

CAPSTONE MINING CORP.

- and -

CAPSTONE COPPER CORP.

- and -

SIERRA SOLEADA S.A. DE C.V.

- and -

LUCA MINING CORP.

SHARE PURCHASE AGREEMENT

DATED September 21, 2026

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SHARE PURCHASE AGREEMENT

This Share Purchase Agreement dated September 21, 2026 is made

BETWEEN

CAPSTONE MINING CORP. (the “**Vendor**”)

- and -

CAPSTONE COPPER CORP. (the “**Capstone Parent**”)

- and -

SIERRA SOLEADA S.A. DE C.V. (the “**Purchaser**”)

- and -

LUCA MINING CORP. (the “**Purchaser Guarantor**”)

RECITALS

- A. The Vendor is a direct wholly owned subsidiary of Capstone Copper Corp. (the “**Capstone Parent**”).
- B. Capstone Gold S.A. de C.V. (the “**Corporation**”) is an indirect wholly owned subsidiary of Capstone Parent, with majority ownership held by the Vendor.
- C. Capstone Parent is party to this Agreement for the sole purpose of guaranteeing the performance of the Vendor’s obligations under this Agreement.
- D. The Corporation owns and operates the Cozamin Mine.
- E. The Vendor is the registered and beneficial owner of the Shares.
- F. The Purchaser is willing to purchase and the Vendor is willing to sell the Shares on and subject to the terms and conditions contained in this Agreement.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each Party, the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions. In this Agreement:

“**12-Month Average Copper Price**” means the rolling average of the LME Cash Settlement Price for the 12-month period with the first day of such period starting on January 1 of the applicable Contract Year.

“**Acquired Entities**” means the Corporation, Capstone Mexico and Capstone Barbados, and “**Acquired Entity**” means any one of them.

“**Acquisition Credit Facility**” means the “Credit Facility” as defined in the Acquisition Facility Letter.

“Acquisition Facility Financing Sources” means the Persons that at any time have committed to provide the credit facility under the Acquisition Facility Letter, and their respective successors and assigns.

“Acquisition Facility Letter” means the executed commitment letter dated as of the date hereof, including all related exhibits, schedules, annexes, supplements and term sheet attached thereto, in each case, as amended, restated, supplemented, replaced and/or modified in accordance with the terms hereof, to the extent permitted hereunder.

“Affiliate” means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person shall be deemed to “control” another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term “controlled” shall have a similar meaning.

“Agreement” means this Share Purchase Agreement, the Disclosure Letter and all the Schedules attached hereto.

“Anti-Corruption Laws” means, collectively: (a) the U.S. Foreign Corrupt Practices Act, as amended from time to time after the date hereof; (b) the General Law of Administrative Responsibilities (*Ley General de Responsabilidades Administrativas*); (c) the responsibilities laws of the Mexican States and Mexico City (*Leyes de Responsabilidades Administrativas de las Entidades Federativas y para la Ciudad de México*); (d) the Mexican Federal Criminal Code (*Código Penal Federal*); (e) the Criminal Codes of the Mexican States and Mexico City (*Códigos Penales de las Entidades Federativas y para la Ciudad de México*), as amended from time to time after the date hereof; (f) the Canadian Corruption of Foreign Public Officials Act, as amended from time to time after the date hereof; and (g) any other applicable anti-bribery or anti-corruption Applicable Law, regulation or guideline, or any international convention or treaty enforceable, enacted and/or ratified in Mexico and intended to combat corruption (including the United Nations Convention Against Corruption, the OECD Anti-Bribery Convention and the Inter-American Convention Against Corruption).

“Anti-Money Laundering Laws” means any Applicable Law to the Corporation relating to money laundering, terrorist financing, proceeds of crime, financial recording or reporting requirements.

“Applicable Law” means, with respect to any Person, property, transaction, event or other matter, (a) any and all foreign or domestic, federal, provincial, state, regional, territorial, local or municipal constitution, treaty, law, statute, regulation, legally binding official norms, code, ordinance, principle of common law or equity, rule, municipal by-law, Order or other requirement having the force of law, (b) any policy, practice, protocol, standard or guideline of any Governmental Authority which, although not necessarily having the force of law, is regarded by such Governmental Authority as requiring compliance as if it had the force of law (collectively in the foregoing clauses (a) and (b), “**Law**”), in each case relating or applicable to such Person, property, transaction, event or other matter and also includes, where appropriate, any interpretation of Law (or any part thereof) by any Person having jurisdiction over it, or charged with its administration or interpretation.

“Applicable Policies” has the meaning set out in Section 3.1(29).

“Army Ministry” means the Mexican National Defense Ministry (*Secretaría de la Defensa Nacional*);

“Average Price Per Share” has the meaning set out in Section 2.3(2).

“Barbados PMPA” means the precious metals purchase agreement dated as of February 17, 2021, between Capstone Barbados and the Vendor, as may be amended, supplemented, restated or otherwise modified from time to time.

"Barbados PMPA Amount" means an amount equal to the aggregate net loss incurred by the Vendor in respect of silver credits acquired by the Vendor from the Corporation under the Silver PSA and on-sold by the Vendor to Capstone Barbados under the Barbados PMPA during the period from (and including) the Effective Date to (and including) the Closing Time, being the amount by which (a) the aggregate consideration paid or payable by the Vendor to the Corporation under the Silver PSA in respect of such silver credits exceeds (b) the aggregate consideration received or receivable by the Vendor from Capstone Barbados under the Barbados PMPA in respect of the on-sale of such silver credits, in each case as determined from the books and records of the Vendor, the Corporation and Capstone Barbados and as set out in the Barbados PMPA Statement.

"Barbados PMPA Statement" has the meaning set out in Section 2.11(2).

"Barbados Security" means any and all security and any guarantee constituted or effected from time to time, whether subsisting at the date of this Agreement, or subsequently constituted either by Capstone Barbados over its assets, or constituted by either the Vendor or the Purchaser over shares in the capital of Capstone Barbados.

"Barbados Share Transfer Obligations" means all acts, filings, registrations, adjudications and consents required under Barbados law to be procured or completed, as applicable, by each or both of the Vendor and Purchaser, as applicable, to give effect to the valid transfer of the entire issued share capital of Capstone Barbados from the Vendor to the Purchaser, free and clear of any Lien and to give effect to security arrangements with respect to currently subsisting Barbados Security and any Barbados Security to be put in place concurrently with or subsequent to Closing, all as more particularly set out in the Barbados Side Letter.

"Barbados Side Letter" has the meaning set out in Section 7.16.

"Books and Records" means originals or copies (if originals are not available) which are in Vendor's possession or under Vendor's control of any and all files, correspondence (other than employee information), data bases, regulatory documentation, geological and geophysical documentation and data, engineering documents and certificates, agreements, contracts, leases, licenses, permits, statements, invoices, deeds, and records (including the Financial Records), whether written or in machine-readable form (including application software, and computerized records maintained on electronic or storage media), but excluding for greater certainty the Excluded Books and Records.

"Business Day" means any day except Saturday, Sunday or any day on which banks are generally not open for business in Vancouver, British Columbia, Mexico City, Mexico, or Zacatecas, Mexico.

"Capstone Barbados" means Capstone Resources (Barbados) Ltd, a corporation incorporated pursuant to the laws of Barbados.

"Capstone Mexico" means Capstone Mexico Mining Corp, a corporation incorporated pursuant to the laws of British Columbia.

"Capstone Parent" has the meaning set out in the recitals hereto.

"Claim Notice" has the meaning set out in Section 6.4.

"Closing" means the completion of the purchase and sale of the Shares in accordance with the provisions of this Agreement.

"Closing Date" means the date that is three (3) Business Days after the date that all the conditions of Closing under this Agreement have been satisfied or otherwise waived in writing by the applicable Party (other than such conditions that by their nature are to be satisfied or waived on the Closing Date) or such other date as the Parties may mutually agree upon in writing, provided that the Closing Date shall occur no later than the Outside Date.

"Closing Time" means the time of Closing on the Closing Date provided for in Section 4.1.

"CNA" has the meaning set out in Section 7.7(2).

"CNA Approval" has the meaning set out in Section 7.7(2).

"Commitment Letters" has the meaning set out in Section 3.2(7)(b).

"Competition Law" means any other applicable foreign, federal, state and local statutes, rules, regulations, orders, decrees, administrative and judicial doctrines and other Law designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition through merger or acquisition.

"Confidential Information" means, in relation to the Corporation or a Party (the **"Discloser"**):

- (a) all information, in whatever form communicated or maintained, whether orally, in writing, electronically, including the Data Room Information, in computer readable form or otherwise, that the Discloser discloses to, or that is gathered by inspection by a Party (the **"Recipient"**) or any of the Recipient's Representatives in the course of the Recipient's review of the transactions contemplated by this Agreement, whether provided before or after the date of this Agreement, including, without limitation, information that contains or otherwise reflects information concerning the Discloser or its businesses, affairs, financial condition, assets, liabilities, operations, prospects or activities, and specifically includes, without limitation, financial information, budgets, business plans, ways of doing business, business results, prospects, customer lists, forecasts, engineering reports, environmental reports, evaluations, legal opinions, names of securityholders, names of joint venture partners and contractual parties, and any information provided to the Discloser by third parties under circumstances in which the Discloser has an obligation to protect the confidentiality of such information;
- (b) all plans, proposals, reports, analyses, notes, studies, forecasts, compilations or other information, in any form, that are based on, contain or reflect any Confidential Information regardless of the identity of the Person preparing the same (**"Notes"**);
- (c) the existence and terms of this Agreement;
- (d) the fact that information has been disclosed or made available to the Recipient or the Recipient's Representatives; and
- (e) the fact that discussions or negotiations are or may be taking place with respect to a possible transaction, the proposed terms of any such transaction and the status of any discussions or negotiations under this Agreement;

but does not include any information that:

- (f) is at the time of disclosure to the Recipient or thereafter becomes generally available to the public, other than as a result of a disclosure by the Recipient or any of the Recipient's Representatives in breach of this Agreement;
- (g) is or was received by the Recipient on a non-confidential basis from a source other than the Discloser or its Representatives if such source is not prohibited from disclosing the information to the Recipient by a confidentiality agreement with, or a contractual, fiduciary or other legal obligation to, the Discloser or any of its Affiliates; or
- (h) was known by the Recipient prior to disclosure in connection with the transactions contemplated by this Agreement and was not subject to any contractual, fiduciary or other

legal confidentiality obligation in respect of such information and such prior knowledge can be proven by written records in the Recipient's possession prior to such disclosure.

"Confidentiality Agreement" means the Confidentiality Agreement by and between the Vendor and the Purchaser, dated March 6, 2026.

"Consent" means any consent, approval or authorization from any Person which is provided for or required: (a) pursuant to the terms of any Contract; or (b) under any Applicable Law, in either case (i) in connection with the sale of the Shares to the Purchaser on the terms contemplated in this Agreement or (ii) which is otherwise necessary to permit the Parties to perform their obligations under this Agreement, but does not include a Regulatory Approval.

"Contingent Consideration" has the meaning set out in Section 2.4.

"Contract Year" means the period beginning on January 1 and ending on December 31 for each of the following calendar years: 2027, 2028 and 2029.

"Contracts" means all pending and executory contracts, letters of intent, option, agreements, leases, purchase orders, understandings and arrangements or the promise to enter into any of the foregoing, to which the Corporation is a party or by which the Corporation or any of its properties or assets or the Corporation's Business is bound or under which the Corporation has rights or obligations, including Premises Leases, Personal Property Leases and Permitted Liens.

"Control" of an entity, for purposes of the definition of "Sanctioned Person", means that (a) a Person holds, directly or indirectly, 50% or more of the shares or ownership interests in the entity or 50% or more of the voting rights in the entity, (b) a Person is able, directly or indirectly, to (i) appoint or remove, or has appointed or removed, a majority of the members of the entity's board of directors or similar governing body, (ii) alter the powers of the entity's board of directors or similar governing body, or (iii) for purposes of the *Special Economic Measures Act* (Canada) only, change the composition or powers of the entity's board of directors or (c) it is reasonable to conclude, having regard to all the circumstances, that a Person is able to unilaterally, directly or indirectly and through any means, direct the entity's activities.

"Copper Price Cash Consideration" has the meaning set out in Section 2.4(1).

"Corporation" has the meaning set out in the recitals hereto.

"Corporation Annual Financial Statements" means the audited financial statements of the Corporation as at and for the fiscal years ended December 31, 2024 and 2025, true and complete copies of which are attached as Schedule 3.1(10) of the Disclosure Letter.

"Corporation's Business" means the business carried on by the Corporation, which involves the ownership and operation of the Cozamin Mine.

"Corporation Interim Financial Statements" means the trial balances of the Corporation as at March 31, 2026, true and complete copies of which are attached as Schedule 3.1(10) of the Disclosure Letter.

"Cozamin Concessions" means the mining concessions comprising the Cozamin Mine as set forth in Schedule 3.1(18)(b) of the Disclosure Letter or the rights thereto, applications for mining concessions, including any other ancillary rights used in connection with exploration, development and mining operations and options or other rights to acquire any of the foregoing.

"Cozamin Mine" means the Cozamin copper-silver mine located in the state of Zacatecas, Mexico, comprised collectively by: (i) the Cozamin Concessions; (ii) the Leased Premises and the Owned Real Property to the extent that these are material to the current operation of the Cozamin Mine; (iii) the Environmental Permits; and (iv) the Explosives Permit.

“Credit Agreement” means the fifth amended and restated credit agreement among the Vendor, as borrower, and Canadian Imperial Bank of Commerce, as administrative agent and the financial institutions lenders party thereto, as lenders, and the guarantors thereto, including the Corporation, Capstone Mexico and Capstone Barbados, dated as of May 6, 2025.

“Credit Facility” means the revolving credit facility pursuant to the Credit Agreement.

“Credit Facility Liens” means those Liens listed in Schedule 1.1(a) of the Disclosure Letter with respect to the Corporation’s obligations under the Credit Facility.

“Damages” means, whether or not involving a Third Party Claim, any losses, liabilities, costs, claims, obligations, charges, interests, fines, penalties, assessments, expenses or damages or out-of-pocket expenses (including reasonable and documented legal fees and expenses), but excluding (other than as imposed resulting from a Third Party Claim) any punitive or exemplary damages or losses, consequential, incidental or indirect damages or losses, and loss of profit or similar construction.

“Data Room Information” means the documents made available to the Purchaser prior to the execution of this Agreement in the Vendor’s electronic data room posted on the Donnelly Financial Solutions – Venue website at *[Redacted – Commercially Sensitive Information]* as in effect on the Business Day prior to the Closing Date.

“Deferred Consideration” has the meaning set out in Section 2.2(3).

“Direct Claim” has the meaning set out in Section 6.4.

“Discloser” has the meaning set out in the definition of Confidential Information.

“Disclosure Letter” means the disclosure letter executed by the Vendor and delivered to the Purchaser in connection with the execution of this Agreement.

“Effective Date” means 12:01 a.m. (Vancouver time) on November 1, 2026, being one minute after midnight on November 1, 2026, and immediately after the close of business on October 31, 2026, as at which time the economic benefit and risk of the Corporation’s Business passes to the Purchaser under this Agreement.

“Effective Date Balance Sheet” means the consolidated balance sheet of the Corporation, Capstone Barbados and Capstone Mexico as at the close of business on October 31, 2026, prepared by the Vendor in accordance with the basis of presentation set out in Schedule A, and which shall be final and binding on the Parties absent manifest error.

“Effective Date Net Cash (Debt)” means the net total of the Effective Date Net Cash (Debt) Column of the Effective Date Balance Sheet, determined in accordance with Schedule A, expressed as a positive amount to the extent that any of the Corporation, Capstone Barbados or Capstone Mexico is in a net cash position, and a negative position to the extent that any of the Corporation, Capstone Barbados or Capstone Mexico is in a net debt position.

“Effective Date Working Capital” means the net total of the Effective Date Working Capital column of the Effective Date Balance Sheet, whether positive or negative.

“Employee” means an individual who is employed by the Corporation as a key management or professional personnel and unionized employees involved in the operation of the Corporation’s Business, whether on a full-time or part-time basis.

“Environment” means the physical and biological aspects and conditions of a particular area, including: the land, superficial water, groundwater and any and all sources of water of whatever jurisdiction (including without limitation water under or within land or in drains and sewers and coastal and inland waters and

water bodies defined as Mexican national waters (*aguas nacionales*) or recipient bodies of Mexican national waters (*cuerpos receptores de aguas nacionales*), air, atmosphere, climate, ecosystems, flora and fauna, living organisms and other organic and inorganic matter, things made or altered by humans, ecosystems, and in general the environment as defined in Environmental Law.

“Environmental Law” means any Applicable Law relating to (a) pollution or pollution control, including, without limitation, storm water; (b) protection, preservation, improvement, remediation or cleanup of wildlife, natural resources or the environment; (c) employee safety in the workplace, (d) manufacture, handling, management, presence, use, generation, processing, extraction, treatment, recycling, refining, labeling, transport, storage, collection, distribution, disposal or release, including investigation and clean-up of such release or threatened release, of Hazardous Substances; and (e) Reclamation and/or preservation and protection of the Environment or any species or organisms that make use of it, human health or safety, and mine site closure. These include but are not limited to: (1) the General Law of Ecological Balance and Environmental Protection, and its Regulations (*Ley General del Equilibrio Ecológico y la Protección al Ambiente* or *LGEEPA*); (2) the General Law for the Prevention and Integral Management of Wastes, and its Regulations (*Ley General para la Prevención y Gestión Integral de los Residuos* or *LGPGIR*); (3) the National Water Law and its Regulations (*Ley de Aguas Nacionales* or *LAN*); and (4) General Law on Sustainable Forest Development and Its Regulations (*Ley General de Desarrollo Forestal Sustentable*), (5) General Law on Climate Change and Its Regulations (*Ley General de Cambio Climático*), (6) Federal Environmental Responsibility Act (*Ley Federal de Responsabilidad Ambiental*), (7) applicable State and Municipal Environmental Regulations, (8) Applicable Ecological Land-Use Planning Programs, and (9) Mexican Official Norms NOM-052-SEMARNAT-2005, NOM-053-SEMARNAT-1993, NOM-138-SEMARNAT/SSA1-2012, NOM-147-SEMARNAT/SSA1-2004, NOM-001-SEMARNAT-2021, NOM-157-SEMARNAT-2009, NOM-141-SEMARNAT-2003, NOM-161-SEMARNAT-2011, NOM-085-SEMARNAT-2011, NOM-043-SEMARNAT-1993 and NOM-081-SEMARNAT-1994, (10) Federal Criminal Code (*Código Penal Federal*) among others that are in full force and effect on or at any time before the Closing Date.

“Environmental Permit” means any Permit issued or required pursuant to any Environmental Law and required for the ownership, use or operation of the Cozamin Mine.

“Estimated Barbados PMPA Amount” has the meaning set out in Section 2.11(1).

“Equity Bid Letter” means the executed equity bid letter dated as of the date hereof, including all related exhibits, schedules, annexes, supplements and term sheets attached thereto, in each case, as amended, restated, supplemented, replaced and/or modified in accordance with the terms hereof, to the extent permitted hereunder.

“Equity Financing Source” means the Persons that at any time have committed to provide the equity financing under the Equity Bid Letter, and their respective successors and assigns.

“Excluded Books and Records” means all the books and records of the Vendor and Capstone Parent and those books and records of the Corporation that are not exclusively or primarily related to the Corporation’s Business, including: (a) archived administrative and operational files, including e-mails and other electronic communications, not available on the current system and paper records, (b) all books and records relating to the preparation for and negotiation of the transactions contemplated herein, other than resolutions and minutes of meetings of the directors of the Corporation, and (c) all internal correspondence and memoranda, valuations, regulatory filings and returns, investment banking presentations and offers received from Persons other than the Purchaser in connection with the transactions contemplated by this Agreement.

“Excluded Items” means the items comprised of the Excluded Items column of the Effective Date Balance Sheet, determined in accordance with Schedule A, which have no effect on purchase price.

“Ex-Im Laws” means all Applicable Laws relating to the export, re-export, import, and transfer of goods, services, software and technology.

“Explosives Permit” means the Corporation’s general permit number 4039-Zac for the purchase, storage and use of explosives, which renewal was issued on January 1, 2026 by the Army Ministry for a term expiring on December 31, 2026; which requires a notice for the change of control of the Corporation as provided in Article 45 Bis of the *Ley Federal de Armas de Fuego y Explosivos* (LFAFE).

“Financial Records” means all books of account and other financial data and information of the Corporation, and includes all such records, data and information stored electronically, digitally or on computer-related media.

“Financial Statements” means, collectively, the Corporation Annual Financial Statements and the Corporation Interim Financial Statements.

“Financing Sources” means, collectively, the Equity Financing Source and the Acquisition Facility Financing Sources.

“Financings” means, collectively, the secured corporate facility contemplated by the Acquisition Facility Letter and the equity financing contemplated by the Equity Bid Letter.

“First Target Copper Price” means between \$7.00 and \$7.75 per pound.

“First Target Copper Price Trigger” has the meaning set out in Section 2.4(1).

“Foreign Direct Investment Law” means all applicable laws, regulations, decrees or official guidance regulating the screening, notification, review, or approval of foreign direct investments.

“Governmental Authority” means:

- (a) any domestic or foreign government, whether national, federal, provincial, state, territorial, municipal or local (whether administrative, legislative, executive or otherwise);
- (b) any agency, authority, ministry, department, regulatory body, court, central bank, bureau, board or other instrumentality having legislative, judicial, taxing, regulatory, prosecutorial or administrative powers or functions of, or pertaining to, government;
- (c) any court, tribunal, commission, individual, arbitrator, arbitration panel or other body having adjudicative, regulatory, judicial, quasi-judicial, administrative or similar functions; and
- (d) any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange or professional association.

“Hazardous Substance” means any solid, liquid, gas, odour, heat, sound, radiation or combination of them with a corrosive, reactive, explosive, toxic, flammable, or infectious nature, that may impair the natural environment, injure or damage property or plant or animal life or harm or impair the health of any individual and includes any contaminant, waste, or substance or material defined, prohibited, regulated or reportable pursuant to any Environmental Law, including, without limitation, any wastes, materials or substances that are (i) labeled as “hazardous material” or “hazardous waste” or both, pursuant to Mexico’s *Ley General del Equilibrio Ecológico y la Protección al Ambiente*; (ii) listed, characterized (or subject to characterization) as “hazardous” under Mexican Official Norms NOM-052-SEMARNAT-2005 and NOM-053-SEMARNAT-1993, (iii) labeled as “hazardous wastes” under Mexico’s *Ley General para la Prevención y Gestión Integral de los Residuos*, (iv) First and Second Lists of High-Risk Activities Published in the Official Gazette of the Federation on March 28, 1990, and May 4, 1992, respectively, and/or its regulations.

“IFRS” means the International Financial Reporting Standards, as issued by the International Accounting Standards Board, as the same may be amended or supplemented from time to time.

"Improvements" means all buildings, fixtures, sidings, parking lots, roadways, structures, erections, fixed machinery, fixed equipment and appurtenances situate on, in, under, over or forming part of, any real property.

"Increased Copper Price Cash Consideration" has the meaning set out in Section 2.4(1).

"Indemnified Party" means a Person whom the Vendor or the Purchaser, as the case may be, is required to indemnify under Article 6.

"Indemnifying Party" means, in relation to an Indemnified Party, the Party that is required to indemnify such Indemnified Party under Article 6.

"Indigenous" means any indigenous and/or aboriginal persons, tribes and/or bands, and local community groups (including *Ejidos*, *Comunidades* and their respective members, if applicable), as such terms or similar concepts are accepted or acknowledged under Applicable Law.

"Intercompany Balances" means all loans, payables, receivables and other amounts owing, as between the Corporation, Capstone Barbados or Capstone Mexico on the one hand and the Vendor or any of its affiliates (other than the Corporation, Capstone Barbados or Capstone Mexico) on the other hand, together with any accrued and unpaid interest thereon.

"Interim Period" means the period from the date of execution of this Agreement to the Closing Time.

"Investment Canada Act" means the *Investment Canada Act*, R.S.C. 1985, c. 28 (1st Supp.).

