



CAPSTONE MINING CORP.

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Capstone Completes Bought Deal Financing, Operations Resume at Cozamin

Gross Proceeds of C\$50.135 million to be used for future acquisitions, debt reduction & working capital

VANCOUVER, BRITISH COLUMBIA - Capstone Mining Corporation (CS: TSX) today reported that it has closed the previously announced “bought deal” short form prospectus offering (the “Offering”) of 27,100,000 common shares of the Company at a price of C\$1.85 for gross proceeds of C\$50,135,000. A syndicate of underwriters led by Canaccord Capital Corporation and including BMO Capital Markets Corp., Scotia Capital Inc., Haywood Securities Inc. and PI Financial Corp. (collectively, the “Underwriters”) acted as underwriters in respect of the Offering. As previously announced, Capstone granted the Underwriters an option (the “Over-Allotment Option”) to purchase up to an additional 4,065,000 Common Shares at a price of C\$1.85 per Common Share to cover over-allotments. The Over-Allotment Option is exercisable by the Underwriters, in whole or in part, until June 5, 2009.

Capstone intends to use the net proceeds of the Offering for future acquisition opportunities, debt reduction or restructuring and ongoing operating and general working capital purposes.

These securities have not been registered under the Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States without registration or an applicable exemption from applicable registration requirements in the US. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Mining Resumes at Cozamin Mine

Further to Capstone’s announcement of May 1, 2009, wherein Capstone reported a five day suspension of operations at its Cozamin Mine in Mexico in accordance with the Mexican government’s decree, which was intended to combat the H1N1 influenza pandemic, operations resumed at the mine on May 6, 2009. As previously noted, given the outperformance of the mill in April, Capstone remains confident that budgeted production will be achieved for the year.

About Capstone Mining

Capstone Mining Corp. owns and operates two high grade copper mines and has an advanced high grade development project. The Cozamin Mine is a high grade, relatively shallow mechanized underground copper mine in Zacatecas, Mexico, with significant by-product credits of zinc, lead and silver. The Minto Mine is one of the world’s highest grade open pit copper-gold mines, and is located in Yukon, Canada. Both mines have recently undergone significant production expansions and the mines are forecast to produce a total of 95-105 million pounds of copper in 2009 at a total cash cost of approximately US\$1.00 per pound, net of by-product



credits. In addition, Capstone owns the high grade Kutcho Copper Project in British Columbia, Canada, which is being advanced towards a production decision, and could produce significant by-products of zinc, silver and gold. Financially, Capstone is well positioned and its operations are supported by a robust hedge book that totaled 105 million pounds of copper forward sold at an average of US\$2.52 per pound as of December 31, 2008, most of which is deliverable in 2009-2011.

Additional information on Capstone can be obtained on Capstone's website at www.capstonemining.com.

For further information about Capstone, please contact:

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The TSX does not accept any responsibility for the adequacy or accuracy of this press release.

Forward-Looking Statements

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

Forward-looking statements relate to future events or future performance and reflect management of the Company's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "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. By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of resources; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; 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 on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Accordingly, readers should not place undue reliance on forward looking statements.