Management's Discussion and Analysis
First Quarter Ended March 31, 2022

(Expressed in Canadian dollars, except per share amounts and where otherwise noted)

May 10, 2022

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the condensed consolidated interim financial statements for the period ended March 31, 2022 and related notes thereto which have been prepared in accordance with IFRS 34, Interim Financial Reporting of the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, as well as the annual audited consolidated financial statements for the year ended December 31, 2021, which are in accordance with IFRS, and the related MD&A. References to "E29" and the "Company" are to Element 29 Resources Inc. and/or one or more of its wholly-owned subsidiaries. Further information on the Company is available on SEDAR at www.sedar.com. Information is also available on the Company's website at www.e29copper.com. Information on risks associated with investing in the Company's securities is contained in this MD&A. Technical and scientific information under National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") concerning the Company's material properties are located in their respective technical reports: technical and scientific information regarding the Flor de Cobre Project (the "Flor de Cobre Project") is contained in the technical report titled "NI 43-101 Technical Report Flor de Cobre Property Arequipa and Moquegua Regions, Peru" with an effective date of March 15, 2020, prepared for the Company by Derrick Strickland (P.Geo.) (the "Flor de Cobre Technical Report") and a table of historical drilling results prepared for the Company by Christopher Keech (P.Geo); and technical and scientific information regarding the Elida Project ("Elida Project") is contained in the technical report titled "NI 43-101 Technical Report Elida Property, Peru" with an effective date of February 15, 2020 prepared for the Company by Derrick Strickland (P.Geo.) (the "Elida Technical Report") and a table of historical drilling results prepared for the Company by Christopher Keech (P.Geo.). The disclosure in this MD&A of scientific and technical information regarding the Company's other mineral projects has been reviewed and approved by Paul Johnston (P.Geo.), the Vice President of Exploration of the Company. Each of Mr. Strickland, Mr. Keech, and Mr. Johnston are a "Qualified Person" for the purposes of NI 43-101.

COMPANY BACKGROUND

Element 29 is a Canadian resource company engaged in the exploration and development of mineral resource properties in Peru. The Company is exploring for copper ("Cu"), molybdenum ("Mo"), gold ("Au"), silver ("Ag"), and other metals including lead ("Pb"), and zinc ("Zn"). At present, none of the Company's mineral properties are at a commercial development or production stage. The Company's objective is to confirm, delineate, and develop the copper mineralization at its Flor de Cobre property ("Candelaria"). At the Elida porphyry copper project, the Company plans to explore and expand on the copper, molybdenum, and silver mineralization intersected in Target 1 (see Elida Copper Project) and drill test the four other porphyry targets located on the project.

The Company also holds two other projects; the Pahuay Copper Project, and the Muñaorjo Copper Project, which are both located in Peru.

The Company was incorporated in British Columbia on August 30, 2017. The Company's corporate headquarters is in Vancouver, British Columbia, Canada. Field operations are conducted out of a local office in Peru. On December 7, 2020, the Company's common shares commenced trading on the TSX Venture Exchange ("TSX-V") under the symbol "ECU". On February 4, 2021, the Company's common shares commenced trading on the Frankfurt Stock Exchange ("FSE") under the trading symbol "2IK". On May 27, 2021, the Company commenced trading on the Over-the-Counter OTCQB Venture Market ("OTCQB") under the symbol "EMTRF".

The Company has three wholly-owned subsidiaries; Candelaria Resources SAC, Elida Resources SAC, and Pahuay Resources SAC, all of which were incorporated under the laws of Peru (the "Subsidiaries").

Element 29 is led by a seasoned team of mining, corporate finance and corporate governance professionals, who have the experience to advance the Company's projects and generate value for Element 29's shareholders.

HIGHLIGHTS

The Company's strategy is to further explore the copper mineralization, and transition through to advanced exploration and engineering studies towards becoming a mining company.

Flor de Cobre Copper Project (Peru)

On April 19, 2022, the Company announced results from its two initial drill holes of the 4,000 metre ("m"), eleven-hole drill program. Flor de Cobre Drilling highlights included:

- Drill hole FDC001 intersected 349.0 m of 0.77% copper ("Cu") including 123.0 m of 1.42% Cu in the enriched sulphide zone followed by 226.0 m of 0.42% Cu in the primary sulphide zone below.
- Drill hole FDC002 intersected 378.55 m of 0.50% Cu including 130.7 m of 0.90% Cu in an enriched sulphide zone followed by 247.85 m of 0.30% Cu in the primary sulphide zone below.
- The above holes showed excellent correlation with their respective legacy drill holes. The Cu grades and lengths in the enrichment zone were very similar to the intervals previously reported for the historical holes they twinned.
- Mineralization extended past the depths of the historical drill holes and indicate exploration potential for primary Cu sulphide resources below the enrichment zone.

Elida Copper Project (Peru)

The Company completed its Elida drilling program in December 2021 that consisted of seven diamond drill holes totaling 4,481.4 m to test the Target 1 mineralized zone within the Elida porphyry cluster. Results of the first 2 drill holes were reported on October 18, 2021 and a second batch of 2 drill holes were released on November 15, 2021. The final three drill holes were reported on January 19, 2022.

Corporate

The Company's financial highlights for the quarter included:

- For the three months ended March 31, 2022, the operating loss was $1,696,863 compared to an operating loss of $999,542 in the comparative period of 2021;
- For the three months ended March 31, 2022, operating cash outflow before working capital was $457,808 compared to an operating cash outflow before working capital of $438,243 in the comparative period of 2021; and
- As at March 31, 2022, cash was $5,590,336 and the working capital balance was $5,103,099.

2022 OUTLOOK

Flor de Cobre

Company has commenced a 3,700 metre ("m") drill program at the Flor de Cobre Copper Project as announced on February 3, 2022. The objectives of the drill program are to verify the historical copper ("Cu") resource estimate of 57.4 million tonnes of 0.67% Cu associated with a supergene enrichment blanket formed on the Candelaria porphyry ("Candelaria") and to explore for primary Cu sulphide mineralization under the enrichment blanket to depths of over 500 m. Historical drilling intersected 272 m of 0.92% Cu starting at 78 m depth, including 116 m of 1.4% Cu as secondary enrichment followed by 156 m of 0.58% Cu as primary sulfides from drill hole K-008.

The Company's drill program consists of approximately 3,700 m of diamond drilling centred on the Candelaria porphyry. A total of 2,180 m has been allocated to twin nine legacy drill holes to verify the accuracy of existing historical geochemical assay and drill logs. These nine drill holes are interpreted to represent 70% of the copper contained in the historical copper resource estimate and potentially verify the assay results and provide the level of confidence needed for completion of a possible resource estimate that meets CIM best practice guidelines. The remaining 1,520 m allocated to the drill program will test the primary copper sulfide mineralization potential below the supergene enrichment blanket to depths of more than 500 m**.**

The Company announced results from its two initial drill holes of this drill program on April 19, 2022 and the remaining program is expected to be completed and announced throughout Q2 and Q3 2022.

The Company also continues to progress drill permitting on the Atravezado porphyry target ("Atravezado") in preparation for initial drill-testing of a priority porphyry target supported by coincident outcrop geology, surface geochemistry, and geophysical response.

Elida

The Company completed a drilling program in December 2021 consisting of seven diamond drill holes totaling 4,481.4 m to test the Target 1 mineralized zone within the Elida porphyry cluster. Results of the first 2 drill holes were reported on October 18, 2021 and a second batch of 2 drill holes were released on November 15, 2021. The final three drill holes were reported on January 19, 2022. Drilling results will be used to complete a potential initial resource estimate of Target 1 in accordance with CIM Definition Standards for Mineral Resources and Mineral Reserves (2014). In parallel, preliminary metallurgical studies have been initiated to examine recovery characteristics of mineralization for use in preliminary economic studies. Exploration planned for later in 2022 will be designed to test the unexplored segments of the Target 1 mineralized zone. Initial drill testing of Targets 2 and 3 will also be planned.

PROJECT DETAILS - PERU

FLOR DE COBRE COPPER PROJECT

The Company owns 100% of the Flor de Cobre Copper Project. In addition, the Company has the option to earn 100% of certain concessions ("Candelaria concessions") from a Peruvian vendor of 127.12 hectares.

The Company can earn 100% interest in the Candelaria concessions at Flor de Cobre by making option payments to the vendor in the total amount of approximately US$5 million over five years between 2020 and 2024. An additional US$6 million payment would be due on completion of a positive detailed feasibility study for the concession area.

The Flor de Cobre Property is in the Southern Peru Copper Belt, which hosts numerous porphyry copper deposits including the Cerro Verde copper-molybdenum mine operated by Freeport-McMoRan; the Cuajone and Toquepala copper-molybdenum mines operated by Southern Copper; and the Quellaveco copper-molybdenum project under construction by Anglo American (Figure 1). Flor de Cobre is 5 kilometres northwest of the Chapi Mine and 26 kilometres southeast of the Cerro Verde Mine. The property contains the Candelaria historic copper resource first identified in the 1960s and was the site of an historical small-scale copper mining operation since that time.

Flor de Cobre is located 45 kilometres southeast of Arequipa at a modest elevation of ~2,700 metres with excellent infrastructure for mine development with respect to roads, power lines and port access (Figure 1 and Figure 2).

Figure 1. Flor de Cobre Project location.

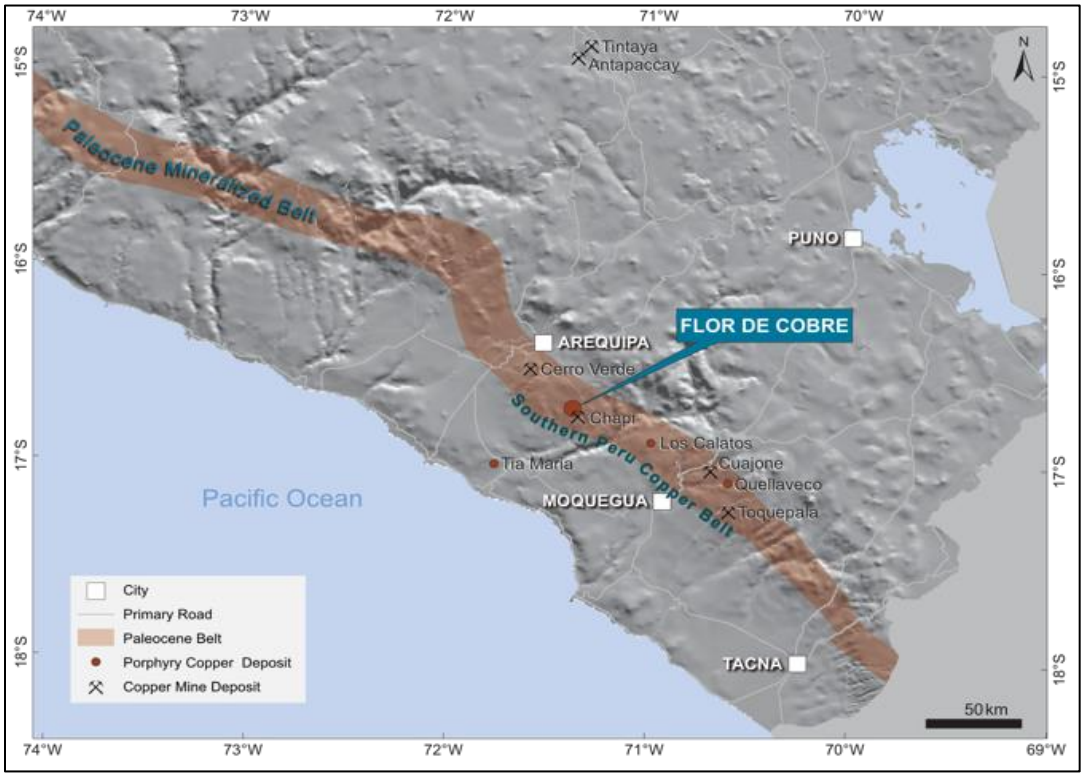
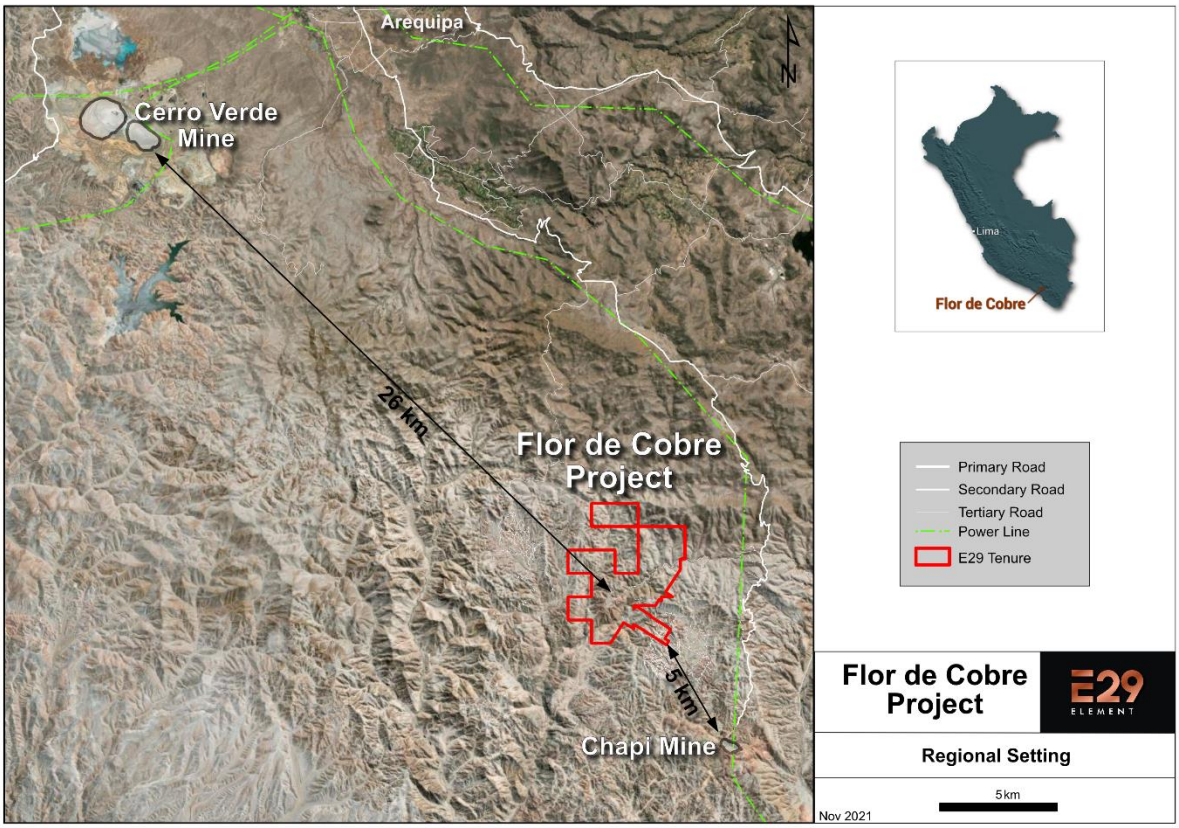
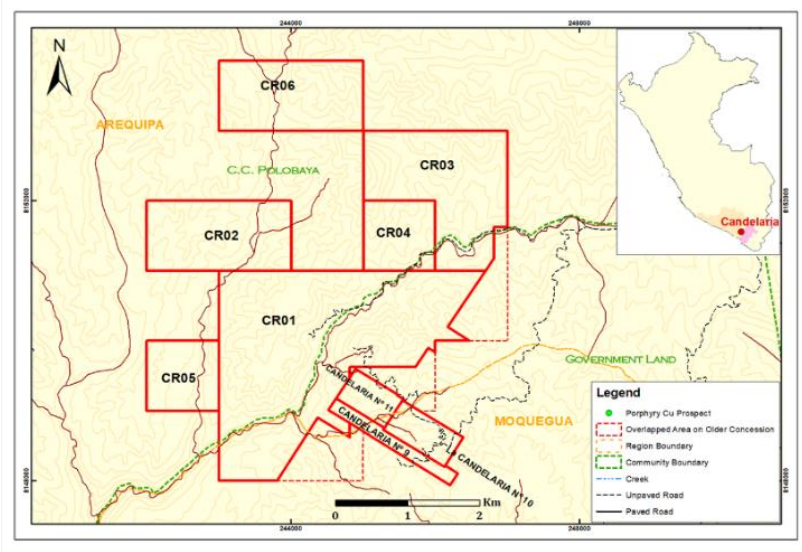


