

October 13, 2025

Capstone Copper Announces up to \$360 Million Investment from Orion for 25% Interest in Santo Domingo

Vancouver, Canada – Capstone Copper Corp. (“Capstone” or the “Company”) (TSX:CS) (ASX:CSC) is pleased to announce that fund entities managed by Orion Resource Partners LP (collectively, “Orion”) have agreed to acquire a 25% ownership interest in the Santo Domingo Project (the “Project” or “Santo Domingo”) and the Sierra Norte Project (“Sierra Norte”) for total cash consideration of up to \$360 million (the “Transaction”). All amounts in US\$ unless otherwise indicated.

The total cash consideration payable by Orion is comprised of \$225 million for a 25% ownership interest, payable upon a positive final investment decision (“FID”) on Santo Domingo, \$75 million matching contribution payable within six months of FID, and up to \$60 million in contingent cash consideration (the “Contingent Consideration”) payable to Capstone upon the achievement of certain value enhancing milestones.

Concurrent with the Transaction, Capstone and Orion have entered into an equity subscription agreement (the “Subscription Agreement”), pursuant to which Orion will subscribe for common shares of the Company for cash consideration of \$10 million at a price per share representing a 5% premium to the five-day volume-weighted average price, prior to announcement¹, subject to TSX² approval. Use of proceeds from the Subscription Agreement will be to commence a new exploration program at Santo Domingo and Sierra Norte.

Transaction Highlights

- **Validation of Santo Domingo and Capstone’s project execution capabilities**
 - Enables Capstone to build upon the successful partnership model in place at the Company’s nearby Mantoverde operation and leverage recent experience by applying best practices from the successful construction and ramp-up of the Mantoverde Development Project
- **De-risks capital funding requirements for Santo Domingo and provides financial flexibility**
 - Proceeds from the Transaction in addition to Orion’s pro-rata equity contributions will reduce Capstone’s estimated share of equity contributions to approximately \$400 million³, providing financial flexibility during project construction
- **Recognizes long-term value of upside and synergy opportunities beyond the Feasibility Study⁴**
 - Contingent Consideration up to \$60 million endorses the attractive long-term value of upside opportunities in the district, including defining a reserve at Sierra Norte, a Santo Domingo oxide Feasibility Study, and a cobalt Feasibility Study
- **Provides option to buy-back Orion’s 25% equity stake**
 - Capstone has the option to re-consolidate 100% ownership of Santo Domingo once commercial production is achieved
- **Allocates capital to unlock further value at Santo Domingo and Sierra Norte through exploration**
 - Use of proceeds from Orion’s \$10 million equity subscription will be deployed on an exploration program focused on delineating the oxide resource and exploring near-mine sulphides at Santo Domingo and advancing exploration at Sierra Norte
- **Realizes significant value and improves project returns for Santo Domingo**
 - The expected post-tax IRR for Capstone is ~24% on an unlevered basis and over 75%⁵ on a levered basis based on Orion’s strategic investment and expected funding structure for Santo Domingo (excluding Contingent Consideration and after giving effect to expected project financing)

- **Benefits to local stakeholders and Chile**
 - Santo Domingo is expected to generate close to 6,000 jobs in the Atacama region of Chile during construction and over 1,000 jobs once in full operation, as well as over \$2 billion of in-country taxes paid in Chile over the life of mine, as outlined in the 2024 Santo Domingo Feasibility Study⁴
- **Advances pathway towards a future sanctioning decision on Santo Domingo**
 - The Transaction represents a key milestone toward a construction decision on Santo Domingo expected in H2 2026. Key next steps include securing project financing and advancing detailed engineering, and continuing to strengthen the balance sheet in preparation for a sanctioning decision

Cashel Meagher, Capstone's President and Chief Executive Officer, commented: "Santo Domingo represents the next pillar of transformational growth in the world-class district we are building in the Atacama region of Chile. Backed by industry-competitive capital intensity and first quartile cash costs⁶, Santo Domingo is key to continuing our growth trajectory and leadership in the critical minerals industry, led by long-life, low-cost, responsible, and safe production. Our same team that successfully built and ramped-up Mantoverde will support construction and ramp-up of Santo Domingo, which is 35 kilometres away from Mantoverde."

