

# Santo Domingo at a Glance

## Building a World-Class District in Atacama, Chile

July 2024



# 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.**

## Non-GAAP and Other Performance Measures

“C1 cash costs”, “cash cost”, “adjusted EBITDA”, “adjusted EPS”, “operating cash flow before changes in working capital”, “adjusted net income”, “net debt”, “net cash”, “attributable net debt/net cash”, “all-in sustaining costs”, “all-in costs”, “available liquidity”, “realized copper price per pound”, “expansion capital” and “sustaining capital” are Non-GAAP and Other Performance Measures. Non-GAAP and Other 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 Copper has prepared the technical information in this MD&A (“Technical Information”) based on information contained in the technical reports 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 compliant 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, Region III, Chile, NI 43-101 Technical Report” effective February 19, 2020, and “Mantos Blancos Mine NI 43-101 Technical Report Antofagasta / Región de Antofagasta, Chile” and “Mantoverde Mine and Mantoverde Development Project NI 43-101 Technical Report Chañaral / Región de Atacama, Chile”, both effective November 29, 2021.

The disclosure of Scientific and Technical Information in this MD&A was reviewed and approved by 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 project updates at Santo Domingo and Mineral Reserves and Resources at Mantos Blancos and Mantoverde) all Qualified Persons under NI 43-101.

## ADDITIONAL REFERENCE MATERIALS

Refer to the Company’s news release dated May 2, 2024 and MD&A and Financial Statements for the three months ended March 31, 2024, for full details to the information referenced throughout this presentation.





# Cautionary Notes

## 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 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. Our Sustainable Development Strategy goals and strategies are based on a number of assumptions, including, but not limited to, the biodiversity and climate-change consequences; availability and effectiveness of technologies needed to achieve our sustainability goals and priorities; availability of land or other opportunities for conservation, rehabilitation or capacity building on commercially reasonable terms and our ability to obtain any required external approvals or consensus for such opportunities; the availability of clean energy sources and zero-emissions alternatives for transportation on reasonable terms; availability of resources to achieve the goals in a timely manner, our ability to successfully implement new technology; and the performance of new technologies in accordance with our expectations.

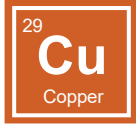
Forward-looking statements include, but are not limited to, statements with respect to the estimation of Mineral Resources and Mineral Reserves, the success of the underground paste backfill and tailings filtration projects at Cozamin, the timing and cost of the Mantoverde Development Project (“MVDP”), 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 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 project, environmental 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](http://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. 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, inflation, surety bonding, our ability to raise capital, Capstone Copper’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 and quality 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 and stock exchange rules, compliance with environmental laws and regulations, reliance on approvals, licences and permits from governmental authorities and potential legal challenges to permit applications, contractual risks including but not limited to, our ability to meet the requirements under the Cozamin Silver Stream Agreement with Wheaton Precious Metals Corp. (“Wheaton”), our ability to meet certain closing conditions under the Santo Domingo Gold Stream Agreement with Wheaton, acting as Indemnitor for Minto Metals Corp.’s surety bond obligations, impact of climate change and changes to climatic conditions at our operations and projects, changes in regulatory requirements and policy related to climate change and greenhouse gas (“GHG”) emissions, land reclamation and mine closure obligations, introduction or increase in carbon or other “green” taxes, aboriginal title claims and rights to consultation and accommodation, risks relating to widespread epidemics or pandemic outbreaks; the impact of communicable disease outbreaks on our workforce, risks related to construction activities at our operations and development projects, 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 Copper relating to the unknown duration and impact of the epidemics or pandemics, impacts of inflation, geopolitical events and the effects of global supply chain disruptions, uncertainties and risks related to the potential development of the Santo Domingo project, risks related to the Mantoverde Development 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 licence to operate, seismicity and its effects on our operations and communities in which we 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 input costs such as those related to sulphuric acid, electricity, fuel and supplies, increasing inflation rates, competition in the mining industry including but not limited to competition for skilled labour, risks associated with joint venture partners and non-controlling shareholders or associates, our ability to integrate new acquisitions and new technology into our operations, cybersecurity threats, legal proceedings, the volatility of the price of the common shares, the uncertainty of maintaining a liquid trading market for the common shares, risks related to dilution to existing shareholders if stock options or other convertible securities are exercised, the history of Capstone Copper with respect to not paying dividends and anticipation of not paying dividends in the foreseeable future and sales of common shares by existing shareholders can reduce trading prices, dependence on key management personnel, TSX and ASX listing compliance requirements 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.sedarplus.ca](http://www.sedarplus.ca).