"Lands" means all real property that the Corporation owns, leases or in which it otherwise has an interest, including the Owned Lands and the Leased Premises, together with all easements, rights of way and interests appurtenant to them.

"Law" has the meaning set out in the definition of "Applicable Law".

"Leakage" means, in each case other than Permitted Leakage, any of the following occurring or arising during the period from (and including) the Effective Date to (and including) the Closing Time: (a) any dividend or distribution (whether in cash or in kind) declared, paid or made by the Corporation, Capstone Barbados or Capstone Mexico to the Vendor or any of its Affiliates; (b) any payment made or agreed to be made, or any asset transferred, by the Corporation, Capstone Barbados or Capstone Mexico to or for the benefit of the Vendor or any of its Affiliates; (c) any management, monitoring, service, directors', advisory or similar fee paid or payable by the Corporation, Capstone Barbados or Capstone Mexico to the Vendor or any of its Affiliates; (d) the waiver, release, discount or forgiveness by the Corporation, Capstone Barbados or Capstone Mexico of any amount or obligation owed to it by the Vendor or any of its Affiliates; (e) the assumption, indemnification, guarantee or discharge by the Corporation, Capstone Barbados or Capstone Mexico of any liability or obligation of the Vendor or any of its Affiliates; (f) any transaction bonus, retention or change-of-control payment paid or payable by the Corporation, Capstone Barbados or Capstone Mexico to any Person as a result of the transactions contemplated by this Agreement; (g) the payment by the Corporation, Capstone Barbados or Capstone Mexico of any of the Vendor's fees, costs or expenses in connection with this Agreement or the transactions contemplated hereby; (h) the repayment or prepayment by the Corporation, Capstone Barbados or Capstone Mexico of any Intercompany Balance owing to the Vendor or any of its Affiliates otherwise than as expressly permitted under this Agreement; (i) any Tax payable by the Corporation, Capstone Barbados or Capstone Mexico as a consequence of any of the foregoing; and (j) any agreement or undertaking by the Corporation, Capstone Barbados or Capstone Mexico to do any of the foregoing.

"Leased Premises" means all real property that is leased, subleased, under occupation or easement agreements, licensed or otherwise occupied or used by the Corporation, including all Improvements thereon, therein or thereunder.

"Leases" means Personal Property Leases and Premises Leases.

"Legal Proceeding" means any litigation, action, application, suit, investigation, hearing, claim, complaint, *amparo* proceeding, deemed complaint, grievance, civil, administrative, regulatory or criminal, arbitration proceeding or other similar proceeding, before or by any court, tribunal or Governmental Authority, and includes any appeal or review thereof and any application for leave for appeal or review.

"Lenders" means Canadian Imperial Bank of Commerce and the financial institutions party to the Credit Agreement.

"Lien" means any lien, mortgage, charge, hypothec, pledge, title retention, conditional or instalment sale agreement, reservation, easement, right of way, restrictive covenant, restriction on use, right of occupation, resolutive clause, security interest, prior assignment, option, warrant, lease, sublease, right to possession, encumbrance, claim, right or restriction which affects, by way of a conflicting ownership interest or otherwise, the right, title or interest in or to any particular property or asset, including to the Cozamin Mine.

"LISR" has the meaning set out in Section 2.10.

"LME Cash Settlement Price" means the daily official LME Cash Settlement Price for Copper Grade "A" in United States dollars, as published on Fastmarkets MB.

"Material Adverse Change" means any result, fact, change, effect, event, circumstance, occurrence or development that, taken together with all other results, facts, changes, effects, events, circumstances, occurrences or developments, has had a material and adverse effect on the business, results of operations, capitalization, assets, liabilities (including any contingent liabilities), obligations (whether absolute, accrued, conditional or otherwise) or financial condition of the Corporation, taken as a whole, provided, however, that any result, fact, change, effect, event, circumstance, occurrence or development that arises out of, relates directly or indirectly to, results directly or indirectly from or is attributable to any of the following shall not be deemed to constitute, and shall not be taken into account in determining whether there has been, a Material Adverse Change: (i) changes, developments or conditions in or relating to general international, political, economic or financial or capital market conditions, or general political, economic or financial or capital market conditions in any jurisdiction in which the Corporation operates or carries on business, including Canada and Mexico; (ii) changes, developments or conditions resulting from any act of sabotage or terrorism or any outbreak of hostilities or declared or undeclared war, or any escalation or worsening of such acts of sabotage, terrorism, hostilities or war as well as criminal activities by cartels and other criminal groups except those that materially prevent the operation of the Cozamin Mine; (iii) any earthquake, hurricane, tornado or other natural disaster; (iv) any claims in respect of Indigenous rights, title or interests, treaty rights or specific or comprehensive claims against the Government of Mexico by or on behalf of any group of persons that self-identify or are identified as an Indigenous organization in Mexico, including any community duly recognized as an Indigenous group except those that materially affects the legal ownership or materially prevents the operation of the Cozamin Mine; (v) changes or developments in or relating to currency exchange or interest rates, rates of inflation or changes in the price of metals; (vi) any change or proposed change in any laws or the interpretation, application or non-application of any laws by any Governmental Authority; (vii) changes or developments affecting the mining industry in general; (viii) any changes in IFRS; or (ix) the announcement of the execution of this Agreement or the transactions contemplated hereby, the pendency of the completion of the transactions contemplated hereby, the performance of any obligation contemplated hereunder or the completion of any of the transactions contemplated hereby or resulting from any action or inaction to which the Purchaser has expressly consented in writing.

"Material Contract" means a Contract: (i) which involves or may reasonably be expected to involve the payment to or by the Corporation of more than \$3,000,000 over the term of that Contract, a Contract or commitment relating to borrowed money; (ii) which if terminated or amended would result in the permanent cessation or materially extended suspension of operations at the Cozamin Mine; (iii) containing a non-competition or non-solicitation covenant that materially restricts the freedom of the Corporation to carry on the Corporation's Business in any way or is otherwise material to the operation of the Corporation's

Business, except any Contract that may be terminated upon sixty (60) days' or less notice; (iv) the termination of which would reasonably be expected to have a Material Adverse Change; (iv) for a Royalty; or (v) with a term or commitment to or by Corporation that extends beyond one year and which cannot be terminated without cost or penalty in excess of \$3,000,000 on less than sixty (60) days' notice.

"Maximum Copper Price Cash Consideration" has the meaning set out in Section 2.4(1).

"Mexican Mining Duties" means mining taxes payable in accordance with Applicable Laws, including mining duties payable according to Article 263 of the Mexican Federal Duties Law (*Ley Federal de Derechos*) which provides a mining duty (*derecho sobre minería*) payable on a semi-annual basis calculated based on the size of the relevant mining concession and its seniority.

"Mexican Special Production Duties" means mining taxes payable in accordance with Articles 268 and 270 of the Mexican Federal Duties Law (*Ley Federal de Derechos*), which provide that: (i) a special mining duty (*derecho especial sobre minería*) is payable on an annual basis equal to 8.5% of the sales income generated by minerals extracted from a mining concession minus the authorized deductions and (ii) an extraordinary mining duty (*derecho extraordinario sobre minería*) is payable on an annual basis equal to 1% of the sales income of gold, silver or platinum minerals.

"Mine Plan" means the mine plan for the Cozamin Mine as set out in Schedule 1.1(b) of the Disclosure Letter.

"Mineral Rights" has the meaning ascribed thereto in Section 3.1(18)(b).

"Misrepresentation" has the meaning attributed to such term under the Securities Act.

"Net Gain Election" has the meaning set out in Section 2.10.

"NI 43-101" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

"NI 52-109" means National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*.

"Notes" has the meaning set out in paragraph (b) of the definition of Confidential Information.

"OECD GloBE Rules" means the Global Anti-Base Erosion Model Rules (Pillar Two) published by the Organisation for Economic Co-operation and Development December 20, 2021 as amended, supplemented or substituted from time to time.

"Order" means any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.

"Ordinary Course of Business" when used in relation to the taking of any action by the Corporation means that the action is consistent in nature, scope and magnitude with the past practices of the Corporation and is taken in the ordinary course of normal business of the Corporation.

"Outside Date" means February 28, 2027 (as such date may be extended pursuant to the immediately succeeding proviso) or such later date as may be agreed to in writing by the Parties, provided that if the Closing Date has not occurred on or prior to the Outside Date as a result of the failure to satisfy the condition set forth in Section 5.1(5) (if the Law giving rise to the failure of such condition to be satisfied relates to any Regulatory Approval), Section 5.1(6), Section 5.3(4) (if the Law giving rise to the failure of such condition to be satisfied relates to any Regulatory Approval) or Section 5.3(5) then any Party may extend such initial Outside Date by two (2) additional successive periods of one (1) month each (for a maximum aggregate extension of the initial Outside Date by two (2) months, irrespective of which Party provides an extension notice), by notice in writing delivered to the other Parties by 5:00 pm (Vancouver time) on the Business Day prior to the initial Outside Date or any subsequent Outside Date, provided that, notwithstanding the

foregoing, a Party shall not be permitted to extend the applicable Outside Date if the failure to satisfy the condition is primarily the result of such Party's breach of its covenants herein.

"Owned Lands" means the Lands owned by the Corporation.

"Owned Real Property" means the Owned Lands and the Improvements thereon.

"Parent Annual Financial Statements" means the audited consolidated financial statements of Capstone Parent as at and for the fiscal years ended December 31, 2024 and 2025, true and complete copies of which are filed on Capstone Parent's profile on SEDAR+.

"Party" means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and **"Parties"** means every Party.

"Permit" means the Environmental Permits, the Explosives Permit and any licence, permit, concession, water concession, authorization, approval or other evidence of authority, required, issued or granted to, conferred upon, or otherwise created for, the Corporation by any Governmental Authority with respect to the Cozamin Mine and its operation under Applicable Law.

"Permitted Leakage" means: (a) any payment, charge or settlement made by the Corporation, Capstone Barbados or Capstone Mexico to or with the Vendor or any of its Affiliates under and in accordance with the terms of any arrangement in existence and disclosed in the Disclosure Letter as at the date of this Agreement, in the Ordinary Course of Business and consistent with past practice, including intercompany service, management and shared-cost charges, commissions and marketing fees, in each case levied or charged on the same basis and at the same rates as those approved and applied by the Corporation, Capstone Barbados or Capstone Mexico immediately prior to the Effective Date and continued through to the Closing Time; (b) the Pre-Closing Reorganization and each transaction contemplated therein; (c) any payment made with the prior written consent of the Purchaser; (d) any Tax payable by the Corporation, Capstone Barbados or Capstone Mexico as a consequence of any of the foregoing; (e) any amount to the extent taken into account in the calculation of the Purchase Price or provided for in the Effective Date Balance Sheet; and (f) any payment, delivery, charge, credit or settlement made, incurred or effective under or in connection with the Silver PSA and the Barbados PMPA, including the acquisition and on-sale of silver credits contemplated by Section 2.11 and the settlement or capitalization of any Intercompany Balance arising therefrom.

"Permitted Liens" means:

- (a) Liens for Taxes and utilities that in each case are not yet due or are not in arrears or are being contested in good faith by appropriate proceedings pursuant to Applicable Laws;
- (b) restrictions in the original grant from a Governmental Authority or any original lease, license or other granting instrument under which the Corporation obtains its rights to the Real Property that do not affect the Corporation's Business in a material respect;
- (c) construction, mechanics', carriers', workers', repairers', storers' or other similar liens (inchoate or otherwise) if individually or in the aggregate they: (i) are not material; (ii) arose or were incurred in the Ordinary Course of Business; (iii) have not been filed, recorded or registered in accordance with Applicable Law; (iv) notice of them has not been given to the Corporation; and (v) the debt secured by them is not in arrears;
- (d) minor title defects or irregularities, minor unregistered easements or rights of way, and other minor unregistered restrictions affecting the use of Real Property if such title defects, irregularities or restrictions are complied with and do not, in the aggregate, materially adversely affect: (i) the operation of the Corporation's Business or the continued use of the Real Property to which they relate after the Closing on substantially the same basis as

the Corporation's Business are currently being operated and such Real Property is currently being used; or (ii) the marketability of such Real Property;

- (e) easements, covenants, rights of way and other restrictions if registered;
- (f) registered agreements with municipalities or public utilities;
- (g) the Liens listed in Schedule 1.1(c) of the Disclosure Letter; and
- (h) the Credit Facility Liens.

"Person" is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity.

"Personal Information" means information about an identifiable individual as defined in Privacy Law.

"Personal Property" means all machinery, equipment, furniture, motor vehicles and other chattels owned or leased by the Corporation.

"Personal Property Lease" means a chattel lease, equipment lease, conditional sales contract and other similar agreement to which the Corporation is a party or under which it has rights to use Personal Property.

"Pillar Two Tax" means any Tax imposed under any Law or regulation implementing the OECD GloBE Rules and any domestic top-up tax (howsoever named) implemented in connection with the OECD GloBE Rules that is, or is intended by the enacting legislature to be, a "Qualified Domestic Minimum Top-Up Tax" for the purposes of the OECD GloBE Rules, as amended, supplemented or substituted from time to time.

[Redacted – Commercially Sensitive Information]

"Pre-Closing Reorganization" means the reorganization to be completed by the Vendor and the Corporation immediately prior to, and conditional upon the occurrence of, Closing, pursuant to which the Barbados PMPA is transferred to the Corporation, comprising the following steps: (a) the Corporation declaring and paying a dividend to the Vendor satisfied by the issuance of a non-interest bearing promissory note in a principal amount equal to the fair market value of the obligations under the Barbados PMPA; and (b) the Vendor transferring to the Corporation the obligations under the Barbados PMPA in consideration for the settlement of that promissory note, following which the Corporation shall assume, and be responsible for performing, the rights and obligations of the Vendor under the Barbados PMPA (including the future silver deliveries required thereunder).

"Pre-Closing Tax Period" means a taxation year or other fiscal period that begins before and ends on or before the Closing Time.

"Premises Lease" means a lease, an agreement to lease, a sublease, a licence agreement and an occupancy, easements, or other agreement under which the Corporation has the right, or has granted another Person the right, to use or occupy any Leased Premises.

"Privacy Law" means the *Personal Information Protection and Electronic Documents Act* (Canada), the *Personal Information Protection Act* (British Columbia) and any comparable Law of any other jurisdiction.

"Purchase Price" has the meaning set out in Section 2.2.

"Purchaser" has the meaning set out in the preamble hereto.

"Purchaser's Counsel" means Cassels Brock & Blackwell LLP.

“Purchaser Guarantor” has the meaning set out in the preamble hereto.

“Purchaser Guarantor Financial Statements” means, collectively: (i) the audited consolidated financial statements of the Purchaser Guarantor as at and for the fiscal years ended December 31, 2025 and 2024, including the notes thereto and the auditor's report thereon; and (ii) the unaudited condensed interim consolidated financial statements of the Purchaser Guarantor as at and for the three and six months ended June 30, 2026 and 2025, including the notes thereto, true and complete copies of which are filed on the Purchaser Guarantor's profile on SEDAR+.

“Purchaser Guarantor Public Record” means all information filed by or on behalf of the Purchaser Guarantor since January 1, 2025 with the Securities Authorities, in accordance with applicable Securities Laws which is available for public viewing on the Purchaser Guarantor's profile on SEDAR+.

“Purchaser Guarantor Shares” means the common shares of the Purchaser Guarantor.

“Purchaser's Indemnified Parties” means the Purchaser, the Purchaser's Affiliates, the Corporation and their respective Representatives.

“Real Property” means the Owned Real Property and the Leased Premises.

“Reclamation” means taking actions for the purpose of remediating and restoring the Environment at the Cozamin Mine, as would be required under Environmental Laws, including actions related to the progressive, concurrent and final decommissioning and closure of the Cozamin Mine and mining infrastructure to at least a minimum standard and condition that meets the requirements of any Applicable Law.

“Recipient” has the meaning set out in the definition of Confidential Information.

“Register of Barbados Security” means the register of mortgages and charges maintained by the registrar of Business Barbados in respect of unregistered external companies.

“Regulatory Approval” means any approval, consent, ruling, authorization, notice, permit, waiver or acknowledgement that may be required from any Governmental Authority pursuant to Applicable Law, including under the Competition Laws and Foreign Direct Investment Laws, or under the terms of any Permit or the conditions of any Order (a) in connection with the transactions contemplated by this Agreement, (b) to permit the Corporation to carry on the Corporation's Business after Closing, or (c) which is otherwise necessary to permit the Parties to perform their obligations under this Agreement.

“Release” includes an actual or potential discharge, deposit, spill, leak, pumping, pouring, emission, emptying, injection, escape, leaching, seepage, migration or disposal of a Hazardous Substance, including without limitation the movement of Hazardous Substances through air, soil, subsoil, ground or surface water.

“Representative” when used with respect to a Person means each director, officer, employee, consultant, financial adviser, legal counsel, accountant and other agent, adviser or representative of that Person who is involved in the transactions contemplated by this Agreement.

“Required Consent” means any Consent required pursuant to a Material Contract, the Environmental Permits, the Explosive Permit, and other material Permit, a Mineral Right or a Premises Lease.

“Royalties” means in respect of any Real Property, Mineral Rights, royalties, streaming interests, profit interests, net profits interests, overriding royalty interests or similar rights or other agreements providing for the payment of consideration measured, quantified or calculated based on, in whole or in part, any minerals produced, mined, recovered and extracted from any Real Property which constitutes obligations of the Corporation.

“Sanctioned Person” means any Person that is designated or listed as the target of any Sanctions Laws, including (a) any Person identified in any Sanctions-related list of designated Persons maintained by the United States (including OFAC or the United States Department of State), the United Nations Security Council, Canada (including through Global Affairs Canada), Mexico, the European Union, any European Union member state or the United Kingdom (including His Majesty’s Treasury), (b) any Person domiciled, organized or resident in a Sanctioned Territory or (c) any Person directly or indirectly owned or Controlled by, or acting for or on behalf of, or at the direction of, any such Person or Persons described in the foregoing clauses (a) or (b).

“Sanctioned Territory” means any country, territory or geographic region that is, in whole or in part the subject of comprehensive or territory-wide Sanctions Laws, (as of the date of this Agreement, Iran, North Korea, Syria, the Crimea region of Ukraine, the so-called Donetsk People’s Republic, the so-called Luhansk People’s Republic, and the areas of the Kherson and Zaporizhzhia oblasts of Ukraine that are occupied by the Russian Federation).

“Sanctions Laws” means any regulations, restrictive measures or embargoes, or asset freezing measures, relating to trade, economic or financial sanctions, or similar sanction restrictions, including the sanctions administered by (i) Mexico (including the *Unidad de Inteligencia Financiera* or the *Secretaría de Hacienda y Crédito Público* and any such Applicable Law imposed by the Mexican government); (ii) the United States (including OFAC and the US Department of State); (iii) Canada (including Global Affairs Canada and Public Safety Canada); (iv) the United Kingdom; (v) the European Union or any member state; or (vi) any other relevant sanctions authority.

“Second Target Copper Price” means between \$7.76 and \$8.50 per pound.

“Second Target Copper Price Trigger” has the meaning set out in Section 2.4(1).

“Securities Act” means the *Securities Act* (British Columbia) and the binding rules and regulations made thereunder.

“Securities Authorities” means, collectively, the securities commission or other securities regulatory authority of each province and territory of Canada.

“Securities Laws” means the Securities Act and all other applicable Canadian provincial and territorial securities Laws.

“SEDAR+” means the System for Electronic Data Analysis Retrieval+.

“Shares” means, collectively, (a) 999 Class I Series B shares in the capital of the Corporation, (b) 82,002,954 Class II Series B shares in the capital of the Corporation, (c) all of the issued and outstanding shares in the capital of Capstone Mexico and (d) all of the issued and outstanding shares in the capital of Capstone Barbados.

“Silver PSA” means the Purchase and Sale Agreement dated February 17, 2021, between the Vendor and the Corporation, as may be amended, supplemented, restated or otherwise modified from time to time.

“Statutory Plans” means statutory benefit plans which the Corporation is required to participate in or comply with and plans administered pursuant to applicable health tax, workplace safety insurance, collective bargaining, and employment insurance legislation.

“Straddle Period” means a taxation year or fiscal period that includes, but does not begin or end on, the Closing Date.

“Stub Period Returns” has the meaning set out in Section 7.8.

“Target Working Capital” means \$6,710,980.

“Taxes” means, with respect to any Person, any and all supranational, national, federal, provincial, state, city or municipal taxes, levies, duties, fees, excises, premiums, assessments, reassessments, imposts, and other charges of any kind whatsoever imposed by any Governmental Authority, including, without limitation, income taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, Mexican Mining Duties, Mexican Special Production Duties, Pillar Two Tax, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, licence taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, government pension plan premiums and contributions, social security premiums, workers’ compensation premiums, employment/unemployment insurance or compensation premiums and contributions, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority and any instalments in respect thereof, together with any tax indemnity obligation, interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties, and whether disputed or not, and “Tax” means any one of such Taxes.

“Tax Act” means the *Income Tax Act* (Canada).

“Tax Matters” has the meaning set out in Section 7.10.

“Tax Returns” means all returns, reports, declarations, designations, elections, notices, filings, information returns, and other documents filed or required to be filed under the provisions of any Applicable Law in respect of Taxes and any Tax forms filed or required to be filed, whether in connection with a Tax Return or not, under any provisions of any Law in respect of Taxes, with any applicable Governmental Authority, including all amendments, schedules, attachments or supplements thereto and whether in tangible or electronic form.

“Taxing Authority” means any Governmental Authority responsible for the administration, assessment, determination, collection, enforcement, or imposition of any Tax.

“Technical Report” means the NI 43-101 technical report relating to the Cozamin Mine titled “NI 43-101 Technical Report on the Cozamin Mine, Zacatecas, Mexico” with an effective date of January 1, 2023, published May 3, 2023.

“Third Party Claim” has the meaning set out in Section 6.4.

“Third Target Copper Price” means at least \$8.51 per pound.

“Third Target Copper Price Trigger” has the meaning set out in Section 2.4(1).

“Threatened”, when used in relation to a Legal Proceeding or other matter, means that a demand or statement (oral or written) has been made or a notice (oral or written) has been given that a Legal Proceeding or other matter is to be asserted, commenced, taken or otherwise pursued in the future.

“Threshold Amount” has the meaning set out in Section 6.7(1)(a).

“Ticking Fee” means, in respect of the period from (and including) the Effective Date to (but excluding) the Closing Date, an amount equal to \$700,000 per month.

“Trade Controls” means applicable trade restrictions imposed by Governmental Authorities against certain countries, organizations, individuals or goods, including import and export restrictions and anti-boycott laws.

“Trading Day” means any day on which Purchaser Guarantor Shares are listed or quoted and traded on the TSXV, or such other principal exchange on which the majority of volume of trading of the Purchaser Guarantor Shares occurs.

“Transaction Personal Information” means any Personal Information in the possession, custody or control of the Corporation, the Vendor or the Purchaser at the Closing Time, including Personal Information about employees, suppliers, customers, directors, officers or shareholders of the Corporation or the Purchaser that is:

- (a) disclosed to the Purchaser or any Representative of the Purchaser prior to the Closing Time by the Vendor, the Corporation or their respective Representatives or otherwise;
- (b) disclosed to the Vendor or any Representative of the Vendor prior to the Closing Time by the Purchaser or its Representatives or otherwise;
- (c) collected by the Purchaser or any Representative of the Purchaser prior to the Closing Time from the Vendor, the Corporation, any of their respective Representatives or otherwise; or
- (d) collected by the Vendor or any Representative of the Vendor prior to the Closing Time from the Purchaser, any of its Representatives or otherwise,

in any case in connection with the transactions contemplated by the Agreement.

“TSXV” means the TSX Venture Exchange.

“United States Dollars” means the lawful currency of the United States of America.

“Vendor” has the meaning set out in the preamble hereto.

“Vendor’s Counsel” means Blake, Cassels & Graydon LLP.

“Vendor Fundamental Representations” means, collectively, the representations and warranties of the Vendor in Sections 3.1(1), (2), (3), (4), (5), (11), (14), (24) and (35).

“Vendor’s Indemnified Parties” means the Vendor, the Vendor’s Affiliates and their respective Representatives.

“Vendor Tax Representative” has the meaning set out in Section 2.10(4).

