



**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**(unaudited)**

**June 30, 2023**

**(Expressed in United States ("US") Dollars)**

**Capstone Copper Corp.**  
**Condensed Interim Consolidated Statements of Financial Position**  
*unaudited - expressed in thousands of US dollars*

<b>ASSETS</b>	<b>June 30, 2023</b>	<b>December 31, 2022</b>
<b>Current</b>		
Cash and cash equivalents	\$ 116,136	\$ 170,307
Short-term investments	1,451	1,553
Receivables (Note 6)	160,479	191,887
Inventories (Note 7)	141,462	143,497
Derivative assets (Note 5)	24,980	19,981
Other assets (Note 9)	63,550	44,966
	<b>508,058</b>	572,191
Mineral properties, plant and equipment (Note 8)	5,032,962	4,706,311
Deferred income tax assets	48,109	38,704
Derivative assets (Note 5)	22,961	28,582
Other assets (Note 9)	30,354	35,120
<b>Total assets</b>	<b>\$ 5,642,444</b>	<b>\$ 5,380,908</b>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 280,280	\$ 284,913
Lease liabilities (Note 12)	30,528	28,928
Income taxes payable	53	10,946
Derivative liabilities (Note 5)	22,408	44,423
Other liabilities (Note 10)	25,686	39,322
	<b>358,955</b>	408,532
Long-term debt (Note 13)	822,067	599,075
Deferred revenue (Note 14)	153,565	160,462
Due to related party (Note 11)	130,438	60,000
Lease liabilities (Note 12)	83,590	74,969
Provisions (Note 16)	316,735	239,635
Deferred income tax liabilities	594,124	597,585
Derivative liabilities (Note 5)	—	10,066
Other liabilities (Note 10)	52,554	50,728
<b>Total liabilities</b>	<b>\$ 2,512,028</b>	<b>\$ 2,201,052</b>
<b>EQUITY</b>		
Share capital	\$ 2,450,281	\$ 2,447,377
Other reserves	43,874	41,328
Retained earnings	213,971	262,512
<b>Total equity attributable to equity holders of the Company</b>	<b>2,708,126</b>	<b>2,751,217</b>
Non-controlling interest (Note 11)	422,290	428,639
<b>Total equity</b>	<b>3,130,416</b>	<b>3,179,856</b>
<b>Total liabilities and equity</b>	<b>\$ 5,642,444</b>	<b>\$ 5,380,908</b>

See accompanying notes to these condensed interim consolidated financial statements.

**Capstone Copper Corp.**

**Condensed Interim Consolidated Statements of (Loss) Income**

**Three and Six Months Ended June 30, 2023 and 2022**

*unaudited - expressed in thousands of US dollars, except share and per share amounts*

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
<b>Revenue</b> (Note 18)	\$ 333,938	\$ 356,644	\$ 669,534	\$ 624,730
<b>Operating costs</b>				
Production costs	(274,007)	(263,779)	(514,388)	(390,833)
Royalties	(3,056)	(2,895)	(6,006)	(4,929)
Depletion and amortization	(51,874)	(52,658)	(99,753)	(85,631)
<b>Earnings from mining operations</b>	<b>5,001</b>	<b>37,312</b>	<b>49,387</b>	<b>143,337</b>
<b>General and administrative expenses</b>	<b>(7,223)</b>	<b>(6,679)</b>	<b>(12,865)</b>	<b>(12,540)</b>
<b>Exploration expenses</b> (Note 8)	<b>(1,646)</b>	<b>(3,397)</b>	<b>(2,845)</b>	<b>(5,264)</b>
<b>Share-based compensation (expense) recovery</b> (Note 17)	<b>(2,389)</b>	<b>13,951</b>	<b>(14,407)</b>	<b>(5,762)</b>
<b>(Loss) income from operations</b>	<b>(6,257)</b>	<b>41,187</b>	<b>19,270</b>	<b>119,771</b>
<b>Other income (expense)</b>				
Foreign exchange gain (loss) (Note 25)	581	7,571	(8,681)	6,597
Realized and unrealized gains on derivative instruments (Note 5)	51,470	94,972	6,635	97,263
Surety bond utilization expense (Note 16)	(53,921)	—	(53,921)	—
Transaction costs (Note 4)	—	—	—	(19,433)
Other expense (Note 22)	(17,069)	(4,337)	(19,785)	(3,563)
Interest on long-term debt and surety bonds	(2,455)	(912)	(4,857)	(1,710)
Accretion expense (Note 23)	(5,036)	(5,756)	(10,516)	(10,417)
<b>(Loss) income before income taxes</b>	<b>(32,687)</b>	<b>132,725</b>	<b>(71,855)</b>	<b>188,508</b>
Income tax (expense) recovery (Note 15)	(1,224)	(40,738)	8,994	(61,404)
<b>Net (loss) income</b>	<b>\$ (33,911)</b>	<b>\$ 91,987</b>	<b>\$ (62,861)</b>	<b>\$ 127,104</b>
<b>Net (loss) income attributable to:</b>				
Shareholders of Capstone Copper Corp.	\$ (36,510)	\$ 75,092	\$ (56,512)	\$ 109,080
Non-controlling interest (Note 11)	2,599	16,895	(6,349)	18,024
	\$ (33,911)	\$ 91,987	\$ (62,861)	\$ 127,104
<b>Net (loss) earnings per share</b>				
(Loss) earnings per share - basic (Note 19)	\$ (0.05)	\$ 0.11	\$ (0.08)	\$ 0.19
Weighted average number of shares - basic (Note 19)	693,783,922	687,351,065	692,823,554	563,518,049
(Loss) earnings per share - diluted (Note 19)	\$ (0.05)	\$ 0.11	\$ (0.08)	\$ 0.19
Weighted average number of shares - diluted (Note 19)	696,694,428	693,502,628	695,707,267	569,974,273

See accompanying notes to these condensed interim consolidated financial statements.

**Capstone Copper Corp.**

**Condensed Interim Consolidated Statements of Comprehensive (Loss) Income**

**Three and Six Months Ended June 30, 2023 and 2022**

*unaudited - expressed in thousands of US dollars*

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
<b>Net (loss) income</b>	<b>\$ (33,911)</b>	<b>\$ 91,987</b>	<b>\$ (62,861)</b>	<b>\$ 127,104</b>
<b>Other comprehensive loss ("OCI")</b>				
<b>Items that will not be reclassified subsequently to profit or loss</b>				
Change in fair value of marketable securities, net of tax of \$nil and \$nil (2022 - \$259 and 551)	(764)	(1,654)	(299)	(3,528)
Remeasurement for retirement benefit plans, net of tax of \$nil (2022 - \$nil)	—	6	(79)	(100)
	<b>(764)</b>	<b>(1,648)</b>	<b>(378)</b>	<b>(3,628)</b>
<b>Items that may be reclassified subsequently to profit or loss</b>				
Foreign currency translation adjustment	179	(264)	185	(139)
	<b>179</b>	<b>(264)</b>	<b>185</b>	<b>(139)</b>
<b>Total other comprehensive loss for the period</b>	<b>(585)</b>	<b>(1,912)</b>	<b>(193)</b>	<b>(3,767)</b>
<b>Total comprehensive (loss) income</b>	<b>\$ (34,496)</b>	<b>\$ 90,075</b>	<b>\$ (63,054)</b>	<b>\$ 123,337</b>
<b>Total comprehensive (loss) income attributable to:</b>				
Shareholders of Capstone Copper Corp.	\$ (37,095)	\$ 73,180	\$ (56,705)	\$ 105,313
Non-controlling interest (Note 11)	2,599	16,895	(6,349)	18,024
	<b>\$ (34,496)</b>	<b>\$ 90,075</b>	<b>\$ (63,054)</b>	<b>\$ 123,337</b>

See accompanying notes to these condensed interim consolidated financial statements.

**Capstone Copper Corp.**  
**Condensed Interim Consolidated Statements of Cash Flows**  
**Three and Six Months Ended June 30, 2023 and 2022**

*unaudited - expressed in thousands of US dollars*

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
<b>Cash provided by (used in):</b>				
<b>Operating activities</b>				
Net (loss) income	\$ (33,911)	\$ 91,987	\$ (62,861)	\$ 127,104
Adjustments for:				
Depletion and amortization	53,901	52,981	99,180	86,230
Income tax (recovery) expense (Note 15)	1,224	40,738	(8,994)	61,404
Inventory write-down (Note 7)	(131)	141	3,754	566
Share-based compensation expense (Note 17)	2,389	(13,951)	14,407	5,762
Net finance costs	7,491	7,426	15,373	12,885
Unrealized gain on foreign exchange	(2,096)	(17,960)	(1,418)	(17,036)
Unrealized loss (gain) on derivatives	(55,181)	(97,994)	(20,606)	(105,727)
Gain on disposal of assets and other	224	(300)	24	(391)
Amortization of deferred revenue and variable consideration adjustments (Note 14)	(6,859)	(3,327)	(9,300)	(6,357)
Surety bond utilization and bad debt provision	58,921	—	58,921	—
Income taxes paid	(2,051)	(19,307)	(21,773)	(53,682)
Income taxes received	—	592	—	592
Other receipts (payments)	(1,959)	(343)	(1,639)	(321)
Operating cash flow before working capital and other non-cash changes	21,962	40,683	65,068	111,029
Changes in non-cash working capital (Note 20)	(13,647)	26,070	(55,827)	(60,678)
Other non-cash changes (Note 20)	(10,519)	(5,197)	(9,610)	1,434
Operating cash flow	(2,204)	61,556	(369)	51,785
<b>Investing activities</b>				
Mineral properties, plant and equipment additions	(137,135)	(178,220)	(311,483)	(222,826)
Finance costs capitalized on construction in progress	(15,258)	(6,140)	(27,558)	(8,087)
Cash acquired on business combination with Mantos (Note 4)	—	—	—	219,211
Proceeds from short-term investments	102	366	102	390
Other assets	343	25	2,116	(7,887)
Investing cash flow	(151,948)	(183,969)	(336,823)	(19,199)
<b>Financing activities</b>				
Proceeds from borrowings (Note 13)	176,875	100,000	303,875	100,000
Repayment of borrowings (Note 13)	(40,875)	(6,562)	(70,875)	(13,125)
Proceeds from related party (Note 11)	45,000	—	69,000	—
Repayment of lease obligations	(10,145)	(10,002)	(19,719)	(11,015)
Proceeds from the exercise of options	533	626	2,904	1,869
Net payments for settlement of derivatives	(196)	(22,938)	(1,272)	(22,938)
Interest paid on long-term debt and surety bonds	(398)	(480)	(894)	(966)
Financing cash flow	170,794	60,644	283,019	53,825
Effect of exchange rate changes on cash and cash equivalents	(4)	(909)	2	(320)
Increase in (decrease in) cash and cash equivalents	16,638	(62,678)	(54,171)	86,091
Cash and cash equivalents - beginning of period	99,498	410,863	170,307	262,094
<b>Cash and cash equivalents - end of period</b>	<b>\$ 116,136</b>	<b>\$ 348,185</b>	<b>\$ 116,136</b>	<b>\$ 348,185</b>
<b>Supplemental cash flow information (Note 20)</b>				

See accompanying notes to these condensed interim consolidated financial statements.

