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ASX ANNOUNCEMENT

31 May 2023

Capella Granted Exploration Permits for Northern Finland Gold-Copper Project

Cullen Resources Limited (“Cullen”) is pleased to advise that Joint Venture manager Capella Minerals Limited (TSXV:CMIL) (“Capella”) has overnight provided an exploration update to the Canadian market regarding granted exploration permits. A copy of the Capella announcement made on the TSXV is attached for shareholders information.

These granted exploration permits are held by local subsidiary Cullen Finland Oy, which is owned 70:30 by Capella and Cullen, with all Cullen Finland Oy exploration activities currently funded by Capella. Cullen Finland Oy is also owner of the “Perho” Reservation for lithium in central Finland.

This announcement has been authorised by the Board.

FURTHER INFORMATION

Please contact Dr. Chris Ringrose, Managing Director on + 61 8 9474 5511

ATTRIBUTION: Competent Person Statement

The information in this report that relates to Exploration Results includes information reviewed by Dr. Chris Ringrose, Managing Director, Cullen Resources Limited who is a Member of the Australasian Institute of Mining and Metallurgy. Dr. Ringrose is a full time employee of Cullen Resources Limited. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined by the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Dr. Ringrose consents to the report being issued in the form and context in which it appears.

Capella Granted Exploration Permits for Northern Finland Gold-Copper Project

May 30, 2023 – Vancouver, BC – **Capella Minerals Ltd** (TSXV: **CMIL**; OTCQB: **CMILF**; FRA: **N7D2**) (“Capella” or the “Company”) is pleased to announce that it has been granted exploration permits covering five priority gold-copper (“Au-Cu”) targets on its Northern Finland Gold-Copper project. The Company’s initial priorities will be on the evaluation of potential extensions to Outokumpu Oy’s former Saattopora gold-copper mining operation (“Saattopora W permit”), together with initial diamond drill testing of the historical gold-copper Bottom of Till (“BoT”) geochemical anomalies defined by Anglo American plc in the Killero area (“Killero E permit”) (Figure 1).

The Company’s target areas lie adjacent to the Sirkka thrust zone, a well-mineralized structural corridor in the Central Lapland Greenstone Belt which hosts a number of recent exploration discoveries (such as Rupert Resources’ Ikkari gold project¹). The granted exploration permits allow the Company to undertake more detailed field evaluations - including ground geophysical surveys and diamond drilling - within the individual target areas. Engagement with local communities / stakeholders to discuss upcoming work programs will also be a priority over the coming months.

Capella currently holds a 70% interest in the five target areas through a Joint Venture (“JV”) agreement signed with ASX-listed Cullen Resources Ltd (ASX: CUL) (“Cullen”) (see Company News Release dated August 24, 2021).

