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ASX ANNOUNCEMENT

8 December 2021

EXPLORATION UPDATE - FINLAND

Cullen Resources Limited ("CUL" or "Cullen") is pleased to advise that Joint Venture partner Capella Minerals Limited (TSXV: CMIL) ("Capella") has overnight provided an exploration update regarding the Katajavaara and Aakenus JV in northern Finland to the Canadian market.

Cullen holds a 30% interest in the Katajavaara and Aakenus JV. Capella holds the remaining 70% and is the operator of the JV.

A copy of the Capella announcement made on the TSXV is attached for shareholders information.

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 is based on information compiled 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.

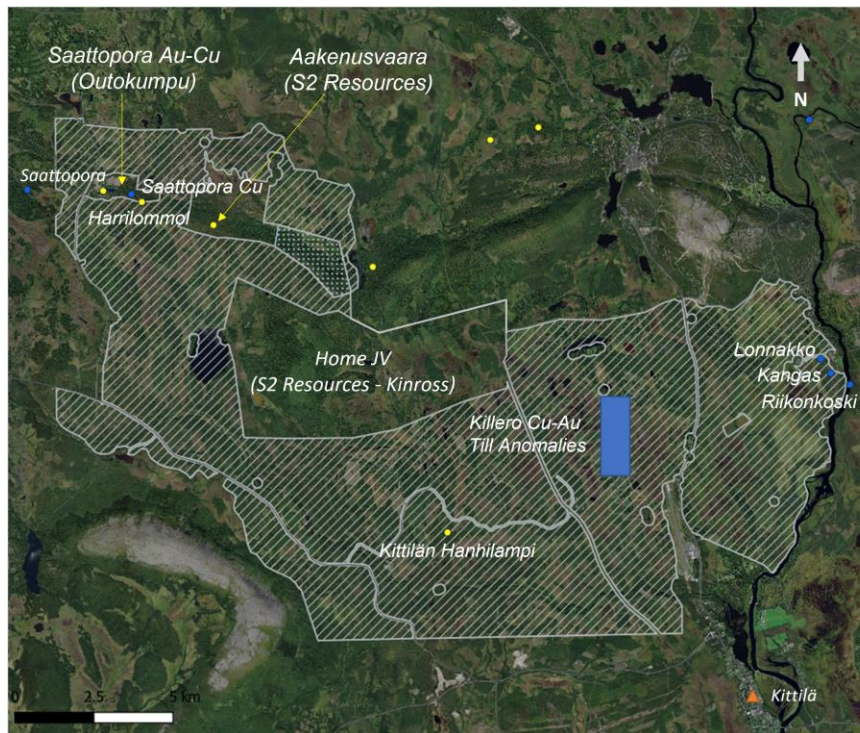
Capella Advances Gold-Copper Targets on Katajavaara and Aakenus Projects

December 07, 2021 – Vancouver, BC – Capella Minerals Ltd. (TSXV:CMIL; FRA:N7D2)(the “Company” or “Capella”) is pleased to announce that initial exploration programs designed to advance prospective gold-copper target areas on the Katajavaara and Aakenus Joint Venture (“JV”) projects in northern Finland have now commenced (Figures 1 & 2). Capella currently holds a 70% interest in the Katajavaara and Aakenus JV, in accordance with the terms of the agreement signed with ASX-listed Cullen Resources Ltd (ASX: CUL)(“Cullen”) and announced by the Company on August 24, 2021.

