

Element 29 Completes the First Two Holes from the Phase-III Drill Program at its Elida Porphyry Cu-Mo-Ag Deposit in Central Perú

Vancouver, British Columbia--(Newsfile Corp. - December 23, 2024) - Element 29 Resources Inc. (TSXV: ECU) (OTCQB: EMTRF) (BVL: ECU) ("Element 29" or the "Company") announces the Company has completed the first two drill holes, for 2,249.8 metre ("m"), from the Phase-III diamond drill program at its Elida Porphyry Copper ("Cu") - Molybdenum ("Mo") - Silver ("Ag") Deposit ("Elida" or the "Property") in central Perú (Figure 1).

Richard Osmond, President and CEO of Element 29 Resources, states, *"We are pleased to announce the successful completion of the two deepest drill holes at Elida. Both holes intersected strong porphyry-related hydrothermal alteration from the bedrock surface to depths exceeding 950 meters, indicating the potential to carry copper-molybdenum-silver mineralization. Both drill holes were terminated in strong porphyry alteration and remain open for future drilling campaigns."*

Mr. Osmond continues, *"We anxiously await geochemical assay results, which are expected in the coming weeks. The Phase-III drill program is also scheduled to restart in early Q2, 2025 following the end of the rainy season in Perú."*

The Elida diamond drill program was designed to potentially expand the existing pit-constrained initial Inferred Mineral Resource Estimate¹ of 321.7 million tonnes of 0.39% Cu, 0.03% Mo, and 2.61 g/t Ag at a 0.2% Cu cutoff and a 0.74:1 strip ratio ("**Mineral Resource**"). These drill holes were also planned to infill gaps within the exiting pit-shell to potentially increase the higher-grade 59.7 million tonne resource of 0.49% Cu, 0.036% Mo, and 3.99 g/t Ag at a 0.40% Cu cut-off ("**Higher-Grade Resource**") and continue drilling to depths of up to 1000 m while in porphyry-related alteration and mineralization.

To date, there has been insufficient exploration to expand the existing pit-constrained initial Inferred Mineral Resource Estimate¹ or to improve the overall Cu-Mo-Ag grades and it is uncertain if further exploration will result in an increase in the overall mineral resources. However, several previous drill holes have extended the porphyry Cu-Mo-Ag mineralization outside the existing pit shell including drill hole ELID025, collared just north of the pit center, which intersected 908.75 metres ("m") of 0.39% Cu, 0.035% Mo, 2.9 g/t Ag (0.51% CuEq²) from bedrock surface at 38.4 m depth. This suggests that the Cu-Mo-Ag mineralization extends to depths of more than 900 m from bedrock surface within the porphyry-related hydrothermal footprint.

ELID033

Drill hole ELID033 is located 200 m to the west of ELID032 (Figure 2), which previously returned 404.5 m of 0.45% Cu, 0.032% Mo, and 3.6 g/t Ag (0.55% CuEq²) from bedrock surface at 45.5 m and ended in 13.4 m of 0.75% Cu, 0.032% Mo, and 7.2 g/t Ag (0.83% CuEq²) at 450.0 m depth. ELID033 was designed to extend the porphyry Cu-Mo-Ag mineralization found at the bottom of ELID032 beyond the existing pit-shell to a depth of 1,000 m. The hole also aims to infill within the existing pit-shell, potentially expanding the Higher-Grade Resource.

ELID033 was drilled to a depth of 1109.6 m at -80° dip towards a 270° azimuth. The hole collared in 69.9 m of colluvium followed by a 77.55 m thick intermediate volcano-sedimentary unit that is intensely potassic-altered with secondary biotite and cut by a stockwork of porphyry-related quartz-pyrite-chalcopyrite-molybdenite veins ("**A veins**") and locally early biotite veins ("**EB veins**") which are sometimes overprinted by chlorite alteration. Starting at 147.45 m, the hole encountered 379.75 m of calc-silicate altered calcareous siltstone showing intense porphyry-related skarn alteration with patches

