>	<b>11,762</b>

(1) Adjustments based on final settlements will be made in future periods. (2) YTD silver has been adjusted to reflect reconciliations in Q1 and Q2 2015. (3) Pinto Valley gold production reaches payable levels from time to time. Any payable gold production will be reported in the period revenue is received. At Minto, final gold production is not available since assaying is conducted off-site, but is estimated above. (4) Grade and recoveries were estimated based on concentrate production. \*Silver and gold have not been estimated in the Pinto Valley resource model. Only recovered silver and payable gold is reported for this mine.

### Production Outlook

Capstone's 2015 production guidance of 90,000 tonnes ( $\pm 5\%$ ) of copper remains unchanged, with C1 cash cost <sup>(1)</sup> lowered to \$1.95 to \$2.05 per pound of payable copper produced net of by-product credits and selling costs, from \$2.00 to \$2.10 originally guided for 2015.



### **Financial Results Timing**

Capstone will report Q3 2015 financial results on Tuesday, October 27, 2015 after market close, followed by a conference call and webcast for investors and analysts on Wednesday, October 28, 2015 at 11:30 am Eastern Time (8:30 am Pacific Time).

### **Conference Call and Webcast Details**

Date: Wednesday, October 28, 2015  
Time: 11:30 am Eastern Time (8:30 am Pacific Time)  
Dial in: North America: 1-888-390-0546, International: +416-764-8688  
Webcast: <http://event.on24.com/r.htm?e=1038558&s=1&k=1254FEDB54C1081882502320EE278DC1>  
Replay: North America: 1-888-390-0541, International: +416-764-8677  
Replay Passcode: 845615#

The conference call replay will be available until Wednesday, November 11, 2015. The conference call audio and transcript will be available on Capstone's website within approximately 24 hours of the call at <http://capstonemining.com/investors/events-and-presentations/default.aspx>

### **About Capstone Mining Corp.**

Capstone Mining Corp. is a Canadian base metals mining company, focused on copper. We are committed to the responsible development of our assets and the environments in which we operate. Our three producing mines are the Pinto Valley copper mine located in Arizona, US, the Cozamin copper-silver mine in Zacatecas State, Mexico and the Minto copper mine in Yukon, Canada. In addition, Capstone has two copper development projects; the large scale 70% owned copper-iron Santo Domingo project in Region III, Chile, in partnership with Korea Resources Corporation, and the 100% owned copper-zinc Kutcho project in British Columbia, Canada, as well as exploration properties in Chile. Using our cash flow and strong balance sheet as a platform, Capstone's strategy is to extend the lives of our current mines with mineral resource and reserve expansions, maintain optionality on the Santo Domingo development project, prudently progress the exploration portfolio and grow through acquisitions in politically stable, mining-friendly regions. We will pace our growth with our financial capacity, ensuring we retain, as a priority, sufficient financial flexibility to meet the requirements of our existing operations and our committed development projects, while maintaining an adequate cushion to deal with market volatility and operating risks inherent in the mining industry. 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).

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### **Cautionary Note Regarding 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 Capstone Mining Corp. (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 Company management’s expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral reserves and mineral resources, the conversion of mineral resources to mineral reserves, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “outlook”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “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 including “guidance”, “expectations”, “targeted”, “plan”, “planned”, “estimated”, “calls for” and “expected”. By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to changes in project parameters as plans continue to be refined; future prices of mineral resources; possible variations in ore reserves, grade or recovery rates; accidents; dependence on key personnel; labour pool constraints; labour disputes; availability of infrastructure required for the development of mining projects; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; counterparty risks associated with sales of our metals; changes in general economic conditions; increased operating and capital costs; operating in foreign jurisdictions with risk of changes to governmental regulation; impact of climatic conditions on our Pinto Valley, Cozamin and Minto operations; increasing energy prices; our ability to integrate new acquisitions into our operations, 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 management’s discussion and analysis of those statements, all of which are filed and available for review on SEDAR at [www.sedar.com](http://www.sedar.com). Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking statements.

### **National Instrument 43-101 Compliance**

The technical information in this news release (“Technical Information”) 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”). The disclosure of the Technical Information contained in this news release has been reviewed and approved by Gregg Bush, P. Eng., Capstone Senior Vice President and Chief Operating Officer, a Qualified Person under NI 43-101.