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NEWS RELEASE

TSX:CS ● ASX:CSC ● capstonecopper.com

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Capstone Copper Announces Sale of Cozamin for Total Consideration of up to $385 Million

Vancouver, British Columbia – Capstone Copper Corp. ("Capstone" or the "Company") (TSX:CS) (ASX:CSC) announces today that it has entered into a definitive agreement to sell its Cozamin copper-silver-zinc-lead mine ("Cozamin"), located in Zacatecas, Mexico, to Luca Mining Corp. ("Luca") (TSXV:LUCA) (OTCQX:LUCMF) (Frankfurt:Z68) for up to $385 million in total consideration (the "Transaction"). Unless otherwise stated, all numbers are presented in United States dollars.

Under the terms of the Transaction, Capstone will receive total consideration of up to $385 million, comprising:

- $275 million in upfront cash, subject to customary closing adjustments[1]
- $15 million in Luca shares, to be issued to Capstone at closing
- $35 million in deferred consideration, to be received on the first anniversary of closing[2]
- Up to $60 million in contingent cash consideration tied to annual average copper prices[3]

Net proceeds from the Transaction will strengthen the Company's balance sheet and provide financial flexibility to support its growth pipeline.

Cashel Meagher, Capstone's President and Chief Executive Officer, commented: "Cozamin has been an important part of our portfolio, providing stability and strong cash flows as Capstone has matured into a diversified copper producer. Since its first full year of operations in 2007, Cozamin has delivered consistently strong performance, a testament to the capability and quality of the team. We extend our sincere thanks to everyone at Cozamin for their dedication to safety and operational excellence over this period. We believe Cozamin will be well positioned under Luca's ownership, providing regional expertise, focus, and commitment to invest in the mine's future for the long-term benefit of the workforce and the surrounding communities.

"The Transaction optimizes our portfolio and further strengthens our balance sheet, enabling us to redeploy capital into our high-return growth projects and allowing leadership to focus on the opportunities we believe will create the most value for our shareholders. It is an ideal time to streamline our portfolio through this divestiture as we advance towards transformational copper growth in Chile and the United States.

"We are also pleased to retain exposure to the exploration upside at Cozamin, through our shareholding in Luca, following completion of the Transaction. Given the strong operational track record of the Luca team in Mexico, we believe they will be excellent stewards of the mine and are well placed to unlock its full potential."

Indicative Timeline and Approvals

The Transaction is expected to close in the fourth quarter of 2026, subject to the completion of customary conditions and regulatory approvals, including stock exchange and Mexican National Antitrust Commission approval. The Transaction is not subject to shareholder approval or any financing conditions.

Advisors

Scotiabank is acting as exclusive financial advisor to Capstone. Blake, Cassels & Graydon LLP is acting as Canadian legal counsel to Capstone, and Creel, García-Cuéllar, Aiza y Enríquez S.C. is acting as Mexican legal counsel to Capstone.

About Luca Mining Corp.

Luca is a Canadian mining company with two wholly owned mines located in the prolific Sierra Madre mineralized belt in Mexico. These mines produce gold, silver, zinc, copper, and lead and generate strong cash flow. Both mines have considerable development and resource upside as well as district-scale exploration potential.

Luca's Campo Morado Mine hosts VMS-style, polymetallic mineralization within a large land package comprising 121 square kilometres. It is an underground operation, producing zinc, copper, gold, silver and lead. The mine is located in Guerrero State.

Luca's Tahuehueto Mine is a large property of over 100 square kilometres in Durango State. The project hosts epithermal gold and silver vein-style mineralization. Tahuehueto is a newly constructed underground mining operation producing primarily gold and silver. Luca has successfully commissioned its mill and is now in commercial production.

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-zinc-lead 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 $275 million upfront cash consideration is based on an October 31, 2026, lock-box date on a cash-free and debt-free basis and assuming a normalized level of working capital.

[2] The $35 million deferred consideration is payable in cash and/or Luca shares at Luca's option.

[3] Up to $60 million in contingent cash consideration is payable following the end of each of the 2027, 2028, and 2029 calendar years, based on the average annual LME Copper Cash Settlement Price ("LME Cu Price") for the applicable year. The annual payment will be $10 million if the LME Cu Price is between $7.00/lb and $7.75/lb, $15 million if the LME Cu Price is between $7.76/lb and $8.50/lb, or $20 million if the LME Cu Price is at least $8.51/lb.

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 completion and timing of the Transaction; the receipt of contingent cash consideration; use of net proceeds, strengths and expectations of the Company following completion of the Transaction, and the Company's expectations of Luca following completion of the Transaction.

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; 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 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.

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