**Capstone Copper Corp.**  
**Condensed Interim Consolidated Statements of Changes in Equity**  
**Three and Six Months Ended June 30, 2023 and 2022**  
*unaudited - expressed in thousands of US dollars, except share amounts*

Attributable to equity holders of the Company

	Number of shares	Share capital	Reserve for equity settled share-based transactions	Revaluation reserve	Foreign currency translation reserve	Share purchase reserve	Retained earnings (accumulated deficit)	Total attributable to equity holders	Non-controlling interest	Total equity
January 1, 2023	691,639,972	\$ 2,447,377	\$ 56,752	\$ 4,178	\$ (17,102)	\$ (2,499)	\$ 262,512	\$ 2,751,218	\$ 428,639	\$ 3,179,857
Shares issued on exercise of options (Note 17)	2,851,069	2,700	(862)	—	—	—	—	1,838	—	1,838
Shares issued under TSUP	61,836	204	(204)	—	—	—	—	—	—	—
Share-based compensation (Note 17)	—	—	1,965	—	—	—	—	1,965	—	1,965
Settlement of share units	—	—	—	—	—	1,839	7,971	9,810	—	9,810
Change in fair value of marketable securities	—	—	—	(299)	—	—	—	(299)	—	(299)
Remeasurements for retirement benefit plans	—	—	—	(79)	—	—	—	(79)	—	(79)
Net loss	—	—	—	—	—	—	(56,512)	(56,512)	(6,349)	(62,861)
Foreign currency translation	—	—	—	—	185	—	—	185	—	185
June 30, 2023	694,552,877	\$ 2,450,281	\$ 57,651	\$ 3,800	\$ (16,917)	\$ (660)	\$ 213,971	\$ 2,708,126	\$ 422,290	\$ 3,130,416

	Number of shares	Share capital	Reserve for equity settled share based transactions	Revaluation reserve	Foreign currency translation reserve	Reserves	Retained Earnings	Total attributable to equity holders	Non-controlling interest	Total equity
January 1, 2022	413,482,355	\$ 849,409	\$ 53,264	\$ 7,429	\$ (16,551)	\$ (5,134)	\$ 128,010	\$ 1,016,427	\$ —	\$ 1,016,427
Shares issued on exercise of options (Note 17)	2,633,321	2,755	(886)	—	—	—	—	1,869	—	1,869
Share-based compensation	—	—	2,976	—	—	—	—	2,976	—	2,976
Settlement of share units	—	—	—	—	—	2,616	12,266	14,882	—	14,882
Shares issued as compensation	131,775	1,000	—	—	—	—	—	1,000	—	1,000
Acquisition of Mantos Copper (Note 4)	273,888,541	1,592,679	—	(246)	—	—	16,143	1,608,576	432,155	2,040,731
Change in fair value of marketable securities	—	—	—	(3,528)	—	—	—	(3,528)	—	(3,528)
Remeasurements for retirement benefit plans	—	—	—	(100)	—	—	—	(100)	—	(100)
Net income	—	—	—	—	—	—	109,080	109,080	18,024	127,104
Foreign currency translation	—	—	—	—	(139)	—	—	(139)	—	(139)
June 30, 2022	690,135,992	\$ 2,445,843	\$ 55,354	\$ 3,555	\$ (16,690)	\$ (2,518)	\$ 265,499	\$ 2,751,043	\$ 450,179	\$ 3,201,222

See accompanying notes to these condensed interim consolidated financial statements.

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2023 and 2022

*(tabular amounts expressed in thousands of US dollars, except share and per share amounts)*

#### 1. Nature of Operations

The accompanying condensed interim consolidated financial statements have been prepared as at June 30, 2023, after giving effect to the business combination between Capstone Mining Corp. ("Capstone Mining") and Mantos Copper (Bermuda) Ltd. ("Mantos") which was completed on March 23, 2022 (the "Transaction") (Note 4). After the Transaction, the combined entity changed its name to Capstone Copper Corp. (the "Company" or "Capstone Copper"). The Company is listed on the Toronto Stock Exchange.

Mantos was incorporated on August 15, 2015 and migrated to British Columbia, Canada on March 22, 2022, as part of the Transaction. Mantos, through a wholly owned Chilean subsidiary, Mantos Copper S.A., owned and operated the Mantos Blancos mine, located forty-five kilometers northeast of Antofagasta, Chile and the 70%-owned Mantoverde mine, through a Chilean subsidiary, Mantoverde S.A., located fifty kilometers southeast of Chanaral, Chile.

Capstone Mining was engaged in the production of and exploration for base metals in the United States ("US"), Mexico, and Chile, with a focus on copper. Pinto Valley Mining Corp. ("Pinto Valley"), a wholly owned US subsidiary, owns and operates the Pinto Valley mine located in Arizona, US. Capstone Gold, S.A. de C.V. ("Capstone Gold"), a wholly owned Mexican subsidiary, owns and operates the Cozamin Mine located in Zacatecas, Mexico, and has a portfolio of exploration properties in Mexico. Minera Santo Domingo SCM, a wholly owned Chilean subsidiary of Acquisition Co, holds the Santo Domingo copper-iron development project in Chile. Capstone Mining Chile SpA, a wholly owned Chilean subsidiary, is performing exploration for base metal deposits in Chile.

The Company's head office, registered and records office and principal address of the Company are located at 2100 - 510 West Georgia Street, Vancouver, British Columbia, Canada and the Company is incorporated in British Columbia.

The condensed interim consolidated financial statements were approved by the Board of Directors and authorized for issuance on August 1, 2023.

#### 2. Basis of preparation and consolidation

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting using the same accounting policies and methods of application as the audited annual consolidated financial statements of Capstone for the year ended December 31, 2022, which were prepared in accordance with International Financial Reporting Standards ("IFRS"). The condensed interim consolidated financial statements have been prepared under the historical cost convention, except for certain financial instruments which are measured at fair value. The policies were consistently applied to all of the periods presented, except as noted below.

These condensed interim consolidated financial statements should be read in conjunction with the consolidated financial statements of the Company as at and for the year ended December 31, 2022.

Certain comparative figures have been reclassified to conform with changes in the presentation of the current year.

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2023 and 2022

*(tabular amounts expressed in thousands of US dollars, except share and per share amounts)*

### 3. Material Accounting Policy Information, Estimates and Judgements

The Company's management makes judgements in its process of applying the Company's accounting policies in the preparation of these condensed interim consolidated financial statements. In addition, the preparation of the financial data requires that the Company's management makes assumptions and estimates of the impacts of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting impacts on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

In preparing the Company's condensed consolidated financial statements for the three and six months ended June 30, 2023, the Company applied the critical judgements and estimates disclosed in Note 2 of its consolidated financial statements for the year ended December 31, 2022, in addition to the accounting policies, critical judgements and estimates noted below.

#### New IFRS Pronouncements

##### *Issued and effective January 1, 2023*

In May 2021, the IASB issued Deferred Tax related to Assets and Liabilities arising from a Single Transaction, which amended IAS 12 Income Taxes. The amendments became effective January 1, 2023. On adoption of this amendment, the Company assessed the impact of the amendment and determined it does not have a significant effect on the Company's financial statements.

##### *Issued but not yet effective*

In January 2020 and October 2022, the IASB issued amendments to International Accounting Standards 1 ("IAS 1"), Presentation of Financial Statements, to clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities should be classified as non-current if a company has a substantive right to defer settlement for at least 12 months at the end of the reporting period. Rights are in existence if covenants are complied with at the end of the reporting period. Settlement refers to the transfer to the counterparty of cash, equity instruments, or other assets or services. In addition, the amendment required entities to disclose information to enable users of the financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months. The amendments will be effective January 1, 2024, with early adoption permitted. Retrospective application is required on adoption. The Company is in the process of assessing the impact of this amendment to the Company's financial statements and does not expect it to have a significant effect on the Company's financial statements.

In September 2022, the IASB issued amendments to IFRS 16, Lease Liability in a Sale and Leaseback. The amendments require a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognizing in profit or loss any gain or loss relating to the partial or full termination of a lease. A seller-lessee applies the amendments retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to sale and leaseback transactions entered into after the date of initial application. The amendments will be effective January 1, 2024, with early adoption permitted. The Company is in the process of assessing the impact of this amendment to the Company's financial statements and does not expect it to have a significant effect on the Company's financial statements.

## Capstone Copper Corp.

Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2023 and 2022

*(tabular amounts expressed in thousands of US dollars, except share and per share amounts)*

### 4. Business Combination Between Capstone and Mantos

#### Description of the Transaction

On March 23, 2022, Capstone Mining, from an accounting point of view, completed the acquisition of Mantos with the deemed issuance of 273,888,541 common shares with a fair value of \$5.82 per share.

The combined entity owns and operates the Mantos Blancos and Mantoverde mines, located in the Antofagasta and Atacama regions, respectively, of Chile. The Mantoverde mine, in which Mitsubishi Material Corp. has a 30% interest, has a current 21-year expected mine life. Mantos Blancos produces copper concentrate and has a 17-year expected mine life.

Management has concluded that Mantos constitutes a business and, therefore, the acquisition is accounted for in accordance with IFRS 3 - Business Combinations. The Company began consolidating the operating results and net assets of Mantos from March 23, 2022 onwards.

The Company has completed a full and detailed valuation of the fair value of the net assets of Mantos acquired using the income, market and cost valuation methods with the assistance of an independent third party. As at December 31, 2022, the Company has finalized its full and detailed assessment of the fair value of net assets of Mantos acquired.

Total transaction costs of \$19.4 million related to the acquisition were expensed during the year ended December 31, 2022.

#### *Consideration and Purchase Price Allocation*

Total consideration for the acquisition was valued at \$1,593 million on the acquisition date. The final purchase price allocated to the identifiable assets and liabilities based on their estimated fair values on the acquisition date is summarized as follows:

**Capstone Copper Corp.**

## Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2023 and 2022

*(tabular amounts expressed in thousands of US dollars, except share and per share amounts)***Total Consideration**

273,888,541 shares deemed issued to Mantos' shareholders with a fair value of US\$5.82 per share	\$	1,592,679
<b>Total consideration</b>	<b>\$</b>	<b>1,592,679</b>

<b>Allocation of Purchase Price</b>	<b>Final as reported December 31, 2022</b>	
Cash and cash equivalents	\$	219,211
Receivables		129,383
Inventories		111,602
Due from related party (i)		259,843
Mineral properties, plant and equipment		2,907,689
Other assets		27,663
Derivative assets		26,804
Accounts payable and accrued liabilities		(230,846)
Due to related party (i)		(259,843)
Income taxes payable		(9,983)
Long-term debt		(371,642)
Derivative liabilities		(155,386)
Lease liabilities		(78,146)
Deferred income tax liabilities		(484,678)
Provisions		(84,293)
<b>Net assets acquired before non-controlling interest</b>	<b>\$</b>	<b>2,007,378</b>
Non-controlling interest (Note 11)		(414,699)
<b>Net assets acquired</b>	<b>\$</b>	<b>1,592,679</b>

- i. The amounts previously due from a related party relates to a loan granted by Capstone Copper (previously Mantos Copper (Bermuda) Ltd.) to Orion Fund JV Limited, a shareholder of the Company. Amounts previously due to a related party relates to a loan granted by Orion Fund JV Ltd. to Mantos Copper Holding SpA. These amounts were settled during June 2022 via a non-cash assignment and offset agreement.

The Company used discounted cash flow models to determine the fair value of the depletable mining interests. The expected future cash flows are based on estimates of future copper prices, estimated quantities of ore reserves and mineral resources, expected future production costs and capital expenditures based on the life of mine plans at the acquisition date. The discounted cash flow models used discount rates of 8.5% for Mantos Blancos and 9.25% for Mantoverde based on the Company's assessment of country risk, project risk and other potential risks specific to the acquired mining interests.

The significant assumptions used in the determination of the fair value of the mining interests were as follows:

	<b>Mantoverde</b>	<b>Mantos Blancos</b>
Short-term copper price	\$3.85/lb	\$3.85/lb
Long-term copper price	\$3.50/lb	\$3.50/lb
Discount rate	9.25%	8.50%
Mine life (years)	21	17
Average copper grade over life of mine	0.60%	0.69%
Average copper recovery rate	88.3%	83.6%

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2023 and 2022

(tabular amounts expressed in thousands of US dollars, except share and per share amounts)

The Company used a market approach to determine the fair value of resource and exploration potential by comparing the costs of other precedent market transactions within the industry on a dollar per pound basis. Those amounts were used to determine the range of in-situ resource multiples implied within the value of transactions by other market participants. Management made a significant assumption in the determination of the fair value of resource and exploration potential by using an implied in-situ multiple of \$0.032 for a total of \$321.6 million at Mantoverde and \$57.1 million at Mantos Blancos. The Company accounted for resource and exploration potential through inclusion within non-depletable mineral interest.