Mr. Meagher added: "The transaction provides further support for the significant value we are eager to unlock in the Mantoverde-Santo Domingo district. As substantial equity holders in Capstone over the past few years, Orion has been extremely supportive of Capstone and our management team. We look forward to continuing to build on our long-standing relationship and realizing substantial value at Santo Domingo."

Istvan Zollei, Chief Investment Officer at Orion Resource Partners, commented: "Orion looks forward to building on our existing relationship with the Capstone team through this partnership. As proven mine builders and operators with a strong local presence and social licence, we are confident in Capstone's ability to build and operate Santo Domingo as a high-quality, diversified copper operation, producing the metals the world needs for the clean energy transition."

John MacKenzie, Chair of the Board of Directors of Capstone, commented: "This transaction is an important milestone in unlocking the meaningful value of Santo Domingo and the broader district. Following on from the successful construction and ramp-up of Mantoverde, the development of Santo Domingo will facilitate the establishment of a world-class copper district in the top-tier mining jurisdiction of Atacama, Chile. I am thrilled by this expansion of the relationship between Capstone and our largest shareholder, Orion, a team with whom I have had the privilege of working since the founding of Mantos Copper in 2015. I believe this strategic partnership will leverage the strengths of both companies in delivering transformational copper growth through the Santo Domingo Project."

Capstone will continue to advance the remaining workstreams towards a final investment decision on Santo Domingo, expected in H2 2026. Those workstreams include, further advancement of detailed engineering and evaluation of district optimization opportunities, securing project financing and ensuring overall balance sheet strength prior to FID. Capstone is committed to ensuring that plans for growth are carried out in a safe, prudent, and responsible manner, while remaining transparent and engaged with all stakeholders.

Transaction Details

Orion is acquiring an indirect ownership interest in the Santo Domingo and Sierra Norte projects through the acquisition of a 25% interest in 0908113 B.C. Ltd. ("JVCo"), a wholly-owned subsidiary of Capstone, which owns 100% of Santo Domingo and Sierra Norte.

As consideration for the 25% ownership interest acquired in the Transaction, Orion has agreed to provide cash consideration of \$225 million, payable to JVCo on Capstone's behalf following a positive FID on Santo Domingo, along with the satisfaction of other customary conditions precedent, followed by a \$75 million matching contribution payable to JVCo on Orion's behalf within six months of FID, collectively the "Initial Investment".



Following the \$300 million Initial Investment, both Capstone and Orion are expected to contribute to pro-rata capital contributions for the expected cost of construction of Santo Domingo, taking into consideration a project finance facility and the remaining proceeds from the precious metal stream agreement with Wheaton Precious Metals Corp.

Orion has also agreed to provide up to \$60 million in Contingent Consideration, payable to Capstone in increments of \$20 million, and subject to certain milestones being satisfied following completion of the Transaction. The Contingent Consideration includes:

- \$20 million upon publication of a NI 43-101 Technical Report outlining a Proven and Probable Reserve of at least 268,000 tonnes of contained sulphide copper at Sierra Norte;
- \$20 million upon publication of a NI 43-101 Feasibility Study that demonstrates the processing of oxide material containing at least 159,000 tonnes of copper; and
- \$20 million upon: (i) publication of a NI 43-101 Feasibility Study that incorporates construction of a cobalt processing circuit; and (ii) filing and application of all material permits for the cobalt processing circuit.

Capstone will retain a buyback option under which Capstone will have the right to repurchase up to a 25% interest in JVCo from Orion following commencement of commercial production at Santo Domingo at a price that will offer Orion a specified return. This buyback right provides Capstone with the opportunity to reconsolidate its ownership in the Project and expand Capstone's attributable copper production.

In addition to other customary closing conditions, the Transaction closing is conditional upon a positive FID on Santo Domingo.

Concurrent with the Transaction, Capstone and Orion have entered into an equity subscription agreement under which Orion will subscribe for and purchase common shares of the Company for gross proceeds of \$10 million at a price per share representing a 5% premium to the five-day volume-weighted average price, prior to announcement¹, subject to TSX (as defined below) approval. Closing of the Subscription Agreement remains subject to customary closing conditions, including conditional approval from the TSX.