Figure 2. Regional setting and infrastructure.



The Flor de Cobre property is made up of seven mining concessions and two concession applications totalling 1,927 hectares. Individual concessions are shown in Figure 3.

Figure 3. Flor de Cobre property concession map.



Candelaria Historic Copper Resource

Historical drilling by prior operators in the Candelaria area was very limited in scope but led to the discovery of an historic resource of 57.4 million tonnes at a grade of 0.67% copper, using a 0.2% copper cut-off grade in the near-

surface supergene enrichment zone containing secondary copper oxides and sulfide, the majority of which is on the property. The property also covers a second porphyry copper target ("Atravezado") located 1.5 kilometres northwest of Candelaria (Figure 4).

The original source of the historical estimate is a press release issued by Rio Amarillo Mining Ltd. (Rio Amarillo Mining Ltd., November 15, 1996: Aija Property Drill Results). This historical estimate is relevant to the Flor de Cobre property as it suggests supergene-enriched mineralization of interest may be present at Candelaria. The parameters, assumptions and methods used to calculate the historical estimate are unknown. Additionally, the historical estimate does not use the resource categories described in CIM Definition Standards for Mineral Resources and Mineral Reserves (2014) and the differences to the CIM categories are not known. It is also unclear what portion of this historical resource estimate is within the current Flor de Cobre property configuration. A qualified person has not done sufficient work to classify the historical estimate as a current mineral resource, and it is unclear what work might be required to confirm the resource. For these reasons, the historical resource has not been verified by the Company and the Company is not treating the historical estimate as a current mineral resource.

Property Geology

The Flor de Cobre property is interpreted to host a porphyry copper-molybdenum system called the "Candelaria Porphyry", which possesses geological characteristics like other porphyry deposits in the Southern Peru Copper Belt (Figure 1). Two distinct forms of mineralization are recognized:

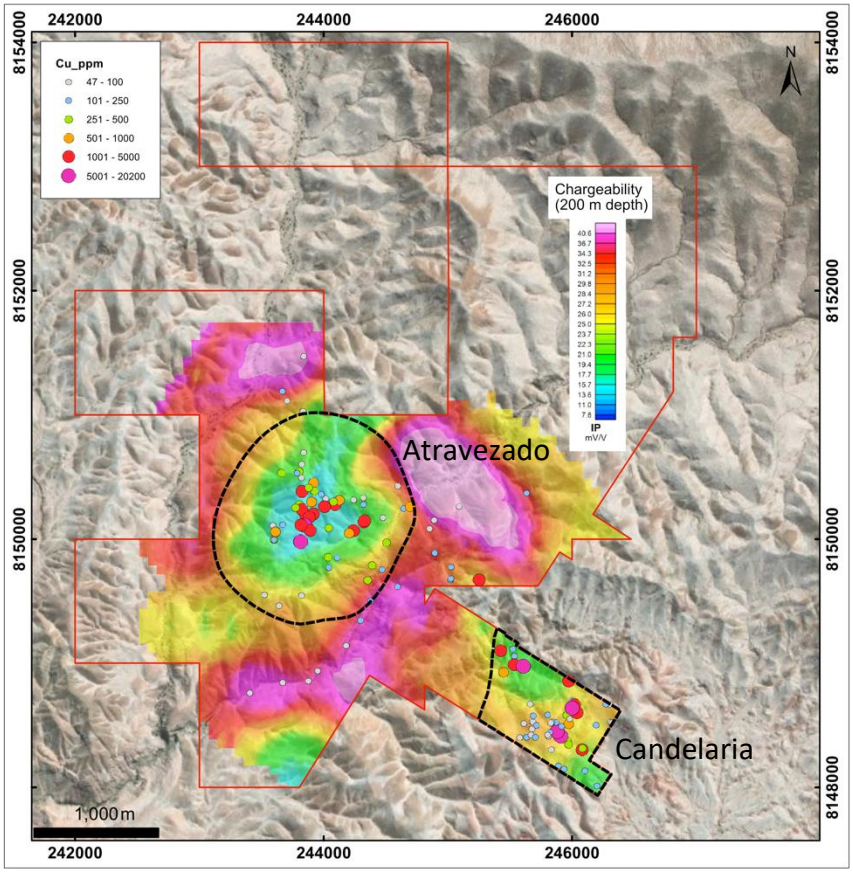
a) Hypogene sulfide mineralization including disseminated and veinlet-controlled chalcopyrite and molybdenite distributed within quartz monzonite porphyry stocks and their immediate wall rocks; and

b) Supergene mineralization containing secondary copper oxides and sulfides formed by weathering and redistribution of primary hypogene mineralization into sub-horizontal, tabular bodies located beneath remnants of a leached cap that has been dissected through erosion. Chalcocite is the dominant secondary sulfide mineral, with malachite, chrysocolla, and tenorite as the most abundant copper oxide minerals.

The copper mineralization outlined at Candelaria is associated with a complex of quartz monzonite porphyry stocks that have intruded into Jurassic to early Cretaceous siliciclastic sedimentary rocks. These porphyry stocks and adjacent sedimentary rocks contain early generations of quartz veins (A-type veins) and are synchronous with potassic alteration. This early stage of veining and alteration is overprinted by a phyllic alteration event with associated D-type quartz veins. The exhumation and weathering of these phyllic-altered porphyries and adjacent host rocks have resulted in the leaching and redistribution of copper predominantly as secondary chalcocite into a supergene enrichment blanket, which forms most of the historical copper resource. The supergene enrichment blanket has approximate dimensions of 850 x 1,000 metres, ranges in thickness from 5 metres up to 126 metres and is located less than 200 metres from surface at the base of a hematitic leached zone.

Previous exploration by Rio Amarillo during the 1990s focused primarily on the delineation of supergene copper mineralization at Candelaria with very little interest in exploring for lower grade primary copper sulfides at depth below the supergene enrichment blanket. Several drill holes extended below the supergene enrichment blanket into the mineralized porphyry stocks including drill hole K-008, which intersected 156 metres of 0.58% copper as hypogene copper sulfide mineralization from a depth of 194 metres to the end of the hole at 350 metres. These results suggest the quartz monzonite porphyry stocks are well mineralized below the supergene enrichment blanket and have the potential to host a sizeable hypogene copper system at depth. The original source of the historical mineralized intervals in diamond drill hole K-008 is a press release issued by Rio Amarillo Mining Ltd. (Rio Amarillo Mining Ltd., March 1, 1994: Drilling Results from Candelaria Project; Cominco's Option to Lapse on Guabisay Project). These historical assay results are relevant to Flor de Cobre as they suggest supergene-enriched copper mineralization of interest may be present at Candelaria. They also suggest hypogene (primary) sulfide mineralization may be present beneath supergene mineralization. The diamond drill core from K-008 and sample reject material is not available for geochemical analysis, which prevents a qualified person from verifying these copper geochemical results. For these reasons, the historical copper geochemical assay results from diamond drill hole K-008 have not been verified by the Company.

Figure 4. Chargeability response at 200 metres depth on the Flor de Cobre property with copper in outcrop geochemistry.



2022 Candelaria Exploration Program

The Company initiated a 3,700 m diamond drilling program on February 3, 2022 with the objective of twinning nine historical drill holes to verify the historical copper resources estimate associated with a supergene enrichment blanket formed on the Candelaria porphyry complex and to explore for primary Cu sulfide under the enrichment blanket to depths of over 500 m. Based on Element 29's assessment, the geochemical assay results from these nine drill holes outlined in figure 5 make up approximately 70% of the total copper metal content from the historical supergene copper resource. The potential verification of these assay results would provide the level of confidence needed for the completion of a resource estimate that would meet CIM Definition Standards for Mineral Resources and Mineral Reserves (2014). Metallurgical test work will be completed on drill core samples from the Candelaria Program to investigate mineral processing alternatives, including low-cost leaching and SXEW processing.

Figure 5. Historical drill hole locations at Candelaria with the nine drill holes proposed for twinning outlined in blue as well as a target area to the northwest of the current drilling which is currently untested. The location of drill hole K-008 is also highlighted toward the centre of the drill hole array.

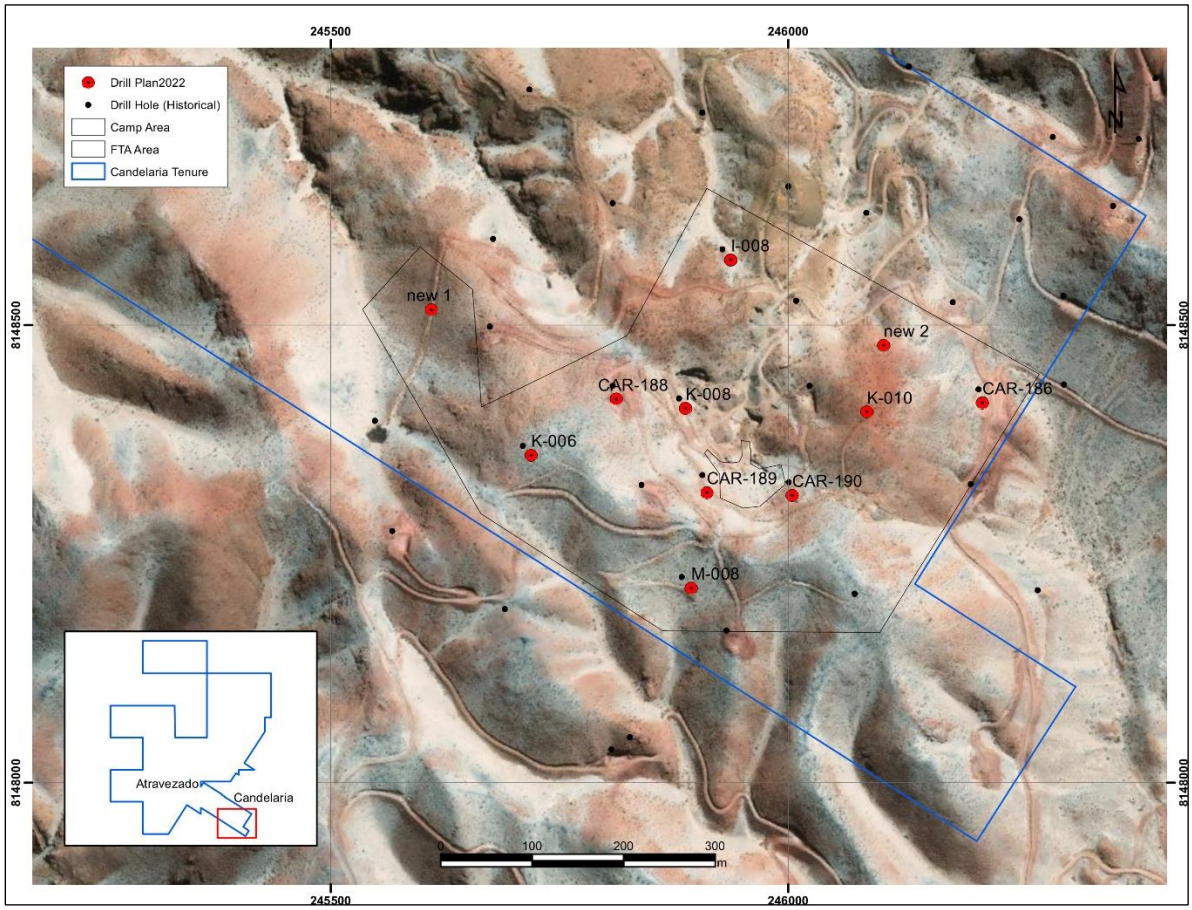


Table 1. Intervals showing total copper (CuT) results from 9 legacy drill holes selected by Element 29 for twinning as part of the 2022 drill program.