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.



# Capstone Copper at a Glance



**+60%**

*Near-term Cu growth, with a pathway towards ~400ktpa;*

*+95% of revenues derived from Cu*



**+8,000**

*Employees & contractors in the Americas;*

*Promote gender diversity and employment from local communities*

**Our Purpose is to create 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**



**5**

*Assets (4 in-production + 1 fully-permitted project);*

*Located at low-elevation and in stable jurisdictions in the Americas*



**2023**

*Awarded the Copper Mark at our Mantoverde and Mantos Blancos operations;*

*Actively striving to replicate this success at Pinto Valley and Cozamin*



# District-Scale Growth in the Americas

- Producing Asset
- Development Stage Asset

## PINTO VALLEY (100%)



2024E  
**58-64**  
kt Cu

**Production**  
Open Pit  
**16+** year mine life  
60,000tpd mill capacity  
+11ktpa cathode capacity<sup>3</sup>

Cu Mo Ag

*Significant district-scale opportunities  
surrounding Pinto Valley*

## COZAMIN (100%)



2024E  
**22-24**  
kt Cu

**Production**  
Underground  
**7+** year mine life  
4,400tpd mill capacity

Cu Zn Ag Pb

## MANTOS BLANCOS (100%)



2024E  
**49-57**  
kt Cu

**Production**  
Open Pit  
**15+** year mine life  
20,000tpd mill capacity  
+60ktpa cathode capacity<sup>3</sup>

Cu Ag

## MANTOVERDE (70%)<sup>1</sup>



2024E  
**61-75**  
kt Cu

**Expansion underway**  
MVDP Unit rate  
**100-120**  
kt Cu  
**20+** year mine life  
32,000tpd mill ramping up  
+60ktpa cathode capacity<sup>3</sup>

Cu Au Fe Co

## SANTO DOMINGO (100%)



First 5 years  
**118**  
ktpa Cu

**Fully-permitted,  
shovel ready**  
Open Pit  
**18+** year mine life  
65,000tpd mill capacity planned

Cu Fe Au Co

*District-Scale Synergies*

<sup>1</sup> Mantoverde production numbers shown on a 100% basis.

<sup>2</sup> MVDP annual run rate (copper cathodes and concentrate) following construction completion and ramp up.

<sup>3</sup> Excess capacity exists at our SX-EW plants at Pinto Valley, Mantos Blancos, and Mantoverde.



# Expansion & Optionality Across the Portfolio

PINTO VALLEY



COZAMIN



MANTOS BLANCOS



MANTOVERDE



SANTO DOMINGO



MV-SD 35km Apart

## Mine Life Extension and Expansion Opportunities Across our Producing Assets

### District Growth Study

- Mill throughput expansion and optimization
- Expansion of the use of leach technology including pyrite agglomeration

### Mine Life Extension

- Exploration expansion potential
- Refinement of cut and fill to reduce mining dilution
- Drift and fill methods to increase pillar recovery

### Phase II Study – 2025

- Low capex expansion opportunity using idled mill capacity
- Potential for additional cathode production through 2032

### Other

- Exploration upside below current pit shell

### MVDP Commissioning

- Ramp-up – H1 2024

### MV Optimized FS (mid 2024)

- 45ktpd Throughput Target for MV Optimized
- Potential for a second line for Phase II

### Other

- Only 20% of sulphide resource base is in MVDP mine plan
- Significant brownfield exploration opportunity