of brown and green garnet and pyroxene ("**Skarn**"), both cut by abundant A veins. This is followed by a 60.8 m intercept calc-silicate altered siltstone unit starting at 527.2 m that is strongly potassic-altered with pervasive secondary biotite alteration cut by abundant A veins and local EB veins. Both sedimentary units are later cut by retrograde alteration as chlorite-epidote-pyrite-chalcopyrite-magnetite as patches and veins ("**Retrograde**") and minor sulphide veins with sericite halos ("**D veins**") as a late phyllic alteration overprint. These units are also cut locally by narrow fingers of late-mineral quartz monzonite porphyry dykes that are potassic-altered with secondary biotite replacement cut by A veins.

At a depth of 588.0 m, the hole intersected a 233.25 m wide quartz monzonite porphyry intrusion that does not extend vertically to bedrock surface. This intrusion is pervasively potassic-altered with secondary biotite replacement, cut by A veins and locally by anhydrite veins and patches. The intrusion also exhibits moderate phyllic alteration locally with supergene clay alteration occurring along structures where the core is more heavily fractured and broken. Near the lower contact, xenoliths of host rock sediments have been recognised that are also intensely potassic-altered with secondary biotite cut by A veins.

At a depth of 821.25 m, the hole intersected 154.55 m of strongly calc-silicate altered calcareous siltstone with Skarn alteration, both cut by abundant A veins and Retrograde alteration. This unit is cut by a 71.5 m intercept of moderate to strong potassic-altered quartz monzonite porphyry intrusion with secondary biotite locally overprinted by chlorite alteration and magnetite veinlets. This was followed by a 53.0 m sequence of calc-silicate altered siltstones with pervasive secondary biotite and EB veins, cut by more abundant A veins. The drill hole ended at 1109.6 m depth for operational purposes upon intersecting a 9.3 m wide heavily fractured quartz monzonite porphyry dyke.

ELID034

Drill hole ELID034 was shutdown in calc-silicate altered calcareous siltstones at 161.2 m after three days trying to recover the drill rods. The hole is located roughly 120 m to the northwest of ELID025 (Figure 3) which intersected 908.75 m of 0.39% Cu, 0.035% Mo, 2.9 g/t Ag (0.51% CuEq²) from bedrock surface at 38.45 m. This included 339.4 m of 0.50% Cu, 0.036% Mo, 4.3 g/t Ag (0.67% CuEq²) starting at bedrock surface, and 126 m of 0.42% Cu, 0.035% Mo, 2.51 g/t Ag (0.57% CuEq²) starting at 821.2 m and continued to the bottom of the hole at 942.7 m depth. ELID034 was designed to follow-up on the porphyry-related Cu-Mo-Ag mineralization intersected in ELID025 to potentially expand the Higher-Grade Resource and to continue drilling outside the existing pit-shell to a depth 1000 m while in porphyry Cu-Mo-Ag mineralization.

ELID034 was drilled to a depth of 161.2 m at -85° dip towards a 270° azimuth before the hole was accidentally lost during a routine drill bit change. The hole collared in 57.65 m of colluvium followed by 103.55 m of calc-silicate altered calcareous siltstones with patchy and lenticular zones of Skarn alteration becoming more secondary biotite altered within less calcareous units. Both units were cut by abundant A veins and local EB veins as well as later Retrograde alteration and minor D veins.

ELID035

Drill hole ELID035 is located just 5 m north of drill hole ELID034 (Figure 4). Like ELID034, this hole was designed to follow up on the porphyry-related Cu-Mo-Ag mineralization intersected in ELID025. The objective of this hole is to potentially expand the existing Higher-Grade Resource and continue drilling outside the existing pit-shell to a depth 1000 m while in porphyry Cu-Mo-Ag mineralization.

ELID035 was drilled to a depth of 979.0 m at -85° dip towards a 270° azimuth. The hole collared in 56.6 m of colluvium, followed by 356.85 m of calc-silicate altered calcareous siltstones with patchy and lenticular zones of strong Skarn alteration, cut by A veins and overprinted by Retrograde alteration and D veins. This transitions to a 179.6 m thick siltstone unit at a depth of 413.45 m, which is strongly potassic-altered with pervasive secondary biotite replacement and EB veins locally overprinted by chlorite alteration. In places, the intervals become more calcareous and strongly skarn-altered, cut by abundant A

veins as well Retrograde alteration and D veins.