“Wheaton” means Wheaton Precious Metals International Ltd.

“Wheaton PMPA” means the precious metals purchase agreement dated as of December 11, 2020 between Wheaton, Capstone Barbados, and the Vendor, as may be amended, supplemented, restated or otherwise modified from time to time.

1.2 Actions on Non-Business Days. If any payment is required to be made or other action (including the giving of notice) is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be considered to have been made or taken in compliance with this Agreement if made or taken on the next succeeding Business Day.

1.3 Currency and Payment Obligations. Except as otherwise expressly provided in this Agreement:

- (a) all dollar amounts referred to in this Agreement are stated in United States Dollars;
- (b) any payment contemplated by this Agreement shall be made by wire transfer of immediately available funds to an account specified by the payee, by cash, by certified cheque or by any other method that provides immediately available funds; and

- (c) except in the case of any payment due on the Closing Date, any payment due on a particular day must be received by and be available to the payee not later than 2:00 p.m. Vancouver time on the due date at the payee's address for notice under Section 9.3 or such other place as the payee may have specified in writing to the payor in respect of a particular payment and any payment made after that time shall be deemed to have been made and received on the next Business Day.

1.4 Calculation of Interest. In calculating interest payable under this Agreement for any period of time, the first day of such period shall be included and the last day of such period shall be excluded.

1.5 Calculation of Time. In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. Vancouver time on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. Vancouver time on the next succeeding Business Day.

1.6 Knowledge. Where any representation, warranty or other statement in this Agreement is expressed to be made by the Vendor to its knowledge or is otherwise expressed to be limited in scope to facts or matters known to the Vendor or the Corporation or of which the Vendor or the Corporation is aware, it shall mean the actual knowledge of Cashel Meagher, Chris Richter, Wendy King and Raman Randhawa.

1.7 Additional Rules of Interpretation.

(1) *Gender and Number.* In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.

(2) *Headings and Table of Contents.* The inclusion in this Agreement of headings of Articles and Sections and the provision of a table of contents are for convenience of reference only and are not intended to be full or precise descriptions of the text to which they refer.

(3) *Section References.* Unless the context requires otherwise, references in this Agreement to Articles, Sections or Schedules are to Articles, Sections or Schedules of this Agreement.

(4) *Words of Inclusion.* Wherever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation" and the words following "include", "includes" or "including" shall not be considered to set forth an exhaustive list.

(5) *References to this Agreement.* The words "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.

(6) *Statute References.* Unless otherwise indicated, all references in this Agreement to any statute include the regulations thereunder, in each case as amended, re-enacted, consolidated or replaced from time to time and in the case of any such amendment, re-enactment, consolidation or replacement, reference herein to a particular provision shall be read as referring to such amended, re-enacted, consolidated or replaced provision and also include, unless the context otherwise requires, all applicable guidelines, bulletins or policies made in connection therewith.

(7) *Document References.* All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules and exhibits attached thereto.

1.8 Schedules. The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

SCHEDULES

Schedule A Effective Date Balance Sheet – Basis of Presentation

Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Schedules and the interpretation provisions set out in this Agreement apply to the Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement. Unless otherwise indicated, no reference to or disclosure of any item or other matter in the Schedules shall be construed as an admission or indication that such item or other matter is material. The information contained in the Schedules is intended only to qualify and limit the representations, warranties and covenants of the Vendor contained in this Agreement. The numbering of the Schedules corresponds with the numbering of Sections of this Agreement. Any matter disclosed in any Schedule shall be considered disclosed also for other Schedules for which it is reasonably apparent that such matter is pertinent to the other Schedules. The Schedules and all information contained in them is confidential and may not be disclosed to any other Person except as permitted pursuant to this Agreement.

1.9 Intercompany Balances. The Vendor shall cause all Intercompany Balances to be settled, whether by repayment in cash or by capitalization (converted into equity of the Corporation), on or before the Effective Date or, where settled after the Effective Date, by capitalization only, such that no Intercompany Balance (other than intercompany trading balances and approved transfer-pricing service charges arising in the Ordinary Course of Business which shall constitute Permitted Leakage) remains outstanding at the Closing Date.

**ARTICLE 2
PURCHASE OF SHARES**

2.1 Purchase and Sale. At the Closing Time, on and subject to the terms and conditions of this Agreement, the Vendor shall sell to the Purchaser and Purchaser Guarantor, and the Purchaser and the Purchaser Guarantor shall purchase from the Vendor, the Shares.

2.2 Amount of Purchase Price. The aggregate price payable by the Purchaser and Purchaser Guarantor to the Vendor for the Shares (the “**Purchase Price**”) shall be comprised of:

(1) \$275,000,000, plus the Effective Date Net Cash (Debt), plus the amount (which may be positive or negative) equal to the Effective Date Working Capital minus the Target Working Capital, in each case as set out in the Effective Date Balance Sheet, and the Ticking Fee, the resulting amount to be paid in cash as provided in Section 2.9;

(2) \$15,000,000 of Purchaser Guarantor Shares issuable to the Vendor on the Closing Date, with the number of Purchaser Guarantor Shares to be calculated by dividing: (i) \$15,000,000, by (ii) the price per security to be issued pursuant to the equity financing as contemplated in the Equity Bid Letter;

(3) subject to Section 2.3, \$35,000,000 in cash payable on the date that is 12 months following the Closing Date (the “**Deferred Consideration**”); and

(4) subject to Section 2.4, the Copper Price Cash Consideration, Increased Copper Price Cash Consideration or Maximum Copper Price Cash Consideration payable in each Contract Year.

The Purchase Price shall be allocated among the Shares as follows: (a) \$1.00 to all of the issued and outstanding shares in the capital of Capstone Barbados; and (b) the balance of the Purchase Price as to

98.03% to the 999 Class I Series B shares and 82,002,954 Class II Series B shares in the capital of the Corporation and as to 1.97% to all of the issued and outstanding shares in the capital of Capstone Mexico. The Parties shall report the sale and purchase of the Shares, and shall prepare and file all Tax Returns, on a basis consistent with that allocation, and neither Party shall take a position inconsistent with it before any Taxing Authority except as required by Applicable Law.

2.3 Deferred Consideration.

(1) The Purchaser may elect in its sole discretion, by providing the Vendor with notice in writing no later than five (5) Business Days prior to the 12-month anniversary of the Closing Date, to satisfy the Deferred Consideration owed to the Vendor pursuant to Section 2.2(3) by issuing Purchaser Guarantor Shares to the Vendor in lieu thereof in accordance with this Section 2.3(1). The number of Purchaser Guarantor Shares issuable in lieu of such Deferred Consideration shall be calculated by dividing: (i) \$35,000,000, by (ii) the Average Price Per Share on the date that is two (2) Business Days prior to the 12-month anniversary of the Closing Date.

(2) The “**Average Price Per Share**” shall be (i)(A) subject to Section 2.3(3), the volume-weighted-average trading price of the Purchaser Guarantor Shares on the TSXV (or such other principal exchange on which the Purchaser Guarantor Shares trade at such time), as reported on Bloomberg Financial Markets or such other source as the parties may agree in writing, for the period of twenty (20) consecutive Trading Days ending on (and including) the Trading Day that is one Trading Day prior to such date, multiplied by (B) (I) if the principal exchange on which the Purchaser Guarantor Shares trade quotes the Purchaser Guarantor Shares in Canadian Dollars, the Canadian Dollar to United States Dollar daily exchange rate published by the Bank of Canada at 4:30 pm Toronto time on the day that is five (5) days prior to the given date (or the first day immediately preceding such date for which a rate is published); or (II) if the principal exchange on which the Purchaser Guarantor Shares trade quotes the Purchaser Guarantor Shares in United States Dollars, one, subject to a maximum of 58,902,644 Purchaser Guarantor Shares. Notwithstanding anything to the contrary herein, if the aggregate value of the Purchaser Guarantor Shares to be issued hereunder, as determined in accordance with the pricing methodology pursuant to this Section 2.3(2), is less than US\$35,000,000 at the time of calculation, the Purchaser shall pay to the Vendor an amount in cash equal to the deficiency such that the total value of consideration to be received by the Vendor, being the value of the Purchaser Guarantor Shares and the cash payment, will equal US\$35,000,000. Any such cash payment shall be made concurrently with the issuance of the Purchaser Guarantor Shares.

(3) Notwithstanding Section 2.3(2), the Average Price Per Share determined in accordance with Section 2.3(2) shall be subject to any reasonable adjustment that the Vendor, acting in good faith, believes to be appropriate as a result of the impact of any stock splits, stock consolidations, stock dividends, combinations or similar event that was announced, occurred, or otherwise impacted the price of the Purchaser Guarantor Shares, during the calculation period used for purposes of the determination of the Average Price Per Share.

(4) Notwithstanding Section 2.3(1), if, immediately following the delivery of the Purchaser Guarantor Shares, Capstone Parent's and its affiliates' beneficial ownership of, or control or direction over (each as determined in accordance with NI 55-104 – *Insider Reporting Requirements and Exemptions* or NI 62-104 – *Take-Over Bids and Issuer Bids*) Purchaser Guarantor Shares or securities convertible into Purchaser Guarantor Shares would, in the aggregate, be equal to or greater than 20% of the issued and outstanding Purchaser Guarantor Shares, then the Purchaser shall deliver the maximum number of Purchaser Guarantor Shares that would result in the Vendor not exceeding such threshold, and any remaining amount of the consideration to be satisfied in Purchaser Guarantor Shares shall be paid by the Purchaser to the Vendor, in cash, in lieu thereof.

2.4 Contingent Consideration.

(1) In the event that the 12-Month Average Copper Price is within the range of the First Target Copper Price for any Contract Year (the “**First Target Copper Price Trigger**”), the Purchaser shall make a cash payment to the Vendor in an amount equal to \$10,000,000 (the “**Copper Price Cash Consideration**”),

provided, however, that (i) if the 12-Month Average Copper Price is within the range of the Second Target Copper Price for any Contract Year (the “**Second Target Copper Price Trigger**”), the cash payment to the Vendor shall be \$15,000,000 (the “**Increased Copper Price Cash Consideration**”), and (ii) if the 12-Month Average Copper Price is equal to or greater than the Third Target Copper Price for any Contract Year (the “**Third Target Copper Price Trigger**”), the cash payment to the Vendor shall be \$20,000,000 (the “**Maximum Copper Price Cash Consideration**” and collectively, the “**Contingent Consideration**”).

(2) Within ten (10) Business Days of either the First Target Copper Price Trigger, Second Target Copper Price Trigger or Third Target Copper Price Trigger being met for any Contract Year, the Purchaser shall make a cash payment to the Vendor equal to the Copper Price Cash Consideration, the Increased Copper Price Cash Consideration, or the Maximum Copper Price Cash Consideration, as applicable.

(3) For the avoidance of doubt: (i) the aggregate payments payable pursuant to Section 2.4(1) shall not exceed \$60,000,000; (ii) only one of the Copper Price Cash Consideration, the Increased Copper Price Cash Consideration or the Maximum Copper Price Cash Consideration may be paid per Contract Year upon either the First Target Copper Price Trigger, the Second Target Copper Price Trigger or the Third Target Copper Price Trigger being first met in accordance with Section 2.4(1) and Section 2.4(2), respectively, such payments not being additive; and (iii) the achievement of the Third Target Copper Price Trigger being met in a Contract Year shall not give rise to any additional or supplemental payments, such that the maximum cash consideration that may be payable by the Purchaser to the Vendor in any Contract Year shall not exceed \$20,000,000.

(4) The Parties agree that the Contingent Consideration relates to the underlying goodwill of the Shares, the value of which cannot reasonably be agreed upon by the Vendor and the Purchaser as at the Closing. The Purchaser acknowledges that the Vendor may wish to use the “cost recovery method” to report the Contingent Consideration for Canadian income tax purposes. Notwithstanding anything to the contrary in this Agreement, each Party hereto acknowledges and agrees that the Vendor may file a copy of this Agreement with the Canada Revenue Agency in order to permit the Vendor to use the “cost recovery method” in accordance with the administrative guidelines published by the Canada Revenue Agency. The Vendor shall promptly notify the Purchaser Guarantor in writing if it will be filing a copy of this Agreement with the Canada Revenue Agency.

2.5 No Leakage.

(1) The Vendor covenants to and in favour of the Purchaser that, during the period from (and including) the Effective Date to (and including) the Closing Time, no Leakage has occurred or will occur other than Permitted Leakage.

(2) For a period of six (6) months following the Closing Date, the Vendor shall indemnify and hold harmless the Purchaser for the amount of any Leakage that is not Permitted Leakage. Notwithstanding any other provision of this Agreement (including the limitations on liability in Section 6.7), no threshold, deductible or cap shall apply to any claim in respect of Leakage, and the Vendor’s liability for Leakage shall be in addition to, and shall not be limited by, Article 6.

(3) If the Vendor becomes aware of any Leakage that is not Permitted Leakage, it shall promptly notify the Purchaser in writing, in reasonable detail.

(4) No claim may be made under this Section 2.5 unless written notice of the claim is given by the Purchaser to the Vendor on or before the date that is six (6) months after the Closing Date, after which the Vendor shall have no further liability in respect of Leakage save in respect of any claim already so notified.

2.6 Purchaser Guarantor. The Purchaser Guarantor hereby unconditionally and irrevocably jointly guarantees in favour of the Vendor and, where applicable, the Corporation, the due and punctual performance by the Purchaser of the Purchaser’s obligations under this Agreement, including, without limitation, the due and punctual payment of the Purchase Price and any other monetary or non-monetary

obligations, indemnities or liabilities pursuant to this Agreement. The Purchaser Guarantor further agrees that its obligations under this guarantee are absolute, independent, and unconditional and shall not be affected by (i) any waiver, amendment, extension, modification, or renewal of any term of this Agreement or any related agreement; (ii) any failure or delay by the Vendor and, where applicable, the Corporation to enforce its rights under this Agreement or any other agreement against the Purchaser or any other party; (iii) the invalidity, irregularity, unenforceability, or cessation of the obligations of the Purchaser under this Agreement for any reason; or (iv) the bankruptcy, insolvency, liquidation, or dissolution of the Purchaser or any other party. The Purchaser Guarantor agrees that the Vendor or, if applicable, the Corporation shall have the right to proceed directly against the Purchaser Guarantor without first pursuing any remedies against the Purchaser in respect of any such matter before exercising its rights under this guarantee against the Purchaser Guarantor, and the Purchaser Guarantor acknowledges and agrees to be liable for all of the Purchaser's obligations under this Agreement and that, upon any breach or default by the Purchaser, the Vendor and, if applicable, the Corporation may immediately demand performance or payment from the Purchaser Guarantor, and the Purchaser Guarantor shall fully and promptly comply as if it were the principal obligor of such obligations. The Purchaser Guarantor's obligations hereunder shall remain in full force and effect until all obligations of the Purchaser under this Agreement have been unconditionally and irrevocably satisfied in full to the benefit of the Vendor. The Parties further acknowledge and agree that this guarantee is provided to the sole and exclusive benefit and right of the Vendor, and no Person, whether the Corporation, the Purchaser, the Purchaser Guarantor and/or any other Person, is entitled to waive and/or release any rights, obligations, and/or remedies in connection herewith.

2.7 Vendor Guarantor. Capstone Parent hereby unconditionally and irrevocably jointly guarantees in favour of the Purchaser the due and punctual performance by the Vendor of the Vendor's obligations under this Agreement, including, without limitation, the due and punctual payment of any monetary or non-monetary obligations, indemnities or liabilities pursuant to this Agreement. Capstone Parent further agrees that its obligations under this guarantee are absolute, independent, and unconditional and shall not be affected by (i) any waiver, amendment, extension, modification, or renewal of any term of this Agreement or any related agreement; (ii) any failure or delay by the Purchaser to enforce its rights under this Agreement or any other agreement against the Vendor or any other party; (iii) the invalidity, irregularity, unenforceability, or cessation of the obligations of the Vendor under this Agreement for any reason; or (iv) the bankruptcy, insolvency, liquidation, or dissolution of the Vendor or any other party. Capstone Parent agrees that the Purchaser or, if applicable, the Purchaser Guarantor shall have the right to proceed directly against Capstone Parent without first pursuing any remedies against the Vendor in respect of any such matter before exercising its rights under this guarantee against Capstone Parent, and Capstone Parent acknowledges and agrees to be liable for all of the Vendor's obligations under this Agreement and that, upon any breach or default by the Vendor, the Purchaser and, if applicable, the Purchaser Guarantor may immediately demand performance or payment from Capstone Parent, and Capstone Parent shall fully and promptly comply as if it were the principal obligor of such obligations. Capstone Parent's obligations hereunder shall remain in full force and effect until all obligations of the Vendor under this Agreement have been unconditionally and irrevocably satisfied in full to the benefit of the Purchaser. The Parties further acknowledge and agree that this guarantee is provided to the sole and exclusive benefit and right of the Purchaser, and no Person, whether the Vendor, Capstone Parent and/or any other Person, is entitled to waive and/or release any rights, obligations, and/or remedies in connection herewith.

2.8 Preparation of Effective Date Balance Sheet.

(1) The Vendor shall prepare, or cause to be prepared, a draft Effective Date Balance Sheet in accordance with the basis of preparation set out in Schedule A and shall deliver it to the Purchaser within thirty (30) days after the Effective Date.

(2) The Vendor shall ensure that the following line items on the Effective Date Balance Sheet will be \$nil as at the Effective Date: (i) "Related Party Receivables", "Provision for Silver credits (intercompany)", and "Related party payables" in respect of the Corporation; (ii) "Related party receivables" and "Related party payables" in respect of Capstone Barbados, and (iii) "Related party payables" in respect of Capstone Mexico.

(3) During the period from the date of delivery of the draft Effective Date Balance Sheet until the date no later than ten (10) days after delivery of the draft Effective Date Balance Sheet, the Vendor shall give the Purchaser and its Representatives such assistance and access to the financial records of the Acquired Entities relevant to the line items set out in the draft Effective Date Balance Sheet as the Purchaser and its Representatives may reasonably request in order to enable them to reasonably assess the draft Effective Date Balance Sheet.

(4) If the Purchaser does not give a notice of objection in accordance with Section 2.8(5), the Effective Date Balance Sheet shall be deemed to be final and binding on the Parties on the first Business Day after the period referred to in Section 2.8(3) ends.

(5) If the Purchaser objects to any matter in the draft Effective Date Balance Sheet prepared pursuant to Section 2.8(1), the Purchaser shall give notice to the Vendor no later than ten (10) days after delivery of the draft Effective Date Balance Sheet. Any notice given by Purchaser shall set forth in detail the particulars of such objections. The Parties shall then use reasonable efforts to resolve such objections for a period of thirty (30) days following the giving of such notice. If the matter is not resolved by the end of such thirty (30)-day period, then the dispute with respect to such objection shall be submitted by the Parties to a chartered accountant associated with an accounting firm of recognized national standing in Canada, which is independent of the Parties (the "**Independent Accountant**"). If the Parties are unable to agree on the Independent Accountant within a further ten (10) day period, either Party may apply under the *Commercial Arbitration Act* (British Columbia) to have a court appoint the Independent Accountant. The Independent Accountant shall, as promptly as practicable (but in any event within forty-five (45) days following its appointment), make a determination of the Effective Date Balance Sheet solely on written submissions of the Parties given by them to the Independent Accountant. The submissions of each Party shall be disclosed to the other Party and each other Party shall be afforded a reasonable opportunity to respond thereto. The decision of the Independent Accountant as to the Effective Date Balance Sheet shall be final and binding upon the Parties and shall constitute the Effective Date Balance Sheet for purposes of this Agreement. The fees and expenses of the Independent Accountant shall be borne by the Vendor and the Purchaser in inverse proportion to the extent which each Party's position, as submitted to the Independent Accountant, is upheld in the determination. Notwithstanding any other provision of this Agreement, no notice of objection given under this Section 2.8, and no dispute in respect of the Effective Date Balance Sheet, shall delay or prevent the Closing from occurring, and any adjustment to the Purchase Price resulting from the determination of the Independent Accountant shall be settled in cash between the Parties within ten (10) Business Days after the Effective Date Balance Sheet becomes final and binding.

2.9 Payment of Purchase Price, Ticking Fee and Barbados PMPA Amount. At the Closing Time:

(a) the Purchaser shall pay an amount equal to the cash portion of the Purchase Price payable pursuant to Section 2.2(1) to the Vendor by certified cheque, bank draft or other means of immediately available funds; (b) the Purchaser or Purchaser Guarantor shall pay the Ticking Fee to the Vendor in a separate payment by certified cheque, bank draft or other means of immediately available funds, such payment to be made separately from, and not combined with, the payments referred to in subsections (a) and (c); and (c) Purchaser or the Purchaser Guarantor shall pay the Estimated Barbados PMPA Amount to the Vendor in a separate payment by certified cheque, bank draft or other means of immediately available funds, such payment to be made separately from, and not combined with, the payments referred to in subsections (a) and (b). If the Effective Date Balance Sheet has not become final and binding in accordance with Section 2.8 as at the Closing Time, the amount payable under Section 2.2(1) shall be calculated from the draft Effective Date Balance Sheet delivered by the Vendor under Section 2.8(1), and any difference between that amount and the amount calculated from the Effective Date Balance Sheet once it becomes final and binding shall be settled in cash between the Parties in accordance with Section 2.8(5).

2.10 Mexican Taxes

(1) The Parties hereby acknowledge that the sale of the Shares pursuant to this Agreement may give rise to income tax obligations in Mexico under the Ley del Impuesto sobre la Renta (the "**LISR**") and associated regulations. The Parties agree that any Mexican capital gains tax (*Impuesto sobre la Renta por enajenación de acciones*) payable by the Vendor in connection with or arising as a result of the sale of

the Shares contemplated hereunder, including any tax on the gain derived by a non-resident seller under Article 161 of the LISR, shall be the sole and exclusive responsibility of the Vendor, and neither the Purchaser nor the Corporation shall have any obligation to pay, withhold, gross-up or indemnify the Vendor in respect of any such taxes, except as expressly provided in this Section 2.10. For greater certainty, the Parties agree that neither the Estimated Barbados PMPA Amount or the Barbados PMPA Amount constitutes consideration for the Shares or forms part of the gain on sale of the Shares, and no amount shall be withheld, remitted, determined, reported or paid under this Section 2.10 in respect of such amount.

(2) If, under Applicable Law (including, but not limited to, Article 161 of the LISR and related provisions), the Purchaser or the Corporation (or any other Person) is required to withhold and remit any amount in respect of Mexican capital gains tax (Impuesto sobre la Renta por enajenación de acciones) from the consideration payable to the Vendor, then (x) the amount on which any such withholding is calculated shall not exceed the portion of the Purchase Price allocated to the shares in the capital of the Corporation and of Capstone Mexico in accordance with Section 2.2, and shall exclude: (i) any consideration allocated to the shares in the capital of Capstone Barbados, and (ii) for greater certainty, the Ticking Fee, and (y) the Purchaser shall notify the Vendor in writing as soon as reasonably practicable after becoming aware of such withholding obligation and in any event no later than three (3) Business Days prior to the Closing Date, and shall provide the Vendor with reasonable detail regarding the proposed withholding mechanics and amount. If any such withholding is made, the Purchaser shall (i) timely remit the withheld amount to the applicable Governmental Authority in accordance with Applicable Law, and (ii) deliver to the Vendor, within three (3) Business Days following such remittance, (A) reasonable evidence of payment of the withheld taxes, and (B) the applicable withholding tax certificate (constancia de retención) issued through a digital tax invoice (Comprobante Fiscal Digital por Internet) in accordance with Articles 29 and 29-A of the Mexican Tax Code (Código Fiscal de la Federación) and applicable rules. To the extent that amounts are so deducted and withheld, such deducted and withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Vendor, or such other Person in respect of which such deduction and withholding were made, provided that such deducted and withheld amounts are actually and timely remitted to the appropriate Governmental Authority when required by Applicable Law.

(3) The Vendor may elect, in accordance with Article 161, sixth paragraph of the LISR (and any applicable regulations, administrative rules and tax treaties for the avoidance of double taxation), to pay the applicable Mexican income tax directly on the net capital gain derived from the sale of the Shares (the “**Net Gain Election**”). The Vendor shall deliver written notice of such election to the Purchaser no later than three (3) Business Days prior to the Closing Date.

