

FOR IMMEDIATE RELEASE
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Capital Limited
("Capital", the "Group" or the "Company")

Q3 2022 Trading Update

Capital (LSE: CAPD), a leading mining services company, today provides its Q3 2022 trading update for the period ended 30 September 2022 (the "Period").

THIRD QUARTER (Q3) 2022 KEY METRICS

	Q3 2022	Q3 2021	Q2 2022	% change from Q3 2021	% change from Q2 2022
Revenue (US\$m)	73.1	61.6	71.2	18.7%	2.7%
ARPOR*(US\$)	182,000	182,000	171,000	0.0%	6.4%
Average utilised rigs	91	81	97	12.3%	-6.2%
Fleet Utilisation (%)	77	76	85	1.3%	-9.4%
Average Fleet	119	107	114	11.2%	4.4%
Closing fleet size	127	108	116	17.6%	9.5%

* Average monthly revenue per operating rig

Financial Highlights

- Q3 2022 revenue of \$73.1 million, up 18.7% on Q3 2021 (\$61.6 million) and up 2.7% on Q2 2022 (\$71.2 million);
- Non-drilling revenue contributed 29% of total revenue for Q3 2022, compared with 26% in Q3 2021 and up from 27% in Q2 2022;
- Average monthly revenue per operating rig ("ARPOR") of \$182,000 was flat on Q3 2021 (\$182,000) but up 6.4% on Q2 2022 (US\$171,000); and
- Interim dividend of 1.3 cents per share (cps), paid on 3 October, up 8.3% on 2021 interim dividend (1.2 cps).

Operational Highlights

- Safety performance remains world-class and improved through the quarter with the 9-month YTD TRIFR at 1.2, down from 1.8 in H1 2022;
- Capital Drilling: Strong performance while repositioning the contract portfolio through the quarter:
 - Fleet Utilisation of 77% in Q3 2022 was up 1.3% on Q3 2021 and down 9.4% on Q2 2022, due to typical seasonal weakness, particularly the wet season in West Africa, and also increased asset mobilisation as the group begun repositioning the contract portfolio as outlined at our H1 22 results. Repositioning of rigs is continuing in Q4 2022 along with some refurbishments on the newly acquired rigs at Fekola;
 - Previously announced contract wins (6 September):
 - An expanded drilling services contract with B2Gold Corp. at the Fekola Gold Mine, Mali, out to the end of 2024. Our services on site now include development (diamond and reverse circulation) and grade control drilling. To facilitate delivery of the new contract Capital has purchased 10 rigs from African Mining Services ('AMS'), part of the Perenti Group.
 - New contract wins:
 - A multi-rig exploration drilling contract (including reverse circulation, diamond and air core drilling) with Perseus Mining at its Block 14 Gold Project in Sudan; and

- A reverse circulation drilling contract with Evolution Energy Minerals at its Chilalo graphite project in Tanzania.
- Rig count increased from 116 to 127 through Q3 2022, net of depletion (including the 10 rigs purchased from AMS).
- Capital Mining: Continuing to perform well:
 - Sukari Gold Mine (Egypt) waste mining contract achieved a quarterly record of waste mined since the project began; and
 - Capital remains active in the tendering pipeline.
- MSALABS: Robust growth trajectory continuing:
 - Ongoing Chrysos PhotonAssay™ rollout:
 - MSALABS now has three Chrysos PhotonAssay™ units commissioned at Bulyanhulu Gold Mine (Tanzania), Morila Gold Mine (Mali) and Val d'Or (Quebec, Canada) with a fourth unit currently being commissioned in Yamoussoukro (Cote d'Ivoire);
 - The fifth and sixth units are set to arrive at the Kibali Gold Mine (DRC) and Prince George (Canada) in the coming weeks. A further unit is still earmarked for Timmins (Canada), as previously guided, which will be commissioned in Q1 2023; and
 - Increased geographic spread is enabling accelerated PhotonAssay trials with major mining houses. PhotonAssay continues to be in high demand giving MSALABS a strong competitive advantage especially following the expanded relationship with Chrysos Corporation to roll out 21 units by 2025.
 - MSALABS has been awarded a 3-year mine site laboratory contract with Shanta Gold at its Singida Gold mine in Tanzania; and
 - MSALABS has completed the construction of a laboratory in Bougouni, Mali to support gold and lithium operations in southern Mali along with providing additional sample flow for the Chrysos unit at the Morila Gold mine (Mali).

Outlook

- Q3 2022 continued to see robust demand across our blue-chip portfolio of customers;
- Revenue guidance for 2022 remains \$280 to \$290 million (upgraded from \$270 – 280 million at the H1 2022 results). Capital expenditure guidance remains \$60-65 million in 2022 (recently increased from \$50-55 million as a result of the purchase of rigs and other assets from AMS):
 - The drilling business has further improved its contract portfolio with high-quality long-term contracts, and further rigs will arrive in Q4 with the group's rig count growing towards ~130 rigs by the end of 2022;
 - The Sukari earth moving contract continues to perform well and at full capacity;
 - MSALABS is experiencing strong demand for its laboratory services with revenue guidance for 2022 remaining ~\$30 million (up from \$15.6 million in 2021). The continued rollout of Chrysos PhotonAssay™ units will drive material further growth through 2023 and 2024; and
 - Tendering activity across all business units remains robust, with a number of opportunities progressing.

Commenting on the trading update, Jamie Boyton, Executive Chairman, said:

“The third quarter of 2022 saw Capital again increase revenues despite seeing typical seasonal weakness compounded by increased asset movement as we repositioned the drilling contract portfolio. This is testament to the enhancements the business has made in its service offering over the past two years in particular, and the more robust and less volatile our revenues have become as a result.”



Through the quarter we begun repositioning our drilling contract portfolio, not only reducing our exposure to small exploration contracts but also increasing our exposure to tier-1 assets, as highlighted with our expanded relationship with B2Gold at Fekola, and assets with exciting long-term potential as with Perseus Mining's Block 14 project.

Our mining division continues to perform well with Sukari achieving a record quarter in waste mined since the project began. MSALABS also continues its impressive growth trajectory through the quarter, both through multi-year mine site contracts for its traditional business and in the roll out of the revolutionary Chrysos technology."

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About Capital Limited

Capital Limited is a leading mining services company providing a complete range of drilling, mining, maintenance and geochemical laboratory solutions to customers within the global minerals industry, focusing on the African markets. The Company's services include: exploration, delineation and production drilling; load and haul services; maintenance; and geochemical analysis. The Group's corporate headquarters are in Mauritius and it has established operations in Côte d'Ivoire, Canada, Egypt, Guinea, Kenya, Mali, Mauritania, Nigeria, Saudi Arabia and Tanzania.