Drill Hole ID	From (m)	To (m)	Length (m)	CuT (%)	Hole Type	Drilled By	Year
I-008	29.1	146.8	117.7	0.292	Core	Rio Amarillo	1994
K-006	92.4	131.1	38.7	0.320	Core	Rio Amarillo	1994
K-008	78.1	350.0	271.9	0.930	Core	Rio Amarillo	1994
including	*78.1*	*325.4*	*247.3*	*0.996*			
K-010	114.8	148.3	33.5	0.513	Core	Rio Amarillo	1994
including	*114.8*	*130.4*	*15.6*	*0.726*			
M-008	73.1	207.0	133.9	0.353	Core	Rio Amarillo	1994
including	*75.4*	*117.2*	*41.8*	*0.497*			
CAR-186	66.0	168.0	102.0	0.323	RC	Phelps Dodge	1995
including	*68.0*	*102.0*	*34.0*	*0.494*			
CAR-188	66.0	256.0	190.0	0.675	RC	Phelps Dodge	1995
including	*68.0*	*256.0*	*188.0*	*0.678*			
CAR-189	76.0	208.0	132.0	0.390	RC	Phelps Dodge	1995
including	*76.0*	*106.0*	*30.0*	*0.864*			
CAR-190	10.0	230.0	220.0	0.464	RC	Phelps Dodge	1995
including	*12.0*	*114.0*	*102.0*	*0.565*			
and including	*132.0*	*158.0*	*26.0*	*0.484*			

Historical total copper ("CuT") assay results and drill logs obtained by Element 29 from legacy drilling completed by Rio Amarillo Mining Ltd. and Phelps Dodge Corporation at Candelaria during the 1990s were used to calculate copper assay intervals for the select drill holes provided in Table 1. These historical assay results and drill logs are relevant to Flor de Cobre as they suggest supergene-enriched copper mineralization of interest may be present at Candelaria. Assay certificates were provided by Geochemical Lab Geolab Peru S.A. for assay results received by Phelps Dodge Corporation, but no assay certificates were obtained for the Rio Amarillo Mining Ltd. assay results. Additionally, none of the diamond drill core and sample rejects from these drill holes exist for geochemical analysis, which prevents a qualified person from verifying the copper geochemical results provided. For these reasons, the historical copper geochemical assay results from Table 1 have not been verified by the Company.

The objective of twinning holes is to potentially verify the accuracy of historical results. Drill hole intercepts in this table were prepared by Christopher Keech (P.Geo.), Principal Geologist for CGK Consulting Services Inc. Mr. Keech is a Qualified Person as set out in National Instrument 43-101 and is independent of Element 29 Resources.

The Company started the permitting process for drilling at the Atravezado porphyry target (Figure 4) in preparation for initial drill-testing of a porphyry target supported by coincident outcrop geology, surface geochemistry, and geophysical response. Atravezado is located approximately 1.5 kilometres northwest of Candelaria and is a 1.5 km x 1.6 km circular zone enclosing outcropping copper oxide mineralization in association with quartz vein stockworks and potassic alteration. Late-mineral porphyry dikes are mapped within the target area.

2022 Candelaria Exploration Program Initial Results

The following table outlines the drill results of drill holes FDC001 and FDC002. Grades are length weighted averages of samples within the intervals shown.

Hole	From (m)	To (m)	Length[2] (m)	Cu (%)	Mo (%)	Ag (ppm)	As (ppm)	CuEq[1] (%)
FDC001	**78.00**	**427.00**	**349.00**	**0.77**	**0.006**	**1.7**	**86**	**0.81**
enriched	78.00	201.00	123.00	1.42	0.004	1.8	104	1.45
primary	201.00	427.00	226.00	0.42	0.007	1.7	75	0.46
including	201.00	318.10	117.10	0.58	0.007	2.0	90	0.62
and includes	239.00	269.50	30.50	0.65	0.008	2.4	119	0.70
and includes	287.50	318.10	30.60	0.73	0.005	3.2	108	0.78
including	318.10	427.00	108.90	0.25	0.006	1.2	60	0.28
FDC002	**70.95**	**449.50**	**378.55**	**0.50**	**0.006**	**1.3**	**24**	**0.54**
enriched	70.95	201.65	130.70	0.90	0.006	1.1	44	0.93
primary	201.65	449.50	247.85	0.30	0.006	1.3	13	0.33
including	201.65	357.90	156.25	0.32	0.004	1.1	10	0.35
including	357.90	449.50	91.60	0.26	0.004	1.7	18	0.29

[1] *Copper equivalent grades (CuEq) are for comparative purposes only. Calculations are uncut and recovery is assumed to be 100% as metallurgical data is insufficient to allow for estimation of metal recoveries. Copper equivalence (CuEq %) is calculated as: CuEq (%) = Cu (%) + [3.55 × Mo (%)] + [0.0095 × Ag (g/t)], utilizing metal prices of Cu - US$3.34/lb, Mo - US$11.86/lb and Ag - US$21.87/oz. Metal prices are based on a 2-year average of monthly LME metal prices.*

[2] *Intervals are downhole drilled core lengths. Drilling data to date is insufficient to determine true width of mineralization. Assay values are uncut.*

Drill hole FDC001 was collared in an early phase of the quartz monzodiorite porphyry belonging to the Candelaria porphyry complex and intersected 123 m of 1.42% Cu as chalcocite-dominated enrichment at the base of hematitic leached capping from a depth of 78 m. The enrichment zone overlies a 226 m wide zone of primary sulphide mineralization grading 0.42% Cu, 0.007% Mo, and 1.7 g/t Ag starting at 201 m depth. Transition from enrichment to primary sulphide mineralization consisting of a chalcopyrite-pyrite assemblage is abrupt. Higher Cu grades in the primary sulphide zone are associated with increased chalcopyrite content. Chalcopyrite mineralization is associated with potassic alteration, which is overprinted by sericite-pyrite alteration. The intensity of sericite-pyrite alteration declines with depth. A hydrothermal breccia unit containing porphyry clasts, clastic matrix and silica-pyrite cement occurs in both the enrichment and primary mineralization zones and is spatially associated with higher Cu grades, but its geometry has not been fully determined.

The sequence intersected by drill hole FDC002 was similar to FDC001 with hematitic leached capping from the top of the hole to a depth of 70.95 m. The leach capping overlies 130.7 m of 0.90% Cu in chalcocite-dominated enrichment followed by 247.85 m of 0.30% Cu, 0.006% Mo, and 1.1 g/t Ag in primary sulphide mineralization. FDC002 was collared in the Candelaria porphyry complex and cored the early phase of quartz monzodiorite porphyry. Narrow intervals of the hydrothermal breccia unit present in FDC001 were also intersected.

Comparison with Historical Data

One of the primary objectives of the drilling program is to verify results from historical drilling, which was a combination of core and reverse circulation drilling completed in the mid-1990's by Rio Amarillo and Phelps Dodge. Materials from these drilling programs are unavailable and prevented a Qualified Person from verifying copper geochemical results. Therefore, twinning selected holes is required to verify results from historical drilling such that it can be used in future resource estimation. Furthermore, analysis of other elements of interest such as molybdenum and silver were incomplete in the historical database. Multi-element analysis from twinned holes provides an opportunity to investigate a possible economic contribution of these constituents.

The first hole of the 2022 program, FDC001 twinned historical diamond drill hole K-008 and FDC002 twinned historical reverse circulation drill hole CAR-188. The twinned hole results were very similar to the historical holes with small difference in the downhole position of the enrichment zone. The total composited interval Cu grade for FDC001 was the same as the respective historical hole. Slightly larger differences were observed in the comparison of FDC002 and the historical twin CAR-188. This is attributed to comparing a core hole (FDC002) with a reverse circulation drill hole (CAR-188). Graphic representation of the twin and historical drilling results is shown in Figure 6.

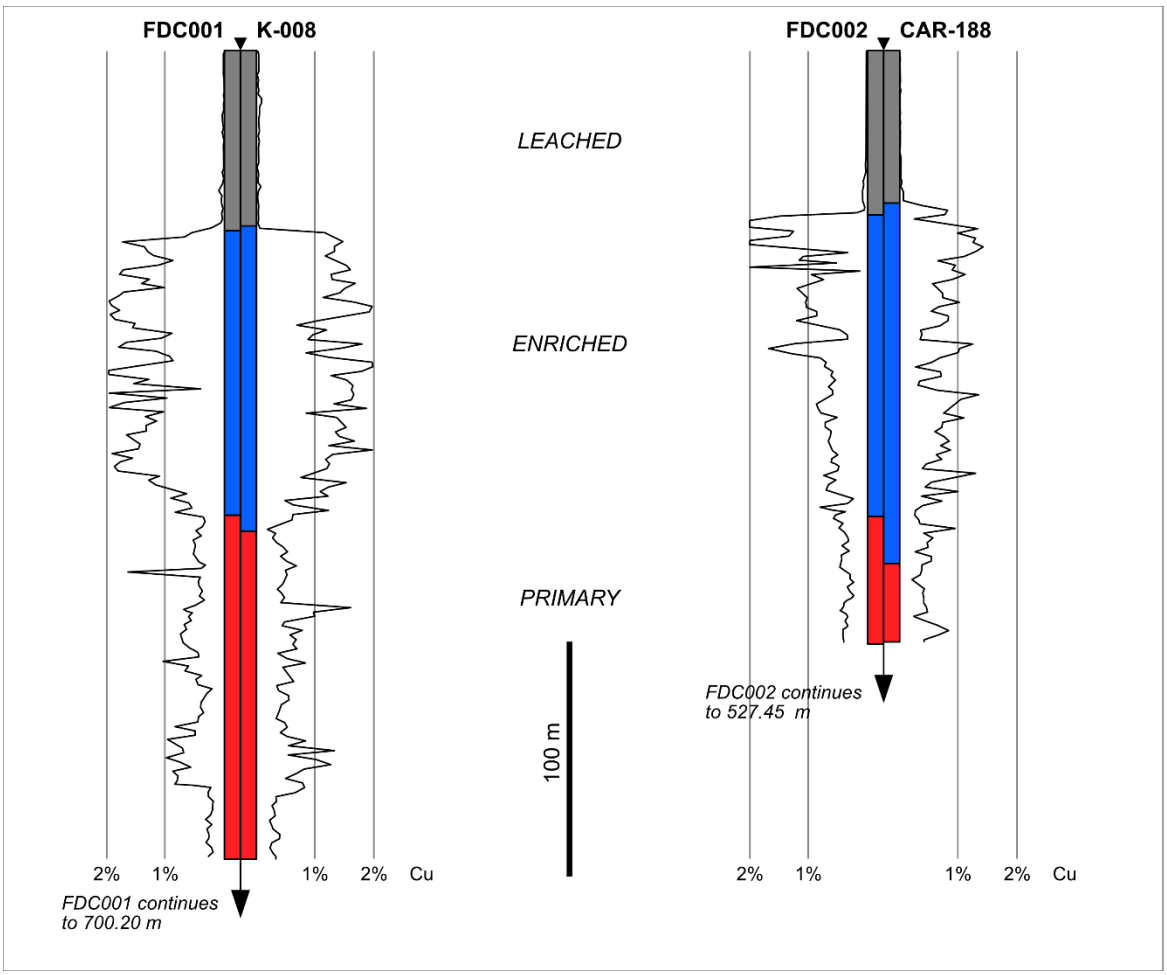
Table 2. *Comparison of intervals from the legacy drill holes K-008 and CAR-188 with twinned holes FDC001 and FDC002.*

K-008				FDC001				
From	To	Length	Cu%	From	To	Length	Cu%	Zone
78.00	350.00	272.00	0.92	78.00	350.00	272,00	0.92	Total
78.00	204.00	126.00	1.36	78.00	201.00	123.00	1.42	Enriched
204.00	350.00	146.00	0.53	201.00	350.00	149.00	0.51	Primary

CAR-188				FDC002				
From	To	Length	Cu%	From	To	Length	Cu%	Zone
66.00	256.00	190.00	0.68	70.95	255.60	184.65	0.74	Total
66.00	188.00	122.00	0.79	70.95	201.65	130.70	0.90	Enriched
188.00	256.00	68.00	0.47	201.65	255.60	53.95	0.37	Primary

The Company continues to progress drill permitting on the Atravezado porphyry target ("Atravezado") in preparation for initial drill-testing of a priority porphyry target supported by coincident outcrop geology, surface geochemistry, and geophysical responses. Atravezado is located approximately 1.5 km northwest of Candelaria and is a 1.5 km x 1.6 km circular zone characterized by outcropping copper oxide mineralization in association with quartz vein stockworks and potassic alteration (Figure 4). Late-mineral porphyry dikes are also mapped within the target area.

Figure 6. (a) Graphic comparison of results from FDC001 and legacy hole K-008. There were small differences in the position of the enrichment zone boundaries. The twinned hole was positioned approximately 2 m away from the legacy hole. Primary mineralization continued to 427 m in the twinned hole, whereas the legacy hole was drilled to 350 m and ended in mineralization. (b) Graphic comparison of results from FDC002 and legacy hole CAR-188. There were small differences in the position of the enrichment zone boundaries. The twinned hole was positioned approximately 2 m away from the legacy hole. Primary mineralization continued to 449.5 m in the twinned hole, whereas the legacy hole was drilled to 256 m and ended in mineralization.