Highlights

- The combined Katajavaara - Aakenus project covers an area of approximately 200 square kilometres and lies immediately adjacent to the highly-productive Sirkka Thrust Zone, a regional structural corridor within the Central Lapland Greenstone Belt (“CLGB”) which is associated with numerous occurrences of both gold and base metals. Significant recent discoveries within the CLGB include Ikkari (Rupert Resources; current Mineral Resource of 49MT @ 2.5 grams per tonne (“g/t”) gold (“Au”) for 3.95Moz Au; NI 43-101 technical report filed at www.sedar.com) and Aamurusko (Risti-Launi; Aurion Resources)(Figure 3)¹.
- The Company’s initial focus will be on five main gold and/or copper target areas:
 - potential extensions to Outokumpu Oy’s Saattopora former gold-copper mining operation, which is entirely surrounded by the Aakenus project;
 - potential extensions to S2 Resources’ Aakenusvaarus gold project, which is bounded to the E by the Katajavaara project and to the W by Aakenus;
 - the Killero copper-gold (“Cu-Au”) anomaly, where exceptional Cu-Au values were returned from historical Base of Till (“BoT”) drilling by AngloAmerican but never followed up with diamond drilling;
 - the Riikonkoski-Lonnakko-Kangas cluster of copper occurrences located along the eastern boundary of the Aakenus project;
 - the Kittilan orogenic gold occurrence located in the southern part of the property.
- The Company’s projects also flank the S2 Resources-Kinross JV area at Home, where Kinross has the option to earn-in to a 70% interest in Home in return for an exploration investment of USD 9.5M (see S2 Resources’ News Release dated June 3, 2021).
- Permitting for a high-resolution drone magnetic survey to cover the Katajavaara and Aakenus project areas is expected to be initiated shortly, with the survey expected to commence in late-Q1, 2022. This data set will allow the Company to gain a greater understanding of the basement geology and associated gold-copper mineralized systems.

¹ References made to nearby mines and analogous deposits provide context for the Katajavaara and Aakenus projects but are not necessarily indicative that these projects host similar tonnages or grades of mineralization.



Legend

- Copper Deposit
- Gold Deposit
- Aakenus Reservation Area
- Katajavaara ELA
- Killero Cu-Au Till Anomalies



Aakenus Reservation, view to SW (Nov, 2021)

Figure 1. Location of the Katajavaara-Aakenus projects, together with known gold-copper deposits and occurrences within the district. The Company's initial priority target areas are also indicated.

Eric Roth, Capella's President and CEO, commented today: "I am extremely encouraged by the early results that have been obtained from work completed on the Katajavaara and Aakenus projects. It is quite clear that the Central Lapland Greenstone Belt has, in spite of its potential for new gold and copper discoveries, not seen anywhere nearly as much systematic exploration as its global peers - and we clearly see this upside potential in the target areas that have already been defined at Katajavaara - Aakenus. Finland is also a well-known mining jurisdiction, consistently ranking highly in the Fraser Institute Annual Survey of Mining Companies.

In the short term, we will continue to incorporate historical data sets into our in-house exploration database, prior to embarking on a high-resolution drone magnetic survey over the entire property before the end of the northern winter. This will then allow us to continue to develop targets during 2022 for follow-up auger (BoT) drilling and ultimately discovery drilling.

I look forward to keeping the market updated as we move our Finnish projects through the targeting process in 2022 and then onwards towards drilling."

Finnish Exploration Program

To date, the Company has focused primarily on the incorporation of historical exploration data sets from government sources (particularly the Finnish Geological Survey, or GTK) into its in-house databases. The historical data sets have included regional geological mapping and geophysical surveys, complimented with limited geochemical data sets (BoT auger sampling) acquired from former explorers. Going forward, Capella intends to complement existing data

sets for Katajavaara and Aakenus though the acquisition of high-resolution magnetic data and subsequently BoT drilling/sampling.

Initial Targets Identified at Katajavaara-Aakenus

The Company's initial focus will be on five main gold and/or copper target areas:

- potential extensions to Outokumpu Oy's Saattopara former gold-copper mining operation, which is entirely surrounded by the Aakenus project.
- potential extensions to S2 Resources' Aakenusvaarus gold project, which is bounded to the E by the Katajavaara project and to the W by Aakenus. The project was first discovered by Outokumpu in the early-1980's, with the Finnish Geological Survey reporting a significant drill intercept of 11m @ 9.6 g/t Au.
- the Killero Cu-Au anomaly, where exceptional Cu-Au values were returned from historical BoT drilling by AngloAmerican but never followed up with diamond drilling. Anomalous Cu values (the so-called "95th percentile") for BoT samples in the CLGB are considered by the GTK to be approximately 110 parts per million ("ppm"); the Killero area contains significant intervals of >110ppm Cu (and a maximum value of 5,962 ppm)². The elevated Cu values, which are locally associated with elevated Au values, are interpreted from regional geophysics to be associated with mineralization hosted in mafic (tholeiitic) volcanic rocks.
- the Riikonkoski-Lonnakko-Kangas cluster of copper occurrences located along the eastern boundary of the Aakenus project.
- the Kittilan-Hanhilampi orogenic gold occurrence located in the southern part of the property.

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

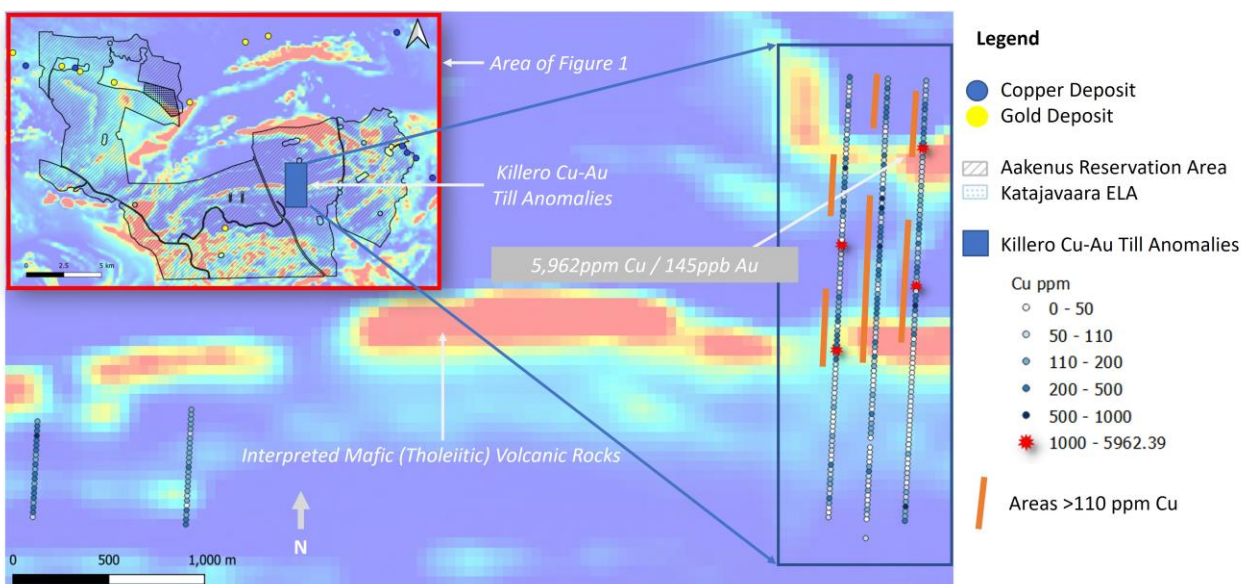


Figure 2. Elevated Base of Till ("BoT") Cu and Au values identified in the Killero sector. Background data are regional magnetic data available from the Finnish Geological Survey (GTK).

