

ESG Report

Based on submission dated 26th November 2021

Capella Minerals Ltd

and associated exploration project(s)



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Introduction

Digbee ESG is the industry standard ESG disclosure framework for the mining sector. It provides mining companies with a right-sized, future-looking set of frameworks against which they can credibly disclose, track, compare and improve their ESG performance.

Digbee ESG has been developed in consultation with mining companies, ESG specialists and capital providers and is endorsed by leading financial institutions, producing mining companies and other industry stakeholders.

This Digbee ESG Report is the resulting output from your recent ESG submission and comprises an executive summary, your score, score breakdown, positives and negatives as well as a summary of your ESG submission responses.

How are scores calculated?

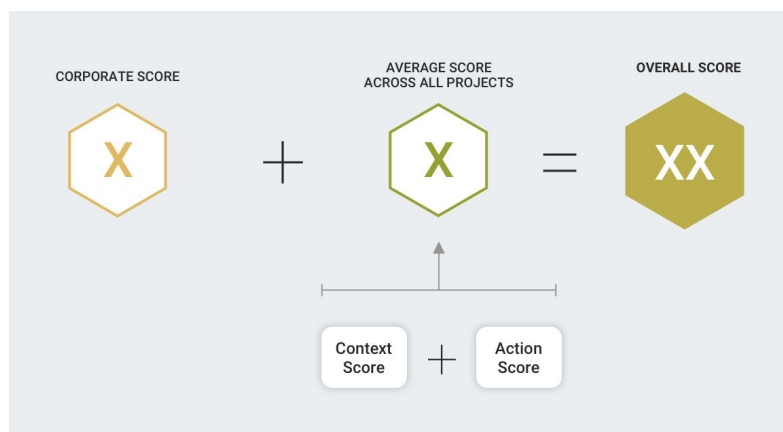
All ESG submissions are manually reviewed and scored against a set of rigorous and standardised scoring criteria.

An ESG submission comprises two types of questionnaire:

1. A single corporate-level questionnaire
2. One or more project-level questionnaires (one for each disclosable project you own).

The questionnaires are tailored to the stage of the mining company and its projects (i.e., exploration, development and/or producing).

The project questionnaires comprise a number of 'Context' questions (relating to the situation of the project) and 'Action' questions (what is being done by the management both in the boardroom and on the ground to mitigate ESG risks).



▲ Visualisation of how Digbee ESG scores are calculated

There is little one can do to influence context scores, however action scores can vary depending on the action being taken by management. Each question is scored in accordance with our scoring criteria and averaged to provide an overall output score along with a confidence banding. A confidence banding illustrates the potential range with which the awarded score can move should any of the risks be realised or mitigated.

Who scores the submission?

Scoring is undertaken by a team of accredited ESG experts who have deep experience in mining projects similar to those being scored. Each scoring team consists of two scorers and a team lead. This team of three ensures consistent scoring through robust peer review and quality control.

Executive summary



Your next ESG submission is due on **26th November 2022**. We will notify you 2 months prior to the expiry of your current Digbee ESG score.

CAPELLA MINERALS LTD is a Canadian exploration and development company. Three projects were submitted for review by the Digbee ESG team encompassing the Kjoli and Lokken exploration projects in Norway, and Katajavaara exploration project in Finland. Commodities expected to be present in economic volumes include Copper, Gold, Zinc, Silver and Cobalt.

The senior leadership of CAPELLA MINERALS LTD have deep experience in delivering exploration projects, and also boast a respectable gender balance. While some governance documentation is yet to be drafted, the approach to embedding ESG within the company strategy is clear, as is ensuring that ESG activities are catered for within the budget.

All three projects are within areas in which very successful mining has been undertaken in the past. While remediation has been undertaken by those previously working in the area, CAPELLA MINERALS LTD have been proactive in engaging water specialists to monitor the baseline quality of water sources and ways prior to commencing any drilling activity. While very little power is required by the projects currently, government-developed renewable forms of power are anticipated to be made available in the coming years, providing low-carbon forms of energy for potential mining activities.

Sami reindeer herders are present throughout all three project areas. Historically their rights have not always been respected to the levels expected today, resulting in the requirement to actively manage any areas of opportunity identified in conjunction with minority groups such as those mentioned here transparently and dynamically.

Based on the information provided, CAPELLA MINERALS LTD has achieved an overarching score of BB with a range of CCC to A as of November 2021. A corporate score of BB with a range of CC to BBB was obtained, which can be easily improved through the proven completion of tasks identified as being planned for or ongoing in this submission.

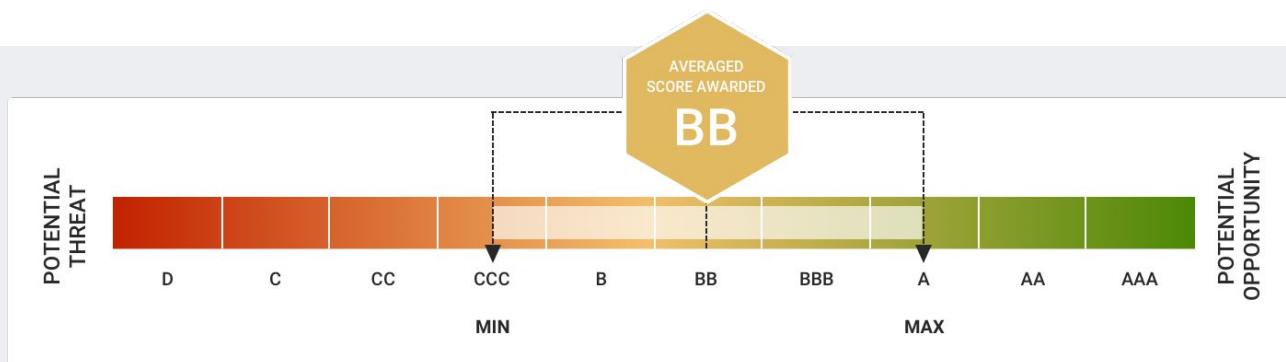
- With regards to the Katajavaara exploration project, the overarching score of BB with a range of CCC to AA was obtained as supported by a Context score of BB with a range of CCC to AA and Action score of BB with a range of B to BBB.
- The Kjoli project achieved an overarching score of BB with a range of CCC to A, supported by a Context score of BB with a range of CCC to A, and Action score of BB with a range of B to A.
- The Lokken project narrowly achieved the best scores, with an overarching score of BB with a range of CCC to AA, supported by a

Context score of BB with a range of CCC to AA, and Action score of BB with a range of B to A.

Your submission team

- Eric Roth (Approver)

Overall score for this submission



- i** Capella Minerals Ltd is rated as a **BB** with a range of **CCC** to **A**. This means that on average it scores BB but has the potential to reflect a CCC or A depending on action taken to manage its ESG. The top 5 rating bands (AAA - BB) give credit for present positives / opportunities whereas the bottom 5 rating bands (B - D) reflect present negatives / threats.

The score breakdown

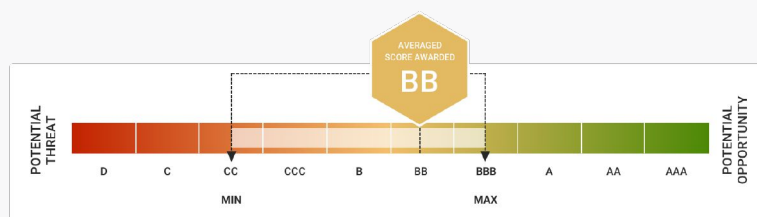
Corporate Score:
This is the score awarded for the responses to the 'Corporate-level' questionnaire

Project Score:
These are the scores awarded to any 'Project-level' questionnaires that have been submitted.

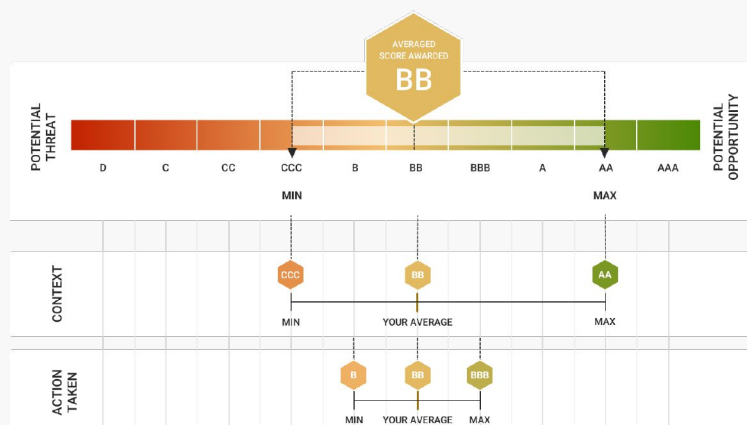
Risk Context:
Within each project, context questions try to understand the inherent risks of where the mining companies are operating.

Action:
Within each project, action questions try to understand what action is being taken by the mining companies to mitigate ESG risks.

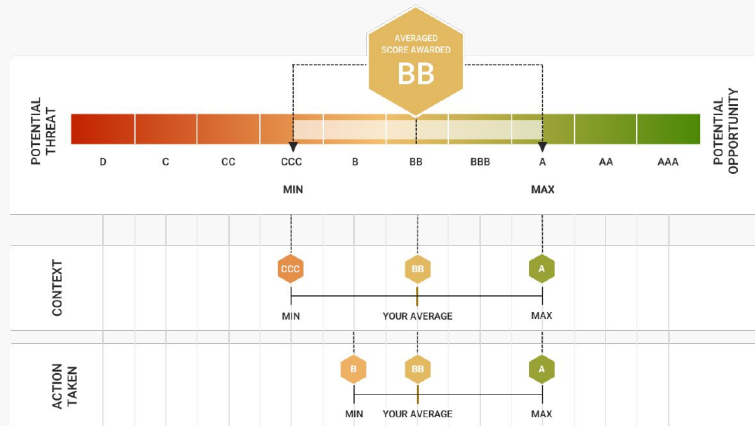
Corporate score: Capella Minerals Ltd



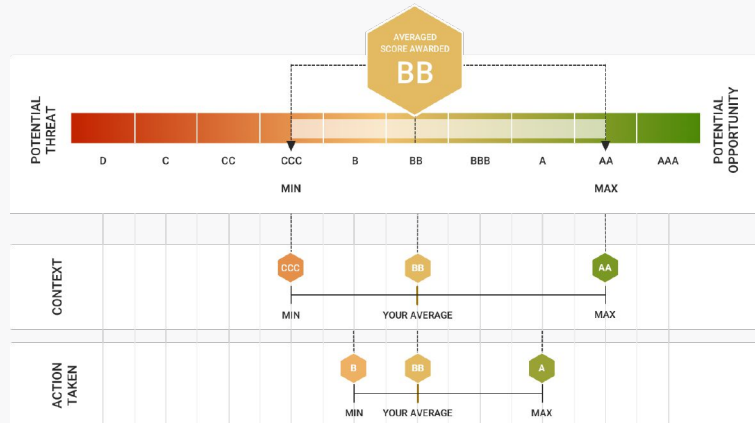
Project score: Katajavaara



Project score: Kjoli



Project score: Lokken



Overarching pros and cons

Pros	Cons
<ul style="list-style-type: none"> • All three projects submitted for review are located in well respected jurisdictions regarding good governance (Norway and Finland) as pertains to exploration and mining activities. • The diverse company leadership have deep experience in delivering exploration projects. 	<ul style="list-style-type: none"> • Historically groups present in the project regions such as Sami reindeer herders have not been attributed the rights now recognised through ILO (International Labour Organisation). This provides a negative legacy for all projects in these regions that has to be addressed by all those undertaking activities in the area. • Historic mining is present in all three project areas. While this poses both opportunity and threat to the exploration projects, the potential for water contamination from these historic sites is always present.

Corporate Pros & Cons

Corporate positives

- The company strategy was updated at the end of September 2021 and included reference to ESG citing a desire to operate within international "best practice".
- The company's management team has many years of experience in mining exploration and is firmly committed to ESG principles.
- Commitments are made to a number of industry standards / guidelines / principles including Net zero carbon, No net loss biodiversity, and ICMM Performance Expectations.
- ESG is included within budget requirements, with the understanding that all projects are relatively early stage and that this provision will need to increase in future years.
- The ownership for all assets is clear and transparent.
- The company has good gender diversity in leadership positions and those from indigenous groups are encouraged to work with the company.
- Shareholders' interests and concerns can be raised during the Annual General Meeting and / or through an Extraordinary Meeting of Shareholders. Remuneration is performance-based ensuring close alignment to shareholder requirements.
- The company plans to become involved in a number of local and regional industry bodies as and when appropriate.

- In-country accounting firms are engaged to ensure the correct level of tax is paid annually.
- At both the Lokken and Kjoli projects, significant government-funded work has led to the cleaning up of old mine workings. Some issues such as acid mine drainage still remain and is being proactively monitored by independent experts coordinated by Capella.

Corporate negatives

- While the existing strategy includes reference to ESG, the robustness of meaningful targets and accountability is expected to improve going forwards. Therefore, this is cited as a negative in the anticipation of it moving to a positive in the next submission.
- Currently ESG performance is not linked to remuneration.
- While the selection of individuals for leadership positions is based on experience and adherence to good ethics throughout their careers to-date, no formal process is articulated or followed.
- Succession planning has yet to be implemented but is planned to be addressed as the projects progress to more mature stages.
- As a result of the early stage nature of the projects, all government relations responsibilities reside with the CEO. While this may be appropriate in early stages, it is anticipated that this may change in future years.
- While no complaints have been received, it is unclear if a formal grievance process is in place and operational within the company.
- Risk management is in place, however it is unclear from the submission how dynamic it is in driving change within the organisation.
- Resilience plans are currently slightly ad hoc, primarily due to the small nature of the teams and projects.

Project Pros & Cons

Project positives - Katajavaara

- Katajavaara is a Gold-Copper project approximately 20km north of Kittila, Finland.
- Capella Minerals agreed to a 70% initial interest with ASX-listed Cullen Resources Limited in August 2021 with an option to earn-in.
- Finland is well respected globally regarding its governance pertaining to

ESG and extractives projects.

- With the exception of the possibility of an extreme weather event, there are no potential natural hazards of note.
- The region is sparsely populated and is also home to a number of other mining projects.
- The submission makes it clear that despite the region being sparsely populated, engagement and consultation with local communities and indigenous communities is very important.
- The project team is currently very small, however team members with appropriate skillsets are drawn from the region. The submission states the ambition to have gender parity between men and women in the long-term.
- While no health and safety incidents have been recorded to-date, it is expected that the appropriate safety culture will be built in line with increasing complexity of the project.
- No firearms are carried on the project by team members – for security or for hunting.
- No resettlement would be required by this project.
- While current onsite activities are powered by non-renewable means, it is anticipated that future activities may be able to draw their power requirements from the hydroelectric derived power available in the region.
- There are more than adequate water supplies available in the region both for current and future requirements. In preparation for future phases, technology that makes use of closed loop systems, thereby reducing the risk of contamination of the environment, are planned to be used.
- Waste is managed in line with the strict and well regarded Finnish governance.
- Despite this project being early stage, the nature of tailings facilities and management is already being considered in an effort to plan as early as possible for minimum or well managed tailings.
- While drilling has yet to commence, a robust awareness of the need to remediate any sites developed for exploration purposes is in place within the team.
- Clear statements are provided regarding the importance that the company places on the protection of biodiversity and water courses / ground water.
- The permitting process is relatively clear within the region.

Project negatives - Katajavaara

- A strong history of mining is present in the region which has the potential to have contributed to (or be perceived to have contributed to) pollution and difficulties regarding social licence to operate. This is raised because ethnic minorities have not always been afforded appropriate ILO (International Labour Organisation) status with associated FPIC (Free, Prior and Informed Consent).
- Finland currently does not recognise ILO 169 regarding the rights of Sami people. This therefore signifies risk regarding long term social licence to operate in the region. The Sami Parliament (covering people in Norway, Sweden, Finland and Russia) clearly indicates that forestry, transport infrastructure and mining poses a threat to both their ancestral land and future existence. It is therefore proposed by some parties that the State is using economic reasoning (e.g. support of mining) to drive a form of acculturation. All projects being considered in this region need to take this evolving risk very seriously regarding their social licence to operate.
- While violent conflict is not a concern, a number of issues have been raised in freely available media regarding concerns between Sami reindeer herders and mining projects.
- The cultural and political sensitivities regarding reindeer herding needs to be constantly acknowledged, monitored and addressed when most appropriate.
- While not within the project area, tourism is present in the area including ski tracks.
- While the ownership structure is clear, multiple parties are required to agree in order for decisions to be made.
- The project has a relatively small social media presence.
- No complaint or grievance process is in place, however the previous / co-owners are well regarded in the region.
- No baseline monitoring programmes have commenced as yet, however their need has been acknowledged and there are plans to start in 2022.
- While no ESIA has yet been started, it is acknowledged that this will be a requirement moving forward.
- The lead for stakeholder engagement is the CEO who is not based in country. It is acknowledged in the submission that an individual with the appropriate skills and geographic location will be required as the project progresses.

Project positives - Kjoli

- The Kjoli project is based in sparsely-populated central Norway, in a region recognised for its mining until the 1980's. This positive history of mining results in the community having a generally positive attitude towards mining in the area.
- The high-grade copper-rich massive sulphide also contains zinc and cobalt, with some gold and silver also in evidence.
- Exploration drilling is expected to start in early 2022 with all activities undertaken to date making use of data collected via historical datasets, geological mapping, soil sampling, and ground geophysics.
- No significant natural hazards other than extreme weather are expected to directly impact on the project given its location.
- The project was acquired from another mining company in late 2020 and was expanded throughout 2021. No known remediation requirements (e.g., environmental legacies) were passed to Capella Minerals Ltd, however there may be opportunities to undertake remediation of old mine workings in the area if appropriate.
- The project team is currently very small, however anticipated team makeup in the next 5 years is expected to be diverse regarding gender. Currently 67% of the workforce is drawn from the local population with this expected to increase to 80% over the next few years. It is also acknowledged that experts drawn from the international market may also need to be included in the team.
- While no safety and health incidents have been reported, a culture of safety supported by appropriate training and behaviour is expected to be built in preparation for the drilling season.
- No firearms are carried on the project by team members – neither for security nor for hunting.
- The Nesjodammen hydroelectric plant which provides power to both local and national electricity grids is located 8 km from the property. It is anticipated by the reviewers that should this project progress to a mine, electricity could be drawn from this renewable source of power.
- The project is accessed via local gravel roads during the summer months. Access to the main target area is via walking, however as the project advances it is anticipated that most access will be from the gravel roads.
- The project currently has very low water consumption, and it is anticipated that the level of precipitation in this region will not cause a problem for future operations.
- All waste is currently being and planned to be disposed of using authorised

waste disposal sites.

- Although the processing of ore contained in this project is many years in the future, the team is already considering the use of paste backfill in the underground mines rather than a surface tailings storage facility.
- The process of permitting is well-defined in this area, with permits generally being granted in accordance with their expected timelines.
- While drilling has yet to commence, it is expected that closed loop drilling will be utilised as well as capped drillholes – resulting in no negative impact on the surrounding environment.
- A third-party has been engaged to assist with surface water geochemical surveys to establish a baseline and control any potential future challenges regarding acid drainage (if necessary).
- All communication is undertaken in both Norwegian and English. It is anticipated that other languages such as that used by Sami will be included in the future as and when required.
- Local people are hired and trained where possible.
- The team have embarked on a training programme to educate the local population on the stages of mining and processes used today in the industry.

Project negatives - Kjoli

- The Mining Act in Norway is currently being rewritten with the content yet to be revealed.
- The general election held in Norway in September 2021 brought a Labour coalition with what has been described as both the 'farmer's party' and 'populist' party, hence future mining may be less supported than it has been previously.
- Mining as an activity has been regarded by some to be increasingly contentious within Norway over the past few years, with a number of protests being noted in this region. It should also be noted that Resource Nationalism has also been growing in this general region in recent years.
- During the summer months, Sami reindeer herders operate locally and roam over the full project area.
- A small community (approximately 2000 people) is located to the west of the project area. While it is too early to understand the potential extent of the geological deposit, it is anticipated that the residents within this community will have an interest in the exploration activities.

- A small number of isolated cabins exist at the western entrance to the property. While these are not permanent residences, owners and visitors may be interested in the exploration and potential mining activity.
- The project currently has very little social media presence.
- While there is no evidence of conflict in this area, there is evidence of protests against windmill parks in the region by Sami, as herding of reindeer has the potential to be affected.
- While the region is well-organised regarding governance, multiple layers of Local, Provincial and National decision making exist which are complemented by the formal recognition of the Sami Parliament. Multiple decision makers therefore have to be considered and consulted during the lifetime of the project.
- While the project is supported by the National, Provincial and Local development plans (e.g. <https://www.espon.eu/sites/default/files/attachments/WS%20C%20-%20Jan%20Edoy%20Regional%20development%20in%20Norway.pdf>), and more specifically by the Trondelag regional plan, this will be a rolling plan and therefore community support will need to be maintained to ensure continued social licence to operate.
- While no formal environmental or social impact assessments have been commenced, it should be noted that water monitoring has started. Some data key to a typical ESIA (such as high-level biodiversity and social studies) may be expected to be collected prior to / during drilling activities
- The CEO currently takes ownership of all stakeholder engagement which is a positive, however it is recognised that as the project progresses, a dedicated person for this role will be required on site. As the project progresses it is anticipated that this will be clearly structured to enable all stakeholders to be involved.
- Currently there is little knowledge of cultural heritage within the area, however it is anticipated this will be acknowledged as and when it is discovered and addressed as appropriate.

Project positives - Lokken

- Located approximately 50km to the SW of Trondheim, the Lokken project surrounds the former Lokken underground copper mine (closed in 1987). The former mine was significant having produced an estimated 24Mt @2.3% Cu and 1.8% Zn (plus silver and gold credits).
- While the former mine closed due to low copper prices rather than having been exhausted, current exploration focuses on satellite occurrences of Copper, Zinc, Silver and Gold. There is also the potential for the presence of

Cobalt.

- This project therefore has significant potential to address any legacy opportunities and / or challenges posed by the former mine workings.
- Capella Minerals Ltd owns 100% of the Lokken project, having acquired it from EMX Royalty Corp.
- In part due to the historic workings at Lokken, the local community is reported in the submission to be very supportive of the current exploration project.
- Land use on and adjacent to the project property is restricted to low density agricultural activities. The only known plans for potential land use change in the area, is that of the positioning of experimental wind farms for electricity generation.
- Other than the potential for extreme weather events, no significant natural hazards are noted which may impact on this project.
- Any new deposits discovered in this region are likely to be mined via underground methods, thereby reducing the potential for community disruption due to direct mining activities.
- To date, activities have been constrained to low impact geological sampling and geophysics, combined with a review of historical documents. Drilling is expected to commence once drill targets have been identified.
- The project team currently consists of three individuals, all of whom are drawn from the local population. The mixed-gender team is expected to grow as the project progresses with the realistic expectation that expertise external to the local population may need to be brought in.
- While no health and safety incidents have been recorded, it is anticipated that an entrenched safety culture will be developed as the project progresses.
- No firearms are carried on the project by team members – for security or for hunting.
- Access to the property is currently via public and private roads combined with walking and horse riding. The use of off-road vehicles generates surface damage that is intentionally being avoided through the use of other methods of transportation.
- While not applicable today, the construction of wind turbines in the local area may provide a source of renewable power in future years of the project / operation.
- Water is plentiful in the region, however appropriate technology such as closed loop drilling is planned to be used so that the potential for water contamination is appropriately managed. It is clear that thought is already

being applied to the management of water and mine waste in the future which should be encouraged and congratulated. This includes the use of backfill waste management methodologies for the anticipated underground workings.

- The permitting process in the region is clear and adhered to. For example, the requirement for “off road permits” and drill permitting is clearly outlined in the submission.
- While most baseline studies will only commence in 2022, a third party has already been engaged to provide a baseline study of surface water quality.
- All communication is undertaken in both Norwegian and English. Sami reindeer herders who visit the areas during the summer months are typically fluent in Norwegian as well as the local Sami dialect. Communication in the future may need to include appropriate Sami dialect if necessary.

Project negatives - Lokken

- While many opportunities from exploring in the same area as historic mine workings exist, all potential ESG legacies needs to be considered, even if other parties have ownership of this legacy. Opportunities include: the opportunity to further remediate workings; taking advantage of existing infrastructure; and a positive mining social sentiment in the area. The potential for associated negative perception is always present and should ideally be acknowledged from the earliest stages of planning.
- The Norwegian Mining Act is currently being updated, therefore ensuring some uncertainty regarding the mining industry within the country.
- The newly elected government in Norway (elections held in September 2021) is considered to be potentially less supportive of mining than was the case of previous governments.
- Resource Nationalism has been growing in Norway in recent years with a number of protests being noted in this region.
- During the summer months, Sami reindeer herders operate locally and roam over the full project area. This introduces an extra level of complexity regarding the social context that always needs to be considered and addressed.
- Protests by Sami reindeer herders regarding the potential erection of windmills in the area have been noted.
- While the project is supported by the National, Provincial and Local development plans (e.g. <https://www.espon.eu/sites/default/files/attachments/WS%20C%20-%20Jan%20Edoy%20Regional%20development%20in%20Norway.pdf>), this

will be a rolling plan and therefore community support will need to be maintained to ensure continued social licence to operate.

- The land on which the project is located is a mix of government and privately owned land. While no complexities regarding this structure are apparent at the present time, they may become evident with time.
- While clearly noted in the submission and therefore acknowledged by the project team, contamination of water courses and the ecosystem via acid mine drainage is a concern based on knowledge gathered from historic mine workings and relevant documentation.
- Multiple layers of Local, Provincial and National decision making exist in the region which are complemented by the formal recognition of the Sami Parliament. While this is well organised, multiple decision makers will have to be considered and consulted throughout each stage of the project.
- The Development Plan(s) relevant to the region will be updated regularly and should be consulted to ensure continued social licence to operate. (e.g. <https://www.espon.eu/sites/default/files/attachments/WS%20C%20-%20Jan%20Edoy%20Regional%20development%20in%20Norway.pdf>).
- All stakeholder engagement is currently led by the CEO who does not live in-country or on the project. With time it is acknowledged that this responsibility may be led by an on-site team member.
- Very little presence on social media is evident currently.
- Currently there is little knowledge of cultural heritage within the area, however it is anticipated this will be acknowledged as and when it is discovered and addressed as appropriate. The historic mine workings may also be considered to provide aspects of cultural heritage.

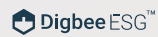
Corporate score distributions



The following visual is an overview of the corporate-level questionnaire scores.

The individual scores noted on each bar are the scores that have been awarded for that question. If an individual bar has 2 scores listed, it's because the scores covered a range across multiple bandings.

Corporate: Capella Minerals Ltd



Corporate Score Distributions: Capella Minerals Ltd

Pre-PFS (Exploration) Framework: Scores valid for 12 months as of 26 November 2021

Question IDs & theme	POTENTIAL THREAT						POTENTIAL OPPORTUNITY			
	D	C	CC	CCC	B	BB	BBB	A	AA	AAA
C-01.01 ESG Risk Strategy			CC							
C-01.02 Organisational Commitment						BB				
C-01.03 ESG Budgetary Provision							BBB			
C-01.04 Updated ESG KPIs			CC							
C-01.05 Presence of Significant Partners							BBB			
C-01.06 Degree of Partner Influence						BB				
C-01.07 Management of Operating Partner						BB	BBB			
C-02.01 Board and Leadership Structure							BBB			
C-02.02 Board Capability							BBB			
C-02.03 Board Diversity							BBB			
C-02.04 Succession Planning					B					
C-02.05 Labour Management							BBB			
C-02.06 Executive Pay			CC							
C-03.01 Government Engagement Appointee						BB				
C-03.02 Government Engagement Monitoring										
C-03.03 Shareholder Oversight						BB				
C-03.04 Management of Shareholders						BB				
C-03.05 Participation in Industry Bodies						BB				
C-04.01 Verification of Site-Level Compliance							BBB			
C-04.02 Permitting Compliance Monitoring								A		
C-05.01 Feedback Management					B					
C-05.02 Tax Transparency							BBB			
C-05.03 Corruption							BBB			
C-06.01 Promotion of Risk Management					B	BB				
C-06.02 Emergency Preparedness					B					
C-06.03 Prioritisation of ESG						BB				

Project score distributions



The following visual is an overview of the project-level questionnaire scores.

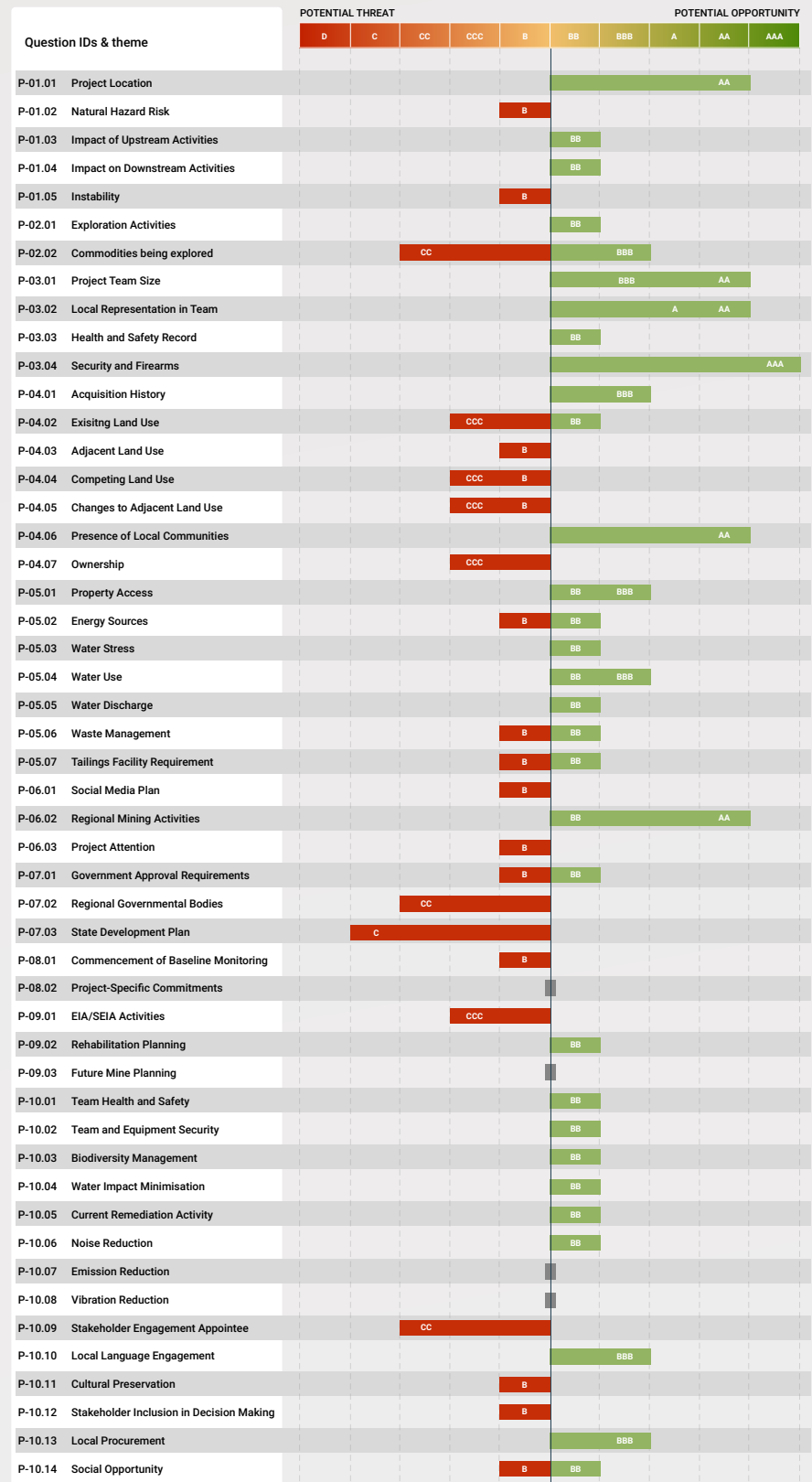
The individual scores noted on each bar are the scores that have been awarded for that question. If an individual bar has 2 scores listed, it's because the scores covered a range across multiple bandings.

Project: Katajavaar



Project Score Distributions: Katajavaara

Pre-PFS (Exploration) Framework: Scores valid for 12 months as of 26 November 2021



Project score distributions



The following visual is an overview of the project-level questionnaire scores.

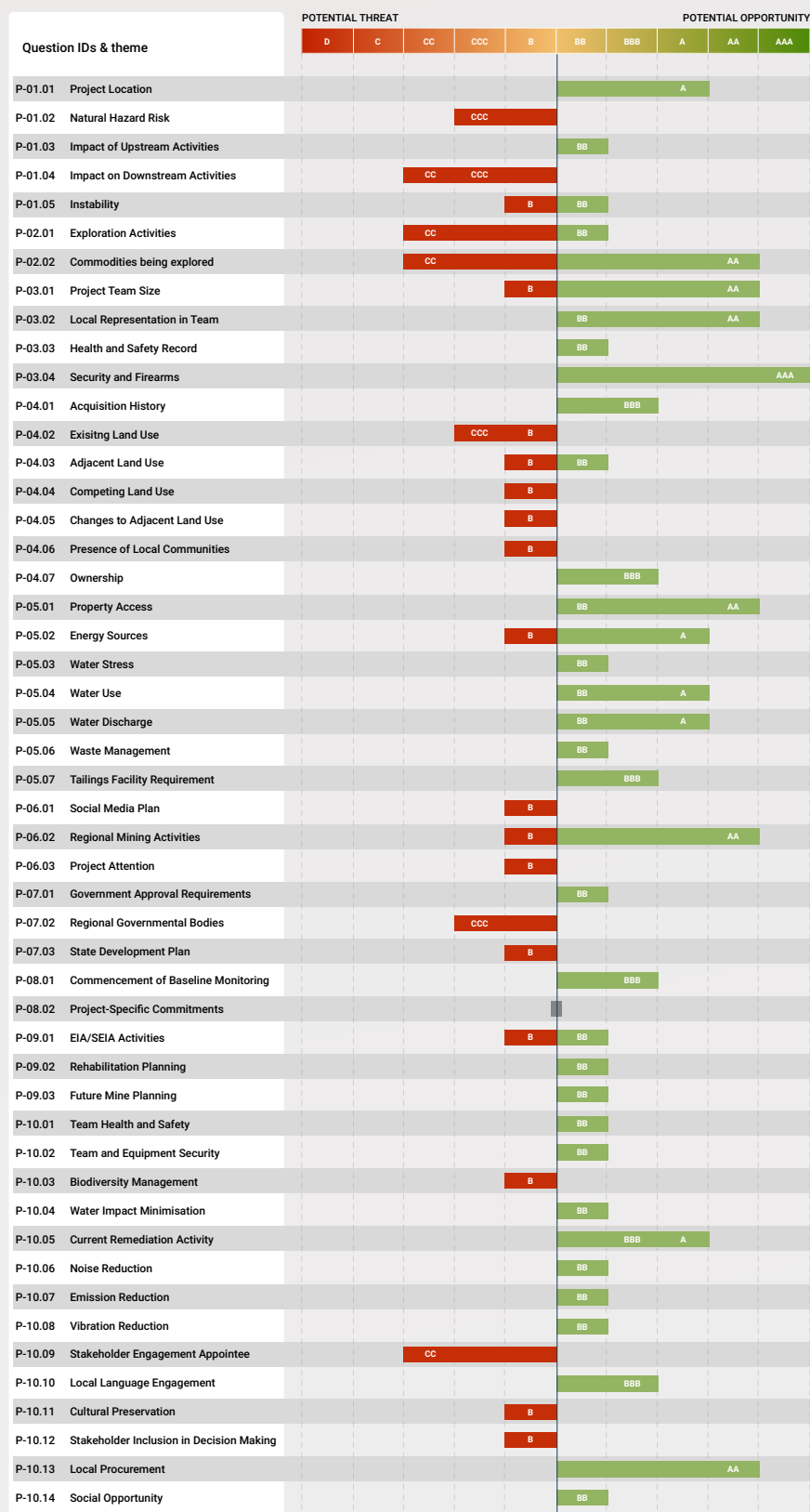
The individual scores noted on each bar are the scores that have been awarded for that question. If an individual bar has 2 scores listed, it's because the scores covered a range across multiple bandings.

Project: Kjoli



Project Score Distributions: Kjoli

Pre-PFS (Exploration) Framework: Scores valid for 12 months as of 26 November 2021



Project score distributions



The following visual is an overview of the project-level questionnaire scores.

The individual scores noted on each bar are the scores that have been awarded for that question. If an individual bar has 2 scores listed, it's because the scores covered a range across multiple bandings.

Project: Lokken



Project Score Distributions: Lokken

Pre-PFS (Exploration) Framework: Scores valid for 12 months as of 26 November 2021

Question IDs & theme	POTENTIAL THREAT					POTENTIAL OPPORTUNITY				
	D	C	CC	CCC	B	BB	BBB	A	AA	AAA
P-01.01 Project Location								A		
P-01.02 Natural Hazard Risk				CCC						
P-01.03 Impact of Upstream Activities						BB				
P-01.04 Impact on Downstream Activities				CCC	B					
P-01.05 Instability					B	BB				
P-02.01 Exploration Activities			CC			BB				
P-02.02 Commodities being explored			CC					AA		
P-03.01 Project Team Size					B			AA		
P-03.02 Local Representation in Team						BB		AAA		
P-03.03 Health and Safety Record						BB				
P-03.04 Security and Firearms								AAA		
P-04.01 Acquisition History							BBB			
P-04.02 Existing Land Use				CCC				AAA		
P-04.03 Adjacent Land Use					B					
P-04.04 Competing Land Use					B					
P-04.05 Changes to Adjacent Land Use					B					
P-04.06 Presence of Local Communities								AAA		
P-04.07 Ownership			CC							
P-05.01 Property Access							BBB			
P-05.02 Energy Sources								A		
P-05.03 Water Stress						BB				
P-05.04 Water Use						BB				
P-05.05 Water Discharge						BB		A		
P-05.06 Waste Management						BB				
P-05.07 Tailings Facility Requirement							BBB			
P-06.01 Social Media Plan					B					
P-06.02 Regional Mining Activities					B			AA		
P-06.03 Project Attention					B					
P-07.01 Government Approval Requirements					B	BB				
P-07.02 Regional Governmental Bodies				CCC						
P-07.03 State Development Plan					B					
P-08.01 Commencement of Baseline Monitoring							BBB			
P-08.02 Project-Specific Commitments										
P-09.01 EIA/SEIA Activities					B					
P-09.02 Rehabilitation Planning						BB				
P-09.03 Future Mine Planning						BB				
P-10.01 Team Health and Safety						BB				
P-10.02 Team and Equipment Security						BB				
P-10.03 Biodiversity Management						BB				
P-10.04 Water Impact Minimisation						BB				
P-10.05 Current Remediation Activity							BBB	A		
P-10.06 Noise Reduction						BB				
P-10.07 Emission Reduction						BB				
P-10.08 Vibration Reduction						BB				
P-10.09 Stakeholder Engagement Appointee			CC							
P-10.10 Local Language Engagement							BBB			
P-10.11 Cultural Preservation					B					
P-10.12 Stakeholder Inclusion in Decision Making					B					
P-10.13 Local Procurement							BBB			
P-10.14 Social Opportunity						BB				

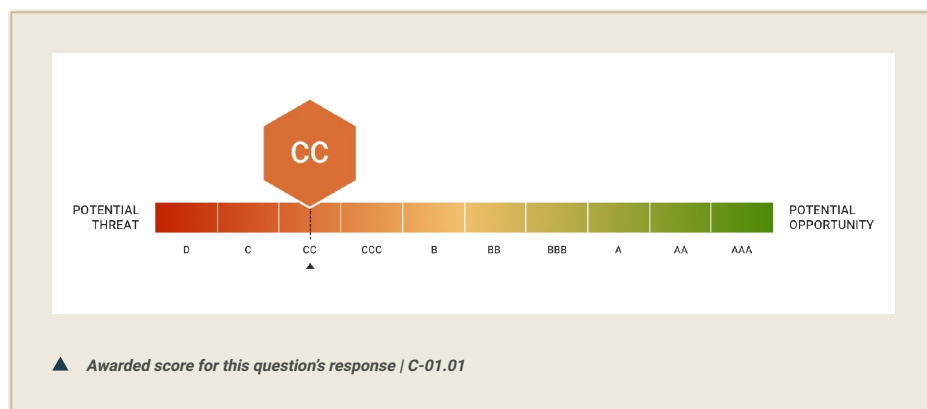
Corporate responses



For reference, your submission responses are detailed in this section along with the individual scores awarded for each question.

Corporate Question ID: C-01.01

Are ESG risks (both potential opportunities and threats) addressed within your most recent Company Strategy? If so, how?



Response

Date of most recent Strategy update (mm/dd/yyyy): "10/29/2021"

Comments pertaining to addressing of ESG areas of risk (both opportunity and threat): "Our goal is to operate with international "best practice" standards in ESG in all the jurisdictions that we operate in. Capella is a junior exploration Company with early-stage copper and gold projects, nevertheless, effective management of ESG issues begins on Day 1 in the life of any exploration project."

Supporting Narrative

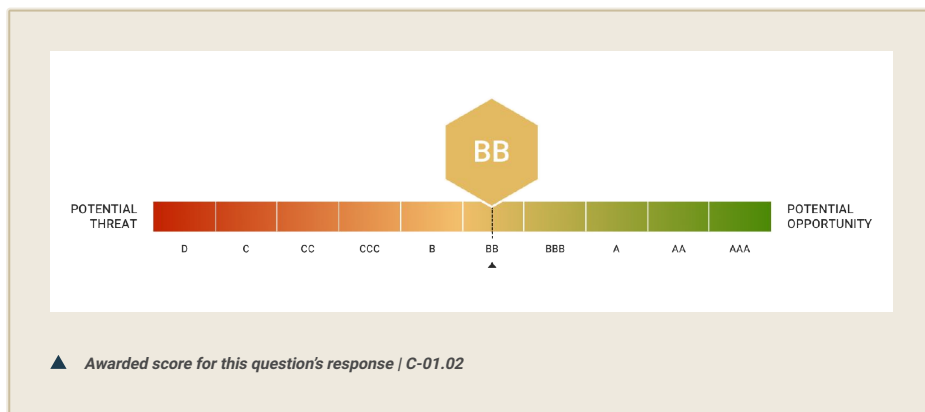
Going forward we will add a dedicated section on ESG to our quarterly reporting (Canadian MD&A reports), annual reporting, and also our Corporate website
Capella Minerals corporate website: www.capellaminerals.com

Supporting Evidence Supplied

None

Corporate Question ID: C-01.02

Has the organisation committed to any of the following? Tick all that apply, including formal commitments. Proof of commitments to be uploaded / linked to.



Response

Corporate statements

- ☒ No net loss biodiversity
- ☒ ICMM Performance Expectations
- ☐ World Gold Council RGMP
- ☒ Net zero carbon
- ☐ TCFD reporting
- ☐ Paris Agreement Goals
- ☐ EITI support
- ☐ GRI reporting
- ☐ SASB Reporting
- ☐ B Corporation
- ☐ ISO 14000
- ☐ Other

Collective and collaborative initiatives

- ☐ UN Global Compact / SDGs
- ☐ UN CEO Water Mandate
- ☐ Climate Action 100+
- ☐ UN Voluntary Principles on Human Rights
- ☐ WBCSD
- ☐ Chapter Zero
- ☐ Natural Capital Coalition
- ☐ Business for Nature

☐ Other

Supporting Narrative

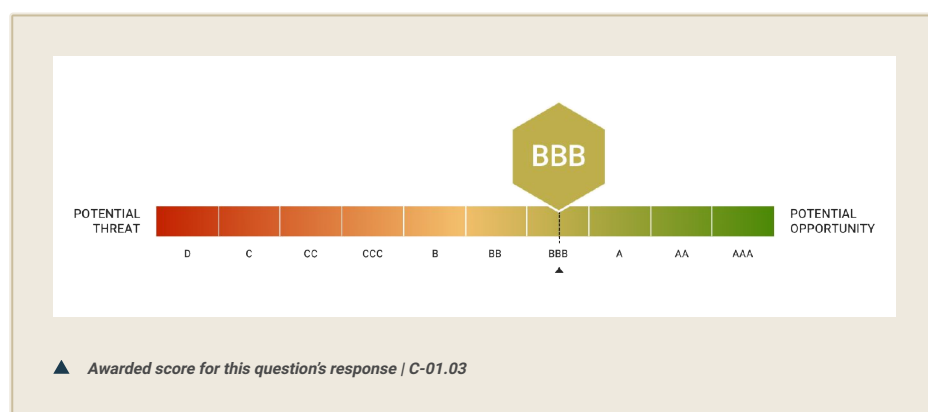
Capella's Management and Corporate team has decades of experience in the exploration business and is fully aware of the need to take care of both the environment and communities located within the area of influence of the project. The Company operates in jurisdictions (Canada, Norway, Sweden, Finland) where high-levels of environmental / social care are both legislated and demanded. Furthermore, all of the Company's projects are located in a fragile, sub-arctic circle environment that has seen some negative effects from previous mining - and these standards are the most appropriate for our ESG strategy to minimize social/environmental impact.