ELIDA COPPER PROJECT

The Elida Project is in the province of Ocros, in the district of Carhuapampa, Department of Ancash which is 170 kilometres northwest of Lima and roughly 80 kilometres from the coast. The property is accessible along paved and maintained unpaved roads that extend inland from the city of Barranca. Barranca is connected to Lima by the Pan American Highway (Figure 7).

The property is made up of 28 mining concessions, totalling 19,210 hectares, as shown in Figure 7. There is currently one mineral concession internal to the Elida property and that concession is not the subject of this report. These concessions are currently registered in the name of Elida Resources SAC (Figure 8).

Figure 7. Elida property location map.

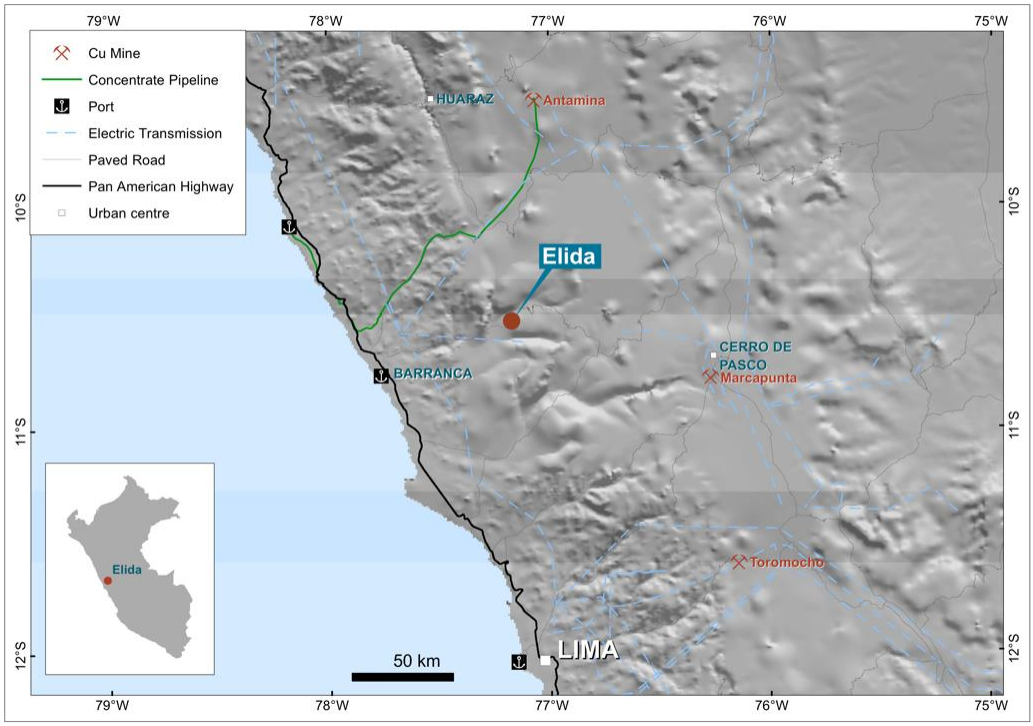


Figure 8. Elida property concession map.

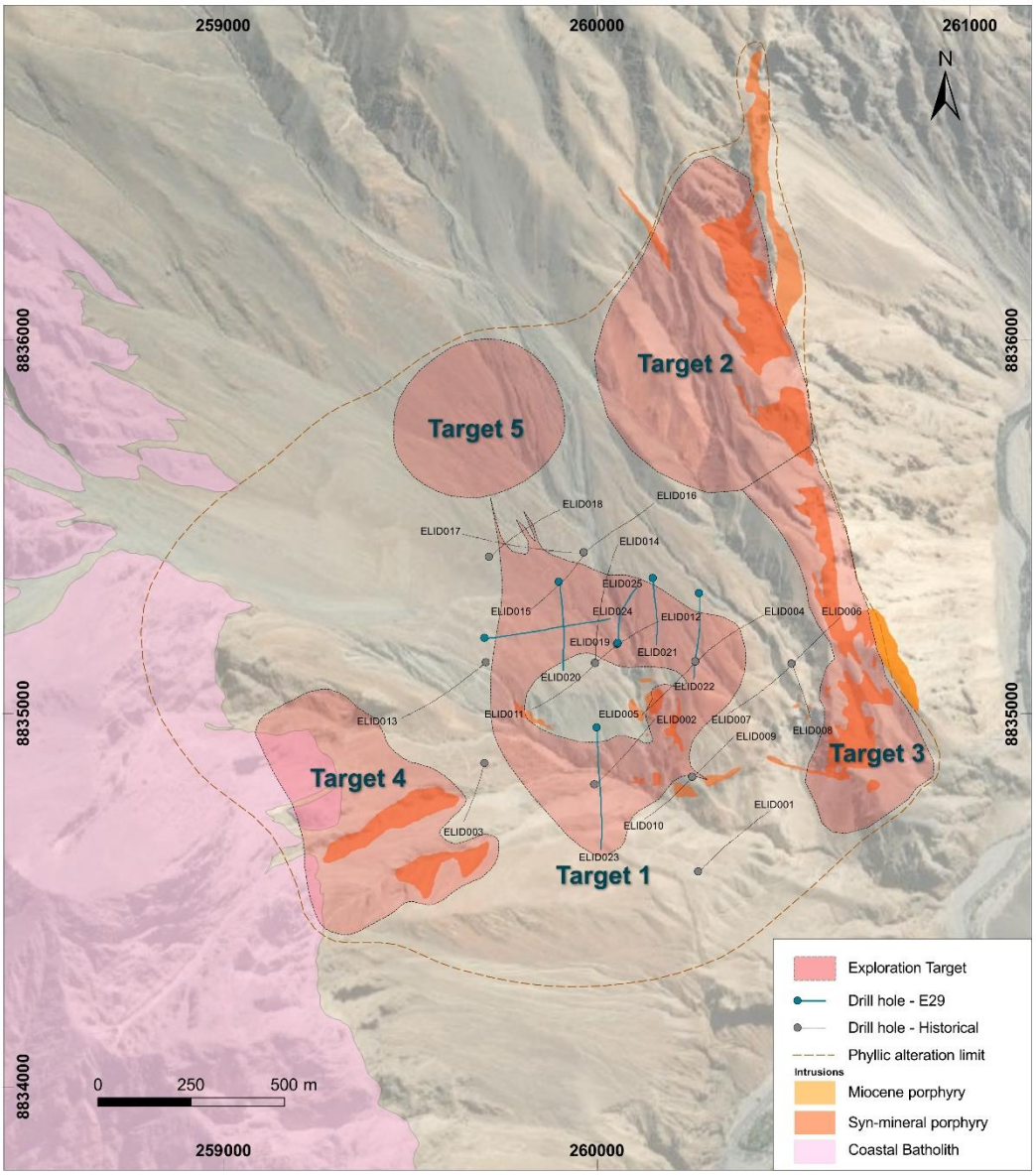
The property was originally staked over a large, high-priority ASTER target situated in an emerging porphyry belt in central Peru. The ground follow-up of this anomaly eventually led to the discovery of an untested porphyry copper-molybdenum centre that is part of a porphyry cluster enclosed by a 2.5 x 2.5-kilometre alteration zone. The porphyry system is a multiphase complex of porphyry stocks and dikes, composed of quartz monzonite and quartz monzodiorite intruded into Cretaceous Casma volcanic, volcaniclastic and sedimentary rocks as well as the eastern margin of the Coastal Batholith. In the central part of the system, the Casma Group is a sequence of volcanic and volcanoclastic rocks intercalated with sandstone, calcareous sandstone, siltstone, and shales.

Lundin Mining Peru SAC ("Lundin") optioned the property and undertook an exploration program on the Elida property from 2013 to 2016 which consisted of regional and detailed geological mapping, drone topographic surveying, rock geochemistry, ground magnetics, induced polarization ("IP"), and ultimately the drilling of 18 diamond drill holes ("DDH") (Figure 9).

Regional geological mapping was undertaken at a district scale of 1:10,000, with local detailed mapping at a scale of 1:2,500. A concurrent rock geochemistry sampling program was also completed; this part of the program included radiometric age-dating of four rock samples by a Uranium^{238}/Lead^{206} method on magmatic zircon. Eight lines of ground magnetics with a total coverage of 19.5 kilometres and 12 induced polarization/resistivity lines using a pole-dipole

configuration, at 100 metres spacing along NW-SE oriented survey lines were conducted from January to March, 2014. Thirty additional lines of ground magnetic surveying, at 100 metres spacing with NE-SW oriented lines totalling 76.26 kilometres was carried out in July 2014.

Figure 9. Five exploration target representing individual porphyry centres at Elida. The targets are within a 2 x 2 kilometre zone of phyllic alteration. Completed drilling as of Dec 2021 are shown. Drilling to date is located in and around Target 1.



A total of 9,880 metres of diamond drilling in 18 drill holes was completed by Lundin in 2015. All holes intercepted copper-molybdenum mineralization and six of the holes intercepted significant copper-molybdenum mineralization. Diamond drill hole 15ELID012 intersected an interval of 502.9 metres of 0.420% copper, 0.046% molybdenum, 3.23 g/t silver including 393.0 metres of 0.455% copper, 0.048% molybdenum, 3.58 g/t silver (Table 2). Some mineralized intercepts begin immediately below colluvial cover, demonstrating the mineralized system sub-crops beneath the post-mineral unconsolidated cover sequence.

Table 3. Elida 2014-15 summary of drilling results.

Drill hole ID	From (metres)	To (metres)	Length (metres)	CuEq[1] (%)	Cu (%)	Mo (%)	Au (g/t)	Ag (g/t)
14ELID002	46.0	613.9	567.9	0.436	0.280	0.048	0.006	2.52
including	49.7	76.0	26.3	0.541	0.432	0.025	0.006	3.91
and including	108.0	336.0	228.0	0.519	0.351	0.048	0.007	3.69
and including	382.0	448.0	66.0	0.468	0.299	0.055	0.008	1.89
14ELID004	24.0	331.0	307.0	0.388	0.304	0.023	0.005	2.12
including	42.0	67.0	25.0	0.454	0.357	0.028	0.006	1.95
and including	147.0	223.0	76.0	0.485	0.393	0.023	0.007	2.62
and	369.0	415.0	46.0	0.276	0.216	0.016	0.006	1.48
and	541.0	605.3	64.3	0.211	0.163	0.013	0.004	1.13
15ELID005	34.0	547.8	513.8	0.329	0.242	0.024	0.003	2.01
including	89.8	121.0	31.2	0.404	0.271	0.041	0.003	2.20
and including	339.0	365.0	26.0	0.506	0.395	0.029	0.003	3.37
and including	414.0	463.0	49.0	0.428	0.370	0.011	0.003	2.89
15ELID006	22.2	85.0	62.8	0.208	0.165	0.008	0.006	1.83
15ELID007	71.0	530.0	459.0	0.280	0.188	0.028	0.004	1.59
15ELID008	25.0	73.0	48.0	0.253	0.218	0.004	0.003	2.35
and	105.0	166.0	61.0	0.203	0.142	0.016	0.003	1.69
15ELID009	11.0	84.0	73.0	0.275	0.216	0.014	0.004	2.05
and	117.0	380.0	263.0	0.293	0.215	0.024	0.006	1.21
and	444.0	507.3	63.3	0.209	0.088	0.042	0.003	0.65
15ELID010	8.3	145.0	136.7	0.256	0.163	0.029	0.007	1.14
and	268.0	443.0	175.0	0.213	0.152	0.018	0.005	1.08
15ELID011	116.0	242.0	126.0	0.218	0.151	0.021	0.003	1.05
and	274.0	576.5	302.5	0.287	0.186	0.032	0.004	1.31
15ELID012	55.1	558.0	502.9	0.579	0.420	0.046	0.008	3.23
including	57.0	450.0	393.0	0.623	0.455	0.048	0.008	3.58
and including	484.0	558.0	74.0	0.466	0.346	0.035	0.007	2.17
15ELID014	70.0	532.0	462.0	0.492	0.335	0.047	0.007	2.89
including	80.0	176.0	96.0	0.582	0.433	0.037	0.012	4.33
and including	195.1	359.4	164.3	0.637	0.416	0.069	0.006	3.28
and including	435.9	477.0	41.1	0.470	0.363	0.023	0.009	4.23
15ELID015	93.6	639.2	545.6	0.480	0.329	0.042	0.008	3.60
including	199.6	306.2	106.6	0.585	0.421	0.040	0.010	5.12
and including	349.0	381.0	32.0	0.582	0.403	0.036	0.007	8.00
and including	396.0	428.0	32.0	0.586	0.419	0.048	0.008	3.51
and including	474.0	639.2	165.2	0.593	0.395	0.058	0.011	3.72

15ELID016	65.5	210.0	144.5	0.284	0.218	0.011	0.004	3.70
15ELID017	84.0	494.0	410.0	0.295	0.230	0.009	0.006	3.92
including	260.4	318.0	57.6	0.490	0.393	0.011	0.008	6.52
15ELID018	276.1	398.9	122.8	0.266	0.201	0.005	0.004	4.87
and	430.4	583.6	153.2	0.234	0.189	0.004	0.004	3.30

[1]*The calculated copper equivalent (CuEq. (%)) grade was used to determine the significant intervals (>0.20% CuEq. and >30 m core length, with higher grade intervals using a >0.40% CuEq. and >15 m core length). *CuEq. = Cu (%) + Mo (%) x 2.667 +Au (ppm) x 0.6320 +Ag (ppm) x 0.0097 (no metallurgy has been completed at Elida, therefore no metallurgical recovery was applied in the copper equivalent formula). Cu Price= $3.00 USD/lb, Mo Price = $8.00 USD/lb, Au Price=$1,300.00 USD/oz, Ag Price=$20.00 USD/oz.*

Drilling and sampling were carried out by Lundin Mining Peru SAC (2014-2015). ALS-Global Laboratories in Lima, Peru, analysed the half-core by ME-ICP41, which includes 35 elements using an Aqua Regia digestion ICP-AES analysis and gold fire assay with an AA finish (Au-AA23). The over limits underwent ME-OG46 for ore grade elements using an Aqua Regia digestion. Reported widths are drill core lengths; true widths are unknown at this time. Assay values are uncut.