(4) In connection with the Net Gain Election, or in any case where the Vendor is required or elects to pay the applicable Mexican income tax directly (including where no withholding obligation applies to the Purchaser or the Corporation under Applicable Law), the Vendor may appoint the Corporation (or any other Mexican resident designated by the Vendor) to act as the Vendor’s legal representative in Mexico for purposes of Articles 161 and 174 of the LISR (the “**Vendor Tax Representative**”) in respect of the determination, reporting and payment of such tax on each of (i) the consideration payable at Closing, (ii) the Deferred Consideration, and (iii) each payment of Contingent Consideration. The Purchaser shall, and shall cause the Corporation to, accept such appointment, execute any powers of attorney or other instruments reasonably required to give effect to it (including any renewal or re-execution required under Applicable Law for a subsequent filing), and take all actions reasonably requested by the Vendor to perform the functions of the Vendor Tax Representative. The Purchaser shall not, and shall cause its Affiliates not to, object to, interfere with, or delay such appointment or the corresponding compliance actions undertaken by the Vendor or the Vendor Tax Representative. This appointment and the related covenants shall survive Closing and continue in effect until the later of (A) the date on which no further Deferred Consideration or Contingent Consideration may become payable, and (B) the expiry of the applicable statutory limitation period for the relevant Mexican tax filings.

(5) The Vendor Tax Representative shall determine, report and pay the Mexican income tax arising on the consideration received or determinable as of the Closing Date, and file the corresponding Tax Return, in each case within the applicable statutory deadline. The Vendor shall deliver to the Purchaser evidence that such tax has been duly determined, reported and paid, which evidence shall be limited to: (i)

copy of the Tax Return filed by the Vendor, through the Vendor Tax Representative, evidencing the income tax due on the transfer of the Shares, (ii) receipt of payment of such income tax, and (iii) copy of the filing acknowledgements (*acuses de recibo*) duly stamped by the Mexican Tax authorities of the relevant Tax forms filed in Mexico in connection with the transaction (including, as applicable, Official Form 39 and Official Form 40), in each case within three (3) Business Days following the applicable statutory deadline for filing and/or payment.

(6) Reserved

(7) Upon each payment of Contingent Consideration under Section 2.4 in respect of any Contract Year, the amount so paid shall be treated as a further increase to the gain on the sale of the Shares. The Vendor Tax Representative shall re-calculate the Mexican income tax to take account of such payment, file the corresponding Tax Return, and pay any incremental tax, in each case within the applicable statutory deadline, and the Vendor shall deliver to the Purchaser evidence of such filing and payment (of the type described in Section 2.10(5)) within three (3) Business Days thereafter. This Section 2.10(6) shall apply separately to each payment of Contingent Consideration.

(8) The Vendor shall bear and fund all Mexican income tax payable in respect of the sale of the Shares under Sections 2.10(5) through 2.10(6), and shall deliver such necessary funds to the Vendor Tax Representative before any remittance is due. The Purchaser shall cause the Corporation to make available such books, records, information and personnel as the Vendor Tax Representative reasonably requires preparing and file each such Tax Return, at the Vendor's cost. For the avoidance of doubt, the Vendor shall not be required to provide any information beyond the documentation described in Section 2.10(5). The Vendor shall indemnify and hold harmless each of the Corporation and the Purchaser from any liability, Tax, interest, penalty or cost derived from the Corporation acting as Vendor Tax Representative in connection with the sale of the Shares, including pursuant to Article 174 of the LISR, and such indemnity shall not be subject to the limitations on liability in Section 6.7.

2.11 Barbados PMPA Amount. The Parties acknowledge that, during the period from (and including) the Effective Date to (and including) the Closing Time, the Vendor will continue to acquire silver credits from the Corporation under the Silver PSA at fair market value and to on-sell those silver credits to Capstone Barbados under the Barbados PMPA at a price below fair market value, and that the resulting loss to the Vendor is for the account of the Purchaser under this agreement. Accordingly:

(1) Not less than three (3) Business Days before the Closing Date, the Vendor shall deliver to the Purchaser a statement setting out its good faith estimate of the Barbados PMPA Amount (the "**Estimated Barbados PMPA Amount**"), together with reasonable supporting detail. The Estimated Barbados PMPA Amount shall be paid by the Purchaser to the Vendor at the Closing Time in accordance with Section 2.9.

(2) Within thirty (30) days after the Closing Date, the Vendor shall prepare and deliver to the Purchaser a statement setting out the Barbados PMPA Amount, together with reasonable supporting detail (the "**Barbados PMPA Statement**"), prepared from the books and records of the Vendor, the Corporation and Capstone Barbados.

(3) The Purchaser may, within fifteen (15) days after delivery of the Barbados PMPA Statement, notify the Vendor in writing of any item it disputes, failing which the Barbados PMPA Statement shall be final and binding on the Parties. Any dispute shall be resolved in the manner set out in Section 2.8, which shall apply *mutatis mutandis* to the Barbados PMPA Statement.

(4) Within ten (10) Business Days after the Barbados PMPA Statement becomes final and binding: (a) if the Estimated Barbados PMPA Amount exceeds the Barbados PMPA Amount, the Purchaser shall pay the difference to the Vendor; and (b) if the Barbados PMPA Amount is less than the Estimated Barbados PMPA Amount, the Vendor shall pay the difference to the Purchaser, in each case by wire transfer of immediately available funds.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Vendor. The Vendor represents and warrants to the Purchaser as follows:

(1) *Incorporation and Corporate Power of Vendor.* The Vendor is a corporation incorporated, organized and subsisting under the *Business Corporations Act* (British Columbia). The Vendor has the corporate power, authority and capacity to execute and deliver this Agreement and all other agreements and instruments to be executed by it as contemplated herein and to perform its other obligations hereunder and under all such other agreements and instruments. The Vendor has the corporate power, authority and capacity to own and dispose of the Shares to the Purchaser. No act or proceeding has been taken or authorized by or against the Vendor by any other Person in connection with the dissolution, liquidation, winding up, bankruptcy or insolvency of the Vendor and, to the knowledge of the Vendor, no such proceedings have been Threatened by any other Person.

(2) *Authorization by Vendor.* The execution and delivery of this Agreement and all other agreements and instruments to be executed by it as contemplated herein and the completion of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Vendor.

(3) *Enforceability of Vendor's Obligations.* This Agreement constitutes the valid and binding obligation of the Vendor enforceable against the Vendor in accordance with its terms subject to limitations on enforcement imposed by bankruptcy, insolvency, reorganization or other laws affecting the enforcement of the rights of creditors and others and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought. The Vendor is not an insolvent person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) and will not become an insolvent person as a result of the Closing. There is no Legal Proceeding in progress, pending, or, to the knowledge of the Vendor, Threatened against or affecting the Vendor or the Corporation, or affecting the title of the Vendor to any of the Shares at law or in equity.

(4) *Ownership of Shares.* The Vendor is the registered and beneficial holder of the Shares with good and marketable title thereto, free and clear of all material Liens, except for Permitted Liens and pursuant to corporate Law and Securities Law. No Person other than the Purchaser has, or has any right capable of becoming, any agreement, option, right or privilege for the purchase or other acquisition from the Vendor of any of the Shares. There are no restrictions on the transfer of the Shares except those set out in the constating documents of the Corporation and as required by Applicable Law. The Shares have been validly issued in compliance with Applicable Law and are fully paid and non-assessable. Capstone Mexico is the registered and beneficial holder of 1,651,503 issued and outstanding shares of the Corporation with good and marketable title thereto, free and clear of all material Liens, except for Permitted Liens and pursuant to corporate Law and Securities Law. The Vendor and Capstone Mexico own all of the issued and outstanding shares of the Corporation and no Person other has, or has any right capable of becoming, any agreement, option, right or privilege for the purchase or other acquisition from Capstone Mexico of any shares of the Corporation.

(5) *Corporate Power of the Corporation.* The Corporation has the corporate power, authority and capacity to own its property and assets. No act or proceeding has been taken or authorized by or against the Corporation by any other Person in connection with the dissolution, liquidation, winding up, bankruptcy or insolvency of the Corporation and, to the knowledge of the Vendor, no such proceedings have been Threatened by any other Person.

(6) *Organization of the Corporation.* The information set out in Schedule 3.1(6) of the Disclosure Letter concerning the name and jurisdiction of incorporation, the authorized, issued and outstanding shares and the directors and officers of the Corporation, Capstone Mexico and Capstone Barbados is true and complete. The Corporation, Capstone Mexico and Capstone Barbados are each duly formed under the Laws of its jurisdiction of formation and are organized and subsisting thereunder. Except

as set out in Schedule 3.1(6) of the Disclosure Letter, the Corporation has never conducted the Corporation's Business under any name other than its current corporate name. There are no shareholders' agreements governing the affairs of the Corporation, Capstone Mexico or Capstone Barbados or the relationship, rights and duties of its shareholders, nor are there any voting trusts, pooling arrangements or other similar agreements with respect to the ownership or voting of any Shares. There are no rights, subscriptions, warrants, options, conversion rights, calls, commitments or agreements of any kind outstanding which would enable any Person to acquire any shares or other securities of the Corporation including, without limitation, any securities convertible into or exchangeable or exercisable for shares or other securities of the Corporation. The Corporation has no subsidiaries or investments in the capital of any other entity.

(7) *Private Issuer.* The Corporation is a Private Issuer within the meaning of National Instrument 45-106 – *Prospectus Exemptions*.

(8) *Qualification to do Business.* The Corporation is registered, licensed or otherwise qualified to do business under the laws of the jurisdictions specified in Schedule 3.1(8) of the Disclosure Letter and neither the character nor the location of the properties and assets owned by the Corporation nor the nature of the Corporation's Business requires registration, licensing or other qualification under the laws of any other jurisdiction. The Corporation has all necessary corporate power, authority, and capacity to carry on the Corporation's Business and to own or lease and operate its property and assets as now carried on and owned or leased and operated.

(9) *Records.* The minute books of the Corporation, Capstone Mexico and Capstone Barbados, all of which have been made available to the Purchaser, are complete and correct in all material respects and have been maintained in accordance with sound business practices. At the Closing, all of those books and records will be in the possession of the Corporation, Capstone Mexico and Capstone Barbados, respectively.

(10) *Financial Statements.* The Financial Statements have been prepared in accordance with IFRS consistently applied throughout the periods to which they relate, subject, in the case of the Corporation Interim Financial Statements, to usual year-end adjustments and the exclusion of footnotes. The balance sheets contained in the Financial Statements fairly present the financial position of the Corporation as of their respective dates and the statements of earnings and retained earnings contained in the Financial Statements fairly present the revenues, earnings and results of operations for the periods indicated in all material respects.

(11) *Title to Assets.* The Corporation has good and marketable legal and beneficial title to all of its material property and assets, free and clear of any and all material Liens, except for Permitted Liens.

(12) *Real Property.* Schedule 3.1(12) of the Disclosure Letter sets out a true and complete description of all of the Owned Lands. The Corporation has good and marketable title to the Owned Lands free and clear of all material Liens except Permitted Liens. Prior to the date hereof, the Corporation has not received a notice to the effect that any of the Real Property have been taken, cancelled, disapproved, illegally occupied or expropriated by any Governmental Authority, nor is the Vendor nor the Corporation aware of any intent or proposal to give any such notice or commence any such Legal Proceeding. Except as would not result in a Material Adverse Change, all fees, duties, expenditures, Taxes and other payments owed in respect to the Real Property to any Governmental Authority or any other Person have been paid or incurred. No Person has any agreement or option or any right or privilege capable of becoming an agreement or option for the purchase of any of the Real Property or any interest therein, other than this Agreement.

(13) *Personal Property.* Schedule 3.1(13) of the Disclosure Letter lists each item of Personal Property owned by the Corporation which had a book value in the Financial Records at the date of the most recent Corporation Financial Statements, of more than \$80. Each such item of Personal Property is in good operating condition and repair, ordinary wear and tear excepted, and is suitable and adequate in all material respects for the purpose for which it is being used, and to the extent such Personal Property has been imported, it has been imported in full compliance with Applicable Law in all material respects.

(14) *Royalties.* Except for those Contracts disclosed as Material Contracts, in the Technical Report, [Redacted – Commercially Sensitive Information] (the “**Company Royalty Agreements**”), there are no Royalties. The Vendor has made available for inspection in the Data Room true and complete copies of each Company Royalty Agreement that is in the Vendor’s possession. None of Vendor or the Corporation is in default under any Company Royalty Agreement that would reasonably be expected to result in a Material Adverse Change and all Royalties which are due and owing by Vendor or the Corporation under a Company Royalty Agreement to which it is a party have been paid by such Person.

(15) *Operation.* Except as provided in the Permits, including Environmental Permits and Explosives Permit, Premises Leases or Contracts, or under Applicable Law, there are no material restrictions on the ability of the Corporation to use, operate, access, transfer or otherwise explore, exploit or develop the Cozamin Mine in accordance with the Mine Plan as presently conducted.

(16) *Leased Premises.*

(a) Schedule 3.1(16)(a) of the Disclosure Letter lists all the Premises Leases.

(b) Each Premises Lease is valid and subsisting, in full force and effect, unamended by oral or written agreement. Each Premises Lease is in good standing. The Corporation and/or the Vendor has performed, in all material respects, all of the obligations required to be performed by it, and to the knowledge of the Vendor, there has not been any material default by any party under any Premises Lease nor is there any material dispute between the Corporation and any landlord under any Premises Lease. Neither the Vendor nor the Corporation has not received any notice to terminate or vacate any property under a Premises Lease.

(17) *Personal Property Leases.* To the knowledge of the Vendor, no Personal Property Leases are in place.

(18) *Mining.*

(a) With respect to information set forth in the Technical Report, (A) the estimated proven and probable mineral reserves, and estimated measured, indicated and inferred mineral resources have been prepared and disclosed in all material respects in accordance with NI 43-101, and (B) the methods used in estimating the mineral reserves and mineral resources of the Corporation were, in all material respects, in accordance with accepted mineral reserve and mineral resource estimation practices in effect as of the date of their estimation.

(b) Schedule 3.1(18)(b) of the Disclosure Letter sets forth the Cozamin Concessions or contractual interests or rights (collectively, the “**Mineral Rights**”), which comprise the Cozamin Mine. The Mineral Rights are sufficient to permit the Corporation to conduct the Corporation’s Business as presently conducted (as disclosed in the Data Room Information) in all material respects.

(c) Except as set out in Schedule 3.1(18)(c) of the Disclosure Letter or the Technical Report:

(i) the Corporation has good title to the Mineral Rights and is the sole legal, beneficial and recorded owner of all right, title and interest in and to the Mineral Rights, free and clear of any Liens, other than the Permitted Liens, and to the knowledge of the Vendor there is no material adverse claim against or challenge to the title to or ownership of any of the Mineral Rights;

(ii) the Cozamin Concessions have been maintained in compliance with Applicable Laws in all material respects, including with respect to (i) the obligation to invest the minimum investments and the timely filing of the corresponding reports to verify

the execution of exploration and exploitation works in accordance with Applicable Laws (the “**Work Assessment Reports**”). Information reported in the Work Assessment Reports is true and accurate in all material respects and it is supported by relevant invoices, receipts and any other documentation evidencing the material accuracy and truthfulness of such Work Assessment Reports; (ii) the obligation to pay the Mexican Mining Duties, and, if applicable, the Mexican Special Production Duties, as from the date of its issuance; (iii) the obligation to timely file the corresponding statistical reports on the production and destination of concessionable minerals according to the Mexican Mining Law and its Regulation; and (iv) any other material and enforceable obligation to maintain legal effect of the Cozamin Concessions;

- (iii) to the best of the Vendor’s knowledge, each of the Cozamin Concessions has been validly surveyed and properly located. Each of the Cozamin Concessions has been maintained in material compliance with Applicable Law. All material required location notices, certificates and filings with respect to the Cozamin Concessions have been properly recorded and filed with appropriate Governmental Authorities;
- (iv) the Corporation has not requested the reduction or modification of any of the Cozamin Concessions or modification of the titles of them, nor has started any administrative proceeding before any Governmental Authority whose determination may result in modification, change or affect in any way the perimeter, surface or any other right comprising the Cozamin Concessions;
- (v) to the knowledge of the Vendor, there has been no act or omission by the Corporation, which could by notice, or lapse of time, or by both notice and lapse of time, result in a material breach, termination, abandonment, non-renewal, forfeiture, relinquishment or other premature termination of the Corporation’s material rights or material title to the Cozamin Concessions;
- (vi) no Person, other than the Corporation, has any interest in any of the Mineral Rights or the production or profits therefrom or any royalty in respect thereof or any right to acquire any such interest and the Corporation has the exclusive right to deal with the Mineral Rights; and
- (vii) there are no back-in rights, earn-in rights, rights of first refusal or similar provisions or rights which would materially affect the interest of the Corporation in any of the Mineral Rights.

(19) *Technical Report.*

- (a) The Technical Report complied in all material respects with the requirements of NI 43-101, including Form 43-101F1, at the time of filing thereof.
- (b) Capstone Parent has filed all technical reports in respect of the Cozamin Mine required by NI 43-101.
- (c) To the knowledge of Capstone Parent and the Vendor, Capstone Parent and the Vendor made available to the authors of the Technical Report, prior to the issuance thereof, for the purpose of preparing such report, all material information in their control or possession requested by them, and none of such information contained any material Misrepresentation at the time such information was so provided.

(20) *Material Contracts.* Schedule 3.1(20) of the Disclosure Letter lists or identifies all Material Contracts. Except as disclosed in Schedule 3.1(20) of the Disclosure Letter, the Corporation is not a party to any Material Contract with any Affiliate of the Corporation. The Corporation is not, nor, to the knowledge

of the Vendor, is any other party to any Material Contract, in default under any Material Contract, none of the Vendor or the Corporation have received any written notice of a material default in respect of any Material Contract, and there has not occurred any event which, with the lapse of time or giving of notice or both, would constitute a default under any Material Contract by the Corporation or any other party to the Material Contract, in each case, except where such default would not give rise to a Material Adverse Change. Except for Required Consents, no Consent is required nor is any notice required to be given under any Material Contract noted as continuing in Schedule 3.1(20) of the Disclosure Letter by the Vendor or the Corporation or any other Person in connection with the completion of the transactions contemplated by this Agreement in order to maintain all material rights of the Vendor or the Corporation party thereto under such Material Contract.

(21) *Permits and Compliance with Applicable Law.*

- (a) Subject to paragraph (b), below schedule 3.1(21) of the Disclosure Letter lists all of the material Permits. To the Vendor's knowledge, the Corporation is conducting, except where failure to do so would not result in a Material Adverse Change, the Corporation's Business in accordance with all terms and conditions of such Permits and in compliance with Applicable Law, all of such Permits are valid and are in full force and effect, and the Corporation is not in violation of any material term, provision or requirement of any such Permit. All material applications required for the renewal of any Permit have been duly and timely filed with the relevant Governmental Authorities in accordance with Applicable Law.
- (b) Notwithstanding anything to the contrary in this Agreement, the representations and warranties contained in this Section 3.1(21) shall not extend to, and the Vendor hereby expressly excludes, disclaims and negates any and all representations, warranties, covenants, statements, undertakings or assurances of any kind whatsoever (whether express, implied, statutory, at common law, in equity or otherwise) in respect of, arising out of, or relating to Environmental Laws, Environmental Permits, Hazardous Substances, environmental conditions, environmental compliance, environmental remediation or any other environmental matters of any nature whatsoever (collectively, the "**Environmental Matters**").

(22) *Regulatory Approvals.* Except as set forth in Schedule 3.1(22) of the Disclosure Letter and any additional Regulatory Approvals under Competition Laws and Foreign Direct Investment Laws identified by the Parties, no Regulatory Approvals are required to be obtained or made by the Vendor or the Corporation: (a) in connection with the execution and delivery of, and performance by the Vendor of its obligations under, this Agreement or the consummation of the transactions contemplated hereby in all material respects; (b) to avoid the loss of any material Permit as a result of this Agreement; or (c) to permit the Corporation to carry on the Corporation's Business after the Closing, in all material respects, as the Corporation's Business is currently carried on by the Corporation, except where failure to obtain such Regulatory Approval, filing, notice or waiver would not give rise to a Material Adverse Change.

(23) *[Reserved.]*

(24) *Environmental Matters.* In connection with the Real Property and the operations of the Cozamin Mine:

- (a) each of the Vendor and the Corporation is and, in the previous four (4) years has been, in compliance with all Environmental Laws in all material respects, except as failure thereof would not result in a Material Adverse Change;
- (b) the Vendor and the Corporation have obtained all material Permits from all Governmental Authorities and any other Person that are required to operate the assets and conduct the business of the Cozamin Mine or on the Real Property as presently being conducted, except as failure thereof would not result in a total shutdown thereof;

- (c) no Hazardous Substance has been disposed of, arranged to be disposed of, Released or transported in violation of any applicable Environmental Laws, or in a manner that has given rise to, or that would reasonably be expected to give rise to, any material liability for the Corporation under any applicable Environmental Laws, in each case, on, at, under or from any Real Property;
 - (d) to the knowledge of the Vendor and the Corporation, Hazardous Substances are not otherwise present at or about any Real Property in an amount or condition that exceeds the standards set forth in Environmental Law;
 - (e) none of the Vendor or the Corporation has received any written notice from any Governmental Authority or Person of any material non-compliance, suit, settlement, court order, administrative order, regulatory requirement, judgment or claim asserted or arising under any applicable Environmental Laws which would reasonably be expected to result in a material undischarged liability to the Corporation; and
 - (f) true and complete copies of material reports, assessments, audits (in draft or final form) or other material documents or material information or correspondence relating to the Environment on the Real Property that are in the possession of or under the control of the Vendor or the Corporation have been provided to the Purchaser, and, to the knowledge of the Vendor, no material environmental reports, assessments, audits or other material documents or material information or material correspondence relating to the Environment has been excluded or omitted which by omission would make the content of such information incorrect or misleading in any material respect.
- (25) *Employment Matters.*
- (a) Schedule 3.1(25)(a) of the Disclosure Letter lists all the Employees (excluding any unionized employees) as of the date of this Agreement and the position, start date, location of employment, compensation and benefits of each such Employee. Except as set out in Schedule 3.1(25)(a) of the Disclosure Letter, no Employee is on long-term disability leave, receiving benefits pursuant to any workers compensation legislation or is otherwise an inactive Employee. All Employees are validly and accurately registered with the Social Security Institution (“IMSS”), the National Workers’ Housing Fund Institute (“INFONAVIT”) as required by Applicable Law and all quotas payable to IMSS, INFONAVIT or any other Governmental Authority have been paid. The Corporation is duly registered with the National Workers’ Consumption Fund Institute (FONACOT).
 - (b) Except as set forth in Schedule 3.1(25)(b) of the Disclosure Letter, the Corporation has not paid nor will it be required to pay any material retention, bonus, fee, distribution, remuneration, employee profit sharing or collective benefits or other compensation to any Person (other than salaries, wages or bonuses paid or payable in the Ordinary Course of Business in accordance with current compensation levels and practices) as a result of the transactions contemplated by this Agreement.
 - (c) Except as set forth in Schedule 3.1(25)(c) of the Disclosure Letter, the Corporation is not a party to or bound by, either directly or by operation of Applicable Law, any collective bargaining agreement (*contrato colectivo de trabajo*) or other union agreement, labour contract, letter of understanding, letter of intent, voluntary recognition agreement or legally binding commitment or written communication to any labour union, trade union or employee organization or group which may qualify as a trade union in respect of or affecting Employees or independent contractors nor is the Corporation subject to any union organization effort. No union has approached the Corporation with the aim to join the union.

