

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

**ITEM #1      NAME & ADDRESS OF COMPANY**

Capitan Mining Inc.  
800 West Pender Street, Suite 550  
Vancouver, British Columbia  
V6C 2V6  
(the “Company”)

**ITEM #2      DATE OF MATERIAL CHANGE**

January 17, 2023

**ITEM #3      NEWS RELEASE**

A news release announcing the material changes referred to in this report was disseminated January 17, 2023.

**ITEM #4      SUMMARY OF MATERIAL CHANGE**

On January 17, 2023 the Company announced final drill assays for five (5) drillholes, from the summer 2022 drill program at the Jesus Maria high-grade silver zone, located at the Cruz de Plata project in Durango, Mexico.

**ITEM #5      FULL DESCRIPTION OF MATERIAL CHANGE**

The Company announced final drill assays for five (5) drillholes, from the summer 2022 drill program at the Jesus Maria high-grade silver zone, located at the Cruz de Plata project in Durango, Mexico.

**Highlights:**

- Hole 22-JMRC-22: Intersected **16.8m of 224.3 g/t AgEq**, including **3.0m of 978.7 g/t AgEq**, which includes **1.5m of 1,532.8 g/t AgEq**, at the Gully Fault zone
- Hole 22-JMRC-14: Intersected **4.6m of 236.98 g/t AgEq**, including **1.5m of 624.8 g/t AgEq**, at the main Jesus Maria vein
- Hole 22-JMRC-15: Intersected **15.2m of 101.46 g/t AgEq**, including **1.5m of 475.45 g/t AgEq** at the main Jesus Maria vein
- Airborne Geophysical program is set to commence shortly and will cover the recently consolidated property package. Results from this survey will help with drill target analysis and prioritization
- Assays are pending for six (6) additional RC drill holes from the 2022 winter drill program, including 2 for the Jesús María area and 4 for the San Rafael zone

## **2022 Drill Program Overview**

All holes reported herein are part of the 3100m, thirteen (13) hole summer 2022 drill program, which focused on the expansion and delineation of the Jesus Maria silver zone.

All thirteen drillholes were successful in defining and expanding the Jesus Maria silver zone along strike and at depth, with strategic infill holes targeting the Gully Fault- Jesus Maria Vein intersection, where silver grades were previously reported.

## **New Drilling Discussion**

Recent drilling at the Jesus Maria silver zone continues to return significant, multi-meter intersections of silver mineralization. Additionally, holes 22-JMRC-14, 15, and 20 which were collared very close to the hanging wall/footwall of the Gully Fault, returned multiple, mineralized zones along their respective traces, with mineralization generally more gold-rich and base-metal poor than what is typically encountered at Jesus Maria.

## **Expansion drilling at Jesus Maria**

Drillholes 22-JMRC- 14, 15, 20 and 21 were all designed as step-out holes to expand mineralization, down-dip and along section, targeting the Jesus Maria high-grade silver zone at depth. All holes intersected Jesus Maria as well as Gully Fault style mineralization along their traces, and successfully extended the Jesus Maria zone between 50 and 80 meters down-dip along their respective sections. From the long section, mineralization continues to expand down dip to the south and west, with the zone remaining open and largely untested to the east, towards the recently acquired El Refugio zone located 300m to the east of Jesus Maria.

The best results include **4.6m of 236.98 g/t AgEq**, including **1.5m of 624.8 g/t AgEq** from 22-JMRC-14 at the main Jesus Maria vein and **15.2m of 101.46m**, including **1.5m of 475.45 g/t AgEq** at the main Jesus Maria vein. New drilling is being planned for this target in the New Year.

The results reported today not only confirm the continuity of the Jesus Maria vein, but also that it continues to show the wide thickness to the west at depth.

Expansion of the Jesús María silver zone will be a high-priority focus for Capitan, particularly after completing the consolidation of the high-grade silver trend in early December.

## **Infill Drilling at The Gully Fault**

Infill and step-out drilling continued at the Gully Fault target during 2022. Due to the complex nature of mineralization along the fault, an additional infill drill hole targeting the high-grade, shallow plunging silver mineralization was completed to increase confidence in the zone's orientation in order to optimize drilling direction.

Hole 22-JMRC-22 was collared very close to the surface exposure of the Jesus Maria vein and drilled towards the southeast, which is perpendicular to the current drill pattern at the Jesus Maria target, and subparallel to the dip of the Jesus Maria vein. The hole successfully intersected the Gully Fault target, confirming the trend of mineralization and validating the change in drill pattern. Additionally, mineralization was returned over a broad interval with **16.8m of 224.3 g/t AgEq**, including **1.5m of 1,532.8 g/t AgEq**. To-date, the Gully Fault has only been drill tested over a strike-length of 150m, and to only a shallow depth (<150m). The zone remains open to the Northeast and southwest.