Supporting Evidence Supplied

None

Corporate Question ID: C-01.03

Has the organisation prepared budgets that will ensure provision of human and financial resources to implement mitigation measures required to address significant environmental and social impacts? Investors are increasingly interested in budgets and resources specifically allocated to sustainability activity to understand how management are addressing issues and future risks.



Response

- ☒ Yes
- ☐ No
- ☐ Unsure

Supporting Narrative

The Company's exploration projects are early-stage and therefore low impact from an environmental standpoint. Social programs are currently limited to ensuring that we maximize the hiring of local employees/contractors as well as providing general education to local communities on the stages in (and the importance of) exploration and mining. Going forward the Company will increase its social and environmental programs commensurate with increasing levels of activity on the projects. In the case of our Lokken and Kjoli projects in Norway, both of which are former copper mining districts, the Norwegian state is responsible for any pre-existing environmental liabilities. However, Capella is also

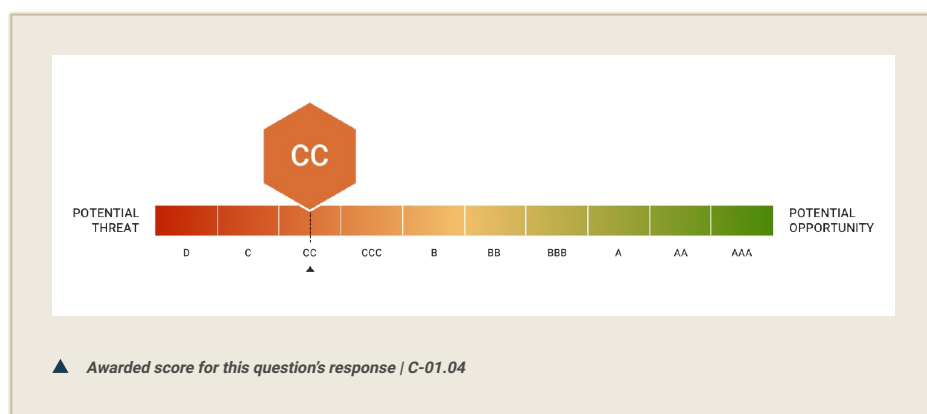
voluntarily undertaking surveys (such as surface water sampling) to ensure that potential issues such as acid mine drainage remain in check.

Supporting Evidence Supplied

None

Corporate Question ID: C-01.04

Has the Board waived or restated ESG-related targets or Key Performance Indicators over the last three years?



Response

- ☐ Yes
- ☒ No

Supporting Narrative

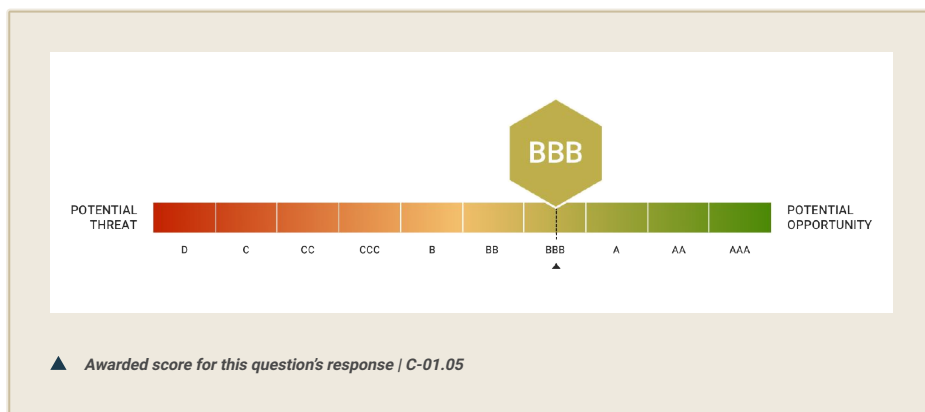
The Company has always adhered to international "best practice" with respect to the management of environmental and social issues at its exploration projects. The Board will look to formalize ESG policies as the projects advance through discovery and onwards towards mine development.

Supporting Evidence Supplied

None

Corporate Question ID: C-01.05

What is your beneficial ownership? Are there any financially significant partnerships or Joint Ventures with ability to influence strategy and / or operations ? Investors and regulators are increasingly looking at issues of ownership and control linked to the independence of a Board.



Response

Answer: "Capella owns 100% interests in the Lokken and Kjolli projects in Norway & the Southern Gold Line Project in Sweden, and is earning in to an 80% interest in (and are operators of) the Katajavaara JV project in Finland. For 2022 we expect most activity to be on the Norwegian and Finnish projects. Board and Management are shareholders (9.6% total) of Capella."

Supporting Narrative

The Company's Lokken and Kjolli projects in Norway, together with the Southern Gold Line project in Sweden, were acquired from EMX Royalty Corp (EMX) in late 2020. EMX is a US/Canadian royalty company which holds interests in royalty assets spread throughout a number of jurisdictions globally. EMX also holds a 9.9% shareholding in Capella as a result of these project acquisitions. EMX Corporate website: <https://www.emxroyalty.com/>

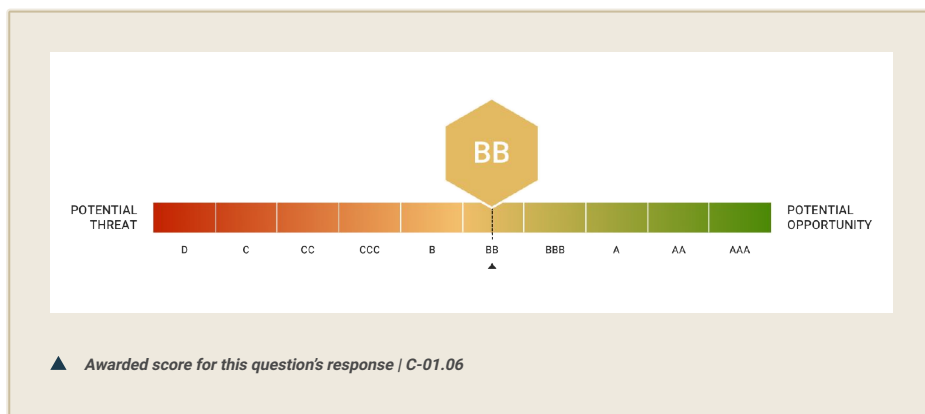
The Finnish project Katajavaara is a Joint Venture with Australian explorer Cullen Resources and was announced in August 2021. Cullen Resources Corporate website: <http://cullenresources.com.au/>

Supporting Evidence Supplied

None

Corporate Question ID: C-01.06

Are there any financially significant partnerships, or Joint Ventures with the ability to formally or informally influence strategy and / or operations? Please list, together with their level of influence over the operation of the project.



Response

Answer: "We are assisted with operations on our Norwegian and Swedish projects by former project owner and current shareholder EMX Royalty Corp. At Katajavaara in Finland, Australian-based Cullen Resources is our minority Joint Venture partner."

Supporting Narrative

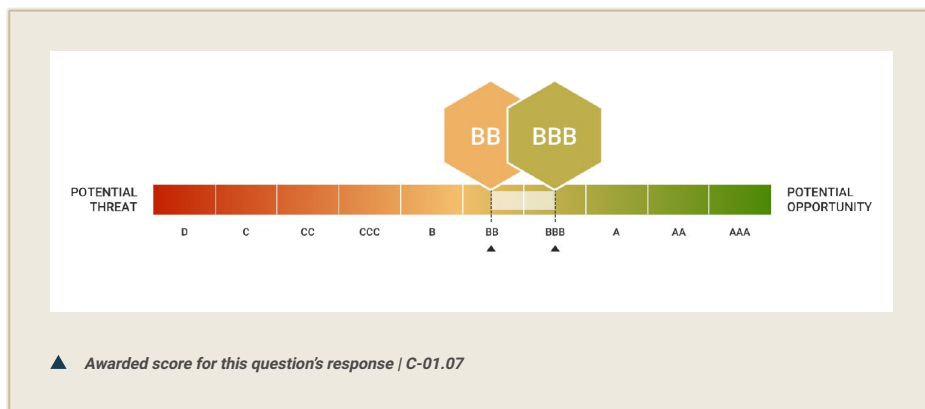
EMX is able to provide technical and administrative (and social and environmental as needed) support for our Norwegian and Swedish projects.

Supporting Evidence Supplied

None

Corporate Question ID: C-01.07

Does the company portfolio include any Joint Ventures for which the company is not the operating party? If so, how does the company ensure good practice ESG on those operations / projects? (NOTE: If the company has submitted a Digbee Project submission for this JV, please indicate as such and no further commentary is required).


Response

☒ Yes

Please provide commentary as to how good practice is ensured in these JVs: "Capella also has two Canadian Joint Ventures (Domain in Manitoba and Savant Lake in Ontario) that are managed by JV partners. In the case of Domain, our JV partner is Yamana Gold Inc (an ESG-compliant, mid-tier Canadian gold producer) whilst at Savant Lake we have the Canadian junior Ethos Gold Inc as project operator."

☐ No

Supporting Narrative

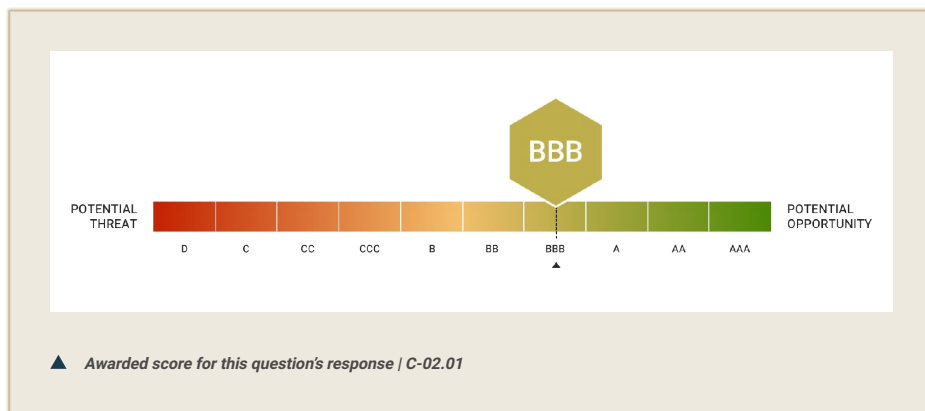
None

Supporting Evidence Supplied

None

Corporate Question ID: C-02.01

Please provide us with the structure of your Board and Senior Leadership



Response

Ø No answer provided

Supporting Narrative

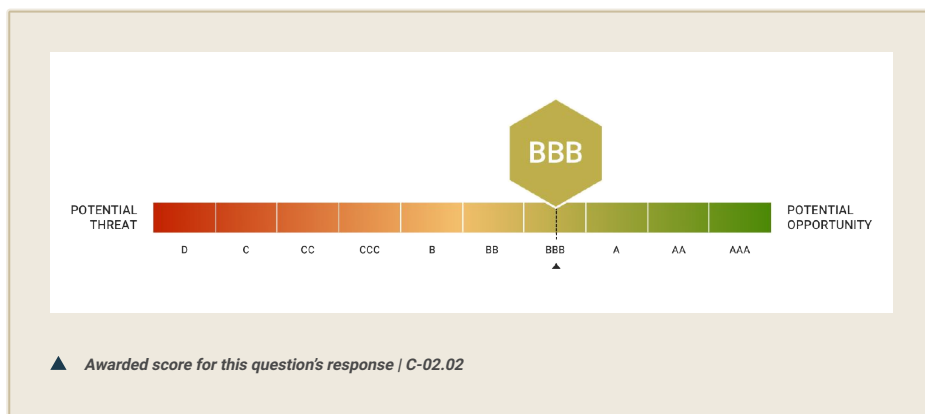
The Company's Board consists of 3 Directors and collectively has many decades of experience in the successful management of mineral exploration and development projects globally. Individual Director profiles are available at: <https://capellaminerals.com/corporate/officers-directors/>
Our core projects teams consist of: a Senior Geologist and Exploration Geologist in Norway, a group of technical / admin people sourced from EMX Royalty in Sweden, and a Project Geologist (and supporting consulting group, Geopool) in Finland. The Company also has a Chief Geoscientist based in Vancouver, Canada.

Supporting Evidence Supplied

- Director Form - Eric Roth.pdf
- Director Form - Glen Parsons.pdf
- Director Form - Mary Little.pdf

Corporate Question ID: C-02.02

How do you address the Board skills and capability to manage current and future risks for the company and its project(s)? (Upload company's CG Code Engagement Terms for directors / Board report / resolution extracts or reference)



Response

Answer: "All of Capella's Board Members have an extensive and impeccable track record in global mineral exploration. Maintaining high ethical and environmental standards are critical for the business' success."

Supporting Narrative

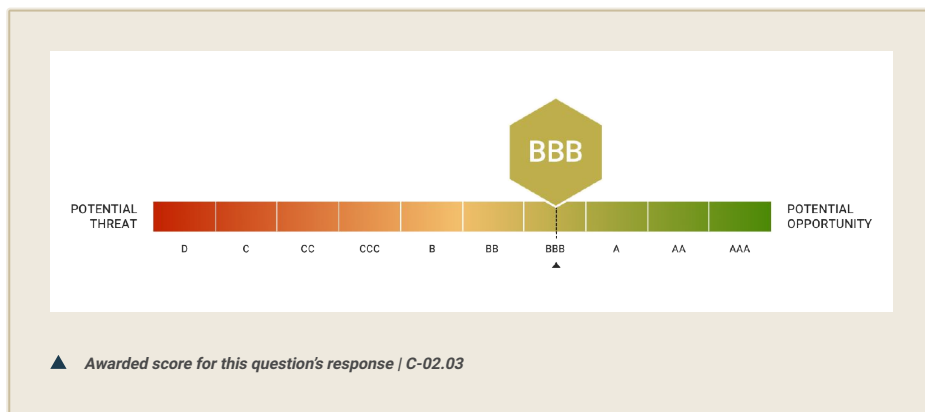
The Board's relevant experience in mineral exploration is provided on the Company's website:
<https://capellaminerals.com/corporate/officers-directors/>

Supporting Evidence Supplied

None

Corporate Question ID: C-02.03

What steps are taken to ensure transparency and diversity in the Director selection processes? (Upload company's CG Code Engagement Terms for directors / Board report / resolution extracts or reference)



Response

Answer: "Board Members are selected based on i) overall experience in the exploration / mining industry and ii) their adherence to a strict code of ethics over their careers"

Supporting Narrative

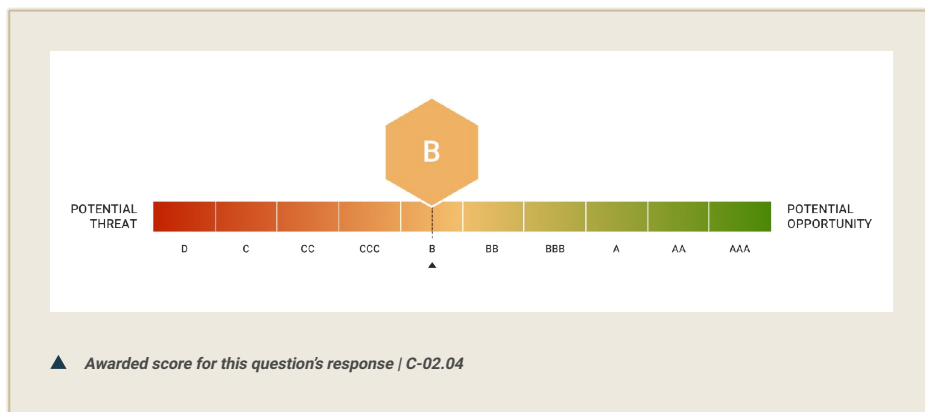
None

Supporting Evidence Supplied

None

Corporate Question ID: C-02.04

Are succession plans in place for key management functions? (Alongside emergency planning and 'chain of command' issues there should be a plan for building leadership capability within the business to provide the Board comfort with options for natural development as well as unplanned events)


Response

- ☒ No
- ☐ Yes, updated > 12 months ago
- ☐ Yes, updates < 12 months prior

Supporting Narrative

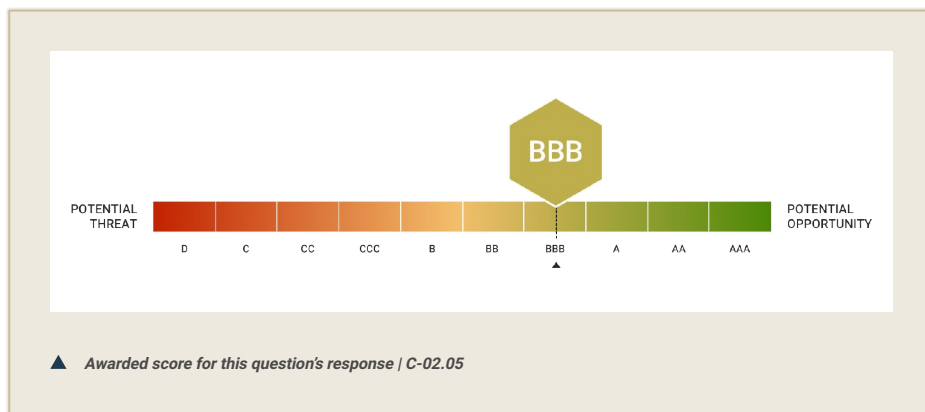
Succession planning for key management functions has not yet been implemented - but will be addressed as projects advance towards development and production.

Supporting Evidence Supplied

None

Corporate Question ID: C-02.05

What provision in recruitment and employment do you make for vulnerable / underrepresented stakeholder groups such as women, indigenous people, elderly, people with disabilities, others ?



Response

Answer: "Capella is an equal opportunity employer. At the Corporate level, 4 out of our 6 high-level Director and Senior Management roles are held by women. At the project level, priority is given to locals with indigenous groups particularly encouraged to work with the Company."

Supporting Narrative

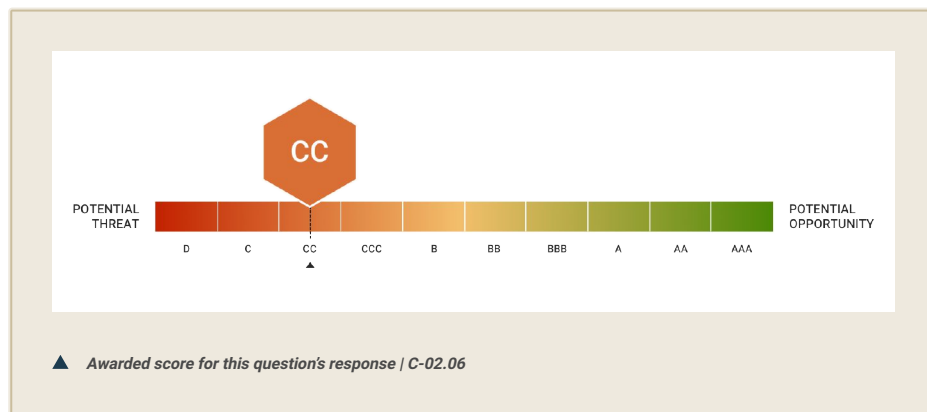
None

Supporting Evidence Supplied

None

Corporate Question ID: C-02.06

What percentage (if any) of remuneration is aligned to your Sustainability strategy (Please provide detail where possible as to what measures you use, if relevant a split of short / long term incentives)


Response

- ☒ N/A
- ☐ Up to 5%
- ☐ Between 5 and 10%
- ☐ Between 10% and 15%
- ☐ Over 15%

Supporting Narrative

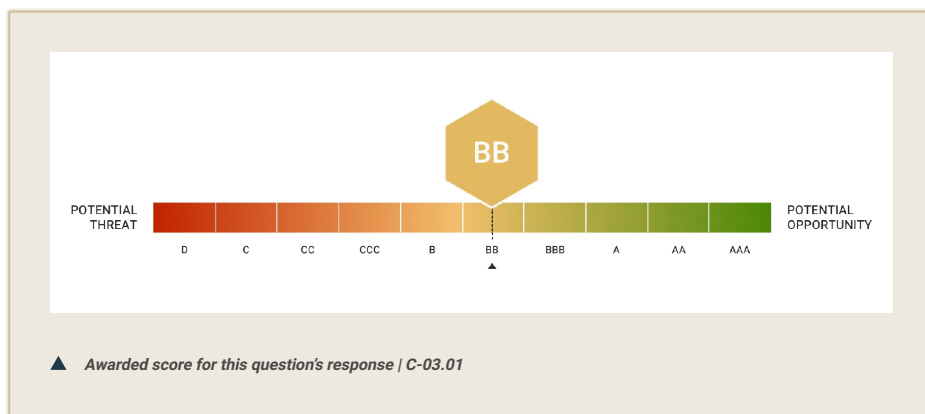
Given the early-stage nature of our projects, we feel that it is too early to assign a fixed % of expenditures to Sustainability. This will be modified appropriately as projects advance towards development.

Supporting Evidence Supplied

None

Corporate Question ID: C-03.01

Who is tasked with devising, implementing and reporting on the company's Government Engagement strategy? (Upload supporting Company CG Code / Code of Conduct / Engagement Terms for relevant function / Board report / resolution extracts or reference)



Response

Name: "Eric Roth"

Role: "President & CEO"

Supporting Narrative

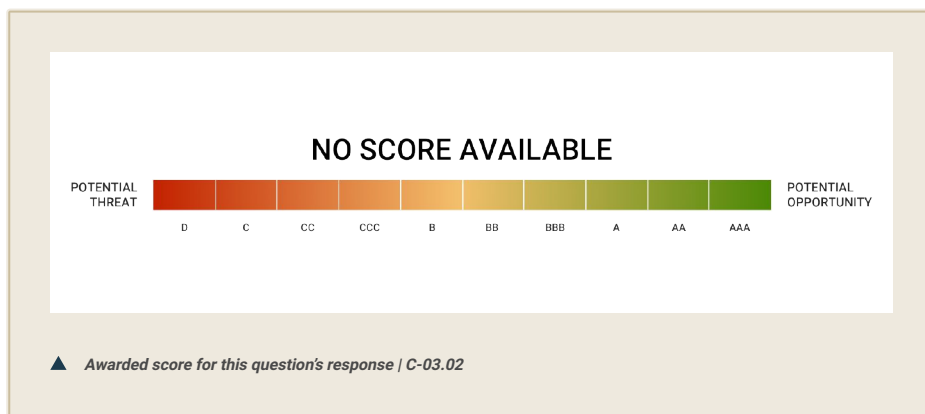
Given that Capella is an early-stage exploration company, government engagement is currently the responsibility of the CEO.

Supporting Evidence Supplied

None

Corporate Question ID: C-03.02

IF APPROPRIATE: How are arrangements and transactions with Government agencies (e.g. mandatory service contracting), State Owned Entities (e.g. Joint Ventures) and any State-controlled entities assessed and monitored?



Response

Answer: "Capella does not currently have any arrangements / transactions in place with Government agencies."

Supporting Narrative

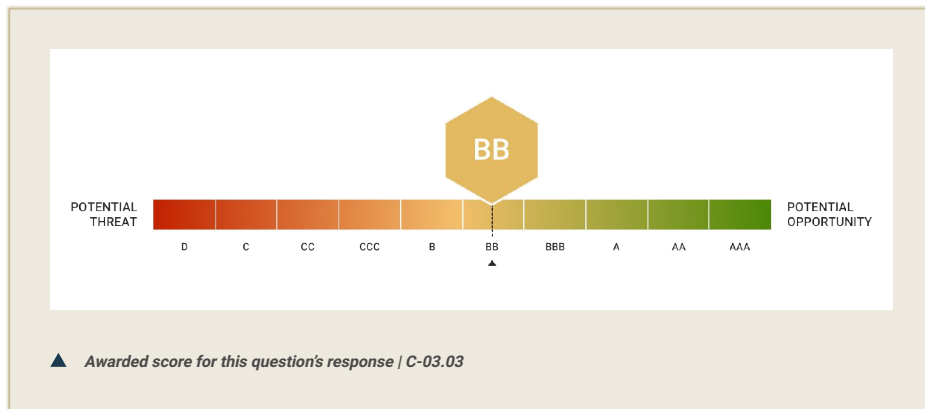
None

Supporting Evidence Supplied

None

Corporate Question ID: C-03.03

How can shareholders take action if Board and management remuneration does not align with the company's interest?



Response

Answer: "Either through i) voting at the Annual General Meeting or ii) by calling an Extraordinary Meeting of Shareholders. As a general comment, Capella's remuneration is heavily-weighted towards Incentive Programs (such as performance-linked Options) rather than cash salaries in order to ensure alignment with shareholders."

Supporting Narrative

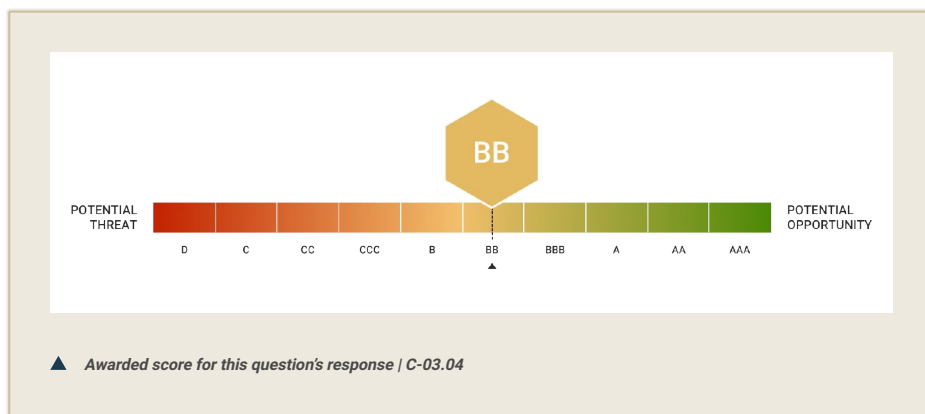
None

Supporting Evidence Supplied

None

Corporate Question ID: C-03.04

How does the Board anticipate and engage to manage shareholder requests, particularly on ESG, management structures, systems and controls and links to remuneration? Upload company's CG Code Board report / resolution extracts or reference



Response

- ☐ Queries addressed by senior management in context of investor relations
- ☐ Queries reported on by senior management and discussed at least annually by the Board
- ☒ Board consultations with governance, engagement and/or proxy advisers

Supporting Narrative

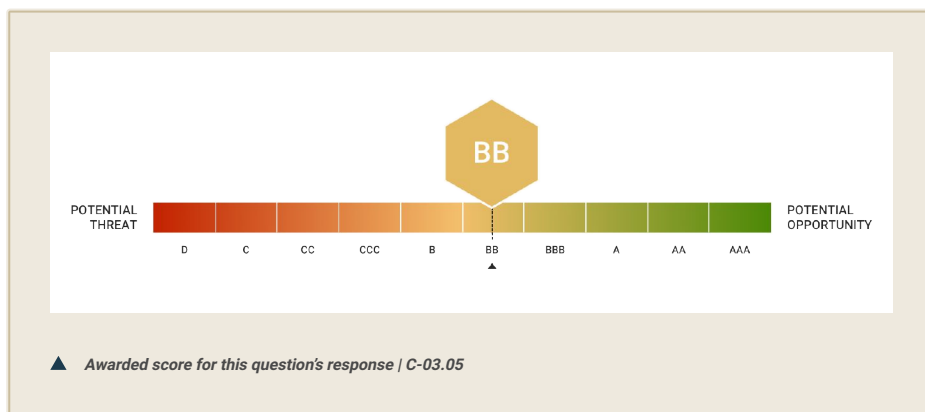
Caoella will be able to update shareholders on ESG matters through both its quarterly / annual reporting and its Annual General Meetings.

Supporting Evidence Supplied

None

Corporate Question ID: C-03.05

How does the company participate in local / regional industry bodies (e.g. Mines Chamber) or investor-interest representative bodies (commerce chambers, foreign investor representation)? Upload industry body registration and/or documentation (including member resolutions etc)



Response

- ☒ Do not participate
- ☐ None available
- ☐ Current membership
- ☐ Current membership with leadership functions
- ☐ Current membership & participation in market consultation and/or committee work to engage authorities on specific issues

Supporting Narrative

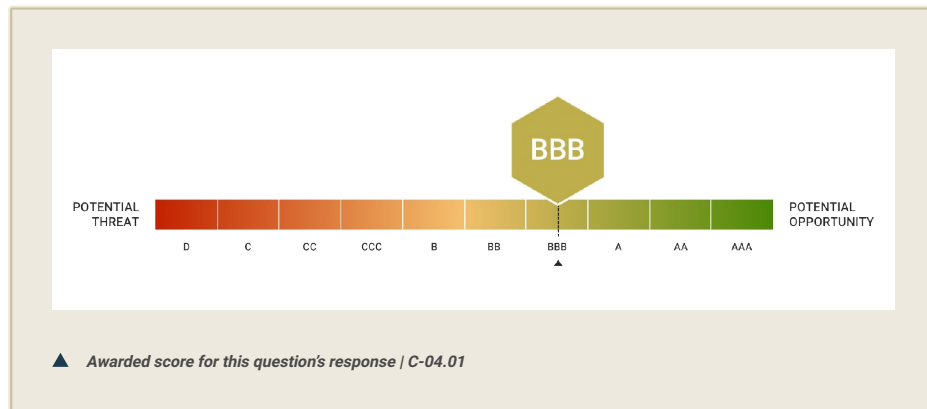
Capella intends to become actively involved in local / regional industry bodies in both Norway and Finland. The Company has been operating in these regions for less than 12 months now (and local subsidiaries are now active) and so will first need to determine the relevant bodies/associations to join.

Supporting Evidence Supplied

None

Corporate Question ID: C-04.01

How is site / project - level corporate compliance verified and assured?
Tick all that apply. Upload verification reports / statements


Response

- ☒ On-site management
- ☐ Annual Independent verification
- ☐ Internal verification
- ☒ Independent verification

Supporting Narrative

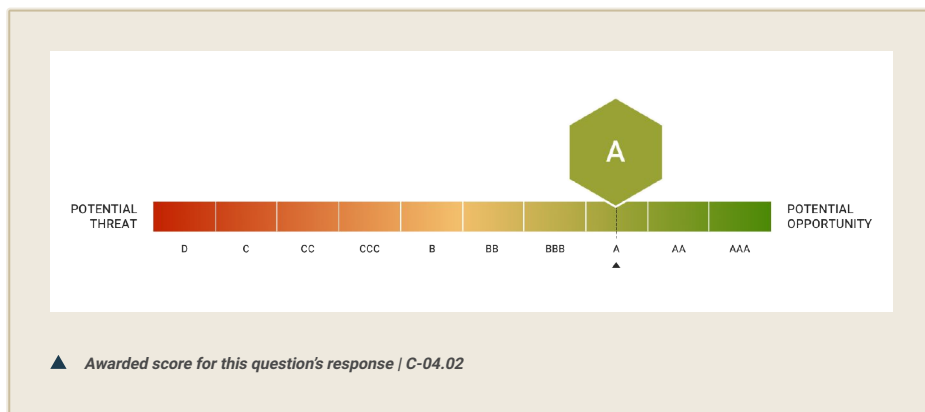
Compliance is ensured through both on-site in-house management and by independent verification for specific projects (e.g. water quality surveys completed by competent third-party contractors).

Supporting Evidence Supplied

None

Corporate Question ID: C-04.02

How are exploration permitting compliance requirements (mineral title, environmental, labour, other) identified, monitored and reported on? Upload verification reports / statements. Tick all that apply.



Response

- ☒ On-site management
- ☐ Permitting compliance tool in place
- ☐ Permitting compliance tool in place (with annual review)
- ☒ Report to the CEO
- ☐ Report to the Board

Supporting Narrative

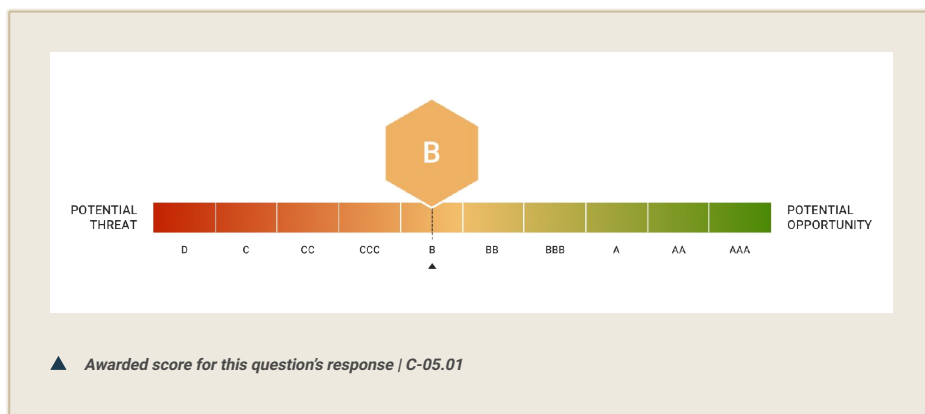
Exploration permitting compliance is monitored internally by both the local Project teams and Senior Management.

Supporting Evidence Supplied

None

Corporate Question ID: C-05.01

Have you received and how did you manage any grievances, concerns, complaints and / or praise related to any aspect of your business over the past 12 months? To encompass both employee as well as external stakeholders.



Response

Answer: "No grievances were received by Capella in the last 12 months in any of the jurisdictions in which it operates."

Supporting Narrative

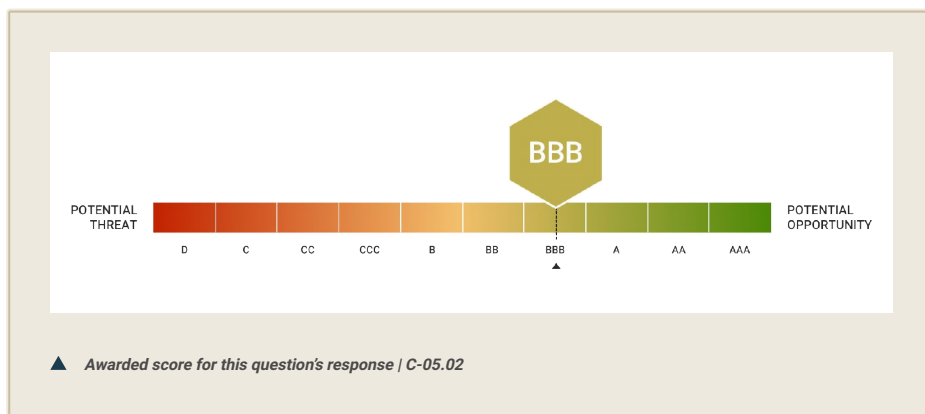
None

Supporting Evidence Supplied

None

Corporate Question ID: C-05.02

How is the company engaging with tax authorities on tax projections and underlying financial models? Tax uncertainty is a highly likely situation for exploration and mining companies, particularly when discussing crossborder finance and investment.



Response

Answer: "Capella utilizes local accounting firms in each of the jurisdictions in which it operates. These accounting firms are continually being updated on potential changes in tax regimes."

Supporting Narrative

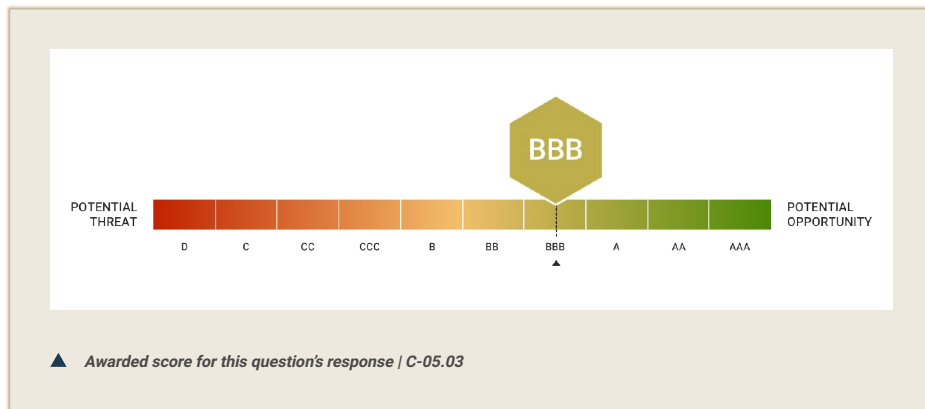
None

Supporting Evidence Supplied

None

Corporate Question ID: C-05.03

How does the Board monitor, assess and improve the effectiveness of bribery and corruption prevention?



Response

Answer: "The Company has an anonymous Whistleblower function available through which any potential fraudulent activity may be reported. Both Senior Management and the Board will then investigate any allegation thoroughly."

Supporting Narrative

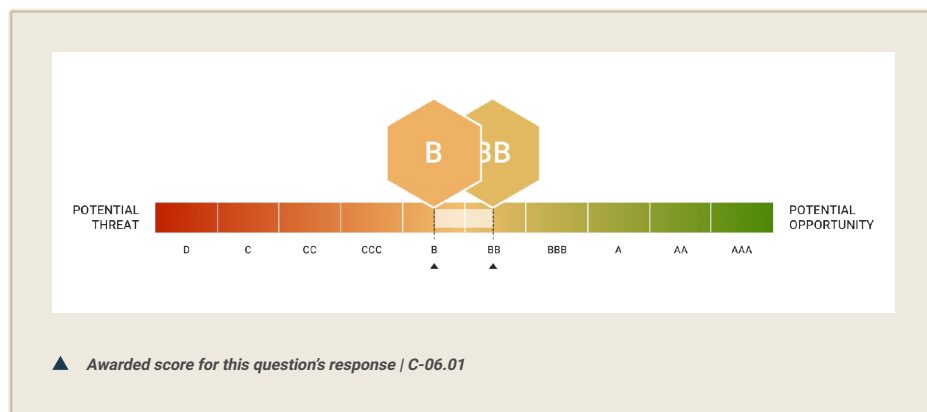
None

Supporting Evidence Supplied

None

Corporate Question ID: C-06.01

How do you embed good risk management (inclusive of both opportunities and threats across all disciplines including Environment, Social and Governance) within your team and the wider workforce? Select all that apply.



Response

Risks are identified across the organisation in an integrated manner. At all levels and across all disciplines (i.e. risk management is not just a safety management tool).

- ☒ Yes
☐ No
☐ Maybe

Risk management is a dynamic activity which all employees / contractors / visitors are encouraged to contribute to through identifying and actively managing risks on a constant basis.

- ☒ Yes
☐ No
☐ Maybe

Everyone is expected and encouraged to shout out when they come across unmanaged risks or ineffective controls that could affect the organisation on a ESG, Safety, Production, Legal and / or financial basis.

- ☒ Yes
☐ No
☐ Maybe

Everyone gets trained to manage the risks they need to manage (including how to verify the effectiveness of controls) and is supported when they need help to understand and/or manage the risk.

- ☒ Yes
☐ No
☐ Maybe

Risks (including both potential opportunities and threats) and the effectiveness of controls are updated regularly and discussed in management meetings.

- ☒ Yes
☐ No
☐ Maybe

Senior and project managers can sketch out the organisation's risk management approach without referring to company documents.

- ☒ Yes
☐ No
☐ Maybe

Management regularly raise risk matters with their direct reports and ask how they are managing key risks.

- ☒ Yes
☐ No
☐ Maybe

Management and teams can't get a project accepted without a robust risk management assessment that includes risks to and posed by both the project and long term viability of the asset.

- ☒ Yes
☐ No
☐ Maybe

An updated risk profile is a core input to the revision of company budget and strategy.

- ☒ Yes
☐ No
☐ Maybe

Management can show robust and practical plans for each major risk including where controls and support is required from other departments = an integrated risk management plan.

- ☒ Yes
☐ No
☐ Maybe

When risks materialise, lessons are learnt and incorporated into the broader management of risks.

- ☒ Yes
☐ No
☐ Maybe

Supporting Narrative

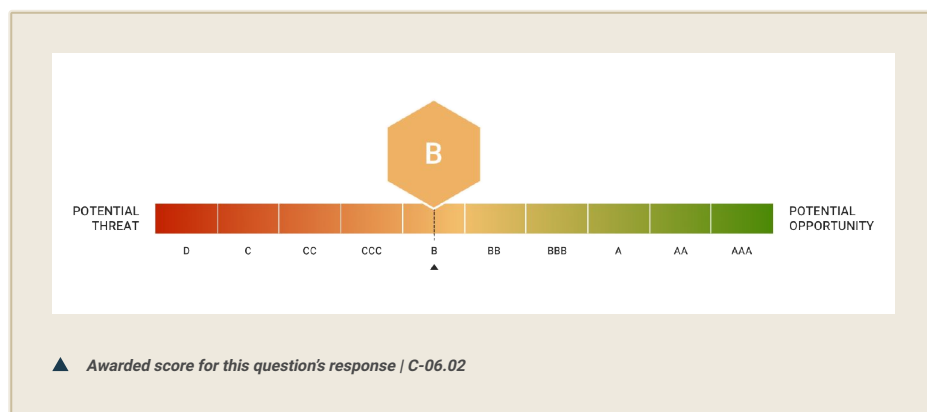
Proactively managing risks (whether they be technical, environmental, social, or government related) is fundamental to the success of an exploration / development company.

Supporting Evidence Supplied

None

Corporate Question ID: C-06.02

How frequently and in what format do you test your resilience inclusive of incident and emergency preparedness related to environmental and social incidents? Tick all that apply.



Response

- ☐ Desktop
- ☐ In person simulation
- ☒ Ad hoc
- ☐ Other fixed period

Supporting Narrative

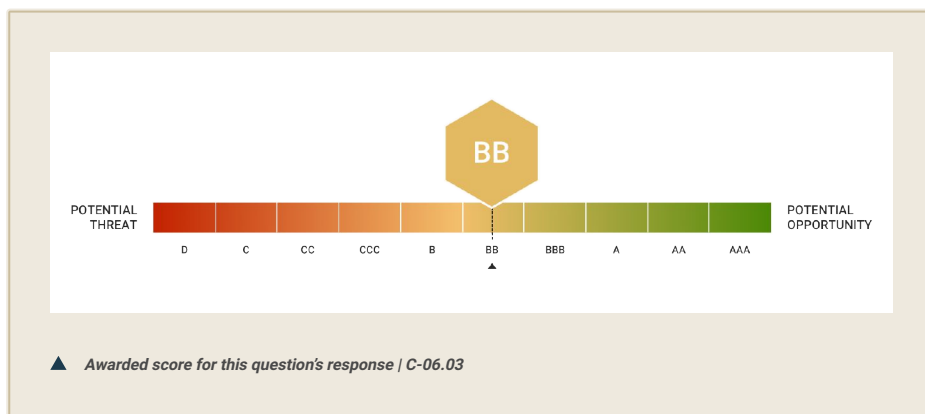
Our Norwegian field team is currently comprised of just two geologists so adhoc meetings on incident/emergency preparedness are easily held. In Finland we operate in conjunction with a consulting group which is fully versed on emergency responses.

Supporting Evidence Supplied

None

Corporate Question ID: C-06.03

Please give an example where you have forfeited financial return in favour of ESG benefit (directly or indirectly). An insight into management culture that can be used to illustrate examples of positive behaviour that is often overlooked, or not brought out in formal reporting.



