

(All amounts in US\$ unless otherwise specified)

VANCOUVER, April 21, 2017 /CNW/ - [Capstone Mining Corp.](#) ("Capstone") (TSX: CS) has amended its Senior Secured Corporate Revolving Credit Facility ("RCF") to provide for an extension to April 19, 2021 and a reduction in the credit available under the facility.

The amendment:

- Extends the maturity of the Third Amended and Restated Credit Agreement from January 16, 2019 to April 19, 2021;
- Reduces the credit limit to \$350 million on April 19, 2017 and requires an annual \$25 million reduction on each anniversary of the facility to \$275 million on April 19, 2020;
- Maintains the current pricing grid (starting at LIBOR + 2.5% and adjustable to LIBOR + 3.5% depending on the total leverage ratio) until March 31, 2019, after which date pricing increases to LIBOR + 3.0% (adjustable to LIBOR + 4.5% depending on the total leverage ratio); and
- Cancels the accordion feature of \$60 million.

All other material terms and conditions of the existing RCF remain in place for the life of the facility.

In addition to the amendment described above, Capstone repaid \$10 million on April 19, 2017, reducing drawn debt to \$298.9 million.

"This extension of our current low-cost, flexible credit facility, gives Capstone significant financial flexibility and right sizes the facility to meet our current and anticipated operating requirements," said Darren Pylot, President and CEO of Capstone. "Our current drawn debt of approximately \$300 million is comfortably within this amended availability and we have a cash balance of over \$100 million."

"We plan to apply free cash from operations to reduce debt to a sustainable level at commodity prices that reflect bottom of the cycle prices, which will provide an additional cushion of undrawn credit," continued Mr. Pylot. "This effectively addresses financing risk over the term of the facility, which we believe will correspond to a stabilization and gradual improvement in copper prices."

The amendment of the facility was led by The Bank of Nova Scotia (Co-Lead Arranger, Joint Bookrunner and Administrative Agent), the Canadian Imperial Bank of Commerce (Co-Lead Arranger, Joint Bookrunner and Syndication Agent) and Wells Fargo Bank N.A., Canadian Branch (Documentation Agent). Other syndicate lenders include Citibank, N.A.; Export Development Canada; Bank of Montreal; and ING Capital LLC.

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 polymetallic 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 and US. Capstone's strategy is to focus on the optimization of operations and assets in politically stable, mining-friendly regions, centred in the Americas. 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 "anticipation", "guidance", "plan" and "expected". 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, Capstone's ability to acquire properties for growth, 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, legal proceedings 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.

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