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FOR IMMEDIATE RELEASE

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Capstone Reports Production Guidance for 2010 *Forecast Production of 90-100 million pounds of Copper in Concentrates*

VANCOUVER, BRITISH COLUMBIA – Capstone Mining Corp. (CS-TSX) today reported production guidance for 2010 for its Cozamin and Minto mines. Capstone expects to produce 90 million to 100 million pounds of copper in concentrates in 2010 at a total cash cost^(x) of approximately US\$1.10 to US\$1.20 per pound of payable copper, net of by-product credits and selling costs, based on an exchange rate of C\$1.09/US\$1.00 and MXP\$13.00/US\$1.00. Of this production, approximately 55% is projected to come from the Minto Mine and 45% from the Cozamin Mine. This compares to approximately 95 million pounds of copper in concentrates forecast for 2009 at a total cash cost^(x) of approximately US\$1.00 per pound of payable copper.

“With both of our mines, Cozamin and Minto, having been through a series of expansions over the past two to three years and now performing at or above design, we are looking forward to another good year in 2010,” said Darren Pylot, Vice Chairman & CEO of Capstone. “We are focused on fully optimizing efficiencies and production costs, with the objective of maximizing the profitability of the pounds we produce.”

Outlook for 2010

Forecast production for the Cozamin and Minto mines in 2010 is as follows:

2010 Production Forecast *(All numbers approximate)*

	Cozamin	Minto	Total
Tonnes milled (millions)	1.1	1.2	2.3
Copper grade (%)	2.0%	2.2%	2.1%
Copper recovery (%)	92%	92%	92%
Production (contained in concentrates)			
Copper (millions lbs)	40 to 45	50 to 55	90 to 100
Zinc (million lbs)	15 to 20	-	15 to 20
Lead (million lbs)	4 to 5	-	4 to 5
Gold (oz's)	-	~20,000	~20,000
Silver (million oz's)	1.5 to 1.8	~0.3	1.8 to 2.1
Total cash costs per payable pound of copper ^(x)	US\$0.80 to US\$0.90	US\$1.30 to US\$1.40	US\$1.10 to US\$1.20

^(x)These are non-GAAP performance measures and readers should refer to notes on non-GAAP performance measures in the Company's management discussion and analysis for the three and nine month periods ended September 30, 2009 as filed on Sedar for further details.



Cozamin: Copper production in 2010 is expected to be higher than 2009 now that sustained production is underway from the wider, higher grade portions of the Cozamin deposit. Higher throughput, grades and recoveries are forecast for 2010 as compared to 2009 as a result of continued mill outperformance and sustained access to these wider, higher grade stopes.

Minto: Copper production is expected to be similar to 2009, with increased throughput and a somewhat lower grade forecast for 2010. The increased cash costs reflect lower overall grades.

Production Optimization

With both the Minto and Cozamin mines having experienced some production delays in the third quarter of 2009, 2010 will be a year of optimizing the current operations by stressing efficiencies in operations and costs. Capstone will continue its relentless pursuit of value from its current operations by ensuring production is achieved in a safe and cost efficient manner.

2010 Capital Expenditure Guidance (US\$)

Cozamin and Minto capital expenditures for the year are estimated at \$12.6 million which includes \$3.9 million at Cozamin and \$8.7 million at Minto. Included in these amounts are sustaining capital of \$3.1 million, mine and mill equipment of \$3.8 million, water management and treatment of \$2.1 million, community infrastructure development of \$2.6 million and \$1.0 million in permitting and regulatory costs related to the Phase IV and possible Phase V expansion of the Minto Mine.

Exploration Activities

The principal exploration focus in 2010 is continued exploration drilling at the Minto Mine, where four years of excellent results and significant resource increases show no sign of slowing. Exploration at Cozamin will consist of geophysics, mapping and sampling, as well as evaluating the three newly acquired mineral claims that are within the immediate area of the Cozamin mine resources and reserves. The acquisition of these claims has, opened up potential for the discovery and definition of additional mineral resources in close proximity to the existing mine workings. Estimated exploration expenditures at Minto are C\$2.6 million and Cozamin are US\$1.0 million, however, such amounts could be increased based on success.

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 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 the Company 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 Company management’s expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral reserves and mineral 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”, “outlook”, “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 under the Company’s profile 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. The Company provides 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.

Quality Assurance

The technical information in this news release has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 and reviewed by Stephen P. Quin, P. Geo., President & COO for Capstone Mining Corporation.