Drill hole intercepts in Table 2 were prepared by Christopher Keech (P.Geo.), Principal Geologist for CGK Consulting Services Inc. Mr. Keech is a Qualified Person as set out in National Instrument 43-101 and is independent of Element 29 Resources.

Core from the first 18-drill hole program, totaling 9,880 metres, was logged and sampled on site. A total of 5,612 rock samples, including core samples, were collected and analyzed by Au-AA23 and ME-ICP41 at ALS-Global Laboratories in Lima, Peru. Table 2 (above) presents a summary of the drill assay results. Spectral analysis of the rocks samples was also conducted, with a total of 5,065 readings completed at ALS Global Lab using a Terraspec™ instrument measuring VNIR and SWIR spectra. Systematic magnetic susceptibility and specific gravity measurements were also taken for every rock core sample. The remaining half core for all holes is stored at the Company's secure core storage facility in Lima.

The Elida porphyry complex is a Cu-Mo-Ag mineralized multiphase porphyry system approximately 2 x 2 kilometres in size 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.

The initial drill program by Lundin intersected a copper, molybdenum, and silver mineralized porphyry system centred on an early quartz-feldspar porphyry stock herein referred to as the 'Elida Porphyry Stock'. This stock has an elliptical shape in plan with dimensions approximately 300 x 500 metres and is elongated east-west. Porphyry mineralization displays a clear zonation from a central, high temperature core containing molybdenum and minor copper outward to a concentric copper-molybdenum zone that contains the better drill hole intersections. Silver is relatively common yet minor in content throughout the mineralization. Zinc is anomalous throughout the mineralized intervals and shows a crude zonation, increasing toward the outer limits of mineralization. Most of the mineralized porphyry rocks at surface are variably replaced by sericite and accompanied by pyrite (phyllic alteration) and modified by weathering. A leached profile is preserved at higher elevations within the porphyry complex. In-situ and transported hematitic leached capping is locally abundant. Both exotic and indigenous Cu-oxide minerals are present.

2021 Elida Drill Program

The Company announced on August 4, 2021, the commencement of its Phase 1, 4,000 metre drilling program to test mineralization at Target 1. The drilling program was completed on December 14, 2021.

The drilling program had the following objectives:

1. Achieve a drill hole spacing that is appropriate for estimating a mineral resource in a portion of Target 1;
2. Investigate the vertical continuity and zonation of mineralization in Target 1, and;
3. Improve the confidence of mineralization boundaries interpreted from previous drilling and outcrops.

The 2021 exploration program at Elida (the "2021 Elida Program") consisted of 4,000 metres of in-fill drilling in and around the known copper mineralization at Target 1 (Figure 10 and Figure 11) to tighten up the drill spacing in order to complete a maiden mineral resource estimate in accordance with National Instrument 43-101 (anticipated completion

by the end of 2021). In addition, preliminary metallurgical studies are planned to be completed from existing core from previous drilling.

The Company is pursuing an exploration target on the Elida Target 1 of 200 to 500 million tonnes, with grades of 0.35-0.45% copper, 0.03-0.05% molybdenum, and 3.5-4.5 g/t silver. This exploration target is based on the high-quality data from the 18 drill hole program of 9,880 metres completed by Lundin Mining Peru SAC, and surficial mapping and detailed interpretations undertaken by Lundin Mining Peru SAC and Globetrotters Resources Peru SAC ("Globetrotters"). The potential quantity and grade of this exploration target is conceptual in nature; there is currently insufficient drilling data to define a mineral resource and it is uncertain if further exploration will result in this target being delineated as a mineral resource.

Table 4. Results from the Elida drilling program expressed as length-weighted assay intervals.

Hole	From (m)	To (m)	Length[2] (m)	Cu (%)	Mo (%)	Ag (ppm)	As (ppm)	CuEq[1] (%)
ELID019	43.15	426.9	383.75	0.54	0.035	4.2	47	0.71
includes	*43.15*	*358.0*	*314.85*	*0.60*	*0.033*	*4.7*	*32*	*0.76*
ELID020	143.00	451.00	308.00	0.43	0.028	3.9	15	0.56
includes	*249.00*	*353.00*	*104.00*	*0.54*	*0.031*	*4.6*	*12*	*0.69*
includes	*384.20*	*451.00*	*66.80*	*0.62*	*0.041*	*5.2*	*17*	*0.81*
ELID021	207.9	764.0	556.1	0.36	0.024	2.4	101	0.47
includes	*244.0*	*662.0*	*418.0*	*0.40*	*0.025*	*2.6*	*91*	*0.51*
ELID022	145.0	533.0	388.0	0.34	0.026	2.4	80	0.45
includes	*201.0*	*405.0*	*204.0*	*0.38*	*0.026*	*2.7*	*70*	*0.50*
and includes	*201.0*	*229.0*	*28.0*	*0.62*	*0.022*	*4.2*	*66*	*0.74*
and includes	*283.0*	*405.0*	*122.0*	*0.39*	*0.032*	*2.8*	*79*	*0.52*
includes	*425.0*	*451.0*	*26*	*0.43*	*0.024*	*3.2*	*79*	*0.55*
ELID023	87.0	610.5	523.5	0.24	0.024	2.9	39	0.35
includes	*87.0*	*178.1*	*91.1*	*0.41*	*0.032*	*4.1*	*91*	*0.56*
includes	*425.0*	*610.5*	*185.5*	*0.30*	*0.017*	*4.6*	*19*	*0.41*
ELID024	198.45	650.2	451.75	0.38	0.034	3.1	19	0.53
includes	*198.45*	*467.5*	*269.05*	*0.31*	*0.026*	*2.8*	*9*	*0.43*
includes	*467.5*	*650.2*	*182.7*	*0.47*	*0.047*	*3.9*	*34*	*0.67*
and includes	*467.5*	*540.0*	*72.5*	*0.59*	*0.048*	*4.5*	*9*	*0.81*

ELID025	38.45	947.2	908.75	0.39	0.035	2.9	42	0.55
includes	*38.45*	*378.0*	*339.55*	*0.50*	*0.036*	*4.3*	*36*	*0.67*
includes	*442.0*	*821.2*	*379.2*	*0.30*	*0.033*	*1.9*	*47*	*0.43*
includes	*821.2*	*861.0*	*39.8*	*0.58*	*0.027*	*3.6*	*50*	*0.71*
includes	*861.0*	*947.2*	*86.2*	*0.35*	*0.040*	*2.0*	*67*	*0.51*

[1] *Copper equivalent grades (CuEq) are for comparative purposes only. Calculations are uncut and recovery is assumed to be 100% as metallurgical data is insufficient to allow for estimation of metal recoveries. Copper equivalence (CuEq %) is calculated as: CuEq (%) = Cu (%) + [3.55 × Mo (%)] + [0.0095 × Ag (g/t)], utilizing metal prices of Cu - US$3.34/lb, Mo - US$11.86/lb and Ag - US$21.87/oz. Metal prices are based on a 2-year average of monthly LME metal prices.*

[2] *Intervals are downhole drilled core lengths. Drilling data to date is insufficient to determine true width of mineralization. Assay values are uncut.*

ELID019 returned a continuous interval of strong mineralization (383.75 m at 0.54 % Cu, 0.035 % Mo, 4.2 g/t Ag for 0.71 % CuEq) down to a depth of 426.9 m, where the central, weakly-mineralized quartz monzonite porphyry stock ("QMP") was encountered (Figure 11). The hole demonstrated strong Cu-Mo mineralization intersected by ELID012 extends up to the bedrock surface, beneath 43.15 m of unconsolidated colluvial gravel. The interval in ELID019 is characterized by potassic alteration with multiple veining events that introduced copper and molybdenum with chalcopyrite as the dominant copper bearing mineral. The mineralized interval contains low concentrations of arsenic (e.g., As <50 ppm) and other deleterious elements. Drilling data to date shows copper and arsenic do not correlate, suggesting arsenic is not associated with the copper sulfide minerals. This is significant as high arsenic concentrations, typically resulting from late-stage epithermal overprinting, can be detrimental to the economics of a porphyry copper deposit. Such epithermal events are not observed at Elida.

ELID020 was collared within the mineralized zone at Target 1 and angled south toward the central, low-grade QMP. The hole was designed to test the mineralized zone between the QMP and ELID015, which intersected the outer margin of the mineralized zone in this area (Figure 12). The mineralized zone was encountered at the bedrock surface directly below colluvial gravel at 92.7 m and continued south to the northern contact of the QMP. The styles of mineralization and alteration reported in ELID020 are similar to other holes that intersected Target 1 Cu-Mo mineralization. Collectively, ELID015 and ELID020 suggest the mineralized zone is approximately 280 m wide in the north-south dimension at this location. As with ELID019, the copper mineralization is associated with strong molybdenum grades in the order of 0.030% Mo and contains low concentrations of arsenic (e.g., As<25 ppm) and other deleterious elements.

ELID021 returned a continuous interval of Cu-Mo mineralization (556.1 m at 0.36% Cu, 0.024% Mo, 2.4 g/t Ag for 0.47% CuEq1) to a down-hole depth of 764.0 m. The drill hole was terminated in the mineralized zone at 770.7 m, where a fault zone prevented further drilling. Cu-Mo mineralization associated with potassic alteration and multiple veining events has now been traced by drilling to a depth of approximately 700 m below surface and remains open at depth. Shorter but still significant intervals with higher Cu grade mineralization are distributed across the mineralized zone (e.g., 418.0 m at 0.40% Cu, 0.025% Mo, 2.55 g/t Ag for 0.51% CuEq1) (Figure 13).

ELID022 was collared a short distance north (outside) of the mineralized zone (Figure 9) to delimit the northern extent of Cu-Mo mineralization in this area. The hole was also designed to test the eastward continuation of mineralization from ELID021 and to obtain information from the eastern side of Target 1, where mineralization is interpreted to wrap around the eastern edge of an early-mineral quartz monzonite porphyry stock ("QMP"). The position of the northern mineralization limit interpreted from sparse drilling was confirmed by this hole. The continuous interval of mineralization (388.0 m of 0.34% Cu, 0.026% Mo, and 2.36% Ag for 0.45% CuEq1) included an interval of 204 m of 0.38% Cu, 0.026% Mo, and 2.71 g/t Ag (for 0.50% CuEq1) starting at a depth of 201.0 m (Figure 14). Several shorter higher-grade intervals are also reported along the length of the entire mineralized intersection (e.g., 28 m of 0.62% Cu, 0.022% Mo, 4.23 g/t Ag for 0.74% CuEq1). As with previous drill holes, the Cu-Mo mineralization is associated with potassic alteration of sedimentary host rocks and combinations of quartz and sulfide veining.

ELID021 and ELID022 test a 300 m strike length on the eastern segment of Target 1 and extend the depth of mineralization in this area to depths of 500 m to 700 m below surface. These holes returned long, intervals of Cu-Mo mineralization containing shorter intervals of coherent, higher Cu grades. The geometry of Target 1 required both holes to terminate within the mineralized zone and the mineralization remains open at depth. Further drilling will be required to test the complete width and depth extent of mineralization in this area.

ELID023 was designed to test mineralization wrapping around the south side of the QMP (Figure 10). The hole intersected a well mineralized interval of 0.41%Cu, 0.024% Mo, and 4.1 g/t Ag (0.56% CuEq1) over 91.1 m adjacent to the QMP followed by a longer interval of mineralization disrupted and diluted by numerous weakly mineralized QMP dikes (Figure 15). Mineralization improved south of the zone of dikes and returned 185.5 m of 0.30% Cu, 0.017% Mo, 4.6 g/t Ag (0.41% CuEq1). The hole ended in low grade Cu mineralization associated with quartz vein stockworks and potassic-altered sedimentary rocks. More drilling is required to confirm the southern limit of mineralization.

ELID024 was collared a short distance west and outside of the mineralization limit inferred from earlier drilling (Figure 10). Continuous mineralization was intersected from where the hole entered potassic-altered bedrock beneath 120 m of unconsolidated gravel. Starting at a depth of 198.45 m, the hole intersected a 451.75 m interval of 0.38% Cu, 0.034% Mo, 3.1 g/t Ag (0.53% CuEq[1]) associated with quartz veining and potassic-altered sedimentary rocks. Intensity of mineralization increased steadily downhole where a 182.7 m interval of 0.47% Cu, 0.047% Mo, and 4.5 g/t Ag (0.67% CuEq[1]) is reported between sections containing ELID020 and ELID025. Included within the interval is a 72.5 m subinterval of 0.59% Cu, 0.048% Mo, and 4.5 g/t Ag (0.81% CuEq[1]), which indicates coherent, higher grade zones are an important component of the broader Target 1 mineralized zone (Figure 16). The hole was drilled orthogonal to other Phase 1 holes to test the east-west continuity of mineralization and constrain its western limit. The results support a vertically oriented mineralized zone with a geometry concentric to the QMP inferred from available drill holes.

ELID025 intersected a continuous interval of mineralization from the bedrock surface to the final hole depth of 947.2 m and returned 908.75 m at 0.39% Cu, 0.035% Mo, and 2.9 g/t Ag for 0.55% CuEq[1] (Figure 17). The hole was designed to test the vertical continuity of mineralization to depths of greater than 500 m while trying to avoid intersecting the low-grade central quartz monzonite porphyry ("QMP") intrusion. The hole ended in mineralization and was discontinued for operational reasons. Chalcopyrite remained the copper-bearing sulfide mineral for the entire length of the drill hole and indicates a vertically protracted mineral system. Notably, arsenic ("As") was low at 42 ppm and did not correlate with Cu grade.