At a depth of 593.8 m, the hole intersected a 385.95 m thick sedimentary sequence of potassic-altered feldspathic arenites and siltstones. These units are strongly potassic-altered with pervasive secondary biotite replacement, cut by A veins and local anhydrite patch and veins. Retrograde alteration was recognized forming along a structural foliation that is widespread throughout the sequence. The dill hole ended at 979.0 m depth for operational purposes while still in strongly potassic-altered feldspathic arenite sediments.

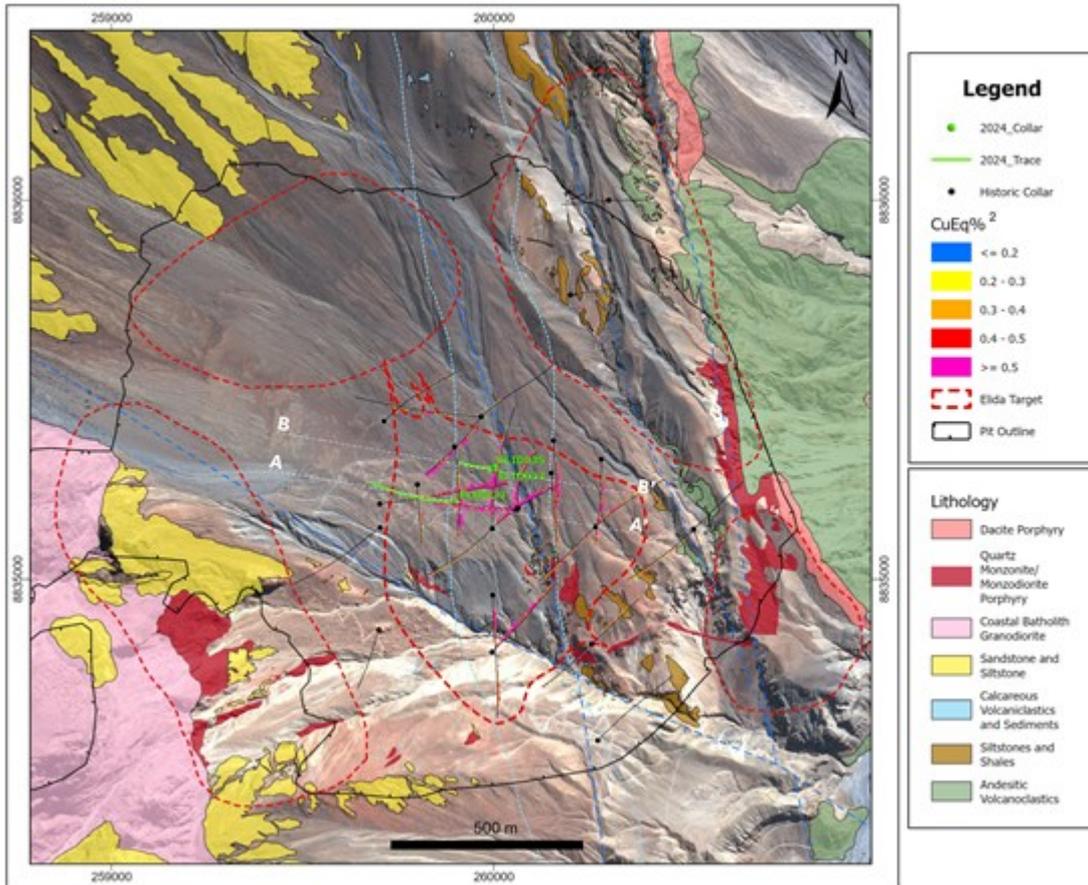


Figure 1: Plan map showing the location of the completed drill holes from the Phase-III diamond drill program at Elida with histograms of $CuEq^2$ grades.