- (d) No labour strike, lock out, slowdown or work stoppage is pending or, to the knowledge of Vendor, threatened against or directly affecting the Corporation or any of the assets and facilities comprised by the Cozamin Mine.
- (e) All amounts due or accrued for all salary, wages, commissions, bonuses, vacation pay and benefits, including employee profit sharing or collective benefits under Applicable Law and the Corporation's benefit plans to the Employees for the period up August 31, 2026 have either been paid or are accurately reflected in Corporation's financial books and records. For purposes of this representation, an amount shall be considered "due" only to the extent it is legally enforceable as of such date under the Mexican Federal Labor Law; accordingly, benefits or entitlements that have accrued in whole or in part but are not yet legally enforceable, such as profit-sharing distribution, seniority premiums or year-end bonuses (*aguinaldo*) for which the triggering event or statutory payment date has not yet occurred, shall not be considered due for purposes hereof, and the Vendor shall not be in breach of this representation solely by reason of such amounts remaining unpaid.
- (f) The Corporation is in compliance with all material aspects of employment and all Applicable Laws respecting employment, including pay equity, wages, hours of work, overtime, workers compensation, bonuses, human rights and privacy and social security regulations compliance and *Norma Oficial Mexicana*. The Corporation is not subject to any outstanding, pending or, to the knowledge of the Vendor, threatened, material grievance, complaint, investigation, order, claim of wrongful dismissal, constructive dismissal, unfair labour practice, human rights violation or any other similar dispute relating to employment or termination of employment or relationships with employees, consultants or independent contractors and there is no basis for such grievance, complaint, investigation, order or claim or sanction proceeding initiated by the Ministry of Labor and Social Welfare (*Secretaría del Trabajo y Previsión Social*) or any other Governmental Authority. No event has occurred that, with the notice or lapse of time or both, would constitute a breach, violation or default of such terms and conditions of employment and Applicable Laws by the Corporation. Except as set forth in Schedule 3.1(25)(f) of the Disclosure Letter, as of the date hereof, no material lawsuit or claim has been received within the last twelve (12) months from any worker or employee whose employment relationship with the Corporation has been terminated that has nor been fully addressed.
- (g) All agreements between the Corporation and its contractors are valid, binding, and enforceable, comply with all Applicable Laws, and release the Corporation from any obligations or responsibilities of the contractors to their workers and employees and to the relevant authorities. The Corporation's contractors are duly registered with the *Registro de Prestadoras de Servicios Especializados u Obras Especializadas*.

(26) *Employee Plans.* Schedule 3.1(26) of the Disclosure Letter sets forth a true, complete, up-to-date and accurate list of all written or oral employee benefit, welfare, supplemental unemployment benefit, bonus, pension, profit sharing, executive compensation, current or deferred compensation, incentive compensation, stock compensation, stock purchase, stock option, stock appreciation, phantom stock option, savings, severance or termination pay, retirement, supplementary retirement, hospitalization insurance, salary continuation, legal, health or other medical, dental, life, disability or other insurance (whether insured or self-insured) plan, program, agreement or arrangement, and every other written or oral benefit plan, program, agreement or arrangement sponsored, maintained or contributed to or required to be contributed to by the Corporation for the benefit of its Employees or former Employees other than Statutory Plans, including the collective bargaining agreements set forth in Schedule 3.1(25)(c) of the Disclosure Letter.

(27) *Health and Safety.*

- (a) Neither the Vendor nor the Corporation nor any of their Affiliates has received in the past four (4) years any demand or notice with respect to a material breach of any applicable health and safety Applicable Laws with respect to the Cozamin Mine.

- (b) Except as disclosed in Schedule 3.1(27)(b) the Disclosure Letter, there are no claims, investigations or inquiries pending or, to the knowledge of the Vendor, threatened against the Vendor, the Corporation or any of their Affiliates (or naming the Vendor, the Corporation or any of their Affiliates as a potentially responsible party) based on material non-compliance with any applicable health and safety Applicable Laws at any of their operations or facilities currently or formerly owned, leased, licensed or operated by the Vendor, the Corporation or any of their Affiliates with respect to the Cozamin Mine.
- (c) To the knowledge of the Vendor, no material or fatal accident involving the Vendor, the Corporation or any of its Affiliates has occurred in the past four (4) years, in their operations or facilities currently owned, leased, licensed or operated by the Vendor, the Corporation or any of its Affiliates, regarding their own employees or third-party employees or contractors with respect to the Cozamin Mine. To the extent applicable, the Corporation has reported to the relevant Governmental Authorities all workplace injuries or fatalities that have occurred at the Cozamin Mine. Except as disclosed in Schedule 3.1(27)(c), there are no material claims or demands by workers or employees who have had a workplace accident in the 24 months preceding the date of this Agreement that are pending resolution before any Governmental Authority.
- (d) Neither the Vendor nor the Corporation nor any of their Affiliates is a party to any pending material sanctioning proceeding, and it has not been fined, by any Governmental Authority due to any material breach of any applicable health and safety Applicable Laws with respect to the Cozamin Mine.

(28) *Indigenous Matters*

- (i) To the knowledge of the Vendor, the Cozamin Mine is not located within any area protected by the *Mexican Instituto Nacional de Antropología e Historia* (Anthropology and History National Institute) (INAH). To the knowledge of the Vendor there have been no archeological or historical findings in the Cozamin Mine.
- (ii) To the knowledge of the Vendor, there are no claims or actions with respect to Indigenous or treaty rights currently outstanding, or, to the knowledge of the Vendor, pending or threatened, with respect to the Cozamin Mine or against the Vendor regarding the Cozamin Mine. No material dispute between the Vendor and/or the Corporation and any Indigenous group, or in respect of the Cozamin Mine or any property or activities thereon, exists or has been threatened or is imminent. There are no material complaints, issues or proceedings with any Indigenous groups located near the Cozamin Mine that are ongoing or anticipated which could have the effect of interfering, delaying or impairing the ability to explore or develop any of the Mineral Rights. The Vendor is not party to any Contract with any Indigenous groups located near the Cozamin Mine.

(29) *Insurance.* The Corporation, directly or indirectly through the Vendor, maintains insurance covering the property and assets of the Corporation and protecting the Corporation Business and the operation of the Cozamin Mine in such amounts and against such losses and claims as are generally maintained by comparable businesses and properties, taking into account the nature and state of development of the Cozamin Mine. Schedule 3.1(29) of the Disclosure Letter sets forth a list of all material insurance policies currently maintained by or on behalf of the Vendor or the Corporation with respect to the Corporation and the Cozamin Mine (the “**Applicable Policies**”). Each of the Applicable Policies are in full force and effect and all premiums due and payable under all such Applicable Policies have been paid. To the Knowledge of the Vendor, neither the Vendor nor the Corporation has received any notice of cancellation or termination of any Applicable Policy. No material claim made by the Vendor or the Corporation under any

of the Applicable Policy remains outstanding or is subject to an unresolved material coverage dispute with the applicable insurer.

(30) *Ex-Im Laws and Anti-Money Laundering Laws.*

- (a) Since December 31, 2021, the Corporation (i) has not received from any Governmental Authority any written notice, inquiry, subpoena, request for information, warning letter, notice of violation related to any material violations of Ex-Im Laws; (ii) made any material voluntary or mandatory disclosure to a Governmental Authority that entails a breach of Ex-Im Laws, without implementing a mitigation or correction strategy, (iii) conducted any formal internal investigation or audit that has resulted in the identification of a material violation or wrongdoing related to Ex-Im Laws, without implementing a mitigation or correction strategy or (iv) is not in material violation with Ex-Im Laws.
- (b) Since December 31, 2021, the Corporation has not engaged in any transaction in violation of, or otherwise been found in violation of, or charged with or convicted of money laundering, drug trafficking, terrorist financing or other money laundering predicate crimes under, Anti-Money Laundering Laws.
- (c) Since December 31, 2021, the Corporation has not received from any Governmental Authority any written notice, subpoena, inquiry, request for information, notice of violation or notice that it is the subject of any investigation, audit, enforcement proceeding or other action relating to any actual or alleged violation of Anti-Money Laundering Laws.
- (d) To the knowledge of the Vendor, no investigation, audit, enforcement proceeding or other action relating to any actual or alleged violation of Anti-Money Laundering Laws is pending or threatened against the Corporation.

(31) *Anti-Corruption Laws.*

- (a) Since December 31, 2021, the Corporation has conducted its business in compliance in all material respects with Anti-Corruption Laws.
- (b) Since December 31, 2021, neither the Corporation nor, to the knowledge of the Vendor, any director, officer, employee, agent or Representative of the Corporation acting on its behalf has:
 - (i) offered, promised, authorized, made, solicited or accepted any payment, gift, benefit or other thing of value in violation of Anti-Corruption Laws;
 - (ii) used any funds of the Corporation for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity or the obtaining or retention of business;
 - (iii) made any unlawful payment to any Governmental Authority, government official, political party, political party official, candidate for public office or any other Person in violation of Anti-Corruption Laws; or
 - (iv) secured any improper advantage in violation of Anti-Corruption Laws.
- (c) The Corporation maintains policies, procedures and controls reasonably designed to promote compliance with Anti-Corruption Laws.
- (d) Since December 31, 2021, the Corporation has not received from any Governmental Authority any written notice, subpoena, inquiry, request for information, notice of violation

or notice that it is the subject of any investigation, audit, enforcement proceeding or other action relating to any actual or alleged violation of Anti-Corruption Laws.

- (e) The Corporation has not made any voluntary disclosure, self-report settlement or other agreement with any Governmental Authority relating to any actual or alleged material violation of Anti-Corruption Laws.
- (f) No audit, enforcement proceeding or other action relating to any actual or alleged violation of the Anti-Corruption Laws is pending or threatened against the Corporation and, to the knowledge of the Vendor, no investigation relating to any violation of Anti-Corruptions Laws is pending or threatened against the Corporation.
- (g) To the knowledge of the Vendor, no material customer, offtake counterparty, streaming counterparty, royalty holder, lender, supplier, contractor or other material commercial counterparty of the Corporation is the subject of any pending investigation or enforcement proceeding relating to violations of Anti-Corruption Laws that would reasonably be expected to have a Material Adverse Change on the Corporation or the Business.

(32) *Sanctions Laws.*

- (i) Neither the Vendor nor Capstone Parent, nor, to the knowledge of the Vendor, any director, officer, employee, agent or Representative acting on behalf of either of them, is a Sanctioned Person.
- (ii) Since December 31, 2021, the Corporation has conducted its business in compliance with applicable Sanctions Laws.
- (iii) Neither the Corporation, nor to the Knowledge of the Vendor, any director, officer, employee or Representative acting on behalf of the Corporation has:
 - (A) engaged in any transaction, dealing or business activity with, for the benefit of, or involving a Sanctioned Person in violation of Sanctions Laws;
 - (B) dealt in, or otherwise engaged in any transaction involving, property or interests in property blocked, frozen or otherwise restricted pursuant to Sanctions Laws;
 - (C) directly or indirectly, facilitated, assisted or participated in any transaction or activity that would reasonably be a violation of Sanctions Laws; or
 - (D) engaged in, or conspired to engage in, or attempted to engage in any transaction intended to evade or circumvent Sanctions Laws.
- (iv) To the knowledge of the Vendor, none of the Corporation's material concentrate purchasers, offtake counterparties, streaming counterparties, royalty holders, lenders, major suppliers, contractors, freight forwarders, shipping providers or other material counterparties is a Sanctioned Person.
- (v) Since December 31, 2021, the Corporation has not received from any Governmental Authority any written notice, subpoena, inquiry, request for information notice of violation or notice that it is the subject of any investigation, enforcement action or other proceeding relating to any actual or alleged material violation of Sanctions Laws.

- (vi) The Corporation has not made any voluntary disclosure, self-report or other agreement with any Governmental Authority relating to any actual or alleged violation of Sanctions Laws.
 - (vii) To the knowledge of the Vendor, no investigation, audit, enforcement action or other proceeding relating to any actual or alleged violation of Sanctions Laws is pending or threatened against the Corporation.
 - (viii) The Corporation has implemented and maintains policies and procedures reasonably designed to promote compliance with applicable Sanctions Laws.
- (33) *Tax Matters.*
- (a) The Vendor is not a non-resident of Canada for purposes of the Tax Act.
 - (b) Each of the Acquired Entities has duly and timely made or prepared all Tax Returns required to be made or prepared by it, has duly and timely filed (taking into account any available extensions) all Tax Returns required to be filed by it with the appropriate Taxing Authority, and all such Tax Returns are true, correct and complete in all material respects.
 - (c) Each of the Acquired Entities has duly and timely paid all Taxes in full, including all instalments on account of Taxes for the current year that are due and payable by it whether or not assessed by the appropriate Taxing Authority, except such Taxes as are being contested in good faith by appropriate proceedings.
 - (d) All Taxes that each Acquired Entity has been required to deduct, collect or withhold have been duly deducted, collected or withheld and have been duly and timely paid to the proper Taxing Authority in accordance with Applicable Law. Each Acquired Entity has been retained and keeps material records, documents, filings, tax residence certificates and information required by Applicable Law to comply with tax treaties for the avoidance of double taxation.
 - (e) Neither Vendor nor any Acquired Entity has received any written notice of any actions for the assessment or collection of Taxes with respect to the Acquired Entities, which actions have not been satisfied, discharged or withdrawn and which remain pending.
 - (f) All related party transactions carried out by any Acquired Entity were carried out on arm's length terms and such Acquired Entity has made or obtained records or documents in material compliance with all applicable transfer pricing documentation requirements under Applicable Law.
 - (g) No material Tax has been imposed on any Acquired Entity for failing to duly and timely comply with all permanent and transactional informational regimes and other formal duties relating to Taxes required by Law.
 - (h) There are no Tax audits, examinations, claims, investigations, deficiencies, assessments, reassessments or other actions or proceedings with respect to Taxes or Tax Returns of any of the Acquired Entities pending (or asserted or threatened in writing) by a Taxing Authority, other than any such action or proceeding that has been satisfied by payment in full or withdrawn. No written claim has ever been received by any of the Acquired Entities from a Taxing Authority in a jurisdiction where an Acquired Entity does not file a particular type of Tax Return (or pay a particular type of Tax) that such Acquired Entity is or may be required to file that type of Tax Return (or subject to taxation of that type) in that jurisdiction, which claim is material and has not been resolved or withdrawn. Each Acquired Entity is not a party to any action or proceeding for assessment or collection of Taxes and no such event has been asserted or, to the knowledge of the Vendor, threatened.

- (i) No tax enforcement proceedings are currently initiated against any Acquired Entity for failing to timely pay Taxes reported in any Tax Returns.
- (j) There are no material Liens in respect of Taxes (other than the Permitted Liens) upon the assets or properties of any Acquired Entity except for Permitted Liens.
- (k) The Vendor has included in the Data Room Information correct and complete copies of all Tax Returns of the Acquired Entities, for which the applicable statutory periods of limitations have not expired, and material ancillary documents for such Tax Returns.
- (l) No written agreement or other document extending or waiving, or having the effect of extending or waiving, the period of assessment, deficiency or collection of any Tax payable by any Acquired Entity or any statute of limitations in respect of Taxes is in effect, nor has any request been made in writing for such extension or waiver. No Acquired Entity is the beneficiary of any extension of time (other than an automatic extension of time not requiring the consent of the appropriate Taxing Authority) within which to file any Tax Return.
- (m) No notices of determination of loss from any Taxing Authority to any Acquired Entity have been requested by or issued to such Acquired Entity. Each Acquired Entity has not requested, received or entered into any advance Tax rulings or advance pricing agreements from or with any Taxing Authority.
- (n) The Vendor has included in the Data Room Information correct and complete copies of all Tax Returns of the Acquired Entities and material ancillary documents, for which the applicable statutory periods of limitations have not expired.
- (o) Except to the extent permissible by Applicable Law, each Acquired Entity has not been involved in any corporate, commercial or other arrangement or structure for the purpose of avoiding the payment of any material amount of Taxes or taken advantage of any amnesty regarding Taxes. Each Acquired Entity have not executed or participated in legal transactions that could reasonably be expected to lack business purpose, generating a direct or indirect tax benefit, as defined under Article 5-A of the Mexican Federal Tax Code.
- (p) The Acquired Entities have charged, collected and remitted on a timely basis (or made adequate provision for the payment of such amounts) all material Taxes as required under Applicable Law on any sale, supply or delivery made by it.
- (q) None of the Acquired Entities is a party to, bound by or obligated under (i) any Tax sharing or Tax indemnity agreement or arrangement, or (ii) any agreement or arrangement under which any Acquired Entity may be required to make payments with respect to any Tax benefits (whether actual or deemed) or Tax assets, including transaction Tax benefits arising from a prior transaction.
- (r) No Acquired Entity (i) is or has ever been a resident for any Tax purposes in any jurisdiction other than the jurisdiction of its organization, or (ii) has or has ever had any branch or permanent establishment in any jurisdiction other than the jurisdiction of its organization.
- (s) Each Acquired Entity does not have an obligation to file an information return pursuant to sections 237.3, 237.4 or 237.5 of the Tax Act. The Acquired Entities have not engaged in a "reportable transaction" or a "notifiable transaction" within the meaning of sections 237.3 and 237.4 of the Tax Act and Articles 31-A and 197 to 202 of the Mexican Federal Tax Code.
- (t) Each of the Acquired Entities has maintained and continues to maintain at its place of business all records and books which the Acquired Entity is required to keep pursuant to applicable Tax legislation.

- (u) With respect to any corporate reorganization each of the Acquired Entities has duly paid all Taxes required under Applicable Law, whether in its capacity as a direct taxpayer or as a jointly and severally liable party. Each Acquired Entity maintains all information, records and supporting documentation evidencing and substantiating such transactions, as well as the corresponding Tax payments and compliance obligations.
- (v) The Corporation has retained and keeps material records, documents, filings and information required by Applicable Law at the time any transaction took place to support the origin, availability and computation of its capital contributions account ("CUCA" per its acronym in Spanish) and net tax profit account ("CUFIN" per its acronym in Spanish) balances for purposes of Mexican tax Applicable Law.

The representations and warranties in this Section 3.1(33) are not intended to serve as a representation to or a guarantee of, nor can they be relied upon for, any Tax position taken on or after the Effective Date.

(34) *Disclosed Liabilities.* There are no, nor have there been at anytime during the four (4) year period prior to the date of this Agreement, material liabilities or obligations of the Corporation, whether accrued, contingent, absolute, determined, determinable or otherwise, other than liabilities or obligations: (i) disclosed in the Financial Statements or in the notes thereto; (ii) disclosed in the Parent Annual Financial Statements or in Capstone Parent's other public disclosure documents as filed on SEDAR+; or (iii) incurred in the Ordinary Course Of Business.

(35) *Commissions.* Other than Scotiabank there is no investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of Capstone Parent, the Vendor, or the Corporation who might be entitled to any fee or commission payable by the Corporation in connection with the transactions contemplated by this Agreement.

(36) *Litigation and Orders.* [Redacted – Commercially Sensitive Information] there is no material Legal Proceeding in progress, pending, or, to the knowledge of the Vendor, Threatened against or affecting the Vendor or the Corporation, the Business, or the Cozamin Mine, and there is no Order outstanding against or affecting the Vendor, the Corporation, or the Corporation's Business which, in any case, affects adversely, or might affect adversely, the operations and conduct of the Corporation's Business, the title of the Vendor to the Shares at law or in equity, or the ability of the Vendor to enter into this Agreement or to perform, or cause to be performed, its obligations hereunder.

(37) *Customers and Suppliers*

- (a) The Corporation has not received any notice, and has no reasonable reason to believe, that any customer who has paid aggregate consideration to the Corporation for goods and services rendered in an amount greater than or equal to \$3,000,000 for each of the three (3) most recent fiscal years has ceased, or intends to cease after Closing, to use its goods or services or to otherwise terminate or materially reduce its relationship with the Corporation.
- (b) The Corporation has not received any notice, and has no reasonable reason to believe, that any supplier to whom the Corporation has paid aggregate consideration for goods and services rendered in an amount greater than or equal to \$3,000,000 for each of the three (3) most recent fiscal years has ceased, or intends to cease after Closing, to supply goods or services or to otherwise terminate or materially reduce its relationship with the Corporation.

3.2 Representations and Warranties of the Purchaser and Purchaser Guarantor. The Purchaser and Purchaser Guarantor represent and warrant to the Vendor as follows:

(1) *Incorporation and Corporate Power.* The Purchaser is a corporation incorporated, organized and subsisting under the laws of the jurisdiction of its incorporation. The Purchaser has the

corporate power, authority and capacity to execute and deliver this Agreement and all other agreements and instruments to be executed by it as contemplated herein and to perform its other obligations hereunder and under all such other agreements and instruments. No act or proceeding has been taken or authorized by or against the Purchaser by any other Person in connection with the dissolution, liquidation, winding up, bankruptcy or insolvency of the Purchaser and, to the knowledge of the Purchaser, no such proceedings have been Threatened by any other Person.

(2) *Authorization by Purchaser.* The execution and delivery of this Agreement and all other agreements and instruments to be executed by it as contemplated herein and the completion of the transactions contemplated by this Agreement and all such other agreements and instruments have been duly authorized by all necessary corporate action on the part of the Purchaser.

(3) *Enforceability of Purchaser's Obligations.* This Agreement constitutes the valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms subject to limitations on enforcement imposed by bankruptcy, insolvency, reorganization or other laws affecting the enforcement of the rights of creditors and others and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought.

(4) *Canadian Securities Laws Matters.*

- (a) The Purchaser Guarantor is a "reporting issuer" under applicable Securities Laws in the provinces of British Columbia and Alberta and is not on the list of reporting issuers in default under applicable Securities Laws.
- (b) Trading in the Purchaser Guarantor Shares on the TSXV is not currently halted or suspended. No delisting, suspension of trading or cease trading or other Order with respect to any securities of the Purchaser Guarantor is pending, in effect or, to the knowledge of the Purchaser Guarantor, threatened and no formal or informal Legal Proceeding by any Securities Authority or the TSXV is in effect or ongoing or expected to be implemented or undertaken.
- (c) The documents and information comprising the Purchaser Guarantor Public Record, as at the respective dates they were filed, were in compliance in all material respects with applicable Securities Laws, (including, where applicable, the rules, policies and regulations of the TSXV) and did not contain any Misrepresentations. The Purchaser Guarantor has not filed any confidential material change report that at the date of this Agreement remains confidential.

(5) *Financial Statements.*

- (a) The Purchaser Guarantor Financial Statements have been, and all financial statements of the Purchaser Guarantor which are publicly disseminated by the Purchaser Guarantor in respect of any subsequent periods prior to the Closing Date will be, prepared in accordance with IFRS applied on a basis consistent with those of previous periods (except: (i) as otherwise indicated in such financial statements and the notes thereto or, in the case of audited statements, in the related report of the Purchaser Guarantor's independent auditors or (ii) in the case of unaudited interim statements, to the extent they are subject to normal year-end adjustments) and in accordance with Applicable Laws. The Purchaser Guarantor Financial Statements, together with the related management's discussion and analysis, present fairly, the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Purchaser Guarantor and its subsidiaries, on a consolidated basis, as at the respective dates thereof and the losses, comprehensive losses, results of operations, changes in shareholders' equity and cash flows of the Purchaser Guarantor for the periods covered thereby (subject, in the case of any unaudited interim financial statements, to normal year-end audit adjustments) and reflect appropriate and adequate reserves in respect of contingent liabilities, if any. The Purchaser Guarantor

does not intend to correct or restate, nor is there any basis for any correction or restatement of, any aspect of any of the Purchaser Guarantor Financial Statements.

