

Capella Advances Kjøli Copper Project to Drill Permitting Phase

VANCOUVER, BC, Nov. 17, 2021 /CNW/ - Capella Minerals Ltd. (TSXV: CMIL) (FRA: N7D2) (the "Company" or "Capella") is pleased to report that final results have now been received from the late-summer exploration program undertaken at the Company's 100%-owned Kjøli high-grade copper-zinc massive sulfide ("VMS") project in central Norway. The current exploration program included systematic soil sampling and a ground gravity survey and was designed to allow the Company to prioritize specific drill sites within the high-grade copper targets identified from the CARDS AI Data Mining analysis (see Company News Release dated May 10, 2021).

Highlights

- Targeting for the Company's maiden core drill program at the Kjøli copper project has focused on the 20km-long corridor of prospective stratigraphy for the discovery of new VMS deposits. At least 8 high-priority targets (defined by coincident CARDS AI, gravity, and soil anomalies, plus known mineral occurrences) have been defined for drill testing (Figure 1). Initial permitting is expected to cover up to 5,000m of core drilling in 25 holes.
- The ground gravity survey covered an area of 68 square kilometres and was located along, and immediately adjacent to, the main Kjøli mineralized corridor. The gravity survey has successfully identified a series of buried high-density bodies (some of which are interpreted by the Company to represent VMS occurrences) in the vicinity of the former copper-zinc mining operations.
- A further 2,800 soil samples were collected from the Kjøli mineralized corridor and analyzed using Multi-Element Fine Fraction Analysis ("MEFFA") techniques. Discrete copper and zinc soil anomalies have been generated along the Kjøli mineralized corridor, with the largest soil anomalies being located in the Grønskaard area.
- The cobalt (Co) content of the copper-zinc(-gold-silver) massive sulfide deposits at Kjøli will also be systematically evaluated going forward. Cobalt is a common secondary metal in VMS deposits of the broader Røros district, but has yet to be systematically analyzed for at Kjøli. Cobalt is a key green energy metal used in batteries / electric vehicles.
- Given the full relaxation of strict Covid-19 travel restrictions in Norway in late-September, which negatively impacted our early summer exploration activities, the Company is now in a position to push forward with permitting for its maiden core drill program at Kjøli. After discussions with local authorities, the Company has agreed to apply for drill permits with a starting date no earlier than February, 2022.

Eric Roth, Capella's President and CEO, commented today: "I am pleased to be reporting that we have been able to finalize the definition of targets for our maiden core drill program at Kjøli and that, with the relaxation of strict Covid-19 travel restrictions in Norway, we can now focus on moving the project through the permitting phase. Our gravity survey is believed to be a first for massive sulfide exploration in Norway and has given us further confidence in ranking priorities amongst our CARDS AI targets. The next step for us is to now advance the project to initial drill testing in an expedited fashion, with this process expected to take around 2 months.

I look forward to keeping the market updated as we move Kjøli through the permitting process and onwards towards our maiden drill program."

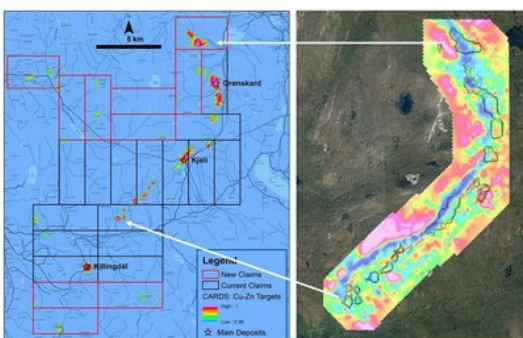


Figure 1. Original CARDS AI Data Mining anomalies (left) and ground gravity survey data being reported (gravity data in colours and CARDS AI anomalies as contours; right). Stratigraphic controls on copper-zinc mineralization at Kjøli are clearly defined. (CNW Group/Capella Minerals Limited)

Kjoli Exploration Program

Ground Gravity and Soil Sampling Survey

The ground gravity survey was completed over an area of approximately 68 square kilometres and was located along, and immediately adjacent to, the main mineralized horizon at Kjøli. The survey was completed by Trondheim-based consultant Quad Geometrics using a Scintrex CG-6 gravimeter and Topcon GNSS RTK positioning system. Individual gravity readings were taken on a 200x200m grid (with some 1,330 points being measured) with corrections applied to the raw data including earth tide, drift, altitude, and terrain corrections. Elevations in the Kjøli project area range from 713m to 1,269m.

The systematic soil sampling program was undertaken using a hand auger with samples being taken on a 200m (between lines) x approximately 20m (along lines) grid and from soil profiles beneath the surficial organic layer. Samples were analyzed using the Multi-Element Fine Fraction Analysis technique in Malå, Sweden. Discrete copper and zinc anomalies are developed along the Kjøli mineralized trend, with the largest anomalies being developed in the Grønskard area.

Priority targets identified for drilling are those where gravity anomalies (which are interpreted to represent buried, high-density bodies such as either VMS occurrences or mafic intrusions) coincide with CARDS AI anomalies, which are defined mainly by Electromagnetic ("EM"), magnetic and radiometric data (and which are interpreted to represent conductive bodies such as massive sulfides). Furthermore, targets with elevated soil copper and zinc values above coincident gravity and CARDS AI anomalies represent Priority 1 drill targets for the Company.

Quality Assurance and Quality Control (QAQC)

Analyses of Kjøli soil geochemical samples are carried out using the proprietary Multi-Element Fine Fraction Analysis ("MEFFA") technique at EMX's laboratory in Malå, Sweden. EMX's internal QAQC program is complemented by the Company's own internal blank/standard/duplicate program which includes every 30th sample being a field duplicate together with the regular insertion of blanks and certified base metal standards. Further analyses of anomalous samples are undertaken at ALS's Loughrea (Ireland) analytical facility.

Qualified Persons and Disclosure Statement

The technical information in this news release relating to the Kjøli 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 30 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 high-grade gold and copper deposits. The Company's copper focus is currently on the discovery of high-grade VMS-type deposits within 100%-owned, district-scale land positions around the past-producing Løkken and Kjøli copper mines in central Norway. The Company's precious metals focus is on the discovery of high-grade gold deposits on its newly-acquired Finnish properties (Katajavaara, Aakenus), the 100%-owned Southern Gold Line Project in Sweden, and its active Canadian Joint Ventures with Ethos Gold Corp. (TSXV-ECC) at Savant Lake (Ontario) and Yamana Gold Inc. at Domain (Manitoba). The Company also retains a residual interest (subject to an option to purchase agreement with Austral Gold Ltd) in the Sierra Blanca gold-silver divestiture in Santa Cruz, Argentina.

The Company also holds 3,000,000 common shares in Ethos Gold Corp. providing Capella shareholders with indirect exposure to exploration success at both the Savant Lake Project and elsewhere within Ethos' extensive Canadian project portfolio.

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.

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