Fund entities managed by Orion Resource Partners currently maintain a 11.9% ownership interest in Capstone on a collective basis. Following the completion of the Subscription Agreement, such collective ownership is expected to be 12.0%.

Unlocking Value Through an Updated District Exploration Program

Capstone plans to use net proceeds from the Subscription Agreement to fund exploration drilling at Santo Domingo and Sierra Norte during 2025 and 2026, with a focus on advancing the various upside opportunities for incremental copper production eligible for the Contingent Consideration. This includes a 54,700-metre drill program at Santo Domingo and the adjacent Estrellita deposit to delineate the oxide resource and explore near-mine sulphides, as well as a 19,200-metre drill program to advance exploration and resource delineation at the near-by Sierra Norte deposit. As a result, Capstone is updating total 2025 consolidated exploration expenditure guidance to \$40 million, from \$25 million previously provided.

About Santo Domingo and Sierra Norte

The fully-permitted Santo Domingo copper-iron-gold project is located near the town of Diego de Almagro in the Atacama region in Chile, approximately 35 kilometres northeast of Capstone's Mantoverde mine and 130 kilometres north-northeast of the city of Copiapó.

In July 2024, Capstone announced the results from an updated Feasibility Study ("Feasibility Study") that outlined the next phase of transformational growth for the Company in the world-class Mantoverde-Santo Domingo ("MV-SD") district. The Feasibility Study highlights include:



- After-tax unlevered NPV (8%) of \$1.7bn and after-tax IRR of 24%, at \$4.10/lb long-term copper price, and
 - After-tax unlevered NPV (8%) increases to \$2.8bn with an after-tax IRR of 32% at spot commodity prices including \$4.90/lb copper
- 19-year mine life, excluding upside opportunities such as Santo Domingo oxides, Sierra Norte, and cobalt
- Average annual EBITDA of \$850 million and ~106,000 tonnes of copper production (first seven years)
- \$0.28/lb C1 Cash Costs⁶ (by-product basis across first seven years)
- \$2.3 billion of initial capital⁶ with an approximately 3-year post-tax payback period
- Low elevation of ~1,000 metres above sea level with proximity to ports and established infrastructure
- Expected to generate 1,000+ jobs once in full operation with over \$2.0 billion of taxes paid in Chile over the life-of-mine

The expected 19-year mine life is supported by a Mineral Reserve⁷ estimate of 436 million tonnes at a copper grade of 0.33%, iron ore grade of 26.5%, and a gold grade of 0.05 grams per tonne. Total Measured and Indicated Mineral Resources of 547 million tonnes at a copper grade of 0.31% and a gold grade of 0.04 grams per tonne, including 506 million tonnes with an iron ore grade of 25.8%.

The Company believes there is significant potential for mine life extension and improvements to the copper production profile at Santo Domingo, as highlighted by the Contingent Consideration as part of the Transaction. In July 2024, Capstone acquired Sierra Norte which is located approximately 15 kilometres northwest of Santo Domingo and represents an opportunity to potentially be a future sulphide feed source for the Project, extending the higher-grade copper sulphide life.

About the Mantoverde-Santo Domingo District

Development of the world-class Mantoverde-Santo Domingo district represents an opportunity to unlock district scale synergies in the region. In November 2022, Capstone announced the Mantoverde-Santo Domingo District Integration Plan to showcase the path towards creating a world-class mining district in the Atacama region of Chile, targeting low-cost copper production with the potential to also become one of the largest and lowest-cost cobalt producers in the world outside of the Democratic Republic of Congo. In 2024, Capstone announced updated Feasibility Studies for [Mantoverde](#) and [Santo Domingo](#), which further support the potential for mine life extension and optimization in the Mantoverde-Santo Domingo district.

The ability to leverage district-scale synergies presents an opportunity to unlock operating cost savings, while also enabling additional copper and cobalt production – using excess SX-EW capacity, infrastructure capital savings, and the potential for significant tax synergies through the reinvestment in Chile to support district growth. The combination of key infrastructure already in place alongside an experienced mine building and operating team and a clear financing path ahead, significantly de-risks the future development of the Santo Domingo Project and the Mantoverde-Santo Domingo District.