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/7414/234984_76513d34143d1a39_001full.jpg

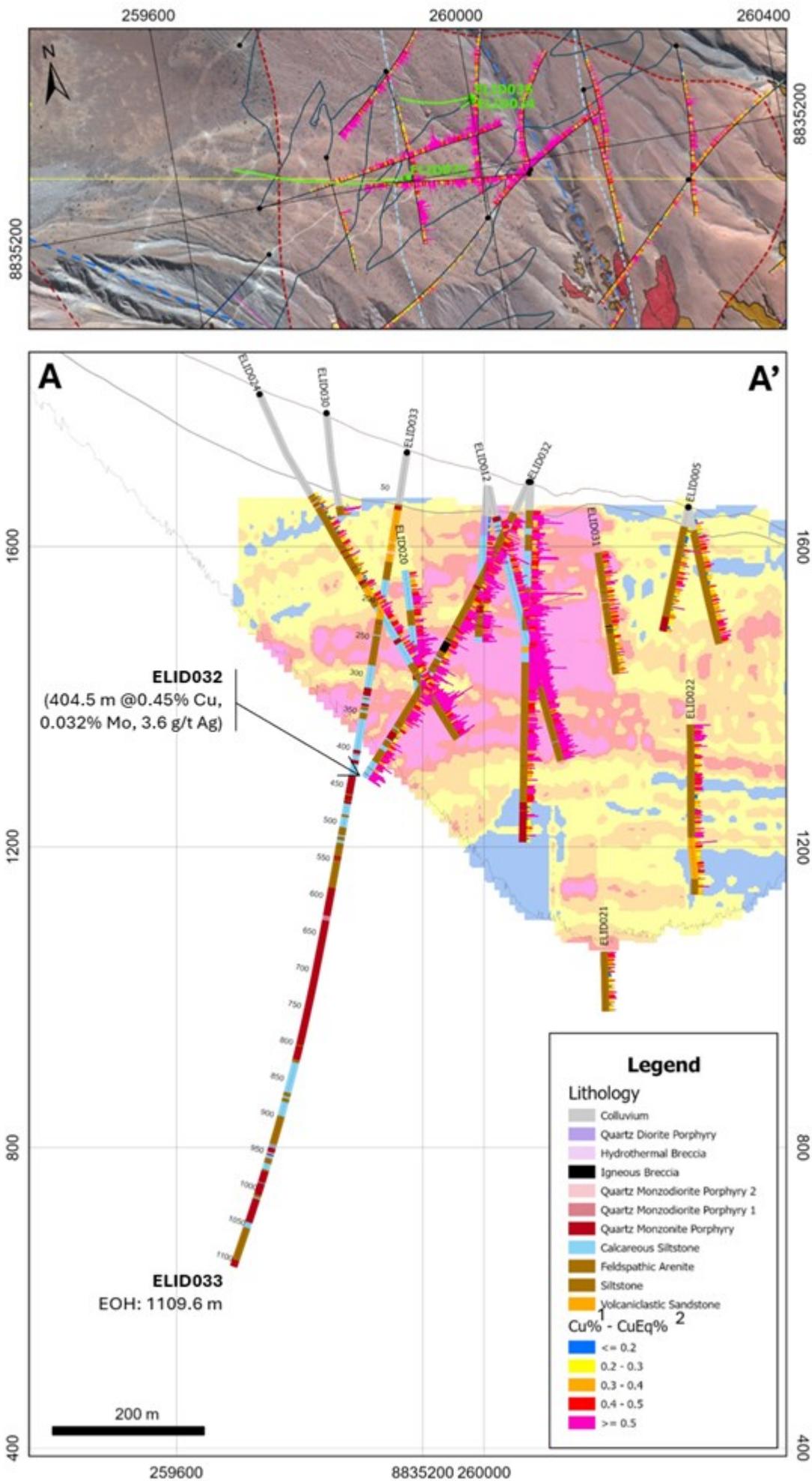


Figure 2: Geological section for diamond drill hole ELID033 also showing the pit-constrained Cu

Inferred Mineral Resource Estimate¹ and previous drill holes with geology and histograms of CuEq² grades.

