Capitan Silver Announces Annual General and Special Meeting and Adoption of Omnibus Equity Incentive Plan and Shareholder Rights Plan

Vancouver, British Columbia--(Newsfile Corp. - May 7, 2026) - **Capitan Silver Corp. (TSXV: CAPT) (OTCQX: CAPTF)** ("**Capitan**" or the "**Company**") announces that it has filed its notice of annual general and special meeting (the "**Notice of Meeting**"), management information circular (the "**Information Circular**") and related meeting materials (collectively, the "**Meeting Materials**") for its annual general and special meeting of shareholders (the "**Shareholders**") to be held on Friday, June 12, 2026 at 11:00 a.m. (Vancouver time) at 550-800 West Pender Street, Vancouver, British Columbia, V6C 2V6 (the "**Meeting**"). The Company also announces that, effective today, it has: (i) entered into a shareholder rights plan agreement with Olympia Trust Company, as rights agent (the "**Rights Agreement**"), pursuant to which it has adopted a shareholder rights plan (the "**Rights Plan**"); and (ii) adopted a 10% fixed omnibus equity incentive plan (the "**Omnibus Plan**").

Shareholders' Meeting

The record date for determining the Shareholders entitled to receive notice of, and to vote at, the Meeting is the close of business on April 28, 2026. At the Meeting, the Shareholders will be asked to consider the items of business set forth in the Notice of Meeting, including: (i) an ordinary resolution approving and ratifying the Rights Agreement and Rights Plan; and (ii) an ordinary resolution approving and ratifying the Omnibus Plan.

Rights Plan

The Rights Plan is designed to provide for the fair treatment of Shareholders in connection with "creeping bids" for common shares of the Company ("**Common Shares**"). The Rights Plan provides Shareholders with protections in the event that a person becomes a beneficial owner of 20% or more of the outstanding Common Shares through "creeping bid" purchases exempt from applicable take-over bid laws.

Subject to the terms of the Rights Plan, in the event that rights become exercisable, holders of the rights (other than the acquiring person and its related parties) will be permitted to exercise their rights to purchase additional Common Shares at a 50% discount to the then-prevailing market price of the Common Shares. Pursuant to the Rights Plan, one right attaches to each issued and outstanding Common Share.

While the Rights Plan is effective as of the date hereof, it is subject to ratification by the Shareholders at the Meeting and final approval of the TSX Venture Exchange (the "**TSXV**"). If the Rights Plan is not ratified by the Shareholders within six months of adoption, the Rights Plan will terminate and all rights issued thereunder will be cancelled. A copy of the Rights Agreement is available on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile.

Omnibus Plan

The Omnibus Plan provides the Company with flexibility to grant equity-based incentive awards to directors, officers, employees and consultants of the Company or its subsidiaries, including options ("**Options**"), restricted share units ("**RSUs**") and deferred share units ("**DSUs**", and together with Options and RSUs, "**Awards**").

If the Omnibus Plan is approved by the Shareholders at the Meeting, it will replace the Company's current 10% rolling stock option plan, which was last approved by the Shareholders at the Company's annual general meeting held on June 26, 2025 (the "**Existing Option Plan**"). All future grants of equity-based awards will be made pursuant to the Omnibus Plan, and no further grants will be made under the Existing Option Plan.

While the Omnibus Plan is effective as of the date hereof, it is subject to ratification by the Shareholders at the Meeting and final approval of the TSXV. If the Omnibus Plan is not ratified by the Shareholders at the Meeting, the Existing Option Plan will remain in effect. A complete copy of the Omnibus Plan is attached as Schedule "D" to the Information Circular, which is available on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile.

About Capitan Silver Corp.

Capitan is defining a new high-grade silver system at its Cruz de Plata project, located in the heart of Mexico's primary silver belt. The Company is led by a proven and accomplished management team that has previously advanced three projects into production, on time and on budget. The Company has been diligent in maintaining a tight share structure and has one of the tightest share structures among its peer group, with the top three shareholders owning over 37% of the Company's share capital. Capitan is fully funded and actively drilling at its Cruz de Plata Silver project.

ON BEHALF OF CAPITAN SILVER CORP.

"Alberto Orozco"

Alberto Orozco, CEO

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Cautionary Statement on Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation based on expectations, estimates and projections as at the date of this news release. Any statement that involves predictions, expectations, interpretations, beliefs, plans, projections, objectives, assumptions, future events or performance (often, but not always, using phrases such as "expects" or "does not expect", "is expected", "interpreted", "management's view", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "potential", "feasibility", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward-looking information and are intended to identify forward-looking information. This news release contains forward-looking information pertaining to, among other things: the ability of the Company to obtain the final acceptance of the TSXV for the Rights Plan; the ratification of the Rights Plan by the Shareholders at a special meeting of shareholders of Capitan on or prior to November 7, 2026; the ratification of the Omnibus Plan by the Shareholders at the Meeting; and the prospects of the Cruz de Plata silver project (if any).

Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management, in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, including, without limitation, assumptions about: the ability of exploration results, including drilling, to accurately predict mineralization; errors in geological modelling; insufficient data; equity and debt capital markets; future spot prices of gold and silver; the timing and results of exploration and drilling programs; the accuracy of mineral resource estimates; production costs; political and regulatory stability; the receipt of governmental and third party approvals; licenses and permits being received on favourable terms; sustained labour stability; stability in financial and capital markets; and availability of mining equipment and positive relations with local communities and groups. Forward-looking information involves risks, uncertainties and other factors that could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Factors that could cause actual results to differ materially from such forward-looking information are set out in the Company's public disclosure record on SEDAR+ (www.sedarplus.ca) under Capitan's issuer profile. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

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