

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: **Name and Address of Company**

Element 29 Resources Inc. (“E29” or the “Company”)
1650-1066 West Hastings
Vancouver, B.C.
V6E 2X2

Item 2: **Date of Material Change**

December 14, 2021.

Item 3: **News Release**

The news release announcing the material change referred to in this report was disseminated on December 14, 2021 through Newsfile Corp. and a copy has been filed under E29’s profile on SEDAR.

Item 4: **Summary of Material Change**

On December 14, 2021, the Company announced the closing of its oversubscribed, non-brokered private placement financing of 11,498,000 units (the "Units") at a price of \$0.60 per Unit for aggregate gross proceeds of \$6,898,800 (the "Offering").

Item 5: **Full Description of Material Change**

On December 14, 2021, the Company announced the closing of its Offering of 11,498,000 Units at a price of \$0.60 per Unit for aggregate gross proceeds of \$6,898,800.

Each Unit comprises one common share of Element 29 and one-half common share purchase warrant (each whole warrant, a "Warrant"). Each whole Warrant is exercisable for a common share at an exercise price of \$0.85 and will expire December 14, 2024.

A portion of the Offering is considered a related party transaction under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101") as 1,231,334 units were issued to insiders of the Company. The Company relied on exemptions from the formal valuation and minority shareholders approval requirements provided under sections 5.5(a) and 5.7(a) of MI 61-101 on the basis that insiders participation in the Offering did not exceed 25% of the fair market value of the Company's market capitalization.

In connection with the Offering and in accordance with the policies of the TSX Venture Exchange (the "TSXV"), the Company paid Haywood Securities Inc. and Canaccord Genuity Corp. cash finder's fees totalling \$116,262.

The net proceeds of the Offering will be used for a planned 3,700 metre drill program at the Flor de Cobre Project, the completion of a planned initial mineral resource estimate for the Elida Project, and general working capital for the Company.

All securities issued under the Offering are subject to a four-month and one day hold period. The Offering is subject to certain conditions, including, but not limited to, the receipt of all necessary approvals, including the final approval of the TSXV.

Item 6: **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

Item 7: **Omitted Information**

Not applicable.

Item 8: **Executive Officer**

For further information, please contact:

Richard Osmond
Interim Chief Executive Officer and Director
Tel: 778-403-5371
E-mail: rosmond@e29copper.com

Item 9: **Date of Report**

December 24, 2021.