- (b) Neither the Purchaser Guarantor nor its subsidiaries is a party to, or has any commitment to become a party to, any off-balance sheet transaction, arrangement, obligation or other relationship or any similar Contract (including any Contract relating to any transaction or relationship between or among the Purchaser Guarantor or any of its subsidiaries, on the one hand, and any unconsolidated affiliate, including any structured finance, special purpose or limited purpose Person, on the other hand) where the result, purpose or effect of such transaction, arrangement, obligation, relationship or contract is to avoid disclosure of any material transaction involving, or material liabilities of, the Purchaser Guarantor or its subsidiaries, in the Purchaser Guarantor Public Record.
- (6) *Disclosure Controls and Internal Control Over Financial Reporting.*
- (a) The Purchaser Guarantor has established and maintains a system of “disclosure controls and procedures” (as such term is defined in NI 52-109) that are designed to provide reasonable assurance that information required to be disclosed by the Purchaser Guarantor in its annual filings, interim filings or other reports filed or submitted by it under applicable Securities Laws is recorded, processed, summarized and reported within the time periods specified in applicable Securities Laws. Such disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed by the Purchaser Guarantor in its annual filings, interim filings or other reports filed or submitted under applicable Securities Laws are accumulated and communicated to the Purchaser Guarantor’s management, including its chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.
 - (b) Management of the Purchaser Guarantor has designed a process of “internal control over financial reporting” (as such term is defined in NI 52-109) for the Purchaser Guarantor to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS and has otherwise complied with NI 52-109.
- (7) *Sufficient Funds.*
- (a) The Purchaser and the Purchaser Guarantor will have at or prior to the Closing, after giving effect to the receipt of the aggregate proceeds of the Financings, when funded in accordance with the Commitment Letters on or prior to the Closing Date, sufficient funds available (whether as cash on hand or available borrowings under an existing credit facility) to fully fund all of the obligations of the Purchaser under this Agreement, including funds sufficient to effect payment in full of the aggregate consideration to be paid to the Vendor upon the terms contemplated herein.
 - (b) The Purchaser Guarantor has delivered to the Vendor a true and complete (other than the redactions solely of fees payable) copy of the executed Acquisition Facility Letter and Equity Bid Letter, including all related exhibits, schedules, annexes, supplements and term sheets attached thereto, in each case, as amended, restated, supplemented, replaced and/or modified in accordance with the terms hereof, to the extent permitted hereunder (collectively, the “**Commitment Letters**”), pursuant to which the applicable Financing Sources have committed to provide the Financings to the Purchaser and/or Purchaser Guarantor in the amounts set forth therein and on the terms thereof. As of the date hereof, the Commitment Letters have not been amended or modified and the commitments contained in the Commitment Letters have not been withdrawn, terminated or rescinded in any respect. As of the date hereof, each Commitment Letter is a valid and binding obligation of the Purchaser and/or Purchaser Guarantor and the Financing Source Party

thereto, and is in full force and effect. As of the date hereof, except the conditions expressly set out therein in respect of the Financings, none of the Commitment Letters is subject to any other conditions precedent to the obligations of the Financing Sources party thereto to make the full amount of the applicable Financing contemplated therein available at the Closing, or any contingencies that would permit any Financing Source party thereto to reduce the amount of Financing to be provided thereunder. As of the date hereof, (x) there is no default or breach under the Commitment Letters by the Purchaser or Purchaser Guarantor, or, to the knowledge of the Purchaser, the Financing Sources party thereto and (y) no event or condition has occurred which, with or without notice, lapse of time or both, would constitute a default or breach on the part of the Purchaser or, (z) to the knowledge of the Purchaser, the Financing Sources party to each Commitment Letter. As of the date hereof, the Purchaser has no knowledge of any facts or circumstances or any reason to believe that any facts or circumstances exist that would be reasonably likely to result in any of the conditions set forth in each Commitment Letter not being satisfied or the funding of the Financings contemplated in each Commitment Letter not being made available on the Closing Date. The Purchaser and/or Purchaser Guarantor has fully paid any and all commitment fees or other fees required by each Commitment Letter to be paid on or before the date of this Agreement, and will pay any such fees when due prior to and including the Closing Date and following the Closing Date, until all Contingent Consideration has been paid or has been determined to not be payable. As of the date hereof, there are no side letters, arrangements or other Contracts to which the Purchaser or any of its Affiliates is a party which could reasonably be expected to adversely affect the availability of the Financings under each of the Commitment Letters.

(8) *Consideration Shares.* The Purchaser Guarantor Shares have been duly allotted and reserved for issuance and will be, when issued in accordance with the terms of this Agreement, duly authorized and validly issued as fully paid and non-assessable shares of the Purchaser Guarantor.

(9) *ICA.* The Purchaser is not a “non-Canadian” within the meaning of the ICA.

(10) *Commissions.* The Vendor will not be liable for any brokerage commission, finder’s fee or other similar payment in connection with the transactions contemplated by this Agreement because of any action taken by, or agreement or understanding reached by, the Purchaser.

(11) *Sanctions.* Neither the Purchaser or Purchaser Guarantor, nor, to the Knowledge of the Purchaser, any director, officer, employee, agent or Representative acting on behalf of the Purchaser or Purchaser Guarantor, is a Sanctioned Person.

ARTICLE 4 CLOSING ARRANGEMENTS

4.1 Closing. The Closing shall take place at 5:00 a.m. (Vancouver time) on the Closing Date, or at such other time on the Closing Date as may be agreed in writing by the Vendor and the Purchaser.

4.2 Vendor’s Closing Deliverables. At the Closing, the Vendor shall deliver or cause to be delivered to the Purchaser the following documents:

- (a) a certificate of status or its equivalent under the laws of the jurisdiction of its incorporation with respect to Capstone Mexico and Capstone Barbados;
- (b) the share certificates representing the Shares owned by the Vendor, duly endorsed in property (*endoso en propiedad*) in favour of the Purchaser;
- (c) a book entry made into the Stock Registry Book (*Libro de Registro de Acciones*) of the Corporation, evidencing the Purchaser as the legal and beneficial owners of the Shares;

- (d) the minute books, share certificate books, capital variations books, and corporate seals of each of the Corporation, Capstone Mexico and Capstone Barbados;
- (e) a bring-down certificate of a senior officer of the Vendor dated as of the Closing Date with respect to the following:
 - (i) since the date of this Agreement, there having been no Material Adverse Change;
 - (ii) all of the terms and conditions set out in this Agreement to be complied with or performed by the Vendor at or prior to Closing having been complied with or performed by the Vendor in all material respects; and
 - (iii) except as would not result in a Material Adverse Change, all of the representations and warranties set out in Section 3.1 of this Agreement being true and correct in all material respects as of the Closing Date, with the same force and effect as if such representations and warranties were made on and as at the Closing Date except to the extent that any of such representations and warranties are made as of a particular date, in which case they were true and correct in all material respects as of that date;
- (f) a certificate of a senior officer of the Vendor dated as of the Closing Date certifying all required resolutions of the board of the Vendor authorizing the execution, delivery and performance of this Agreement and of all contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by the Vendor;
- (g) evidence in form satisfactory to the Purchaser, acting reasonably, that the Regulatory Approvals set forth in Schedule 3.1(22) of the Disclosure Letter that are the responsibility of the Vendor have been obtained;
- (h) the written consent of Lenders with respect to the completion of the transactions contemplated hereunder;
- (i) the written resignation of each director and officer of the Corporation, Capstone Mexico and Capstone Barbados designated by the Purchaser and a release of all claims against the Corporation, Capstone Mexico or Capstone Barbados, as applicable, by each such director and officer;
- (j) a mutual release of claims amongst the Vendor and the Corporation, Capstone Mexico and Capstone Barbados in a form agreed to by the Vendor and the Purchaser, acting reasonably, duly executed;
- (k) an executed title opinion in substantially the form set forth in Schedule 4.2 of the Disclosure Letter with respect to the Cozamin Mine from Vendor's Mexican counsel;
- (l) evidence of discharge, cancellation and/or release of the Credit Facility Liens (such that the obligations under the Credit Agreement are no longer secured by the Credit Facility Liens);
- (m) evidence of the completion of the Pre-Closing Reorganization; and
- (n) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Purchaser to complete the transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Purchaser, acting reasonably.

4.3 Purchaser's Closing Deliverables. At the Closing, the Purchaser shall deliver or cause to be delivered to the Vendor the following documents and payments:

- (a) the payment referred to in Section 2.9;
- (b) a bring-down certificate of a senior officer of the Purchaser dated as of the Closing Date with respect to the following:
 - (i) all of the terms and conditions set out in this Agreement to be complied with or performed by the Purchaser at or prior to Closing having been complied with or performed by the Purchaser in all material respects; and
 - (ii) all of the representations and warranties set out in Section 3.2 of this Agreement being true and correct in all material respects as of the Closing Date, with the same force and effect as if such representations and warranties were made on and as at the Closing Date except to the extent that any of such representations and warranties are made as of a particular date, in which case they were true and correct in all material respects as of that date;
- (c) evidence in form satisfactory to the Vendor acting reasonably, that the Regulatory Approvals set forth in Schedule 3.1(22) of the Disclosure Letter that are the responsibility of the Purchaser have been obtained; and
- (d) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Vendor to complete the transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Vendor, acting reasonably.

ARTICLE 5 CONDITIONS OF CLOSING

5.1 Purchaser's Conditions. The Purchaser shall not be obligated to complete the transactions contemplated by this Agreement, including the purchase of the Shares, unless, at or before the Closing Time, each of the conditions listed below in this Section 5.1 has been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Purchaser. The Vendor shall take all such actions, steps and proceedings as are reasonably within its control as may be necessary to ensure that the conditions listed below in this Section 5.1 are fulfilled at or before the Closing Time.

(1) *Representations and Warranties.* Except as would not result in a Material Adverse Change, the representations and warranties of the Vendor in Section 3.1 shall be true and correct at the Closing (without giving effect to any qualification as to materiality contained in such representations and warranties), except to the extent that such representations and warranties refer specifically to an earlier date, in which case such representations and warranties shall have been true and correct as of such earlier date.

(2) *Vendor's Compliance and Deliverables.* The Vendor shall have performed and complied in all material respects with, or cause to be performed and complied, in all material respects, with, all of the covenants, obligations, agreements, terms and conditions in this Agreement on its part to be performed or complied with at or before the Closing Time and shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 4.2 and elsewhere in this Agreement.

(3) *Material Adverse Change.* During the Interim Period, there shall have been no Material Adverse Change, individually or in the aggregate, that is continuing.

(4) *No Litigation.* During the Interim Period, there shall have been no Order (whether temporary, preliminary or permanent) made and in effect against the Corporation, Capstone Mexico or

Capstone Barbados or either Party or against any of their respective Affiliates or any of their respective directors or officers, which has the effect of enjoining, prohibiting, preventing or restraining, temporarily or permanently, the completion of the transactions contemplated by this Agreement and which Order remains in effect.

(5) *No Law.* During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any Law which has the effect of (i) making any of the transactions contemplated by this Agreement illegal, or (ii) otherwise prohibiting, preventing or restraining the consummation of any of the transactions contemplated by this Agreement.

(6) *Regulatory Approvals.* All Regulatory Approvals set forth in Schedule 3.1(22) of the Disclosure Letter and any other Regulatory Approvals under Competition Laws or Foreign Direct Investments Laws that may be identified prior to closing shall have been obtained.

(7) *Credit Facility Matters.* The consent of the Lenders with respect to the completion of all steps necessary to give effect to the transactions contemplated hereunder shall have been obtained and satisfactory arrangements will have been made to discharge, release or otherwise amend all of the Credit Facility Liens (such that the obligations under the Credit Agreement are no longer secured by the Credit Facility Liens) to no longer charge any of the assets of the Corporation, Capstone Mexico, Capstone Barbados or the Shares.

5.2 Condition Not Fulfilled. If any condition in Section 5.1 has not been fulfilled at or before the Closing Time or if any such condition is, or becomes, impossible to satisfy prior to the Closing Time, other than as a result of the failure of the Purchaser to comply with its obligations under this Agreement, then the Purchaser in its sole discretion may, without limiting any rights or remedies available to the Purchaser at law or in equity, either:

- (a) terminate this Agreement by notice to the Vendor, as provided in Section 8.1; or
- (b) waive compliance with any such condition without prejudice to its right of termination in the event of non-fulfillment of any other condition.

5.3 Vendor's Conditions. The Vendor shall not be obligated to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the conditions listed below in this Section 5.3 has been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Vendor. The Purchaser shall take all such actions, steps and proceedings as are reasonably within the Purchaser's control as may be necessary to ensure that the conditions listed below in this Section 5.3 are fulfilled at or before the Closing Time.

(1) *Representations and Warranties.* The representations and warranties of the Purchaser in Section 3.2 shall be true and correct in all material respects at the Closing, except to the extent that such representations and warranties refer specifically to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date.

(2) *Purchaser's Compliance and Deliverables.* The Purchaser shall have performed and complied in all material respects with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before the Closing Time and shall have executed and delivered or caused to have been executed and delivered to the Vendor at the Closing all the documents contemplated in Section 4.3 and elsewhere in this Agreement.

(3) *No Litigation.* During the Interim Period, there shall have been no Order (whether temporary, preliminary or permanent) made and in effect against the Corporation or either Party or against any of their respective Affiliates or any of their respective directors or officers, which has the effect of enjoining, prohibiting, preventing or restraining the completion of the transactions contemplated by this Agreement and which Order remains in effect.

(4) *No Law.* During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any Law which has the effect of (i) making any of the transactions contemplated by this Agreement illegal, or (ii) otherwise prohibiting, preventing or materially restraining the consummation of any of the transactions contemplated by this Agreement.

(5) *Regulatory Approvals.* All Regulatory Approvals set forth in Schedule 3.1(22) of the Disclosure Letter shall have been obtained and any other Regulatory Approvals under Competition Laws or Foreign Direct Investments Laws that may be identified prior to closing.

(6) *Credit Facility Matters.* The consent of the Lenders with respect to the completion of all steps necessary to give effect to the transactions contemplated hereunder shall have been obtained.

(7) *PMPA Matters.* The consent of Wheaton with respect to the completion of all steps necessary to give effect to the transactions contemplated hereunder shall have been obtained.

(8) *Purchaser Guarantor Shares.*

- (a) The Purchaser Guarantor shall have received the necessary conditional approvals or equivalent approvals, as the case may be, of the TSXV for the issuance and listing of the Purchaser Guarantor Shares.
- (b) No Legal Proceeding or Order (whether temporary, preliminary or permanent) shall have been taken, entered or promulgated by any Governmental Authority, whether or not having the force of Law, which is reasonably likely to cease trade, enjoin, prohibit, or impose any limitations, damages or conditions on the Vendor's ability to acquire, hold or exercise full rights of ownership over, the Purchaser Guarantor Shares, including the right to vote the Purchaser Guarantor Shares.

5.4 Condition Not Fulfilled. If any condition in Section 5.3 has not been fulfilled at or before the Closing Time or if any such condition is, or becomes, impossible to satisfy prior to the Closing Time, other than as a result of the failure of the Vendor to comply with its obligations under this Agreement, then the Vendor in its sole discretion may, without limiting any rights or remedies available to the Vendor at law or in equity, either:

- (a) terminate this Agreement by notice to the Purchaser as provided in Section 8.1; or
- (b) waive compliance with any such condition without prejudice to its right of termination in the event of non-fulfillment of any other condition.

5.5 Frustration of Condition. Neither the Vendor, on the one hand, nor the Purchaser, on the other hand, may rely on the failure of any condition set forth in Section 5.1 or Section 5.3, as applicable, to be satisfied as a basis for not effecting the Closing if such failure was caused by such Party's failure to act in good faith or to use its commercially reasonable efforts to consummate the transactions contemplated by this Agreement.

ARTICLE 6 INDEMNIFICATION

6.1 Survival. All provisions of this Agreement and of any other agreement, certificate or instrument delivered pursuant to this Agreement, other than the conditions in Article 5 hereof, shall not merge on Closing but shall survive, for the time periods set forth in Section 6.5, the execution, delivery and performance of this Agreement, the Closing and the execution and delivery of any transfer documents or other documents of title to the Shares and all other agreements, certificates and instruments delivered pursuant to this Agreement and the payment of the Purchase Price.

6.2 Indemnity by the Vendor. The Vendor shall indemnify the Purchaser's Indemnified Parties and save them fully harmless against, and will reimburse them for, any Damages arising from, in connection with or related in any manner whatsoever to:

- (a) any inaccuracy in or breach of any representation or warranty of the Vendor contained in this Agreement or in any other agreement, certificate or instrument executed and delivered pursuant to this Agreement;
- (b) any breach or any non-fulfilment of any covenant or agreement on the part of the Vendor contained in this Agreement or in any other agreement, certificate or instrument executed and delivered pursuant to this Agreement;
- (c) any Taxes in respect of a Pre-Closing Tax Period or the portion of a Straddle Period inclusive of, and ending on, the Effective Date arising as a consequence of the Pre-Closing Reorganization, including any costs associated with defending any audits or assessments by any Taxing Authority in connection with the Pre-Closing Reorganization; and
- (d) any liability for Pillar Two Taxes of an Acquired Entity in respect of any tax year, and only to the extent arising as a consequence of an Acquired Entity having been a "Constituent Entity" (as such term is used in the OECD GloBE Rules) of the Vendor in the year (including, for the avoidance of doubt, having been an Affiliate of the Vendor for the purposes of Applicable Law in Barbados and Mexico, respectively) provided that no claim may be made under this Section 6.2(d) unless a Claim Notice has been given on or before the date that is 90 days after the expiry of the last applicable limitation period under any applicable Tax legislation (giving effect to any waiver or extension thereof) with respect to the applicable taxation period to Pillar Two Taxes.

6.3 Indemnity by the Purchaser. The Purchaser shall indemnify the Vendor's Indemnified Parties and save them fully harmless against, and will reimburse them for, any Damages arising from, in connection with or related in any manner whatsoever to:

- (a) any inaccuracy in or breach of any representation or warranty of the Purchaser contained in this Agreement or in any other agreement, certificate or instrument executed and delivered pursuant to this Agreement; and
- (b) any breach or non-fulfilment of any covenant or agreement on the part of the Purchaser contained in this Agreement or in any other agreement, certificate or instrument executed and delivered pursuant to this Agreement.

6.4 Claim Notice. If an Indemnified Party becomes aware of any act, omission or state of facts that may give rise to Damages in respect of which a right of indemnification is provided for under this Article 6, the Indemnified Party shall promptly give written notice thereof (a "**Claim Notice**") to the Indemnifying Party. The Claim Notice shall specify whether the potential Damages arise as a result of a claim by a Person against the Indemnified Party (a "**Third Party Claim**") or whether the potential Damages arise as a result of a claim directly by the Indemnified Party against the Indemnifying Party (a "**Direct Claim**"), and shall also specify with reasonable particularity (to the extent that the information is available):

- (a) the factual basis for the Direct Claim or Third Party Claim, as the case may be;
- (b) the specific sections of this Agreement pursuant to which indemnification is being sought; and
- (c) the amount of the potential Damages arising therefrom, if known.

If, through the fault of the Indemnified Party, the Indemnifying Party does not receive a Claim Notice in time effectively to contest the determination of any liability susceptible of being contested or to assert a right to

recover an amount under applicable insurance coverage, then the liability of the Indemnifying Party to the Indemnified Party under this Article 6 shall be reduced only to the extent that Damages are actually incurred by the Indemnifying Party resulting from the Indemnified Party's failure to give the Claim Notice on a timely basis. Nothing in this Section 6.4 shall be construed to affect the time within which a Claim Notice must be delivered pursuant to Sections 6.5(1) and 6.5(2) in order to permit recovery pursuant to Section 6.2(a) or 6.3(a) as the case may be.

6.5 Time Limits for Claim Notice for Breach of Representations and Warranties.

(1) *Notice by the Purchaser.* No Damages may be recovered from the Vendor pursuant to Section 6.2(a) unless a Claim Notice is delivered by the Purchaser in accordance with the timing set out below:

- (a) with respect to the representations and warranties in the Vendor Fundamental Representations, at any time within thirty (30) months after Closing, except with respect to the representations and warranties set out in Section 3.1(24) [*Environmental Matters*] which timing shall be at any time within four (4) years after Closing;
- (b) with respect to the representations and warranties set out in Section 3.1(33) [*Tax Matters*], not later than 90 days after the expiry of the last applicable limitation period under any applicable Tax legislation (giving effect to any waiver or extension thereof) with respect to the applicable taxation period to which these matters relate; and
- (c) with respect to all other representations and warranties, on or before the date that is fifteen (15) months after Closing.

Unless a Claim Notice has been given in accordance with the timing set out in Sections 6.5(1)(a), (c) or (c), with respect to the representations and warranties referred to in any such Section, the Vendor shall be released on the date set out in Sections 6.5(1)(a), (c) or (c), as applicable, from all obligations in respect of representations and warranties referenced in those Sections and from the obligation to indemnify the Purchaser's Indemnified Parties in respect thereof pursuant to Section 6.2(a). This Section 6.5(1) shall not be construed to impose any time limit on the Purchaser's right to assert a claim to recover Damages under Section 6.2(b), whether or not the basis on which such a claim is asserted could also entitle the Purchaser to make a claim for Damages pursuant to Section 6.2(a).

(2) *Notice by the Vendor.* No Damages may be recovered from the Purchaser pursuant to Section 6.3(a) unless a Claim Notice is delivered by the Vendor on or before the date that is within fifteen (15) months after Closing.

Unless a Claim Notice has been given in accordance with the timing set out in Section 6.5(2), the Purchaser shall be released on the date set out in Section 6.5(2) from all obligations in respect of representations and warranties and from the obligation to indemnify the Vendor's Indemnified Parties in respect thereof pursuant to Section 6.3(a). This Section 6.5(2) shall not be construed to impose any time limit on the Vendor's right to assert a claim to recover Damages under Section 6.3(b), whether or not the basis on which such a claim is asserted could also entitle the Vendor to make a claim for Damages pursuant to Section 6.3(a).

6.6 Mitigation. In the event that an Indemnified Party suffers damage or loss in respect of which it has or makes a valid claim against the Indemnifying Party for indemnification, such Indemnified Party shall take all commercially reasonable steps in a timely manner to mitigate the loss or damage, including seeking recovery under any applicable existing insurance policies. No Indemnified Party shall be entitled to indemnification under this Article 6 to the extent it (or another Indemnified Party affiliated with it) (a) actually recovers at any time on the subject Damage under an insurance policy, or (b) actually realizes a cash Tax benefit with respect to such Damages. In the event such Indemnified Party recovers on the subject Damage under an insurance policy after an indemnification payment for such Damage has been made from the Indemnifying Party, such Indemnified Party shall promptly reimburse the Indemnifying Party the applicable amount of the indemnification payment recovered under the insurance policy without demand, deduction,

offset or delay. Notwithstanding the foregoing, an Indemnified Party will be under no obligation to take commercially reasonable steps to mitigate Damages if, in the reasonable opinion of the outside counsel of the Indemnified Party, such mitigating actions would create a financial burden that exceeds the cost of the Damages and only up to such amount (i.e., mitigation steps shall be taken up to such cap), provided that in any case, each Party shall abstain from taking any actions that would trigger or increase any Damages, unless such action is required to be taken pursuant to Applicable Law, including for greater certainty applicable Securities Laws and applicable stock exchange policies.

6.7 Limitations.

(1) *Damages from Vendor.*

- (a) No Damages may be recovered pursuant to Section 6.2(a) from the Vendor (i) unless and until the accumulated aggregate amount of Damages of the Purchaser's Indemnified Parties arising pursuant to Section 6.2(a) exceeds 0.5% of the Purchase Price (the "**Threshold Amount**"), in which event only the Damages in excess of the Threshold Amount may be recovered. Notwithstanding any other provision of this Agreement, the maximum amount for which the Vendor may be liable under or in connection with Section 6.2 of this Agreement, shall not exceed 25% of the Purchase Price.
- (b) Notwithstanding any other provision of this Agreement to the contrary, neither the Vendor nor any other Person shall be liable to the Purchaser for indirect or consequential losses, loss of profit or opportunity or multiple based loss, special, exemplary, punitive or speculative damage in each case resulting from or arising out of or in connection with a breach of this Agreement.

(2) *Damages from Purchaser.*

- (a) No Damages may be recovered pursuant to Section 6.3(a) from the Purchaser (i) unless and until the accumulated aggregate amount of Damages of the Vendor's Indemnified Parties arising pursuant to Section 6.3(a) exceeds the Threshold Amount, in which event only the Damages in excess of the Threshold Amount may be recovered. Notwithstanding any other provision of this Agreement, the maximum amount for which the Purchaser may be liable under or in connection with Section 6.3(a) of this Agreement, shall not exceed 25% of the Purchase Price.
- (b) Notwithstanding any other provision of this Agreement to the contrary, neither the Purchaser nor any other Person shall be liable to the Vendor for indirect or consequential losses, loss of profit or opportunity or multiple based loss, special, exemplary, punitive or speculative damage in each case resulting from or arising out of or in connection with a breach of this Agreement.

(3) *Liability Exceptions*

Notwithstanding anything to the contrary set forth herein, no Indemnified Party shall be entitled to indemnification under this Article 6 to the extent that any Damages result from the wilful misconduct, bad faith, gross negligence or fraud of an Indemnified Party.

