

# Capella Provides Exploration Update for the Løkken Copper Project, Norway

VANCOUVER, BC, Dec. 13, 2022 /CNW/ - **Capella Minerals Ltd** (TSXV: CMIL) (OTCQB: CMILF) (FRA: N7D2) ("Capella" or the "Company") is pleased to provide the following update on exploration and drill targeting activities at the Company's 100%-owned Løkken copper-cobalt-zinc massive sulfide ("VMS") project in Trøndelag province, central Norway. Recent exploration activities have been focused on the 5 priority satellite targets that surround the former Løkken copper mine (Figure 1), with particular emphasis being placed on the 5km-long corridor that extends eastwards from the old Løkken mine through the adjacent Høydal occurrence and the drill-ready Åmot target.

## Highlights

- Capella's recent exploration activities have been focused on advancing the five priority satellite targets that surround the former Løkken copper mining operations, with the main focus being the highly prospective Løkken-Høydal-Åmot corridor (Figure 1).
- Field programs included systematic ground magnetic surveys and a soil geochemical (ionic leach) survey in which 987 samples were taken (with only partial results received to date).
- Capella's Åmot target is now drill-ready and consists of an undrilled 1.5km-long coincident magnetic and electromagnetic ("VTEM") anomaly with elevated soil copper-cobalt values. Initial permits for a scout drill program have been issued.
- Evaluation of historic drill data from around the former Høydal open-pit is also ongoing.

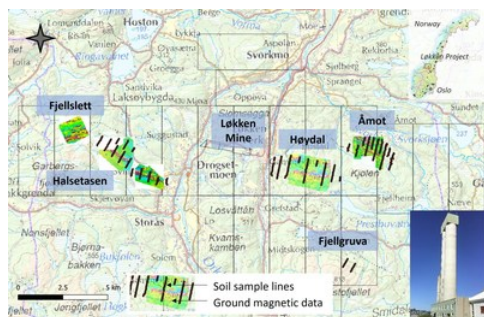


Figure 1. Priority satellite target areas for high-grade copper-rich VMS deposits at Løkken. (CNW Group/Capella Minerals Limited)

Eric Roth, Capella's President and CEO, commented: "Our summer/autumn 2022 field program in the Løkken district has successfully allowed us to advance drill targeting on our 5 priority high-grade copper targets, with the Åmot target now being drill-ready. Åmot displays all the typical characteristics of a buried massive sulfide deposit - with coincident magnetic and electromagnetic anomalies and anomalous copper-cobalt values in overlying soil samples - yet has never been tested by drilling. We have initial permits in hand for a scout drill program at Åmot, but as we currently expect to undertake first-pass drill program at our Kjølø project (Røros district) during Q1, 2023, it is likely that drilling at Åmot will be initiated by late-Q2, 2023.

We also continue to see solid exploration results coming out of the four remaining target areas, and a compilation of historical drill data for the old Høydal copper mine is also underway. I look forward to keeping the market updated on progress at the Løkken project".

## Løkken – Høydal – Åmot Corridor

High-grade copper mineralization at the former Løkken mine is hosted by a sequence of Ordovician-age metabasalts (mixed pillow and massive basalts) within an overturned ophiolite sequence. The main prospective horizon for VMS-style mineralization is interpreted to extend eastward from the former Løkken mine through the old Høydal open-pit (from which small-scale copper-zinc mining was reportedly undertaken until 1911) and to the Åmot target (Figure 3).

At Høydal, Capella completed a systematic ground magnetic survey and a soil geochemical ("IL") grid (for which results are currently pending; Figure 2) designed to identify potential extensions to the known mineralization at Høydal. A detailed review of historical drilling<sup>1,2</sup> around the old Høydal open-pit, which appears to have been focused on approximately 750m strike length of an interpreted VMS feeder zone, is also in progress.

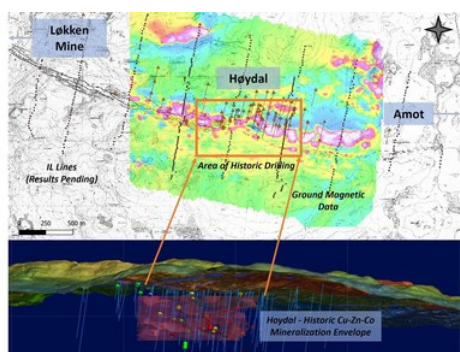


Figure 2. Capella's 2022 work program (ground geophysics and soil geochemistry) at Høydal overlain on historical drilling which is interpreted to have targeted a VMS feeder zone. (CNW Group/Capella Minerals Limited)

<sup>1</sup> Historical results have not been independently verified by the Company. A potential investor should not place undue reliance on these historical drill results when making an investment decision, nor should they be used as the sole criterion for making investment decisions. There is no assurance that the Company can reproduce such results, or that the historic results described herein will be realized.

<sup>2</sup> The 3D model shown in Figure 2 was generated using Leapfrog™ software using a copper cut-off grade of 1% and with the explicit purpose of understanding the geological context of the historic Høydal mineralization with respect to the newly defined surface geophysical and geochemical anomalies. The historic mineralization envelope does not constitute a mineral resource estimate and the Company is not treating the historic mineralization as a current resource.

Capella's Åmot target lies approximately 0.5km S of the former Åmot copper-zinc mine and is characterized by a coincident ground magnetic and VTEM anomaly with a strike length of 1.5km (Figure 3). The Åmot geophysical target has yet to be drill tested and is interpreted by the Company to lie around 150m below surface (hence is a buried target with no surface exposure). Initial permits for a winter drill program have been obtained for Åmot, however, it is currently expected that scout drilling will first be undertaken at the Kjølø project before returning to Løkken.

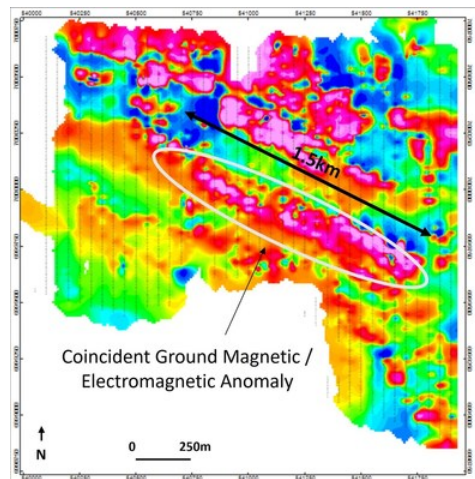


Figure 3. Capella's Åmot target extends over 1.5km in length and is defined by a coincident ground magnetic data (shown) and VTEM anomaly, and anomalous copper-cobalt values in soil samples. (CNW Group/Capella Minerals Limited)

## Qualified Persons and Disclosure Statement

The technical information in this news release relating to the Løkken 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"**

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**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 current focus is on: i) the advanced exploration-stage Hessjøgruva copper-cobalt project and the adjacent Kongensgruve and Kjølø projects in the northern Røros mining district, Trøndelag province, ii) the discovery of new 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.

In Finland, the Company's focus is on the discovery of lithium and rare-earth element deposits at both its Perho reservation and a recently acquired, 100%-owned portfolio of reservations located in Central Finland. In addition, the Company is actively exploring the Katajavaara-Aakenus gold-copper project in the Central Lapland Greenstone Belt together with JV partner Cullen Resources Ltd (ASX: CUL).

The Company 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 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.

## 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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CNW 09:00e 13-DEC-22