## 5. Financial Instruments

### Fair value of financial instruments

Certain of the Company's financial assets and liabilities are measured at fair value on a recurring basis and classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis. There are three levels of fair value hierarchy that prioritize the inputs to the valuation techniques used to measure fair value, with Level 1 having the highest priority. The levels and valuations techniques used to value the financial assets and liabilities are as follows:

Level 1 – Fair values measured using unadjusted quoted prices in active markets for identical instruments.

Short term investments and marketable securities are valued using quoted market prices in active markets. Accordingly, these items are included in Level 1 of the fair value hierarchy.

Level 2 – Fair values measured using directly or indirectly observable inputs, other than those included in Level 1.

Derivative instruments and embedded derivatives are included in Level 2 of the fair value hierarchy as they are valued using pricing models or discounted cash flow models. These models require a variety of inputs, including, but not limited to, market prices, forward price curves, yield curve and credit spreads. These inputs are obtained from or corroborated with the market. Also included in Level 2 are receivables from provisional pricing on copper concentrate and cathode sales because they are valued using quoted market prices derived based on forward curves for the respective commodities and published priced assessments.

Level 3 – Fair values measured using inputs that are not based on observable market data.

As of June 30, 2023 the Company's classification of financial instruments within the fair value hierarchy are summarized below:

	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Short-term investments	\$ 1,451	\$ —	\$ —	\$ 1,451
Copper concentrate receivables (Note 6)	—	46,672	—	46,672
Copper cathode receivables (Note 6)	—	60,443	—	60,443
Derivative assets	—	47,941	—	47,941
Investment in marketable securities (Note 9)	1,376	—	—	1,376
	\$ 2,827	\$ 155,056	\$ —	\$ 157,883
<b>Financial liabilities</b>				
Derivative liabilities	\$ —	\$ 22,408	\$ —	\$ 22,408
	\$ —	\$ 22,408	\$ —	\$ 22,408

The Company's policy for determining when a transfer occurs between levels in the fair value hierarchy is to assess the impact at the date of the event or the change in circumstances that could result in a transfer. There were no transfers between Level 1, Level 2 and Level 3 during the three and six months ended June 30, 2023.

**Capstone Copper Corp.**

Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2023 and 2022

(tabular amounts expressed in thousands of US dollars, except share and per share amounts)

Set out below are the Company's financial assets by category:

	June 30, 2023			
	Fair value through profit or loss	Fair value through OCI	Amortized cost	Total
Cash and cash equivalents	\$ —	\$ —	\$ 116,136	\$ 116,136
Short-term investments	1,451	—	—	1,451
Copper concentrate receivables (Note 6)	46,672	—	—	46,672
Copper cathode receivables (Note 6)	60,443	—	—	60,443
Other receivables (Note 6)	—	—	15,188	15,188
Derivative assets	47,941	—	—	47,941
Investment in marketable securities (Note 9)	—	1,376	—	1,376
	<b>\$ 156,507</b>	<b>\$ 1,376</b>	<b>\$ 131,324</b>	<b>\$ 289,207</b>

	December 31, 2022			
	Fair value through profit or loss	Fair value through OCI	Amortized cost	Total
Cash and cash equivalents	\$ —	\$ —	\$ 170,307	\$ 170,307
Short-term investments	1,553	—	—	1,553
Copper concentrate receivables (Note 6)	72,720	—	—	72,720
Copper cathode receivables (Note 6)	70,814	—	—	70,814
Other receivables (Note 6)	—	—	11,763	11,763
Derivative assets	48,563	—	—	48,563
Investment in marketable securities (Note 9)	—	1,628	—	1,628
Other asset	—	—	5,000	5,000
	<b>\$ 193,650</b>	<b>\$ 1,628</b>	<b>\$ 187,070</b>	<b>\$ 382,348</b>

Set out below are the Company's financial liabilities by category:

	June 30, 2023		
	Fair value through profit or loss	Amortized cost	Total
Accounts payable and accrued liabilities	\$ —	\$ 280,280	\$ 280,280
Short-term bank indebtedness (Note 10)	—	10,144	10,144
Payable on purchase of non-controlling interest (Note 10)	—	41,364	41,364
Long-term debt (Note 13)	—	822,067	822,067
Due to related party (Note 11)	—	130,438	130,438
Derivative liabilities	22,408	—	22,408
	<b>\$ 22,408</b>	<b>\$ 1,284,293</b>	<b>\$ 1,306,701</b>

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

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(tabular amounts expressed in thousands of US dollars, except share and per share amounts)

	December 31, 2022		
	Fair value through profit or loss	Amortized cost	Total
Accounts payable and accrued liabilities	\$ —	\$ 284,913	\$ 284,913
Payable on purchase of non-controlling interest (Note 10)	—	40,364	40,364
Long-term debt (Note 13)	—	599,075	599,075
Due to related party (Note 11)	—	60,000	60,000
Derivative liabilities	54,489	—	54,489
	\$ 54,489	\$ 984,352	\$ 1,038,841

There have been no changes during the three and six months ended June 30, 2023, in how the Company categorizes its financial assets and liabilities by fair value through profit or loss, fair value through OCI, and amortized cost.

#### Financial instruments and related risks

The Company's activities expose it to financial risks of varying degrees of significance which could affect its ability to achieve its strategic objectives for growth and shareholder returns. The principal financial risks to which the Company is exposed are commodity price risk, credit risk, foreign exchange risk, liquidity risk and interest rate risk. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis. There have been no significant changes in the Company's exposure to these financial risks.

#### Derivative instruments

As at June 30, 2023, the Company's derivative financial instruments are composed of copper commodity swap contracts, copper zero-cost collar contracts, interest rate swap contracts, foreign currency zero-cost collars ("ZCC"), forward and swap contracts, quotational pricing contracts and share purchase warrants.

The Company operates on an international basis and therefore, foreign exchange risk exposures arise from transactions denominated in a foreign currency. The Company's foreign exchange risk arises primarily with respect to the Chilean Peso ("CLP"), the Chilean Unidad de Fomento ("UF"), the Mexican Peso ("MXN") and the Canadian dollar ("CDN"). The UF is an artificial inflation-indexed monetary unit used in Chile to denominate certain contracts. The Company's cash flows from Chilean and Mexican operations are exposed to foreign exchange risk, as commodity sales are denominated in US dollars and a certain portion of operating and capital expenses is denominated in local currencies. As such, the group may use foreign exchange forward and swap contracts and ZCCs to mitigate changes in foreign exchange rates.

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2023 and 2022

(tabular amounts expressed in thousands of US dollars, except share and per share amounts)

The Company's outstanding derivative instruments as of June 30, 2023, are as follows:

Type	Contract description	Remaining term	Put strike	Call strike / Fixed rate	Notional tonnes / Quantity
Commodity (i)	Fixed-for-Floating Swaps Copper	July 2023 - June 2024	\$—	\$3.41/lb	22,443 tonnes
Commodity (ii)	Fixed-for-Floating Swaps Copper	July - December 2023	\$—	\$3.64/lb	18,688 tonnes
Commodity (ii)	Fixed-for-Floating Swaps Copper	January - June 2024	\$—	\$3.79/lb	6,000 tonnes
Commodity (ii)	ZCC - Call and Put Option Contracts - Copper	July - December 2023	\$3.20/lb	\$4.15/lb	13,750 tonnes
Commodity (ii)	ZCC - Call and Put Option Contracts - Copper	January - June 2024	\$3.61/lb	\$4.39/lb	6,500 tonnes
Interest rate (iii)	Fixed-for-floating swaps adjusted SOFR	July 2023 - March 2030	—	1.015%	\$520 million USD
Interest rate (iii)	Floor options adjusted SOFR	July 2023 - September 2025	—	0%	\$520 million USD
Foreign currency (iv)	Foreign Exchange Swaps - CLP	July 2023 - March 2024	0	727.70	4.8 billion CLP
Foreign currency (iv)	Foreign Exchange Swaps - UF	July 2023 - May 2024	0	41.70	0.2 million UF
Foreign currency (iv)	Foreign exchange ZCC - CLP	July - December 2023	775.0	965.0 - 1,046.0	26.1 billion CLP
Foreign currency (v)	Foreign exchange ZCC - CAD	July - December 2023	1.35	1.40	\$8.8 million CAD
Quotational pricing contracts (vi)	Copper time-spread swaps	July - September 2023	—	—	18,117 tonnes

- i. As part of the Mantoverde Development Project ("MVDP") financing arrangements, Mantos was required to enter into a number of fixed-for-floating swaps to hedge LME copper prices. Under the agreements, a subsidiary of the Company has remaining hedge of 22,443 metric tonnes consisting of 10,180 metric tonnes in 2023 and 12,263 metric tonnes in the first half of 2024. At June 30, 2023, the fair value of these derivatives is \$(17.4) million (December 31, 2022 - \$(26.0) million).
- ii. The Company has fixed-for-floating swaps for 18,688 metric tonnes for 2023 at average price of \$3.64/lb. In April 2023, the company entered into fixed-for-floating swaps for 6,000 metric tonnes for the first half of 2024 at average price of \$3.79/lb. The Company also entered into zero cost collar ("ZCC") contracts whereby it sold a series of call options contracts and purchased a series of put option contracts for \$nil cash premium consisting of 13,750 metric tonnes in 2023 and 6,500 metric tonnes in the first half of 2024.. At June 30, 2023, the fair value of these derivatives is \$(4.6) million (December 31, 2022 - \$(16.9) million).
- iii. To mitigate the risk of movements in interest rates, and in compliance with a covenant in the MVDP financing, a subsidiary of the Company entered into a fixed-for-floating LIBOR swap at 1.015% until March 2030, with a 0% floor on the LIBOR rate until September 2025. The fixed for floating swap notional represents the notional amount as of the reporting period. The derivative instruments are a series of quarterly contracts, with notional amounts in line with planned quarterly balances based on expected project finance debt drawdown and expected amortization. At June 30, 2023, the fair value of the fixed-for-floating swaps and floor option derivative contracts is \$46.0 million (December 31, 2022 - \$48.3 million). Before the quarter-end, the fixed-for-floating LIBOR swap was transitioned to a fixed-for-floating SOFR (SOFR compounded daily to a 3-month period plus 0.2616%) swap according to the fall-back provisions contained in the swap agreement.

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2023 and 2022

(tabular amounts expressed in thousands of US dollars, except share and per share amounts)

- iv. As a covenant in the MVDP financing, a subsidiary of the Company, entered into foreign exchange forward and swap contracts in February 2021 to hedge the foreign exchange risk related to the capital expenditures for the MVDP. In February 2022, the Company also entered into ZCCs CLP to US dollar foreign exchange option contracts covering the period from April 2022 through December 2023, representing approximately 50% of Mantoverde's and Mantos Blancos' expected CLP operating costs during this period. At June 30, 2023, the fair value of the outstanding CLP and UF contracts is \$(0.1) million (December 31, 2022 - \$(2.1) million).
- v. In October 2022, the Company entered into CAD zero cost collars to US dollar foreign exchange option contracts covering the period from January through December 2023, representing approximately 75% of the expected CAD general and administrative costs during this period. At June 30, 2023, the fair value of the outstanding CAD contracts is \$0.2 million (December 31, 2022 - \$0.2 million).
- vi. The Company enters into copper time-spread swaps in order to manage the risk associated with provisional pricing terms in copper concentrate sales agreements. As at June 30, 2023, the Company had 18,117 metric tonnes of copper swaps outstanding at an effective average cost of \$6.25 per tonne and settling across July to September 2023. At June 30, 2023, the fair value of the outstanding contracts is \$1.5 million (December 31, 2022 - \$(9.5) million).