Response

Answer: "At both our Lokken and Kjoli projects, we have voluntarily engaged independent experts to check on potential acid rock drainage and alternatives for the clean-up of any remaining tailings left from previous operations. Previous government-funded clean-up efforts in the two projects have resulted in >95% of the former mine sites being cleaned-up, however, due to the high rainfall / groundwater flows in the area Capella has noted that acid drainage could still be a minor issue locally. Clearly the first stage of this work is to identify the potential magnitude/distribution of the problem and then work on a solution (together with competent government authorities)"

Supporting Narrative

None

Supporting Evidence Supplied

None

Project responses

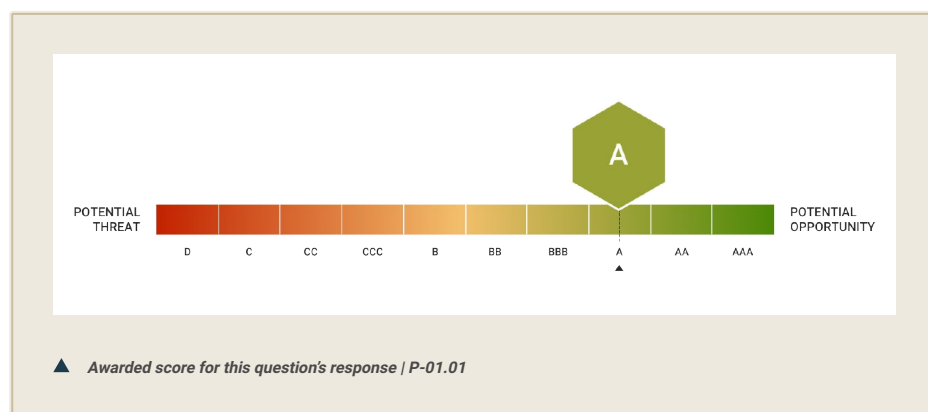


For reference, your submission responses are detailed in this section along with the individual scores awarded for each question.

Project Responses - Lokken

Project Question ID: P-01.01

Please share with us where your project is by providing geographic coordinates in geographic latitude and longitude format (WGS84 coordinate reference system i.e. GPS). Please also provide a map of your tenement / lease / licence / block / working area. (If you cannot upload your map, please contact the team to support you). If your project consists of multiple areas, and/or it has undergone change since your previous submission (if applicable), please outline this context in the supporting narrative.



Response

Upload or insert grid reference / AOI / Map: "WGS84 Zone 32N"

Supporting Narrative

The Lokken project is located in the Trondelag Province of central Norway, approximately 50 km SW of the regional centre of Trondheim. Our claim block consists of 21 individual claims covering 10 square kilometres each for a total area of 210 square kilometres.

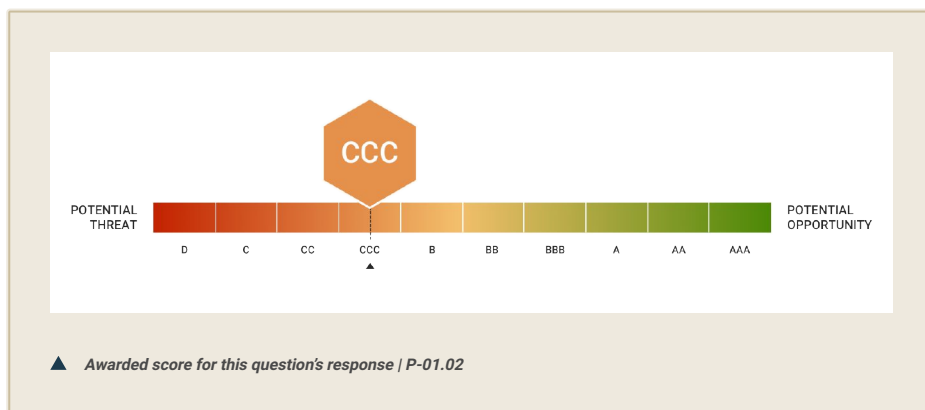
The Lokken project is a mix of a former mining operation (the main Lokken copper-zinc deposit, a large underground mine which ceased production in the mid-1980's), brownfields (or near-mine) exploration, and greenfields (district-scale) exploration.

Supporting Evidence Supplied

- Lokken Property.png

Project Question ID: P-01.02

Is your property at risk of any of the following natural hazards (now and over the life of the project). Tick all that apply.



Response

- ☐ Earthquakes
- ☒ Landslides
- ☐ Tsunamis
- ☐ Volcanic Activity
- ☐ Avalanches
- ☒ Floods
- ☐ Extreme temperatures
- ☐ Drought
- ☐ Wildfires
- ☐ Cyclones
- ☐ Storms / Wave surges
- ☐ Disease epidemics
- ☐ Insect / Animal plagues
- ☐ Other

Supporting Narrative

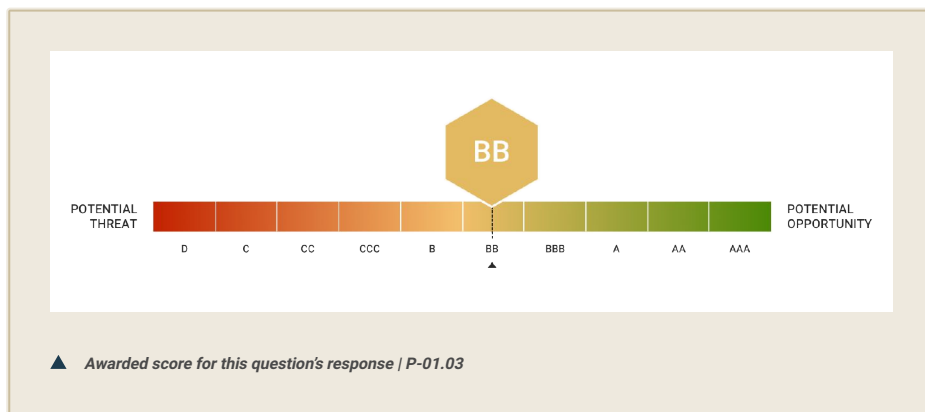
Capella considers it highly unlikely that any natural threats exist to either ongoing exploration activities or to possible future mining operations at Lokken. Indeed, there have been no catastrophic natural events in the area during the past 20 years. However, given that central Norway is a relatively high rainfall area, the possibility of a once-in-a-100 year flood event will need to be considered. Terrain in the Lokken area is also hilly which could also lead to possible landslide events.

Supporting Evidence Supplied

None

Project Question ID: P-01.03

Is there anything upstream of you which could impact (positively / negatively) on your activities now or over the life of the project? E.g. reservoir / lake, dam, glacial advance / retreat, population increase and informal settlements, industry with potential source of water contamination, another mine.


Response

- ☐ Yes
- ☒ N/A

Supporting Narrative

We do not believe that there is anything upstream from the Lokken project which could impact either our present day activities or possible future production.

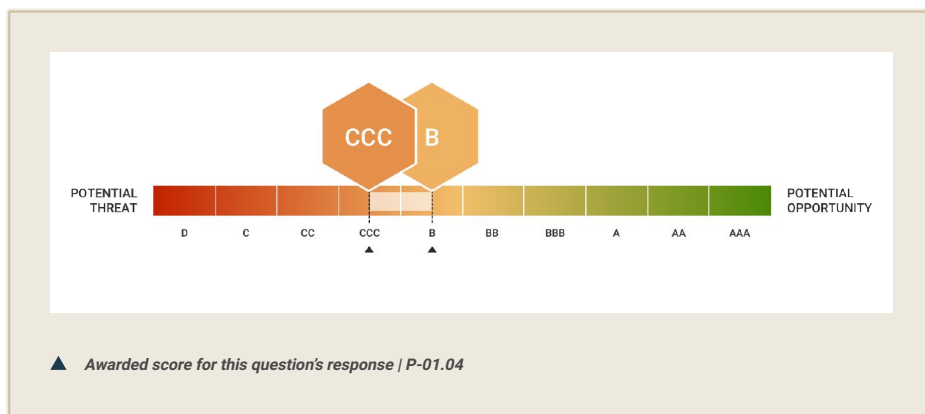
Norway does, however, continue to evaluate the benefits of wind generated power within the broader Trondelag Province to supplement its current hydroelectric energy sources - and construction of further wind power facilities is always a possibility.

Supporting Evidence Supplied

None

Project Question ID: P-01.04

Is there anything downstream of your activities which you might impact, now or over the life of the project, directly or indirectly as a result of your activities? E.g. communities, indigenous groups, watersheds, biodiversity sensitive area, water resources, other industry, heritage sites etc.



Response

☒ Yes

☐ Natural

☒ Manmade

Explain: "There are farming communities downstream from the Lokken project so clearly procedures will need to be in place (at the mining stage) to not allow any river / stream contamination"

☐ N/A

Supporting Narrative

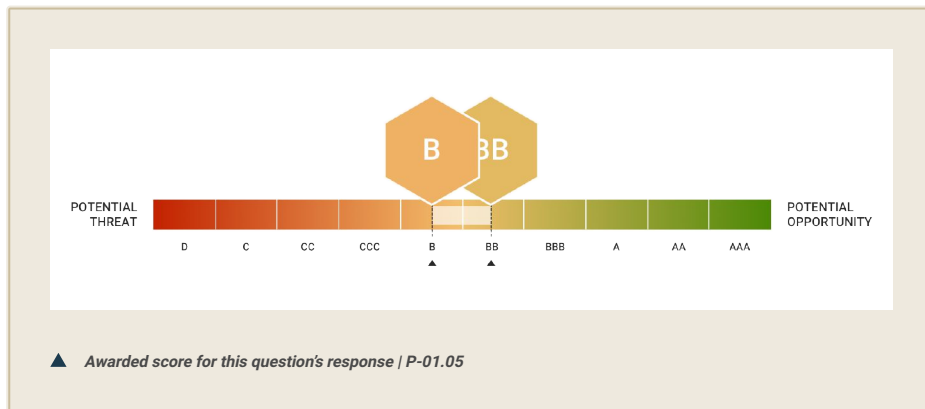
Lokken is located in a mixed farming / agricultural district so clearly any potential emissions (whether water-borne or airborne) will need to be adequately controlled.

Supporting Evidence Supplied

None

Project Question ID: P-01.05

Is there a recent history of conflict in the area in which you are operating?
E.g. political / ethical or ethnically motivated. Tick all that apply.



Response

- ☐ Yes
- ☒ None

Supporting Narrative

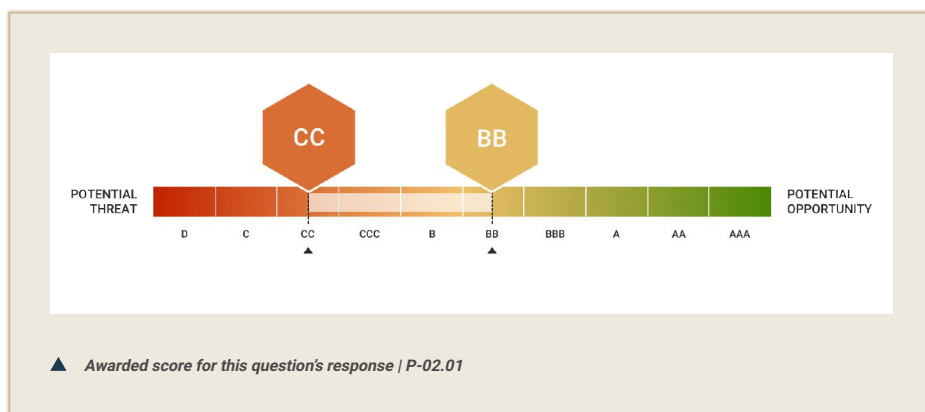
No recent conflicts of any description have been reported from the Lokken area

Supporting Evidence Supplied

None

Project Question ID: P-02.01

What exploration activities are you currently undertaking? Tick all that apply. If your activities are not listed below, please add them in the supporting narrative.

**Response**

- ☒ Desktop studies
- ☒ Geophysical studies
- ☐ Trenching
- ☒ Sampling and assay
- ☒ Geochemical studies
- ☒ Diamond drill holes
- ☒ Remote surveying
- ☐ Other

Supporting Narrative

Capella is currently working on the generation of drill targets at Lokken through i) a compilation of historical data from the district and ii) the generation of new data through low impact geological (mapping and sampling) and geophysical programs.

Once drill targets have been defined the Company will then need to apply for diamond drill permits for Lokken.

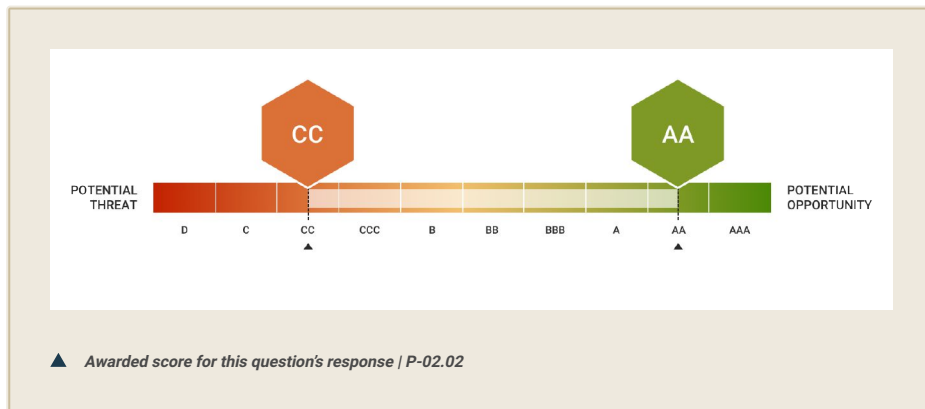
Further information is available at: <https://capellaminerals.com/projects/norwegian-copper-projects/lokken/>

Supporting Evidence Supplied

None

Project Question ID: P-02.02

What commodities are you exploring for? List all commodities, including by-products. Where possible also state the ore body type (if known).



Response

Copper

Zinc

Cobalt

Supporting Narrative

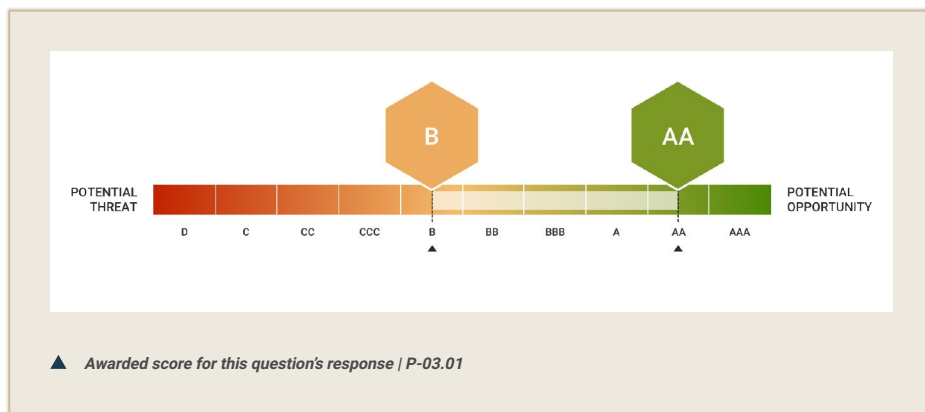
The deposit type is massive sulfide (VMS). The former Lokken mine was the largest known Cyprus-type VMS deposit globally with estimated production of 24MT @ 2.3% Cu + 1.9% Zn. Secondary metals in the Lokken deposits are gold, silver, cobalt. Capella's exploration activities are focused on evaluating the resource potential of the numerous satellite deposits that surround the old Lokken mine.

Supporting Evidence Supplied

None

Project Question ID: P-03.01

How many people are currently in your project team, and how many are projected or estimated to be in the coming years? Enter numbers and a supporting narrative on the diversity of your team.



Response

Men

Now: "2"

Anticipated next year: "10"

Anticipated 5 years: "25"

Women

Now: "1"

Anticipated next year: "10"

Anticipated 5 years: "25"

Non-binary

Now: "0"

Anticipated next year: "0"

Anticipated 5 years: "0"

Supporting Narrative

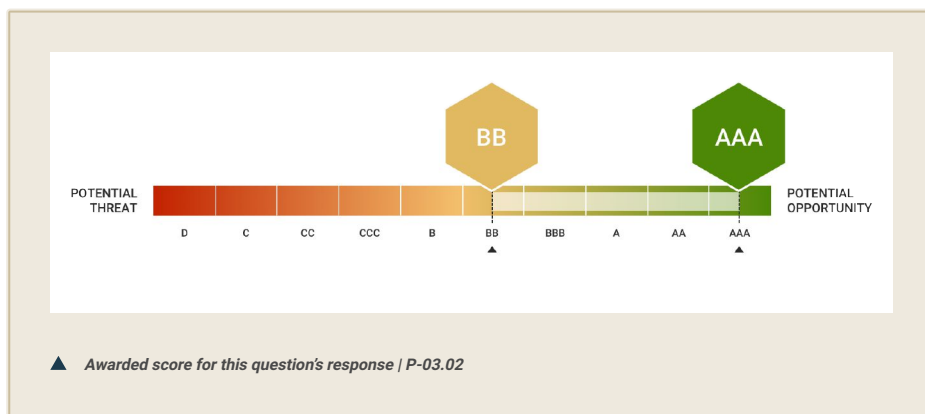
The Lokken project is still at the exploration stage and hence has a small dedicated team. As we move towards drilling, resource delineation and ultimately development, the team is expected to grow. Future employee mixes are difficult to determine but the Company is an equal opportunity employer and does not discriminate on the basis of sex, race, etc.

Supporting Evidence Supplied

None

Project Question ID: P-03.02

Of your current project team, how many are drawn from the local population (local to the asset) and how many are predicted to be? Note: Please assume 'local' as within the same province as project or c.50km – for very remote projects please give explanation.



Response

Percent of workforce

Now: "100"

Anticipated next year: "95"

Anticipated 5 years: "95"

Supporting Narrative

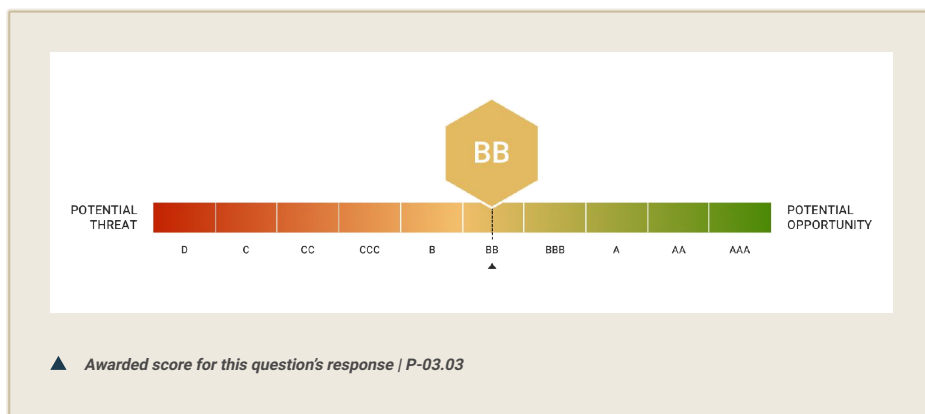
Our team is currently 100% local. However, for future mining operations, some skilled foreign labour will initially be required as the Norwegian copper mines all closed in the mid-1980's (and the skilled miners, plant operators, etc have all since either retired or moved on to the oil industry).

Supporting Evidence Supplied

None

Project Question ID: P-03.03

What is your health and safety record to date? Feel free to upload your safety records to show trends through time. If you calculate your health and safety statistics using different metrics, please ignore the table and upload/ describe in the supporting narrative.



Response

Number of fatalities

Last 12 months: "0"

Last 24 months: "0"

Last 5 years: "0"

Disabling injuries

Last 12 months: "0"

Last 24 months: "0"

Last 5 years: "0"

Total recordable incident rate

Last 12 months: "0"

Last 24 months: "0"

Last 5 years: "0"

Supporting Narrative

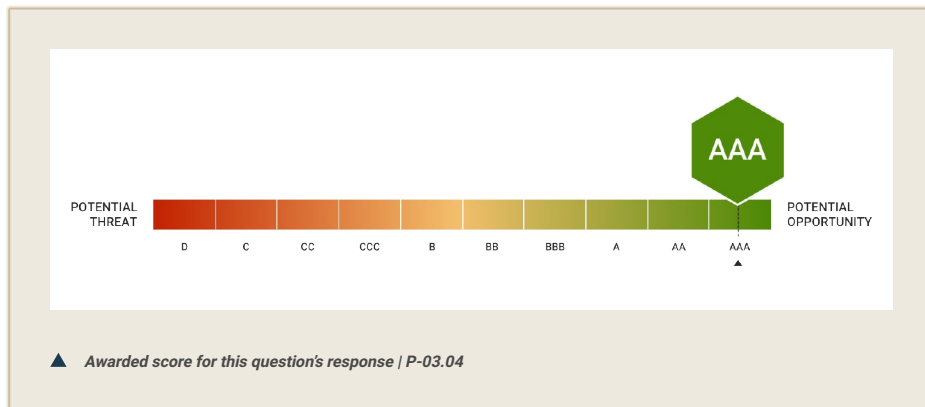
Capella has not had any incidents/accidents in any of the jurisdictions that it operates in

Supporting Evidence Supplied

None

Project Question ID: P-03.04

Does your project contain / include security officials armed with firearms?
Tick all that apply.


Response

- ☐ Yes
- ☒ No

Supporting Narrative

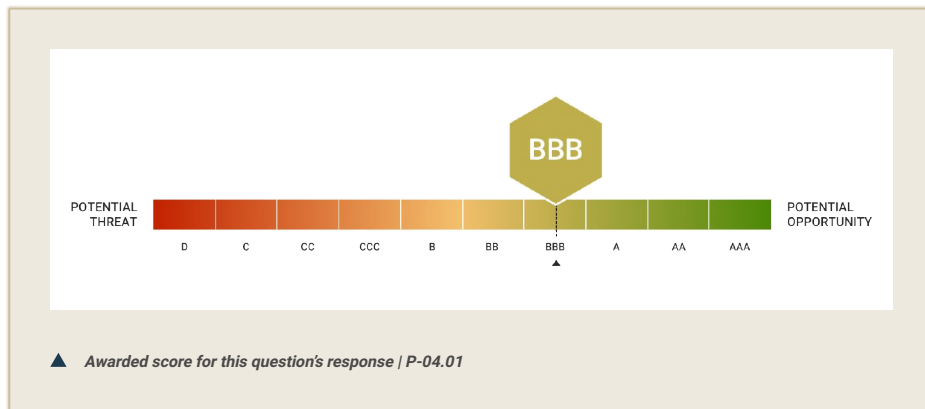
Armed security personel are not required in Norway

Supporting Evidence Supplied

None

Project Question ID: P-04.01

Did you acquire the project from another mining company or are you the first organisation to formally seek exploration / development rights?


Response

- ☒ Acquired
- ☐ We are the first organisation

Supporting Narrative

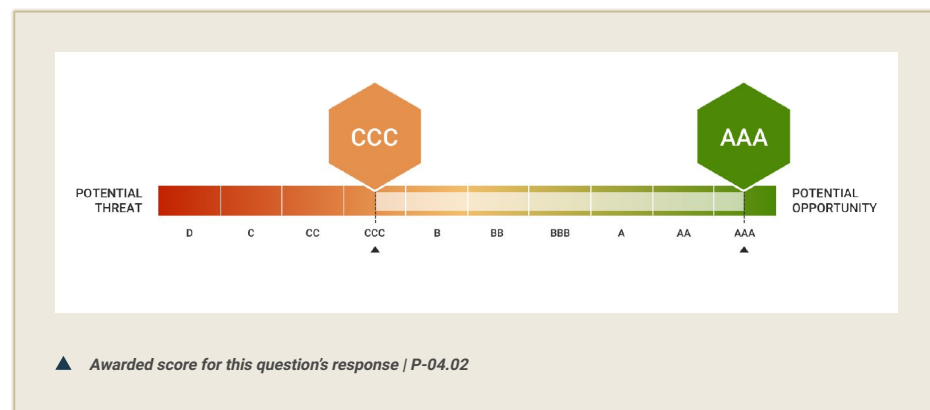
The Lokken project was acquired 100% from EMX Royalty Corp

Supporting Evidence Supplied

None

Project Question ID: P-04.02

What is/are the existing land use(s) within your permitted / lease hold exploration area? Tick all that apply.



Response

- ☐ UNESCO site
- ☐ Contains a Cultural Heritage site
- ☐ Contains a Religious site
- ☐ Other protected site
- ☒ Lake / River / wetlands
- ☐ Marine / inter-tidal
- ☒ Low density rural
- ☐ Significant biodiversity value
- ☐ Biodiversity pathway
- ☐ Hosts species on IUCN RED list
- ☒ Agricultural
- ☐ Undisturbed land
- ☐ Virgin forest
- ☐ Urban / suburban
- ☐ Contains a Hospital
- ☐ Contains a School
- ☐ Industrial (including energy transmission lines)
- ☐ Tourism
- ☒ Contains highway or transport link
- ☐ Brownfield site
- ☐ Industrial wasteland
- ☐ Artisanal mining

- ☐ Mining (active)
- ☒ Mining (inactive)
- ☐ Mining (closed + remediated)
- ☐ Mining with legacy
- ☐ Other

Supporting Narrative

The Lokken project area consists of a handful of very small communities and mixed farm/agricultural land and forest. The former Lokken mining operation sits in the centre of our claim holding.

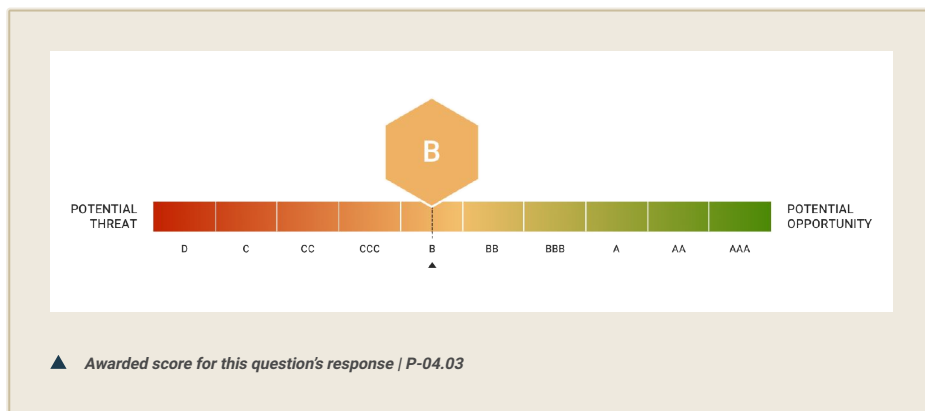
The project area is also cross cut by a couple of moderate sized rivers, highways, and high voltage power lines.

Supporting Evidence Supplied

- Lokken Project Area.jpg

Project Question ID: P-04.03

What land uses exist adjacent to your property? Tick all that apply.


Response

- ☐ UNESCO site
- ☐ Contains a Cultural Heritage site
- ☐ Contains a Religious site
- ☐ Other protected site
- ☐ Lake / River / wetlands
- ☐ Marine / inter-tidal
- ☒ Low density rural
- ☐ Significant biodiversity value
- ☐ Biodiversity pathway
- ☐ Hosts species on IUCN RED list
- ☒ Agricultural
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- ☐ Contains a Hospital
- ☐ Contains a School
- ☐ Industrial (including energy transmission lines)
- ☐ Tourism
- ☒ Contains highway or transport link
- ☐ Brownfield site
- ☐ Industrial wasteland
- ☐ Artisanal mining
- ☐ Mining (active)

- ☐ Mining (inactive)
- ☐ Mining (closed + remediated)
- ☐ Mining with legacy
- ☐ Other

Supporting Narrative

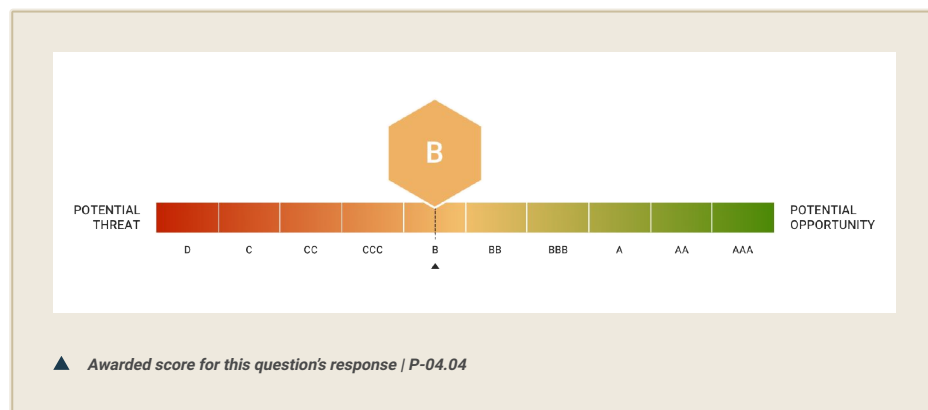
The adjacent land use is mostly mixed farm/agricultural and low density rural communities

Supporting Evidence Supplied

None

Project Question ID: P-04.04

Other than your planned activities, are there any other competing plans for land use for your property? Tick all that apply.



Response

- ☐ Planned designated protected site
- ☐ Biodiversity pathway
- ☐ Reforestation
- ☐ Pastoral routes
- ☒ Agricultural
- ☐ Indigenous livelihoods
- ☐ Urban / suburban development
- ☐ Industrial
- ☐ Tourism
- ☒ Highway or transport link
- ☒ Energy / renewables
- ☐ Other extractive
- ☐ Artisanal mining
- ☐ Other
- ☐ None

Supporting Narrative

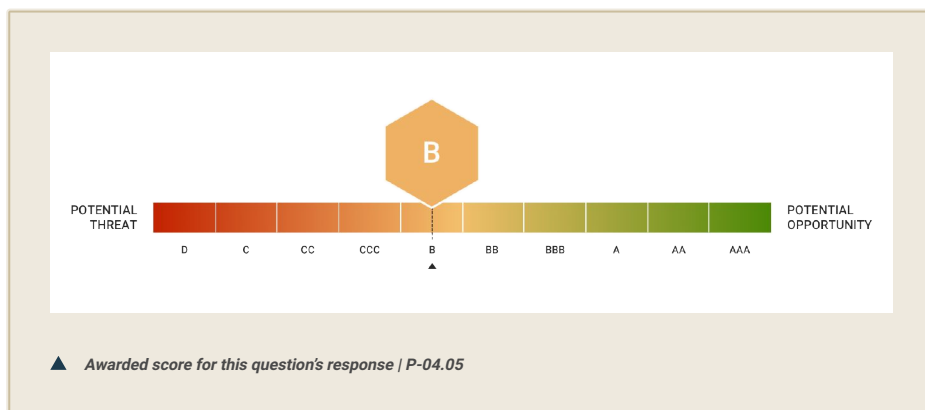
The Lokken area contains mostly farm/agricultural land and low density rural communities.

Supporting Evidence Supplied

None

Project Question ID: P-04.05

Are there any competing plans for change of land use for adjacent properties? Tick all that apply.



Response

- ☐ Planned designated protected site
- ☐ Biodiversity pathway
- ☐ Reforestation
- ☐ Pastoral routes
- ☐ Agricultural
- ☐ Indigenous livelihoods
- ☐ Urban / suburban development
- ☐ Industrial
- ☐ Tourism
- ☐ Highway or transport link
- ☐ Energy / renewables
- ☐ Other extractive
- ☐ Artisanal mining
- ☐ Other
- ☒ None

Supporting Narrative

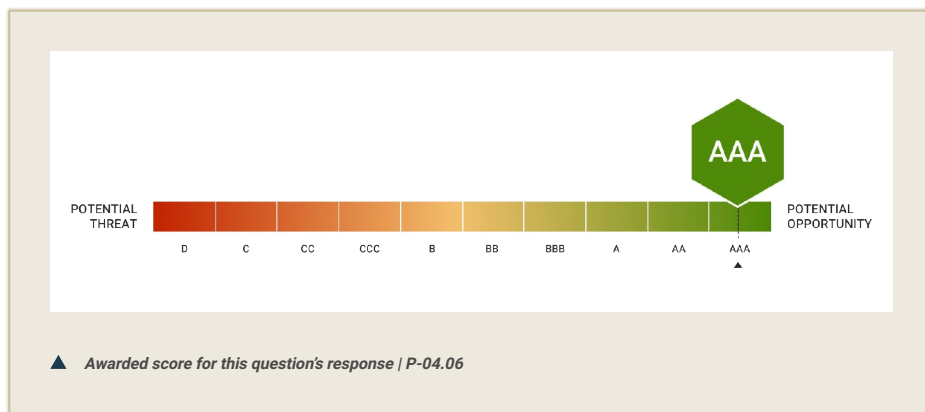
Capella is not aware of any competing plans for adjacent land use. However, the Norwegian government has been experimenting recently with experimental wind farms (for electricity generation) in the broader Trondelag Province.

Supporting Evidence Supplied

None

Project Question ID: P-04.06

Are there communities (including informal settlements, farm workers, indigenous groups etc.) residing on areas within your project who may require resettlement in order to access the resource either in the short or long-term? Note – this is inclusive of formal / informal Artisanal and Small-scale mining (ASM)



Response

- ☐ Yes
☐ No
☒ Uncertain at this time

Supporting Narrative

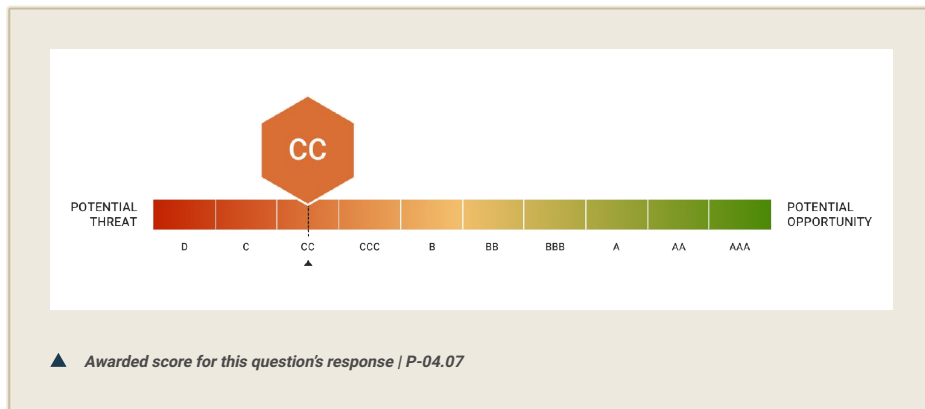
Any new mineral resources discovered in the Lokken area are likely to be mined using underground mining methods, so it is unlikely that any significant future resettlements will need to be made

Supporting Evidence Supplied

None

Project Question ID: P-04.07

Who owns the land on which you are exploring? If multiple owners and / or multiple claims to ownership, please explain.



Response

Answer: "Land in the Lokken area is a mix of government-owned and private land"

Supporting Narrative

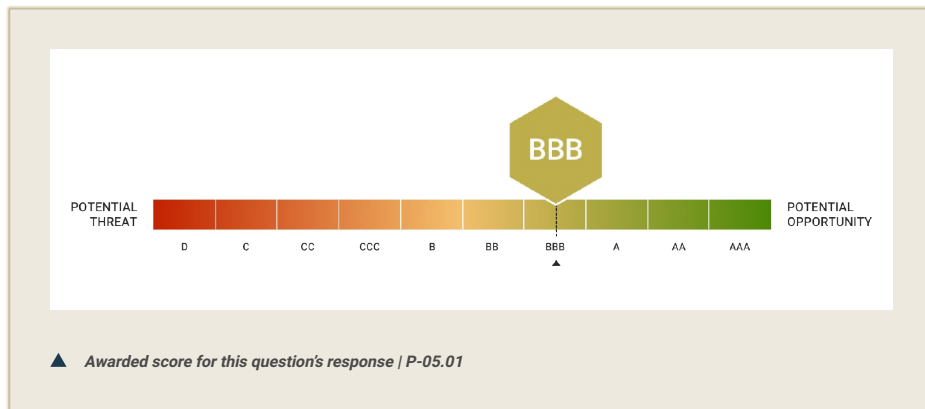
None

Supporting Evidence Supplied

None

Project Question ID: P-05.01

How will you access your property now and anticipate for development and potential operation? Tick all that apply.


Response
Helicopter

- ☐ Now
- ☐ In the future

Walk in

- ☒ Now
- ☒ In the future

Mule / horse

- ☒ Now
- ☐ In the future

Driven, on road

- ☒ Now
- ☒ In the future

Driven, off road

- ☐ Now
- ☒ In the future

Boat

- ☐ Now
- ☐ In the future

Plane

- ☐ Now
- ☐ In the future

Other

- ☐ Now
- ☐ In the future

Unknown

- ☐ Now
- ☐ In the future

Supporting Narrative

Current access to the property is via existing public and private roads, plus walking and/or horse support. No off road driving is currently undertaken as this requires separate permits (off road driving can generate surficial damage) .

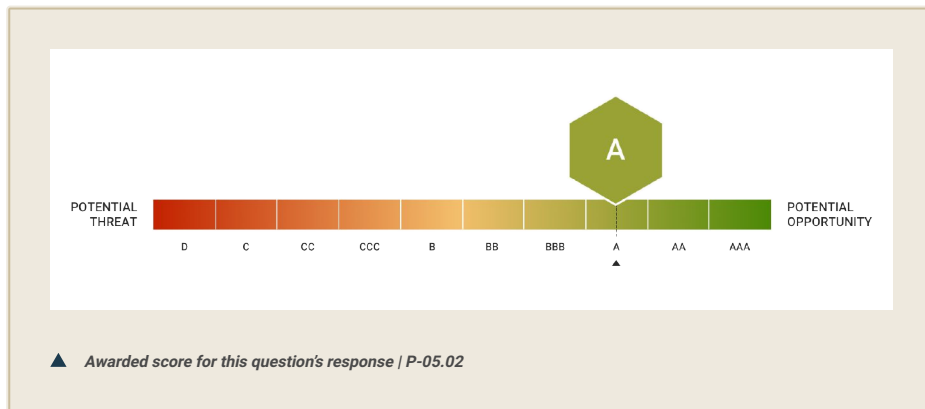
Future access to the property is expected to continue to be via existing roads, as well as new roads built to support the operations.

Supporting Evidence Supplied

None

Project Question ID: P-05.02

How will you power your activities now and over the life of the project?
Tick all that apply.


Response
Off grid renewables (e.g. solar, wind, hydro, geothermal)

- ☐ Now
- ☐ In the future

Off grid biofuel

- ☐ Now
- ☐ In the future

Generator

- ☐ Now
- ☐ In the future

Own power station - renewables but only for own use

- ☐ Now
- ☐ In the future

Own power station - renewables with capacity to provide for community

- ☐ Now
- ☐ In the future

Own power station - fossil fuels but only for your use

- ☐ Now
- ☐ In the future

Own power station - fossil fuels with capacity to provide for community

- ☐ Now
- ☐ In the future

Drawn from local electricity grid that is powered by renewables

- ☒ Now
- ☒ In the future

Drawn from local electricity grid that is powered by fossil fuel

- ☐ Now
- ☐ In the future

Other

- ☐ Now
- ☐ In the future

Unknown

- ☐ Now
- ☐ In the future

Supporting Narrative

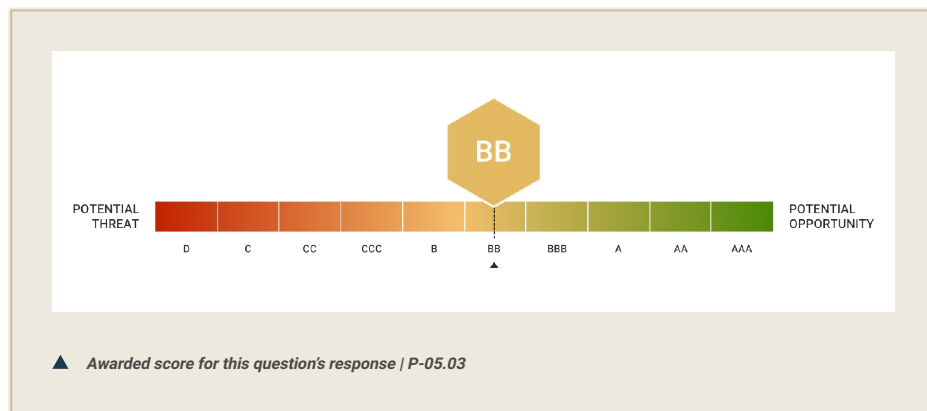
Most of Norway's grid power comes from hydroelectric plants (including in the Lokken area). A small proportion of Norway's energy comes from wind turbines.

Supporting Evidence Supplied

None

Project Question ID: P-05.03

Is your property located in a water stressed catchment(s)?



Response

Stress on water quantity

- ☐ Yes
☒ No
☐ Unknown

Stress on water quality

- ☐ Yes
☐ No
☒ Unknown

Supporting Narrative

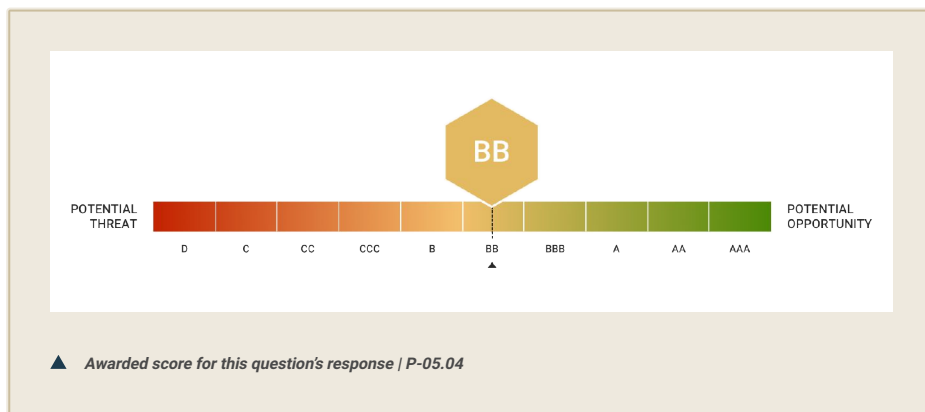
The Lokken project area contains sufficient water resources for all activities (including present day agriculture and potential future mining) in the district. Clearly future mining operations will need to have adequate controls on potential acid drainage.

Supporting Evidence Supplied

None

Project Question ID: P-05.04

Of the total volume of water available for use by all users of the catchment, what % are you currently using for your activities / will be using in the near future (state time horizon)? (or provide commentary)



Response

% - now: "0"

% - future (state time horizon): "2%"

Supporting Narrative

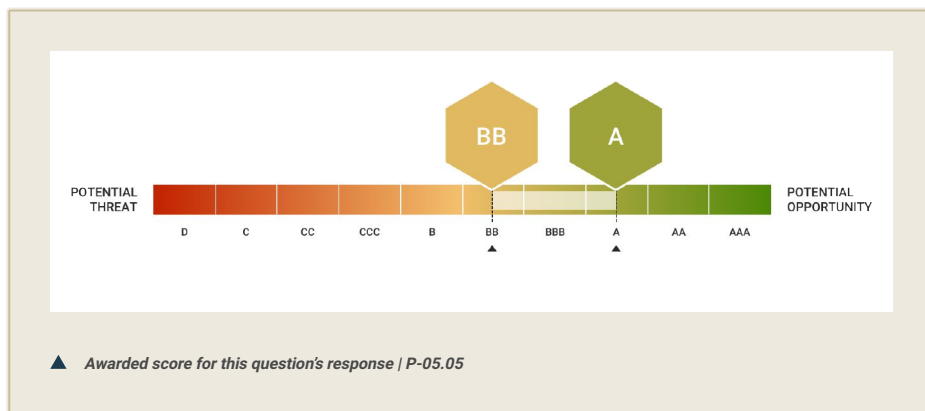
Capella currently does not have any water requirements at Lokken. Considering the significant quantities of water available in rivers, lakes, and underground reservoirs, we would expect future water use to also be minimal as a %.

Supporting Evidence Supplied

None

Project Question ID: P-05.05

Do you or will you need to discharge water from the disturbed footprint?