Advisors

RBC Capital Markets is acting as Exclusive Financial Advisor to Capstone. Blake, Cassels & Graydon LLP is acting as legal counsel to the Company and Sidley Austin LLP and Mason Law are acting as legal counsel to Orion in connection with the Transaction.

Qualified Persons

Peter Amelunxen, P.Eng., Senior Vice President, Technical Services of Capstone Copper, a Qualified Person ("QP"), as defined by NI 43-101 reviewed and approved the scientific and technical information in this news release.



The Toronto Stock Exchange ("TSX") has not approved or disapproved of the information contained herein.

About Orion

Orion Resource Partners LP is a global investment firm specializing in the metals and materials critical to sustainable economic growth and the energy transition, with more than \$8 billion of assets under management and a team of more than 80 professionals across five global offices. Orion Resource Partners has successfully invested across the metals and materials value chain for over a decade, operating complementary investment strategies spanning the full liquidity spectrum, finding and capturing opportunities driven by the long-term trends of global decarbonization, the constrained supply of critical resources and advancements in industrial technologies. Orion Resource Partners is a signatory to the UN Principles for Responsible Investment (PRI) and requires adherence to the IFC Performance Standards on Environmental and Social Sustainability where appropriate. For more information visit www.orionrp.com.

About Capstone Copper Corp.

Capstone Copper Corp. is an Americas-focused copper mining company headquartered in Vancouver, Canada. Capstone's operating portfolio of assets includes 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 the Mantoverde copper-gold mine, located in the Atacama region, Chile. Capstone's growth pipeline includes the fully permitted Santo Domingo copper-iron-gold project, located approximately 35 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

Footnotes

¹ The price will be the greater of a 5% premium to the five-day volume-weighted average price prior to announcement or a 15% discount to the one-day volume-weighted average price following announcement.

² The TSX is defined as The Toronto Stock Exchange.

³ Assuming initial capital from 2024 Feasibility Study of \$2.3 billion, less \$1.2 billion in estimated project level financing, less \$260 million in remaining gold stream proceeds and less Orion's contributions of \$300 million (based on Orion initial contribution of \$225M and matching capital contribution of \$75M), implying remaining capital funding requirement of \$540 million, to be fulfilled by pro-rata capital contributions by Capstone (75%) and Orion (25%). Contingent Consideration not included.

⁴ Technical Report titled "Santo Domingo Project, NI 43-101 Technical Report on Feasibility Study Update Atacama Region, Chile", that has an effective date of July 31, 2024, and a report date of September 13, 2024 (the "2024 Feasibility Study") available on the Company's SEDAR profile at www.sedarplus.ca.

⁵ Assuming initial capital from 2024 Feasibility Study; inclusive of \$260 million in gold stream proceeds and giving effect to approximately \$1.2 billion in project level financing and Orion's contributions and distributions. Implies drawdown of \$225 million payment to JVCo and \$75 million Orion contribution to JVCo within six months of FID, Contingent Consideration not included. Assumes Capstone uses proceeds from sale of 25% to fund cash calls.

⁶ These are Non-GAAP performance measures. Refer to the section entitled "Non-GAAP and Other Performance Measures" in the Cautionary Notes.

⁷ Comprised of 131 million tonnes in the Proven category and 305 million tonnes in the Probable category. Please refer to the detailed breakdown of the Santo Domingo Mineral Reserve estimate below.