Phase 1 drilling at Elida successfully achieved the program objectives of: (1) investigating the vertical continuity and zonation of Target 1 mineralization, (2) improving the confidence in the interpreted mineralization boundaries, and (3) attaining a drill hole spacing that is appropriate for estimating a potential mineral resource for a portion of Target 1. Information returned from the Phase 1 program was used to revise the interpretation of mineralization boundaries shown in Figure 10**.** Drilling tested the mineral system to a depth of 933 m below surface and indicated mineralization is open at depth. The existence of coherent, higher grade internal zones that extend up to the bedrock surface is an important outcome of the recently completed program.

Figure 10. Plan view of Target 1 at the Elida Porphyry Cu-Mo project showing the location of Element 29's drilling completed in December 2021 and holes completed in 2014/15 by Lundin Mining Peru. Locations of referenced sections are indicated by white dashed lines.

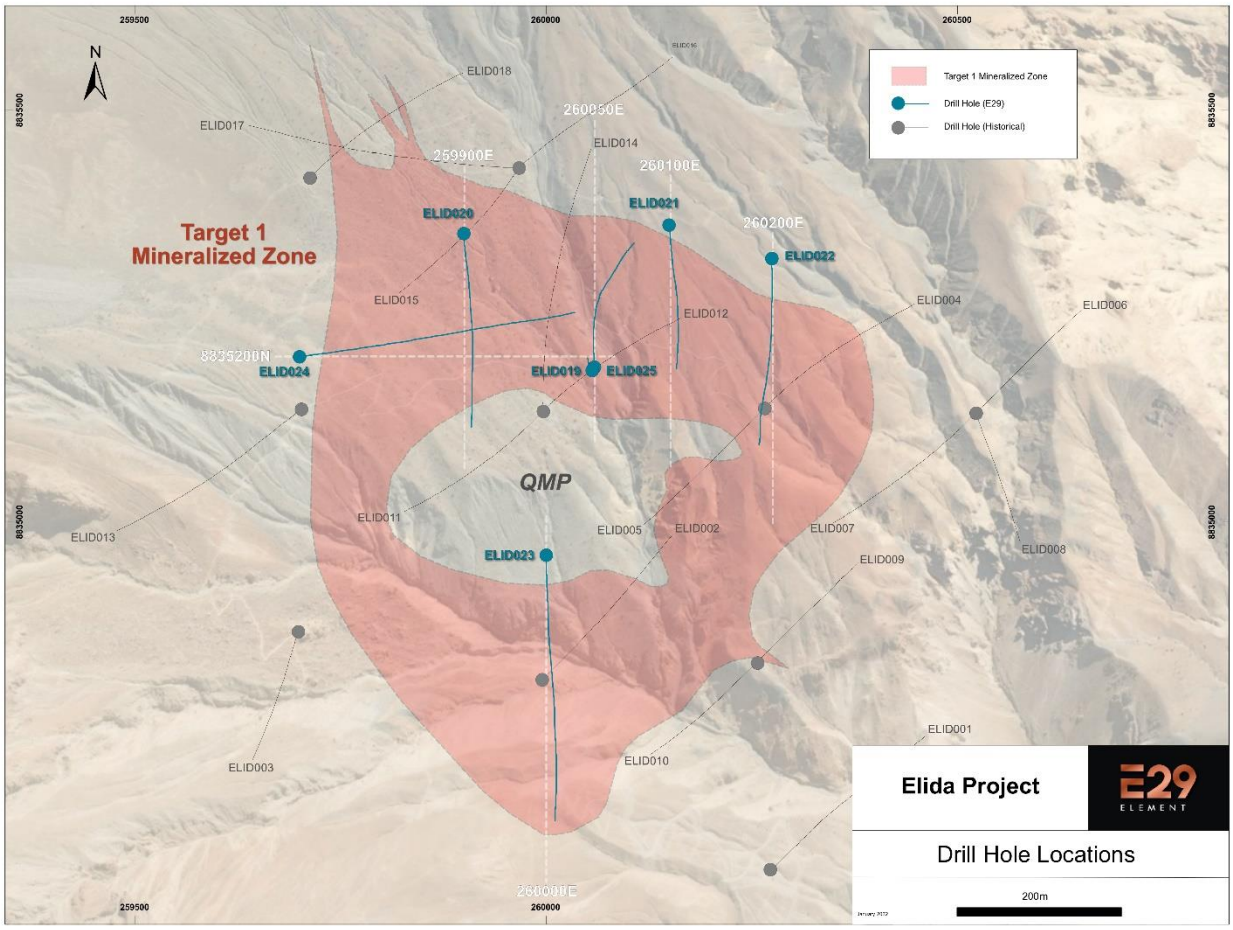


Figure 71. Cross section at 260050 E showing the position of ELID019. The hole encountered strong mineralization immediately beneath 43.15 m of unconsolidated gravel (colluvium). Continuous Cu-Mo-Ag mineralization was intersected down to 426.6 m, where the contact of weakly mineralized QMP occurs. Additional drilling is required to trace the zone of strong mineralization to greater depths.

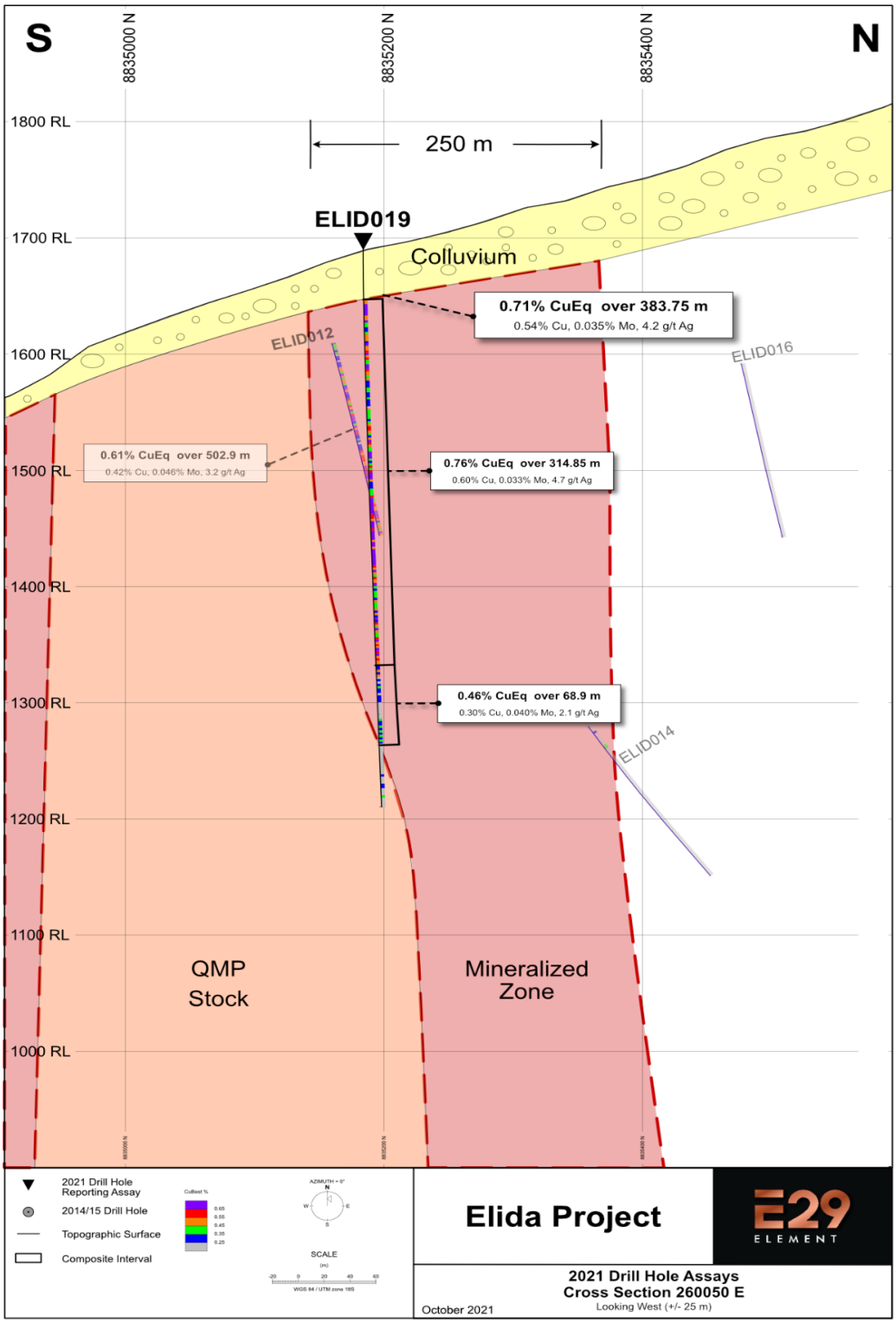


Figure 82. Cross section 259900 E showing hole ELID020. The hole entered the mineralized zone beneath approximately 90 m of unconsolidated colluvial gravel.

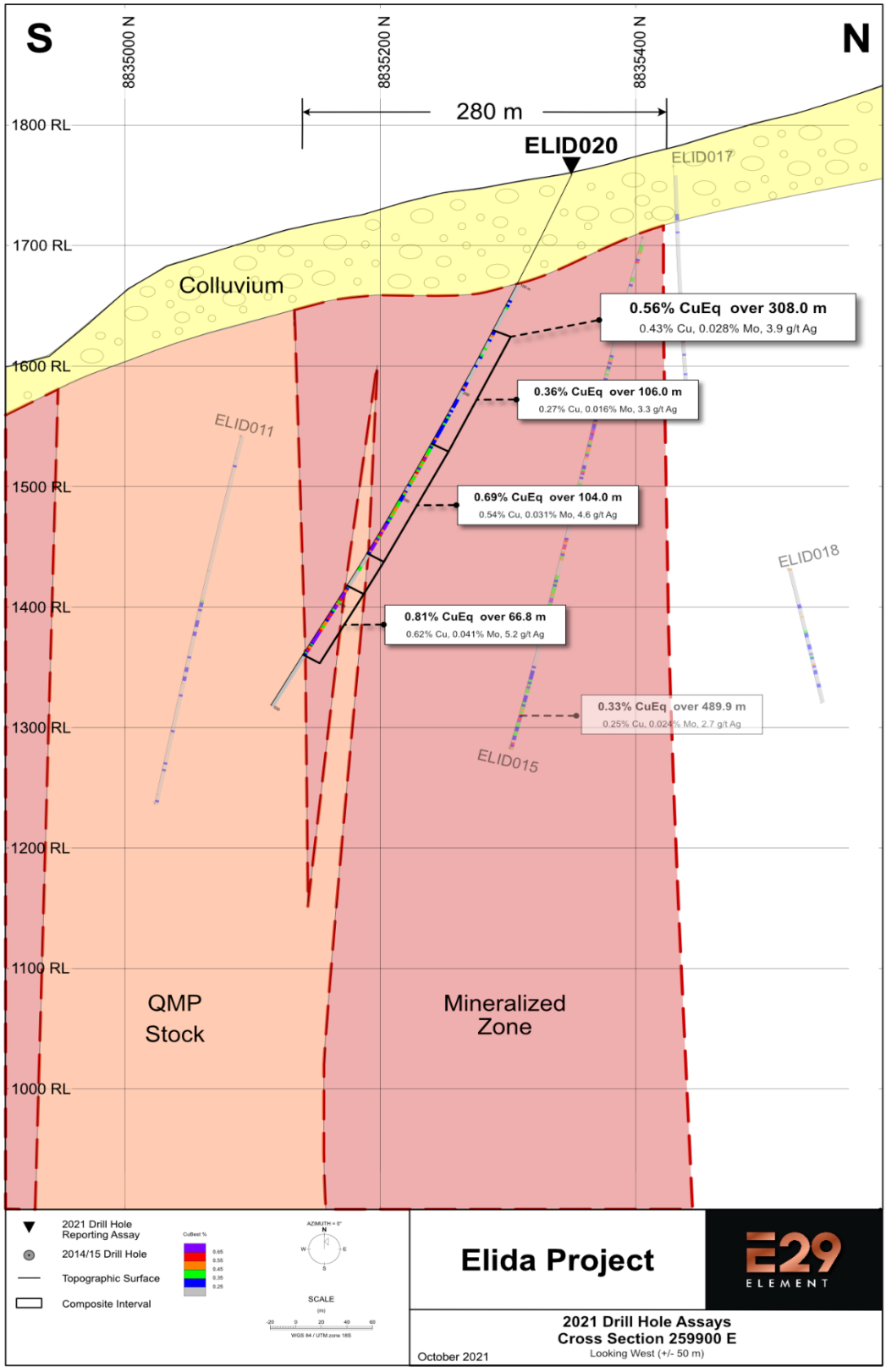


Figure 13. Cross section at 260150 E showing the position of ELID021. The hole was designed to define the near-surface northern limit of mineralization. Weak Cu mineralization associated with potassic alteration was encountered at the bedrock surface beneath approximately 35 m of unconsolidated gravel (colluvium). Continuous Cu-Mo-Ag mineralization was intersected down to 770.7 m, where the hole entered a fault zone that prevented further drilling.