6.8 Limitation Periods.

- (1) *Limitation Periods for Representations and Warranties.* Notwithstanding the provisions of the *Limitation Act* (British Columbia) or any other statute, an Indemnified Party may commence a proceeding in respect of Damages arising from any incorrectness in or breach of any representation and warranty of the Indemnifying Party as referred to in a Claim Notice delivered within the time periods stipulated in Section 6.5 at any time on or before the first anniversary of the date upon which the Indemnifying Party received such

Claim Notice and any applicable limitation period is hereby so extended to the full extent permitted by Applicable Law.

(2) *No Subrogation.* Following the Closing, the Vendor shall not have any right of indemnification, contribution or subrogation against the Corporation, the Purchaser or any of their respective Affiliates with respect to any indemnification payment made by or on behalf of the Vendor under this Article 6.

6.9 Agency for Non-Parties. Notwithstanding Section 9.15, each Party hereby accepts each indemnity in favour of each of its Indemnified Parties who are not Parties as agent and trustee of that Indemnified Party. Each Party may enforce an indemnity in favour of any of that Party's Indemnified Parties on behalf of each such Indemnified Party.

6.10 Contingent Liabilities. No Indemnifying Party shall be liable under this Article 6 in respect of any Damages which are contingent unless and until such contingent Damages become an actual liability and are due and payable.

6.11 Direct Claims. In the case of a Direct Claim, the Indemnifying Party shall have ninety (90) days from receipt of a Claim Notice in respect thereof within which to make such investigation as the Indemnifying Party considers necessary or desirable. For the purpose of such investigation, the Indemnified Party shall make available to the Indemnifying Party the information relied upon by the Indemnified Party to substantiate its right to be indemnified under this Article 6, together with all such other information as the Indemnifying Party may reasonably request. If the Parties fail to agree at or before the expiration of such 90 day period (or any mutually agreed upon extension thereof), the Indemnified Party shall be free to pursue such remedies as may be available to it.

6.12 Third Party Claims.

(1) *Rights of Indemnifying Party.* In the case of a Third Party Claim, the Indemnifying Party shall have ninety (90) days from receipt of a Claim Notice to elect, at its option, to exercise its right to assume and control the defense of, at its own expense and by counsel of its own choosing, any such Third Party Claim, and shall be entitled to assert any and all defences available to the Indemnified Party to the fullest extent permitted by Applicable Law.

(2) *Respective Rights.* The Indemnified Party shall have the right to participate in the negotiation, settlement or defence of any Third Party Claim and to retain counsel to act on its behalf, provided that the fees and disbursements of such counsel shall be paid by the Indemnified Party unless the Indemnifying Party consents to the retention of such counsel at its expense or unless the named parties to any action or proceeding include both the Indemnifying Party and the Indemnified Party and a representation of both the Indemnifying Party and the Indemnified Party by the same counsel would be inappropriate due to the actual or potential differing interests between them (such as the availability of different defences), in which case the fees and disbursements of such counsel shall be paid by the Indemnifying Party. The Indemnified Party shall co-operate with the Indemnifying Party so as to permit the Indemnifying Party to conduct such negotiation, settlement and defence and for this purpose shall preserve all relevant documents in relation to the Third Party Claim, allow the Indemnifying Party access on reasonable notice to inspect and take copies of all such documents and require its personnel to provide such statements as the Indemnifying Party may reasonably require and to attend and give evidence at any trial or hearing in respect of the Third Party Claim.

(3) *Control for Certain Tax Claims.* The Vendor shall have the right to control and the negotiation, settlement and defence of (a) any Third Party Claim relating to Taxes for any Straddle Period and (b) any Third Party Claim relating partly to Pre-Closing Tax Periods and partly to other tax periods. Neither the Vendor nor the Purchaser's Indemnified Party shall settle any such Third Party Claim without the written consent of the other, which consent shall not be unreasonably withheld or delayed.

(4) *Other Rights of Indemnified Party.* If the Indemnifying Party does not assume control of the defence of any Third Party Claim pursuant to Section 6.12(1), the Indemnified Party shall have the right to contest, settle or pay the amount claimed and the Indemnifying Party shall be bound by the results obtained by the Indemnified Party with respect to such Third Party Claim.

6.13 Cooperation. Each Indemnified Party and Indemnifying Party shall reasonably cooperate and assist each other in determining the validity of any claim for indemnity by an Indemnified Party and otherwise in resolving such matters. Such assistance and cooperation will include providing reasonable access to information, records and documents relating to such matters and furnishing employees to assist in the investigation, defence and resolution of such matters.

6.14 Exclusive Remedy. Except as provided in this Section 6.14, after Closing, the rights of the Parties hereto and the Indemnified Parties to indemnification relating to this Agreement or the transactions shall be strictly limited to those contained in Article 6, and such indemnification rights shall be sole and exclusive remedies of the Parties hereto and the Indemnified Parties subsequent to the Closing Date with respect to any matter in any way relating to this Agreement or its subject or arising in connection herewith. Nothing in the Section shall limit, exclude or otherwise affect the Purchaser's rights or remedies in respect of Leakage, which are additional to and not subject to the limitations in this Article 6. Except as provided in this Section 6.14, to the maximum extent permitted by Applicable Law, the Parties hereto, on behalf of themselves and any other Indemnified Parties, hereby waive all other rights and remedies with respect to any matter in any way relating to this Agreement or arising in connection herewith, whether under any Laws at common law, in equity or otherwise. Except as provided in this Article 6, no claim, action or remedy shall be brought or maintained by any Party against any other Party, and no recourse be brought or granted against any of them, by virtue of or based upon any alleged misstatement or omission respecting an inaccuracy in or breach of any of the representations, warranties, or agreements of any of the Parties hereto set forth or contained in this Agreement. Otherwise, the Parties may exercise their rights of termination in Article 8 prior to Closing at any time. Notwithstanding the foregoing, the Parties acknowledge that the failure to comply with a covenant or obligation contained in this Agreement may give rise to irreparable injury to a Party inadequately compensable in damages. Accordingly, a Party may seek to enforce the performance of this Agreement by injunction or specific performance upon application to a court of competent jurisdiction without proof of actual damage (and without requirement of posting a bond or other security).

6.15 Insurance and Other Recoveries. Notwithstanding anything contained in this Agreement to the contrary, Damages of all Indemnified Parties shall be net of any insurance or other prior or subsequent recoveries (including under or pursuant to any insurance policy, indemnity, reimbursement agreement or contract pursuant to which or under which any Indemnified Party is a party or has rights) by the Indemnified Parties in connection with the facts giving rise to the right of indemnification. The applicable Indemnified Parties shall use commercially reasonable efforts to recover from insurance policies or other applicable sources of recovery the maximum portion of any Damages of such Indemnified Parties. If the applicable Indemnified Parties shall have used commercially reasonable efforts to recover any amounts recoverable under insurance policies or other applicable sources of recovery and shall not have recovered the applicable Damages, the applicable Indemnifying Party shall be liable for the amount by which such Damages exceeds the amounts actually recovered subject to the limitations on indemnification set out in Section 6.7. If the applicable Indemnified Parties fail to use commercially reasonable efforts to recover any amounts recoverable under insurance policies or other applicable sources of recovery, the applicable Indemnifying Party shall not be required to indemnify the applicable Indemnified Party for that portion of any Damages that could reasonably be expected to have been recovered had the applicable Indemnified Parties used such commercially reasonable efforts.

6.16 [Redacted – Commercially Sensitive Information]

ARTICLE 7 COVENANTS

7.1 Purchaser Investigation. During the Interim Period, subject to the requirements of Applicable Law and any confidentiality obligations or restrictions applicable to the Vendor or the Corporation, the Vendor shall give, or cause to be given, to the Purchaser and its Representatives reasonable access during normal business hours to the Corporation's Business and the property and assets of the Corporation. Such investigations shall be carried out during normal business hours with reasonable notice to the Vendor and without undue interference with the operations of the Corporation and the Corporation's Business and the Vendor shall co-operate in facilitating such access. The Vendor shall use commercially reasonable efforts to cause the Corporation to execute and deliver any authorizations required to permit such investigations, inspections, surveys and tests. The Purchaser agrees to indemnify, defend and hold harmless the Vendor and its Affiliates from and against any and all losses, damages, liabilities, claims, demands, causes of action, legal proceedings, orders, remedies, obligations, assessments, awards, payments, costs and expenses, interest, penalties, fines, judgments and settlements (including for loss or injury to or death of any representative of the Purchaser, and for any loss or damage to or destruction of any property owned by the Vendor or any of its Affiliates (including for loss of use of any property)) resulting directly or indirectly from the action or inaction of the Purchaser or any of its representatives during any visit to the business or property sites of the Corporation prior to the Closing Date, whether pursuant to this Section or otherwise. During any visit to the business or property sites of the Corporation, the Purchaser shall, and shall cause its representatives accessing such properties to, comply with all Applicable Laws and all of the Corporation's safety and security procedures and conduct themselves in a manner that could not be reasonably expected to interfere with the operation, maintenance or repair of the assets of the Corporation. The Parties agree that any such visits and inspections shall not unduly interfere with the Corporation and shall not include any visits, inspections or other access that the Vendor considers in good faith could result in an adverse effect to the Corporation, the Vendor or their respective Affiliates.

7.2 Vendor Investigation. During the Interim Period, the Purchaser shall make available and cause to be made available to the Vendor, and its Representatives, information reasonably requested by the Vendor for the purposes of confirming the representations and warranties of the Purchaser set out in Section 3.2 of this Agreement.

7.3 Personal Information. Each Party shall comply with Privacy Law in the course of collecting, using and disclosing Transaction Personal Information. Each Party shall collect Transaction Personal Information prior to Closing only for purposes related to the transactions contemplated by this Agreement and as is necessary to determine whether to proceed with such transactions in connection with its investigations of, as applicable, the Corporation's Business, the Corporation, the Purchaser and the property and assets of the Corporation and the Purchaser and, if either the Vendor or the Purchaser does not elect to terminate this Agreement as provided herein, for the completion of such transactions. During the Interim Period, no Party shall disclose Transaction Personal Information to any Person other than to its Representatives who are evaluating and advising on the transactions contemplated by this Agreement. If the Parties proceed with the transactions contemplated by this Agreement, no Party shall, following the Closing, without the consent of the individuals to whom such Personal Information relates or as permitted or required by Applicable Law, use or disclose Transaction Personal Information:

- (a) in the case of the Purchaser and Purchaser Guarantor:
 - (i) for purposes other than those for which such Transaction Personal Information was collected by the Vendor prior to the Closing; and
 - (ii) which does not relate directly to the carrying on of the Corporation's Business or to the carrying out of the purposes for which the transactions contemplated by this Agreement were implemented, and

- (b) in the case of the Vendor:
 - (i) for purposes other than those for which such Transaction Personal Information was collected by the Purchaser prior to the Closing; and
 - (ii) which does not relate to the carrying out of the purposes for which the transactions contemplated by this Agreement were implemented.

Each Party shall protect and safeguard the Transaction Personal Information against unauthorized collection, use or disclosure, as provided by Privacy Law. Each Party shall cause its Representatives to observe the terms of this Section 7.3 and to protect and safeguard Transaction Personal Information in their possession. If either Party terminates this Agreement as provided herein, each Party shall promptly deliver to the other Party all Transaction Personal Information in its possession or in the possession of any of its Representatives, including all copies, reproductions, summaries or extracts thereof.

7.4 Confidentiality.

(1) *Confidentiality Agreement.* Disclosure of information made in connection herewith or otherwise pursuant to this Agreement shall be subject to the terms and conditions of the Confidentiality Agreement.

(2) *Information To Be Confidential.* Each Recipient shall treat confidentially and not disclose, and shall cause each of its Representatives to treat confidentially and not disclose, other than as expressly contemplated by this Agreement, any Confidential Information of a Discloser.

(3) *Use Of Confidential Information.* A Recipient may disclose Confidential Information only to those of its Representatives who need to know such Confidential Information for the purpose of implementing the transaction contemplated by this Agreement. No Recipient shall use, nor permit its Representatives to use, Confidential Information for any other purpose nor in any way that is, directly or indirectly, detrimental to the applicable Discloser.

(4) *Required Disclosure.* If a Recipient or any of its Representatives receives a request or is legally required to disclose all or any part of the Confidential Information of a Discloser, such Recipient shall (a) immediately notify the Discloser of the request or requirement, (b) consult with the Discloser on the advisability of taking legally available steps to resist or narrow the request or lawfully avoid the requirement, and (c) if requested by the Discloser, take all necessary steps to seek a protective order or other appropriate remedy. If a protective order or other remedy is not available, or if the Discloser waives compliance with the provisions of this Section 7.4(4), (i) the Recipient receiving the request for disclosure or its Representatives, as the case may be, may disclose to the Person requiring disclosure only that portion of the Confidential Information which such Recipient is advised by written opinion of counsel is legally required to be disclosed, and (ii) such Recipient shall not be liable for such disclosure unless such disclosure was caused by or resulted from a previous disclosure by such Recipient or its Representatives not permitted by this Agreement.

(5) *Return or Destruction.* Following the termination of this Agreement in accordance with the provisions of this Agreement, each Recipient shall (and shall cause each of its Representatives to) (a) return promptly to the Discloser all physical copies of the Confidential Information of the Discloser, excluding Notes, then in such Recipient's possession or in the possession of its Representatives, (b) destroy all (i) electronic copies of such Confidential Information, and (ii) Notes (including electronic copies thereof) prepared by such Recipient or any of its Representatives, in a manner that ensures the same may not be retrieved or undeleted by such Recipient or any of its Representatives, and (c) deliver to the Discloser a certificate executed by one of the Recipient's duly authorized senior officers indicating that the requirements of this Section 7.4(5) have been satisfied in full.

(6) *Exceptions.* For a period of three (3) years after the Closing, the Vendor shall and shall use its commercially reasonable efforts to cause its Representatives to, hold, in confidence any and all

information, whether written or oral, concerning the Corporation and/or the Cozamin Mine, except to the extent that the Vendor can show that such information: (a) is required to be disclosed pursuant to Applicable Law, including for greater certainty applicable Securities Laws and applicable stock exchange policies, (b) is generally available to the public, other than as a result of a disclosure by the Vendor, any of its Affiliates or any of their respective Representatives or (c) is received by the Vendor, any of its Affiliates or any of their respective Representatives on a non-confidential basis from sources that are not prohibited from disclosing such information by a confidentiality agreement with, or a contractual, fiduciary or other legal confidentiality obligation to. If the Vendor, any of its Affiliates or any of their respective Representatives receives a request or is legally required to disclose all or any part of any information, the provisions of Section 7.4(4) shall apply *mutatis mutandis*.

7.5 Action During Interim Period.

- (1) *Vendor Obligations.* During the Interim Period, the Vendor shall:
- (a) cause the Corporation to operate the Cozamin Mine and the Corporation's Business in the Ordinary Course of Business in compliance with Applicable Law and the terms and conditions of all Material Contracts and the Permits;
 - (b) promptly notify the Purchaser in writing if it becomes aware of any event or circumstance which could reasonably be expected to have a Material Adverse Change;
 - (c) use commercially reasonable efforts to preserve intact the Cozamin Mine (including, without limitation, the Permits, Real Property and Royalties, and any renewals thereof), organization and goodwill, and maintain satisfactory relationships with counterparties with whom the Vendor and the Corporation have business relationships and ensure that the Cozamin Mine is maintained in good standing and that all expenditure obligations in relation to the Cozamin Mine are met;
 - (d) ensure that (i) a copy of any written communication made by it to, or received by it from, a Governmental Authority, or any material written communication made by it to, or received by it from, any other Person in connection with the Cozamin Mine; and (ii) all other matters that the Purchaser reasonably requests be disclosed in respect of the Cozamin Mine, are immediately disclosed and shared with the Purchaser; and
 - (e) without limiting the generality of Sections 7.5(1)(a)-(d), not, directly or indirectly, and shall cause the Corporation not to:
 - (i) issue, sell, grant, award, pledge, dispose of, encumber or agree to issue, sell, grant, award, pledge, dispose of or encumber any Shares, any options or any warrants, calls, conversion privileges or rights of any kind to acquire any Shares.
 - (ii) amend or propose to amend the articles, by-laws or other constating documents or the terms of any securities of the Corporation;
 - (iii) split, combine or reclassify any outstanding Shares;
 - (iv) redeem, purchase or offer to purchase any Shares or other securities of the Corporation;
 - (v) amalgamate or merge the Corporation with any other Person;
 - (vi) reorganize the Corporation, except in connection with the Wheaton PMPA or the Pre-Closing Reorganization;
 - (vii) reduce the stated capital of the shares of the Corporation;

- (viii) authorize any release or relinquishment of any contractual right of the Corporation, except in the Ordinary Course of Business;
- (ix) waive, release, grant, transfer, exercise, modify or amend in any material respect, other than in the Ordinary Course of Business, (i) any existing material contractual rights in respect of any Mineral Rights, (ii) any material authorization, lease, concession, contract or other document material to the Corporation, or (iii) any other material legal rights or claims of the Corporation;
- (x) take any action or fail to take any action which action or failure to act would result in the material loss, expiration or surrender of, or the loss of any material benefit under, or reasonably be expected to cause any Governmental Authority to institute proceedings for the suspension, revocation or limitation of rights under, any material Permits necessary to conduct the Corporation's Business as now conducted; or fail to prosecute with commercially reasonable due diligence any pending applications to any Governmental Authority that are material to the Corporation;
- (xi) acquire (by merger, consolidation, acquisition of stock or assets or otherwise), directly or indirectly, any businesses;
- (xii) sell, lease, create a Lien over or other transfer any assets of the Corporation of the Cozamin Mine, other than sales of inventory or assets in the Ordinary Course of Business;
- (xiii) enter into or amend any agreements (other than in the Ordinary Course of Business) with any groups related to the Corporation's community and social responsibilities that relate to the Cozamin Mine, including any government or governmental entities, Indigenous groups or landowners;
- (xiv) change its methods of accounting, except as required by concurrent changes in Generally Accepted Accounting Principles, as agreed to by its independent public accountants;
- (xv) settle, or offer or propose to settle, any material litigation, investigation, arbitration, proceeding or other claim, without the prior written consent of the Purchaser;
- (xvi) except in the Ordinary Course of Business, as provided for in the Financial Statements, or as required by Applicable Law, make or change any material Tax election, change any annual tax accounting period, adopt or change any method of tax accounting, enter into any closing agreement with respect to a material amount of taxes, or settle any material Tax claim, audit or assessment;
- (xvii) terminate without cause, as defined under Applicable Law, any Employee (excluding for certainty any unionized employee) of the Disclosure Letter, except for cause, without the Purchaser's advance written consent; and
- (xviii) take any action or fail to take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of the Vendor to consummate the transactions contemplated herein.

- (2) **Purchaser Obligations.** During the Interim Period, the Purchaser shall:
- (a) operate the Purchaser's business in the ordinary course of business of the Purchaser in compliance with Applicable Law and in a manner that is consistent with past custom and practice;
 - (b) not, directly or indirectly, and shall cause each of its subsidiaries not to, take any action or fail to take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of the Purchaser to consummate the transactions contemplated herein.

7.6 Pre-Closing Reorganization.

- (1) Nothing in Section 7.5 shall be construed as prohibiting the Vendor and Capstone Parent from effecting the Pre-Closing Reorganization.

7.7 Regulatory Approvals.

- (1) Commencing forthwith after the date hereof the Purchaser and Vendor shall use all commercially reasonable efforts to obtain, at or prior to the Closing Time, the Required Consents and Regulatory Approvals set forth in Schedule 3.1(22) of the Disclosure Letter and any other Regulatory Approvals under Competition Laws or Foreign Direct Investments Laws that may be identified prior to Closing. For the avoidance of doubt, unless required by Law to do so prior to closing, the Purchaser shall not make any filings under the Investment Canada Act prior to closing.

(2) CNA Approval.

- (a) As soon as possible after the date hereof, but in any case no later than ten (10) Business Days after the date hereof, the Purchaser leading all efforts (but considering the input provided by the Vendor) and Vendor, shall file the notification of concentration regarding the Transaction before *Comisión Nacional Antimonopolio* (together with any successor authority thereof, the "**CNA**"), which shall include the filing of all required information and documentation. The Parties further agree to (i) take any act, make any undertaking or receive approval from the CNA (the "**CNA Approval**"); and (ii) satisfy any conditions imposed by CNA, in each case in order to consummate the Transaction contemplated hereby as soon as reasonably possible. The Purchaser and the Vendor shall (1) respond as promptly as practicable (but in any event within the timeframe required by CNA) to any inquiries or requests received from CNA for additional information or documentation, (2) not enter into any agreement with CNA that would reasonably be expected to adversely affect the Parties' ability to consummate the transactions contemplated by this Agreement, except with the prior consent of the other Parties (which shall not be unreasonably withheld or delayed), and (3) provide each other with reasonable opportunity to participate in all meetings or communications with CNA. The Parties shall take any and all required actions to avoid or eliminate any reasonable impediment under competition Applicable Law that may be asserted by CNA with respect to the Transaction contemplated hereby so as to enable the Closing Date to occur as soon as reasonably possible, including by proposing, negotiating, committing to and effecting, by consent decree, hold separate order or otherwise, the sale, divestiture, licensing or disposition of such assets or businesses of the Purchaser or its Affiliates (including their respective Subsidiaries), or (y) agreeing to such limitations on its or their conduct or actions (including restrictions on the ability to change rates or charges or standards of service or otherwise on the Purchaser or its Affiliates' (including the Corporation from and after the Closing) freedom of action with respect to, or their ability to retain or freely operate, any of the businesses, licenses, rights, operations, product lines or assets of the Purchaser or its Affiliates or of the Corporation from and after the Closing) as may be required in order to obtain the CNA Approval as soon as reasonably possible, to avoid the entry of, or to effect the dissolution of, any injunction, temporary

restraining order or other order in any suit or proceeding, which would otherwise have the effect of preventing or delaying the Closing Date, and defending through litigation on the merits, including appeals, any claim asserted in any court by any Person.

- (b) The Parties shall appoint a common representative to act before the CNA during the process pursuant to the competition Applicable Laws. Such common representative shall be selected by the Purchaser. The Parties shall provide to such common representative with all the necessary supporting information and documentation required for the performance of its appointment, including the required powers of attorney; provided that, any Confidential Information of the Vendor disclosed to the common representative shall be subject to the confidentiality obligations set forth in this Agreement.
- (c) The Purchaser agrees that it shall, and shall cause its Affiliates to, comply with any applicable post-Closing notification to CNA or investment control reporting or similar Applicable Law or regulation of any Governmental Authority with competent jurisdiction. The Parties agree to cooperate with and promptly to consult with, to provide any reasonably available information with respect to, and to provide, subject to appropriate confidentiality provisions, copies of all presentations and filings to any Governmental Authority to the other Parties or their counsel, and to inform one another of any communications received from any Governmental Authority in connection with this Agreement and the transactions contemplated hereby.
- (d) The Purchaser shall be solely responsible for, and shall promptly pay, all fees, costs, expenses and disbursements incurred by or on behalf of any Party in connection with the CNA Approval, including all filing fees, application fees, fees payable to the common representative appointed pursuant to this Section 7.7(2), legal fees and expenses of external counsel retained in connection with the CNA Approval process, and any other costs or expenses reasonably incurred in connection with obtaining the CNA Approval.

7.8 Preparation of Tax Returns. With respect to the preparation and filing of Tax Returns, (a) the Vendor shall cause to be prepared and filed on a timely basis all Tax Returns for the Acquired Entities for any Pre-Closing Tax Period for which Tax Returns have not been filed as of the Closing Date, including, for greater certainty, all Tax Returns, for any tax year, for Pillar Two Taxes arising as a consequence of an Acquired Entity being a "Constituent Entity" (as such term is defined in the OECD GloBE Rules) of the Vendor, and (b) the Purchaser shall cause to be prepared and filed on a timely basis all Tax Returns for the Acquired Entities for any Straddle Period for which Tax Returns are required to be prepared and filed (all Tax Returns referred to in clause (a) and (b) above collectively being referred to herein as the "**Stub Period Returns**"). For the purposes of this Section, the Person responsible for preparing a Stub Period Return shall be known as a "**Preparing Party**". The Preparing Party shall prepare each Stub Period Return on a basis consistent with (i) Applicable Law, (ii) the Effective Date Balance Sheet, and (iii) the past practices and procedures of the Acquired Entities, and, in respect of any Pre-Closing Tax Period, on a basis consistent with the Effective Date Balance Sheet. The Preparing Party shall provide to the other Party for its review a draft of each Stub Period Return prepared by that Preparing Party no later than thirty (30) days prior to the due date for filing such Tax Return with the appropriate Governmental Authorities. The other Party shall notify the Preparing Party in writing within fifteen (15) days after delivery of a Stub Period Return if it has any reasonable comments with respect to items set forth in such Stub Period Return. The Preparing Party shall consider, in good faith, all such comments.