Set out below are the Company's derivative financial assets and financial liabilities:

	June 30, 2023	December 31, 2022
Derivative financial assets:		
Foreign currency contracts	\$ 417	\$ 247
Interest rate swap contracts	23,086	19,734
Quotational pricing contracts	1,477	—
Total derivative financial assets - current	24,980	19,981
Interest rate swap contracts	22,961	28,582
Total derivative financial assets - non-current	\$ 22,961	\$ 28,582
Derivative financial liabilities:		
Foreign currency contracts	388	2,073
Copper commodity contracts	22,020	32,888
Quotational pricing contracts	—	9,462
Total derivative financial liabilities - current	\$ 22,408	\$ 44,423
Foreign currency contracts	—	46
Copper commodity contracts	—	10,020
Total derivative financial liabilities - non-current	\$ —	\$ 10,066

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2023 and 2022

(tabular amounts expressed in thousands of US dollars, except share and per share amounts)

Set out below are the Company's realized and unrealized gains and losses on derivative financial instruments:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Unrealized gain (loss) on derivative financial instruments:				
Foreign currency contracts	\$ (1,059)	\$ (13,562)	\$ 1,900	\$ (10,111)
Copper commodity contracts	51,132	121,093	20,888	122,250
Interest rate swap contracts	5,108	7,212	(2,182)	10,588
Unrealized loss on warrants	—	(135)	—	(387)
Total unrealized (loss) gain on derivative financial instruments	55,181	114,608	20,606	122,340
Realized gain (loss) on derivative financial instruments:				
Foreign currency contracts	(134)	(7,133)	751	(7,133)
Copper commodity contracts	(8,811)	(12,496)	(24,320)	(17,937)
Interest rate swap contracts	5,234	(7)	9,598	(7)
Total realized loss on derivative financial instruments	(3,711)	(19,636)	(13,971)	(25,077)
Total unrealized and realized gain on derivative financial instruments:	\$ 51,470	\$ 94,972	\$ 6,635	\$ 97,263

## 6. Receivables

Details are as follows:

	June 30, 2023	December 31, 2022
Copper cathode	\$ 60,443	\$ 70,814
Copper concentrate	46,672	72,720
Value added taxes and other taxes receivable	19,130	31,535
Income taxes receivable	19,046	5,055
Other	15,188	11,763
Total receivables	\$ 160,479	\$ 191,887

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2023 and 2022

(tabular amounts expressed in thousands of US dollars, except share and per share amounts)

## 7. Inventories

Details are as follows:

	June 30, 2023	December 31, 2022
<i>Current:</i>		
Raw materials and consumables	\$ 74,096	\$ 68,121
Ore stockpiles	12,214	13,296
Work-in-progress	22,354	29,386
Finished goods - copper cathode	12,680	19,057
Finished goods - copper concentrate	20,118	13,637
Total inventories - current	\$ 141,462	\$ 143,497
<i>Non-current:</i>		
Ore stockpiles (Note 9) (i)	5,892	—
Total inventories - non-current	\$ 5,892	\$ —

i. Non-current inventory is comprised of ore stockpiles at the Mantos Blancos mine.

During the three and six months ended June 30, 2023, concentrate and cathode inventories recognized as production costs, including depletion and amortization, amounted to \$325.9 million and \$614.1 million (2022 – \$315.6 million and \$476.5 million).

During the three and six months ended June 30, 2023, the Company recorded net reversals of write-downs and write-downs of \$(0.1) million and \$3.7 million related to Mantoverde's cathode inventories and Pinto Valley's copper concentrate and supplies inventories which were recorded as production costs.

During the three and six months ended June 30, 2022, the Company recorded write-downs of \$0.1 million and \$0.6 million related to Pinto Valley's ore stockpile and supplies inventories which were recorded as production costs.

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2023 and 2022

(tabular amounts expressed in thousands of US dollars, except share and per share amounts)

## 8. Mineral Properties, Plant and Equipment

Details are as follows:

	Mineral properties			Plant and equipment			Total
	Depletable		Non-depletable	Subject to amortization		Not subject to amortization	
	Producing mineral properties	Deferred stripping	Mineral exploration and development properties	Plant & equipment	Right of use assets	Construction in progress	
At January 1, 2023, net	\$ 1,709,157	\$ 137,563	\$ 828,276	\$ 1,050,652	\$ 91,743	\$ 888,920	\$ 4,706,311
Additions	58,355	48,361	22,490	193	25,656	255,587	410,642
Disposals	—	—	—	—	—	(345)	(345)
Rehabilitation provision adjustments	21,506	—	—	—	—	—	21,506
Reclassifications	28,961	1,017	(28,454)	71,455	(6,777)	(66,202)	—
Depletion and amortization	(36,662)	(22,715)	—	(39,143)	(6,632)	—	(105,152)
At June 30, 2023, net	\$ 1,781,317	\$ 164,226	\$ 822,312	\$ 1,083,157	\$ 103,990	\$ 1,077,960	\$ 5,032,962
At June 30, 2023:							
Cost	\$ 2,238,852	\$ 293,359	\$ 822,312	\$ 2,740,992	\$ 209,156	\$ 1,077,960	\$ 7,382,631
Accumulated amortization and impairment	(457,535)	(129,133)	—	(1,657,835)	(105,166)	—	(2,349,669)
Net carrying amount	\$ 1,781,317	\$ 164,226	\$ 822,312	\$ 1,083,157	\$ 103,990	\$ 1,077,960	\$ 5,032,962

During the three and six months ended June 30, 2023, the Company capitalized \$17.0 million and \$30.0 million, respectively, of finance costs to Construction in Progress, at a weighted average interest rate of 7.8%.

During the three and six months ended June 30, 2023, the Company capitalized \$50.7 million and \$97.5 million million, respectively, of capitalized stripping costs to mineral properties. During the three and six months ended June 30, 2023, the Company capitalized \$nil and \$9.1 million, respectively, of pre-stripping costs to Construction in Progress related to MVDP.

The Company's exploration costs were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Exploration capitalized to mineral properties	\$ 518	\$ 1,522	\$ 866	\$ 2,380
Greenfield exploration expensed to the statement of (loss) income	1,646	3,397	2,845	5,264
	\$ 2,164	\$ 4,919	\$ 3,711	\$ 7,644

Exploration capitalized to mineral properties during the three and six months ended June 30, 2023 and 2022, relates to brownfield exploration at the Cozamin mine. Greenfield exploration expenses during the three and six months ended June 30, 2023 and 2022 relates primarily to exploration efforts in the US and Brazil.

As at June 30, 2023, construction in progress primarily relates to capital costs incurred in connection with the MVDP, expansionary and sustaining capital at the Mantos Blancos, Pinto Valley and Cozamin mines and the development at the Santo Domingo project. Capital expenditures committed as at June 30, 2023, but not yet incurred, is \$92.4 million (December 31, 2022 - \$265.9 million).

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

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(tabular amounts expressed in thousands of US dollars, except share and per share amounts)

As at June 30, 2023, the Revolving Credit Facility ("RCF") (Note 13) was secured by the Pinto Valley, Cozamin and Mantos Blancos mineral properties, and plant and equipment with a net carrying value of \$1,982.2 million (December 31, 2022 – \$1,934.7 million).

## 9. Other Assets

Details are as follows:

	June 30, 2023	December 31, 2022
<i>Current:</i>		
Prepays	\$ 60,947	\$ 37,926
Deposits	—	4,500
Other	2,603	2,540
Total other assets - current	\$ 63,550	\$ 44,966
<i>Non-current:</i>		
Prepayments	18,045	18,045
Ore stockpiles	5,892	—
Investments in marketable securities	1,376	1,628
Finance lease receivable	241	431
Deposits	394	8,177
Other	4,406	6,839
Total other assets - non-current	\$ 30,354	\$ 35,120

## 10. Other Liabilities

Details are as follows:

	June 30, 2023	December 31, 2022
<i>Current:</i>		
Current portion of share-based payment obligations (Note 16)	\$ 2,462	\$ 30,497
Current portion of deferred revenue (Note 14)	11,046	8,524
Short-term bank indebtedness	10,144	—
Other	2,034	301
Total other liabilities - current	\$ 25,686	\$ 39,322
<i>Non-current:</i>		
Retirement benefit liabilities	\$ 6,933	\$ 6,411
Non-current portion of payable on purchase of NCI	41,364	40,364
Other	4,257	3,953
Total other liabilities - non-current	\$ 52,554	\$ 50,728

### Short-Term Bank Indebtedness

During the six months ended June 30, 2023, one of the Company's Chilean subsidiaries entered into a three-month facility with Banco Crédito e Inversiones with a fixed interest rate of 6.41% for the purposes of working capital management. As at June 30, 2023 the balance of the facility was \$10.1 million, including interest of \$0.1 million.

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2023 and 2022

*(tabular amounts expressed in thousands of US dollars, except share and per share amounts)*

#### *Payable on purchase of NCI*

On March 24, 2021, Capstone Mining completed a Share Purchase Agreement (the "SPA") with Korea Resources Corporation ("KORES") to purchase KORES' 30% ownership interest in Acquisition Co. for cash consideration of \$120 million and non-cash consideration of \$32.4 million, enabling the Company's consolidation of 100% ownership in Santo Domingo.

As at June 30, 2023, an unsecured liability of \$41.4 million (December 31, 2022 - \$40.4 million) has been recognized in the condensed interim consolidated statement of financial position equal to the discounted amount of the remaining \$45 million of cash consideration to be paid on March 24, 2025. The discounted amount of the remaining \$45 million will be accreted up to its face value at 5% per annum. During the three and six months ended June 30, 2023, \$0.5 million and \$1.0 million (June 30, 2022 - \$1.0 million and \$2.0 million) of accretion was recorded in accretion expense in the condensed interim consolidated statements of (loss) income.

## 11. Non-Controlling Interest

#### *Mitsubishi Materials Corporation ("MMC")*

As part of the financing for the MVDP, MMC acquired a 30% non-controlling interest in Mantoverde S.A., and agreed to make an additional \$20 million contingent payment upon satisfaction of certain technical requirements relating to the expansion of the tailings storage facility.

In addition to the contingent arrangement, MMC agreed to provide a \$60 million Cost Overrun Facility ("COF") in exchange for additional off-take of copper concentrate production under a 10-year contract (Note 21). The COF carries an interest rate of 3-month US\$ LIBOR plus 1.70% and amortizing over 37 quarters from the earlier of September 30, 2024 or three quarters after project completion. 3-month LIBOR at June 30, 2023 was 5.34%. As at June 30, 2023, the COF was fully drawn. As a result of Interest Rate Benchmark Reform, the Company has completed the transition from LIBOR to an adjusted SOFR with MMC by June 30, 2023. The transition resulted in a variable rate of SOFR compounded daily to a 3-month period plus 0.2616% per annum, with margins unchanged.

In addition to the COF, MMC advanced their pro-rata share which amounted to an additional \$70.4 million to Mantoverde in the form of a shareholder loan forming part of the financing for the MVDP. Total funds advanced by MMC, including accrued interest, at June 30, 2023 was \$130.4 million (December 31, 2022 - \$60 million).

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2023 and 2022

(tabular amounts expressed in thousands of US dollars, except share and per share amounts)

## 12. Lease Liabilities

Details are as follows:

		Total
Balance, December 31, 2021	\$	91,248
Additions		44,479
Payments		(37,328)
Accretion expense		5,446
Foreign currency translation adjustment		52
Balance, December 31, 2022	\$	103,897
Additions		25,655
Payments		(19,719)
Accretion expense		3,875
Foreign currency translation adjustment		410
Balance, June 30, 2023	\$	114,118
Less: current portion		(30,528)
Non-current portion	\$	83,590

## 13. Long-Term Debt

Details of the long-term debt balances are as follows:

	June 30, 2023	December 31, 2022
Mantoverde Development Project Facility <sup>(i)</sup>	\$ 527,042	\$ 527,498
Revolving Credit Facility	295,025	71,577
Long-term debt	\$ 822,067	\$ 599,075

- i. At June 30, 2023, \$520 million was drawn on the facility with the remaining \$7.0 million recognized as an adjustment to record the debt at its fair value as required as part of the accounting for the business combination with Mantos (December 31, 2022 - \$520 million and \$7.5 million). This fair value adjustment amortizes down to its historical cost over the duration of the facility.