Response

Now

- ☐ Yes (with treatment)
- ☐ Yes (without treatment)
- ☒ No
- ☐ Unknown

In the future

- ☒ Yes (with treatment)
- ☐ Yes (without treatment)
- ☐ No
- ☐ Unknown

Supporting Narrative

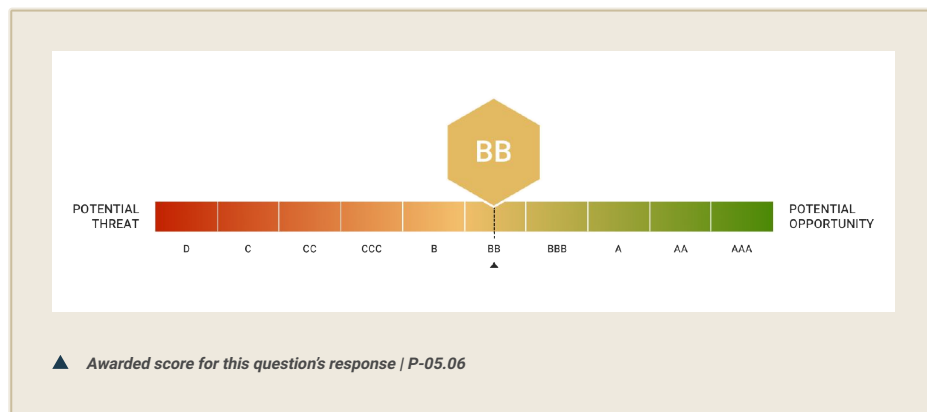
Future water discharges from Lokken are likely to occur in two ways: i) potential acid drainage from the mine area and ii) water expelled from the process plant. For i), potential acid drainage will need to be monitored in any and all water sources that end up in local rivers and creeks. For ii) the VMS deposits at Lokken have shown themselves to be amenable to processing using concentrators (and this is expected to continue in the future). Water from the concentrator usually is sent to a tailing disposal facility.

Supporting Evidence Supplied

None

Project Question ID: P-05.06

How do / will you manage your waste (both domestic and industrial)?
Note: Industrial is inclusive of exploration drill cuttings to future tailings.
Tick all that apply.


Response
DOMESTIC WASTE
Use legal / authorised local authority facilities

- ☒ Now
☐ In the future

Construct own facility for waste management

- ☐ Now
☒ In the future

Remove all waste from exploration site

- ☐ Now
☐ In the future

Other

- ☐ Now
☐ In the future

Unknown

- ☐ Now
☐ In the future

INDUSTRIAL WASTE (INCLUSIVE OF POTENTIAL FOR FUTURE TAILINGS FACILITIES)
Use legal / authorised local authority facilities

- ☒ Now
☐ In the future

Construct own facility for waste management

- ☐ Now
- ☒ In the future

Remove all waste from exploration site

- ☐ Now
- ☐ In the future

Other

- ☐ Now
- ☐ In the future

Unknown

- ☐ Now
- ☐ In the future

Supporting Narrative

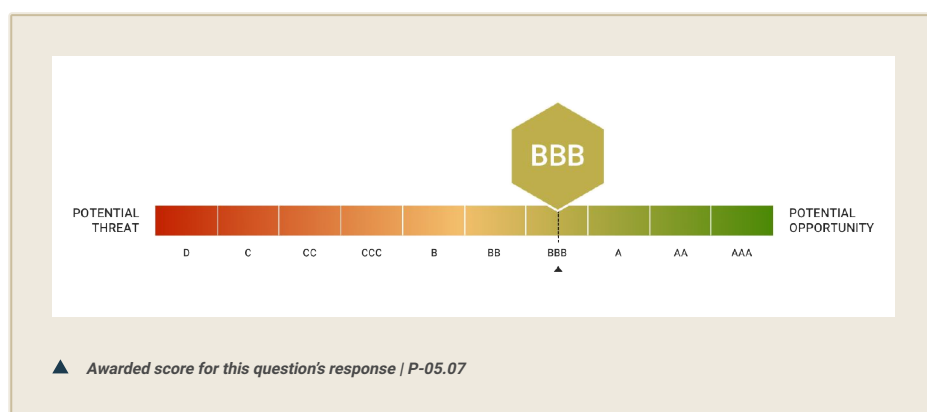
Norway has extremely strict measures in place for the disposal of waste, and these norms will need to be obeyed. Items that can be recycled will be sent to the relevant facilities, whereas other industrial waste will need to go to fully licenced facilities for the handling of such waste.

Supporting Evidence Supplied

None

Project Question ID: P-05.07

Should your asset progress to operation stage, will your anticipated processing approach require the construction of a tailings facility?



Response

- ☐ Yes
- ☐ No
- ☒ Uncertain at this time

Supporting Narrative

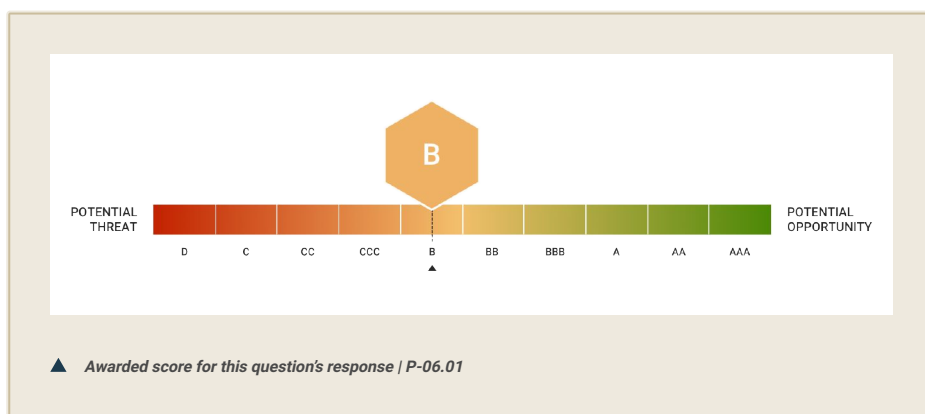
As our primary targets at Lokken are underground mines, our preferred method of tailings disposal would be paste backfill (where tailings are mixed with concrete and pumped underground to fill old stopes) rather than a traditional, open tailings disposal facilities.

Supporting Evidence Supplied

None

Project Question ID: P-06.01

At a project level do you have a social media plan? Please provide URLs to all of your social media platforms (e.g. Twitter, Facebook, LinkedIn, Website, etc).



Response

- ☐ Yes
- ☒ No

Supporting Narrative

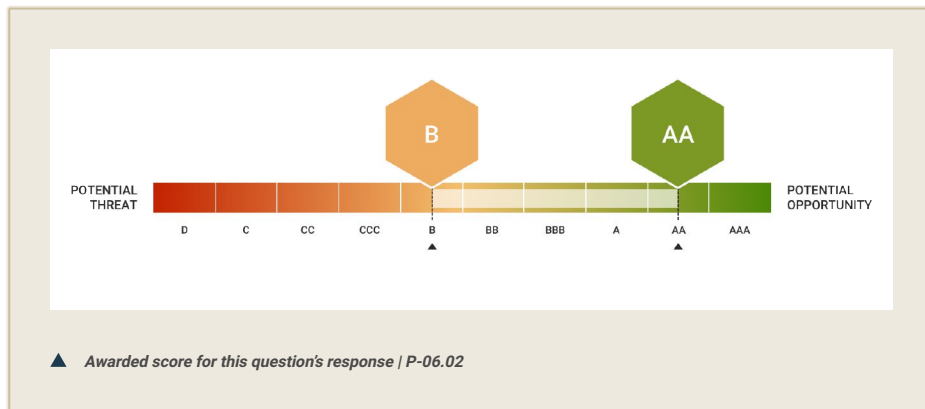
Capella has Twitter and LinkedIn accounts at the Corporate level but not yet at the project level
<https://twitter.com/CapellaMinerals>
<https://www.linkedin.com/in/capellaminerals/>
 As the projects advance towards development we will look to instigate project-specific accounts.

Supporting Evidence Supplied

None

Project Question ID: P-06.02

Has mining been undertaken in the region in the recent past / currently being undertaken?



Response

☒ Yes

Does the local population support mining?

% in support: "98"

Are permits required for mining provided on time and as required?

☒ Yes

☐ No

☐ Mixture

Has mining activity undertaken in the past been closed in a responsible manner?

☒ Yes

☐ No

☐ Mixture

☐ No

☐ Unsure

Supporting Narrative

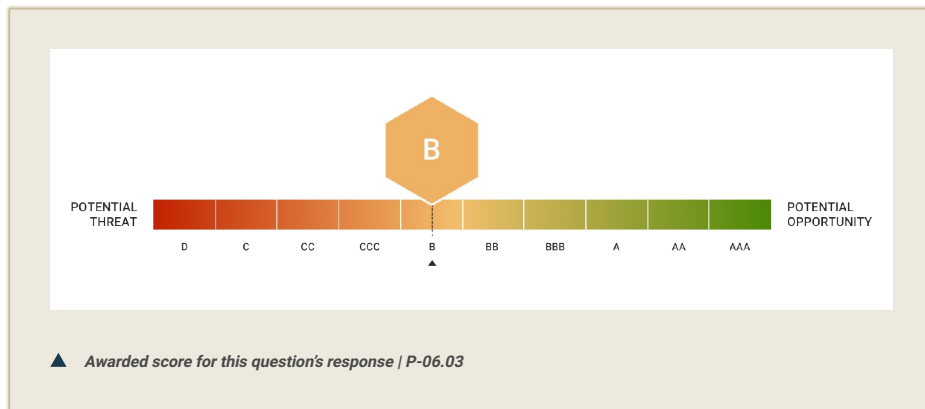
The former copper mine at Lokken closed in the mid-1980's. There is high support in the Lokken area for mining as locals remember the benefits of mining and many had grandfathers etc that worked in the operations. Norwegians are also pragmatic and understand that copper is a vital metal for the transition to green/renewable energies and also for electric vehicles (and they want the copper to be ethically sourced).

Supporting Evidence Supplied

None

Project Question ID: P-06.03

Have you or previous owners received any praise and/or complaints regarding your current / past activities on this project / in the local area?


Response

- ☐ Yes
☒ No
☐ No formal system to do so

Supporting Narrative

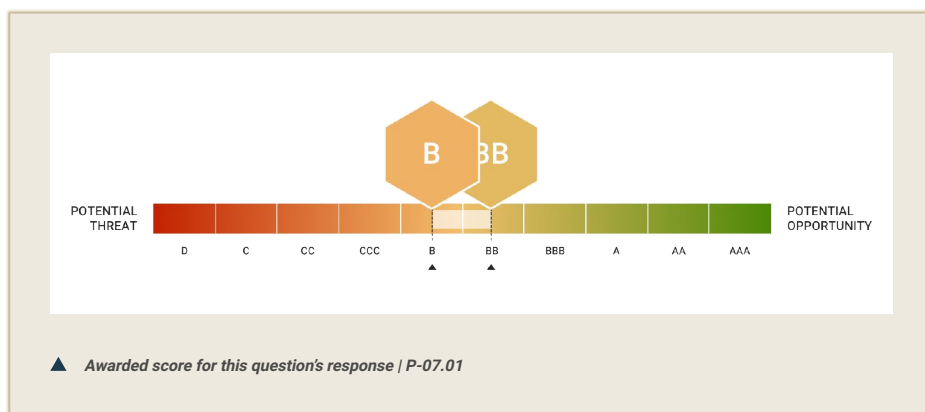
We are not aware of any issues in the Lokken area.

Supporting Evidence Supplied

None

Project Question ID: P-07.01

Is formal government approval required for key project development activities such as disturbance associated with road construction, water withdrawal, drilling activities or rehabilitation?



Response

- ☒ Yes
- ☐ No
- ☐ Not sure

Supporting Narrative

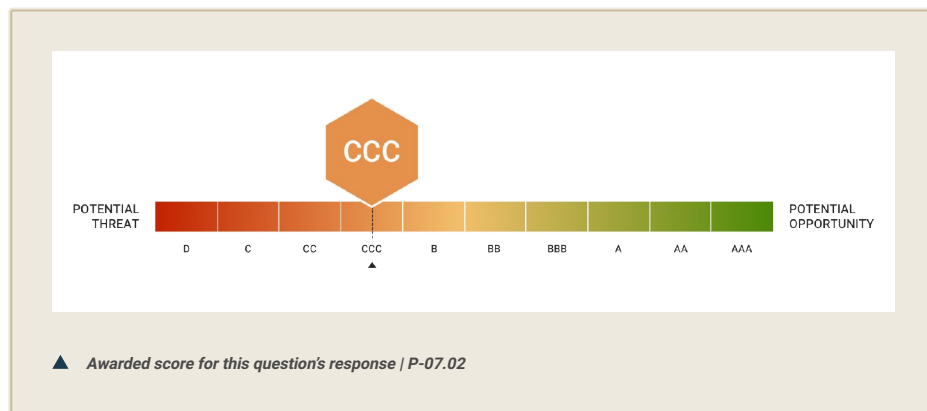
Drill permitting is required through the Mining Directorate, in addition to having local community / municipality support. At least two months advance notice is required to be given for any project works that involve any surficial disturbance. The construction of new roads / tracks in Norway require the issuance of the so-called "Off Road Permit".

Supporting Evidence Supplied

None

Project Question ID: P-07.02

Is the region governed by traditional / state structures or a combination?



Response

- ☐ Traditional
- ☒ State
- ☐ Combination
- ☐ Not sure

Supporting Narrative

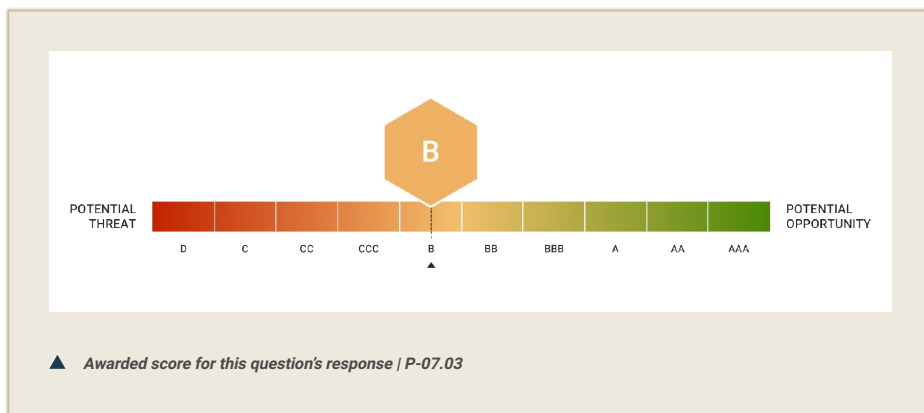
The Lokken project lies within the Orkland Kommune (municipality). The municipality of Orkland is located in the port town of Orkanger, through which concentrates from the old Lokken mine used to be exported.

Supporting Evidence Supplied

None

Project Question ID: P-07.03

Is there a regional / national development plan?



Response

- ☐ Yes
- ☐ No
- ☒ Unsure

Supporting Narrative

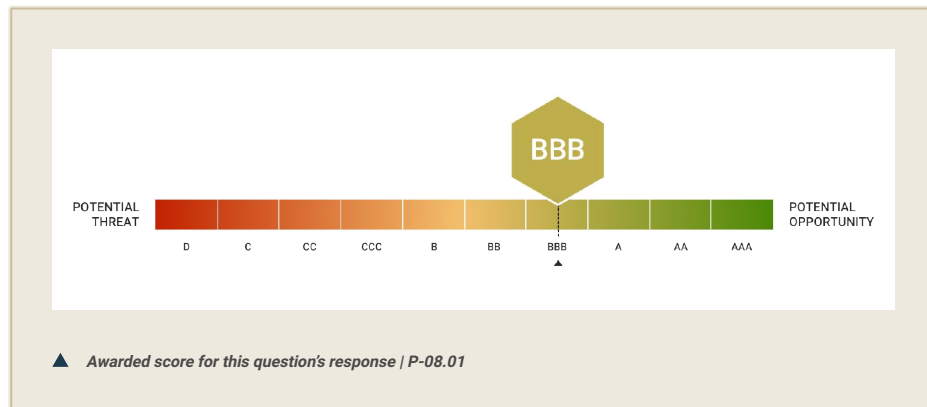
Capella is unaware of specific development plans relating to the Orkland municipality. However, the municipality has seen a significant shift in demographics in recent times (the loss of younger people to major cities, the settlement of recently-arrived immigrants in Orkanger as per Norway's immigrant settlement plan, etc) and is no doubt looking at all alternatives (including mining) to keep people in the area and for them to be gainfully employed.

Supporting Evidence Supplied

None

Project Question ID: P-08.01

What year did / will baseline monitoring commence for? Enter year or planned year



Response

Health and Safety

Year: "2022"

Climatic data

Year: "2022"

Carbon

Year: "2025"

Water usage

Year: "2022"

Surface water chemistry

Year: "2022"

Groundwater

Year: "2025"

Air quality (incl. SOx / NOx)

Year: "2025"

Noise

Year: "2022"

Biodiversity

Year: "2022"

Other

Year: ∅ No answer provided

Supporting Narrative

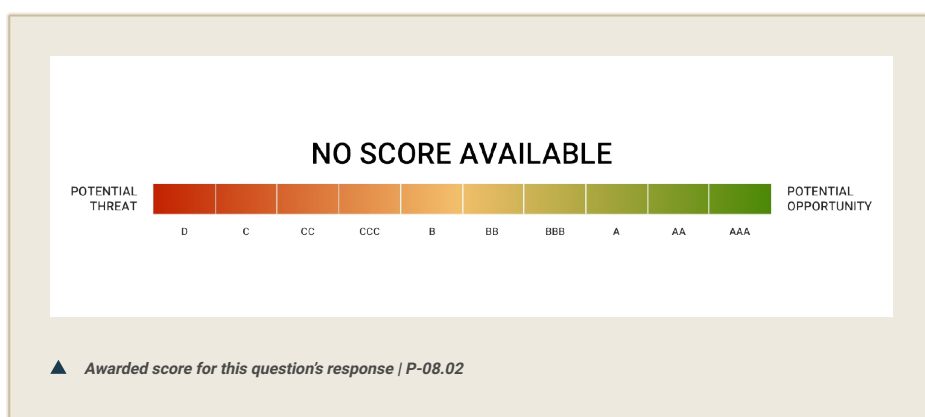
As the Lokken project is still early stage, most of the key base line studies will be initiated during 2022. The exception to this is surface water chemistry, as we have already engaged a third-party consultant to provide a base line study of surface water quality.

Supporting Evidence Supplied

None

Project Question ID: P-08.02

Have you publicly committed to (or inherited) any project-specific commitments? Enter year or planned year and description of commitment



Response

No

Supporting Narrative

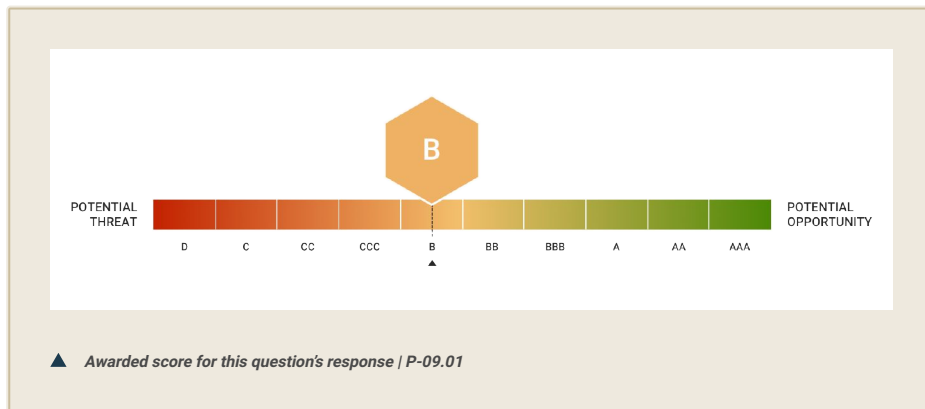
Capella has not inherited any project-specific commitments at Lokken.

Supporting Evidence Supplied

None

Project Question ID: P-09.01

Do you plan to / have you undertaken an Environmental (and Social) Impact Assessment or equivalent? Upload if possible


Response

- ☐ Yes
- ☐ Unsure
- ☒ No

Supporting Narrative

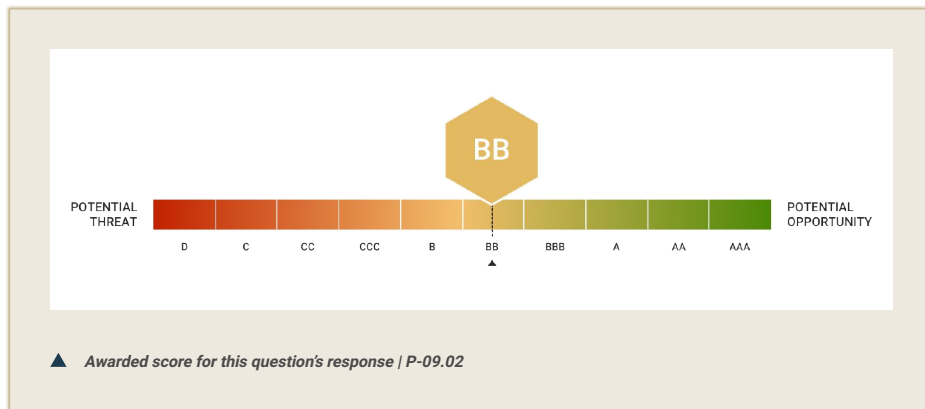
Capella is still at a very early stage of exploration at Lokken. These studies will start becoming important during 2022.

Supporting Evidence Supplied

None

Project Question ID: P-09.02

Do you have a rehabilitation plan for the exploration activities you are undertaking?



Response

- ☒ Yes
 - ☐ Regulatory mandate
 - ☒ Business need
- ☐ No

Supporting Narrative

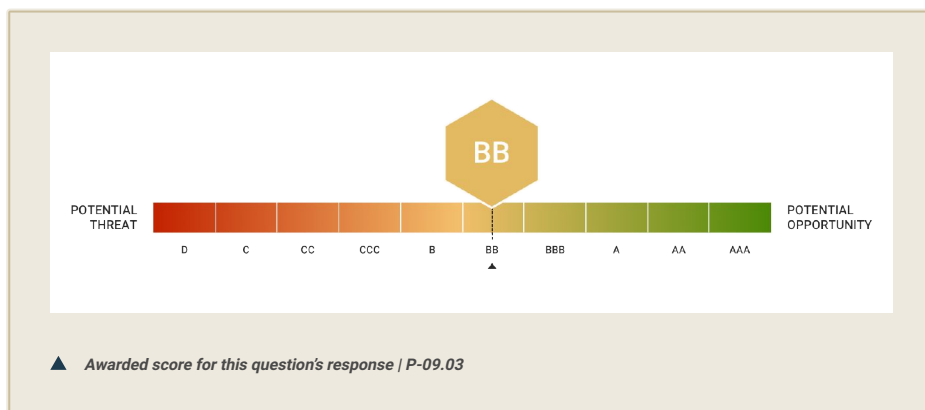
Our commitment is to minimize impact where possible, including drilling as much as possible during the winter (when the ground is frozen) to minimize damage to properties.

Supporting Evidence Supplied

None

Project Question ID: P-09.03

What are you doing to actively influence future mine plans and associated closure plans for this project?



Response

Answer: "It is too early to consider this - we are still at the exploration stage"

Supporting Narrative

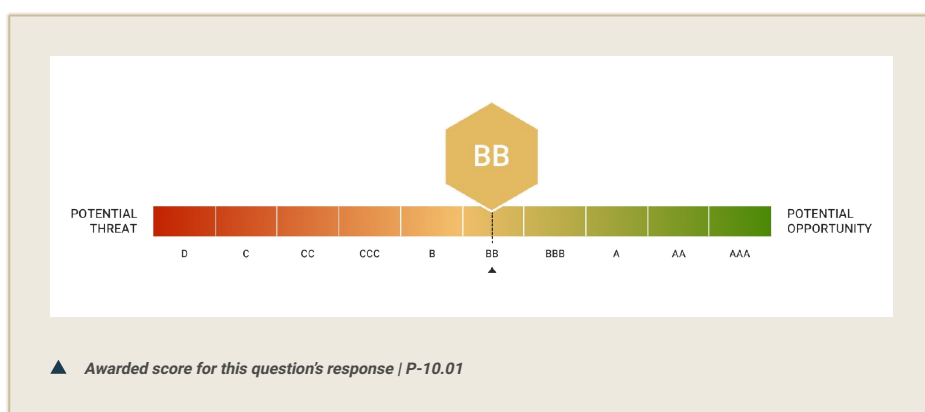
None

Supporting Evidence Supplied

None

Project Question ID: P-10.01

What are you doing to actively keep your team (including employees, contractors and visitors) healthy and safe? Looking to include action beyond just physical initiatives to understand training and awareness.



Response

Answer: "The healthy and safety of our employees is clearly priority number 1. Training and awareness are key to maintaining our people safe."

Supporting Narrative

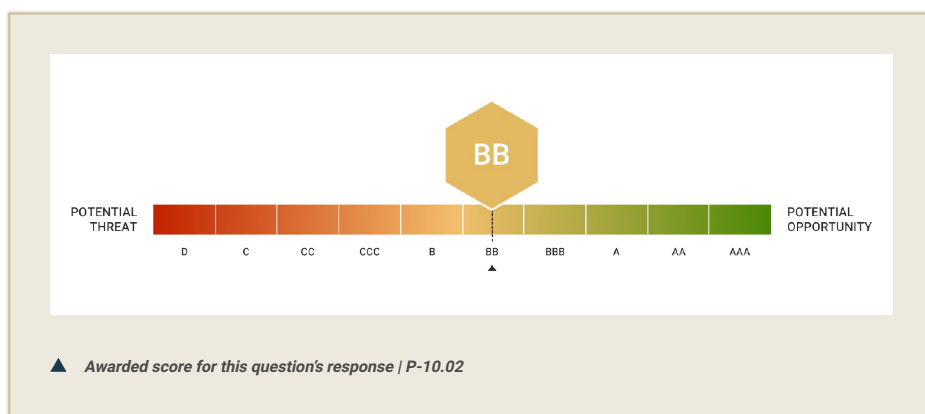
None

Supporting Evidence Supplied

None

Project Question ID: P-10.02

What are you doing to actively keep your team and equipment secure both now and for the long term?



Response

Answer: "Discussions on outdoor survival training, operating close to moving machinery, etc, are constantly held. The project area has mobile phone coverage so we have constant communication with our field staff (this is critical in the event of any emergency)."

Supporting Narrative

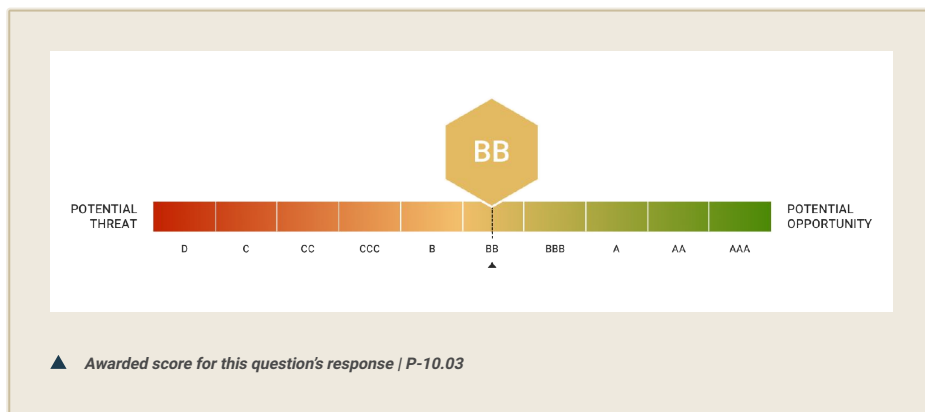
None

Supporting Evidence Supplied

None

Project Question ID: P-10.03

What are you doing to actively manage biodiversity now and for the long term? Proof of commitments to avoid, mitigate, restore, offset can be uploaded / linked to.



Response

Answer: "We have identified those areas which are deemed to be more sensitive than others and will take the appropriate steps to ensure that they are given further protection."

Supporting Narrative

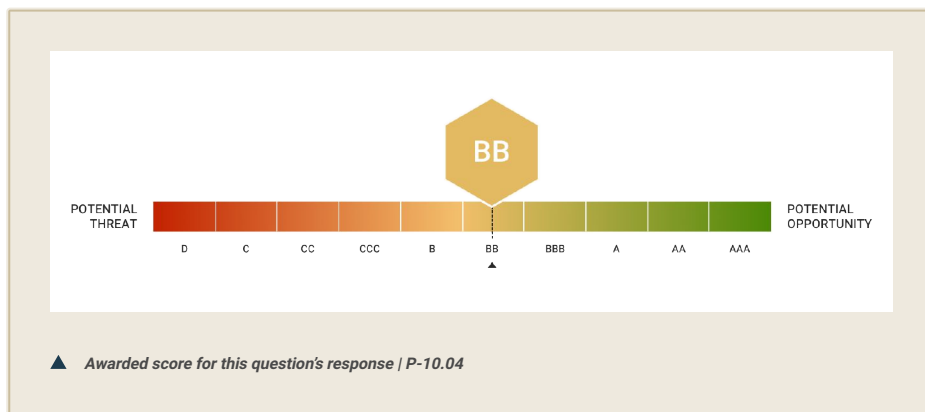
None

Supporting Evidence Supplied

None

Project Question ID: P-10.04

What are you doing to minimize impacts and risks to surface and groundwater quantity and quality now and for the long term? E.g. bore hole casing so that farmers can use your holes after you have finished; closed-loop drilling to minimise contamination of environment from drilling fluids. Proof of commitments to be uploaded / linked to



Response

Answer: "Recirculation of drill waters and ensuring that no "dirty" waters escape in to adjacent drainages"

Supporting Narrative

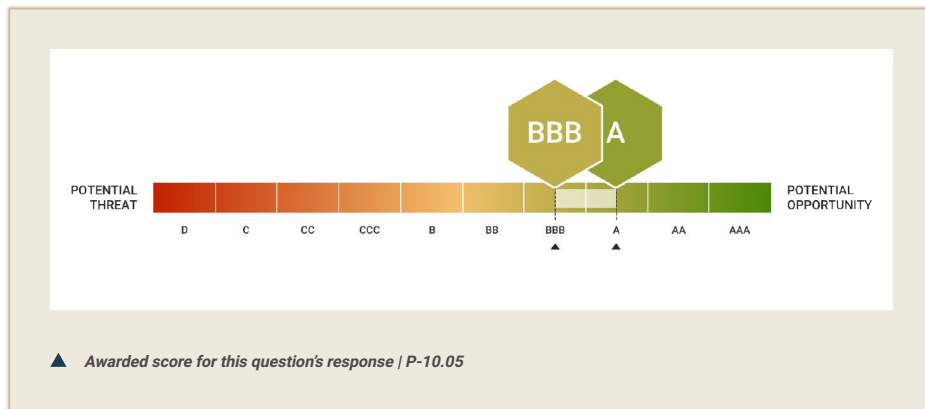
None

Supporting Evidence Supplied

None

Project Question ID: P-10.05

If there is opportunity, are you actively remediating old workings / previous industry impacts within your property?



Response

- ☒ Yes
- ☐ Regulatory mandate
- ☒ Business decision
- ☐ No

Supporting Narrative

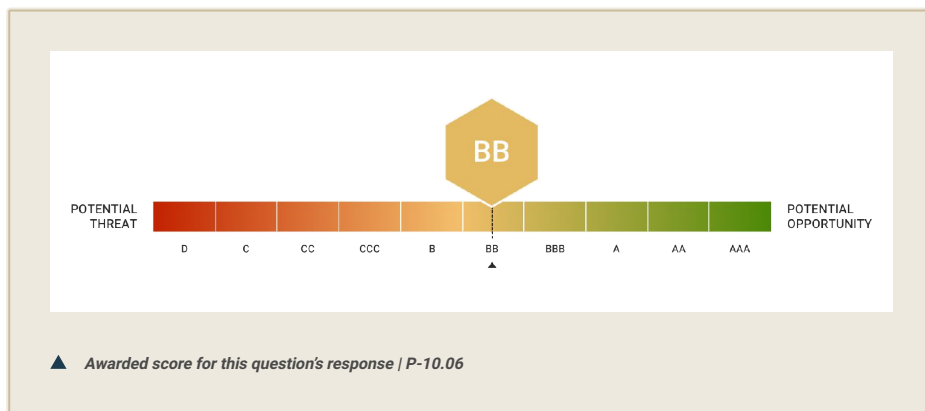
We are evaluating the rehabilitation of those former parts of the Lokken mine that the government has yet to remedy.

Supporting Evidence Supplied

None

Project Question ID: P-10.06

What are you doing to actively reduce noise now and for the long term?



Response

Answer: "Noise impact at the exploration stage is negligible, but care will be taken to ensure any local animal herds are not potentially disturbed."

Supporting Narrative

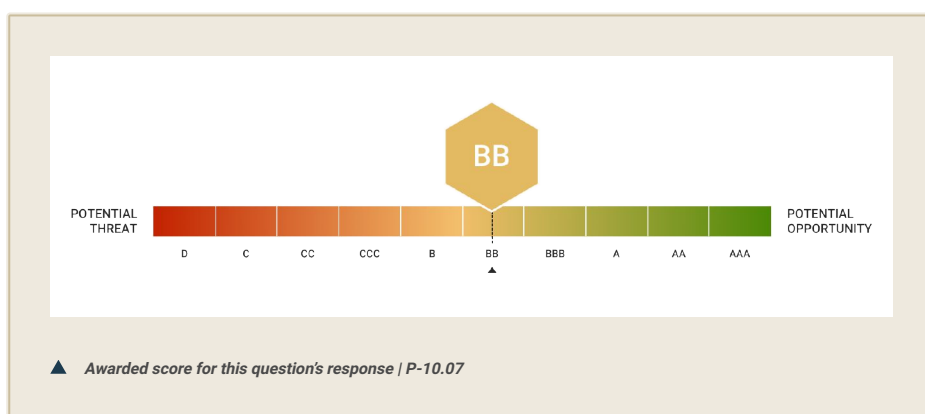
None

Supporting Evidence Supplied

None

Project Question ID: P-10.07

What are you doing to actively reduce emissions now and for the long term?



Response

Answer: "The project is still very early stage so there are few emissions that we can control at this point (other than vehicle exhaust)."

Supporting Narrative

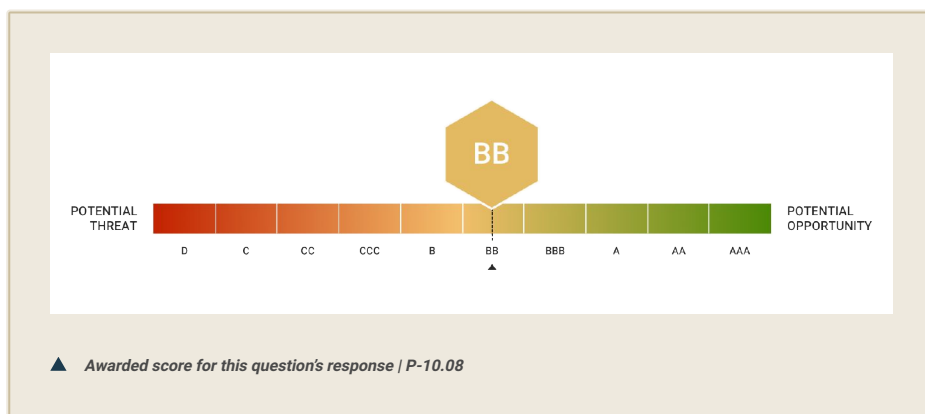
None

Supporting Evidence Supplied

None

Project Question ID: P-10.08

What are you doing to actively reduce vibration now and for the long term?



Response

Answer: "The only potential source of vibration now is from drilling (and that will be monitored)."

Supporting Narrative

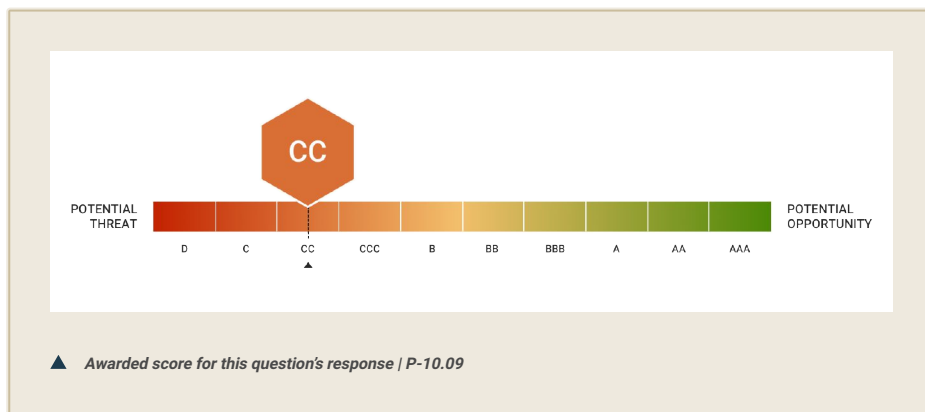
None

Supporting Evidence Supplied

None

Project Question ID: P-10.09

Who is responsible for implementing and running your stakeholder engagement and communications and where are they based? Name the individual as well as the role.



Response

Name: "Eric Roth"

Role: "President & CEO"

Location: "Spain"

Supporting Narrative

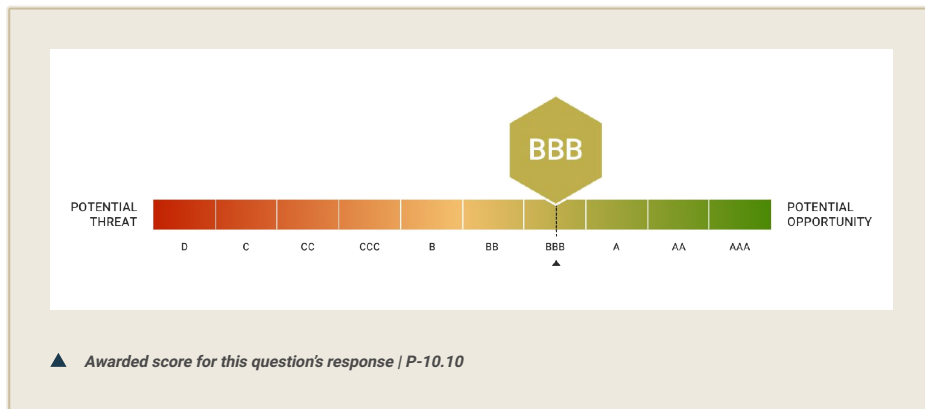
The CEO is responsible for overall management of stakeholder engagement and communications, however, local team members are utilized when Norwegian or Sami language skills are required.

Supporting Evidence Supplied

None

Project Question ID: P-10.10

Do you engage in the local language(s) or routinely use support with language and cultural experience?



Response

☒ Yes

List local language(s):

Norwegian

Sami

☐ No

☐ Unsure

Supporting Narrative

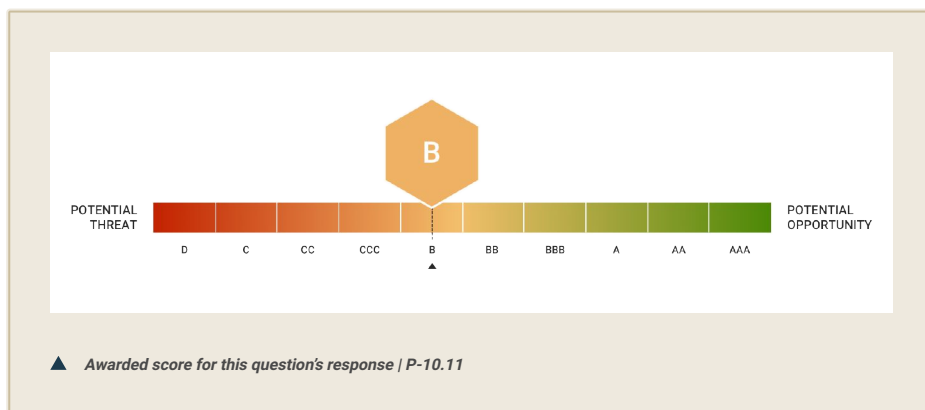
Our project staff are all fluent in Norwegian and are therefore able to communicate with all local communities. Some Sami reindeer herders visit the Lokken and Kjoli areas during the summer months, and they are typically fluent in Norwegian as well as the local Sami dialect.

Supporting Evidence Supplied

None

Project Question ID: P-10.11

What are you doing to actively preserve cultural heritage sites within the property now and for the long term?



Response

Answer: "No cultural heritage sites have been identified within the project area (although the former Lokken mine and the railway line to the port of Orkanger are summer tourist attractions)"

Supporting Narrative

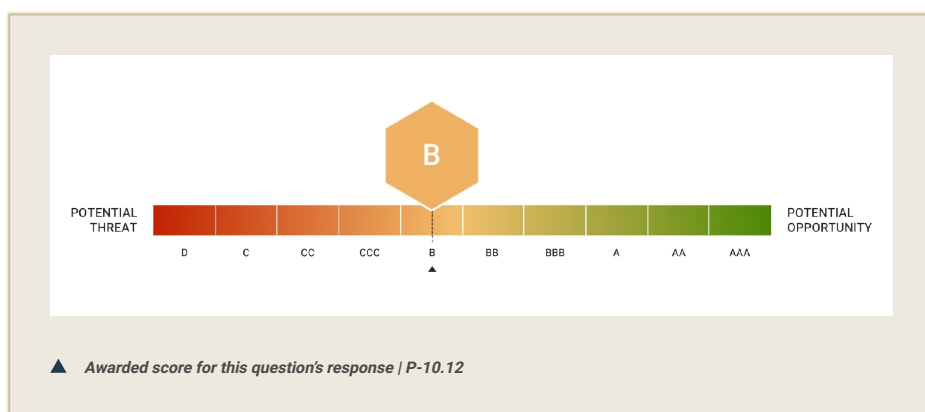
None

Supporting Evidence Supplied

None

Project Question ID: P-10.12

How do you actively involve multiple (diverse) stakeholders in decision making?



Response

Answer: "In person meetings are always the best mechanism (although this has been difficult in the past 12 months because of Covid-19 related restrictions)"

Supporting Narrative

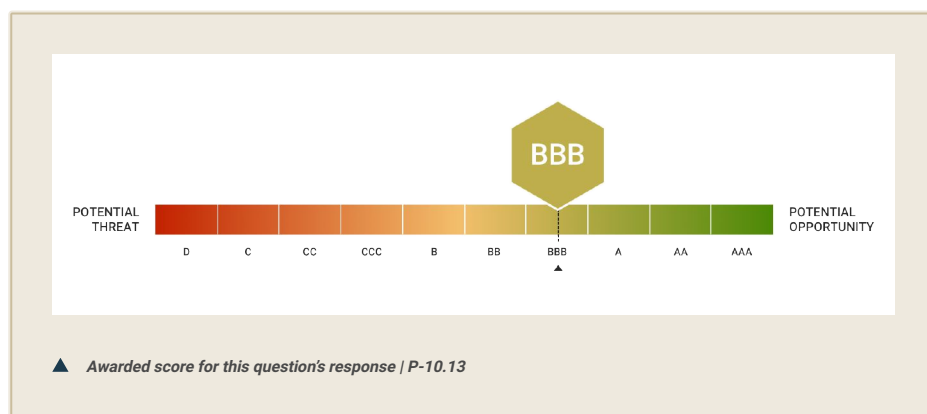
None

Supporting Evidence Supplied

None

Project Question ID: P-10.13

What proportion of your supplies are purchased locally / regionally / nationally / internationally?



Response

Local

Percentage of goods now: "30"

Percentage of goods anticipated next year: "60"

Regional

Percentage of goods now: "30"

Percentage of goods anticipated next year: "20"

National

Percentage of goods now: "10"

Percentage of goods anticipated next year: "10"

International

Percentage of goods now: "30"

Percentage of goods anticipated next year: "10"

Supporting Narrative

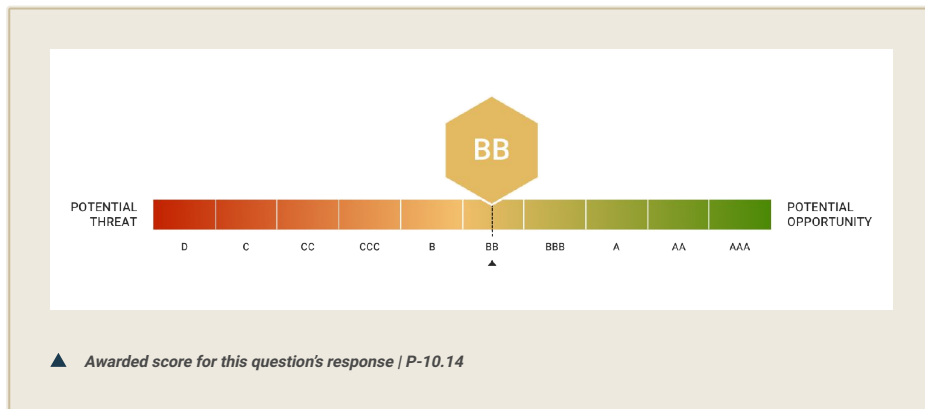
None

Supporting Evidence Supplied

None

Project Question ID: P-10.14

What additional initiatives are you implementing to actively support the local population / economy?