To view an enhanced version of this graphic, please visit:

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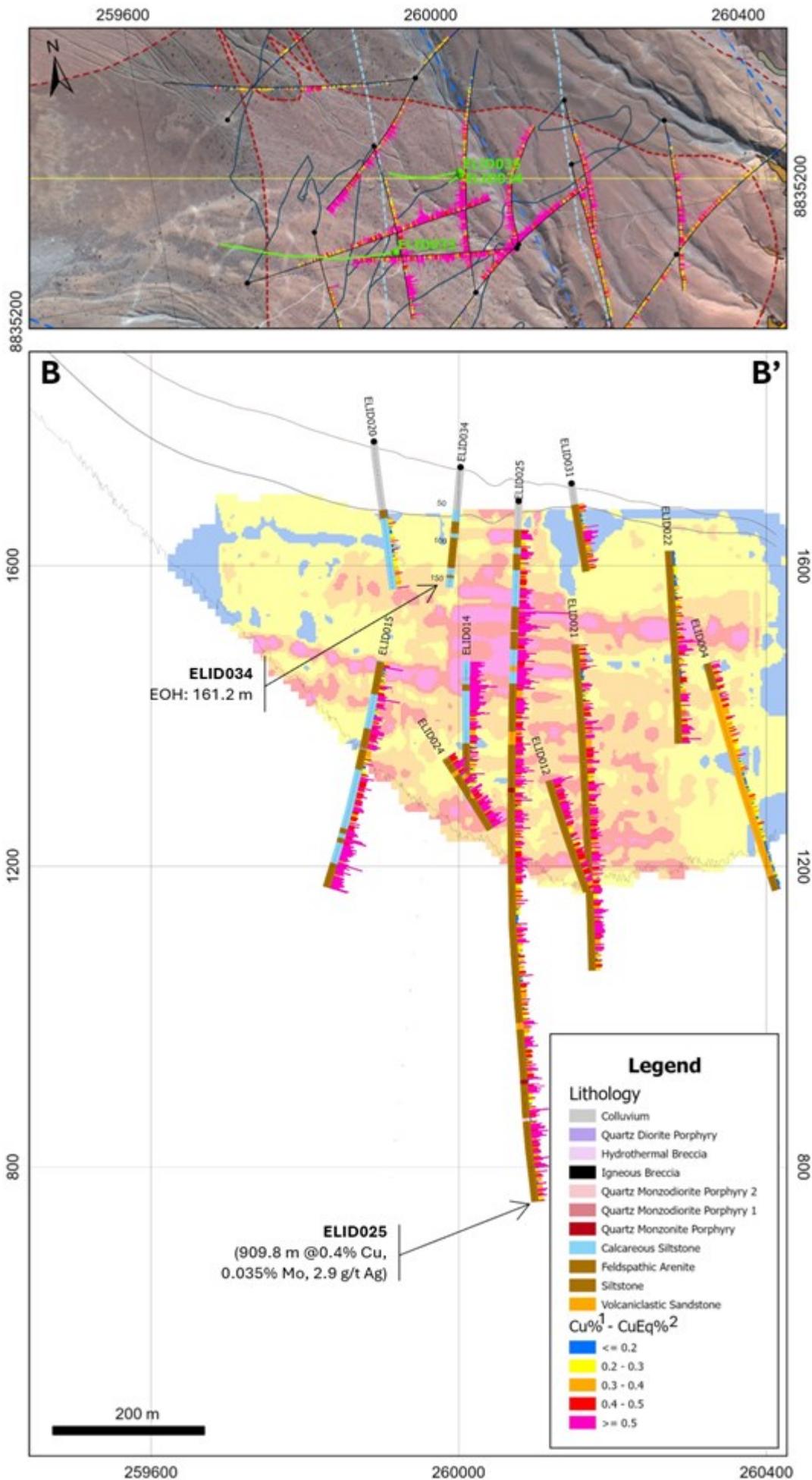


Figure 3: Geological section for diamond drill hole ELID034 also showing the pit-constrained Cu

Inferred Mineral Resource Estimate¹ and previous drill holes with geology and histograms of CuEq² grades.