### Mantoverde Development Project Facility

Mantoverde secured \$572 million in debt financing facility to fund the construction of the MVDP. The debt facility comprises a senior secured amortizing project debt facility in an aggregate amount of \$520 million (the "Covered Facility" \$250 million, the "Uncovered Facility" \$210 million, and the "ECA Direct Facility" \$60 million) and a \$52 million senior secured mine closure bonding facility (the "Bonding Facility"). These project finance facilities are subject to affirmative, financial and restrictive covenants that include obligations to maintain the security interests in favour of the lenders over substantially all of the respective project's property and shares, insurance coverage, maintenance of off-take agreements, compliance with environmental and social matters, restrictions on new financial indebtedness, distributions and dispositions, and compliance with certain financial ratios. As at June 30, 2023, the Company was in compliance with these covenants.

As a condition to the financing facilities, the Company was required to effect certain hedging strategies as detailed in the lending agreement. The agreement indicates that the Company must implement hedging programs related to copper prices, foreign exchange rates and interest rates during the financing period. The Company has complied with all obligations related to the financing agreements and the financing for the MVDP.

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

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(tabular amounts expressed in thousands of US dollars, except share and per share amounts)

Interest on borrowings under the MVDP Facility is payable quarterly at a variable rate of 3-month US\$ LIBOR plus a margin per annum (i.e., 1.65% for the Covered Facility and, with respect to the Uncovered Facility, a rate of 3.75% and with respect to the ECA Direct Facility, a rate of 4.00% pre-completion of the MVDP, and decreasing to 3.50% and 3.75% respectively post-completion of the MVDP). Pursuant to the Covered Facility, an export credit agency guaranteed premium of 2.05% per annum is also payable quarterly and calculated over amounts outstanding under the Covered Facility. The MVDP is secured by a comprehensive security package covering substantially all of Mantoverde's assets. These facilities amortize from the earlier of September 30, 2024 and 180 days after project completion. The Uncovered Facility amortizes over a 10 year period and the Covered Facility and ECA Direct Facility amortize over 12 years. As a result of Interest Rate Benchmark Reform, the Company has completed the transition from LIBOR to an adjusted SOFR for its MVDP debt financing facility by June 30, 2023. The transition resulted in a variable rate of SOFR compounded daily to a 3-month period plus 0.2616% per annum, with margins unchanged.

#### Revolving Credit Facility

On May 12, 2022, Capstone Mining amended its corporate RCF. The amended RCF was increased to \$500 million, plus \$100 million accordion option available 180 days after closing, and has a maturity of four years from closing and an interest cost of adjusted term Secured Overnight Financing Rate ("SOFR") plus a margin of 1.875% - 2.75% depending on the total net leverage ratio. The amended RCF became effective on July 22, 2022 after all the required security was in place and customary closing conditions were met. On December 12, 2022, Capstone exercised the \$100 million accordion option, which resulted in the maximum Credit Limit being \$600 million.

The interest rate at June 30, 2023 was one-month adjusted term SOFR of 5.20% plus 1.875% (2022 - US LIBOR plus 2.50%) with a standby fee of 0.42% (2022 - 0.56%) payable on the undrawn balance (adjustable in certain circumstances).

The RCF in effect as of June 30, 2023 is secured against the present and future real and personal property, assets and undertakings of Capstone Copper (other than defined excluded entities, Acquisition Co., Far West Mining Ltd., Minera Santo Domingo SCM, Capstone Resources MSD Ltd., FWM Exploration (Chile) Ltd., and Far West Exploration S.A., Mantoverde Holding SpA, Mantoverde S.A., Mantos Copper Delaware LLC and subject to certain exclusions for Capstone Mining Chile SpA).

The credit facility requires Capstone to maintain certain financial ratios relating to debt and interest coverage. Capstone was in compliance with these covenants as at June 30, 2023. As at June 30, 2023, the balance of the RCF was \$295.0 million (December 31, 2022 - \$71.6 million).

Details of the balance are as follows:

	June 30, 2023	December 31, 2022
Balance drawn on the RCF	\$ 298,000	\$ 75,000
Deferred financing fees	(2,975)	(3,423)
Total RCF balance	\$ 295,025	\$ 71,577

#### Surety Bonds

As at June 30, 2023, there were seven surety bonds totaling \$235.9 million to support various reclamation obligation bonding requirements. This comprises \$167.5 million securing reclamation obligations at Pinto Valley, \$4.0 million provided as security as part of a power supply agreement at Pinto Valley, \$2.1 million related to the construction of a port for the Santo Domingo development project in Chile, \$28.0 million at Mantoverde, and \$34.3 million at Mantos Blancos, respectively, securing reclamation obligations.

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

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#### 14. Deferred Revenue

##### *Silver Precious Metals Purchase Arrangement ("Silver PMPA")*

On February 19, 2021, Capstone Mining concluded the Silver PMPA with Wheaton whereby Capstone received an upfront cash consideration of \$150 million against delivery of 50% of the silver production from the Cozamin mine until 10 million ounces have been delivered, thereafter dropping to 33% of silver production for the remaining life of mine. In addition to the upfront cash consideration of \$150 million, as silver is delivered under the terms of the Silver PMPA, the Company receives cash payments equal to 10% of the spot silver price at the time of delivery for each ounce delivered to Wheaton. The Silver PMPA is effective December 1, 2020. Wheaton has been provided certain security in support of the Company's obligations under the Silver PMPA.

The Company recorded the upfront cash consideration received of \$150 million as deferred revenue and recognizes amounts in revenue as silver is delivered under the Silver PMPA. Capstone determines the amortization of deferred revenue to the condensed interim consolidated statements of (loss) income on a per unit basis using the estimated total number of silver ounces expected to be delivered over the life of the Cozamin mine. The amortization rate requires the use of proven and probable mineral reserves and certain mineral resources which management is reasonably confident will be transferred to mineral reserves. The Company estimates the current portion of deferred revenue based on deliveries anticipated over the next twelve months. During the three and six months ended June 30, 2023, the Company delivered 174,521 and 286,385 ounces (2022 - 152,446 and 293,894 ounces) of silver to Wheaton under the Silver PMPA.

##### *Gold Precious Metals Purchase Arrangement ("Gold PMPA")*

On April 21, 2021, Capstone Mining received an early deposit of \$30 million ("the Early Deposit") in relation to the Gold PMPA with Wheaton effective March 24, 2021. Additional deposits of \$260 million are to be received under the Gold PMPA over the Santo Domingo construction period, subject to sufficient financing having been obtained to cover total expected capital expenditures and other customary conditions, for total consideration of \$290 million (collectively "the Deposit"). Wheaton will receive 100% of the gold production from the Company's Santo Domingo development project until 285,000 ounces have been delivered, thereafter dropping to 67% of the gold production for the remaining life of mine.

In addition to the deposits of \$290 million, as gold is delivered under the terms of the Gold PMPA, Capstone receives cash payments equal to 18% of the spot gold price at the time of delivery for each ounce delivered to Wheaton, until the Deposit has been reduced to zero, thereafter increasing to 22% of the spot gold price upon delivery. Wheaton has been provided certain security in support of the Company's obligations under the Gold PMPA. The initial term of the Gold PMPA is 20 years.

Consideration from the PMPAs is considered variable, as silver and gold stream revenues can be subject to cumulative adjustments when the number of ounces to be delivered under the contracts change, when there is an increase in the Company's mineral reserve and resource estimates or when there are changes to the mine plans.

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

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Details of changes in the balance of deferred revenue are as follows:

	Silver PMPA	Gold PMPA	Total
Balance, December 31, 2021	\$ 140,510	\$ 31,360	\$ 171,870
Accretion expense	7,869	2,132	10,001
Recognized as revenue on delivery of silver and gold	(12,885)	—	(12,885)
Balance, December 31, 2022	\$ 135,494	\$ 33,492	\$ 168,986
Accretion expense	3,786	1,139	4,925
Recognized as revenue on delivery of silver and gold	(6,733)	—	(6,733)
Variable consideration adjustment	(2,567)	—	(2,567)
Balance, June 30, 2023	\$ 129,980	\$ 34,631	\$ 164,611
Less: current portion (Note 10)	(11,046)	—	(11,046)
Non-current portion	\$ 118,934	\$ 34,631	\$ 153,565

## 15. Income Taxes

Income tax expense (recovery) differs from the amount that would result from applying the Canadian federal and provincial income tax rates to earnings before income taxes. These differences result from the following items:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
(Loss) income before income taxes	\$ (32,687)	\$ 132,725	\$ (71,855)	\$ 188,508
Canadian federal and provincial income tax rates	27.00 %	27.00 %	27.00 %	27.00 %
Income tax (recovery) expense based on the above rates	(8,825)	35,836	(19,401)	50,897
Increase (decrease) due to:				
Non-deductible expenditures	3,491	8,300	3,834	9,656
Effects of different statutory tax rates on losses (income) of subsidiaries	1,485	152	1,742	(110)
Mexican and Chilean mining royalty taxes	(249)	4,066	955	6,064
Current period losses for which deferred tax assets were not recognized	16,618	(9,160)	16,993	(5,807)
Adjustments to tax estimates in prior years	(8,540)	—	(8,540)	(6)
Foreign exchange and other translation adjustments	(2,598)	673	(5,062)	(365)
Other	(158)	871	485	1,075
Income tax expense (recovery)	\$ 1,224	\$ 40,738	\$ (8,994)	\$ 61,404
Current income and mining tax expense	\$ 5,762	\$ 9,024	\$ 3,875	\$ 23,601
Deferred income tax (recovery) expense	(4,538)	31,714	(12,869)	37,803
Income tax expense (recovery)	\$ 1,224	\$ 40,738	\$ (8,994)	\$ 61,404

Changes in tax laws and rates may affect recorded deferred tax assets and liabilities and our effective tax rate in the future. In July 2023, the Constitutional Court in Chile approved a new Mining Royalty Bill that will proceed to the President of Chile for promulgation and then publishing in the Official Gazette. As a change in tax law is accounted for in the period of enactment, we expect the effect of the change to be recognized in our results for the three and nine months ended September 30, 2023.

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

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(tabular amounts expressed in thousands of US dollars, except share and per share amounts)

## 16 Provisions

The reclamation and closure cost obligations relate to the operations of the Pinto Valley, Cozamin, Mantos Blancos and Mantoverde mines.

Details of changes in the balances are as follows:

	Reclamation & closure cost obligations	Surety bond utilization provision	Other long-term provisions	Share-based payment obligations	Total
<b>Balance, January 1, 2023</b>	\$ 199,739	\$ —	\$ 29,929	\$ 40,464	\$ 270,132
<b>Additions</b>	—	53,921	—	—	53,921
<b>Share-based payment expense</b> <i>(Note 17)</i>	—	—	—	12,442	12,442
<b>Change in estimates</b>	11,794	—	2,023	—	13,817
<b>Interest expense from discounting obligations</b>	4,711	—	752	—	5,463
<b>Payments during the year</b>	(1,126)	—	(2,264)	(45,576)	(48,966)
<b>Currency translation adjustments</b>	9,713	—	2,253	422	12,388
<b>Balance, December 31, 2023</b>	\$ 224,831	\$ 53,921	\$ 32,693	\$ 7,752	\$ 319,197
<b>Less: Current portion of share-based payment obligations included within other liabilities</b> <i>(Note 10)</i>	—	—	—	(2,462)	(2,462)
<b>Total provisions - non-current</b>	\$ 224,831	\$ 53,921	\$ 32,693	\$ 5,290	\$ 316,735
Balance, January 1, 2022	\$ 129,249	\$ —	\$ 3,714	\$ 78,265	\$ 211,228
Acquisitions - Business combination with Mantos <i>(Note 17)</i>	58,914	—	25,379	—	84,293
Share-based payment expense <i>(Note 17)</i>	—	—	—	26,716	26,716
Change in estimates	8,648	—	1,928	—	10,576
Interest expense from discounting obligations	5,554	—	2,639	—	8,193
Payments during the year	(2,411)	—	(2,090)	(63,253)	(67,754)
Currency translation adjustments	(215)	—	(1,641)	(1,264)	(3,120)
<b>Balance, December 31, 2022</b>	\$ 199,739	\$ —	\$ 29,929	\$ 40,464	\$ 270,132
<b>Less: Current portion of share-based payment obligations included within other liabilities</b> <i>(Note 10)</i>	—	—	—	(30,497)	(30,497)
<b>Total provisions - non-current</b>	\$ 199,739	\$ —	\$ 29,929	\$ 9,967	\$ 239,635

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

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#### Surety Bond Utilization Provision

In May 2023, Minto Metals Corp. ("Minto") announced that they had ceased all operations at the Minto Mine located within the Selkirk First Nation's territory in central Yukon Territories and that the Yukon Government assumed care and control of the site. In conjunction with the sale, Minto posted a surety bond to cover potential future reclamation liabilities. While this surety bond is outstanding, the Company remains an Indemnitor to the surety bond provider. As Minto has defaulted on the surety bond, Capstone recognized a liability of approximately US\$55 million (C\$72 million) related to the Company's obligations towards the issuer of the surety bond. In estimating the provision, the Company has made assumptions regarding the timing of cash outflows, long-term inflation rates and discount rate. Due to the associated uncertainty of the timing of cash outflows, it is possible that estimates may need to be revised. While a range of outcomes is possible, the Company believes its potential exposure on calls against the surety bond is capped at approximately C\$72 million therefore the timing of cash outflows and changes in the CDN\$:US\$ exchange rate are the largest contributors to the measurement uncertainty.