Fully Permitted Project;  
Key to Unlock MV-SD  
District Synergies

### Updated SD FS – mid 2024

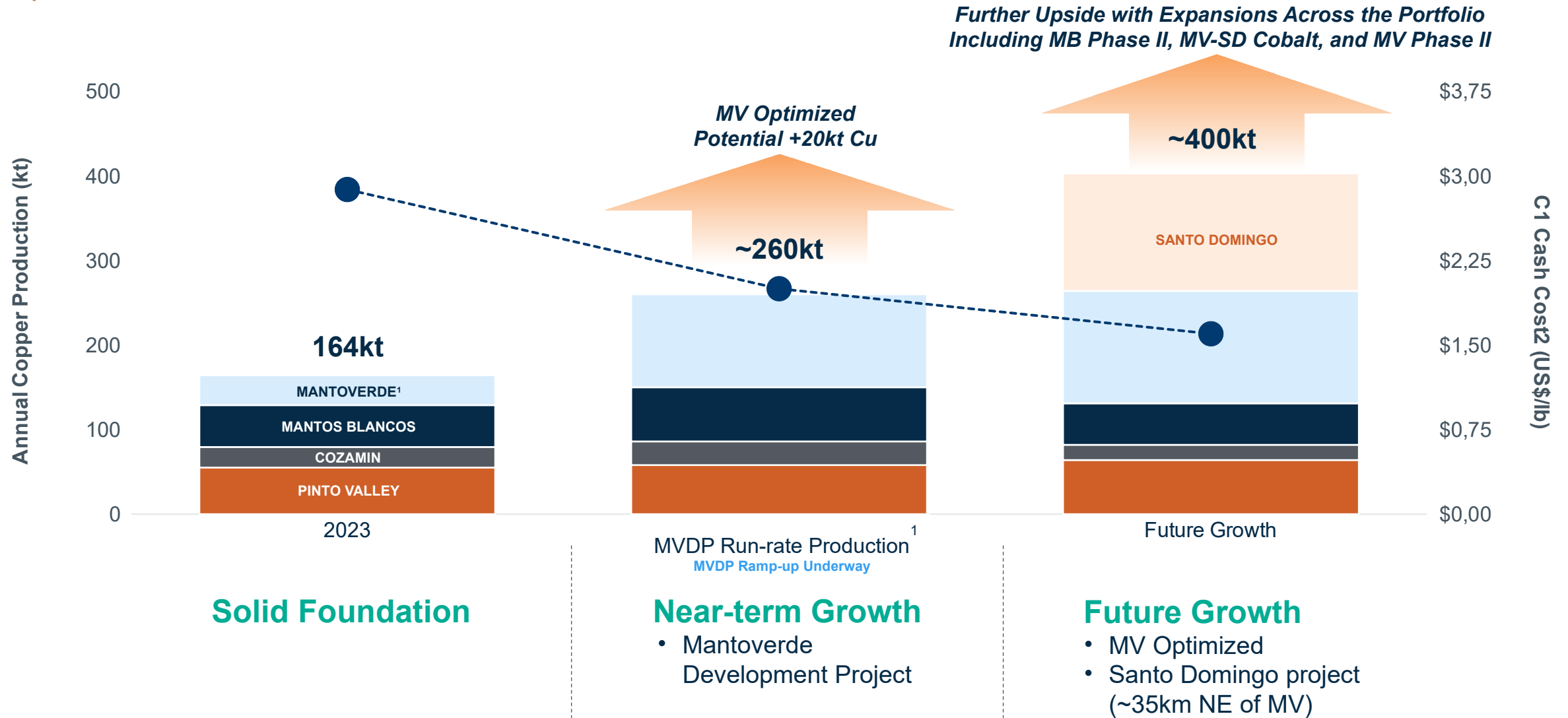
- Base case Cu/Fe project

### Other

- MV-SD Cobalt Study – H2 2024
- SD Cu Oxides Study - 2025



# A Clear Path to Transformational Growth



<sup>1</sup> Mantoverde production numbers shown on a 100% basis. MVDP Run-rate Production is based on first seven years average in most recently disclosed NI 43-101 Technical Report.

<sup>2</sup> This is a Non-GAAP and Other Performance Measure; refer to the Company's news release dated May 2, 2024. C1 cash costs (US\$ per payable lb Cu produced).



# Santo Domingo

## Asset Overview

Location	Atacama Region, Chile; 1,000-1,280m above sea level
Ownership	Capstone (100%); no offtake committed
Mine Type	Open Pit (+18 year mine life)
Commodity	Cu/Fe (primary); Au/Co (secondary)
Deposit	Iron oxide-copper-gold (IOCG) type deposit
Permitting	Fully-permitted (DL-600: valid 15 years post commercial production)

## Feasibility Study Update

- Feasibility Study work **progressing well with Ausenco**
- Technical report **expected in July 2024**
- **Updated FS** will incorporate **several improvements**
  - Updated mine plan with a lower strip ratio
  - Modernized milling and flotation circuit with a lower overall footprint and operating cost compared with the previous design