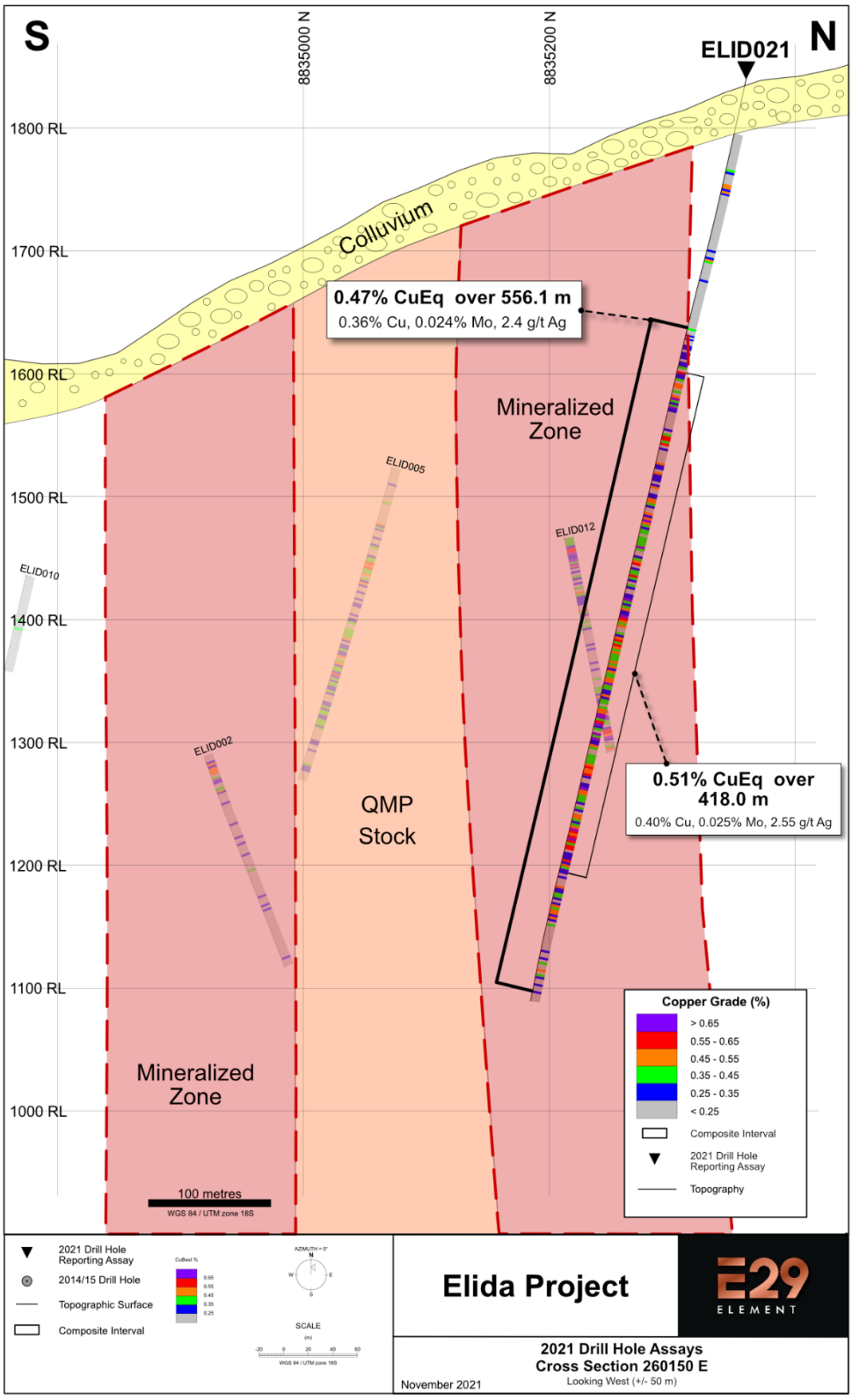


Figure 14. Cross section 260250 E showing hole ELID022. The hole entered anomalous Cu mineralization associated with weak potassic alteration beneath approximately 35 m of unconsolidated colluvial gravel. The hole was designed to constrain the near-surface northern limit of mineralization, obtain information on the northern part of the mineralized zone, and confirm the eastward continuity of mineralization intersected by ELID021.

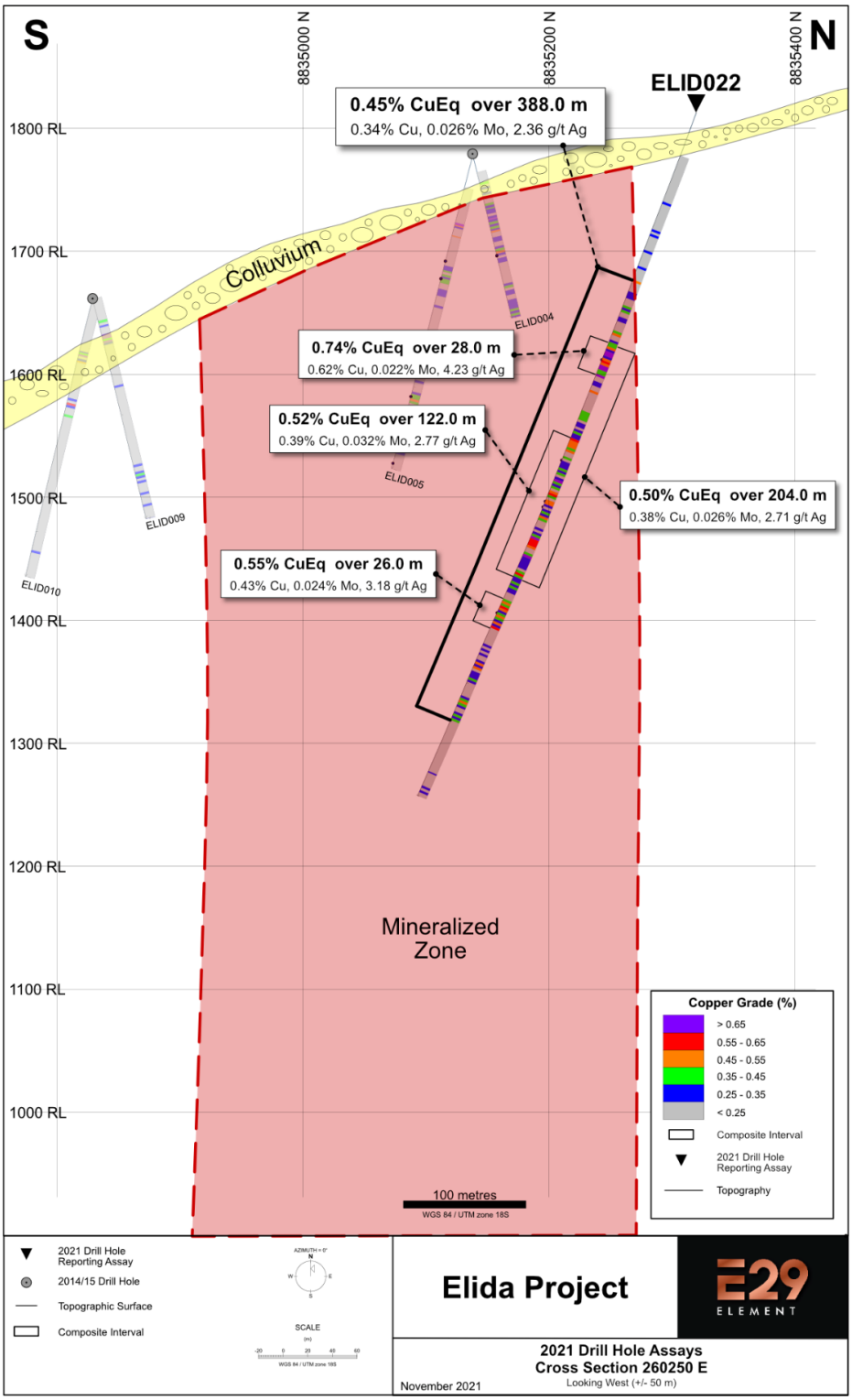


Figure 15. Cross section at 260000 E showing the position of ELID023. The hole was collared in the QMP and drilled south to test the southern arm of the Target 1 mineralized zone. The mineralized zone is interrupted by numerous, weakly mineralized QMP dikes that result in lower grades. The hole ended in veined and altered sedimentary host rock. More drilling is required to define the southern boundary of the mineralized zone.

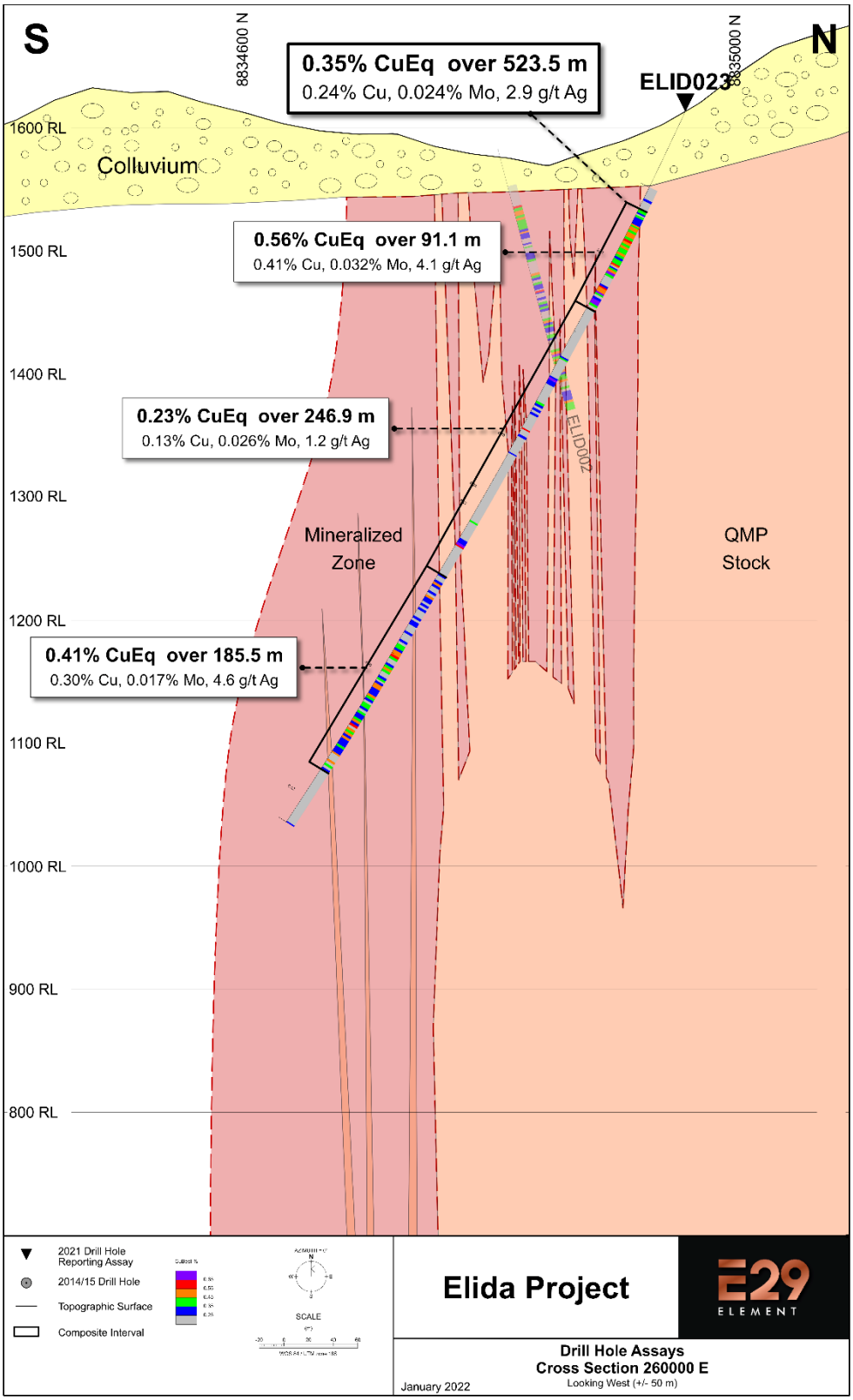


Figure 16. Cross section at 8835200 N showing the position of ELID024. This hole was designed to constrain the western limit of Target 1 mineralized zone and test for continuity of mineralization in a direction orthogonal to the other Phase 1 drill holes, specifically ELID020, ELID019, and ELID025. More drilling is required to determine the orientation of the western limit of mineralization, which is interpreted to be vertical.

