Capella Minerals Ltd. Provides Scandinavian Project Portfolio Update

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Capella Minerals Limited (TSXV: CMIL) (OTCQB: CMILF) (FRA: N7D2) ("Capella" or the "Company") is pleased to provide the following update as we focus on our Scandinavian project portfolio, following the regaining of a 100% interest in its high-grade copper-cobalt-zinc projects in the Løkken and Røros mining districts, central Norway, and including the drill-ready targets at Åmot and Hessjøgruva (see Company News Release dated July 19, 2024).

The Company's project portfolio was also streamlined during H1, 2024, with the divestiture of two non-core assets in the Americas (the Savant project in Ontario, Canada, and the Sierra Blanca project in Santa Cruz, Argentina), with discussions on strategic alternatives for the Domain project in Manitoba, Canada, also underway with JV partner Agnico Eagle Mines Ltd. (TSX/NYSE: AEM). This provides the Company with a clear focus on its Scandinavian projects going forward.

Northern Finland Copper-Gold Project (70% Capella; 30% Cullen Resources Ltd)

Capella's Northern Finland Copper-Gold Project consists of 5 exploration licenses ("EL's) with granted drill permits, and is located in the world-class metallogenic province of the Central Lapland Greenstone Belt ("CLGB") (Figure 1). The portfolio consists of the priority Killero E and Killero W targets (former Anglo American Plc Base of Till - or "BoT" - copper-gold geochemical anomalies which were never drill tested), Saattopora W (the interpreted western extension of Outokumpu Oy's former Saattopora copper-gold mine), and two conceptual gold and copper targets (Keisunselka and Jolhikko)(see Company News Release dated December 5, 2023).

The Company's priority targets for drill testing are the Killero E and W targets, in addition to the Saattopora W target. At Killero E and W, the Company is planning to trial a drone-based electromagnetic ("EM") survey over the main BoT copper-gold anomalies in late summer with a view to better-defining sulfide-rich areas for priority drill testing (Figure 2). A maiden core drilling program is then expected to be undertaken when winter conditions again provide the frozen ground necessary for impact-free access to the project area.

At Saattopora W, relogging and resampling of available drill core from historical scout drilling was completed at the Finnish Geological Survey's ("GTK") core storage facility in Loppi, southern Finland. This relogging and resampling allowed for the characterization of both alteration assemblages and metal concentrations (gold, copper, together with the pathfinder element arsenic) lying adjacent to the interpreted extensions to the main Saattopora deposit. These results will be incorporated in to the Company's drill hole targeting program for Saattopora W.

Both Jolhikko (interpreted gold and copper targets within a complex deformation zone) and Keisunselka (interpreted gold targets hosted in faulted mafic volcanic rocks) are conceptual targets with little or no surface exposure. Accordingly, the Company expects to undertake reconnaissance BoT sampling over these areas during the 2024/2025 winter season.

Figure 1. Key targets in the Northern Finland Copper-Gold project.

Figure 2. Base of Till copper-gold anomalies at Killero overlain on drone magnetic survey data.

Norwegian Copper-Cobalt-Zinc VMS assets (100% Capella)

Capella's focus in central Norway is on the discovery of high-grade copper-rich massive sulfide ("VMS") deposits in the former copper mining districts of Løkken and Røros. At Løkken, exploration activities undertaken by the Company have identified 5 priority target areas located in the immediately vicinity of the former Løkken mine (past production of 24MT @ 2.3% copper and 1.8% zinc[1] and which closed in 1986 due to low metal prices)(Figure 3; see also Company News Release dated December 13, 2022). These targets include the previously-undrilled Åmot target, which is located approximately 5km E of the former Løkken mine operations and is defined by coincident ground magnetic, airborne EM, and soil geochemical anomalies (all favourable indicators for VMS deposits). The Company interprets the Åmot target from geophysical data to lie approximately 150m vertically below surface.

Figure 3. Key targets at the Løkken copper-cobalt-zinc project. Areas of completed ground magnetic surveys and soil grids are also indicated.

At the advanced exploration-stage Hessjøgruva copper-cobalt-zinc project, located in the northern Røros district, permits are currently in hand for a 4,000m / 8 hole drill program at the Hessjøgruva A Lens. This proposed drill program consists of both infill and step-out drilling and has been designed on the back of date derived from 12,035m of historical drilling plus new data acquired for the Canadian National Instrument 43-101 ("NI 43-101") technical report as filed by the Company on September 8, 2022 (Figure 4). The central Hessjøgruva project is also surrounded by additional Capella claims which cover the majority of the adjacent Nordgruve mining district, and which also includes a former copper concentrate processing facility at Kongensgruve.

Figure 4. High-grade copper-cobalt-zinc mineralization at Hessjøgruva and long section of main mineralized horizon.

[1] Historic production values quoted for Løkken are from Grenne T, Ihlen PM, Vokes FM (1999) Scandinavian Caledonide metallogeny in a plate-tectonic perspective. Mineral Deposita 34:422-471. Capella has not performed sufficient work to verify the published data reported above, but the Company believes this information to be considered reliable and relevant.

Eric Roth, Capella's President and CEO, commented: "Capella owns a compelling portfolio of copper-gold and copper-cobalt-zinc projects in the mining friendly jurisdictions of northern Finland and central Norway, respectively, and will continue to evaluate strategies for their effective advancement. In northern Finland, our priority will be to trial a drone-based EM survey prior to drilling the former Anglo American copper-gold targets at Killero (and which would then be followed by drilling at Saattopora W). In Norway, our focus will be on evaluating strategic alternatives for maiden drilling at the Åmot target, Løkken, and for resource-definition drilling at the advanced exploration-stage Hessjøgruva project.

In parallel, Capella's strategy of divesting its assets in the Americas has allowed the Company to focus on fewer jurisdictions, projects, and commodities going forward. Shares issued to Capella as part of these divestitures will also provide the Company and its shareholders with upside to exploration success on its former projects".

On Behalf of the Board of Capella Minerals Ltd.

"Eric Roth"

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Eric Roth, Ph.D., FAusIMM
President & CEO
About Capella Minerals Ltd

Capella is a Canadian exploration and development company with a focus on copper-gold projects in the Central Lapland Greenstone Belt of northern Finland & copper-cobalt projects in Norway.

In northern Finland, the Company's portfolio consists of 5 copper-gold projects - including the priority Killero E and Killero W projects, both of which were former Anglo American targets but never drilled - which are located about 40km SW of Agnico Eagle's Kittilä Gold Mine, currently the largest gold producer in Europe. Capella also retains a direct interest in the Perho lithium-REE project in south-central Finland.

In the Trøndelag province of central Norway, the Company's focus is on the discovery of high-grade copper-cobalt massive sulfide (VMS) deposits in the former mining districts of Løkken and Røros. The Company's portfolio includes: i) the advanced exploration-stage Hessjøgruva copper-cobalt project and adjacent Kongensgruve and Kjøli projects in the northern Røros mining district, and ii) satellite copper-cobalt-zinc VMS targets around the past-producing Løkken copper mine, including the drill-ready Åmot target.

Capella holds equity positions in Teako Minerals (CSE: TMIN), Prospector Metals (TSXV: PPP), European Energy Metals (TSXV: FIN), and Unico Silver (ASX: USL) as a direct result of the recent divestiture of non-core assets. Capella also retains direct participation (29.6%) in a Joint Venture with Agnico Eagle Mines Ltd (TSX: AEM; NYSE: AEM) at the Domain Gold Project, Manitoba.

Cautionary Notes and Forward-looking Statements
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