Response

Answer: "In addition to purchasing (and hiring) as much as we can locally, we are looking to support local communities through additional education and sporting initiatives."

Supporting Narrative

None

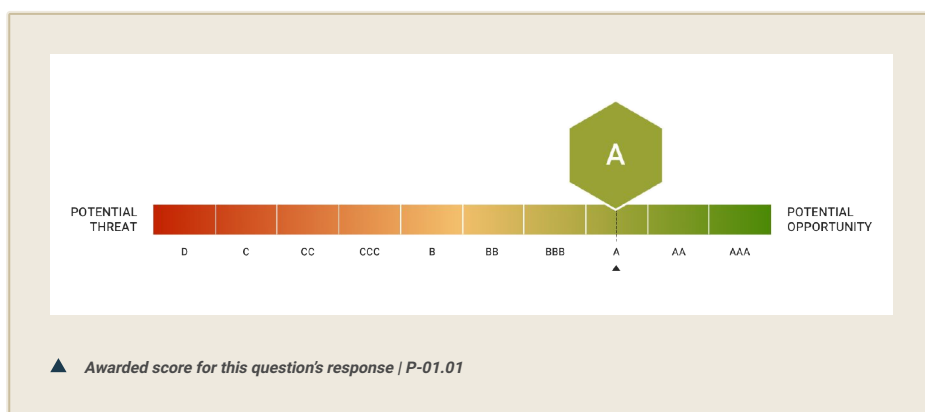
Supporting Evidence Supplied

None

Project Responses - Kjoli

Project Question ID: P-01.01

Please share with us where your project is by providing geographic coordinates in geographic latitude and longitude format (WGS84 coordinate reference system i.e. GPS). Please also provide a map of your tenement / lease / licence / block / working area. (If you cannot upload your map, please contact the team to support you). If your project consists of multiple areas, and/or it has undergone change since your previous submission (if applicable), please outline this context in the supporting narrative.



Response

Upload or insert grid reference / AOI / Map: "WGS84 UTM Zone 32N"

Supporting Narrative

The Kjoli project is located in the Trondelag Province of central Norway, approximately 20km north of the former mining centre of Roros. The project area consist of 246 square kilometres of exploration claims held in 25 individual claim blocks.

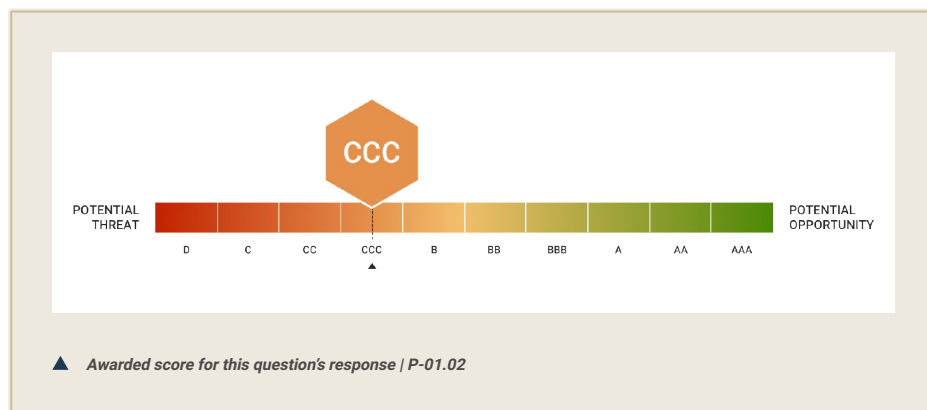
Note that attached property map uses UTM Zone 33N (Norway is divided into Zone 32N and 33N and all the government maps are standardized to Zone 33N).

Supporting Evidence Supplied

- Kjoli_Property.png

Project Question ID: P-01.02

Is your property at risk of any of the following natural hazards (now and over the life of the project). Tick all that apply.



Response

- ☐ Earthquakes
- ☐ Landslides
- ☐ Tsunamis
- ☐ Volcanic Activity
- ☐ Avalanches
- ☐ Floods
- ☐ Extreme temperatures
- ☐ Drought
- ☐ Wildfires
- ☐ Cyclones
- ☐ Storms / Wave surges
- ☐ Disease epidemics
- ☐ Insect / Animal plagues
- ☐ Other

Supporting Narrative

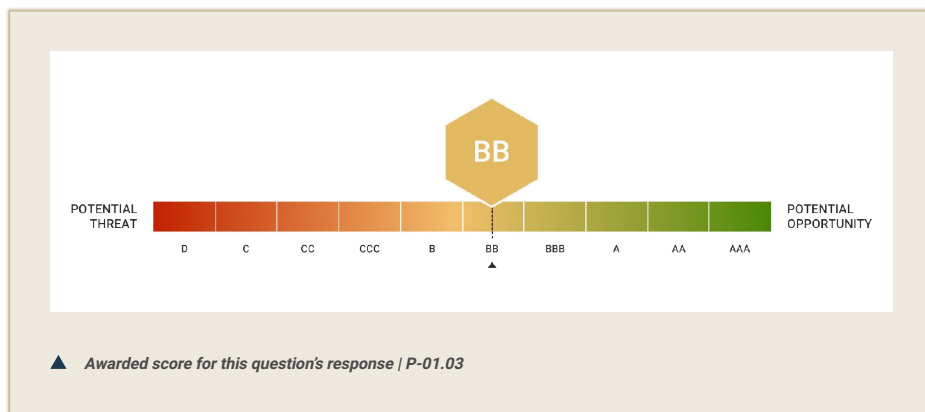
The Kjolli property is located at around 1,000m altitude and is, for the most part, fairly flat. The project is also located above the tree line so has no vegetation except for grass. No known catastrophic natural events have occurred during the last 20 years; likely the only potential natural risks for the project area are excessive snow falls during the winter and rains during the summer.

Supporting Evidence Supplied

None

Project Question ID: P-01.03

Is there anything upstream of you which could impact (positively / negatively) on your activities now or over the life of the project? E.g. reservoir / lake, dam, glacial advance / retreat, population increase and informal settlements, industry with potential source of water contamination, another mine.


Response

- ☐ Yes
- ☒ N/A

Supporting Narrative

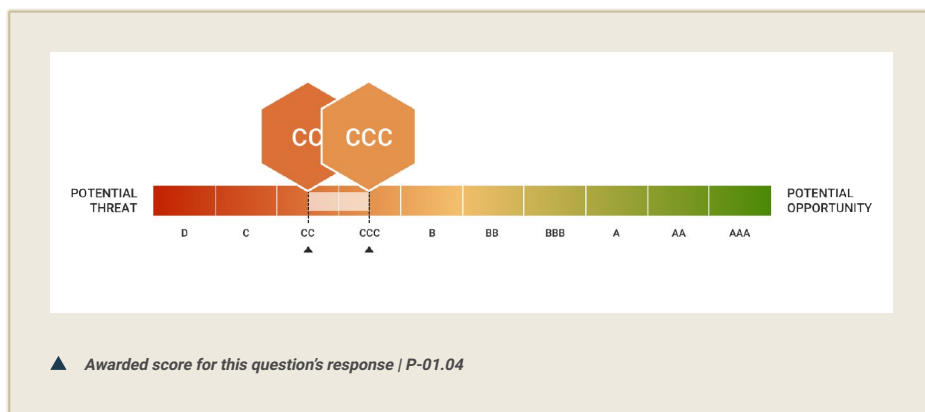
The Kjolli area is very sparsely populated with limited cultural activities. Upstream from the project (approximately 8km from the NE corner of the property) is the Nesjodammen hydroelectric plant, which provides power to both local and national grids.

Supporting Evidence Supplied

None

Project Question ID: P-01.04

Is there anything downstream of your activities which you might impact, now or over the life of the project, directly or indirectly as a result of your activities? E.g. communities, indigenous groups, watersheds, biodiversity sensitive area, water resources, other industry, heritage sites etc.



Response

☒ Yes

☒ Natural

Explain: "The Kjoli project is close to the headwaters of the Gaula River, which is a tributary to a major river / valley system that flows down to the Atlantic coast."

☒ Manmade

Explain: "The community of Alen (population 2,000) is located on the western end of the project area. Sami reindeer herders operate locally in the Kjoli area during the summer months."

☐ N/A

Supporting Narrative

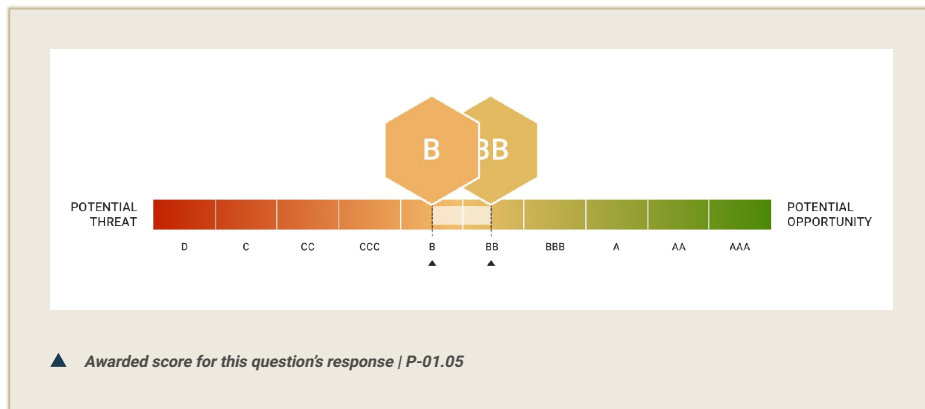
None

Supporting Evidence Supplied

None

Project Question ID: P-01.05

Is there a recent history of conflict in the area in which you are operating?
E.g. political / ethical or ethnically motivated. Tick all that apply.


Response

- ☐ Yes
- ☒ None

Supporting Narrative

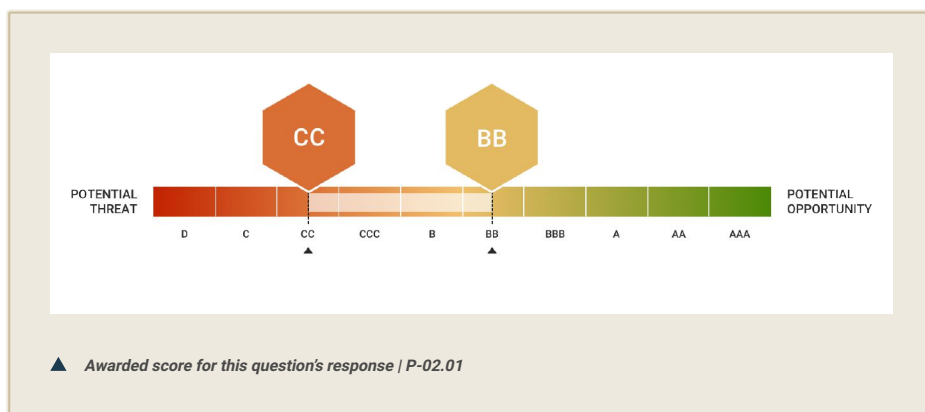
No conflicts have been recorded from the Kjolli project area.

Supporting Evidence Supplied

None

Project Question ID: P-02.01

What exploration activities are you currently undertaking? Tick all that apply. If your activities are not listed below, please add them in the supporting narrative.



Response

- ☒ Desktop studies
- ☒ Geophysical studies
- ☐ Trenching
- ☒ Sampling and assay
- ☒ Geochemical studies
- ☒ Diamond drill holes
- ☐ Remote surveying
- ☐ Other

Supporting Narrative

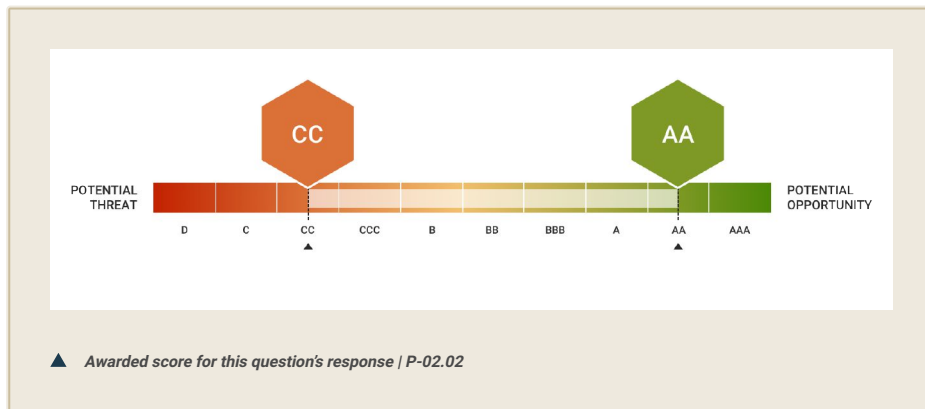
The Kjolli project area is an early-stage exploration project in which we: i) have been compiling all historical data from the project area and ii) recently completed a comprehensive summer exploration program including mapping, soil sampling, and ground geophysics. Permitting for a maiden drill program at Kjolli has just been initiated, with drilling expected to begin in H1 2022.

Supporting Evidence Supplied

None

Project Question ID: P-02.02

What commodities are you exploring for? List all commodities, including by-products. Where possible also state the ore body type (if known).



Response

Copper

Zinc

Cobalt

Supporting Narrative

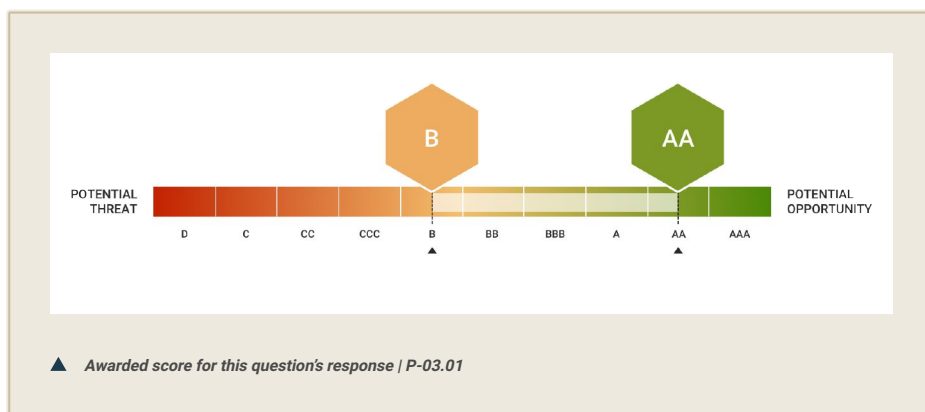
The Kjolli project contains massive sulfide (VMS) targets with copper and zinc as the main economic commodities. Secondary metals include cobalt, gold, and silver. The project area contains two former operating copper mines - Killingdal and Kjolli - with production having ceased by the 1980's

Supporting Evidence Supplied

None

Project Question ID: P-03.01

How many people are currently in your project team, and how many are projected or estimated to be in the coming years? Enter numbers and a supporting narrative on the diversity of your team.



Response

Men

Now: "2"

Anticipated next year: "10"

Anticipated 5 years: "25"

Women

Now: "1"

Anticipated next year: "10"

Anticipated 5 years: "25"

Non-binary

Now: "0"

Anticipated next year: "0"

Anticipated 5 years: "25"

Supporting Narrative

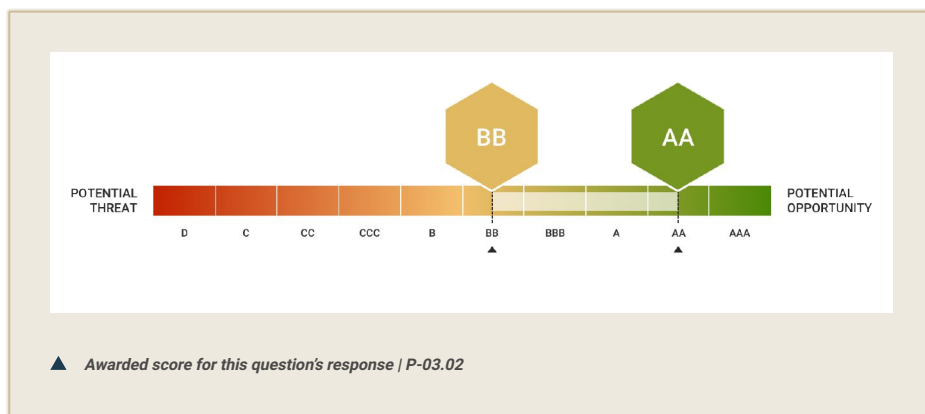
Our current team is comprised of three Norwegians, two of which are considered local to the project. As the project moves through drilling and discovery we would expect the team to grow commensurate with levels of activity. On the back of exploration success, the team in 5 years time would also include professionals related to mine development.

Supporting Evidence Supplied

None

Project Question ID: P-03.02

Of your current project team, how many are drawn from the local population (local to the asset) and how many are predicted to be? Note: Please assume 'local' as within the same province as project or c.50km – for very remote projects please give explanation.



Response

Percent of workforce

Now: "67"

Anticipated next year: "80"

Anticipated 5 years: "80"

Supporting Narrative

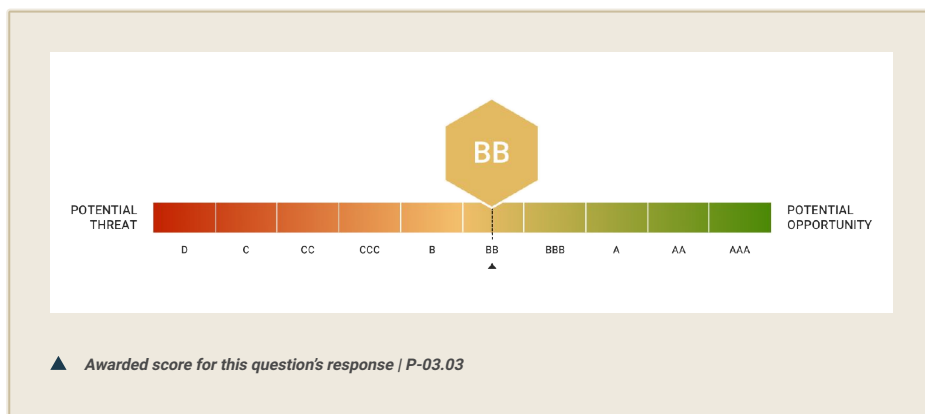
Our goal is to hire as many local people as possible for the project. However, given the scarcity of mining talent available locally (Trondelag Province), we will likely have to extend our search to other provinces in Norway also.

Supporting Evidence Supplied

None

Project Question ID: P-03.03

What is your health and safety record to date? Feel free to upload your safety records to show trends through time. If you calculate your health and safety statistics using different metrics, please ignore the table and upload/ describe in the supporting narrative.



Response

Number of fatalities

Last 12 months: "0"

Last 24 months: "0"

Last 5 years: "0"

Disabling injuries

Last 12 months: "0"

Last 24 months: "0"

Last 5 years: "0"

Total recordable incident rate

Last 12 months: "0"

Last 24 months: "0"

Last 5 years: "0"

Supporting Narrative

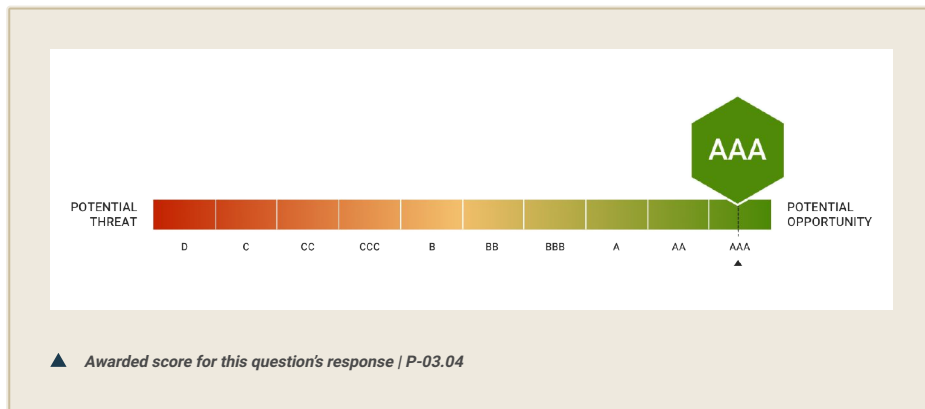
To date, Capella has not had any reportable injuries or accidents

Supporting Evidence Supplied

None

Project Question ID: P-03.04

Does your project contain / include security officials armed with firearms?
Tick all that apply.



Response

- ☐ Yes
- ☒ No

Supporting Narrative

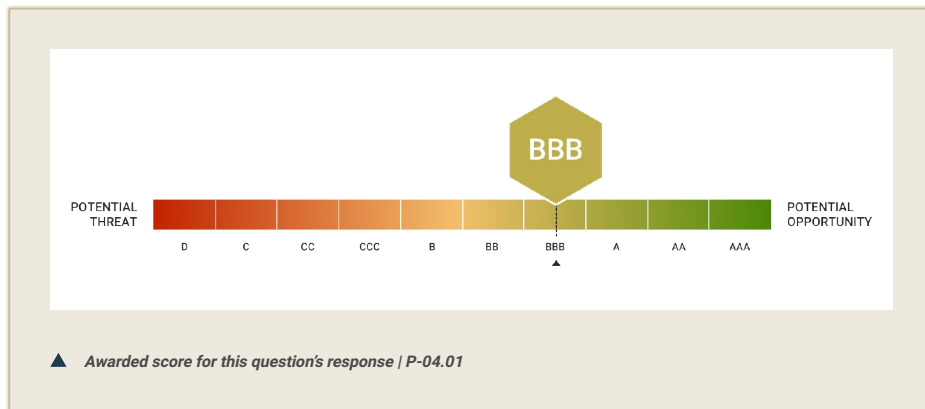
Security officials with firearms are not required in Norway

Supporting Evidence Supplied

None

Project Question ID: P-04.01

Did you acquire the project from another mining company or are you the first organisation to formally seek exploration / development rights?


Response

- ☒ Acquired
- ☐ We are the first organisation

Supporting Narrative

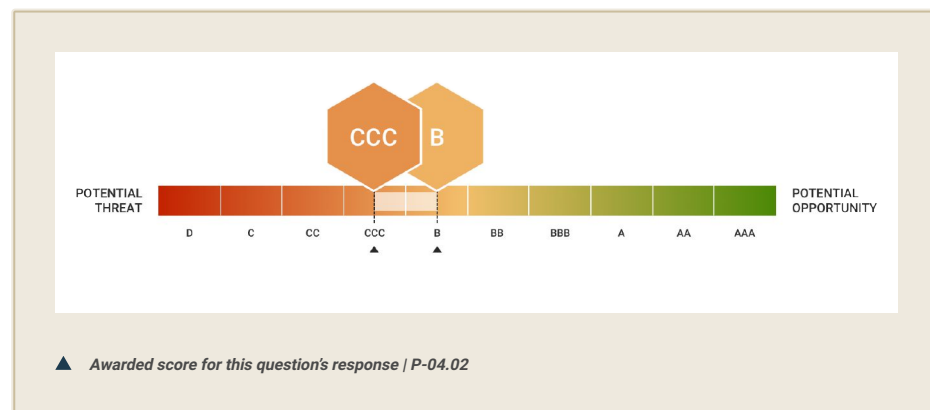
Capella acquired an initial 150 square kilometre property in the Kjoli area from EMX Royalty Corp in late 2020. During 2021, Capella staked an additional 96 square kilometres of claims to cover new targets identified from ongoing field programs.

Supporting Evidence Supplied

None

Project Question ID: P-04.02

What is/are the existing land use(s) within your permitted / lease hold exploration area? Tick all that apply.


Response

- ☐ UNESCO site
- ☐ Contains a Cultural Heritage site
- ☐ Contains a Religious site
- ☐ Other protected site
- ☒ Lake / River / wetlands
- ☐ Marine / inter-tidal
- ☒ Low density rural
- ☐ Significant biodiversity value
- ☐ Biodiversity pathway
- ☐ Hosts species on IUCN RED list
- ☒ Agricultural
- ☐ Undisturbed land
- ☐ Virgin forest
- ☐ Urban / suburban
- ☐ Contains a Hospital
- ☐ Contains a School
- ☐ Industrial (including energy transmission lines)
- ☐ Tourism
- ☒ Contains highway or transport link
- ☐ Brownfield site
- ☐ Industrial wasteland
- ☐ Artisanal mining

- ☐ Mining (active)
- ☒ Mining (inactive)
- ☐ Mining (closed + remediated)
- ☐ Mining with legacy
- ☐ Other

Supporting Narrative

One small river (Gaula) and some local gravel roads cross through the project area. In the far SW corner of the property, the main regional paved highway that links Trondheim to Roros and the parallel railway line cut through the property.

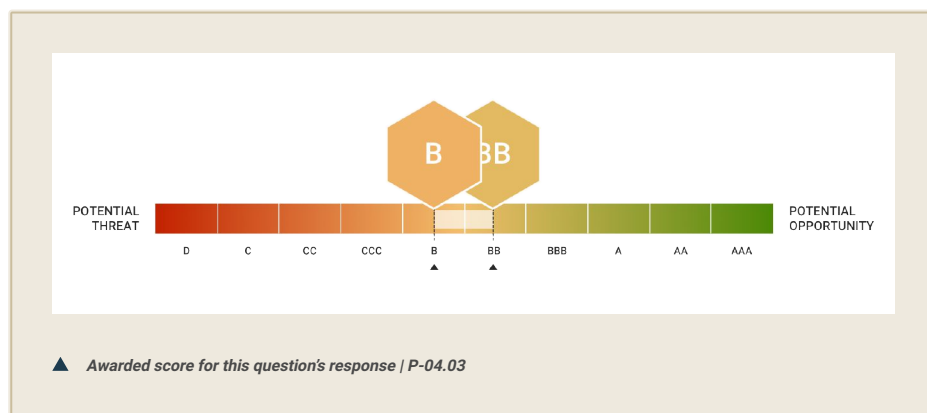
The Kjoli property previously had two mining operations - Killingdal and Kjoli - both of which have been closed for at least 50 years. Currently the project area contains only very low density rural population with limited agriculture. Sami reindeer herders operate in some parts of the property during the summer months.

Supporting Evidence Supplied

- Kjoli Project Area.jpg

Project Question ID: P-04.03

What land uses exist adjacent to your property? Tick all that apply.



Response

- ☐ UNESCO site
- ☐ Contains a Cultural Heritage site
- ☐ Contains a Religious site
- ☐ Other protected site
- ☒ Lake / River / wetlands
- ☐ Marine / inter-tidal
- ☒ Low density rural
- ☐ Significant biodiversity value
- ☐ Biodiversity pathway
- ☐ Hosts species on IUCN RED list
- ☐ Agricultural
- ☐ Undisturbed land
- ☐ Virgin forest
- ☐ Urban / suburban
- ☒ Contains a Hospital
- ☒ Contains a School
- ☐ Industrial (including energy transmission lines)
- ☐ Tourism
- ☒ Contains highway or transport link
- ☐ Brownfield site
- ☐ Industrial wasteland
- ☐ Artisanal mining
- ☐ Mining (active)

- ☐ Mining (inactive)
- ☐ Mining (closed + remediated)
- ☐ Mining with legacy
- ☐ Other

Supporting Narrative

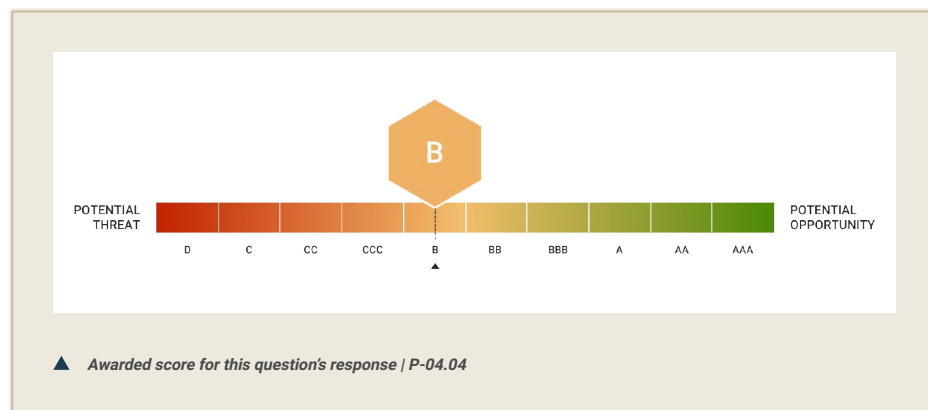
The broader Kjoli district contains low density rural populations, with the community of Alen (population about 2,000) being the only significant town in the area. Alen lies on both the main paved regional highway and railway line that links Trondheim with Roros.

Supporting Evidence Supplied

None

Project Question ID: P-04.04

Other than your planned activities, are there any other competing plans for land use for your property? Tick all that apply.



Response

- ☐ Planned designated protected site
- ☐ Biodiversity pathway
- ☐ Reforestation
- ☒ Pastoral routes
- ☒ Agricultural
- ☐ Indigenous livelihoods
- ☐ Urban / suburban development
- ☐ Industrial
- ☐ Tourism
- ☐ Highway or transport link
- ☐ Energy / renewables
- ☐ Other extractive
- ☐ Artisanal mining
- ☐ Other
- ☐ None

Supporting Narrative

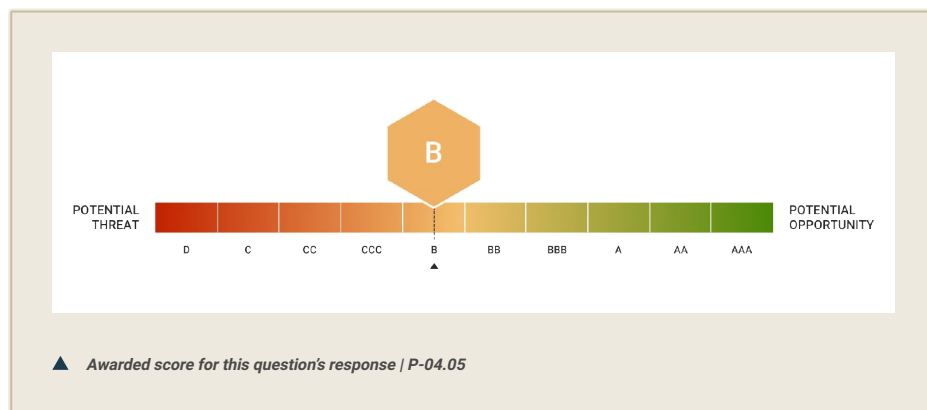
Aside from mining, the area around Kjolli is used primarily for limited agricultural purposes. Reindeer herders also use parts of the project area during the summer months.

Supporting Evidence Supplied

None

Project Question ID: P-04.05

Are there any competing plans for change of land use for adjacent properties? Tick all that apply.



Response

- ☐ Planned designated protected site
- ☐ Biodiversity pathway
- ☐ Reforestation
- ☐ Pastoral routes
- ☐ Agricultural
- ☐ Indigenous livelihoods
- ☐ Urban / suburban development
- ☐ Industrial
- ☒ Tourism
- ☒ Highway or transport link
- ☐ Energy / renewables
- ☐ Other extractive
- ☐ Artisanal mining
- ☐ Other
- ☐ None

Supporting Narrative

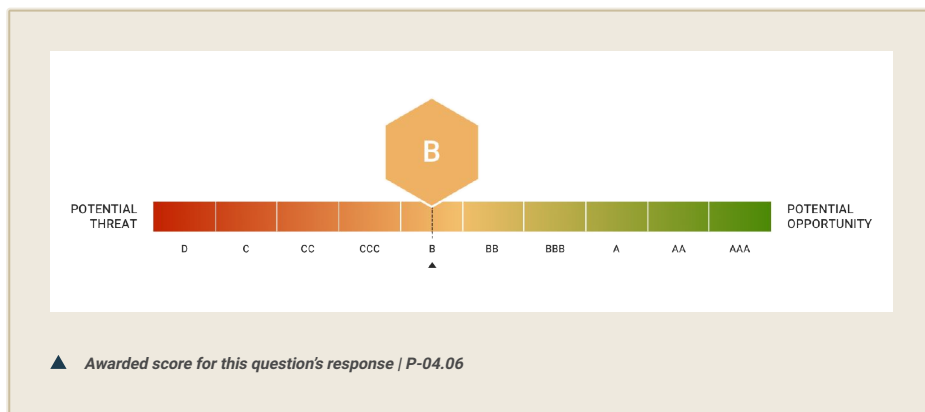
The main highway from Trondheim to Roros is a tourist route, although very few people stop either in Alen or the Kjoli project area. The train line that joins Trondheim to Roros also continues on towards Oslo, so it represents an important transport link in the region.

Supporting Evidence Supplied

None

Project Question ID: P-04.06

Are there communities (including informal settlements, farm workers, indigenous groups etc.) residing on areas within your project who may require resettlement in order to access the resource either in the short or long-term? Note – this is inclusive of formal / informal Artisanal and Small-scale mining (ASM)



Response

- ☐ Yes
- ☒ No
- ☐ Uncertain at this time

Supporting Narrative

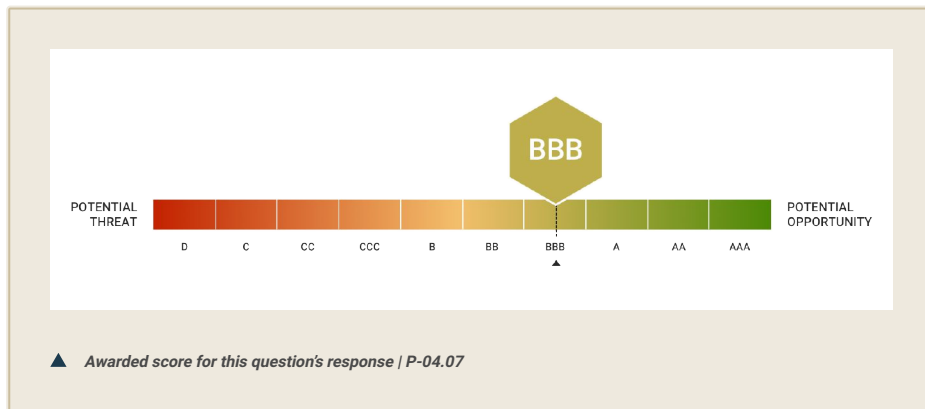
Other than a few isolated cabins at the western entrance to the property, the Kjoli project is devoid of any permanent dwellings / settlements.

Supporting Evidence Supplied

None

Project Question ID: P-04.07

Who owns the land on which you are exploring? If multiple owners and / or multiple claims to ownership, please explain.



Response

Answer: "Our main area of interest at Kjolli is owned by the State."

Supporting Narrative

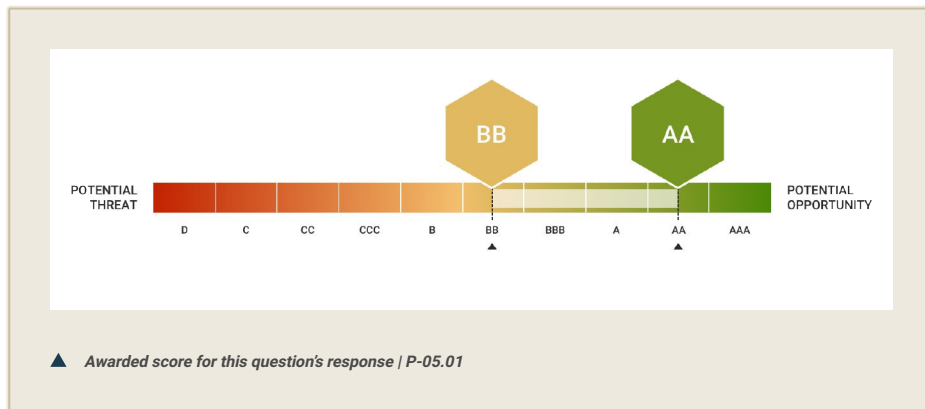
None

Supporting Evidence Supplied

None

Project Question ID: P-05.01

How will you access your property now and anticipate for development and potential operation? Tick all that apply.



Response

Helicopter

- ☐ Now
- ☐ In the future

Walk in

- ☒ Now
- ☒ In the future

Mule / horse

- ☒ Now
- ☐ In the future

Driven, on road

- ☒ Now
- ☒ In the future

Driven, off road

- ☐ Now
- ☐ In the future

Boat

- ☐ Now
- ☐ In the future

Plane

- ☐ Now
- ☐ In the future

Other

- ☐ Now
- ☐ In the future

Unknown

- ☐ Now
- ☐ In the future

Supporting Narrative

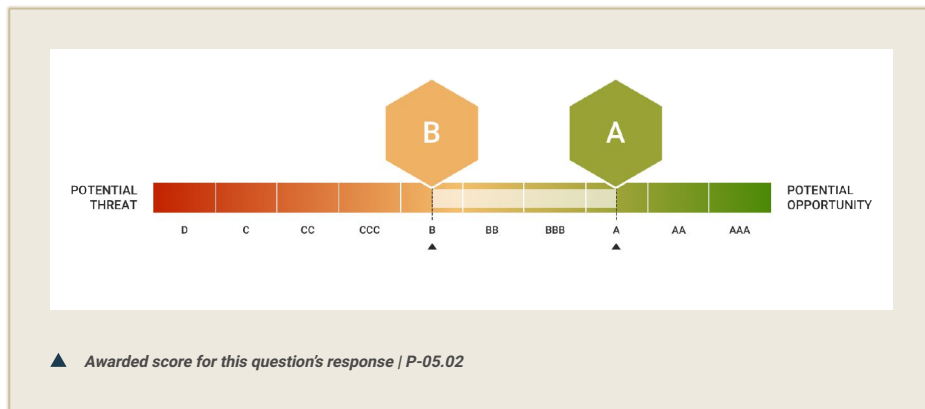
Access to the Kjolli property is via local gravel roads that are transitable during the summer months. Access to the main target areas is mostly achieved by walking, as off-road driving requires special permits. As the project advances, we would expect that most sites of economic interest would have road access.

Supporting Evidence Supplied

None

Project Question ID: P-05.02

How will you power your activities now and over the life of the project?
Tick all that apply.


Response
Off grid renewables (e.g. solar, wind, hydro, geothermal)

- ☐ Now
- ☐ In the future

Off grid biofuel

- ☐ Now
- ☐ In the future

Generator

- ☐ Now
- ☐ In the future

Own power station - renewables but only for own use

- ☐ Now
- ☐ In the future

Own power station - renewables with capacity to provide for community

- ☐ Now
- ☐ In the future

Own power station - fossil fuels but only for your use

- ☐ Now
- ☐ In the future

Own power station - fossil fuels with capacity to provide for community

- ☐ Now
- ☐ In the future

Drawn from local electricity grid that is powered by renewables

- ☒ Now
- ☒ In the future

Drawn from local electricity grid that is powered by fossil fuel

- ☐ Now
- ☐ In the future

Other

- ☐ Now
- ☐ In the future

Unknown

- ☐ Now
- ☐ In the future

Supporting Narrative

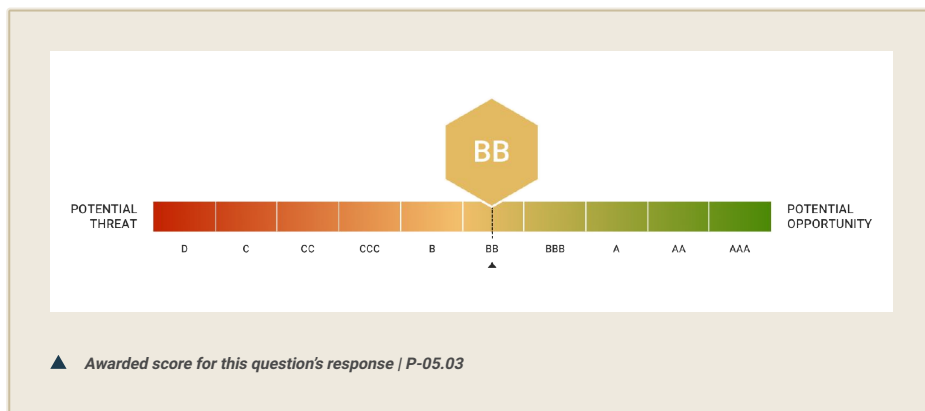
Most of Norway's energy needs comes from hydroelectric plants. A major hydroelectric plant (Nesjodammen) lies immediately to the NE of the Kjolli property.

Supporting Evidence Supplied

None

Project Question ID: P-05.03

Is your property located in a water stressed catchment(s)?



Response

Stress on water quantity

- ☐ Yes
☒ No
☐ Unknown

Stress on water quality

- ☐ Yes
☒ No
☐ Unknown

Supporting Narrative

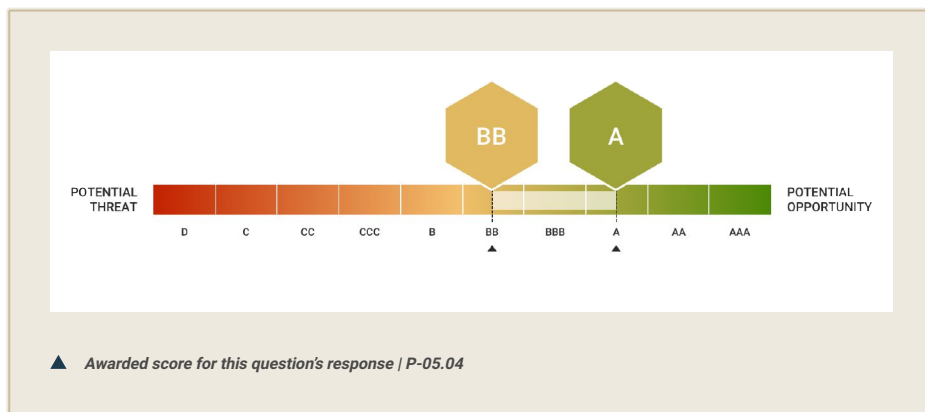
The Kjolli area has adequate water supplies for the limited agricultural activities that are undertaken in the area. Voluntary systematic controls on potential acid rock drainage from both former and future mining operations will be introduced as the project advances.

Supporting Evidence Supplied

None

Project Question ID: P-05.04

Of the total volume of water available for use by all users of the catchment, what % are you currently using for your activities / will be using in the near future (state time horizon)? (or provide commentary)



Response

% - now: "0"

% - future (state time horizon): "2%"

Supporting Narrative

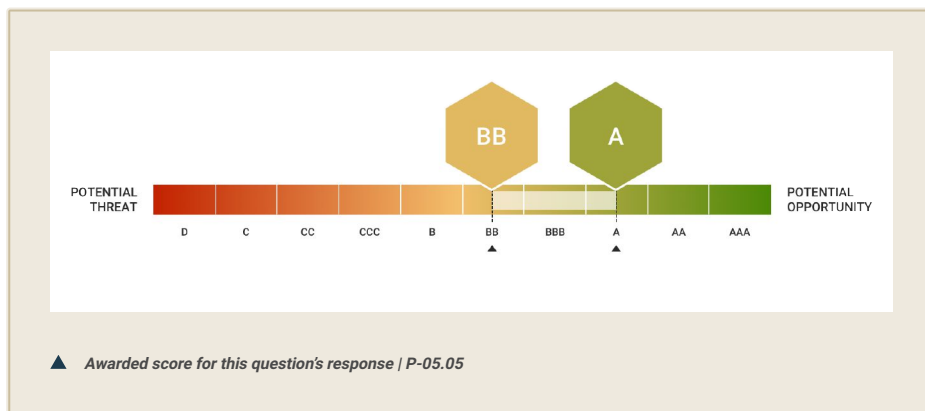
The Kjolli area has adequate water supplies to accommodate both current and projected future water use.

Supporting Evidence Supplied

None

Project Question ID: P-05.05

Do you or will you need to discharge water from the disturbed footprint?