As part of the Company's sale of Minto in 2019, the Company was to receive up to \$20 million in staged payments. The final \$5 million, which was due in series of payments to be collected by mid-2024, was outstanding at the time Minto ceased operations and has been deemed uncollectible, and therefore has been fully provided for.

## 17. Share Capital

#### Authorized

An unlimited number of common voting shares without par value.

On March 23, 2022, Capstone Mining, from an accounting point of view, completed the acquisition of Mantos with the deemed issuance of 273,888,541 common shares with a fair value of \$5.82 per share.

#### Stock options

Pursuant to the Company's amended stock option plan, directors may authorize the granting of options to directors, officers and employees of the Company to a maximum of 10% of the issued and outstanding common shares at the time of grant, with a maximum of 5% of the Company's issued and outstanding shares reserved for any one person annually. Options granted under the plan have a term not to exceed five years, with the vesting term at the discretion of the Board. The exercise price of options granted are denominated in Canadian dollars ("C\$").

The continuity of stock options issued and outstanding is as follows:

	Options outstanding	Weighted average exercise price (C\$)
Outstanding, December 31, 2022	7,223,699	\$ 1.97
Granted	888,774	6.01
Exercised	(2,851,069)	0.88
Forfeited	(126,140)	5.54
Outstanding, June 30, 2023	5,116,805	\$ 3.18

## Capstone Copper Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

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(tabular amounts expressed in thousands of US dollars, except share and per share amounts)

As at June 30, 2023, the following options were outstanding and outstanding and exercisable:

Exercise prices (C\$)	Outstanding			Outstanding & exercisable		
	Number of options	Weighted average exercise price (C\$)	Weighted average remaining life (years)	Number of options	Weighted average exercise price (C\$)	Weighted average remaining life (years)
\$0.57 - \$0.91	2,448,263	\$ 0.69	1.6	2,448,263	\$ 0.69	1.6
\$3.47 - \$3.90	857,280	3.88	2.7	570,575	3.89	2.7
\$4.43 - \$4.72	61,507	4.63	4.1	20,502	4.63	4.1
\$5.08 - \$5.79	211,438	5.13	3.9	76,600	5.17	3.8
\$6.00 - \$6.97	1,538,317	\$ 6.40	4.2	340,549	\$ 6.83	3.7
	5,116,805	\$ 3.18	2.7	3,456,489	\$ 1.95	2.1

During the three and six months ended June 30, 2023, the total fair value of options granted was \$0.1 million and \$2.0 million (2022 – \$0.4 million and \$2.1 million) and had a weighted average grant-date fair value of C\$3.16 and C\$2.99 (2022 – C\$2.38 and C\$2.99) per option. During the three and six months ended June 30, 2023, the weighted average share price of the 0.5 million and 2.4 million options exercised during the period was C\$6.48 and C\$6.30 (2022 - 1.0 and 2.6 million options and C\$6.08 and C\$6.37), respectively.

Weighted average assumptions used in calculating the fair values of options granted during the period were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Risk-free interest rate	3.09 %	2.62 %	2.99 %	1.88 %
Expected dividend yield	nil	nil	nil	nil
Expected share price volatility	63 %	61 %	63 %	61 %
Expected forfeiture rate	6.35 %	6.24 %	6.35 %	6.24 %
Expected life	3.9 years	3.8 years	3.9 years	3.8 years

#### Other share-based compensation plans

Under the Share Unit Plan (“SUP”), the Company grants Performance Share Units (“PSUs”) and Restricted Share Units (“RSUs”). PSUs granted to executives vest after three years and are subject to a performance measure of 0% to 200%. RSUs granted to executives and employees vest 1/3 per year starting on the first anniversary of the grant date. Under the Director’s Deferred Share Unit Plan, the Company grants Deferred Share Units (“DSUs”). DSUs granted to directors vest upon issuance but are not redeemable until cessation of service on the Board.

Under the SUP, PSU and RSU obligations can be settled in cash, shares delivered from a Share Purchase Trust or a combination thereof, as determined by and at the discretion of the Human Resources and Compensation Committee of the Company’s Board of Directors. DSU obligations, under the Director’s Deferred Share Unit Plan, are redeemed in cash.

#### Deferred Share Units

The Company has established a Deferred Share Unit Plan (the “DSU Plan”) whereby DSUs are issued to directors as long-term incentive compensation. DSUs issued under the DSU Plan are fully vested upon issuance and entitle the holder to a cash payment only following cessation of service on the Board of Directors. The value of the DSUs when converted to cash will be equal to the number of DSUs granted multiplied by the quoted market value of a Capstone common share at the time the conversion takes place.

Compensation expense related to DSUs is recorded immediately and is adjusted at each reporting period to reflect the change in quoted market value of the Company’s common shares. DSU obligations, under the DSU Plan, are redeemed in cash.

## Capstone Copper Corp.

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#### Restricted Share Units and Performance Share Units

The Company has established a Share Unit Plan (the "Plan") whereby RSUs and PSUs are issued as long-term incentive compensation. RSUs are issued to employees and executives. PSUs are issued to executives.

RSUs issued under the Plan entitle the holder to a cash payment, shares delivered from a Share Purchase Trust or a combination thereof, at the end of the vesting period equal to the number of RSUs granted, multiplied by the quoted market value of a Capstone common share on the completion of the vesting period. RSUs granted to employees and executives prior to 2020 vest after three years, and RSUs granted in 2020 and onwards vest 1/3 per year over their three-year term.

PSUs issued under the Plan entitle the holder to a cash payment, shares delivered from a Share Purchase Trust or a combination thereof, at the end of a three-year performance period equal to the number of PSUs granted, adjusted for a performance factor and multiplied by the quoted market value of a Capstone common share on the completion of the performance period. The performance factor can range from 0% to 200% and is determined by comparing the Company's total shareholder return to those achieved by a peer group of companies.

Compensation expense related to RSUs and PSUs is recorded over the three-year vesting period. The amount of compensation expense is adjusted at each reporting period to reflect the change in quoted market value of the Company's common shares, the number of RSUs and PSUs expected to vest, and in the case of PSUs, the expected performance factor. RSU and PSU obligations, under the Share Unit Plan, can be settled in cash, shares delivered from a Share Purchase Trust or a combination thereof, as determined by and at the discretion of the Human Resources and Compensation Committee of the Company's Board of Directors.

During the three and six months ended June 30, 2023, the total fair value of DSUs, RSUs, and PSUs granted under the SUP was \$0.2 million and \$6.5 million (2022 – \$1.9 million and \$5.3 million), and had a weighted average grant-date fair value of C\$6.32 and C\$6.01 (2022 – C\$6.97 and C\$6.97) per unit.

Beginning in 2021, PSUs and RSU's awarded to executives have been granted under a Treasury Share Unit Plan ("TSUP"). Treasury PSUs granted to executives vest after three years and are subject to a performance measure of 0% to 200%. Treasury RSUs granted to executives vest 1/3 per year starting on the first anniversary of the grant date. Canadian based executives are able to retain the PSUs and RSUs after vesting and elect when to redeem the units within 10 years of the grant date. Under the TSUP, PSU and RSU obligations can be settled in shares from treasury or cash, at the election of the Company.

During the three and six months ended June 30, 2023, the total fair value of units granted under the TSUP was \$nil and \$2.4 million (2022 – \$1.0 million and \$3.5 million), and had a weighted average grant-date fair value of C\$5.77 (2022 – C\$4.39 and C\$4.53) per unit.

*Weighted average assumptions used in calculating the fair values of units granted under the TSUP during the period were as follows:*

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Risk-free interest rate	N/A	2.06 %	<b>2.76 %</b>	1.90 %
Expected dividend yield	N/A	nil	<b>nil</b>	nil
Expected share price volatility	N/A	60 %	<b>64 %</b>	60 %
Expected forfeiture rate	N/A	nil	<b>nil</b>	nil
Expected life	N/A	9.2 years	<b>8.7 years</b>	9.2 years

No Capstone shares were purchased by the Share Purchase Trust during the three and six months ended June 30, 2023 and 2022.

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The continuity of DSUs, RSUs, and PSUs issued and outstanding is as follows:

	Share Unit Plan			Treasury Share Unit Plan	
	DSUs	RSUs	PSUs	RSUs	PSUs
Outstanding, December 31, 2022	2,319,325	2,830,391	3,429,260	659,409	1,345,733
Granted	125,603	1,251,547	89,947	275,929	551,853
Forfeited	—	(182,401)	—	(4,408)	(44,308)
Settled	(1,487,597)	(2,079,239)	(3,335,447)	(71,877)	—
Outstanding, June 30, 2023	957,331	1,820,298	183,760	859,053	1,853,278

Share-based compensation expense:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Share-based compensation expense related to stock options	\$ 389	\$ 361	\$ 877	\$ 2,198
Share-based compensation expense related to RSUs and PSUs (TSUP)	594	842	1,088	1,154
Share-based compensation expense (recovery) related to DSUs, RSUs and PSUs (SUP)	1,406	(15,154)	12,442	2,410
Total share-based compensation expense (recovery)	\$ 2,389	\$ (13,951)	\$ 14,407	\$ 5,762

## 18. Revenue

The Company's revenue breakdown by metal is as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Copper concentrate	\$ 210,975	\$ 253,600	\$ 474,083	\$ 474,758
Copper cathode	119,942	157,477	221,583	199,224
Silver	12,709	8,904	20,046	18,334
Molybdenum	(610)	753	3,132	1,925
Gold	1,076	817	1,857	902
Zinc	(24)	(80)	(24)	1,747
Total gross revenue	344,068	421,471	720,677	696,890
Less: treatment and selling costs	(12,305)	(19,316)	(33,038)	(32,950)
Less: pricing and volume adjustments	2,175	(45,511)	(18,105)	(39,210)
Revenue	\$ 333,938	\$ 356,644	\$ 669,534	\$ 624,730

Pricing and volume adjustments represent mark-to-market adjustments on initial estimates of provisionally priced sales, offsetting realized and unrealized changes to fair value for time swaps, and adjustments to originally invoiced weights and assays.