### **Airborne Geophysical Program and Drill Permits**

In addition to the recently announced drill program at Cruz de Plata, Capitan Mining has begun an RFP process with various third-party contractors for a property-wide airborne survey consisting of both magnetic and electromagnetic data collection across the entire, consolidated property package. The goal of this program is to assist with target generation including both new targets/structures within the consolidated package, as well as identify the on-strike portions of known targets including the Gully Fault, El Refugio, JM North, and San Rafael.

Additionally, with the completion of the recently announced property consolidation, the company has applied for new drill/environmental permits that will allow for the construction of drill pads and access roads across portions of the property to gain access to the JM North and El Refugio zones.

### **About the Jesus Maria Silver Zone**

The Jesus Maria (JM) Silver Zone is located approximately 280m to the northeast of the Capitan's Oxide Gold deposit on its 100% owned Cruz de Plata Project. It has been traced by surface trenching and diamond drilling over a strike length of 750m and to a depth of 150m, with the majority of drilling focused over 250m strike length and less than 100m below surface.

The Jesus Maria Silver Zone has a long mining history going back to the late 1800's, when the Penoles Mining company constructed several shafts and drifts to exploit the high-grade silver veins in the area. In recent years, work programs conducted by previous operators has demonstrated significant potential at the Jesus Maria silver deposit. The work to date has identified Two (2) distinct styles of silver mineralization:

1. High-grade silver polymetallic veins (Silver gold lead-Zinc)
2. High-grade silver with gold veins

### **Work Programs Completed by Capitan Mining**

Since acquiring 100% of the Cruz de Plata project in Sept 2020, Capitan Mining has expanded the footprint of the Jesus Maria mineralization along strike and at depth to both the east and west. Drilling has also further defined and expanded the Gully Fault zone which is spatially associated with the Jesus Maria Vein.

RC Drill highlights include:

- **21-JMRC-01:** 42.7m @ 224.3 g/t AgEq including
  - **1.5m @ 1,352 g/t AgEq,**
  - **1.5m @ 1,177.2 g/t AgEq**
  - 1.5m @ 368.3 g/t AgEq
  - 3.0m @ 337.7 g/t AgEq
  - 1.5m @ 304.3 g/t AgEq
- **21-JMRC-03:** 10.7m @ 435.02 including
  - **1.5m @ 789.3 g/t AgEq**
  - **1.5m @ 860.2 g/t AgEq**
  - **1.5m @ 641 g/t AgEq**
- **21-JMRC-04:** 7.6m @ 122.8 g/t AgEq including
  - 1.5m @ 368.1 g/t AgEq
- **21-JMRC-06:** 13.7m @ 146.4 g/t AgEq including
  - 3.0m @ 271.45 g/t AgEq
- **21-JMRC-07:** 22.9m @ 76.98 g/t AgEq including
  - 1.5m @ 427.6 g/t AgEq
- **21-JMRC-10:** 16.8m @ 332 g/t AgEq including
  - **9.1m @ 538.7 g/t AgEq which includes**
    - **1.5m @ 2,406.3 g/t AgEq**
- **22-JMRC-12:** 21.3m @ 143.6 g/t AgEq including
  - 1.5m @ 488.97 g/t AgEq
  - 1.5m @ 328.25 g/t AgEq
- **22-JMRC-13:** 3.0m @ 225.8 g/t AgEq
- **22-JMRC-19:** 21.3m @ 132.9 g/t AgEq including
  - 1.5m @ 307.5 g/t AgEq
  - 1.5m @ 344.8 g/t AgEq

**Table 1. Table of drill results for hole 22-JMRC-14, 15, 20, 21 and 22**

<b>22-JMRC-14</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Interval (m)</b>	<b>AgEq (g/t)*</b>	<b>Ag (g/t)</b>	<b>Au (g/t)</b>	<b>Pb (%)</b>	<b>Zn (%)</b>
Interval	80.8	82.3	1.5	61.73	39.60	0.208	0.08	0.083
Interval	108.2	115.8	7.6	44.50	36.16	0.061	0.02	0.081
Interval	126.49	132.6	6.1	67.23	35.12	0.382	0.02	0.024
Interval	140.2	144.8	4.6	236.98	183.10	0.632	0.05	0.049
including	141.7	143.3	1.5	624.80	504.00	1.450	0.11	0.037
Interval	160.0	164.6	4.6	157.17	125.40	0.195	0.14	0.323
<b>Interval</b>	<b>176.7</b>	<b>195.1</b>	<b>18.3</b>	<b>59.63</b>	<b>25.97</b>	<b>0.179</b>	<b>0.21</b>	<b>0.35</b>
Interval	207.7	208.8	1.5	39.85	14.5	.217	0.11	0.12
Interval	289.56	292.61	3.0	52.83	7.8	0.464	0.1	0.14
<b>22-JMRC-15</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Interval (m)</b>	<b>AgEq (g/t)*</b>	<b>Ag (g/t)</b>	<b>Au (g/t)</b>	<b>Pb (%)</b>	<b>Zn (%)</b>