To view an enhanced version of this graphic, please visit:

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Inferred Mineral Resource Estimate¹ and previous drill holes with geology and histograms of CuEq² grades.

To view an enhanced version of this graphic, please visit:

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HoleID	Easting (m)	Northing (m)	Elevation (m)	Azimuth (degrees)	Dip (degrees)	EOH (m)
ELID033	259900	8835205	1725	273.8	-81.8	1109.6
ELID034	260003.2	8835291.2	1731.1	274.8	-85.8	161.2
ELID035	260003	8835296	1731	270.4	-85.2	979

Table 1: Diamond drill hole collar locations and orientations (WGS84/Zone 18S).

To view an enhanced version of this graphic, please visit:

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Notes:

1. The Mineral Resource Estimate information is available in "NI 43-101 Technical Report, Mineral Resource Estimation of the Elida Porphyry Copper Project in Perú" dated September 20, 2022, and prepared in accordance with Form 43-101F1 by Marc Jutras, P.Eng., M.A.Sc., Ginto Consulting Inc.
2. The CuEq grades are calculated using $CuEq = [Cu\% \times 0.85] + [Mo\% \times 4.7030] + [Ag \text{ g/t} \times 0.0059]$ utilizing metal prices of Cu = US\$3.95/lb, Mo = US\$28.58/lb and Ag = US\$24.52/oz based on a 2-year average of the daily spot price (from September 13th, 2022 to September 11th, 2024) and recoveries of Cu = 85%, Mo = 65% and Ag = 65%.

About Elida Porphyry Cu-Mo-Ag Deposit

The Elida porphyry Cu-Mo-Ag deposit occurs along the east side of a large block of 29 contiguous concessions totaling 19,749 hectares ("ha") that are 100% owned by Element 29 Resources Inc. The project is in west-central Perú and is road accessible from the capital city, Lima, along the Pan American Highway, 170 kilometres northwest to the coastal city of Barranca, then inland 75 kilometers along a secondary road with paved and unpaved surfaces.

Elida is well located for future mine development and will benefit from nearby infrastructure and a skilled workforce. The project is situated at a moderate elevation between 1,500 m and 2,000 m with access to transportation routes to coastal shipping ports and power infrastructure, including a 45 mega-watt hydroelectric generation facility situated just 15 kilometres from the Property.

The Elida porphyry complex is a Cu-Mo-Ag mineralized multiphase porphyry system with a 2.5 x 2.5 km hydrothermal alteration footprint at surface, associated with Eocene-aged quartz monzonite stocks, emplaced into the Cretaceous volcano-sedimentary sequence and a granodiorite member of the Peruvian Coastal Batholith. Elida is one of the first Eocene-age mineralized porphyry systems discovered in Peru.

Previous drilling by Element 29 intersected multiple, long intervals of porphyry Cu-Mo-Ag mineralization which has been traced to a depth of greater than 900 m where it remains open. Most of the Cu-Mo mineralization is carried in A veins and C veins that were formed during the waning stages of potassic alteration, with a significant secondary amount of Cu mineralization carried in later E-type veins.

Based on 14,361.4 meters of diamond drilling, Element 29 completed an independent pit-constrained Inferred Mineral Resource Estimate which outlined 321.7 million tonnes of 0.32% Cu, 0.029% Mo and 2.61 g/t Ag at a 0.2% Cu cut-off grade and a 0.74:1 strip ratio.

Information on the Mineral Resource Estimate is in the technical report, available on the Company's [website](#) and on [SEDAR+](#), titled "NI 43-101 Technical Report, Mineral Resource Estimation of the Elida

Porphyry Copper Project in Perú" with an effective date of September 20, 2022 and prepared in accordance with Form 43-101F1 by Marc Jutras, PEng MASc, Principal, Mineral Resources, Ginto Consulting Inc., a Qualified Person as defined in National Instrument 43-101 Standards of Disclosure for Mineral Projects, who is independent of Element 29 Resources Inc.