7.9 Amendments to Tax Returns. Except as required by Applicable Law, or as contemplated by Section 2.10, the Purchaser and the Acquired Entities shall not, without prior written consent of the Vendor, (a) file, submit, present or otherwise deliver to any Mexican, Canadian or Barbados Taxing Authority (including the *Servicio de Administración Tributaria* or any state or municipal tax authority) any Tax Return, amended Tax Return, ruling request (*consulta fiscal*), settlement (*acuerdo conclusivo*), or any other document or communication that could create, settle, modify, extend or otherwise affect any Mexican, Canadian or Barbados Tax liability or position of the Acquired Entities with respect to a Pre-Closing Tax Period or a Straddle Period, or (b) make any Tax election that would have any retroactive effect to any Pre-

Closing Tax Period. The Vendor shall have no liability whatsoever resulting from any action by the Purchaser or the Acquired Entities contrary to this Section.

7.10 Tax Refunds. Any refunds or credits of Taxes (including any interest paid or credited with respect thereto net of any Taxes paid by the Acquired Entities on such interest) of, or with respect to, any Acquired Entity for any Pre-Closing Tax Period will be for the account of the Vendor (except to the extent such refunds or credits were reflected on the Effective Date Balance Sheet (and in the case of a Straddle Period, only to the extent relating to portion of such period ending on the Effective Date)). The Purchaser shall promptly inform the Vendor of any such refunds or credits to which the Vendor may be entitled hereunder and shall pay to the Vendor an amount equal to the amount of any such refunds or credits within ten (10) days following the date such refunds or credits were paid or credited by the relevant Governmental Authority to any Acquired Entity. Any payment made pursuant to this Section 7.10 shall constitute an increase to the Purchase Price.

7.11 Tax Matters.

(1) For the purposes of this Agreement, Taxes of the Acquired Entities for any Straddle Period shall be allocated between the portion of the Straddle Period ending on the Effective Date and the portion beginning after the Effective Date on a closing-of-the-books basis, and the Vendor shall be responsible for such Taxes only to the extent allocable to the portion ending on the Effective Date and to the extent provided for in the Effective Date Balance Sheet.

(2) Notwithstanding any other provision of this Agreement, the Vendor shall have no liability (whether under the representations and warranties in Section 3.1, by way of indemnity or otherwise) for any Tax, transfer-pricing adjustment, reassessment, interest or penalty of any Acquired Entity to the extent arising from any cessation, reduction or variation, on or after the Effective Date, of any intercompany charging or transfer-pricing arrangement that is required, requested or directed by the Purchaser or any of its Affiliates.

(3) Each Party shall provide reasonable cooperation to the other Party (and following the Closing, the Purchaser shall cause the Acquired Entities to provide reasonable cooperation to the Vendor) and their respective counsel in respect of Tax matters arising under this Agreement ("**Tax Matters**"), including:

- (a) providing prompt notice to the other Party in writing of any pending or threatened Tax audits or assessments of the Acquired Entities for tax periods for which the other may have a liability under this Agreement;
- (b) providing the other Party and its counsel with draft copies of all filings, motions, applications, correspondence and other documents the Party defending the claim intends to file with or deliver to any Governmental Authority in connection with a Tax Matter at least ten (10) Business Days prior to the date on which such documents are filed or delivered and considering the comments of the other Party and its counsel regarding such filings, motions, applications, correspondence and other documents;
- (c) promptly notifying the other Party of any communication the Party defending a Tax Matter receives from any Governmental Authority regarding such Tax Matter and providing the other Party with copies of all correspondence, filings or communications between such Party defending the claim, on the one hand, and any Governmental Authority or members of the staff of any Governmental Authority, on the other hand, in each case to the extent relating to any such Tax Matter;
- (d) keeping the other Party and its counsel advised on a prompt and ongoing basis of the status of such Tax Matter and any material changes or developments with respect thereto and promptly and fully responding to all requests for information, questions and comments of the other Party and its counsel from time to time; and

- (e) making available to each other in a timely fashion such data, documents and other information as may reasonably be required for the preparation, review and filing of all Stub Period Returns and in order to contest any Tax matter, prepare for any audit by a Governmental Authority or to pursue any refund, objection or appeal; and preserving all such data, documents and other information until the expiry of any applicable limitation period under Applicable Law with respect to such Stub Period Returns of the Acquired Entities; provided that, for the avoidance of doubt, neither the Vendor nor any Affiliate of the Vendor shall have any obligation to provide or make available to any Person all or any portion of any Tax Return of the Vendor or of any Affiliate of the Vendor (other than the Acquired Entities).

7.12 Indemnification of Directors and Officers of the Corporation

- (a) All rights to indemnification or exculpation now existing in favor of each of the present and former directors, officers, managers, employees, fiduciaries, trustees and agents of the Corporation (the “**D&O Indemnified Party**”), as provided in the governing documents of the Corporation or otherwise in effect as of the date hereof, as set out in Schedule 7.12 of the Disclosure Letter with respect to any matters occurring prior to the Closing, shall survive the transactions contemplated by this Agreement and shall continue in full force and effect and the Corporation shall (and the Purchaser shall cause the Corporation to) perform and discharge the Corporation’s obligations to provide such indemnity and exculpation to the extent they are and continue to be in compliance with Applicable Law. To the maximum extent permitted by Applicable Law, such indemnification shall be mandatory rather than permissive, and the Corporation shall (and the Purchaser shall cause the Corporation to) promptly advance expenses in connection with such indemnification. The indemnification and liability limitation or exculpation provisions of the governing documents of the Corporation shall not be amended, repealed or otherwise modified after the Closing in any manner that would adversely affect the rights thereunder of individuals who, as of the Closing or at any time prior to the Closing, were D&O Indemnified Parties, unless such modification is required by Applicable Law.
- (b) The Corporation shall, at the Purchaser’s sole cost and expense, purchase a “tail” policy arranged by the Corporation prior to the Closing, providing directors’ and officers’ liability insurance coverage for the benefit of those Persons who are covered by the Corporation’s directors’ and officers’ liability insurance policies as of the date hereof or at the Closing with respect to matters occurring prior to the Closing that is at least equal to the coverage provided under the Corporation’s current directors’ and officers’ liability insurance policies, and the Corporation shall maintain such policy in effect, without any lapse or gaps in coverage, for a period of six (6) years following the Closing Date; provided that, the premium for such tail policy shall not exceed 300% of the aggregate annual amount currently paid by the Corporation for such insurance (300% of such aggregate annual amount, the “**Maximum Premium**”), and if such tail policy can be obtained only by paying a premium in excess of the Maximum Premium, the Corporation shall obtain as much coverage as can be obtained by paying a premium equal to the Maximum Premium.
- (c) The Corporation shall not, and the Purchaser shall cause the Corporation not to, take any action that would have the effect of limiting the aggregate amount of insurance coverage required to be maintained for the individuals referred to in Section 7.12(b).
- (d) The D&O Indemnified Parties entitled to the indemnification, liability limitation, exculpation and insurance set forth in this Section 7.12 are intended to be third party beneficiaries of this Section 7.12. This Section 7.12 shall survive the consummation of the transactions contemplated by this Agreement and shall be binding on all successors and assigns of the Purchaser and the Corporation.

- (e) Without limiting the foregoing, during the period commencing at the Closing and ending on the sixth anniversary of the Closing, the Purchaser shall indemnify and hold harmless each D&O Indemnified Party against all claims, liabilities, judgments, inquiries, and Damages incurred in connection with any action, suit, or proceeding, whether civil, criminal, administrative or investigative (including with respect to matters existing or occurring at or prior to the Closing, including this Agreement and the transactions and actions contemplated hereby), arising out of or pertaining to the fact that the D&O Indemnified Party is or was a director, officer, manager, trustee, or fiduciary of the Corporation or is or was serving at the request of the Corporation as a director, officer, manager, trustee, or fiduciary of another Person, whether asserted or claimed prior to, at or after the Closing, to the fullest extent permitted under Applicable Law, but excluding, (x) any such claims, liabilities, judgments, inquiries, and Damages arising out of such D&O Indemnified Party's fraud; or (y) any claim by the Purchaser (including, without limitation, any indemnification claim) to enforce the terms of, or any breach of, this Agreement, and any other agreements delivered in connection with this Agreement. In the event of any such action, suit, or proceeding for which the Purchaser has agreed to indemnify and hold harmless each D&O Indemnified Party (i) such D&O Indemnified Party shall be entitled to prompt advancement of expenses reasonably incurred in the defense of any such action, suit, or proceeding from the Purchaser or the Corporation and (ii) the Purchaser and the Corporation, as applicable, shall reasonably cooperate in the defense of any such matter.

7.13 Books and Records. Within five (5) Business Days of the Closing the Vendor shall deliver or cause to be delivered to the Purchaser all written or electronic books, records, data, information and documents that relate to the Corporation's Business.

7.14 Insurance Policies. Until the Closing, the Vendor shall, and shall cause the Corporation to, (i) keep in full force and effect all Applicable Policies in force as at the date hereof with respect to the Corporation and/or the Cozamin Mine; and (ii) give any notice or present any claim under any Applicable Policy consistent with past practices of the Vendor in the ordinary course of business. Promptly following the Closing Date, the Vendor shall terminate, or cause to be terminated, the Applicable Policies, or the portion of such Applicable Policies which relate to the Corporation and/or the Cozamin Mine, and shall retain any benefits derived from such termination. In the event that any benefits derived from such termination are paid to or received by the Purchaser or an Affiliate of the Purchaser (including, for greater certainty, the Corporation), the Purchaser shall, or shall cause, such benefits to be paid over to the Vendor as soon as reasonably practicable.

7.15 Technical Report. The Purchaser shall at its own expense and for its own uses, retain independent qualified persons to certify a NI 43-101 compliant report in respect of the Cozamin Mine (the "**New Technical Report**"). The Vendor shall, and shall cause its Affiliates (including the Corporation) to, use commercially reasonable efforts to assist the Purchaser in the preparation of the New Technical Report for the Cozamin Mine prepared in accordance with the requirements of NI 43-101, including, but not limited to, providing all data and information in its or their possession which may assist in the preparation of the New Technical Report.

7.16 Barbados Side Letter. Each of the Vendor and the Purchaser shall, acting reasonably and in good faith, and in any event no later than November 20, 2026, settle in writing and execute a side letter to this Agreement (the "**Barbados Side Letter**"). The Barbados Side Letter shall prescribe the mechanics, sequencing, timing and respective obligations of the Vendor and the Purchaser required for the parties to fulfill the Barbados Share Transfer Obligations and shall thereafter use commercially reasonable efforts to satisfy their respective obligations under the Barbados Side Letter.

7.17 Cooperation. From and after the date of this Agreement, the Vendor and Capstone Parent shall, and shall cause their Affiliates to, at the Purchaser's sole expense, use commercially reasonable efforts to cooperate with the Purchaser and Purchaser Guarantor, in good faith, to implement, effective from the Closing Date, any necessary arrangements reasonably requested by the Purchaser in respect of the Corporation, Capstone Mexico and/or Capstone Barbados, having regard to the Purchaser's and its

subsidiaries' financing arrangements (including, without limitation, the Wheaton PMPA), provided that such requested cooperation does not unreasonably interfere with the ongoing operations of the Vendor, Capstone Parent, the Corporation, Capstone Mexico and/or Capstone Barbados.

ARTICLE 8 TERMINATION

8.1 Grounds for Termination. This Agreement may be terminated on or prior to the Closing Date:

- (a) by the mutual written agreement of the Vendor and the Purchaser;
- (b) by written notice from the Purchaser to the Vendor as permitted in Section 5.1(7);
- (c) by written notice from the Vendor to the Purchaser as permitted in Section 5.4; or
- (d) by written notice from either Party to the other Party if the Closing has not occurred on or before the Outside Date or such later date as the Parties may agree upon in writing; provided that the right to terminate this Agreement pursuant to this Section 8.1(d) shall not be available to any Party whose breach of any representation or warranty, or failure to perform any covenant or obligation under this Agreement, shall have been the cause of the failure of the Closing to occur prior to such date.

8.2 Effect of Termination. If this Agreement is terminated:

- (a) by the Vendor or by the Purchaser under Section 8.1, subject to Section 8.2(b), all further obligations of the Parties under this Agreement shall terminate, except for the obligations under Sections 7.3, 7.4, 9.1 and 9.2, which shall survive such termination.
- (b) by a Party under Section 8.1(b), 8.1(c) or 8.1(d) and the right to terminate arose because of a breach of this Agreement by the other Party (including a breach by the other Party resulting in a condition in favour of the terminating Party failing to be satisfied), then, the other Party shall remain fully liable for any and all Damages sustained or incurred by the terminating Party directly or indirectly as a result thereof.

8.3 Notice and Cure. The Purchaser may not exercise its right to terminate this Agreement pursuant to Section 5.1(7) and the Vendor may not exercise its right to terminate this Agreement pursuant to Section 5.4 unless the Party seeking to terminate this Agreement (in this Section 8.3, the “**Non-Breaching Party**”) has delivered a written notice (“**Breach Notice**”) to the other Party (the “**Breaching Party**”) specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Non-Breaching Party asserts as the basis for the non-fulfilment of the applicable condition, as the case may be. After delivering the Breach Notice, provided that the Breaching Party is proceeding diligently to cure such matter and such matter is capable of being cured, the Non-Breaching Party may not terminate this Agreement until the earlier of (i) the Outside Date, and (ii) the date that is ten (10) Business Days following receipt of such Breach Notice by the Breaching Party, and then only if such matter has not been cured by such date, provided that, if any matter is not capable of being cured by the Outside Date, the Non-Breaching Party may immediately exercise the applicable termination right hereunder.

ARTICLE 9 GENERAL

9.1 Expenses. Except as otherwise expressly provided herein, each Party shall be responsible for all costs and expenses (including any Taxes imposed on such expenses) incurred by it in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisers).

9.2 Public Announcements. Except to the extent otherwise required by Applicable Law or with the prior written consent of the other Parties, as applicable, no Party shall make any public announcement regarding this Agreement or the transactions contemplated by this Agreement. Where the public disclosure is required by Applicable Law, the Party or Parties required to make the public disclosure will use its commercially reasonable efforts to obtain the approval of the other Parties, as applicable, as to the form, nature and extent of the disclosure.

9.3 Notices.

(1) *Mode of Giving Notice.* Any notice, direction, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if (i) delivered personally, (ii) sent by prepaid courier service or mail, or (iii) sent by e-mail (return receipt requested) or other similar means of electronic communication, in each case to the applicable address set out below:

(a) if to the Vendor and Capstone Parent, to:

Capstone Copper Corp.
2100 – 510 West Georgia Street
Vancouver, BC V6B 0M3 Canada

Attention: Wendy King
[Redacted – Personal Information]

with a copy (which shall not constitute notice) to:

Blake, Cassels & Graydon LLP
Suite 3500, 1133 Melville Street, the Stack
Vancouver, BC V6E 4E5

Attention: Bob Wooder
[Redacted – Personal Information]

(b) if to the Purchaser, to:

Luca Mining Corp.
1111 Melville Street, Suite 410
Vancouver, BC Canada V6E 3V6

Attention: Dan Barnholden
[Redacted – Personal Information]

with a copy (which shall not constitute notice) to:

Cassels Brock & Blackwell LLP
Suite 3100, Park Place, 666 Burrard Street
Vancouver, BC V6C 2X8

Attention: Jeff Durno and David Gardos
[Redacted – Personal Information]

(2) *Deemed Delivery of Notice.* Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of e-mailing or sending by other electronic means of communication, provided that such day in either event is a Business Day and the communication is so delivered, e-mailed or sent before 4:30 p.m. (Vancouver time) on such day. Otherwise, such communication shall be deemed to have been given and made and to have

been received on the next following Business Day. Any such communication sent by mail shall be deemed to have been given and made and to have been received on the fifth Business Day following the mailing thereof; provided however that no such communication shall be mailed during any actual or apprehended disruption of postal services. Any such communication given or made in any other manner shall be deemed to have been given or made and to have been received only upon actual receipt.

(3) **Change of Address.** Any Party may from time to time change its address under this Section 9.3 by notice to the other Party given in the manner provided by this Section 9.3.

9.4 Time of Essence. Time shall be of the essence of this Agreement in all respects.

9.5 Further Assurances. Each Party shall from time to time promptly execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things in connection with this Agreement that the other Party may reasonably require as being necessary or desirable in order to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof.

9.6 Entire Agreement. This Agreement (including the Disclosure Letter and the Schedules hereto) constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no conditions, representations, warranties, obligations or other agreements between the Parties in connection with the subject matter of this Agreement (whether oral or written, express or implied, statutory or otherwise) except as explicitly set out in this Agreement.

9.7 Amendment. No amendment of this Agreement shall be effective unless made in writing and signed by the Parties.

9.8 Waiver. A waiver of any default, breach or non-compliance under this Agreement shall not be effective unless in writing and signed by the Party to be bound by the waiver, and then only in the specific instance and for the specific purpose for which it has been given. No waiver shall be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party. The waiver by a Party of any default, breach or non-compliance under this Agreement will not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance (whether of the same or any other nature).

9.9 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

9.10 Specific Performance. Notwithstanding any other provision contained herein, the Parties agree that irreparable harm may occur for which money Damages would not be an adequate remedy at law in the event that any Party breached its obligation to close the purchase and sale of the Shares on the Closing Date in accordance with the provisions of this Agreement. It is accordingly agreed that the Parties shall be entitled to seek injunctive and other equitable relief to prevent such breaches or Threatened breach of this Agreement, and to enforce compliance with the terms of this Agreement requiring the other Parties hereto to close the purchase and sale of the Shares on the Closing Date in accordance with the provisions of this Agreement, this being in addition to any other remedy to which the Parties may be entitled at law or in equity in respect of such breach. Such remedies will not be the exclusive remedies for any such breach of this Agreement but will be in addition to all other remedies available at Law or equity to each of the Parties in respect of such breach. For greater certainty and without limitation, this Section 9.10 does not apply to any claim in respect of the accuracy or inaccuracy of any representation or warranty contained herein, including where such inaccuracy prevents the Closing from occurring.

9.11 No Recourse to Acquisition Facility Financing Sources.

(1) Notwithstanding anything in this Agreement to the contrary (but in all cases subject to and without in any way limiting the rights, remedies and claims of the Purchaser under or pursuant to the Acquisition Facility Letter or any other agreement entered into with respect to the Acquisition Credit Facility), each of the Vendor, the Parent and the Acquired Entities:

- (a) waives any and all claims and causes of action against the Acquisition Facility Financing Sources relating to or arising out of this Agreement or the Acquisition Facility Letter or any documents entered into with respect to the Acquisition Credit Facility, or the performance of any services thereunder, whether in law or in equity, whether in contract or in tort or otherwise, (B) agrees that none of the Acquisition Facility Financing Sources will have any liability to any party to this Agreement or any of its Affiliates relating to or arising out of this Agreement, the Acquisition Facility Letter, or any documents entered into with respect to the Acquisition Credit Facility, or the performance of any services thereunder, whether in law or in equity, whether in contract or in tort or otherwise, and (C) agrees not to seek to enforce commitments or other rights under the Acquisition Facility Letter or any documents entered into with respect to the Acquisition Credit Facility, or make any claims for breach of such commitments or such other rights against, or seek to recover monetary damages from, the Acquisition Facility Financing Sources, or otherwise sue the Acquisition Facility Financing Sources for any reason related to the Acquisition Facility Letter or any documents entered into with respect to the Acquisition Credit Facility, except, in each of the foregoing clauses (A) through (C), in the case of the Purchaser, pursuant to or in connection with the Acquisition Facility Letter and/or any contract relating to the Acquisition Credit Facility;
- (b) agrees not to bring, or support any Person in bringing, or permit any of its Affiliates to bring, or support any person in bringing, any legal proceeding against, or seek to recover monetary damages from, any Acquisition Facility Financing Source in any way arising out of or relating to this Agreement, the Acquisition Facility Letter, or any contract entered into with respect to the Acquisition Credit Facility, or the performance of any services thereunder, whether in contract or in tort or otherwise, in any forum, other than in the courts of competent jurisdiction in the Province of Ontario;
- (c) agrees that any proceeding against any of the Acquisition Facility Financing Sources in any way arising out of or relating to this Agreement, the Acquisition Facility Letter, or any contract entered into with respect to the Acquisition Credit Facility, or the performance of any services thereunder, whether in contract or in tort or otherwise, shall be subject to the exclusive jurisdiction of, and shall be brought and heard and determined exclusively in, courts of competent jurisdiction in the Province of Ontario, and any appellate court thereof and irrevocably submits itself and its property with respect to any such legal proceeding to the exclusive jurisdiction of such court;
- (d) agrees that any such legal proceeding shall be governed by the laws of the Province of Ontario (without giving effect to any conflicts of law principles);
- (e) knowingly, intentionally and voluntarily waives (to the fullest extent permitted by law) trial by jury in any proceeding brought against the Acquisition Facility Financing Sources in any way arising out of or relating to this Agreement, the Acquisition Facility Letter or any other contract entered into with respect to the Acquisition Credit Facility or the performance of any services thereunder;
- (f) agrees that the Acquisition Facility Financing Sources are express third-party beneficiaries of, and may enforce, this Section 9.11 and any of the provisions in this Agreement reflecting the agreements set forth in this Section 9.11; and
- (g) agrees that the provisions in this Section 9.11 the definitions used in this Section 9.11 (as used in such section) and any other provisions of this Agreement to the extent an amendment, waiver or modification thereof would adversely affect the substance of any of

the foregoing as it affects the Acquisition Facility Financing Sources, shall not be amended, waived or otherwise modified, in each case, in any way adverse to the Acquisition Facility Financing Sources without the prior written consent of the Acquisition Facility Financing Sources to the Acquisition Facility Letter.

9.12 Dispute Resolution. Except for injunctive relief or specific performance, which may be sought by a Party in courts in British Columbia, each Party agrees that all disputes arising out of or in connection with this Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The Expedited Procedure Provisions shall not apply. The seat of arbitration shall be Vancouver, British Columbia, Canada. The language of the arbitration shall be English. No award or procedural order made in the arbitration shall be published.

9.13 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in such Province and this Agreement shall be treated, in all respects, as a British Columbia contract.

9.14 Successors and Assigns; Assignment. This Agreement shall enure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns. No Party may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its respective rights or obligations under this Agreement without the prior written consent of the other Parties. Notwithstanding the foregoing, each of the Parties shall be entitled at any time to assign its rights in this Agreement as security in favour of the each of the Parties' respective lenders and grant and allow to exist a Lien in respect of its rights under this Agreement in favour of each of the Parties' respective lenders.

9.15 Third Party Beneficiaries. This Agreement is for the sole benefit of the Parties, and except as specifically provided for herein, nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

9.16 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both of which taken together shall be deemed to constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Party by facsimile, e-mail in pdf format or by other electronic transmission and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving Party.

[Remainder of Page Left Intentionally Blank.]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

CAPSTONE MINING CORP.

By: (signed) "Chris Richter"
Name: Chris Richter
Title: Senior Vice President, Corporate
Development

CAPSTONE COPPER CORP.

By: (signed) "Chris Richter"
Name: Chris Richter
Title: Senior Vice President, Corporate
Development

SIERRA SOLEADA S.A. DE C.V.

By: (signed) "Lucero Garcia"
Name: Lucero Garcia
Title: Legal Representative

LUCA MINING CORP.

By: (signed) "Dan Barnholden"
Name: Dan Barnholden
Title: Chief Executive Officer

SCHEDULE A
EFFECTIVE DATE BALANCE SHEET – BASIS OF PREPARATION

[Redacted – Commercially Sensitive Information]

[REDACTED – COMMERCIALLY SENSITIVE INFORMATION]