

VANCOUVER, April 5, 2016 /CNW/ - [Capstone Mining Corp.](#) ("Capstone") (TSX: CS) today announced production results for the three months ended March 31, 2016. Combined production totalled 24,600 tonnes of copper, with additional by-products of zinc, molybdenum, lead, silver and gold.

Q1 2016 Copper Production (tonnes)

Pinto Valley	16,400
Cozamin	3,700
Minto	4,500
Total copper production ⁽¹⁾	24,600

(1) Total production includes copper in concentrate and cathode production.

"Copper production for the quarter comfortably met our guidance," said Darren Pylot, President and CEO of Capstone. "At Pinto Valley, mill reliability and throughput continued the positive momentum from the fourth quarter of 2015, once again exceeding expectations, with quarterly throughput averaging 55,000 tonnes per day. Minto posted very strong production led by better than expected recoveries, partially offsetting a production shortfall at Cozamin."

Operational Highlights

- At Pinto Valley, continuing strong mill performance exceeded the scheduled throughput target of 54,000 tpd and production was ahead of guidance for the quarter. The mill posted the second straight quarter of new daily, monthly and quarterly throughput records of 62,400, 56,700 and 55,000 tpd, respectively. In addition, grade was also better than planned for the quarter.
- Cozamin had a shortfall in production for the quarter due to block model reconciliation in two stopes, as well as a delay in mine development mainly due to flooded mine areas caused by extraordinary rain events last year.
- At Minto, higher recoveries resulted from lower than expected oxide content in the Minto North ore. Mining rates and access to Minto North ore continued on schedule.
- Better than expected performance at Pinto Valley and Minto more than offset the production shortfall at Cozamin during the quarter.

(1) This is an alternative performance measure; please see "Alternative Performance Measures" at the end of this release. All amounts in US\$ unless otherwise specified.

Q1 2016 Operating Details

	Pinto Valley	Cozamin	Minto	Total
Contained Production ⁽¹⁾				
- Copper (tonnes)	16,365	3,660	4,522	24,547
- Zinc (tonnes)	-	812	-	812
- Molybdenum (Mo tonnes)	6	-	-	6
- Lead (tonnes)	-	34	-	34
- Silver (ounces)	92,287	266,542	42,761	401,590
- Gold (ounces) ⁽²⁾	441	-	3,114	3,555
Payable Copper Production ⁽¹⁾ (tonnes) (in concentrate and cathode)	15,816	3,503	4,375	23,694
Mine				
- Ore (tonnes) – open pit	5,514,529	-	328,901	5,843,430
- Waste (tonnes)				

- Ore (tonnes) – underground	-	242,163	110,965	353,128
Mill				
- Tonnes processed	5,002,573	243,901	362,608	5,609,082
- Tonnes processed per day	54,973	2,680	3,985	61,638
- Copper grade (%)	0.36 ⁽³⁾	1.59	1.32	0.48
- Zinc grade (%)	-	0.62	-	0.62
- Molybdenum grade (%)	0.007	-	-	0.007
- Lead grade (%)	-	0.07	-	0.07
- Silver grade (g/t)	*	48	5	22
- Gold grade (g/t)	*	-	0.40	0.40
Recoveries				
- Copper (%)	87.2 ⁽³⁾	94.4	94.5	89.6
- Zinc (%)	-	53.3	-	53.3
- Lead (%)	-	18.8	-	18.8
- Silver (%)	*	70.9	77.6	71.8
- Gold (%)	*	-	66.9	66.9
Concentrates				
- Copper concentrate (dmt)	57,441	14,532	12,161	84,133
Copper (%)	27.6	25.2	37.2	28.6
Silver (g/t)	*	558	109	354
Gold (g/t)	*	-	7.96	7.96
- Zinc concentrate (dmt)	-	1,808	-	1,808
Zinc (%)	-	44.9	-	44.9
- Molybdenum concentrate (dmt)	12	-	-	12
- Lead concentrate (dmt)	-	58	-	58
Lead (%)	-	58.7	-	58.7
Silver (g/t)	-	3,044	-	3,044
Payable Copper Shipped (tonnes)	16,749	4,180	7,056	27,985

(1) Adjustments based on final settlements will be made in future periods. (2) Pinto Valley gold production reaches payable levels from time to time. Any payable gold production will be reported in the period revenue is received. At Minto, final gold production is not available since assaying is conducted off-site, but is estimated above. (3) Grade and recoveries were estimated based on concentrate production. *Silver and gold have not been estimated in the Pinto Valley resource model. Only recovered silver and payable gold is reported for this mine.

Operating Outlook

Capstone's 2016 production guidance for 108,000 tonnes ($\pm 5\%$) of copper with C1 cash cost ⁽¹⁾ of \$1.45 to \$1.55 per pound, and Fully-Loaded All-In Cost ⁽¹⁾ of \$2.05 to \$2.15 per pound, of payable copper produced net of by-product credits and selling costs, remains unchanged.