Qualified Person

The scientific and technical content of this news release has been reviewed and approved by Richard Osmond (P.Geo.), Element 29's President and CEO, who is the "Qualified Person" as defined by National Instrument 43-101 Standards for Disclosure for Mineral Projects.

About Element 29 Resources Inc.

Element 29 is an emerging junior resource company with a highly experienced management team and board focused on exploring and potentially developing Tier-1 copper deposits in Perú, one of the lowest-cost, lowest-risk mining jurisdictions globally.

The Company's principal objective is to explore and potentially develop its Elida Porphyry Copper Deposit in west-central Perú which has an initial inferred Mineral Resource Estimate of 321.7 million tonnes grading 0.32% Cu, 0.03% Mo and 2.61 g/t Ag at a 0.2% Cu cutoff grade and a low 0.74:1 modeled strip ratio. The Mineral Resource Estimate information is available in "NI 43-101 Technical Report, Mineral Resource Estimation of the Elida Porphyry Copper Project in Perú" dated September 20, 2022, and prepared in accordance with Form 43-101F1 by Marc Jutras, P.Eng., M.A.Sc., Ginto Consulting Inc.

Alongside Elida, the Company has three (3) early stage, highly prospective porphyry Cu projects in Perú for more than 25,000 ha of titled concession. These include the Flor de Cobre porphyry Cu-Mo prospect situated in the Southern Perú Copper Belt, just 26 km from the Cerro Verde copper mine (Freeport-Buenaventura) as well as the Paka and Pahuay porphyry Cu skarn prospects related to potential tertiary-aged, mineralized porphyry complexes intruding along the eastern margin of the Peruvian Coastal Batholith.

All projects are well located for future mine development and will benefit from nearby infrastructure including roads, powerlines, ports, water, and a skilled workforce.

More information is available at www.e29copper.com.

For more information:

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Cautionary Note Regarding Forward-Looking Statements

*This press release contains certain forward-looking information and forward-looking statements within the meaning of applicable Canadian securities legislation (collectively, "**Forward-looking Statements**"). Any statements that are contained in this press release that are not statements of historical fact may be deemed to be Forward-looking Statements. Forward-looking Statements are frequently, but not always, identified by words such as "may", "will", "intends", "proposed", "believes", "continues", "plans", "expects" or similar expressions (or the negative and grammatical variations of any of these terms). Forward-looking Statements in this press release include, but are not limited to, statements with respect to the Company's resource properties and future capital requirements; and the Company's plans, focus and objectives.*

Forward-looking Statements involve various risks and uncertainties and are based on certain factors and assumptions. Although Element 29's management considers these beliefs and assumptions reasonable based on currently available information, there can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking Statements necessarily involve known and unknown risks, and important factors, among others, that could cause actual results to differ materially from the Company's expectations include: uncertainties related to the Company's ability to access investors for the Financing; the timeliness and success of regulatory approvals; fluctuations in copper and other commodity prices; uncertainties inherent in the exploration of mineral properties; risks associated with general economic conditions; changes in legislation, income tax and regulatory matters; currency and interest rate fluctuations; inability to access sufficient capital from internal and external sources; and other risk factors set forth in the Company's prospectus under the heading "Risk Factors".

Readers are further cautioned not to place undue reliance on Forward-looking Statements as there can be no assurances that the plans, intentions or expectations upon which they are placed will occur. The Company undertakes no obligation to update or revise any Forward-looking Statements, whether as a result of new information, future events or otherwise, except as may be required by law. New factors emerge from time to time, and it is not possible for Element 29 to predict all of them or assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any Forward-looking Statement. Any Forward-looking Statements contained in this press release are expressly qualified in their entirety by this cautionary statement. ¹This news release contains information about adjacent properties on which Element 29 has no right to explore or mine. Readers are cautioned that mineral deposits on adjacent properties are not indicative of mineral deposits on the Company's properties



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