For virtual tour visit: [Santo Domingo Project 3D Render Animation \(youtube.com\)](#)  
[VRIFY - Make Every Investor Interaction Count](#)







# MV-SD: Unlocking District Scale Potential



## Creating a World-class Mining District

- Targeting **+250,000 tonnes per year of low-cost copper production** with a significant by-product of **premium grade iron ore**
- Potential to be one of the largest and lowest cost **cobalt** producers in the world

1

### Base Case

- Mantoverde Development Project (MVDP)
- Santo Domingo Cu/Fe Project; MV-SD Cobalt
- Santo Domingo Port & Desalination Plant

2

### Future Growth

- Mantoverde Phase II
- Santo Domingo Oxides

3D virtual tour of the MV-SD District Integration Plan and synergies:

<https://vrify.com/decks/12234-MV-SD-District-Integration-Plan>





# Key Infrastructure, Permits and Assets In-place



- ✓ Ability to handle capsized vessels suitable for large cargo
- ✓ Ability to engineer a world-class port that meets the highest ESG standards
- ✓ The natural conditions of Puerto Santo Domingo location are suitable to minimise downtime due to bad weather



# MV-SD Cobalt Opportunity

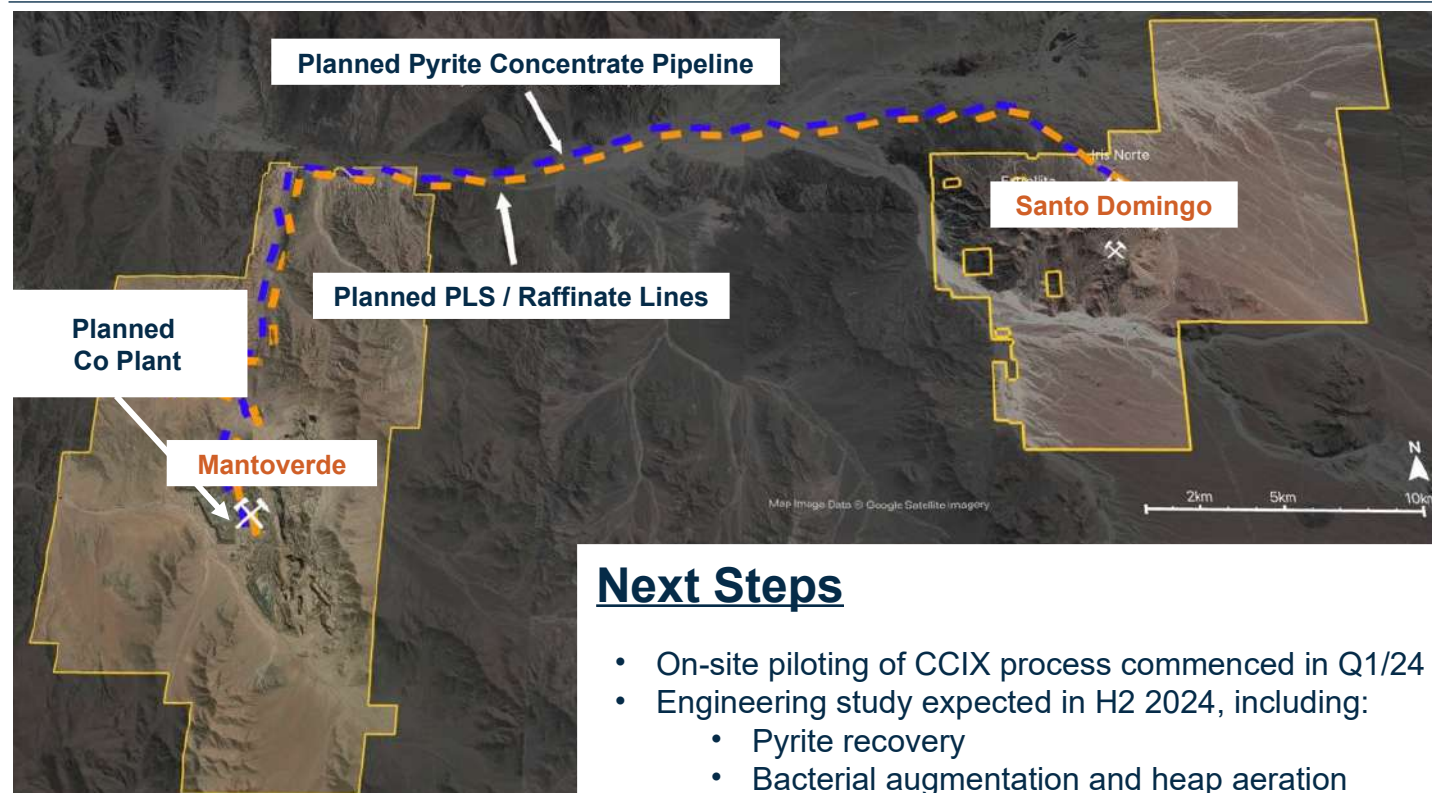
## Heap Leach Ion-Exchange to Recover Cobalt