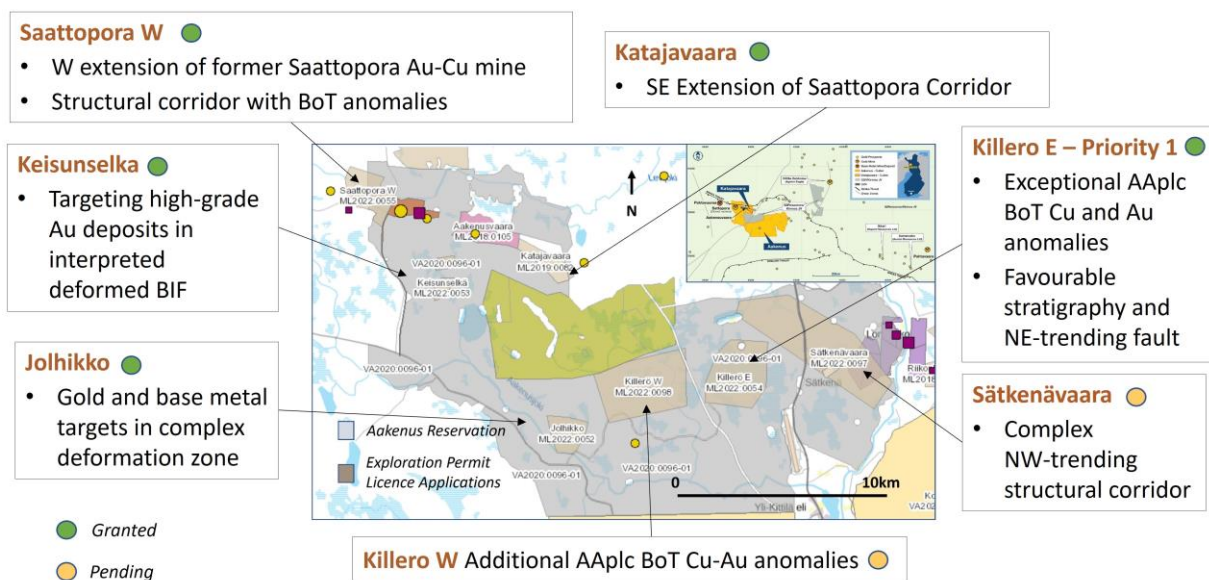


Figure 1. Locations of the five granted exploration permits (Saattopora W, Keisunselka, Jolhikko, Katajavaara, and Killero E) within the Northern Finland Gold-Copper Project.

¹ References made to nearby mines and analogous deposits provide context for the Northern Finland Gold-Copper project but are not necessarily indicative that these projects host similar tonnages or grades of mineralization.

Eric Roth, Capella's President and CEO commented: "I am very pleased to be announcing today the granting of exploration permits over key gold & copper targets within our former Aakenus reservation. The granted areas include our priority Killero E target, which consists of an historical copper-gold BoT anomaly delineated by Anglo American plc but which never saw follow-up drill testing. Indeed, given that BoT values exceeding 110 parts per million ("ppm") copper are considered to be anomalous in this part of the Central Lapland Greenstone Belt, the Killero E values of up to 5,962 ppm copper are truly significant.

Given that drilling is optimally undertaken here under cold winter conditions, we currently expect first drilling of the Killero E anomaly to occur in Q1, 2024. I look forward to keeping all stakeholders updated as our exploration programs advance".

Killero E Target Area

The priority Killero E target area has been defined through a combination of: i) historical BoT gold-copper anomalies obtained from previous Anglo American plc exploration programs², and ii) interpretation of data from the Company's own high-resolution drone magnetic survey completed in April 2022. The historical BoT data confirms an extensive copper-gold anomaly associated with a major NE-trending fault/shear zone, with the fault/shear zone also apparently displacing interpreted E-W trending mafic to ultramafic volcanic and/or intrusive rocks (Figure 2). Initial drilling will be designed to vector in to potential sources of the copper-gold anomalism.

