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30 May 2024

Capital Metals PLC

("Capital Metals" or the "Company")

Update re Project Funding

Capital Metals (AIM: CMET), a mineral sands company approaching mine development stage at the high-grade Eastern Minerals Project in Sri Lanka (the "Project"), is pleased to confirm that legal agreements are well advanced for Sheffield Resources Limited (ASX: SFX) ("Sheffield") to acquire a 50% interest in the Project in consideration for providing development capital by way of joint venture project equity. Whilst the legal agreements will not be completed in May, Capital Metals expects the transaction to close shortly. A further announcement will be made only when all requisite approvals have been received and legal and regulatory documents have been finalised and signed, or when required by regulatory obligations.

For further information, please visit www.capitalmetals.com or contact:

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About Capital Metals

Capital Metals is a UK company listed on the London Stock Exchange (AIM: CMET). We are developing the Eastern Minerals Project in Sri Lanka, approximately 220km east of Colombo, containing industrial minerals including ilmenite, rutile, zircon, and garnet. The Project is one of the highest-grade mineral sands projects globally, with potential for further grade and resource expansion. In 2022, a third-party Preliminary Economic Assessment provided a Project NPV of US\$155-235m based on existing resources, with further identified optimisation potential. We are committed to applying modern mining practices and bringing significant positive benefits to Sri Lanka and the local community. We expect over 300 direct new jobs to be created and over US\$130m in direct government royalties and taxes to be paid.

Visit our website:

www.capitalmetals.com

Follow us on social media:

X (formerly Twitter): [@MetalsCapital](https://twitter.com/MetalsCapital)

LinkedIn: [@Capital Metals plc](https://www.linkedin.com/company/capital-metals-plc)

About Sheffield Resources

Sheffield Resources is listed on the Australian Securities Exchange with a market capitalisation of approximately A\$218 million. Sheffield recently commissioned its flagship A\$484 million Thunderbird Mineral

Sands Project. Thunderbird is a 50/50 joint venture between Sheffield and Yansteel and is one of the largest and highest-grade mineral sands discoveries in the last 30 years. Thunderbird has recently achieved practical completion and made its maiden shipment of product in January 2024.

In February 2023, Sheffield executed a binding agreement with an option to acquire up to 20% of Rio Grande Mineração S/A, which owns and operates the South Atlantic Project in Southeast Brazil.

For more information on Sheffield Resources, visit www.sheffieldresources.com.au.

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