### Proven Extraction Technology

- Proven BPA ion-exchange technology
  - Commonly used in Ni/Co industry
  - Selective for Co/Ni but requires Cu and  $\text{Fe}^{3+}$  removal
  - Does not require acid neutralization
- Continuous Counter-Current Ion Exchange (CCIX)
  - Flexible process conditions
  - Multiple adsorption passes
  - Multiple elution phases can be readily implemented
  - Maximizes utilization of resin / mass transfer zone

### Integration with Santo Domingo



### Next Steps

- On-site piloting of CCIX process commenced in Q1/24
- Engineering study expected in H2 2024, including:
  - Pyrite recovery
  - Bacterial augmentation and heap aeration
  - IX facility
  - Packaging & sales
- Potential cobalt production in 2025





# Santo Domingo Feasibility Study (Then vs. Now)

	Then (2020)	Now (Expected H1 2024)
Resource Model & Tailings Study	<ul style="list-style-type: none"><li>Tailings facility to support ~390Mt mine plan</li></ul>	<ul style="list-style-type: none"><li>TSF capacity increased to match updated Reserves</li><li>Tailings facility to support ~480Mt mine plan</li></ul>
Mine Plan	<ul style="list-style-type: none"><li>LOM strip ratio of 3.1:1</li><li>65,000 tpd first 5 years; 60,000 tpd, thereafter</li></ul>	<ul style="list-style-type: none"><li>Reduced strip ratio of ~2.6:1</li><li>Optimized mill circuit (nameplate capacity 75,000 tpd)</li></ul>
Copper Flotation Circuit	<ul style="list-style-type: none"><li>Conventional SAG milling and mechanical flotation cells</li></ul>	<ul style="list-style-type: none"><li>AG milling/Jameson Cell driving lower capital and operating costs</li></ul>
Synergies with Mantoverde	<ul style="list-style-type: none"><li>Nil</li></ul>	<ul style="list-style-type: none"><li>Power, water, integrated operations, port, tax</li><li>Santo Domingo oxides and cobalt in the opportunities section</li></ul>
Iron Ore	<ul style="list-style-type: none"><li>66% Fe (<math>\text{SiO}_2 + \text{Al}_2\text{O}_3 = 5.10\%</math>)</li></ul>	<ul style="list-style-type: none"><li>Optimized magnetite circuit layout</li><li>Improved iron conc. quality target (66-67% Fe; <math>\text{SiO}_2 + \text{Al}_2\text{O}_3 &lt; 4\%</math>)</li></ul>
Cobalt	<ul style="list-style-type: none"><li>Higher capex roaster option (PEA)</li></ul>	<ul style="list-style-type: none"><li>Heap leach and ion exchange → Significantly lower capital, accelerated production timeline</li></ul>
Lead Engineering Firm	<b>wood.</b>	<b>Ausenco</b> <i>Contractor used for Mantoverde</i>



## GENERAL ENQUIRIES

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# GHG Emissions Reduction Targets



