

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

Item 1: Name and Address of Company

Capstone Copper Corp. (“**Capstone Copper**”)
2100 – 510 West Georgia Street
Vancouver, BC V6B 0M3

Item 2: Date of Material Change

May 12, 2022

Item 3: News Release

A news release announcing the material change referred to in this report was issued on May 12, 2022 via Business Wire and filed under Capstone Copper’s profile on SEDAR.

Item 4: Summary of Material Change

On May 12, 2022, Capstone Mining Corp., a wholly owned subsidiary of Capstone Copper (“**Capstone Mining**”), entered into a fourth amended and restated credit agreement (the “**Restated Credit Agreement**”), which restated the existing third amended and restated credit agreement dated as of January 16, 2015, as amended by a first amending agreement dated as of April 19, 2017, a second amending agreement dated as of July 25, 2019, a third amending agreement dated as of February 19, 2021 and a fourth amendment dated as of March 24, 2021 (the “**Existing Credit Agreement**”). The Restated Credit Agreement will become effective upon satisfaction of certain conditions precedent, which is expected to occur prior to the expiry of the Existing Credit Agreement in July 2022.

Item 5: Full Description of Material Changes

5.1 Full Description of Material Changes

On May 12, 2022, Capstone Mining entered into the Restated Credit Agreement which restated the Existing Credit Agreement. The material terms of the Restated Credit Agreement, as compared to the Existing Credit Agreement, include, among others:

1. adding Capstone Copper as an additional borrower;
2. increasing the facility size from US\$225 million to US\$500 million (an additional \$100 million may be available under an accordion facility);
3. extending the maturity date from July 29, 2022 to May 12, 2026;
4. revising the definition of “Excluded Entities” to provide that Mantoverde S.A. and the Mantoverde project are excluded from the Restated Credit Agreement;
5. revising the senior secured leverage ratio to only apply after the Capstone Entities have incurred unsecured debt or subordinated debt in excess of US\$300 million;
6. removing a minimum liquidity requirement in connection with permitted acquisitions;
7. permitting distributions at all times, subject to *pro forma* financial covenant compliance, and there being no default or event of default; and
8. increasing various event of default thresholds to US\$50 million.

The Restated Credit Agreement is subject to several conditions precedent (the “**Conditions Precedent**”), including, in addition to customary conditions precedent such as corporate formalities and legal opinions, (i) granting all first ranking asset security (the “**Security**”) over Mantos Copper (UK) No. 1 Limited, Mantos Copper (UK) No. 2 Limited, Mantos Copper Holding SpA and Mantos Copper S.A. (collectively, the “**Mantos Entities**”); and (ii) receiving guarantees from the Mantos Entities.

The Restated Credit Agreement will not be effective until the Conditions Precedent are satisfied, and until such time, the Existing Credit Agreement will remain effective, with Capstone Mining being permitted to continue to draw down under the Existing Credit Agreement. The effective date of the Restated Credit Agreement is expected to occur prior to the expiry of the Existing Credit Agreement in July 2022.

The full text of the Existing Credit Agreement is, and the full text of the Restated Credit Agreement will be, available on Capstone Copper’s SEDAR profile at www.sedar.com.

5.2 Disclosure of Restructuring Transactions

Not applicable.

Item 6: Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7: Omitted Information

Not applicable.

Item 8: Executive Officer

Darren M. Pylot, Executive Chair
604.684.8894

Item 9: Date of Report

May 20, 2022