Response

Now

- ☐ Yes (with treatment)
- ☐ Yes (without treatment)
- ☒ No
- ☐ Unknown

In the future

- ☐ Yes (with treatment)
- ☐ Yes (without treatment)
- ☐ No
- ☒ Unknown

Supporting Narrative

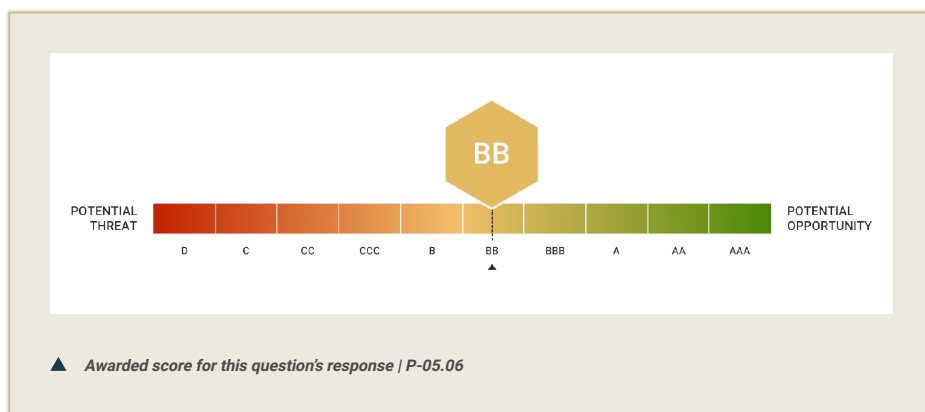
Current water discharge at the Kjoli project is zero. Should economic discoveries be made at Kjoli, future mine plans would likely include water recycling circuits with minimal discharge to the outside environment.

Supporting Evidence Supplied

None

Project Question ID: P-05.06

How do / will you manage your waste (both domestic and industrial)?
Note: Industrial is inclusive of exploration drill cuttings to future tailings.
Tick all that apply.


Response
DOMESTIC WASTE
Use legal / authorised local authority facilities

- ☒ Now
- ☒ In the future

Construct own facility for waste management

- ☐ Now
- ☐ In the future

Remove all waste from exploration site

- ☐ Now
- ☐ In the future

Other

- ☐ Now
- ☐ In the future

Unknown

- ☐ Now
- ☐ In the future

INDUSTRIAL WASTE (INCLUSIVE OF POTENTIAL FOR FUTURE TAILINGS FACILITIES)
Use legal / authorised local authority facilities

- ☒ Now
- ☒ In the future

Construct own facility for waste management

- ☐ Now
- ☐ In the future

Remove all waste from exploration site

- ☐ Now
- ☐ In the future

Other

- ☐ Now
- ☐ In the future

Unknown

- ☐ Now
- ☐ In the future

Supporting Narrative

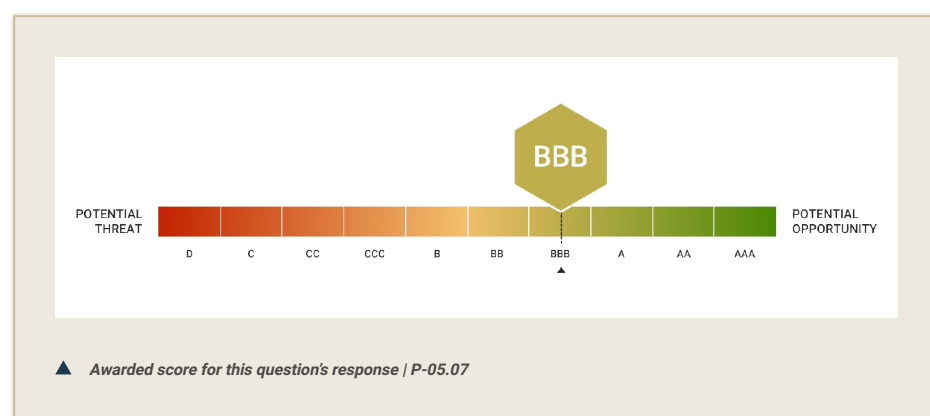
The Company expects to use authorized waste disposal sites for both domestic and industrial waste. Strong government regulations exist in Norway for the disposal of waste.

Supporting Evidence Supplied

None

Project Question ID: P-05.07

Should your asset progress to operation stage, will your anticipated processing approach require the construction of a tailings facility?



Response

- ☐ Yes
- ☐ No
- ☒ Uncertain at this time

Supporting Narrative

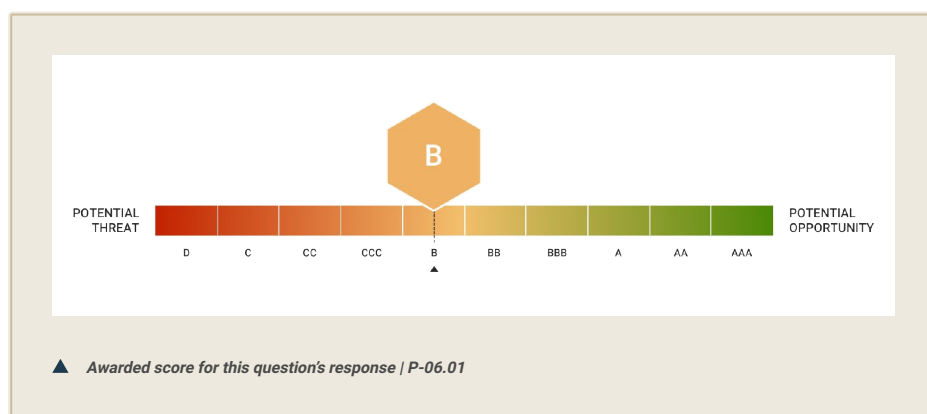
The processing of copper-zinc ores through a concentrator (the likely mineral processing method for any economic discoveries at Kjolli) will result in the generation of tailings. However, the Company would look at the feasibility of using paste backfill in the underground mines - this is where tailings are mixed with concrete and sent back underground to fill disused stopes.

Supporting Evidence Supplied

None

Project Question ID: P-06.01

At a project level do you have a social media plan? Please provide URLs to all of your social media platforms (e.g. Twitter, Facebook, LinkedIn, Website, etc).



Response

- ☐ Yes
- ☒ No

Supporting Narrative

In addition to the Corporate website, the Company has Corporate social media sites (but not project level sites at this stage). Links are:

Corporate website: <https://capellaminerals.com/>

Twitter: <https://twitter.com/CapellaMinerals>

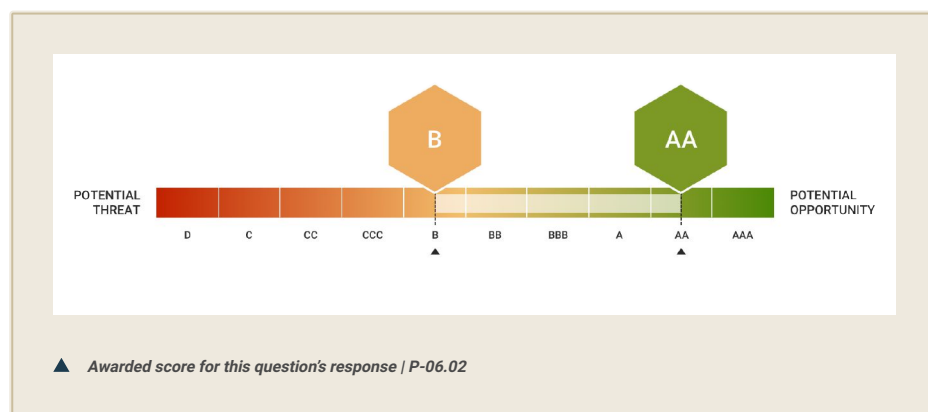
LinkedIn: <https://www.linkedin.com/in/capellaminerals/>

Supporting Evidence Supplied

None

Project Question ID: P-06.02

Has mining been undertaken in the region in the recent past / currently being undertaken?



Response

☒ Yes

Does the local population support mining?

% in support: "98"

Are permits required for mining provided on time and as required?

☒ Yes

☐ No

☐ Mixture

Has mining activity undertaken in the past been closed in a responsible manner?

☒ Yes

☐ No

☐ Mixture

☐ No

☐ Unsure

Supporting Narrative

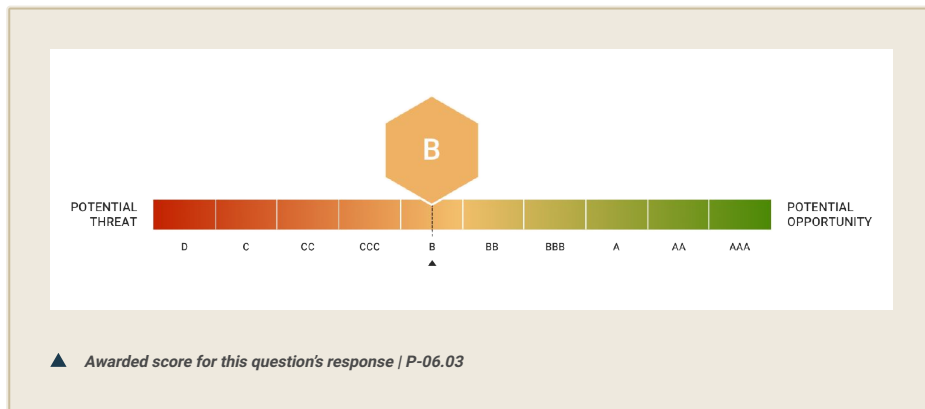
The Kjolli project area hosts two former underground mines, Killingdal and Kjolli. In addition, surface workings of copper-zinc mineralization are developed intermittently along a +/- 20km-long trend. There is a high level of support for mining in the Kjolli area, as sources of employment in the area are limited. Many families also had grandfathers etc that worked in the mines, so there is a close connection to mining in the district.

Supporting Evidence Supplied

None

Project Question ID: P-06.03

Have you or previous owners received any praise and/or complaints regarding your current / past activities on this project / in the local area?


Response

- ☐ Yes
- ☒ No
- ☐ No formal system to do so

Supporting Narrative

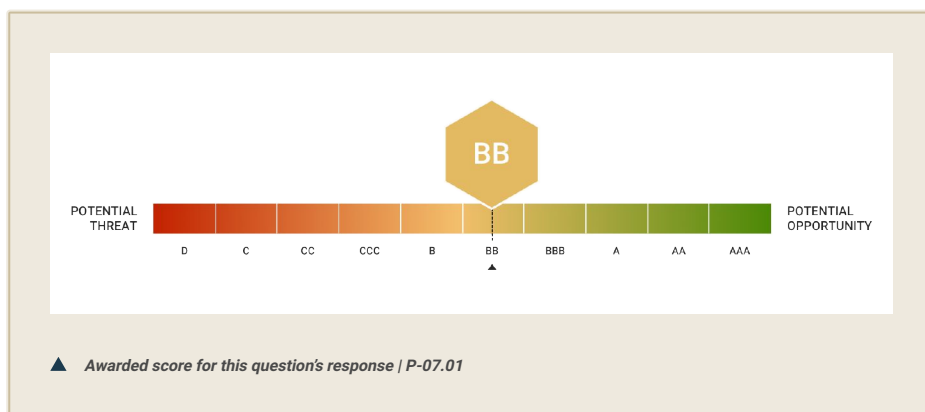
Locals have been happy with the work performed to date at the project. No formal complaints have been received.

Supporting Evidence Supplied

None

Project Question ID: P-07.01

Is formal government approval required for key project development activities such as disturbance associated with road construction, water withdrawal, drilling activities or rehabilitation?


Response

- ☒ Yes
☐ No
☐ Not sure

Supporting Narrative

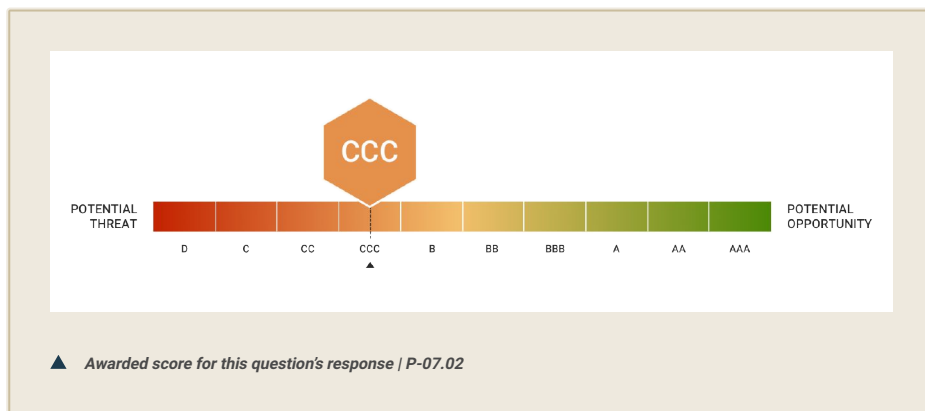
Drill permitting is required through the Mining Directorate, in addition to having local community / municipality support. At least two months advance notice is required to be given for any project works that involve any surficial disturbance. The construction of new roads / tracks in Norway require the issuance of the so-called "Off Road Permit".

Supporting Evidence Supplied

None

Project Question ID: P-07.02

Is the region governed by traditional / state structures or a combination?



Response

- ☐ Traditional
- ☒ State
- ☐ Combination
- ☐ Not sure

Supporting Narrative

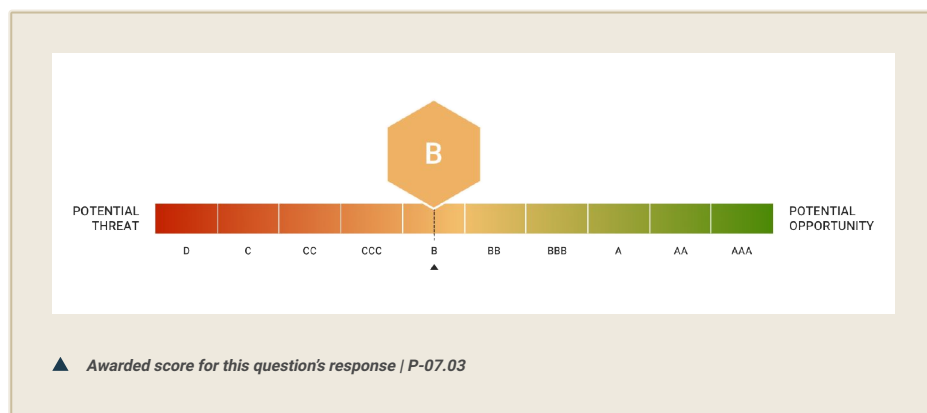
The region is covered by a standard state structure that goes from from the National level (Norway), through to the Provincial level (Trondelag), and then to the Local level (kommune or municipality; Holtalen)

Supporting Evidence Supplied

None

Project Question ID: P-07.03

Is there a regional / national development plan?


Response

- ☐ Yes
☐ No
☒ Unsure

Supporting Narrative

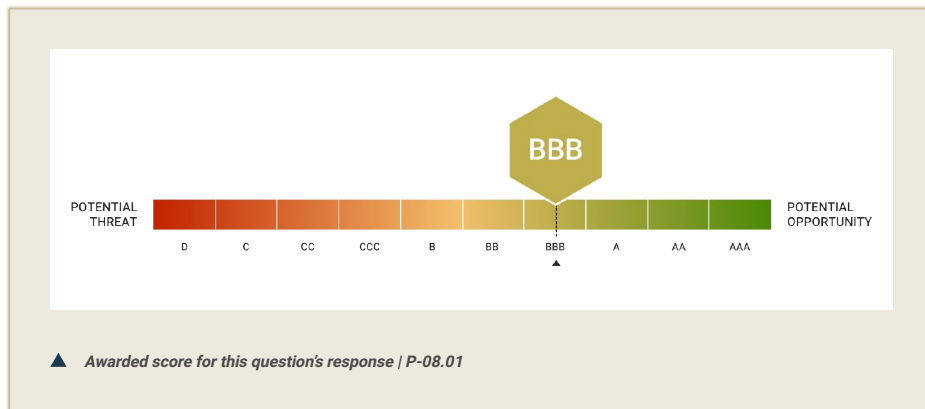
However, the local community Holtalen strongly supports the development of new mining projects.

Supporting Evidence Supplied

None

Project Question ID: P-08.01

What year did / will baseline monitoring commence for? Enter year or planned year



Response

Health and Safety

Year: "2022"

Climatic data

Year: "2025"

Carbon

Year: "2025"

Water usage

Year: "2022"

Surface water chemistry

Year: "2022"

Groundwater

Year: "2025"

Air quality (incl. SOx / NOx)

Year: "2025"

Noise

Year: "2025"

Biodiversity

Year: "2022"

Other

Year: Ø No answer provided

Supporting Narrative

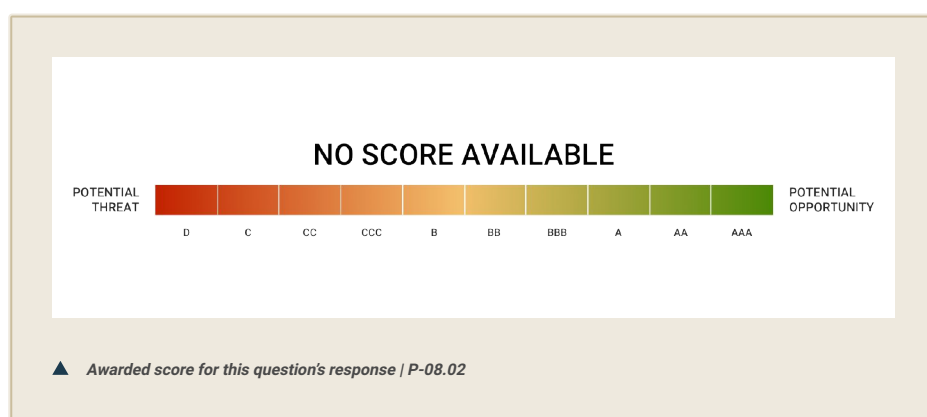
Kjoli is an early stage exploration project so detailed baseline monitoring will commence in 2022 together with the expected initiation of drilling. The one exception is surface water geochemistry, where qualified contractors have already been engaged to document and identify any potential acid rock drainage issues from the former mines.

Supporting Evidence Supplied

None

Project Question ID: P-08.02

Have you publicly committed to (or inherited) any project-specific commitments? Enter year or planned year and description of commitment



Response

No

Supporting Narrative

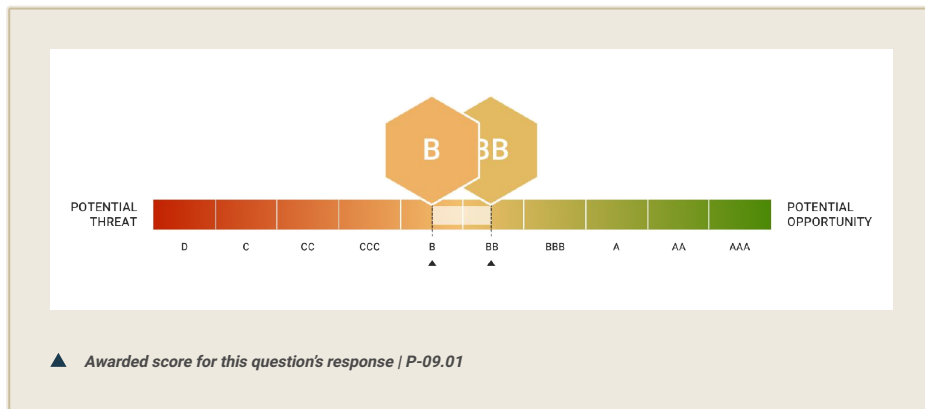
Other than our in-house commitment to hire as many local people as possible, Capella has not inherited any project-specific commitments. Clearly, though, we also have strict environmental standards to uphold during the exploration phase.

Supporting Evidence Supplied

None

Project Question ID: P-09.01

Do you plan to / have you undertaken an Environmental (and Social) Impact Assessment or equivalent? Upload if possible


Response

- ☐ Yes
- ☐ Unsure
- ☒ No

Supporting Narrative

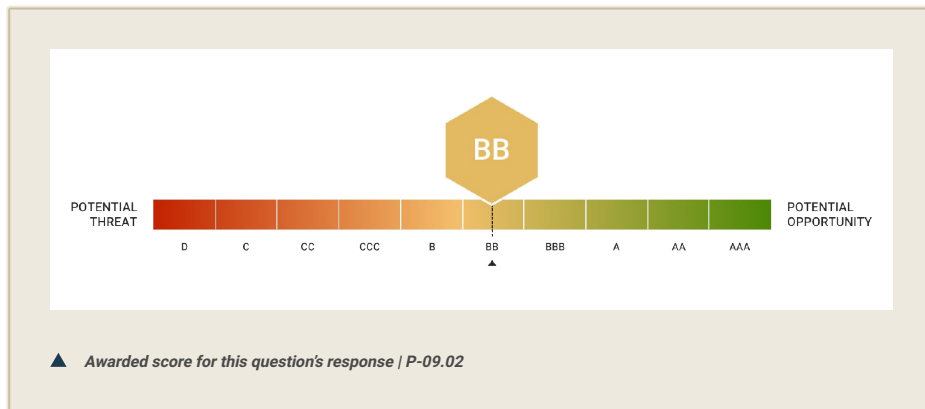
A full Environmental (and Social) Impact Assessment is not required at this stage of the project.

Supporting Evidence Supplied

None

Project Question ID: P-09.02

Do you have a rehabilitation plan for the exploration activities you are undertaking?



Response

- ☒ Yes
- ☐ Regulatory mandate
 - ☒ Business need
- ☐ No

Supporting Narrative

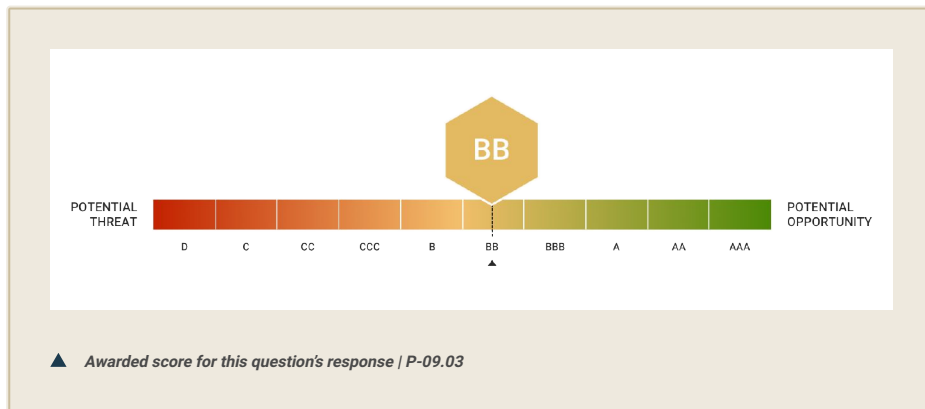
Capella commits to leaving all explored areas (where no further work is planned) in as close to the original state as possible.

Supporting Evidence Supplied

None

Project Question ID: P-09.03

What are you doing to actively influence future mine plans and associated closure plans for this project?



Response

Answer: "It's too early in the life cycle of the project to be discussing details on mine and closure plans, however, Capella's commitment is to operate (and rehabilitate) sites as per best international practice."

Supporting Narrative

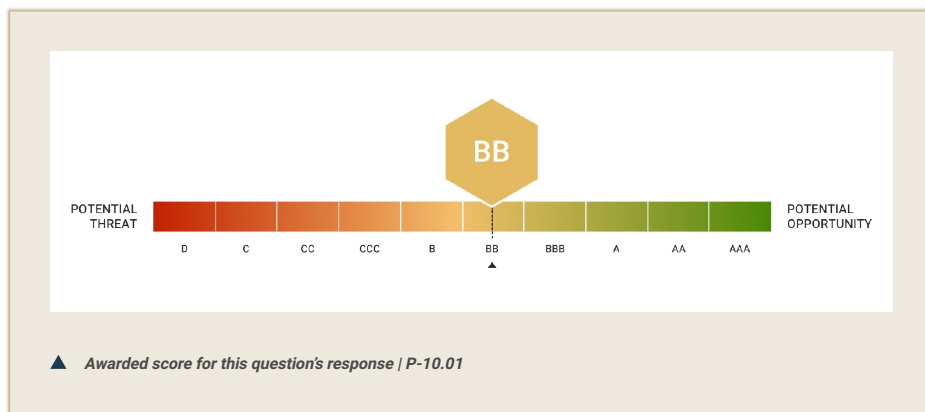
None

Supporting Evidence Supplied

None

Project Question ID: P-10.01

What are you doing to actively keep your team (including employees, contractors and visitors) healthy and safe? Looking to include action beyond just physical initiatives to understand training and awareness.



Response

Answer: "Capella conducts ad-hoc safety meetings with staff in conjunction with the type of field work being undertaken. Norway also has an inherently high level of education and general awareness so "common sense" does prevail in most work situations. Clearly more formal training procedures will be required as the project advances."

Supporting Narrative

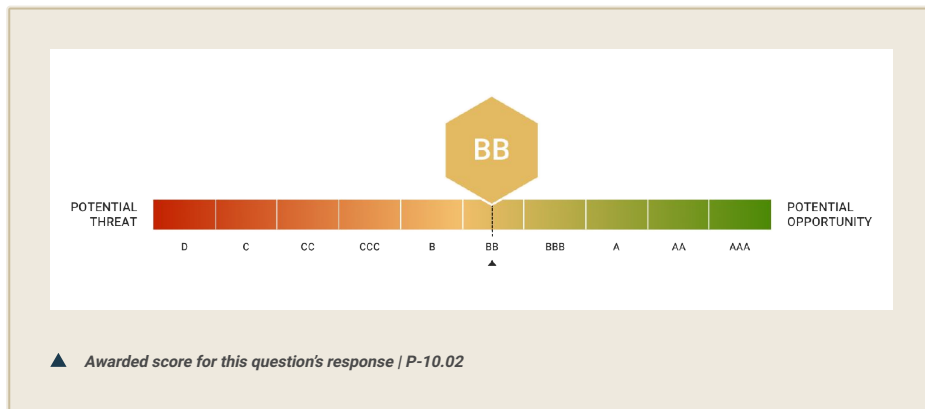
None

Supporting Evidence Supplied

None

Project Question ID: P-10.02

What are you doing to actively keep your team and equipment secure both now and for the long term?



Response

Answer: "As above. Capella conducts ad-hoc safety meetings which are in line with the types of field work being undertaken."

Supporting Narrative

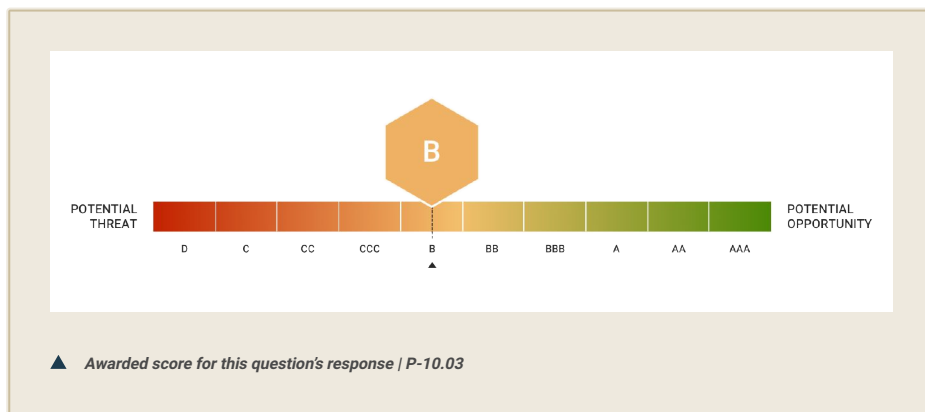
None

Supporting Evidence Supplied

None

Project Question ID: P-10.03

What are you doing to actively manage biodiversity now and for the long term? Proof of commitments to avoid, mitigate, restore, offset can be uploaded / linked to.



Response

Answer: "Capella has not conducted field work in any area considered to be sensitive from a biodiversity standpoint. In the specific case of Kjoli, the project is mostly above the tree line so flora and fauna are generally restricted to the immediate vicinities of creeks and rivers at lower altitudes."

Supporting Narrative

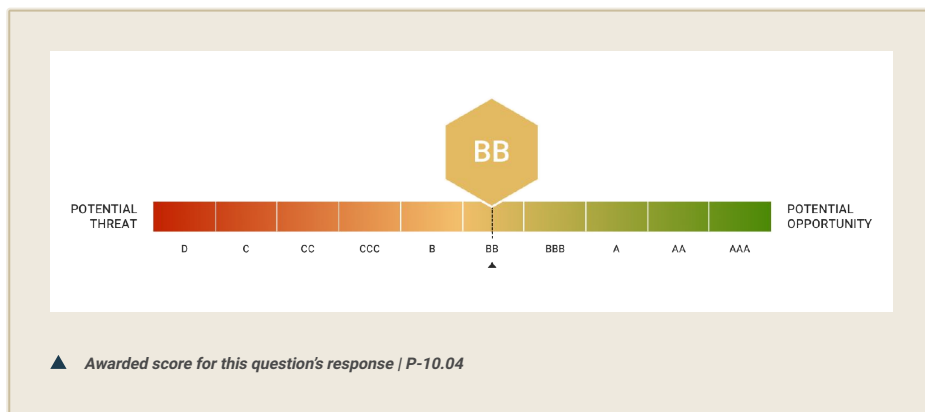
None

Supporting Evidence Supplied

None

Project Question ID: P-10.04

What are you doing to minimize impacts and risks to surface and groundwater quantity and quality now and for the long term? E.g. bore hole casing so that farmers can use your holes after you have finished; closed-loop drilling to minimise contamination of environment from drilling fluids. Proof of commitments to be uploaded / linked to



Response

Answer: "The Company has yet to initiate any drilling (or any other activities that may affect groundwaters) at Kjolli. However, standard procedures are that bore holes be capped (to avoid any potential leakage of acidic groundwaters) and drilling waters recirculated."

Supporting Narrative

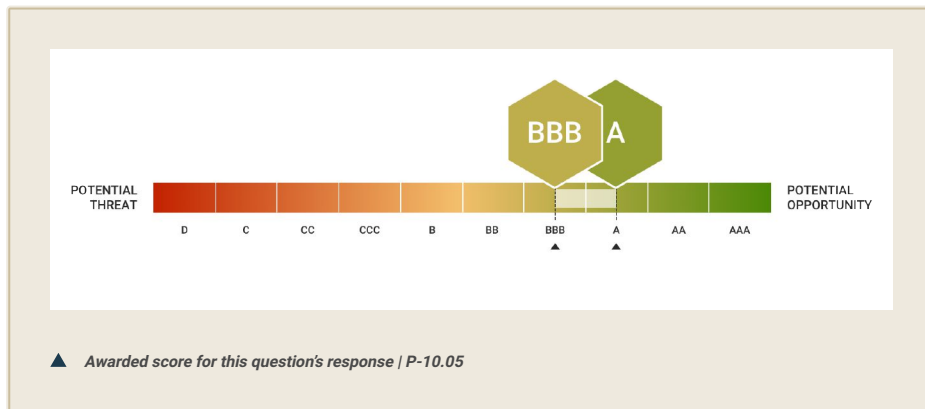
None

Supporting Evidence Supplied

None

Project Question ID: P-10.05

If there is opportunity, are you actively remediating old workings / previous industry impacts within your property?



Response

- ☒ Yes
- ☐ Regulatory mandate
- ☒ Business decision
- ☐ No

Supporting Narrative

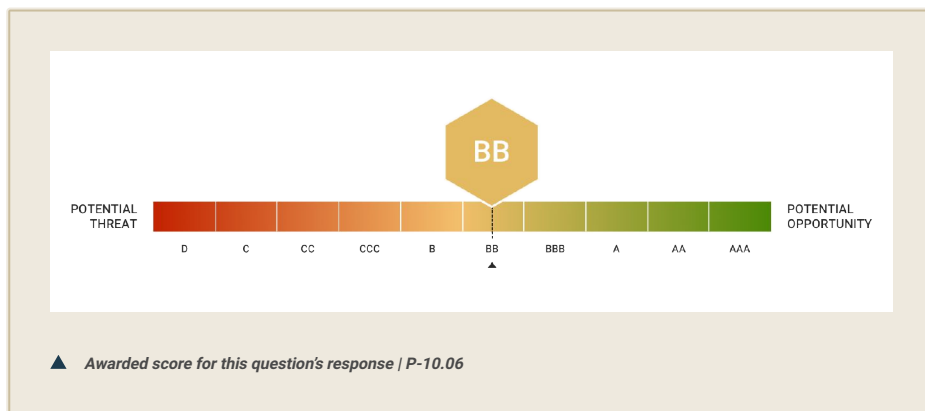
The Norwegian state is responsible for the remediation of historic workings at Kjoli. However, Capella has voluntarily engaged a third-party consultant to assist with surface water geochemical surveys (in order to control any potential future acid drainage).

Supporting Evidence Supplied

None

Project Question ID: P-10.06

What are you doing to actively reduce noise now and for the long term?



Response

Answer: "Not applicable at this stage of the project."

Supporting Narrative

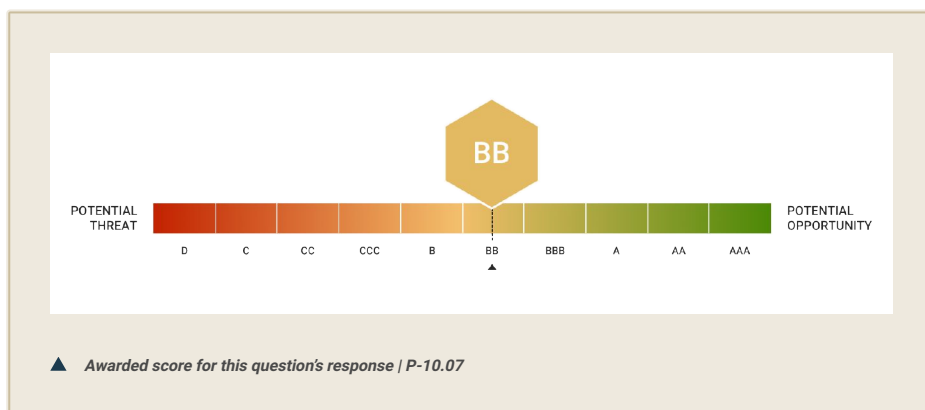
None

Supporting Evidence Supplied

None

Project Question ID: P-10.07

What are you doing to actively reduce emissions now and for the long term?



Response

Answer: "Capella will ensure that it does whatever is possible to reduce emissions from both fixed and mobile sources."

Supporting Narrative

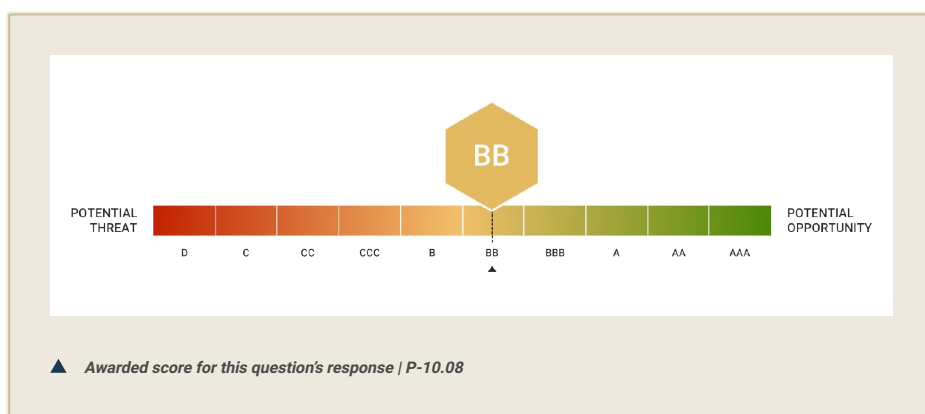
None

Supporting Evidence Supplied

None

Project Question ID: P-10.08

What are you doing to actively reduce vibration now and for the long term?



Response

Answer: "Not applicable at this stage of the project"

Supporting Narrative

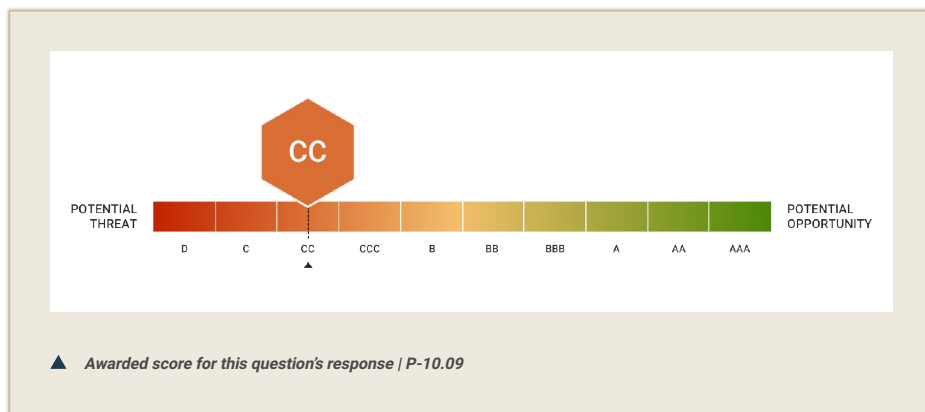
None

Supporting Evidence Supplied

None

Project Question ID: P-10.09

Who is responsible for implementing and running your stakeholder engagement and communications and where are they based? Name the individual as well as the role.

**Response**

Name: "Eric Roth"

Role: "CEO"

Location: "Spain"

Supporting Narrative

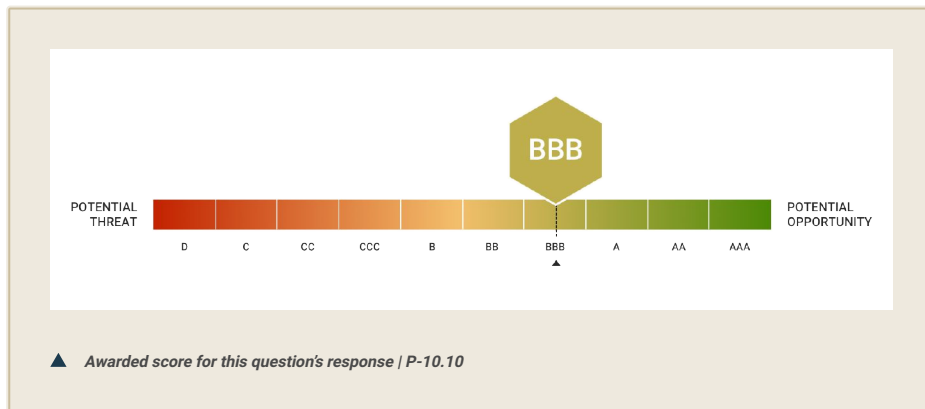
As Kjolli is still an early stage project, broader ESG issue still fall under the control of the CEO. As the project advances, there will clearly be a need for a separate dedicated person for this role.

Supporting Evidence Supplied

None

Project Question ID: P-10.10

Do you engage in the local language(s) or routinely use support with language and cultural experience?



Response

☒ Yes

List local language(s):

Norwegian

☐ No

☐ Unsure

Supporting Narrative

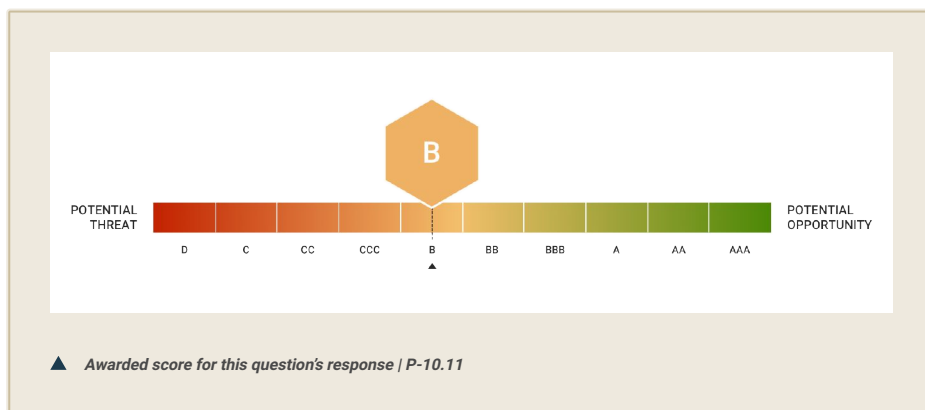
Our Norwegian geologists are fluent in both Norwegian and English

Supporting Evidence Supplied

None

Project Question ID: P-10.11

What are you doing to actively preserve cultural heritage sites within the property now and for the long term?



Response

Answer: "Capella is not aware of the existence of any cultural heritage sites within the project area (other than the old mines, which have now been rehabilitated)"

Supporting Narrative

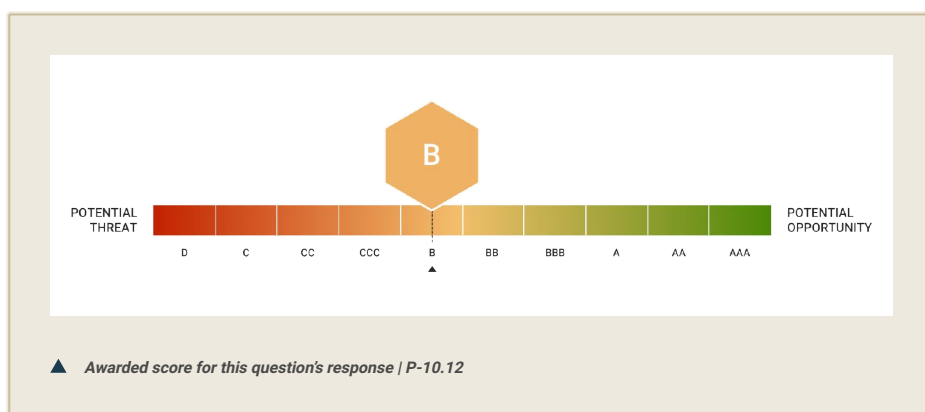
None

Supporting Evidence Supplied

None

Project Question ID: P-10.12

How do you actively involve multiple (diverse) stakeholders in decision making?



Response

Answer: "Stakeholder engagement covers everything from community to shareholder engagement. Transparency is an important commodity for us so we are as open as possible with all stakeholders."

Supporting Narrative

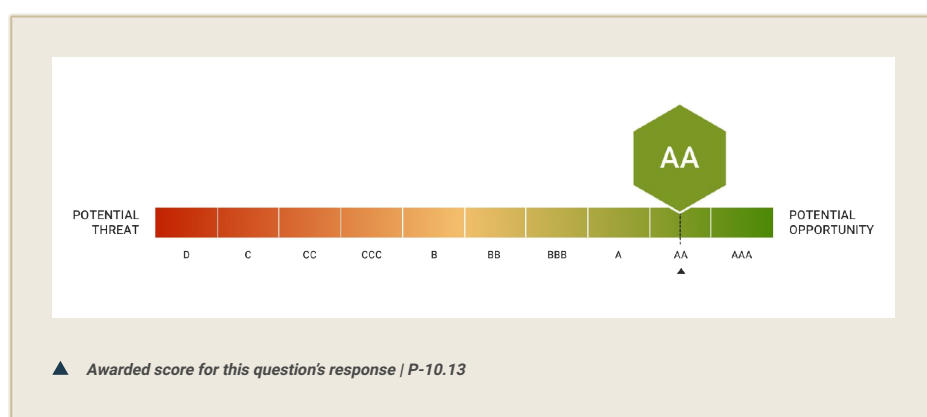
None

Supporting Evidence Supplied

None

Project Question ID: P-10.13

What proportion of your supplies are purchased locally / regionally / nationally / internationally?



Response

Local

Percentage of goods now: "70"

Percentage of goods anticipated next year: "50"

Regional

Percentage of goods now: "10"

Percentage of goods anticipated next year: "20"

National

Percentage of goods now: "10"

Percentage of goods anticipated next year: "20"

International

Percentage of goods now: "10"

Percentage of goods anticipated next year: "10"

Supporting Narrative

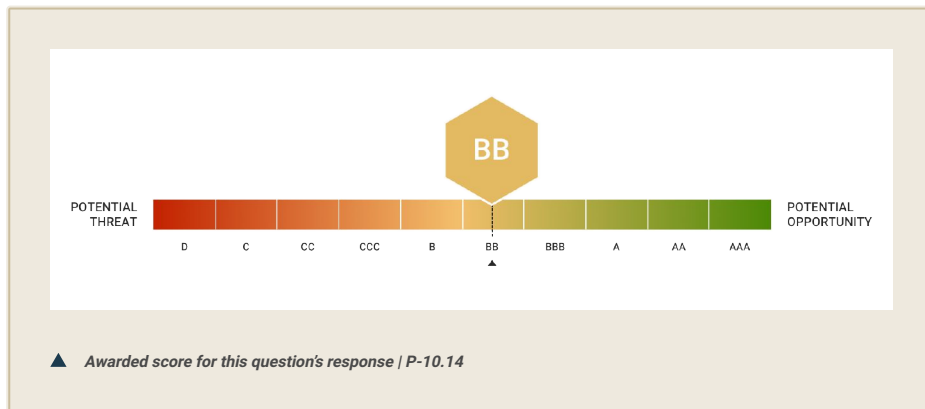
Future activities will include drilling, for which there are no local contractors.

