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CIRCULAR 213-21
December 21, 2021

ANTICIPATED CONTRACT ADJUSTMENT
Capstone Mining Corp. (CS)
Plan of Arrangement

The Bourse and CDCC wish to inform you that Capstone Mining Corp. (“Capstone” or the “Company”) (TSX:CS) and Mantos Copper (Bermuda) Limited (“Mantos”) are pleased to announce that they have entered into a definitive agreement (the “Agreement”) to combine pursuant to a plan of arrangement under the Business Corporations Act (British Columbia) (the “Transaction”).

Pursuant to the Agreement, each Capstone shareholder will receive 1 newly issued Capstone Copper share per Capstone share (the “Exchange Ratio”)

The Transaction is subject to receipt of Competition Act (Canada) approval, receipt of United States Hart-Scott-Rodino Antitrust Improvements Act approval, the approval of the Mexican Federal Economic Competition Commission, approval of the Toronto Stock Exchange, consents from certain third parties and other customary closing conditions for transactions of this nature

Full details of the Transaction will be included in a management information circular of Capstone that is expected to be mailed to their respective shareholders in the first quarter of 2022.

The Transaction is expected to be completed in the first quarter of 2022.

PLEASE ENSURE THAT ALL CLIENTS WHO HAVE EITHER LONG OR SHORT POSITIONS IN THIS OPTION CLASS ARE ADVISED OF THIS NOTICE.

For further information, please contact the Market Operations Department at (514) 871-7877. Clearing members may contact the CDCC Corporate Operations Department.

Antonio Discenza
Director, Derivatives Trading Operations