## Capstone Copper Corp.

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## 19. (Loss) Earnings Per Share

(Loss) earnings per share, calculated on a basic and diluted basis, is as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
(Loss) earnings per share				
Basic	\$ (0.05)	\$ 0.11	\$ (0.08)	\$ 0.19
Diluted	(0.05)	0.11	(0.08)	0.19
<i>Net (loss) earnings</i>				
Net (loss) earnings attributable to common shareholders - basic and diluted	\$ (36,510)	\$ 75,092	\$ (56,512)	\$ 109,080
Weighted average shares outstanding - basic	693,783,922	687,351,065	692,823,554	563,518,049
Dilutive securities				
Stock options	2,545,795	5,909,994	2,530,590	6,129,532
TSUP units	364,711	241,569	353,123	326,692
Weighted average shares outstanding - diluted	696,694,428	693,502,628	695,707,267	569,974,273
<i>Potentially dilutive securities excluded (as anti-dilutive)</i>				
Stock options	2,571,010	2,796,067	2,586,215	2,576,529
TSUP units	2,347,620	1,777,035	2,359,208	1,691,912

## 20. Supplemental Cash Flow Information

The changes in non-cash working capital items are composed as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Receivables	\$ 13,209	\$ 27,566	\$ 37,167	\$ 34,596
Inventories	16,966	(9,012)	3,302	(4,914)
Other assets	(5,227)	3,471	(13,311)	(10,326)
Accounts payable and accrued liabilities	(41,358)	3,346	(58,131)	(43,811)
Other liabilities	2,763	699	(24,854)	(36,223)
Net change in non-cash working capital	\$ (13,647)	\$ 26,070	\$ (55,827)	\$ (60,678)

The changes in other non-cash items are composed as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
VAT receivable	\$ (36)	\$ (130)	\$ (36)	\$ (166)
Other non-current assets	(8,238)	(5,546)	(7,972)	(2)
Other non-current liabilities	(2,245)	479	(1,602)	1,602
Net change in other non-cash items	\$ (10,519)	\$ (5,197)	\$ (9,610)	\$ 1,434

**Capstone Copper Corp.**

Notes to the Condensed Interim Consolidated Financial Statements

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Below is a reconciliation of depreciation in operating cash-flows in the consolidated statement of cash-flows to the Mineral Properties, Plant and Equipment (Note 8):

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Depreciation and depletion per mineral properties, plant and equipment (Note 8)	49,933	54,133	105,152	85,246
Depreciation included in general and administrative expense	58	166	196	332
Depreciation included in care and maintenance	177	156	275	267
Non-cash inventory reversal (write-down)	1,791	—	(1,044)	—
Change in depreciation and depletion capitalized to inventory, capitalized stripping and construction in progress	1,942	(1,474)	(5,399)	385
Depreciation and depletion expense	\$ 53,901	\$ 52,981	\$ 99,180	\$ 86,230

Below is a reconciliation of additions in investing cash-flows in the consolidated statement of cash-flows to the Mineral Properties, Plant and Equipment (Note 8):

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Additions / expenditures on mining interests (Note 8)	(201,264)	(188,126)	(410,642)	(290,592)
Non-cash additions to right-of-use assets (Note 8)	17,126	16,839	25,656	20,772
Changes in working capital (i)	31,745	(13,073)	45,945	38,907
Expenditures on mining interests (ii)	\$ (152,393)	\$ (184,360)	\$ (339,041)	\$ (230,913)

- i. The changes in working capital relate to the movement in accounts payable and prepayments related primarily to capital expenditures on the MVDP.
- ii. For the three and six months ended, includes \$15.3 million and \$27.6 million of capitalized finance costs, respectively.

The significant non-cash financing and investing transactions during the year are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
(Increase) decrease in accounts payable and accrued liabilities related to mineral properties, plant and equipment	\$ (1,423)	\$ 13,754	\$ (22,756)	\$ (9,544)
Amortization of mining equipment capitalized to deferred stripping assets	449	1,396	536	1,975
Fair value of stock options allocated to share capital upon exercise	162	295	862	886
Fair value of TSUP units allocated to share capital upon exercise	16	—	204	—
Business combination with Mantos (Note 4)	—	—	—	1,592,679
	\$ (796)	\$ 15,445	\$ (21,154)	\$ 1,585,996

## Capstone Copper Corp.

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## 21. Commitments

### *Royalty Agreements*

Under the terms of the December 2003 option agreement with Grupo Minera Bacis S.A. de C.V. ("Bacis"), Capstone Mining assumed a 100% interest in the Cozamin Mine with a 3% net smelter royalty paid to Bacis on all payable metal sold from production on the property covered by the agreement.

In connection with the financing of the Mantos Blancos Debottlenecking Development Project, Mantos Copper S.A. entered into a royalty agreement with Southern Cross Royalties Limited ("Southern Cross"). Southern Cross is entitled to a 1.525% net smelter royalty on copper production. The royalty is for a period initially through January 1, 2035 that may be extended by Southern Cross at its sole discretion through the duration of the mining rights and is subject to the Company's option to reduce the royalty amount by 50% any time after January 1, 2023, subject to a one-time payment.

### *Agreement with Osisko Bermuda Limited ("Osisko")*

Pursuant to a long-term streaming agreement made in 2015, that covers the life of mine, the Company delivers 100% of the payable silver sold by Mantos Blancos to Osisko Bermuda Limited ("Osisko"). Osisko pays a cash price of 8% of the spot price at the time of each delivery, in addition to an upfront acquisition price previously paid. After 19.3 million ounces of silver have been delivered under the agreement, the stream will be reduced to one-third. Mantos Blancos has delivered 5.2 million silver ounces since contract inception until June 30, 2023.

### *Agreement with Jetti Resources, LLC ("Jetti")*

Under the terms of the 2019 agreement, the Company is required to make quarterly royalty payments to Jetti based on an additional net profits calculation resulting from cathode production at the Pinto Valley mine. The initial term of the agreement is ten years, renewable for 5-year terms thereafter.

### *Off-take agreements*

The Company has sales commitments of copper concentrate production at Mantos Blancos under off-take agreements with Glencore (Note 13).

The Company has sales commitments equal to 100% of its copper cathode production at Mantoverde and Mantos Blancos under off-take agreements with Anglo American Marketing Limited ("AAML") under a multi year agreement.

The Company has concentrate off-take agreements with third parties whereby they will purchase 100% of the copper concentrate produced by the Cozamin Mine up to the end of December 2023.

The Company has a number of annual and multi-year concentrate off-take agreements with third parties whereby they will purchase the copper concentrate produced by the Pinto Valley Mine.

The Company entered into an off-take agreement with Boliden Commercial AB ("Boliden") for 75,000 tonnes of copper concentrates in each contract year. The off-take agreement expires ten years after the commencement of commercial production at the MVDP, subject to potential extension if less than 750 thousand tonnes of copper concentrates have been delivered at the contract term and subject to termination if commercial production does not commence by December 31, 2024.

MMC agreed to provide a \$60 million COF in exchange for additional off-take of copper concentrate production under a 10-year contract. The off-take agreement includes Mantoverde agreeing to sell 30% of its annual copper production per year delivered for its equivalent in copper concentrates, plus an additional amount per annum of up to 30,000 tonnes of copper concentrate depending on the amount that is drawn by Mantoverde under the COF provided by MMC in connection with the MVDP. The agreement between MMC and Mantoverde to sell 30% of its

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annual copper production is for the duration of Mantoverde's commercial mine life. The amount payable for copper is based on average LME prices, subject to certain terms (Note 11).

#### Other

The Company has a contractual agreement extending until 2033 to purchase water for operations at Mantos Blancos.

The Company has contractual agreements for the purchase of power for operations at Mantos Blancos and Mantoverde, extending until 2038 and 2039, respectively.

The Company has contractual arrangements at Mantos Blancos and Mantoverde for the purchase of acid in 2023 and 2024 of 325,000 tonnes and 420,000 tonnes, respectively.

Included in value added taxes ("VAT") and other taxes receivable is \$0.9 million of VAT related to Minera Santo Domingo. The Company has provided a guarantee to the Chilean Internal Revenue Service that all VAT amounts refunded, plus interest, will be repaid if construction of the Santo Domingo development project is not completed by August 31, 2026.

## 22. Other Expense

Details are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Mantos integration costs	\$ —	\$ 2,647	\$ —	\$ 3,120
Collective bargaining costs	8,923	—	8,923	—
Other expense	8,146	1,690	10,862	443
	<b>\$ 17,069</b>	<b>\$ 4,337</b>	<b>\$ 19,785</b>	<b>\$ 3,563</b>

## 23. Accretion Expense

Details of other non-cash interest are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Interest accretion on deferred revenue (Note 14)	\$ 2,474	\$ 2,500	\$ 4,925	\$ 5,000
Accretion on payable on purchase of NCI (Note 10)	503	1,024	1,000	2,036
Accretion on asset retirement obligations	2,437	716	4,711	1,145
Accretion on leases (i)	630	1,246	1,257	1,554
Amortization of financing fees	262	283	529	566
Other interest (income) expense	(1,270)	(13)	(1,906)	116
	<b>\$ 5,036</b>	<b>\$ 5,756</b>	<b>\$ 10,516</b>	<b>\$ 10,417</b>

- i. A portion of accretion on leases has been capitalized to Construction in Progress related to the MVDP.

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## 24. Segmented Information

The Company is engaged in mining, exploration and development of mineral properties, and has operating mines in the US, Chile and Mexico. The Company has six reportable segments as identified by the individual mining operations of Pinto Valley (US), Mantos Blancos (Chile), Mantoverde (Chile), Cozamin (Mexico), as well as the Santo Domingo development project (Chile) and Other. Early stage exploration, other and corporate operations are reported in the Other segment. Intercompany revenue and expense amounts have been eliminated within each segment in order to report on the basis that management uses internally for evaluating segment performance. Total assets and liabilities do not reflect intercompany balances, which have been eliminated on consolidation. Segments are operations reviewed by the CEO, who is considered to be the chief operating decision maker.

Operating segment details are as follows:

	Three months ended June 30, 2023						
	Pinto Valley	Mantos Blancos	Mantoverde	Cozamin	Santo Domingo	Other	Total
<b>Revenue</b>							
Copper concentrate	\$ 92,520	\$ 67,241	\$ —	\$ 51,214	\$ —	\$ —	\$ 210,975
Copper cathode	5,854	30,032	84,056	—	—	—	119,942
Silver	1,150	576	—	10,983	—	—	12,709
Molybdenum	(610)	—	—	—	—	—	(610)
Zinc	1,076	—	—	—	—	—	1,076
Gold	—	—	—	(24)	—	—	(24)
Treatment and selling costs	(7,539)	(996)	(379)	(3,391)	—	—	(12,305)
Pricing and volume adjustments	(4,307)	(2,187)	(359)	(83)	—	9,111	2,175
<b>Net revenue</b>	<b>88,144</b>	<b>94,666</b>	<b>83,318</b>	<b>58,699</b>	<b>—</b>	<b>9,111</b>	<b>333,938</b>
<b>Production costs</b>	<b>(74,470)</b>	<b>(81,474)</b>	<b>(93,460)</b>	<b>(24,603)</b>	<b>—</b>	<b>—</b>	<b>(274,007)</b>
<b>Royalties</b>	<b>(747)</b>	<b>(1,345)</b>	<b>—</b>	<b>(964)</b>	<b>—</b>	<b>—</b>	<b>(3,056)</b>
<b>Depletion and amortization</b>	<b>(17,227)</b>	<b>(17,805)</b>	<b>(9,892)</b>	<b>(6,950)</b>	<b>—</b>	<b>—</b>	<b>(51,874)</b>
<b>(Loss) income from mining operations</b>	<b>(4,300)</b>	<b>(5,958)</b>	<b>(20,034)</b>	<b>26,182</b>	<b>—</b>	<b>9,111</b>	<b>5,001</b>
<b>General and administrative expenses</b>	<b>(32)</b>	<b>—</b>	<b>—</b>	<b>(28)</b>	<b>(19)</b>	<b>(7,144)</b>	<b>(7,223)</b>
<b>Exploration expenses</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(31)</b>	<b>(2)</b>	<b>(1,613)</b>	<b>(1,646)</b>
<b>Share-based compensation expense</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(2,389)</b>	<b>(2,389)</b>
<b>Loss from operations</b>	<b>(4,332)</b>	<b>(5,958)</b>	<b>(20,034)</b>	<b>26,123</b>	<b>(21)</b>	<b>(2,035)</b>	<b>(6,257)</b>
<b>Realized and unrealized gains on derivative instruments</b>	<b>—</b>	<b>—</b>	<b>26,613</b>	<b>—</b>	<b>—</b>	<b>24,857</b>	<b>51,470</b>
<b>Other (expense) income - net</b>	<b>(470)</b>	<b>(9,262)</b>	<b>(1,676)</b>	<b>1,353</b>	<b>(149)</b>	<b>(60,205)</b>	<b>(70,409)</b>
<b>Net finance costs</b>	<b>(778)</b>	<b>(1,708)</b>	<b>489</b>	<b>(2,266)</b>	<b>(482)</b>	<b>(2,746)</b>	<b>(7,491)</b>
<b>Loss before income taxes</b>	<b>(5,580)</b>	<b>(16,928)</b>	<b>5,392</b>	<b>25,210</b>	<b>(652)</b>	<b>(40,129)</b>	<b>(32,687)</b>
<b>Income tax recovery (expense)</b>	<b>2,626</b>	<b>3,667</b>	<b>(1,251)</b>	<b>(4,646)</b>	<b>—</b>	<b>(1,620)</b>	<b>(1,224)</b>
<b>Total net loss</b>	<b>\$ (2,954)</b>	<b>\$ (13,261)</b>	<b>\$ 4,141</b>	<b>\$ 20,564</b>	<b>\$ (652)</b>	<b>\$ (41,749)</b>	<b>\$ (33,911)</b>
<b>Mineral properties, plant &amp; equipment additions</b>	<b>\$ 30,812</b>	<b>\$ 19,963</b>	<b>\$ 130,153</b>	<b>\$ 15,367</b>	<b>\$ 4,969</b>	<b>\$ —</b>	<b>\$ 201,264</b>

- i. Included in pricing and volume adjustments are realized and unrealized gains (losses) on the Company's quotational pricing copper contracts.
- ii. Intersegment sales and transfers are eliminated in the table above. For the three months ended June 30, 2022, intersegment revenue for Cozamin and the Other segment was \$4.1 million and \$0.5 million (2022 - \$3.2 million and \$0.3 million), respectively.

