



## Business Updates | 2018

### February 26, 2018

*The News Release in this Business Update was disseminated internationally today.*

#### **El Capitan Precious Metals Elects Doug Sanders to its Board of Directors**

**Scottsdale, Arizona** – El Capitan Precious Metals, Inc., (OTC/QB: ECPN) announced today that Doug Sanders has been elected to serve on its Board of Directors, effective immediately.

Sanders, an El Capitan shareholder for nearly 10 years, brings a wealth of knowledge and experience to the Company. His experience in construction and project management spans four decades and is both varied and extensive. His career has included work in heavy civil construction and pipeline construction and rehabilitation, with roles and responsibilities running the gamut from Project Manager to Division Manager to Executive VP/General Manager.

The Company has utilized Sanders' expertise in a variety of ways over the past decade—from monitoring off-site sample testing and overseeing ore shipments to building-design consulting at the mine site—and he has served as a consultant and Advisory Board member for several years. Board Chairman John F Stapleton stated that the Board believes Doug Sanders will be a valuable addition and brings a very specific mix of background and experience that complements the existing strengths of the Board.

Sanders will attend the upcoming Shareholder Meeting and Stapleton confirmed that the Company has scheduled its 2018 Shareholder Meeting for Wednesday, May 23 in Scottsdale, Arizona. It will be held at the Gainey Ranch Golf Club and is scheduled to begin at 10:00 am local time. The meeting agenda will include detailed updates on operations and revenue generation.

### February 19, 2018

**The El Capitan Board of Directors reports the following updates:**

#### **Johnson Matthey**

In October of 2017, El Capitan Precious Metals, Inc. sent Johnson Matthey a 3.37-pound ingot. The bar was smelted using copper as a collector for platinum. Johnson Matthey, a world leader in refinery and material science, refined and assayed the material and reported a yield of 5.904 troy ounces of platinum. On January 24, 2018, Johnson Matthey wired net funds of \$4,362.67 to the Company. The Company paid Johnson Matthey \$1,500 in standard processing fees on the transaction.

### **Staking and Filing Additional Mining Claims**

Earlier this month, on February 13, the Company filed additional mining claims with the State of New Mexico on an additional 2,000 acres.

### **10-K Audit**

The Company has engaged the accounting firm of Semple, Marchal & Cooper LLP to complete its 10-K audit. All details are available in the Company's 8-K.

The original audit firm determined that they were unable to complete and certify the El Capitan audit due to the fact that they required a legal opinion from the Company concerning the issuance of stock for services during the prior period of several years. The Company determined that a legal opinion could not be provided without unreasonable effort and expense—if at all. The audit firm resigned the account on February 5, 2018.

The 10-Qs for the prior three quarters have been amended, the 10-K for fiscal year 2017 will be filed as soon as possible. The 10-Q for Q1 of 2018 will be filled immediately after the 10-K filing.

According to Board Chairman John F Stapleton, the challenges in completing the audit will not impact the Company in any way. All necessary extensions have been granted.

### **Shareholder Meeting**

The Company has set a date for its 2018 Shareholder Meeting in May of this year. The scheduling change, from March to May, was made to accommodate the Company's plan to present an expanded meeting agenda that will include detailed operations and revenue updates.

According to Stapleton, the Company will use those 90 days to “gather product information from operations as well as details on avenues for positive cash flow that is expected to result from the sale of iron ore and precious metals concentrates over the next several months.”

The El Capitan Shareholder Meeting will be held in Scottsdale, Arizona on Wednesday, May 23, 2018 at the Gainey Ranch Golf Club. The meeting is scheduled to begin at 10:00 am local time.

### **Resignation of Clyde Smith**

The Company has accepted the resignation of Dr. Clyde Smith from the El Capitan Board effective February 7, 2018. Dr. Smith's decision, as stated in his resignation, was based upon the fact that the Company does not have access to metallurgical data on the recovery process, data which is confidential to the Pilot Plant operator. The Company thanks Dr. Smith for his loyal service to El Capitan Precious Metals, Inc.

## **January 4, 2018**

*The News Release in this Business Update was disseminated internationally today.*

### **El Capitan Precious Metals Executes Contract with Precious Metals Buyer**

**Scottsdale, Arizona** – El Capitan Precious Metals, Inc., (OTC/QB: ECPN) announced today that an agreement was executed in December for the sale of its precious metal hyper-concentrates. El Capitan Chairman and CEO John F Stapleton reported that the Company reached a final agreement with a buyer and has executed a Purchase Agreement for all remaining hyper-concentrates produced by the Pilot Plant from the concentrate materials stored at the bonded warehouse in Tucson, Arizona.

This sale represents the last El Capitan Pilot Program activity. It successfully completes the goals of the Pilot program, as well as demonstrates several small-scale recoveries, (5–15 pounds of hyper-concentrated material recovery of precious metals) proving the recovery technology. This sale of the remaining hyper-concentrated material to the buyer, who will smelt and refine the remaining material, demonstrates recovery and technology on a larger scale.

Per the terms of the agreement, “settlement and payment shall be a minimum of 60 days following receipt of material of sampling completion, should representation be utilized.” This transaction protocol utilizes an industry standard: Upon receipt of the concentrates the buyer will assay the material utilizing an outside representative. This assay will be compared to an independent assay performed by El Capitan. If there is a significant difference between the two, an independent umpire will be engaged to resolve the difference. Both parties agree that, in the event of a dispute or discrepancy, the entity’s valuation closest to the umpire’s will prevail.

The Pilot Program began with the development and testing of a hyper-concentration device built in China in late 2016 and shipped to the United States in the first calendar quarter of 2017. The device was installed and modified to operate in the United States in the second calendar quarter of 2017 and has processed all the concentrates from the Tucson warehouse into hyper-concentrates. After considerable experimentation and modifications during mid-2017, the Company was pleased with the effectiveness of the technology and the end results achieved. The Pilot Program achieved its purpose of proving the technology through precious metals recovery as of the end of 2017.

El Capitan is evaluating all the data generated by the Pilot Plant to determine the appropriate pathway to a Production Plan.