Mineral Reserve Estimate as at March 31, 2024

Reserve Category	Grade				Contained Metal		
	Tonnage Mt	Cu (%)	Fe (%)	Au (g/t)	Cu (kt)	Fe (Mt)	Au (koz)
Proven Reserves	130.9	0.52	27.2	0.07	674.5	12.6	291
Probable Reserves	305.1	0.25	26.2	0.04	760.7	55.8	346
Total Reserves	436.1	0.33	26.5	0.05	1,435.2	68.4	637

Mineral Reserve Estimate Notes:

- 1) Mineral Reserves are reported as constrained within Measured and Indicated Resources and pit designs optimized using the following economic and technical parameters: metal prices of US\$3.75/lb Cu, US\$1,400/oz Au and Fe prices ranging from US\$69/dmt to US\$114.51/dmt based on the Fe grade in concentrate (net of Fe concentrate transport costs); average recovery to concentrate is 90.1% for Cu and 56.3% for Au, with magnetite concentrate recovery varying on a block-by-block basis; copper concentrate treatment charges of US\$80/dmt, US\$0.08/lb of copper refining charges, US\$5.0/oz of gold refining charges, US\$40/wmt and US\$25.75/dmt for shipping copper and iron concentrates respectively; waste and ore mining cost of \$1.55/t and process and G&A+SUSEX of US\$9.77/t processed; average pit slope angles that range from 36.3° to 47.9°; a 2% royalty rate assumption and an assumption of 100% mining recovery.
- 2) Rounding as required by reporting standards may result in apparent summation differences between tonnes, grade and contained metal content.
- 3) Tonnage measurements are in metric units. Copper and iron grades are reported as percentages, gold as grams per tonne. Contained gold ounces are reported as troy ounces, contained copper as million pounds and contained iron as metric million tonnes.

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 relate to future events or future performance and reflect the Company's expectations or beliefs regarding future events and are based on a number of assumptions, including

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”. Forward-looking statements include, but are not limited to, statements with respect to: the FID decision; the completion of the Transaction; the receipt of Contingent Consideration; the pricing and closing of the Subscription Agreement; the use of proceeds of the Subscription Agreement; expected production of copper and other metals at Santo Domingo; the ability to realize synergies with Mantoverde operation; the potential of the Atacama, Chile mining jurisdiction; the long-term value of Santo Domingo and upside opportunities in the district; all prospective information in the 2024 Feasibility Study; the timeline for FID; the estimation of Mineral Resources and Mineral Reserves; timing and results of exploration and potential opportunities at Sierra Norte; the timing and amount of estimated future production; the costs of production and capital expenditures and reclamation;

the success of the Company's mining operations; the Company's ability to finance Santo Domingo; and the anticipated future production, costs of production and capital expenditures.

By their very nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's 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 risk factors include risks related to: inherent hazards associated with mining operations and closure of mining projects; future prices of copper and other metals; the Company's ability to raise capital; counterparty defaults, including with respect to Orion; use of financial derivative instruments; foreign currency exchange rate fluctuations; market access restrictions or tariffs; changes in laws and policies regulating international trade including but not limited to changes to or implementation of tariffs, trade restrictions, or responsive measures of foreign and domestic governments; changes to cost and availability of goods and raw materials, along with supply, logistics and transportation constraints; changes in general economic conditions including market volatility due to uncertain trade policies and tariffs; availability and quality of water and power resources; accuracy of Mineral Resource and Mineral Reserve estimates; the realization of 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 the Company's ability to meet certain closing conditions under the Transaction agreements; impact of climate change and changes to climatic conditions at the Company's 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; suppliers and other essential resources and what effect those impacts, if they occur, would have on the Company's business, including the Company's ability to access goods and supplies; the ability to transport the Company's products and impacts on employee productivity; the risks in connection with the operations; 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 Santo Domingo; increased operating and capital costs; increased cost of reclamation; challenges to title to the Company's 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 the Company's operations and communities in which we operate; dependence on key management personnel; TSX and Australian Securities Exchange ("ASX") requirements; potential conflicts of interest involving the Company's directors and officers; corruption and bribery; limitations inherent in the Company's 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; the Company's ability to integrate new acquisitions and new technology into the Company's operations; cybersecurity threats; legal proceedings; 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.

Although the Company has attempted to identify important factors that could cause the Company's actual results, performance or achievements to differ materially from those described in the Company's forward-looking statements, there may be other factors that cause the Company's results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that the Company's forward-looking statements will prove to be accurate, as the Company's actual results, performance or achievements could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the Company's forward-looking statements.



Non-GAAP and Other Performance Measures

“C1 cash costs”, “cash cost”, “expansion capital”, “sustaining capital” and “initial capital” 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+.

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