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(tabular amounts expressed in thousands of US dollars, except share and per share amounts)

	Three months ended June 30, 2022						
	Pinto Valley	Mantos Blancos	Mantoverde	Cozamin	Santo Domingo	Other	Total
Revenue							
Copper concentrate	\$ 126,640	\$ 74,352	\$ —	\$ 52,611	\$ —	\$ —	\$ 253,603
Copper cathode	5,591	31,263	120,622	—	—	—	157,476
Silver	1,391	559	—	6,953	—	—	8,903
Molybdenum	753	—	—	—	—	—	753
Zinc	—	—	—	(81)	—	—	(81)
Gold	817	—	—	—	—	—	817
Treatment and selling costs	(9,628)	(5,603)	(1,348)	(2,737)	—	—	(19,316)
Pricing and volume adjustments	(24,165)	(12,250)	(2,085)	(7,011)	—	—	(45,511)
Net revenue	101,399	88,321	117,189	49,735	—	—	356,644
Production costs	67,606	(66,281)	(103,393)	39,987	—	—	(62,081)
Royalties	(391)	(1,308)	—	(1,196)	—	—	(2,895)
Depletion and amortization	(20,445)	(12,745)	(15,506)	(3,962)	—	—	(52,658)
Income from mining operations	4,081	7,987	(1,710)	26,954	—	—	37,312
General and administrative expenses	(351)	—	—	(31)	(42)	(6,255)	(6,679)
Exploration expenses	—	—	—	(32)	23	(3,388)	(3,397)
Share-based compensation recovery	—	—	—	—	—	13,951	13,951
Income from operations	3,730	7,987	(1,710)	26,891	(19)	4,308	41,187
Unrealized and realized gains on derivative instruments	—	—	86,013	—	—	555	86,568
Other (expense) income - net	(415)	9,759	(4,266)	80	(619)	(1,305)	3,234
Net finance costs	(590)	(466)	(863)	(2,180)	(889)	(1,680)	(6,668)
Income before income taxes	2,725	17,280	79,174	24,791	(1,527)	10,282	132,725
Income tax recovery (expense)	643	(5,577)	(22,856)	(9,116)	7,547	(3,832)	(33,191)
Total net income (loss)	\$ 3,368	\$ 11,703	\$ 56,318	\$ 15,675	\$ (1,527)	\$ 6,450	\$ 91,987
Mineral properties, plant & equipment additions	22,779	33,880	109,146	16,338	5,982	1	188,126

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	Six months ended June 30, 2023						
	Pinto Valley	Mantos Blancos	Mantoverde	Cozamin	Santo Domingo	Other	Total
<b>Revenue</b>							
Copper concentrate	\$ 214,524	\$ 159,947	\$ —	\$ 99,612	\$ —	\$ —	\$ 474,083
Copper cathode	11,306	63,222	147,055	—	—	—	221,583
Silver	2,502	1,100	—	16,444	—	—	20,046
Molybdenum	3,132	—	—	—	—	—	3,132
Gold	1,857	—	—	—	—	—	1,857
Zinc	—	—	—	(24)	—	—	(24)
Treatment and selling costs	(16,930)	(8,850)	(1,307)	(5,951)	—	—	(33,038)
Pricing and volume adjustments (i)	(4,194)	(4,598)	(1,461)	(762)	—	(7,090)	(18,105)
<b>Net revenue</b>	<b>212,197</b>	<b>210,821</b>	<b>144,287</b>	<b>109,319</b>	<b>—</b>	<b>(7,090)</b>	<b>669,534</b>
Production costs	(156,726)	(157,230)	(157,053)	(43,379)	—	—	(514,388)
Royalties	(1,066)	(3,120)	—	(1,820)	—	—	(6,006)
Depletion and amortization	(38,737)	(30,634)	(17,549)	(12,833)	—	—	(99,753)
<b>Income (loss) from mining operations</b>	<b>15,668</b>	<b>19,837</b>	<b>(30,315)</b>	<b>51,287</b>	<b>—</b>	<b>(7,090)</b>	<b>49,387</b>
General and administrative expenses	(52)	—	—	(51)	(54)	(12,708)	(12,865)
Exploration expenses	(1)	—	—	(42)	(40)	(2,762)	(2,845)
Share-based compensation expense	—	—	—	—	—	(14,407)	(14,407)
<b>Income (loss) from operations</b>	<b>15,615</b>	<b>19,837</b>	<b>(30,315)</b>	<b>51,194</b>	<b>(94)</b>	<b>(36,967)</b>	<b>19,270</b>
Realized and unrealized loss on derivative instruments	—	—	6,374	—	—	261	6,635
Other (expense) income - net	(906)	(15,462)	(7,503)	2,519	(246)	(60,789)	(82,387)
Net finance costs	(1,550)	(3,339)	418	(4,504)	(1,041)	(5,357)	(15,373)
<b>Income (loss) before income taxes</b>	<b>13,159</b>	<b>1,036</b>	<b>(31,026)</b>	<b>49,209</b>	<b>(1,381)</b>	<b>(102,852)</b>	<b>(71,855)</b>
Income tax recovery (expense)	805	(736)	9,860	(9,649)	—	8,714	8,994
<b>Total net income (loss)</b>	<b>\$ 13,964</b>	<b>\$ 300</b>	<b>\$ (21,166)</b>	<b>\$ 39,560</b>	<b>\$ (1,381)</b>	<b>\$ (94,138)</b>	<b>\$ (62,861)</b>
<b>Mineral properties, plant &amp; equipment additions</b>	<b>\$ 41,241</b>	<b>\$ 43,209</b>	<b>\$ 292,239</b>	<b>\$ 25,106</b>	<b>\$ 8,847</b>	<b>\$ —</b>	<b>\$ 410,642</b>

- i. Included in pricing and volume adjustments are realized and unrealized gains (losses) on the Company's quotational pricing copper contracts.
- ii. Intersegment sales and transfers are eliminated in the table above. For the six months ended June 30, 2023, intersegment revenue for Cozamin and the Other segment was \$6.6 million and \$0.7 million (2022 - \$7.1 million and \$0.7 million), respectively.

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	Six months ended June 30, 2022						
	Pinto Valley	Mantos Blancos	Mantoverde	Cozamin	Santo Domingo	Other	Total
Revenue							
Copper concentrate	\$ 280,082	\$ 84,531	\$ —	\$ 110,147	\$ —	\$ —	\$ 474,760
Copper cathode	11,647	38,842	148,735	—	—	—	199,224
Silver	3,136	559	—	14,638	—	—	18,333
Molybdenum	1,925	—	—	—	—	—	1,925
Zinc	—	—	—	1,747	—	—	1,747
Gold	901	—	—	—	—	—	901
Treatment and selling costs	(19,369)	(6,196)	(1,669)	(5,716)	—	—	(32,950)
Pricing and volume adjustments	(19,087)	(12,133)	(2,104)	(5,886)	—	—	(39,210)
Net revenue	259,235	105,603	144,962	114,930	—	—	624,730
Production costs	(157,614)	(75,225)	(124,111)	(33,883)	—	—	(390,833)
Royalties	(1,237)	(1,308)	—	(2,384)	—	—	(4,929)
Depletion and amortization	(44,863)	(13,872)	(18,665)	(8,231)	—	—	(85,631)
Income from mining operations	55,521	15,198	2,186	70,432	—	—	143,337
General and administrative expenses	(376)	—	—	(59)	(54)	(12,051)	(12,540)
Exploration expenses	—	—	—	(51)	(35)	(5,178)	(5,264)
Share-based compensation expense	—	—	—	—	—	(5,762)	(5,762)
Income (loss) from operations	55,145	15,198	2,186	70,322	(89)	(22,991)	119,771
Unrealized and realized gain on derivative instruments	—	—	87,153	—	—	10,110	97,263
Other (expense) income - net	(664)	10,057	(3,702)	(599)	(394)	(21,097)	(16,399)
Net finance costs	(1,176)	(646)	(1,036)	(4,425)	(1,066)	(3,778)	(12,127)
Income (loss) before income taxes	53,305	24,609	84,601	65,298	(1,549)	(37,756)	188,508
Income tax expense	(6,695)	(7,798)	(24,520)	(20,912)	—	(1,479)	(61,404)
Total net income (loss)	\$ 46,610	\$ 16,811	\$ 60,081	\$ 44,386	\$ (1,549)	\$ (39,235)	\$ 127,104
Mineral properties, plant & equipment additions	40,430	54,748	144,217	35,707	15,475	15	290,592

	As at June 30, 2023						
	Pinto Valley	Mantos Blancos	Mantoverde	Cozamin	Santo Domingo	Other	Total
Mineral properties, plant and equipment	\$ 736,124	\$ 988,377	\$ 2,623,313	\$ 257,677	\$ 426,827	\$ 644	\$ 5,032,962
Total assets	\$ 837,631	\$ 1,112,042	\$ 2,873,173	\$ 307,793	\$ 477,648	\$ 34,157	\$ 5,642,444
Total liabilities	\$ 217,936	\$ 305,028	\$ 1,311,606	\$ 226,204	\$ 5,943	\$ 445,311	\$ 2,512,028

	As at December 31, 2022						
	Pinto Valley	Mantos Blancos	Mantoverde	Cozamin	Santo Domingo	Other	Total
Mineral properties, plant and equipment	\$ 734,797	\$ 963,166	\$ 2,352,804	\$ 236,724	\$ 417,980	\$ 840	\$ 4,706,311
Total assets	\$ 850,320	\$ 1,100,281	\$ 2,640,472	\$ 279,454	\$ 477,433	\$ 32,948	\$ 5,380,908
Total liabilities	\$ 220,547	\$ 303,578	\$ 1,212,801	\$ 220,226	\$ 38,962	\$ 204,938	\$ 2,201,052

## Capstone Copper Corp.

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### 25. Foreign Exchange

Details of foreign exchange gain (loss) are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Unrealized foreign exchange gain	\$ 2,096	\$ 16,927	\$ 1,418	\$ 17,447
Realized foreign exchange loss	(1,515)	(9,356)	(10,099)	(10,850)
Total foreign exchange gain (loss)	\$ 581	\$ 7,571	\$ (8,681)	\$ 6,597

The foreign exchange gain (loss) for the three and six months ended June 30, 2023 has primarily been impacted by the strengthening Chilean Peso and Mexican Peso. Unrealized foreign exchange gain is based on the revaluation of monetary assets and liabilities denominated in foreign currencies.