Interval	123.4	125.0	1.5	76.48	39.60	0.426	0.02	0.059
Interval	131.1	146.3	15.2	36.97	4.39	0.341	0.02	0.123
including	132.6	134.1	1.5	100.69	5.80	1.128	0.03	0.102
Interval	155.4	163.1	7.6	62.55	19.58	0.402	0.07	0.238
including	160.0	161.5	1.5	169.33	54.40	1.000	0.28	0.716
Interval	167.6	181.4	13.7	92.96	48.94	0.433	0.04	0.222
including	172.2	173.7	1.5	186.04	80.60	1.227	0.04	0.163
<b>Interval</b>	<b>202.7</b>	<b>217.9</b>	<b>15.2</b>	<b>101.46</b>	<b>21.25</b>	<b>0.440</b>	<b>0.49</b>	<b>0.818</b>
<b>including</b>	<b>210.3</b>	<b>211.8</b>	<b>1.5</b>	<b>475.45</b>	<b>80.70</b>	<b>1.817</b>	<b>3.17</b>	<b>4.170</b>
Interval	228.6	230.1	1.5	26.68	3.7	0.26	0.03	0.038

<b>22-JMRC-20</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Interval (m)</b>	<b>AgEq (g/t)*</b>	<b>Ag (g/t)</b>	<b>Au (g/t)</b>	<b>Pb (%)</b>	<b>Zn (%)</b>
Interval	109.7	111.3	1.5	65.12	38.10	0.327	0.00	0.022
Interval	117.3	118.9	1.5	37.64	9.30	0.351	0.00	0.007
Interval	123.4	125.0	1.5	41.86	14.1	0.341	0.00	0.012
Interval	132.6	134.1	1.5	67.87	40.50	0.328	0.01	0.023
<b>Interval</b>	<b>175.3</b>	<b>187.5</b>	<b>12.2</b>	<b>145.11</b>	<b>90.19</b>	<b>0.177</b>	<b>0.60</b>	<b>0.618</b>
<b>including</b>	<b>175.3</b>	<b>176.8</b>	<b>1.5</b>	<b>347.01</b>	<b>315.00</b>	<b>0.289</b>	<b>0.14</b>	<b>0.130</b>
Interval	211.8	216.4	4.6	33.58	9.27	0.252	0.04	0.083

<b>22-JMRC-21</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Interval (m)</b>	<b>AgEq (g/t)*</b>	<b>Ag (g/t)</b>	<b>Au (g/t)</b>	<b>Pb (%)</b>	<b>Zn (%)</b>
Interval	47.2	50.3	3.0	45.25	35.25	0.118	0.00	0.013
Interval	132.6	134.1	1.5	31.26	14.40	0.011	0.12	0.332
<b>Interval</b>	<b>150.9</b>	<b>155.4</b>	<b>4.6</b>	<b>67.25</b>	<b>32.07</b>	<b>0.096</b>	<b>0.33</b>	<b>0.477</b>
Interval	160.0	161.5	1.5	111.42	18.70	0.173	0.20	1.970
Interval	192.0	195.1	3.0	47.51	5.95	0.410	0.08	0.172
<b>22-JMRC-22</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Interval (m)</b>	<b>AgEq (g/t)*</b>	<b>Ag (g/t)</b>	<b>Au (g/t)</b>	<b>Pb (%)</b>	<b>Zn (%)</b>
Interval	13.7	15.2	1.5	37.58	3.10	0.425	0.00	0.013
Interval	19.8	22.9	3.0	59.38	9.95	0.608	0.00	0.022
Interval	42.7	47.2	4.6	86.75	45.3	0.314	0.1	0.358
Interval	68.6	70.1	1.5	70.14	39.90	0.322	0.03	0.098
<b>Interval</b>	<b>74.7</b>	<b>91.4</b>	<b>16.8</b>	<b>224.29</b>	<b>187.23</b>	<b>0.354</b>	<b>0.13</b>	<b>0.134</b>

<b>including</b>	<b>74.7</b>	<b>77.7</b>	<b>3.0</b>	<b>978.70</b>	<b>872.00</b>	<b>0.948</b>	<b>0.56</b>	<b>0.384</b>
<b>and incl.</b>	<b>74.7</b>	<b>76.2</b>	<b>1.5</b>	<b>1,532.82</b>	<b>1,381.00</b>	<b>1.358</b>	<b>0.85</b>	<b>0.480</b>
Interval	99.1	103.6	4.6	43.73	19.9	0.276	0.01	0.039
Interval	111.3	117.3	6.1	89.48	52.78	0.438	0.00	0.043
Interval	126.5	128.0	1.5	86.03	13.40	0.860	0.02	0.089

**ITEM # 6 RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102**

N/A

**ITEM #7 OMITTED INFORMATION**

N/A

**ITEM #8 EXECUTIVE OFFICER**

Contract: Alberto Orozco  
Telephone: 778-327-6671

**ITEM #9 DATE OF REPORT**

DATED at Vancouver, BC, this 27<sup>th</sup> of January, 2023