Supporting Evidence Supplied

None

Project Question ID: P-10.14

What additional initiatives are you implementing to actively support the local population / economy?



Response

Answer: "Aside from a mandate to hire / train local people wherever possible, the Company is constantly evaluating opportunities to sponsor both educational and sporting initiatives in the local community. Separately, we have embarked on a training program to educate the general population on the stages of mining and processes utilized today in the industry."

Supporting Narrative

None

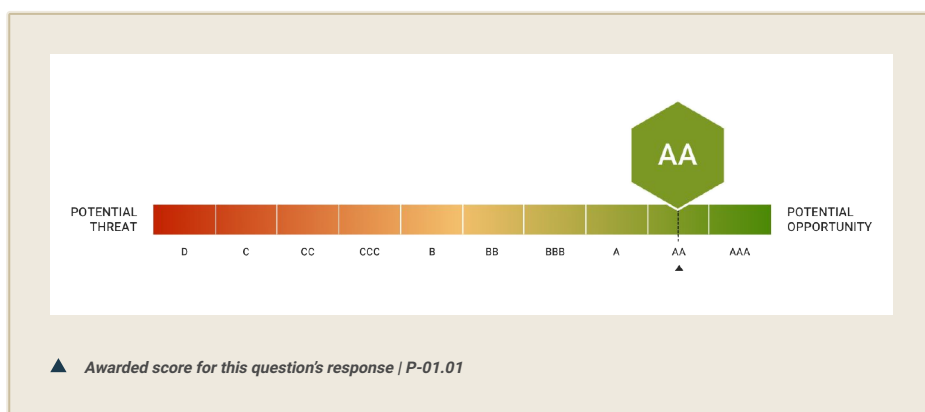
Supporting Evidence Supplied

None

Project Responses - Katajavaara

Project Question ID: P-01.01

Please share with us where your project is by providing geographic coordinates in geographic latitude and longitude format (WGS84 coordinate reference system i.e. GPS). Please also provide a map of your tenement / lease / licence / block / working area. (If you cannot upload your map, please contact the team to support you). If your project consists of multiple areas, and/or it has undergone change since your previous submission (if applicable), please outline this context in the supporting narrative.



Response

Upload or insert grid reference / AOI / Map: "WGS84"

Supporting Narrative

The Katajavaara project is located in northern Finland, approximately 10km NW of the regional centre of Kittilä. The project consists of one Exploration Licence Application (ELA; Katajavaara) and the Aakenus reservation, which in total cover an area of 200 square kilometres.

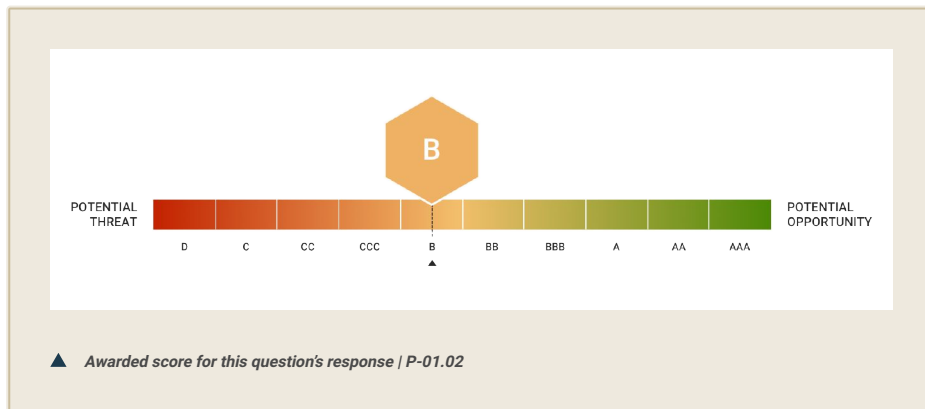
The project lies along the Sirkka thrust zone, a highly prospective belt which has seen numerous gold and base metals discoveries being made over the last 5-10 years.

Supporting Evidence Supplied

- Reservation plus known deposits.png

Project Question ID: P-01.02

Is your property at risk of any of the following natural hazards (now and over the life of the project). Tick all that apply.



Response

- ☐ Earthquakes
- ☐ Landslides
- ☐ Tsunamis
- ☐ Volcanic Activity
- ☐ Avalanches
- ☒ Floods
- ☐ Extreme temperatures
- ☐ Drought
- ☐ Wildfires
- ☐ Cyclones
- ☐ Storms / Wave surges
- ☐ Disease epidemics
- ☐ Insect / Animal plagues
- ☐ Other

Supporting Narrative

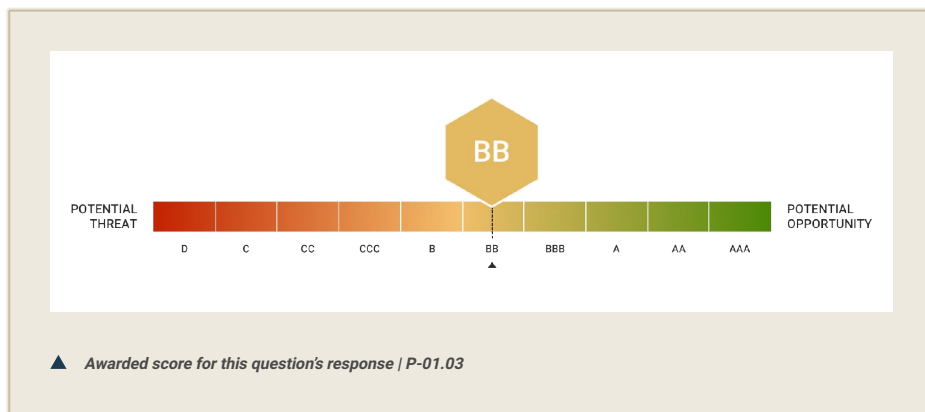
The project area has not had any natural catastrophes during the last 20 years. However, the possibility of a one-in-a-100-year flood event (or excessive winter snow falls) will need to be considered.

Supporting Evidence Supplied

None

Project Question ID: P-01.03

Is there anything upstream of you which could impact (positively / negatively) on your activities now or over the life of the project? E.g. reservoir / lake, dam, glacial advance / retreat, population increase and informal settlements, industry with potential source of water contamination, another mine.



Response

☒ Yes

☐ Natural

☒ Manmade

Explain: "The former Outokumpu gold-copper mine, Sattapora, lies at the NW corner of the project area. Whilst reclamation of the mine has been mostly complete, the risk of potential acid drainage will need to be monitored. A cross-country ski area lies about 10km E of the eastern boundary of the reservation."

☐ N/A

Supporting Narrative

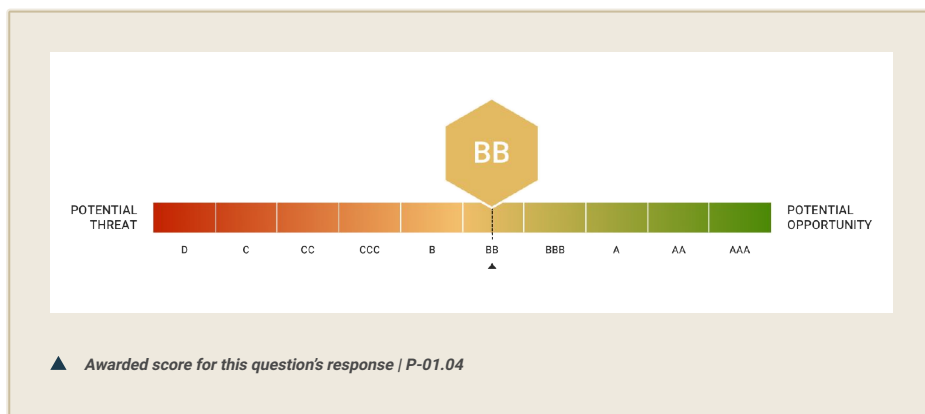
The Katajaara project is located within a sparsely populated area of central Lapland, and Capella does not consider there to be any significant threats within the immediate vicinity of the project

Supporting Evidence Supplied

None

Project Question ID: P-01.04

Is there anything downstream of your activities which you might impact, now or over the life of the project, directly or indirectly as a result of your activities? E.g. communities, indigenous groups, watersheds, biodiversity sensitive area, water resources, other industry, heritage sites etc.



Response

- ☐ Yes
- ☒ N/A

Supporting Narrative

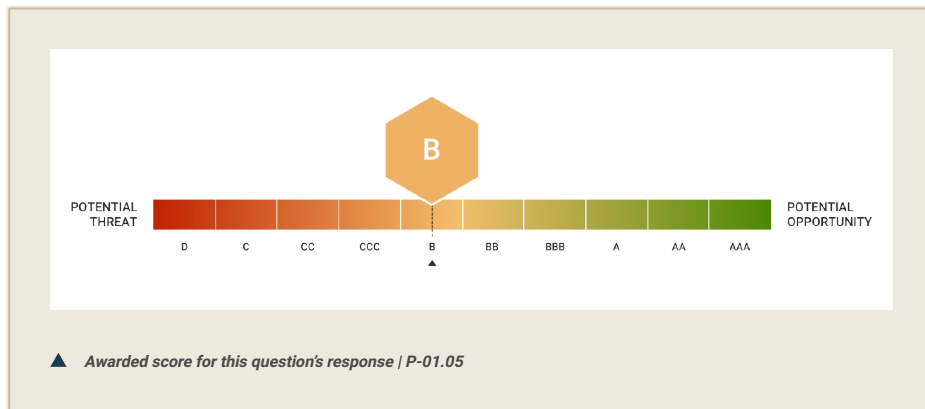
The project lies within a sparsely populated, flat part of central Lapland. Nevertheless, strong engagement with local communities and indigenous groups will be required.

Supporting Evidence Supplied

None

Project Question ID: P-01.05

Is there a recent history of conflict in the area in which you are operating?
E.g. political / ethical or ethnically motivated. Tick all that apply.


Response

- ☐ Yes
- ☒ None

Supporting Narrative

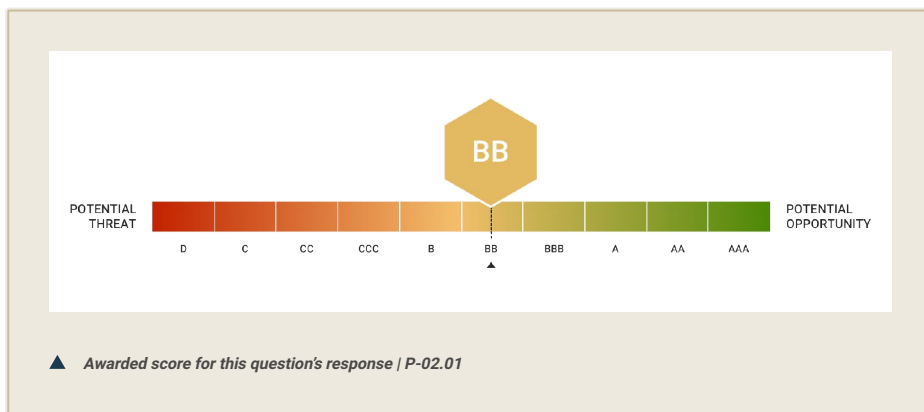
Capella is not aware of any recent history of conflict in the area

Supporting Evidence Supplied

None

Project Question ID: P-02.01

What exploration activities are you currently undertaking? Tick all that apply. If your activities are not listed below, please add them in the supporting narrative.


Response

- ☒ Desktop studies
- ☒ Geophysical studies
- ☐ Trenching
- ☒ Sampling and assay
- ☒ Geochemical studies
- ☐ Diamond drill holes
- ☐ Remote surveying
- ☐ Other

Supporting Narrative

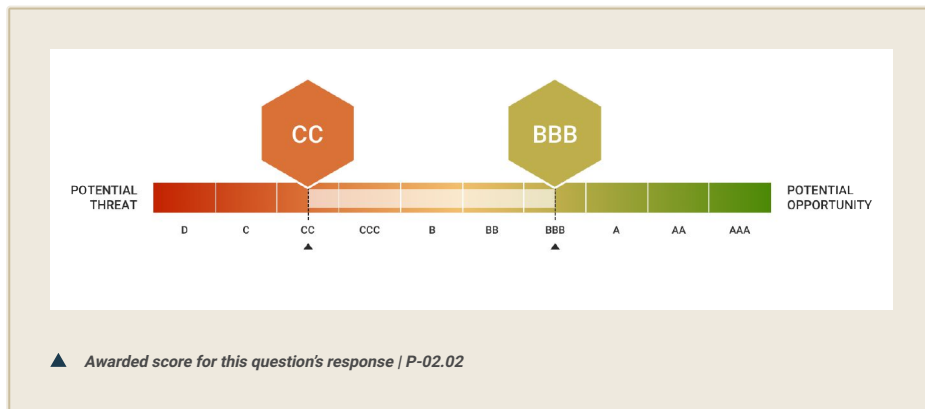
Katajavaara is an early-stage exploration project which was optioned through a Joint Venture with Australian company Cullen Resources in August 2021. Initial work on the project has been limited to desktop studies and historical data compilation, with planning underway for geophysical studies and possible auger (bottom of till) sampling programs. No drilling is envisaged short term at Katajavaara.

Supporting Evidence Supplied

None

Project Question ID: P-02.02

What commodities are you exploring for? List all commodities, including by-products. Where possible also state the ore body type (if known).



Response

Gold

Copper

Supporting Narrative

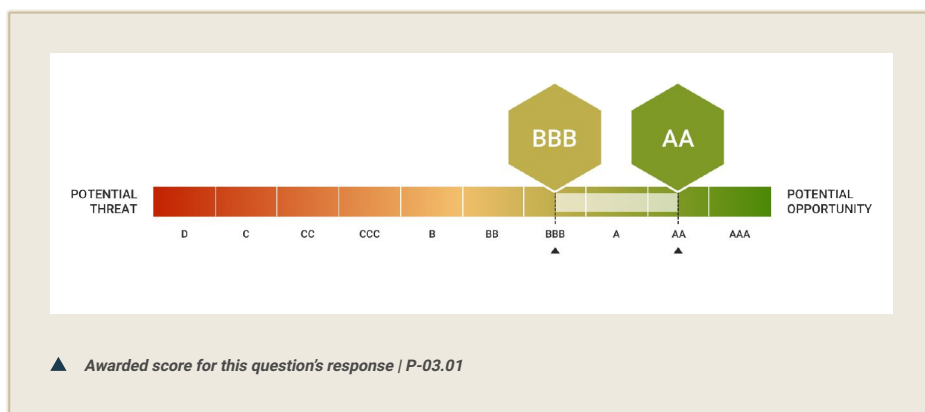
Most known deposits in the area are orogenic gold +/- copper vein-type systems. This is the primary model that we will be using for exploration, although we will keep our eyes open for other deposit types also.

Supporting Evidence Supplied

None

Project Question ID: P-03.01

How many people are currently in your project team, and how many are projected or estimated to be in the coming years? Enter numbers and a supporting narrative on the diversity of your team.



Response

Men

Now: "2"

Anticipated next year: "2"

Anticipated 5 years: "10"

Women

Now: "1"

Anticipated next year: "1"

Anticipated 5 years: "5"

Non-binary

Now: "0"

Anticipated next year: "0"

Anticipated 5 years: "0"

Supporting Narrative

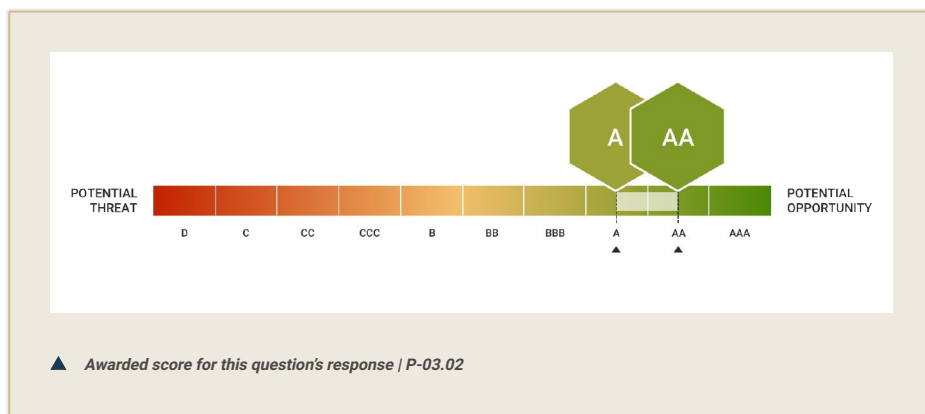
Our current team consists of one in-house geologist with full support from local Finnish logistics / geological group Geopool. The project is still early-stage so initial activities will be restricted to drill target generation work.

Supporting Evidence Supplied

None

Project Question ID: P-03.02

Of your current project team, how many are drawn from the local population (local to the asset) and how many are predicted to be? Note: Please assume 'local' as within the same province as project or c.50km – for very remote projects please give explanation.



Response

Percent of workforce

Now: "67"

Anticipated next year: "67"

Anticipated 5 years: "80"

Supporting Narrative

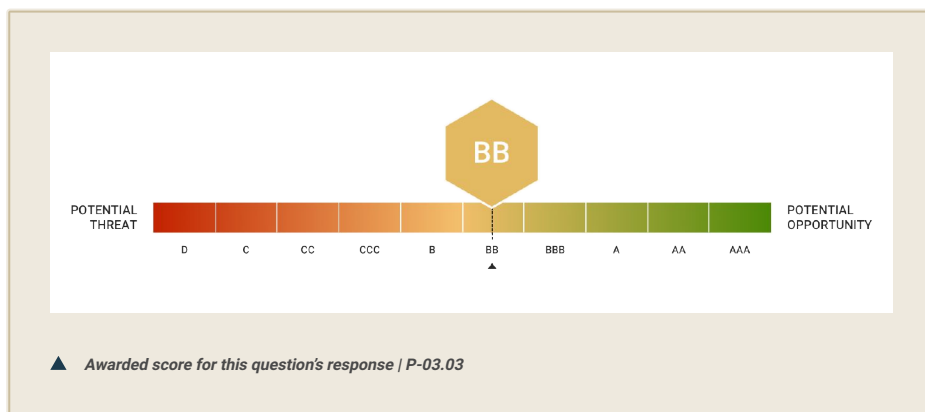
The Company will implement a policy of hiring as many local people as possible for the project.

Supporting Evidence Supplied

None

Project Question ID: P-03.03

What is your health and safety record to date? Feel free to upload your safety records to show trends through time. If you calculate your health and safety statistics using different metrics, please ignore the table and upload/ describe in the supporting narrative.



Response

Number of fatalities

Last 12 months: "0"

Last 24 months: "0"

Last 5 years: "0"

Disabling injuries

Last 12 months: "0"

Last 24 months: "0"

Last 5 years: "0"

Total recordable incident rate

Last 12 months: "0"

Last 24 months: "0"

Last 5 years: "0"

Supporting Narrative

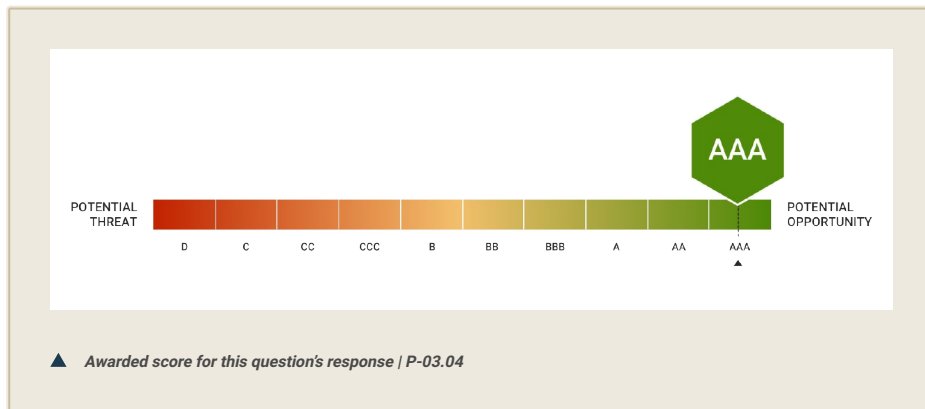
Capella has not had any Health and Safety incidents during the last 5 years.

Supporting Evidence Supplied

None

Project Question ID: P-03.04

Does your project contain / include security officials armed with firearms?
Tick all that apply.



Response

- ☐ Yes
- ☒ No

Supporting Narrative

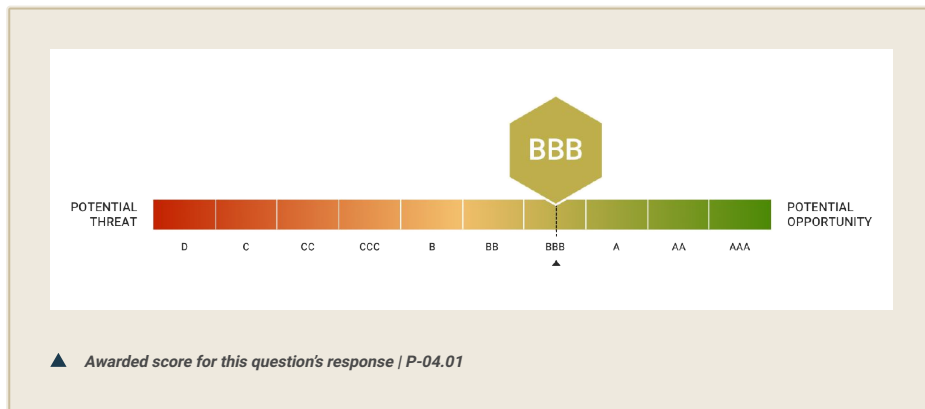
Security officials armed with firearms are not required at this project.

Supporting Evidence Supplied

None

Project Question ID: P-04.01

Did you acquire the project from another mining company or are you the first organisation to formally seek exploration / development rights?


Response

- ☒ Acquired
- ☐ We are the first organisation

Supporting Narrative

Capella has acquired the right to earn-in to 80% of the Katajavaara project from Australian exploration company Cullen Resources. The concessions are held in the name of Cullen's local subsidiary Cullen Finland Oy, and the Corporate deal was announced in August, 2021.

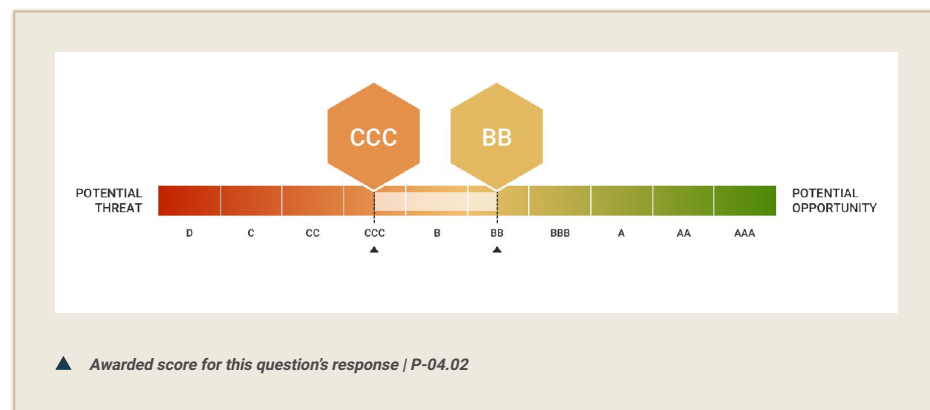
Further information regarding the commercial terms of the deal is available at Capella's Corporate website: <https://capellaminerals.com/projects/finland-gold-copper-projects/katajavaara-and-aakenus-gold-copper-projects/>

Supporting Evidence Supplied

None

Project Question ID: P-04.02

What is/are the existing land use(s) within your permitted / lease hold exploration area? Tick all that apply.



Response

- ☐ UNESCO site
- ☐ Contains a Cultural Heritage site
- ☐ Contains a Religious site
- ☐ Other protected site
- ☒ Lake / River / wetlands
- ☐ Marine / inter-tidal
- ☒ Low density rural
- ☐ Significant biodiversity value
- ☐ Biodiversity pathway
- ☐ Hosts species on IUCN RED list
- ☒ Agricultural
- ☐ Undisturbed land
- ☐ Virgin forest
- ☐ Urban / suburban
- ☐ Contains a Hospital
- ☐ Contains a School
- ☐ Industrial (including energy transmission lines)
- ☐ Tourism
- ☐ Contains highway or transport link
- ☐ Brownfield site
- ☐ Industrial wasteland
- ☐ Artisanal mining

- ☐ Mining (active)
- ☒ Mining (inactive)
- ☐ Mining (closed + remediated)
- ☐ Mining with legacy
- ☐ Other

Supporting Narrative

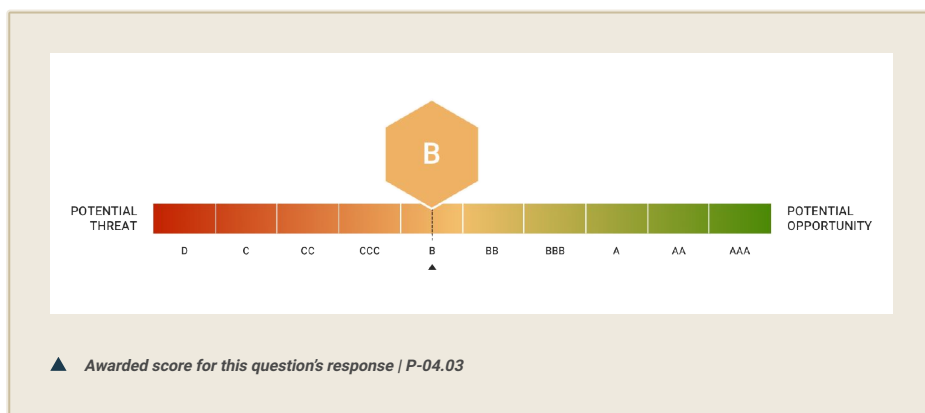
The Katajavaara project is located in a very sparsely populated area of northern Finland. The area is mostly flat, contains some rivers and lakes, and has some major highways and local roads. A former mining operation (Outokumpu's Sattapora gold-copper mine) is located within the NW corner of the property (note: these claims are not held by Cullen Finland Oy).

Supporting Evidence Supplied

- Katajavaara Project Area.jpg

Project Question ID: P-04.03

What land uses exist adjacent to your property? Tick all that apply.


Response

- ☐ UNESCO site
- ☐ Contains a Cultural Heritage site
- ☐ Contains a Religious site
- ☐ Other protected site
- ☒ Lake / River / wetlands
- ☐ Marine / inter-tidal
- ☒ Low density rural
- ☐ Significant biodiversity value
- ☐ Biodiversity pathway
- ☐ Hosts species on IUCN RED list
- ☐ Agricultural
- ☐ Undisturbed land
- ☐ Virgin forest
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- ☐ Contains a Hospital
- ☐ Contains a School
- ☐ Industrial (including energy transmission lines)
- ☒ Tourism
- ☒ Contains highway or transport link
- ☐ Brownfield site
- ☐ Industrial wasteland
- ☐ Artisanal mining
- ☐ Mining (active)

- ☒ Mining (inactive)
- ☐ Mining (closed + remediated)
- ☐ Mining with legacy
- ☐ Other

Supporting Narrative

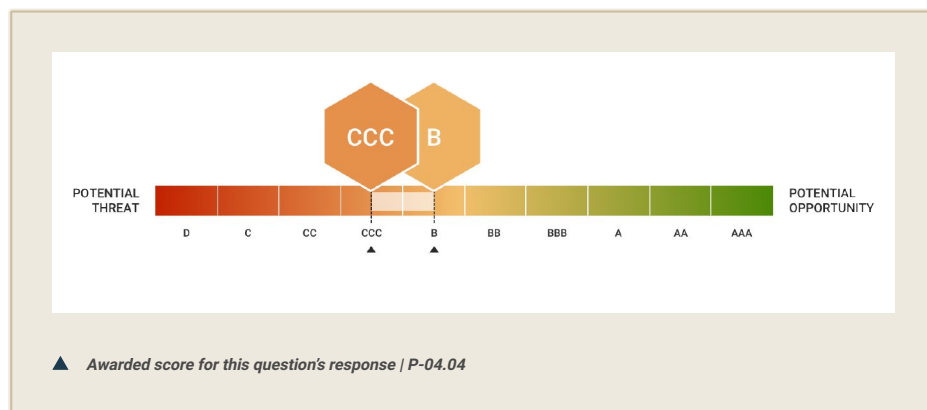
Land use adjacent to the project is mostly low density rural, with some agriculture (and there are also some lakes and rivers). The towns of Kittila (local airport) and Sirkka (cross country ski area) are located outside the project area. Some known mineral occurrences (gold and copper) are located both within and outside the project area.

Supporting Evidence Supplied

None

Project Question ID: P-04.04

Other than your planned activities, are there any other competing plans for land use for your property? Tick all that apply.



Response

- ☐ Planned designated protected site
- ☐ Biodiversity pathway
- ☐ Reforestation
- ☒ Pastoral routes
- ☒ Agricultural
- ☐ Indigenous livelihoods
- ☐ Urban / suburban development
- ☐ Industrial
- ☐ Tourism
- ☐ Highway or transport link
- ☐ Energy / renewables
- ☐ Other extractive
- ☐ Artisanal mining
- ☐ Other
- ☐ None

Supporting Narrative

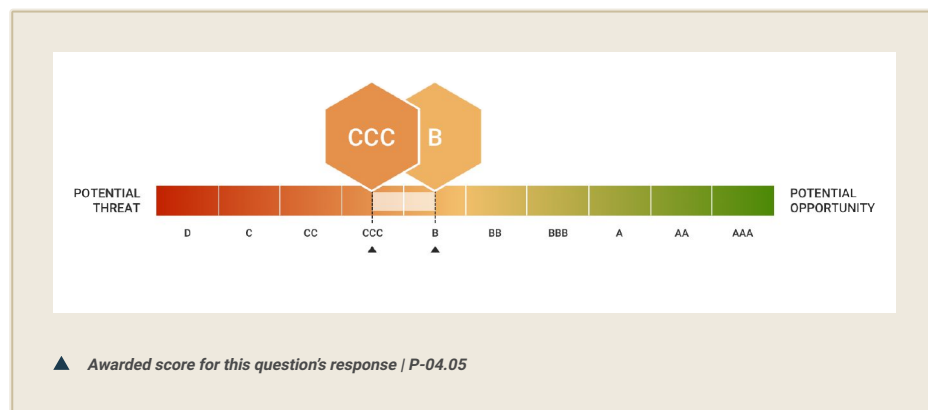
Other than mining, some limited agriculture and reindeer herding takes place in parts of the project area.

Supporting Evidence Supplied

None

Project Question ID: P-04.05

Are there any competing plans for change of land use for adjacent properties? Tick all that apply.



Response

- ☐ Planned designated protected site
- ☐ Biodiversity pathway
- ☐ Reforestation
- ☐ Pastoral routes
- ☒ Agricultural
- ☐ Indigenous livelihoods
- ☐ Urban / suburban development
- ☐ Industrial
- ☒ Tourism
- ☒ Highway or transport link
- ☐ Energy / renewables
- ☐ Other extractive
- ☐ Artisanal mining
- ☐ Other
- ☐ None

Supporting Narrative

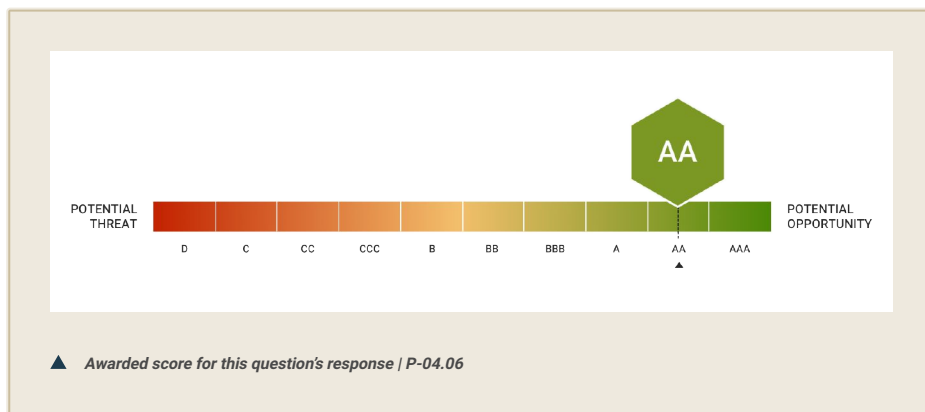
The regional centre of Kittila and the tourist town of Sirkka are both located outside the project area. There are both paved highways and gravel roads in the area (plus a regional airport at Kittila).

Supporting Evidence Supplied

None

Project Question ID: P-04.06

Are there communities (including informal settlements, farm workers, indigenous groups etc.) residing on areas within your project who may require resettlement in order to access the resource either in the short or long-term? Note – this is inclusive of formal / informal Artisanal and Small-scale mining (ASM)


Response

- ☐ Yes
☒ No
☐ Uncertain at this time

Supporting Narrative

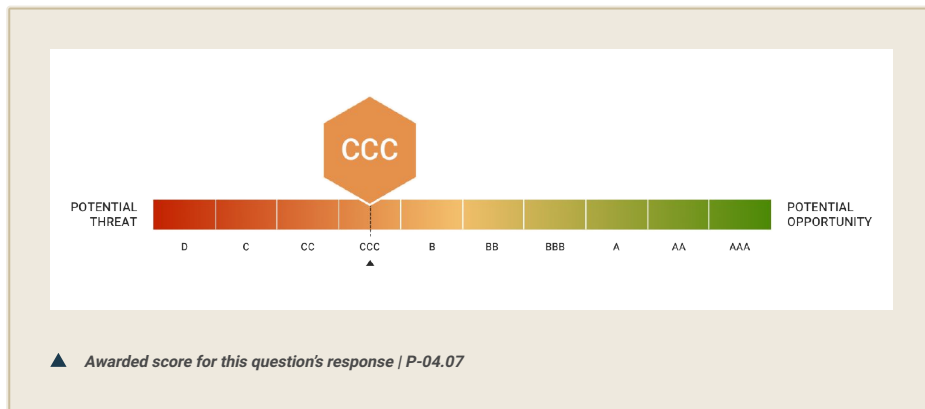
Given the sparsity of dwellings / communities in the area, it is unlikely that any communities will need to be resettled in order to access potential mineral discoveries.

Supporting Evidence Supplied

None

Project Question ID: P-04.07

Who owns the land on which you are exploring? If multiple owners and / or multiple claims to ownership, please explain.



Response

Answer: "Land is held by a combination of private and state (government) owners"

Supporting Narrative

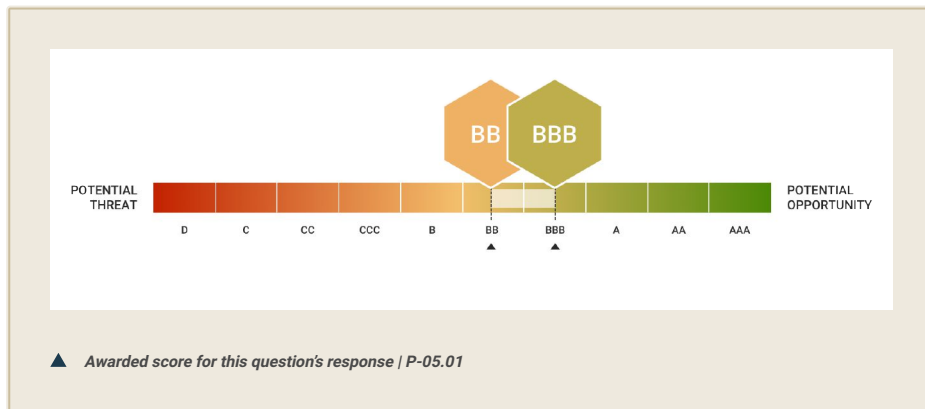
None

Supporting Evidence Supplied

None

Project Question ID: P-05.01

How will you access your property now and anticipate for development and potential operation? Tick all that apply.


Response
Helicopter

- ☐ Now
- ☐ In the future

Walk in

- ☒ Now
- ☒ In the future

Mule / horse

- ☒ Now
- ☐ In the future

Driven, on road

- ☒ Now
- ☒ In the future

Driven, off road

- ☒ Now
- ☒ In the future

Boat

- ☐ Now
- ☐ In the future

Plane

- ☐ Now
- ☐ In the future

Other

- ☐ Now
- ☐ In the future

Unknown

- ☐ Now
- ☐ In the future

Supporting Narrative

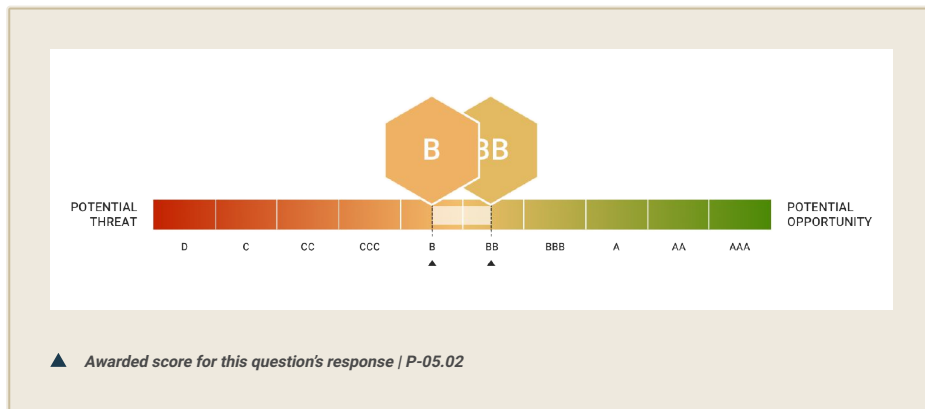
Access to the property is obtained via a series of regional paved and gravel roads, with access to specific sites of interest being mostly obtained on foot. Future access to potential mineral discoveries is expected to be direct access roads.

Supporting Evidence Supplied

None

Project Question ID: P-05.02

How will you power your activities now and over the life of the project?
Tick all that apply.


Response
Off grid renewables (e.g. solar, wind, hydro, geothermal)

- ☐ Now
- ☐ In the future

Off grid biofuel

- ☐ Now
- ☐ In the future

Generator

- ☐ Now
- ☐ In the future

Own power station - renewables but only for own use

- ☐ Now
- ☐ In the future

Own power station - renewables with capacity to provide for community

- ☐ Now
- ☐ In the future

Own power station - fossil fuels but only for your use

- ☐ Now
- ☐ In the future

Own power station - fossil fuels with capacity to provide for community

- ☐ Now
- ☐ In the future

Drawn from local electricity grid that is powered by renewables

- ☒ Now
- ☒ In the future

Drawn from local electricity grid that is powered by fossil fuel

- ☐ Now
- ☐ In the future

Other

- ☐ Now
- ☐ In the future

Unknown

- ☐ Now
- ☐ In the future

Supporting Narrative

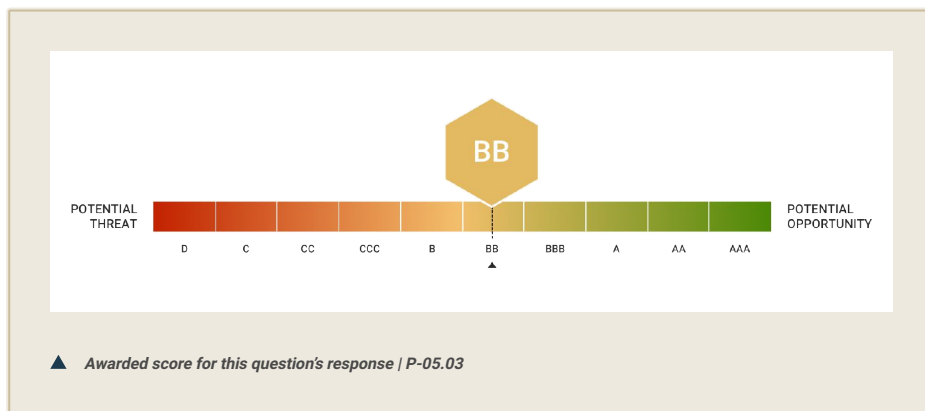
For the Katajavaara project, Capella expects to be able to draw grid power sourced from hydroelectric plants.

Supporting Evidence Supplied

None

Project Question ID: P-05.03

Is your property located in a water stressed catchment(s)?



Response

Stress on water quantity

- ☐ Yes
- ☒ No
- ☐ Unknown

Stress on water quality

- ☐ Yes
- ☒ No
- ☐ Unknown

Supporting Narrative

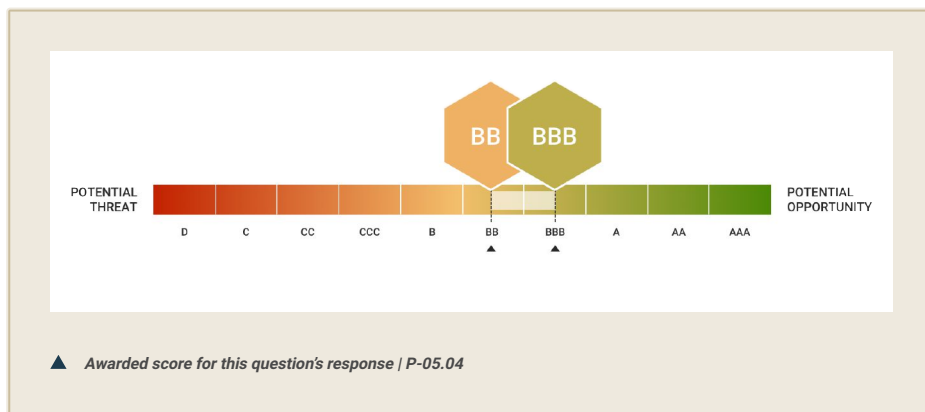
There are adequate water supplies in the Katajavaara area for both current and projected future water needs.

Supporting Evidence Supplied

None

Project Question ID: P-05.04

Of the total volume of water available for use by all users of the catchment, what % are you currently using for your activities / will be using in the near future (state time horizon)? (or provide commentary)



Response

% - now: "0"

% - future (state time horizon): "2%"

Supporting Narrative

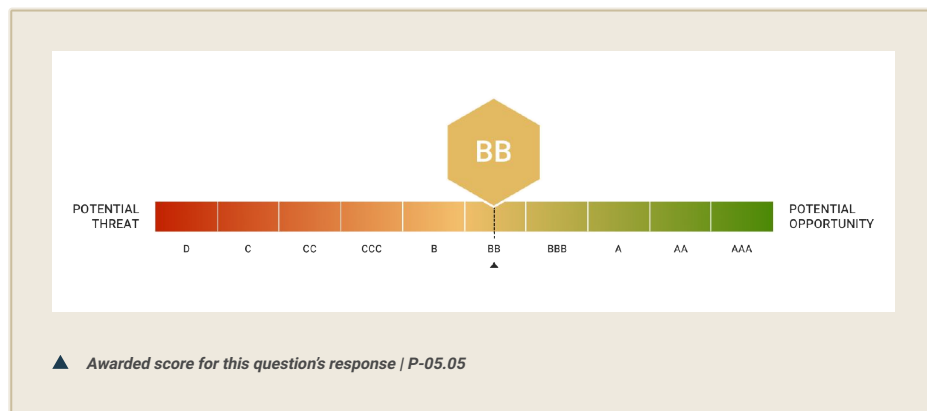
None

Supporting Evidence Supplied

None

Project Question ID: P-05.05

Do you or will you need to discharge water from the disturbed footprint?



Response

Now

- ☐ Yes (with treatment)
- ☐ Yes (without treatment)
- ☒ No
- ☐ Unknown

In the future

- ☐ Yes (with treatment)
- ☐ Yes (without treatment)
- ☒ No
- ☐ Unknown

Supporting Narrative

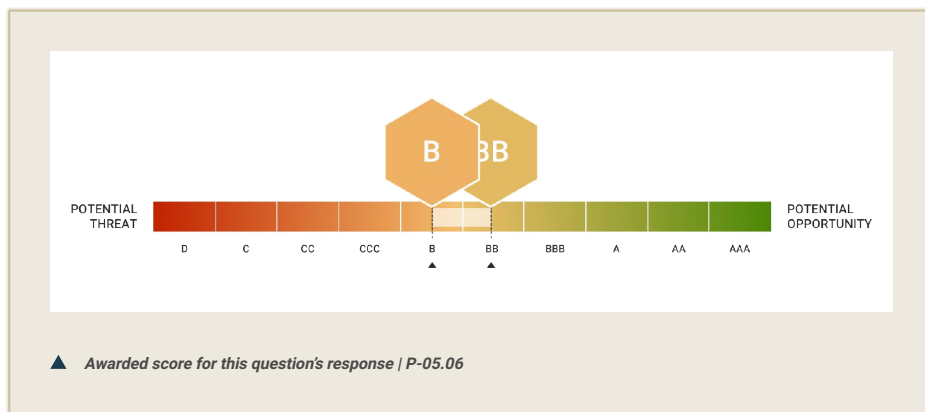
Current exploration activities are low impact and do not result in water discharges. Should an economic mineral discovery be made, future production will likely involve a process plant in which water will be recycled (and therefore not released in to the environment).