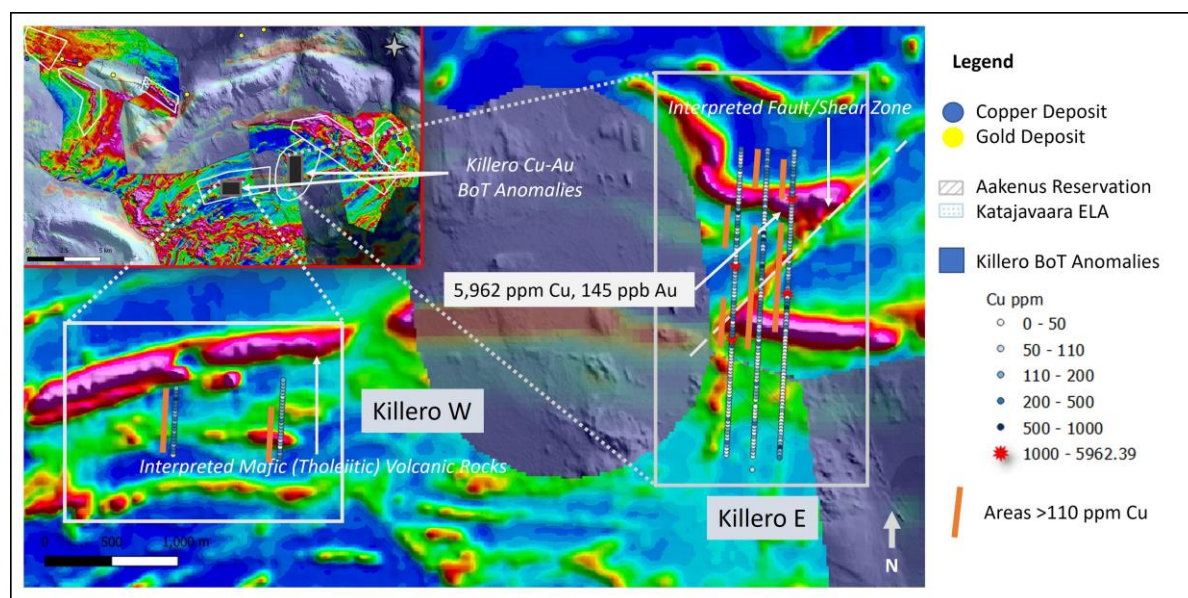


Figure 2. Killero E target areas as defined by combined geochemical (BoT) and geophysical (drone magnetic survey data) anomalies.

² Historic geochemical results quoted for Killero are derived from GTK (Geological Survey of Finland) datasets. Whilst Capella has not performed sufficient work to verify the published data reported, the Company believes this information to be considered reliable and relevant.

Qualified Persons and Disclosure Statement

The technical information in this news release relating to the Northern Finland Gold-Copper project has been prepared in accordance with Canadian regulatory requirements set out in NI 43-101, and approved by Eric Roth, the Company's President & CEO, a Director, and a Qualified Person under NI 43-101. Mr. Roth holds a Ph.D. in Economic Geology from the University of Western Australia, is a Fellow of the Australian Institute of Mining and Metallurgy (AusIMM) and is a Fellow of the Society of Economic Geologists (SEG). Mr. Roth has 35 years of experience in international minerals exploration and mining project evaluation.

On Behalf of the Board of Capella Minerals Ltd.

"Eric Roth"

Eric Roth, Ph.D., FAusIMM
President & CEO

About Capella Minerals Ltd

Capella is engaged in the acquisition, exploration, and development of quality mineral resource properties in favourable jurisdictions with a focus on European base and battery metals projects.

In Norway, the Company's focus is on: i) the advanced exploration-stage Hessjøgruva copper-cobalt project and the adjacent Kongensgruve and Kjølvi projects in the northern Røros mining district, Trøndelag province, ii) the discovery of satellite high-grade copper-cobalt deposits around the past-producing Løkken copper mine, Trøndelag province, and iii) the discovery of new copper-cobalt deposits in the former Vaddas-Birtavarre mining district of northern Norway.

The Company is also exploring the Northern Finland Gold-Copper project in the Central Lapland Greenstone Belt, together with JV partner Cullen Resources Ltd (ASX: CUL). A total of five exploration permit have now been approved, including the priority Killero Cu-Au target. In central Finland, the Company's focus is on the discovery of lithium and rare-earth element deposits at both its Perho reservation, in addition to an extensive package of properties in the broader Keliber district through a JV with European Energy Metals Corp (formerly Hilo Mining)(TSXV: FIN).

Capella also retains exposure to exploration success in precious metals projects through its active Canadian Joint Ventures with Prospector Metals Corp. (TSXV: PPP) at Savant (Ontario) and Agnico Eagle Mines Ltd (formerly Yamana Gold Inc.)(TSX/NYSE: AEM) at Domain (Manitoba). The Company also holds a 49% interest in the Sierra Blanca low sulfidation gold-silver project in Santa Cruz, Argentina, which is currently being explored by Austral Gold Ltd (TSXV: AGLD; ASX: AGD).

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Cautionary Notes and Forward-looking Statements

This news release contains forward-looking information within the meaning of applicable securities legislation. Forward-looking information is typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events. Such statements include, without limitation, statements regarding the future results of operations, performance and achievements of Capella, including the timing, completion of and results from the exploration and drill programs described in this release. Although the Company believes that such statements are reasonable, it can give no assurances that such expectations will prove to be correct. All such forward-looking information is based on certain assumptions and analyses made by Capella in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. This information, however, is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Important factors that could cause actual results to differ from this forward-looking information include those described under the heading "Risks and Uncertainties" in Capella's most recently filed MD&A. Capella does not intend, and expressly disclaims any obligation to, update or revise the forward-looking information contained in this news release, except as required by law. Readers are cautioned not to place undue reliance on forward-looking information.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.