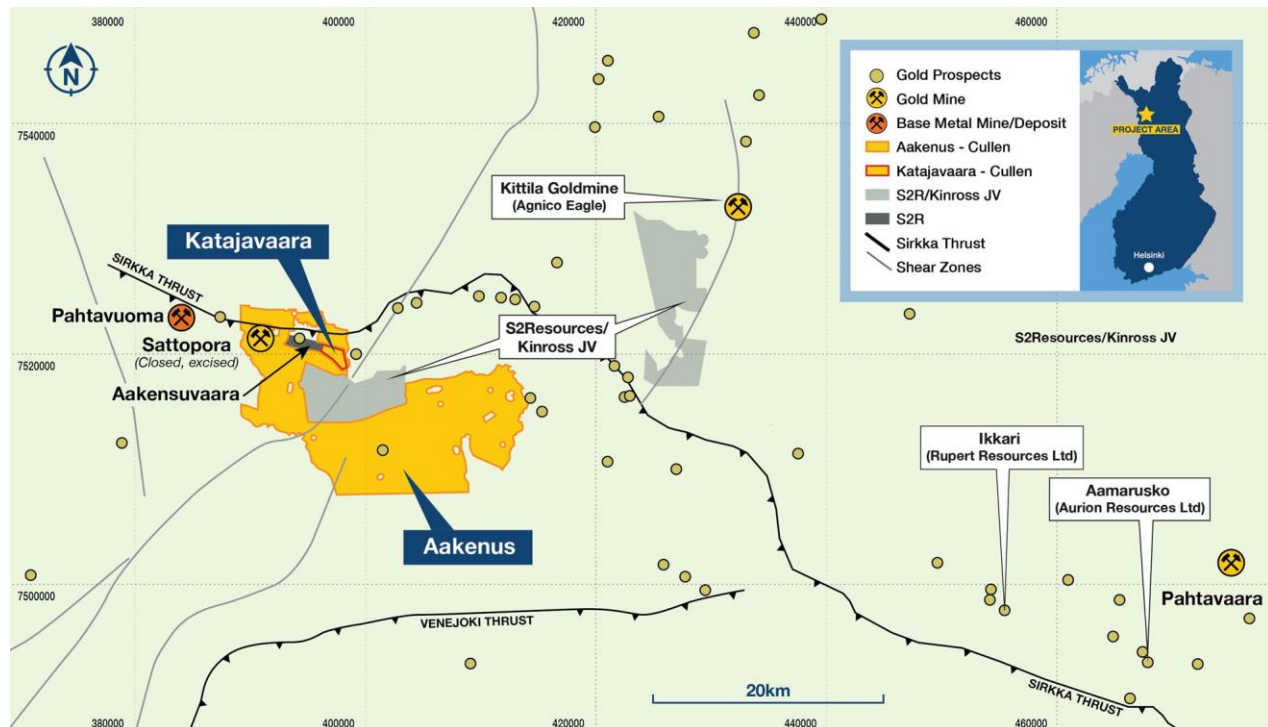


Figure 3. Regional setting of the Katajavaara and Aakenus projects, together with the locations of regional exploration projects and mines.

Terms of Capella's Earn-In

Capella's earn-in to the Katajavaara and Aakenus projects was announced on August 24, 2021, and TSX.V Exchange approval was received on September 7, 2021.

Key terms of the earn-in agreement are:

- Capella acquired an initial 70% interest in Cullen Oy (Cullen's 100%-owned Finnish subsidiary, and registered owner of the Katajavaara and Aakenus projects) in return for having paid Cullen AUD 50,000 upon receipt of Exchange approval (the "Closing Date").
- Capella will be required to invest a total of USD 250,000 in exploration expenditures on the two projects over a 24 month period from the Closing Date.
- Capella may then acquire a further 10% interest in Cullen Oy (for a total 80% interest) in return for a further USD 750,000 investment in the two projects over a 4.5 year period from the Closing Date.
- Cullen will then be free carried until the completion of a Pre-Feasibility Study ("PFS") on either of the two projects. Thereafter, a standard dilution formula will apply and should either party's direct interest fall to below 10% then they will revert to a 2% Net Smelter Royalty (with 1% being purchasable for USD 1 million).

In addition, the following cash payments are required to be made to Cullen:

- USD 50,000 on the first anniversary of the Closing Date

- USD 75,000 on the second anniversary of the Closing Date
- USD 100,000 on the third anniversary of the Closing Date

Qualified Persons and Disclosure Statement

The technical information in this news release relating to the Katajavaara and Aakenus gold-copper projects 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 Kjølvi 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.

Capella Contacts

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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.