Supporting Evidence Supplied

None

Project Question ID: P-05.06

How do / will you manage your waste (both domestic and industrial)?
Note: Industrial is inclusive of exploration drill cuttings to future tailings.
Tick all that apply.



Response

DOMESTIC WASTE

Use legal / authorised local authority facilities

- ☒ Now
☒ In the future

Construct own facility for waste management

- ☐ Now
☐ In the future

Remove all waste from exploration site

- ☐ Now
☐ In the future

Other

- ☐ Now
☐ In the future

Unknown

- ☐ Now
☐ In the future

INDUSTRIAL WASTE (INCLUSIVE OF POTENTIAL FOR FUTURE TAILINGS FACILITIES)

Use legal / authorised local authority facilities

- ☒ Now
☒ In the future

Construct own facility for waste management

- ☐ Now
- ☐ In the future

Remove all waste from exploration site

- ☐ Now
- ☐ In the future

Other

- ☐ Now
- ☐ In the future

Unknown

- ☐ Now
- ☐ In the future

Supporting Narrative

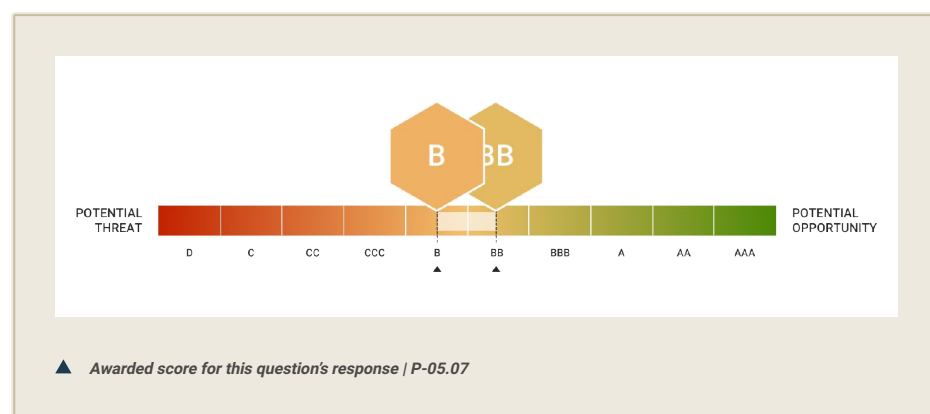
Finland has strict guidelines on waste disposal and these guidelines will be strictly adhered to

Supporting Evidence Supplied

None

Project Question ID: P-05.07

Should your asset progress to operation stage, will your anticipated processing approach require the construction of a tailings facility?



Response

- ☐ Yes
- ☐ No
- ☒ Uncertain at this time

Supporting Narrative

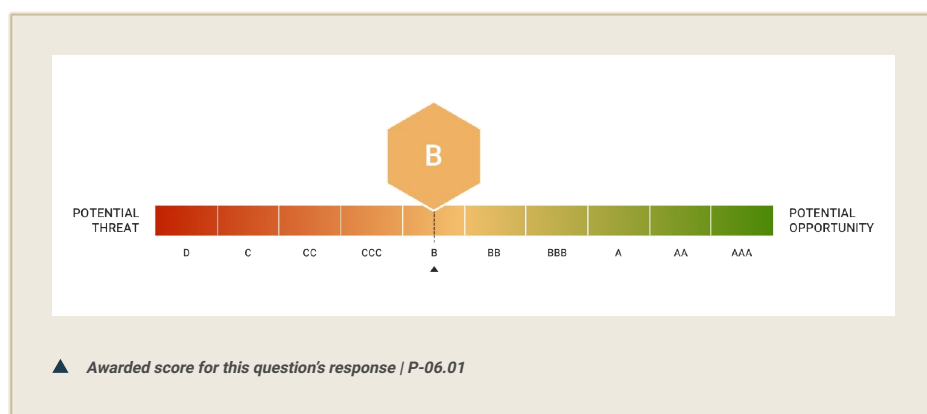
In the event of an open pittable gold discovery being made, tailings would either be placed in to a standard tailings storage facility or dry stacked together with waste rock. In the event of an underground gold discovery being made, the option to use paste backfill (tailings mixed with cement) in unused stopes would be available.

Supporting Evidence Supplied

None

Project Question ID: P-06.01

At a project level do you have a social media plan? Please provide URLs to all of your social media platforms (e.g. Twitter, Facebook, LinkedIn, Website, etc).



Response

- ☐ Yes
- ☒ No

Supporting Narrative

Capella has a Corporate website, plus Corporate Twitter and LinkedIn accounts. But not project-specific social media accounts at this time.

Corporate website: <https://capellaminerals.com/>

Twitter account: <https://twitter.com/CapellaMinerals>

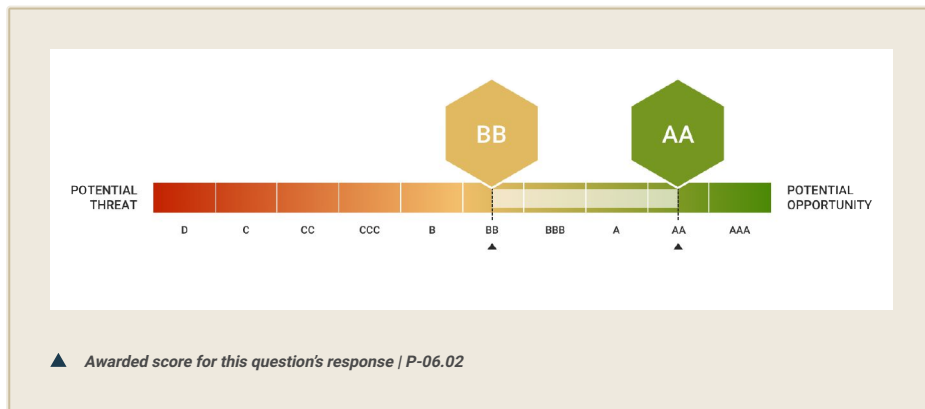
LinkedIn: <https://www.linkedin.com/in/capellaminerals/>

Supporting Evidence Supplied

None

Project Question ID: P-06.02

Has mining been undertaken in the region in the recent past / currently being undertaken?


Response

☒ Yes

Does the local population support mining?

% in support: "98"

Are permits required for mining provided on time and as required?

☒ Yes

☐ No

☐ Mixture

Has mining activity undertaken in the past been closed in a responsible manner?

☒ Yes

☐ No

☐ Mixture

☐ No

☐ Unsure

Supporting Narrative

Outokumpu's former Sattapora gold mining operation is located in the NW corner of the Katajavaara property. Some gold and copper exploration has also been undertaken on the property during the last 20 years.

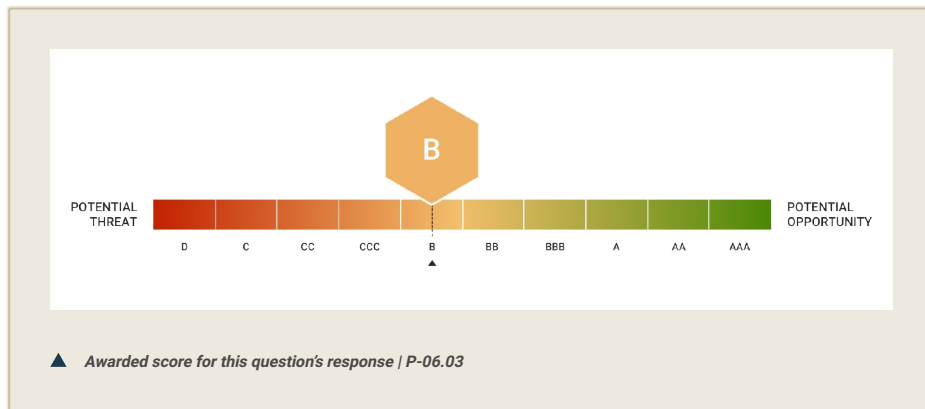
This part of Finland has a well-developed mining and exploration industry. Finland also regularly appears in the Fraser Institute mining surveys as being one of the top 10 mining / exploration jurisdictions globally.

Supporting Evidence Supplied

None

Project Question ID: P-06.03

Have you or previous owners received any praise and/or complaints regarding your current / past activities on this project / in the local area?


Response

- ☐ Yes
☒ No
☐ No formal system to do so

Supporting Narrative

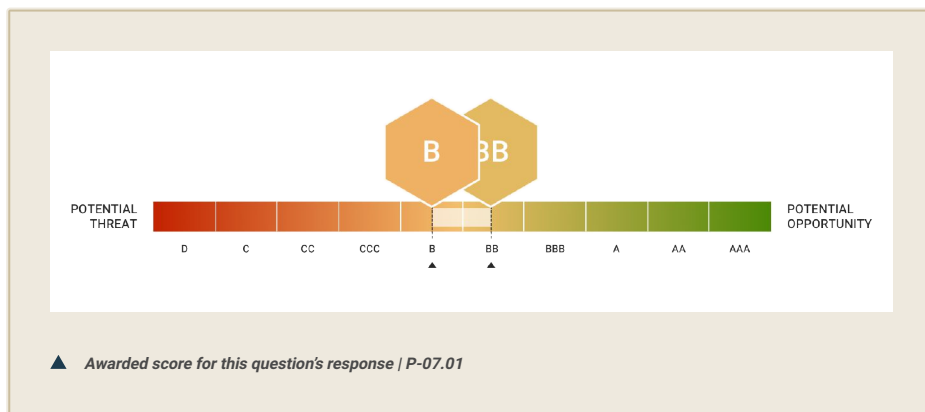
Capella has not been in the project long enough to have either earned praise or received any criticism. The original project owners Cullen are highly-regarded in the area.

Supporting Evidence Supplied

None

Project Question ID: P-07.01

Is formal government approval required for key project development activities such as disturbance associated with road construction, water withdrawal, drilling activities or rehabilitation?


Response

- ☒ Yes
- ☐ No
- ☐ Not sure

Supporting Narrative

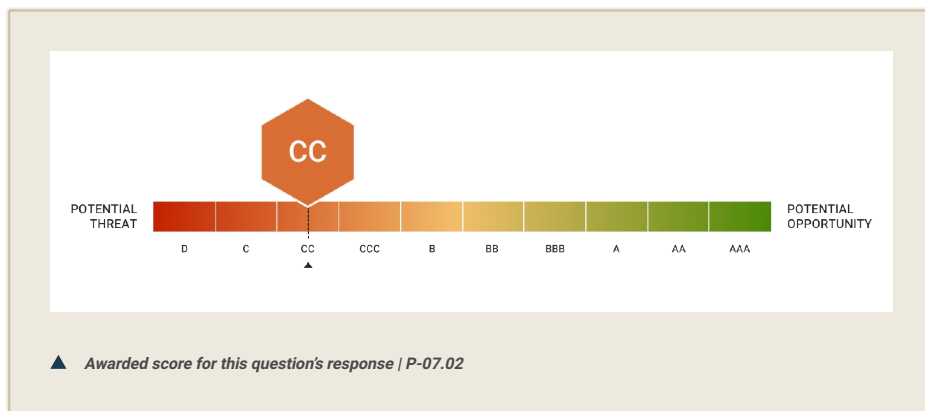
Permitting is required for any field activities that result in surficial disturbance to the project area.

Supporting Evidence Supplied

None

Project Question ID: P-07.02

Is the region governed by traditional / state structures or a combination?



Response

- ☐ Traditional
- ☒ State
- ☐ Combination
- ☐ Not sure

Supporting Narrative

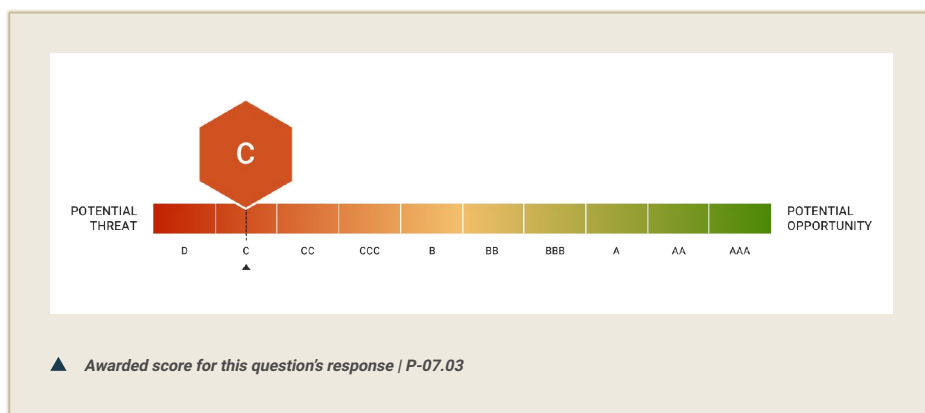
The region is controlled through a state (national / provincial) structure

Supporting Evidence Supplied

None

Project Question ID: P-07.03

Is there a regional / national development plan?



Response

- ☐ Yes
- ☐ No
- ☒ Unsure

Supporting Narrative

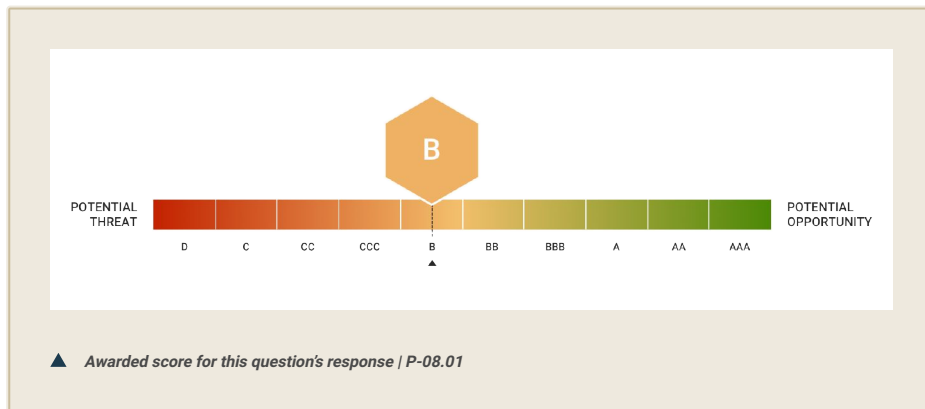
Unsure. Mining projects in northern Finland are generally viewed favourably.

Supporting Evidence Supplied

None

Project Question ID: P-08.01

What year did / will baseline monitoring commence for? Enter year or planned year



Response

Health and Safety

Year: "2022"

Climatic data

Year: "2025"

Carbon

Year: "2025"

Water usage

Year: "2025"

Surface water chemistry

Year: "2022"

Groundwater

Year: "2025"

Air quality (incl. SOx / NOx)

Year: "2025"

Noise

Year: "2025"

Biodiversity

Year: "2022"

Other

Year: Ø No answer provided

Supporting Narrative

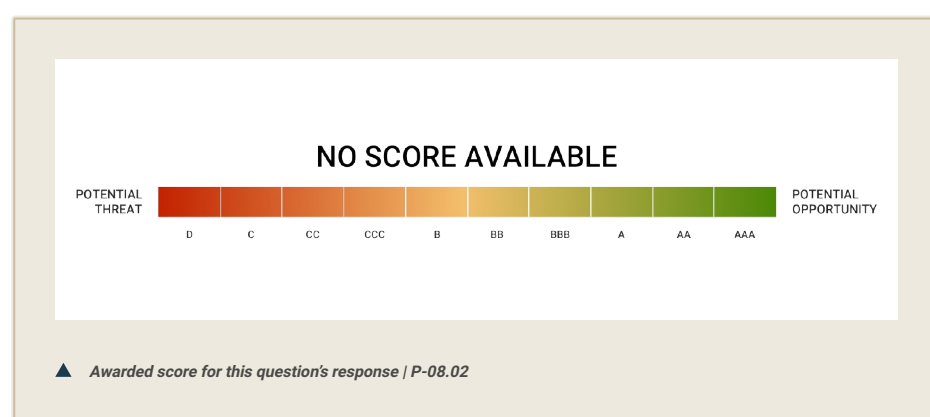
The Katajavaara project is too early stage to be contemplating environmental baseline studies (except for surface water geochemistry, as we will need to ensure that there is no acid rock drainage from former operations). It would be appropriate to initiate many of these baseline studies once a potential economic discovery has been made / identified.

Supporting Evidence Supplied

None

Project Question ID: P-08.02

Have you publicly committed to (or inherited) any project-specific commitments? Enter year or planned year and description of commitment



Response

No

Supporting Narrative

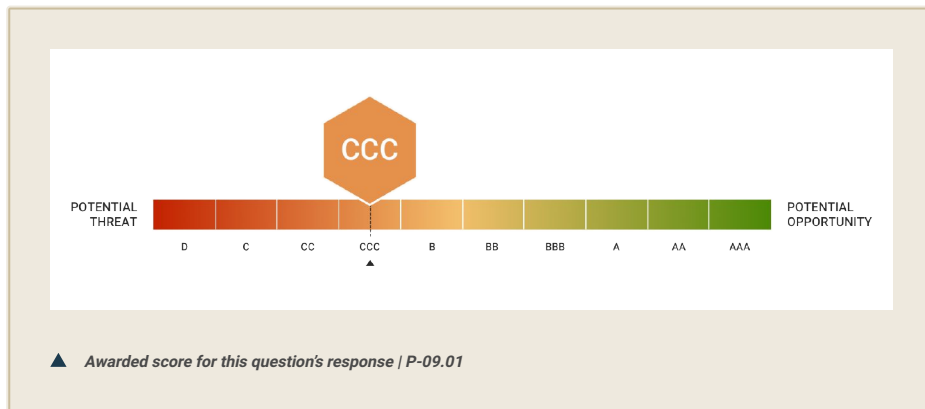
There are no commitments (either current or inherited) that Capella is aware. Clearly, though, international best practice will be required in the execution of exploration programs in the area.

Supporting Evidence Supplied

None

Project Question ID: P-09.01

Do you plan to / have you undertaken an Environmental (and Social) Impact Assessment or equivalent? Upload if possible


Response

- ☐ Yes
- ☐ Unsure
- ☒ No

Supporting Narrative

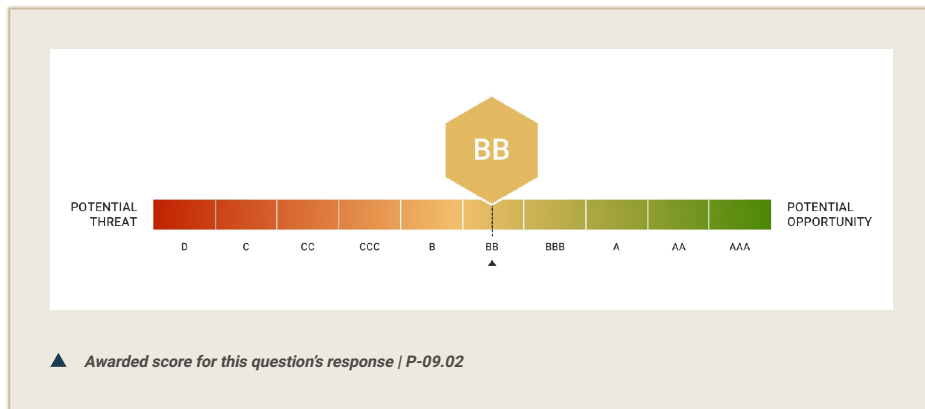
The project is too early stage for formal Environmental and Social Impact Assessments. However, awareness of local environmental and social sensitivities will be required during the execution of planned exploration programs.

Supporting Evidence Supplied

None

Project Question ID: P-09.02

Do you have a rehabilitation plan for the exploration activities you are undertaking?



Response

- ☒ Yes
- ☐ Regulatory mandate
- ☒ Business need
- ☐ No

Supporting Narrative

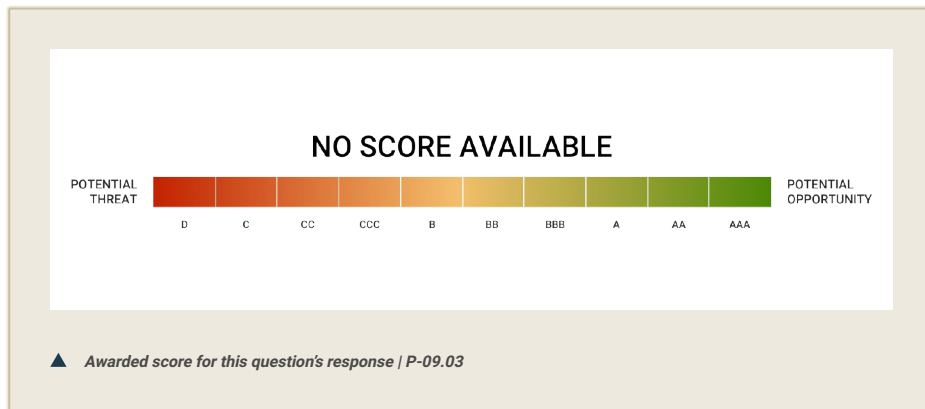
The Company's policy is always to leave exploration areas (as soon as no further work is deemed necessary) in as close to their original state as possible. This includes full rehabilitation of drill sites, camp sites, etc.

Supporting Evidence Supplied

None

Project Question ID: P-09.03

What are you doing to actively influence future mine plans and associated closure plans for this project?



Response

Answer: "Mine closure plans will be included in the mine development studies (PEA, PFS, and Bankable Feasibility studies) made on the back of an economic discovery. At this stage it is too early to be talking about mine closure plans."

Supporting Narrative

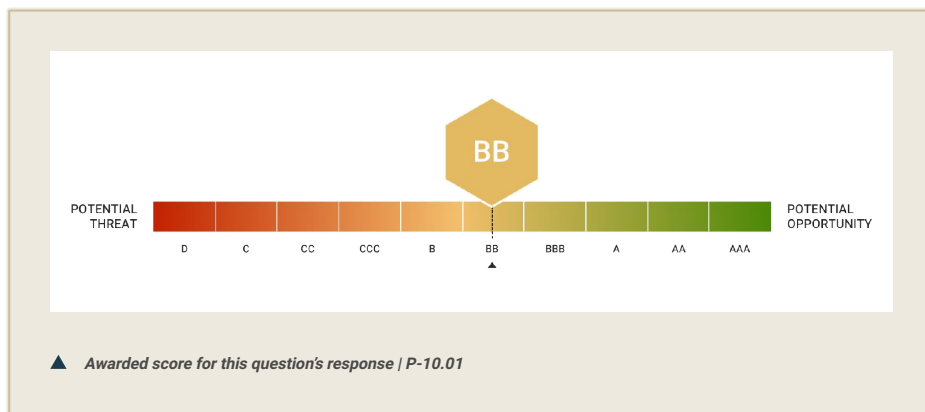
None

Supporting Evidence Supplied

None

Project Question ID: P-10.01

What are you doing to actively keep your team (including employees, contractors and visitors) healthy and safe? Looking to include action beyond just physical initiatives to understand training and awareness.



Response

Answer: "As the project is still at an early stage, ad-hoc health and safety meetings are held in relation to the works being undertaken on the project. At the moment our field activities are restricted to site visits, mapping and sampling. Once drilling commences, sessions on safety around operating machinery (such as drill rigs) will be initiated."

Supporting Narrative

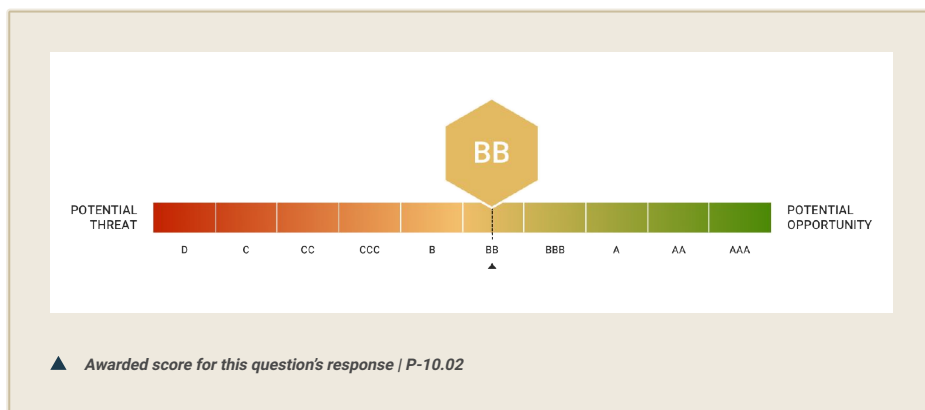
None

Supporting Evidence Supplied

None

Project Question ID: P-10.02

What are you doing to actively keep your team and equipment secure both now and for the long term?



Response

Answer: "See response to P-10.01"

Supporting Narrative

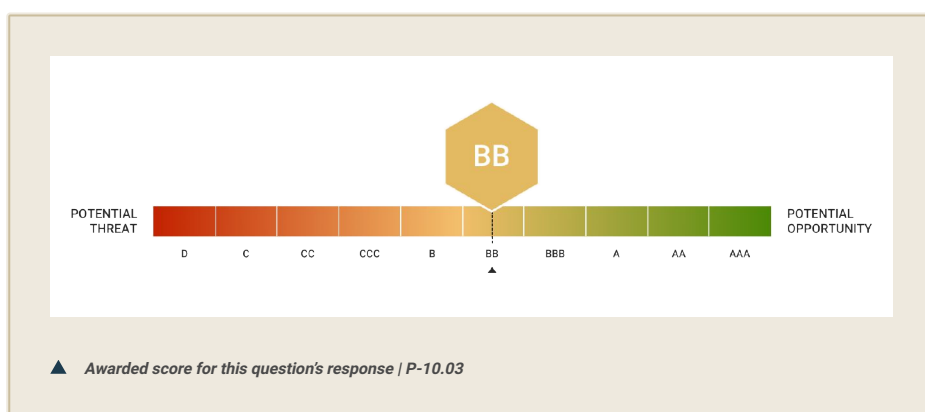
None

Supporting Evidence Supplied

None

Project Question ID: P-10.03

What are you doing to actively manage biodiversity now and for the long term? Proof of commitments to avoid, mitigate, restore, offset can be uploaded / linked to.



Response

Answer: "Clearly protection of the environment / biodiversity is a priority for the Company. We will identify any particularly sensitive areas and work to mitigate risks to these areas."

Supporting Narrative

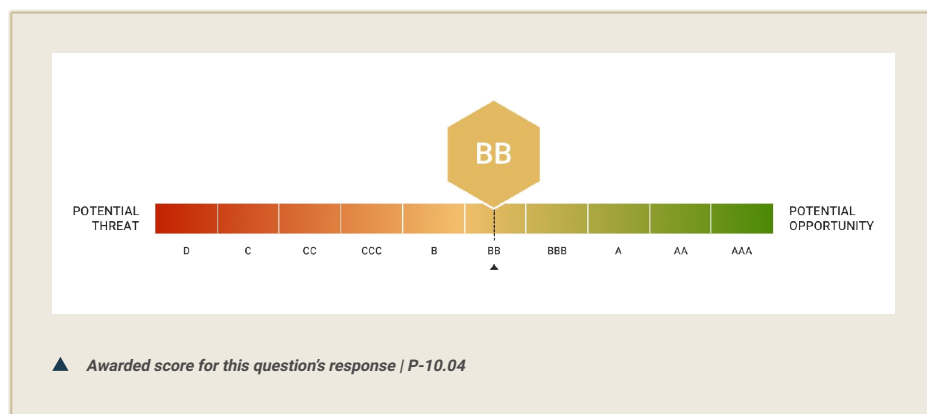
None

Supporting Evidence Supplied

None

Project Question ID: P-10.04

What are you doing to minimize impacts and risks to surface and groundwater quantity and quality now and for the long term? E.g. bore hole casing so that farmers can use your holes after you have finished; closed-loop drilling to minimise contamination of environment from drilling fluids. Proof of commitments to be uploaded / linked to



Response

Answer: "The Company's policy will be to close (cap) any and all drill holes completed on the property. This is considered a prudent step to take to avoid any possible contamination of surface waters by any acidic groundwaters."

Supporting Narrative

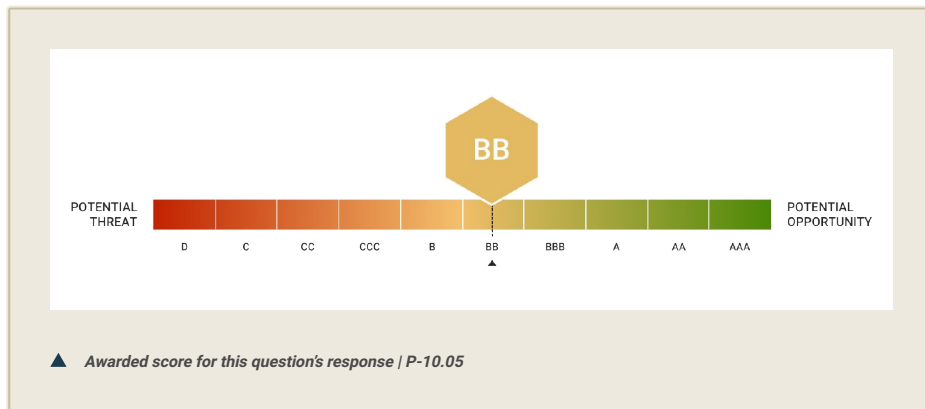
None

Supporting Evidence Supplied

None

Project Question ID: P-10.05

If there is opportunity, are you actively remediating old workings / previous industry impacts within your property?



Response

- ☒ Yes
- ☐ Regulatory mandate
 - ☒ Business decision
- ☐ No

Supporting Narrative

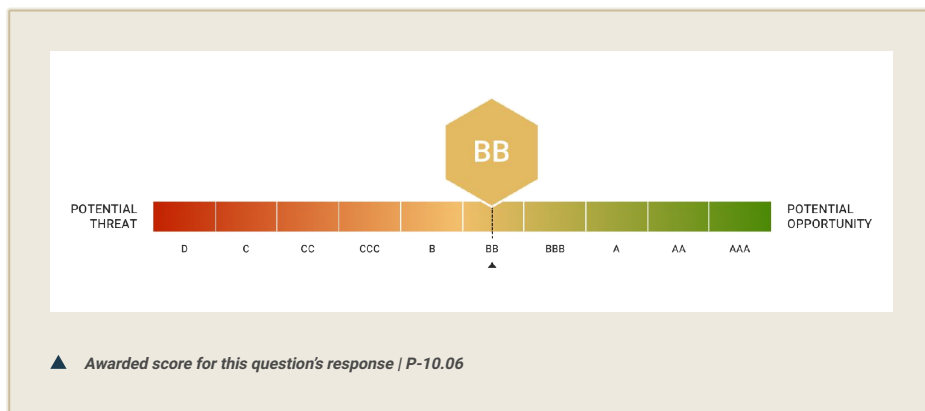
Except for the adjacent Sattapora gold-copper (which is not located within the Company's land holding), Capella is not aware of any other former mining operations which might require any rehabilitation. We will, of course, ensure that any other possible industry impacts (such as historical drill sites) are left clean and tidy.

Supporting Evidence Supplied

None

Project Question ID: P-10.06

What are you doing to actively reduce noise now and for the long term?



Response

Answer: "Project is too early-stage to be discussing noise mitigation. In the short to medium term, the only "significant" noise generation in the project area will come from drill rigs."

Supporting Narrative

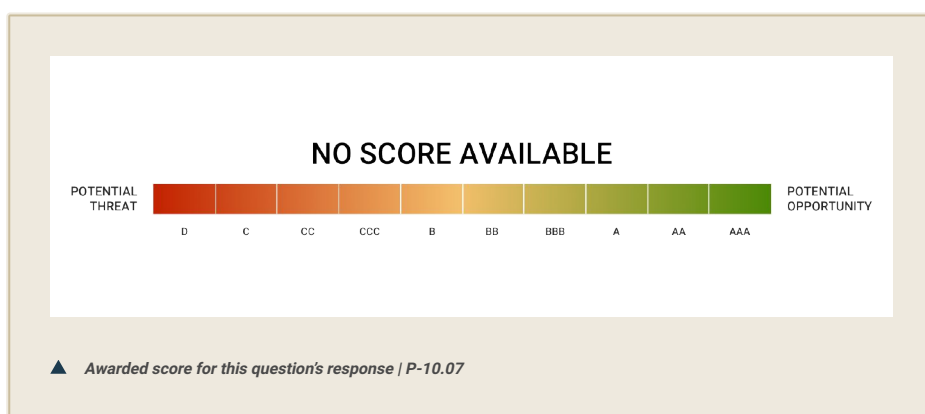
None

Supporting Evidence Supplied

None

Project Question ID: P-10.07

What are you doing to actively reduce emissions now and for the long term?



Response

Answer: "Project is too early-stage to be discussing emissions. In the short to medium term, the only "significant" emissions will come from motorized (non electric) vehicles and drill rigs."

Supporting Narrative

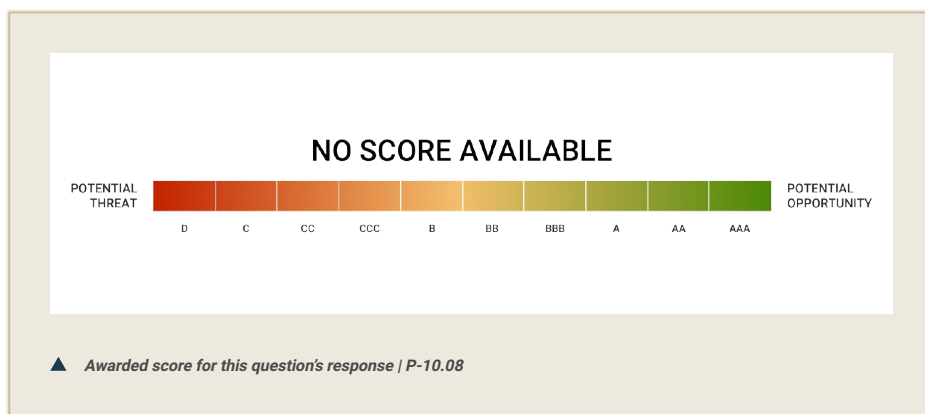
None

Supporting Evidence Supplied

None

Project Question ID: P-10.08

What are you doing to actively reduce vibration now and for the long term?



Response

Answer: "Project is too early-stage to be discussing vibrations"

Supporting Narrative

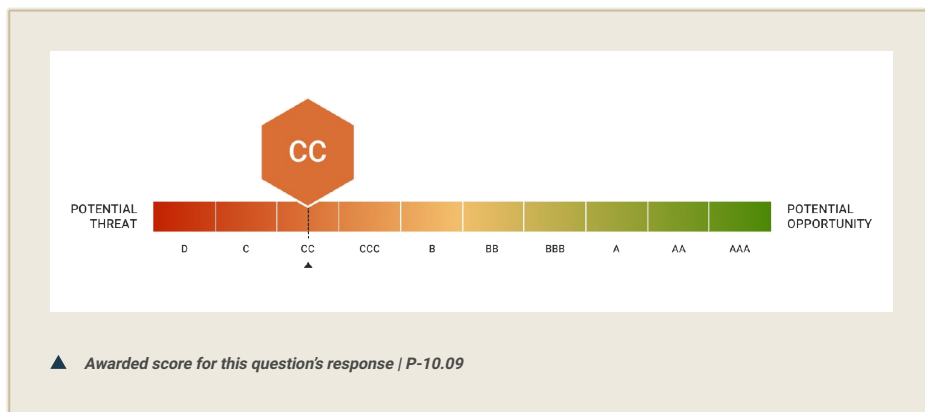
None

Supporting Evidence Supplied

None

Project Question ID: P-10.09

Who is responsible for implementing and running your stakeholder engagement and communications and where are they based? Name the individual as well as the role.



Response

Name: "Eric Roth"

Role: "CEO"

Location: "Spain"

Supporting Narrative

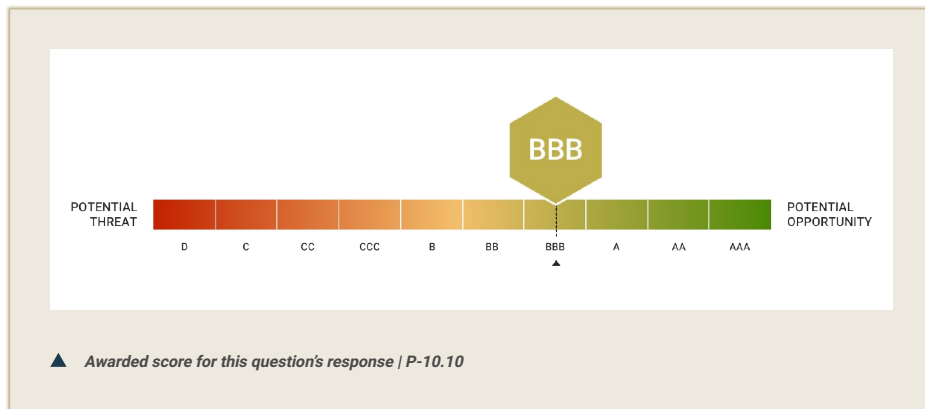
As the project is still early-stage, stakeholder engagements and communications will be managed by the CEO with assistance from local (native Finnish-speaking) specialists. On the back of a significant mineral discovery, it is expected that a dedicated position will be created within the project team.

Supporting Evidence Supplied

None

Project Question ID: P-10.10

Do you engage in the local language(s) or routinely use support with language and cultural experience?



Response

- ☒ Yes
- List local language(s):
- Routinely use support
- ☐ No
- ☐ Unsure

Supporting Narrative

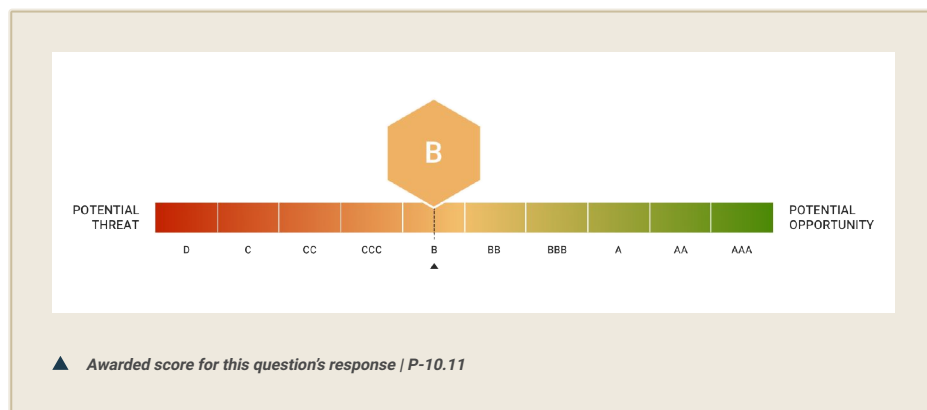
None

Supporting Evidence Supplied

None

Project Question ID: P-10.11

What are you doing to actively preserve cultural heritage sites within the property now and for the long term?



Response

Answer: "Capella is not aware of the existence of any cultural heritage sites within the property. However, should any be identified, we would take steps to ensure that these sites are protected."

Supporting Narrative

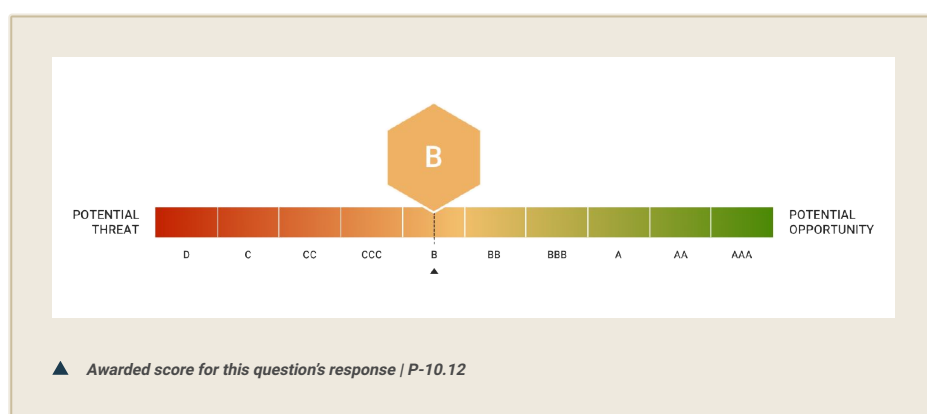
None

Supporting Evidence Supplied

None

Project Question ID: P-10.12

How do you actively involve multiple (diverse) stakeholders in decision making?



Response

Answer: "Through general communications and regular community meetings"

Supporting Narrative

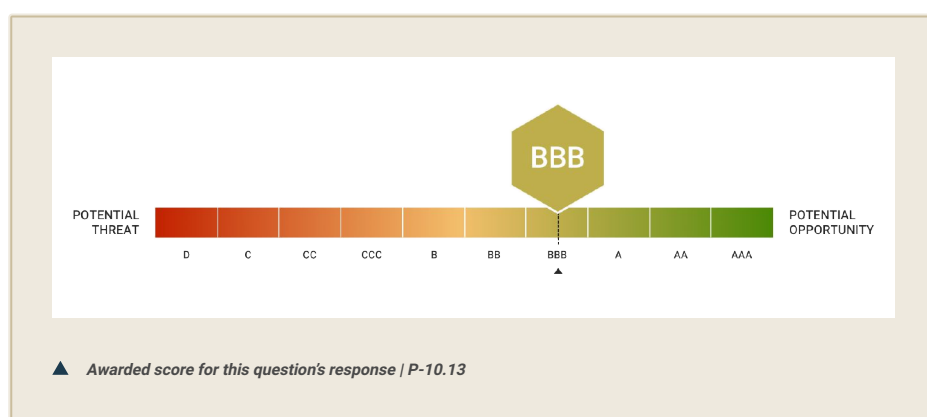
None

Supporting Evidence Supplied

None

Project Question ID: P-10.13

What proportion of your supplies are purchased locally / regionally / nationally / internationally?



Response

Local

Percentage of goods now: "70"

Percentage of goods anticipated next year: "70"

Regional

Percentage of goods now: "10"

Percentage of goods anticipated next year: "10"

National

Percentage of goods now: "10"

Percentage of goods anticipated next year: "10"

International

Percentage of goods now: "10"

Percentage of goods anticipated next year: "10"

Supporting Narrative

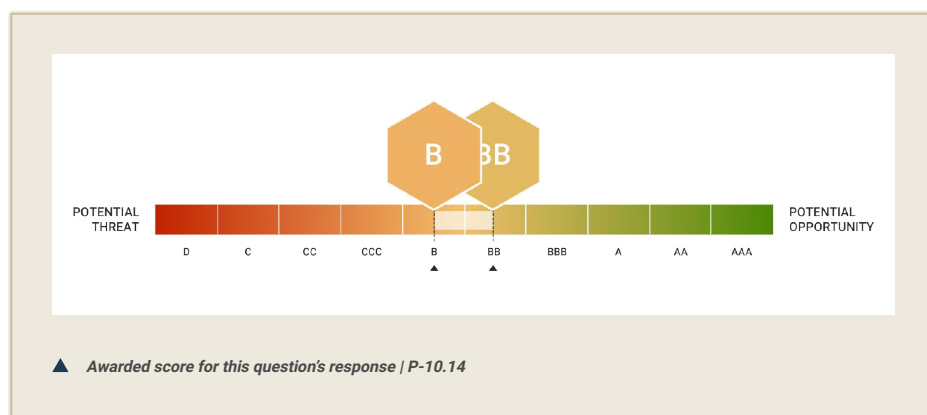
The Company has a "buy local" policy for all of its exploration projects. However, certain services (such as geophysical or drill contractors) often need to be sourced from elsewhere within the country (and sometimes internationally).

Supporting Evidence Supplied

None

Project Question ID: P-10.14

What additional initiatives are you implementing to actively support the local population / economy?



Response

Answer: "Capella supports the local community through i) the hiring of local people and ii) the supporting of both educational and cultural activities within the project area. The Company also ensures that the general population is aware of the benefits and individual stages of exploration and mining."

Supporting Narrative

None

Supporting Evidence Supplied

None