(1) This is an alternative performance measure; please see "Alternative Performance Measures" at the end of this release. All amounts in US\$ unless otherwise specified.

Financial Results Timing

Capstone will report Q1 2016 financial results on Tuesday, April 26, 2016 after market close, followed by a conference call and webcast for investors and analysts on Wednesday, April 27, 2016 at 11:30 am Eastern Time (8:30 am Pacific Time).

Conference Call and Webcast Details

Date: Wednesday, April 27, 2016
Time: 11:30 am Eastern Time (8:30 am Pacific Time)
Dial in: North America: 1-888-390-0546, International: +416-764-8688
Webcast: <http://event.on24.com/r.htm?e=1144309&s=1&k=B5BC94165864B3E62231036C08453949>
Replay: North America: 1-888-390-0541, International: +416-764-8677
Replay Passcode: 982010#

The conference call replay will be available until Wednesday, May 11, 2016. The conference call audio and transcript will be available on Capstone's website within approximately 24 hours of the call at <http://capstonemining.com/investors/events-and-presentations/default.aspx>.

About Capstone Mining Corp.

[Capstone Mining Corp.](#) is a Canadian base metals mining company, focused on copper. We are committed to the responsible development of our assets and the environments in which we operate. Our three producing mines are the Pinto Valley copper mine located in Arizona, US, the Cozamin copper-silver mine in Zacatecas State, Mexico and the Minto copper mine in Yukon, Canada. In addition, Capstone has two development projects; the large scale 70% owned copper-iron Santo Domingo project in Region III, Chile, in partnership with Korea Resources Corporation, and the 100% owned Kutcho copper-zinc project in British Columbia, Canada, as well as exploration properties in Chile. Capstone's strategy is to continue to extend the lives of our current mines with mineral resource and reserve expansions, maintain the optionality on the Santo Domingo development project, prudently progress the exploration portfolio and grow through acquisitions in politically stable, mining-friendly regions. We will pace our growth with our financial capacity, to retain, as a priority, sufficient financial flexibility to meet the requirements of our existing operations and our committed development projects, while maintaining an adequate cushion to deal with market volatility and operating risks inherent in the mining industry. Our headquarters are in Vancouver, Canada and we are listed on the Toronto Stock Exchange (TSX). Further information is available at www.capstonemining.com.

Cautionary Note Regarding Forward-Looking Information

This document may contain "forward-looking information" within the meaning of Canadian securities legislation and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking statements"). These forward-looking statements are made as of the date of this document and Capstone does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation.

Forward-looking statements relate to future events or future performance and reflect our expectations or beliefs regarding future events. Forward-looking statements include, but are not limited to, statements with respect to the estimation of mineral resources and mineral reserves, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production and capital expenditures, the success of our mining operations, environmental risks,

unanticipated reclamation expenses and title disputes. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes" or variations of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. In this document certain forward-looking statements are identified by words including "guidance", "expectations", "planned", "estimated", "budgeted" and "schedule". By their very nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, amongst others, risks related to inherent hazards associated with mining operations, future prices of copper and other metals, compliance with financial covenants, surety bonding, our ability to raise capital, counterparty risks associated with sales of our metals, use of financial derivative instruments and associated counterparty risks, foreign currency exchange rate fluctuations, changes in general economic conditions, accuracy of mineral resource and mineral reserve estimates, operating in foreign jurisdictions with risk of changes to governmental regulation, compliance with governmental regulations, compliance with environmental laws and regulations, reliance on approvals, licences and permits from governmental authorities, impact of climatic conditions on our Pinto Valley, Cozamin and Minto operations, aboriginal title claims and rights to consultation and accommodation, land reclamation and mine closure obligations, uncertainties and risks related to the potential development of the Santo Domingo Project, increased operating and capital costs, challenges to title to our mineral properties, dependence on key management personnel, potential conflicts of interest involving our directors and officers, corruption and bribery, limitations inherent in our insurance coverage, labour relations, increasing energy prices, competition in the mining industry, risks associated with joint venture partners, our ability to integrate new acquisitions into our operations, cybersecurity threats and other risks of the mining industry as well as those factors detailed from time to time in the Company's interim and annual financial statements and management's discussion and analysis of those statements, all of which are filed and available for review under the Company's profile on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause our actual results, performance or achievements to differ materially from those described in our forward-looking statements, there may be other factors that cause our results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that our forward-looking statements will prove to be accurate, as our actual results, performance or achievements could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on our forward-looking statements.

National Instrument 43-101 Compliance

The technical information in this news release ("Technical Information") was prepared by, or under the supervision of, a qualified person (a "Qualified Person") as defined in National Instrument 43-101 Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators ("NI 43-101"). The disclosure of the Technical Information contained in this news release has been reviewed and approved by Gregg Bush, P. Eng., Capstone Senior Vice President and Chief Operating Officer, a Qualified Person under NI 43-101.

SOURCE [Capstone Mining Corp.](#)

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