

VANCOUVER, Oct. 11, 2017 /CNW/ - [Capstone Mining Corp.](#) ("Capstone") (TSX: CS) today announced production results for the three and nine months ended September 30, 2017. Combined production totalled 22,000 and 67,000 tonnes of copper in the third quarter and year-to-date periods, respectively, with additional by-products of zinc, molybdenum, lead, silver and gold.

### Q3 and YTD 2017 Copper Production (tonnes)

	Q1	Q2	Q3	YTD 2017
Pinto Valley	11,300	15,500	14,400	41,200
Cozamin	4,100	4,100	4,200	12,500
Minto	5,500	4,400	3,400	13,300
Total copper production <sup>(1)</sup>	20,900	24,000	22,000	67,000

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

"Cozamin once again outperformed in the third quarter, partially offsetting lower production at Pinto Valley and Minto," said Darren Pylot, President and CEO of Capstone. "As we enter the fourth quarter, all operations are on track and we expect to achieve the low end of our guided production range for the year."

### Operational Highlights

- At Pinto Valley, production was below expectations due to throughput disruptions caused by electrical outages in August and a second one in September. Remediation work on the affected circuit will be completed in October, however the plant is operating normally on a temporary repair. Additionally, focus in the quarter shifted from throughput maximization to overall mill optimization.
- Copper production at Cozamin exceeded expectations, driven by higher throughput. Mine development continues to advance ahead of schedule, increasing production flexibility at the operation.
- At Minto, production for the quarter continued to be impacted by mine sequencing changes to support the previously announced mine life extension. Underground mining was halted for six weeks in order to upgrade the emergency response capacity in the current stoping areas while development to the Minto East deposit continued. Partially oxidized ore from the Area 2, Stage 3 open pit and low grade stockpiles supplemented the mill feed during the quarter to offset the resulting underground ore shortfall, causing lower head grade and recoveries than originally planned.

### Q3 and YTD 2017 Operating Details

	Pinto Valley		Cozamin		Minto	
	Q3	YTD 2017	Q3	YTD 2017	Q3	YTD 2017
Contained Production <sup>(1)</sup>						
- Copper (tonnes)	14,381	41,171	4,242	12,478	3,403	13,328
- Zinc (tonnes)	-	-	1,173	3,217	-	-
- Molybdenum (Mo tonnes)	-	7	-	-	-	-
- Lead (tonnes)	-	-	12	49	-	-
- Silver (ounces)	79,371	227,119	241,555	737,029	42,641	140,814
- Gold (ounces) <sup>(2)</sup>	79	3,499	-	-	8,484	22,093
Payable Copper Production <sup>(1)</sup> (tonnes)	13,894	39,781	4,075	11,992	3,292	12,895

(in concentrate and cathode)

### Mine

- Ore (tonnes) &ndash; open pit	5,210,618	15,258,387	-	-	224,174	800,346
- Waste (tonnes)	6,465,014	19,608,566	-	-	1,187,504	5,507,271
- Ore (tonnes) &ndash; underground	-	-	223,846	692,070	61,422	221,347

## Mill

- Tonnes processed	4,974,294	14,490,039	223,446	688,468	342,282	1,089,477
- Tonnes processed per day	54,068	53,077	2,429	2,522	3,720	3,991
- Copper grade (%)	0.31 <sup>(3)</sup>	0.31 <sup>(3)</sup>	1.98	1.89	1.31	1.47
- Zinc grade (%)	-	-	0.80	0.71	-	-
- Molybdenum grade (%)	-	0.005	-	-	-	-
- Lead grade (%)	-	-	0.08	0.07	-	-
- Silver grade (g/t)	*	*	42.2	42.5	5.0	5.1
- Gold grade (g/t)	*	*	-	-	0.62	0.91

## Recoveries

- Copper (%)	91.0 <sup>(3)</sup>	87.1 <sup>(3)</sup>	96.1	96.0	76.0	83.0
- Zinc (%)	-	-	65.7	65.9	-	-
- Lead (%)	-	-	7.0	10.1	-	-
- Silver (%)	*	*	79.7	78.3	77.2	78.9
- Gold (%)	*	*	-	-	73.8	58.6

## Concentrates

- Copper concentrate (dmt)	49,406	141,379	15,688	45,592	8,090	29,729
Copper (%)	28.1	28.1	27.0	27.4	42.1	44.8
Silver (g/t)	*	*	476.0	497.6	163.9	147.3
Gold (g/t)	*	*	-	-	19.5	19.5
- Zinc concentrate (dmt)	-	-	2,463	6,719	-	-
Zinc (%)	-	-	47.6	47.9	-	-
- Molybdenum concentrate (dmt)	-	-	-	-	-	-
- Lead concentrate (dmt)	-	-	20	79	-	-
Lead (%)	-	-	62.1	61.8	-	-
Silver (g/t)	-	-	2,392	3,009	-	-

Payable Copper Shipped (tonnes) 14,591 39,534 4,185 12,022 4,212 13,785

(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 expects to reach the low end of the range of 2017 consolidated production guidance of 94,000 tonnes ( $\pm 5\%$ ) of copper.

## Financial Results Timing

Capstone will report Q3 2017 financial results on Thursday, October 26, 2017 after market close, followed by a conference call and webcast for investors and analysts on Friday, October 27, 2017 at 10:00 am Eastern Time (7:00 am Pacific Time).

## Conference Call and Webcast Details

Date: Friday, October 27, 2017  
Time: 10:00 am Eastern Time (7:00 am Pacific Time)  
Dial in: North America: 1-888-390-0546, International: +416-764-8688  
Webcast: <http://event.on24.com/r.htm?e=1521082&s=1&k=489A38C7B3561FDCCA3C27399CAE40D9>  
Replay: North America: 1-888-390-0541, International: +416-764-8677  
Replay Passcode: 218958#

The conference call replay will be available until Friday, November 3, 2017. The conference call audio and transcript will be available on Capstone's website within 48 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 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](http://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", "expected", "potentially", "guidance" 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", "planned" and "expects". 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, assumptions related to geotechnical condition of tailings facilities, 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](http://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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