## Climate

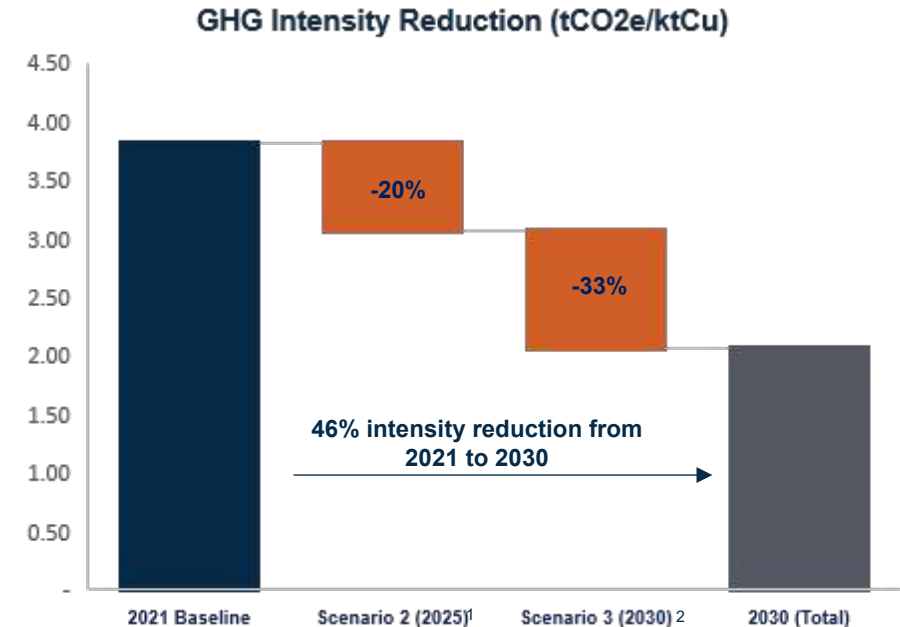
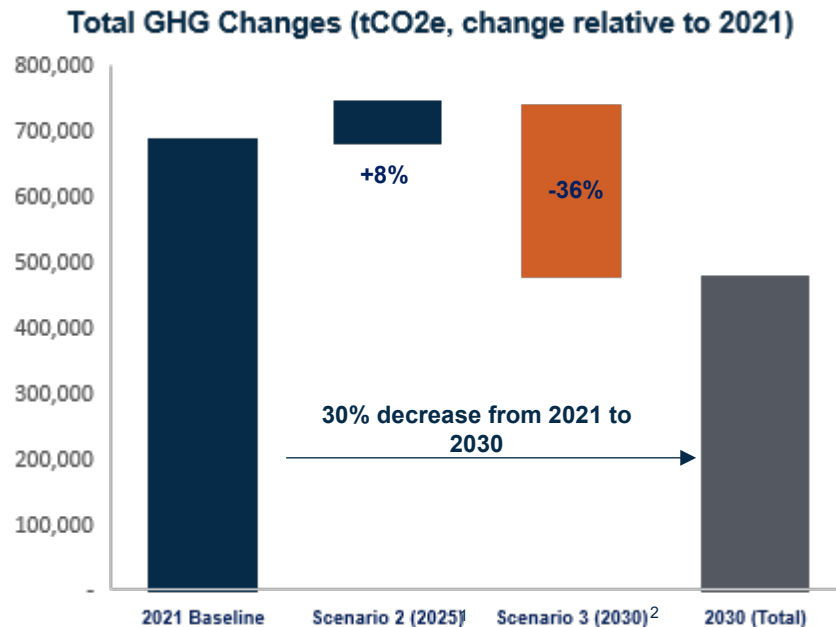
**Interim target: Reduce GHG emissions from fuel and power by 30% by 2030 compared to 2021 baseline year.**

### Our carbon reduction strategy to 2030:

- Transition to 50% renewable electricity in Chile by 2025
- Transition to >90% renewable electricity across Capstone by 2030
- Study renewable power self-generation and storage options at Pinto Valley
- Assess future growth opportunities against our 2030 target and incorporate carbon reduction into feasibility studies
- Pursue diesel displacement opportunities

**GHG Emissions Reduction Pathway to 2030.**

**Projected near term increase in absolute emissions while intensity will decrease year over year.**



<sup>1</sup>Scenario 2 includes the change from 100% coal/fossil fuel powered PPA at MB and MV to 50% renewable energy in 2025, as per existing PPAs. Under this scenario, the results show that Capstone's total GHG will be 8% higher, while GHG intensity will be 15% lower when comparing 2021 and 2030 figures (excluding leach CO<sub>2</sub>). <sup>2</sup>Scenario 3 assumed 100% of electric power at MB, MV and PV will be sourced from renewable sources. Under this scenario, Capstone's total GHG and GHG intensity for 2030 will be 31% and 46% lower compared to 2021, respectively (excluding leach CO<sub>2</sub>).