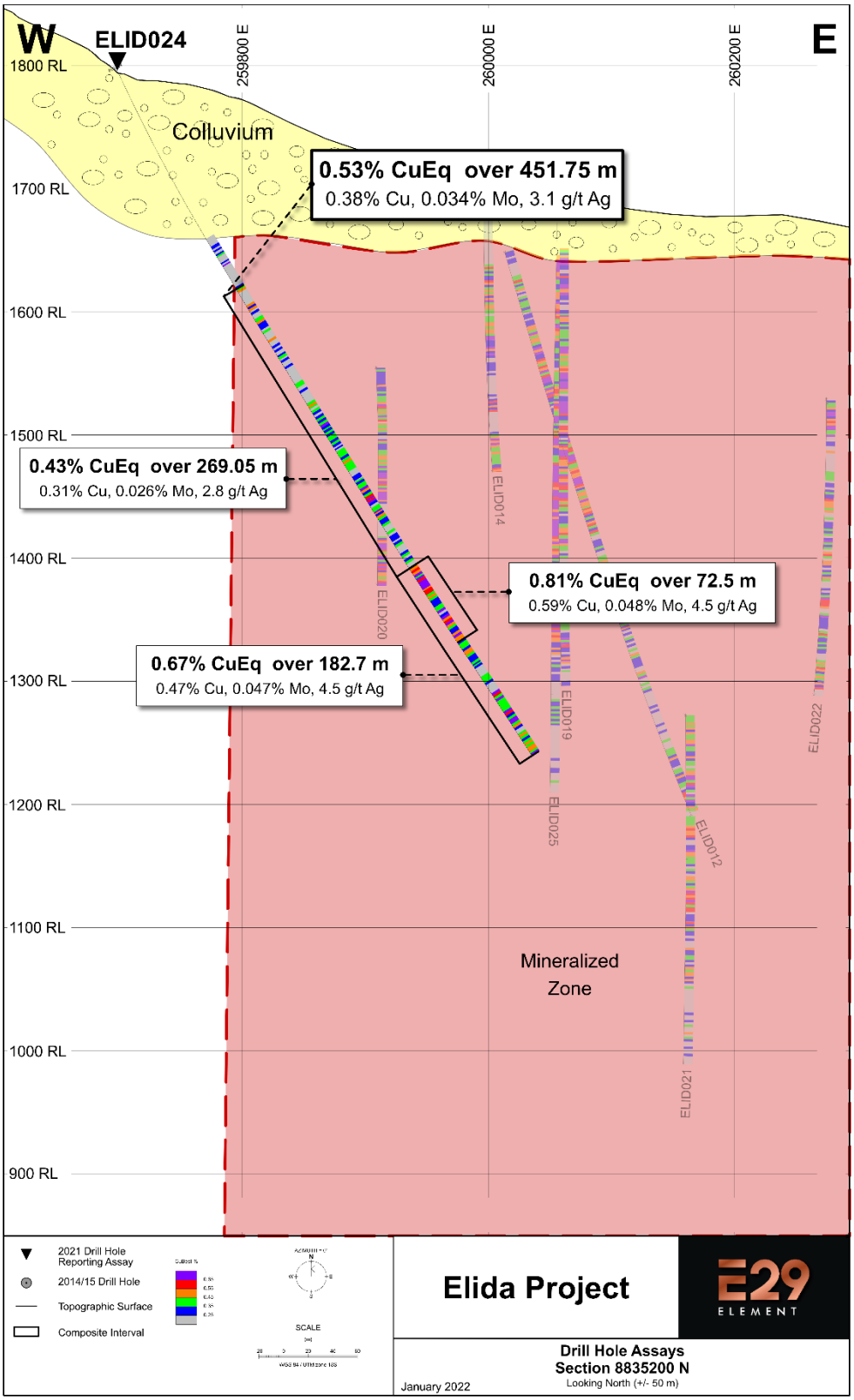


Figure 17. Cross section 260050 E showing hole ELID025. The hole entered well-mineralized, potassic-altered sedimentary rocks immediately beneath 35 m of gravel cover. Continuous mineralization was encountered to the bottom of the hole at 947.2 m. This hole demonstrated the vertical continuity of mineralization to a depth of 933 m below surface. Apart from the zone of strong mineralization present near the top of the hole, other well mineralized intervals are distributed throughout the hole. The hole ended in mineralization and the mineralized zone remains open at depth.

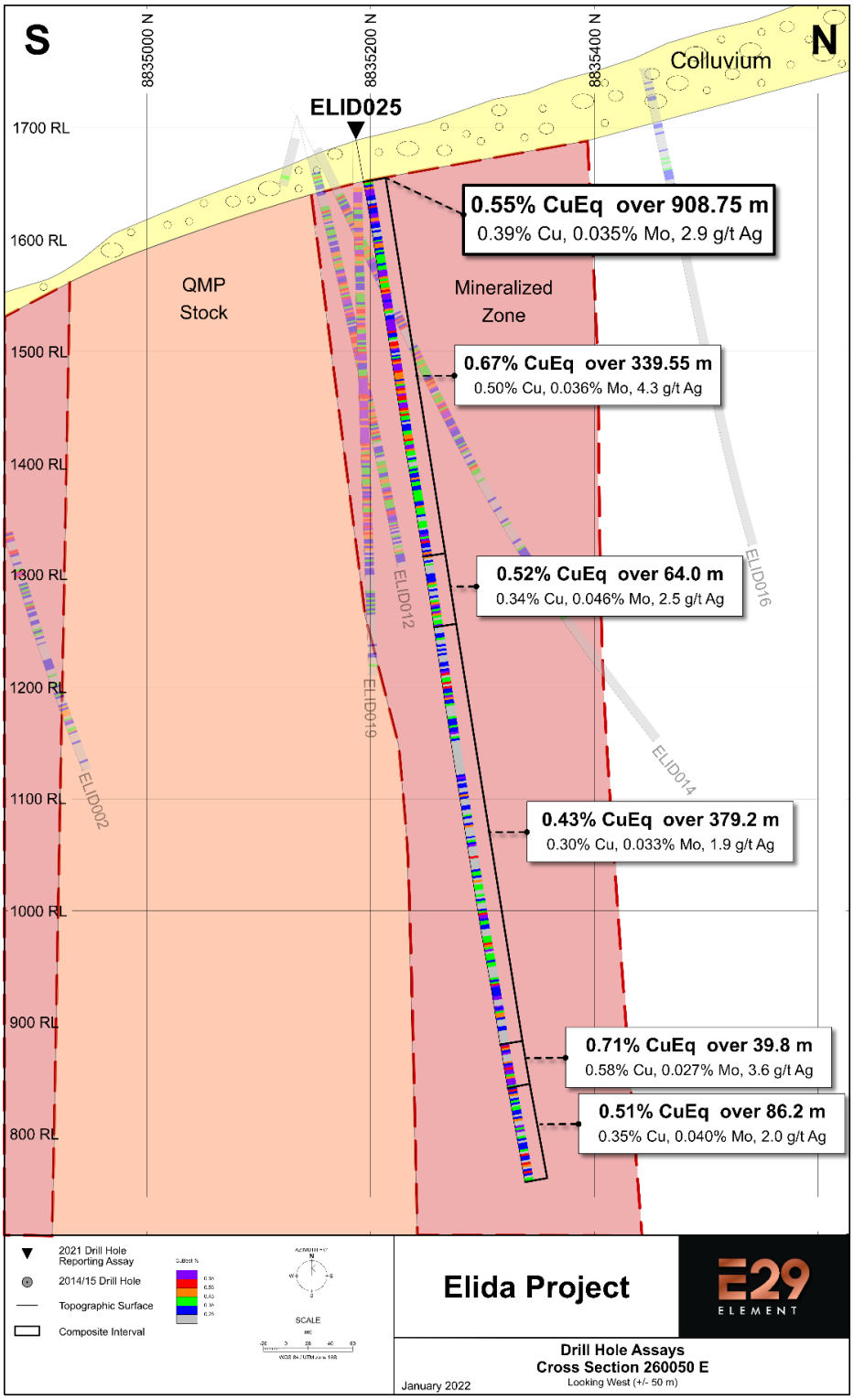


Table 5. Drill hole collar locations for reported drill holes. Coordinates are in WGS84 zone 18S UTM.

Hole ID	East	North	Elev (m)	EOH (m)	Azimuth (degrees)	Dip (degrees)
ELID019	260056	8835184	1690	480.0	0	-90
ELID020	259900	8835350	1759	567.0	180	-65
ELID021	260150	8835360	1740	770.0	179	-78
ELID022	260274	8835320	1713	602.2	179	-70
ELID023	260000	8834960	1613	662.4	180	-65
ELID024	259700	8835200	1794	650.2	83	-65
ELID025	260058	8835187	1690	947.2	0	-80

*Figure 18. ELID019, 241.15m from a sample interval reporting **0.62% Cu, 0.032% Mo, 4.4 g/t Ag**. Intense, multiple generations of A-type veins in feldspathic arenite host rock. The A-type veins contain an assemblage of pyrite-chalcopyrite-molybdenite with minor magnetite. Chalcopyrite is also introduced by green mica veinlets containing chlorite, epidote with chalcopyrite and pyrite. Core is HQ diameter (63.5 mm).*

*Figure 19. ELID019, 246.2m from a sample interval reporting **2.62% Cu, 0.031% Mo, 21.8 g/t Ag**. Semi-massive chalcopyrite-pyrite associated with a 5 cm wide A-type quartz vein. Core is HQ diameter (63.5 mm).*

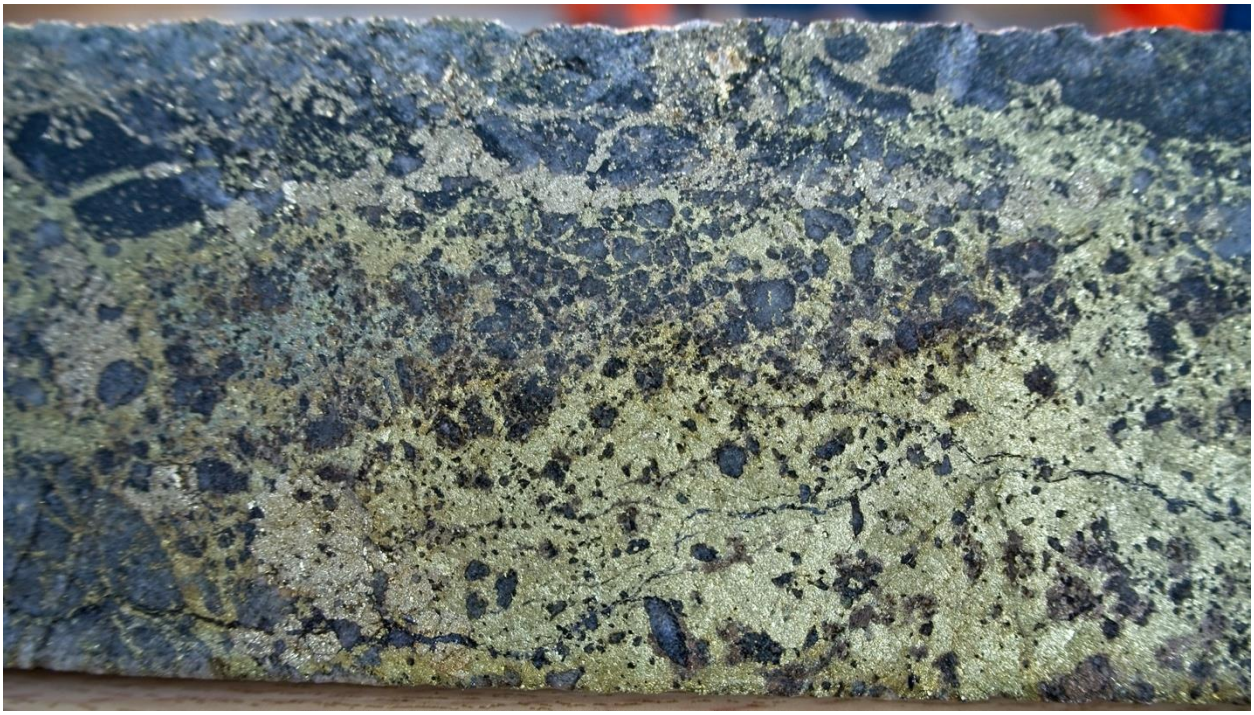


Figure 20. ELID020, 438.2 m from an interval grading 0.67% Cu, 0.029% Mo, 5.0 g/t Ag. An early-stage, mineralized hydrothermal breccia emplaced during A-type veining as demonstrated by clasts containing A-type veins and A-type veins cutting the breccia. Chalcopyrite accompanies silica and secondary biotite as cement. Matrix is rock flour. Clasts are composed of wall rock units and QMP. Core is HQ diameter (63.5 mm).

An exploratory metallurgical study initiated in April 2021 on samples from holes drilled in 2015 is in progress to investigate deportment of copper, molybdenum, silver, and arsenic, and recovery of economic constituents. This is expected to be completed in Q3 2022.

Throughout the Phase 1 drilling program, local community members were employed to assist with site preparations and on-going drilling operations. In order to protect against community spread of COVID-19, the Company adopted rigour COVID-19 testing procedures, which required all people entering the project receive a negative PCR COVID-19 test within 72 hours of arrival and regular antigen testing were undertaken on site by the Company's medical personnel. All people on site were required to wear a masks at all times and maintain a physical distance of two metres while working. Work planning involved minimizing contact between local community members and project staff. Standard hygiene practices (frequent hand washing and disinfecting surfaces) were rigorously enforced. These measures were successful at preventing COVID-19 within the Company's workforce and there were no COVID-19 associated work stoppages during the drilling activities.

PAHUAY COPPER SKARN PROJECT

The Pahuay copper project consists of 700 hectares and is 100% owned by the Company, subject to a 2% net smelter royalty ("NSR") to Globetrotters. The property is located 270 kilometres south of Lima within the eastern margin of the Coastal Batholith along the probable northwest projection of the Paleocene Southern Peru Copper Belt and is approximately 15 kilometres north of the Cerro Lindo polymetallic (zinc, lead, copper, gold, and silver) mine controlled by Nexa Resources Peru SA ("Nexa"). Paleocene porphyry intrusions are emplaced into Cretaceous volcaniclastic rocks, siliciclastic sediments and limestones developing a 1.7 x 2.8 kilometre copper mineralized hydrothermal alteration zone. The mineralized area contains magnetite-garnet skarn formed in the limestones and phyllic alteration of the volcaniclastic units. Copper mineralization in the skarn consists of copper oxides, chalcopyrite and semi-massive magnetite. The central parts of the skarn system are anomalous in copper and molybdenum. Outcrop samples returned assays up to 4.4% copper and 0.05% molybdenum and the distal areas (zinc, copper and silver) returned assays up to 6.5% zinc. The project has not been drill-tested and is scheduled for preliminary geological mapping, rock sampling and geophysical surveys to help develop the drill targets (Figure 17, Figure 18).

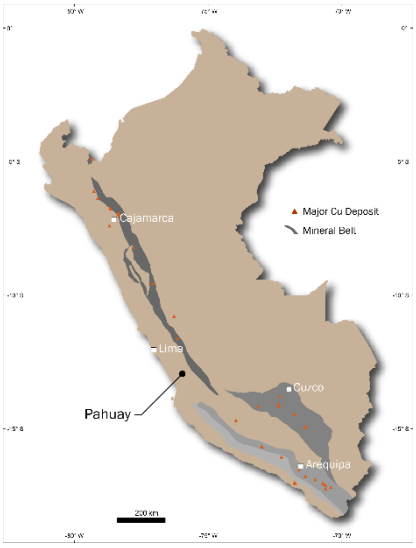


Figure 21. Location of the Pahuay property, southern Peru.

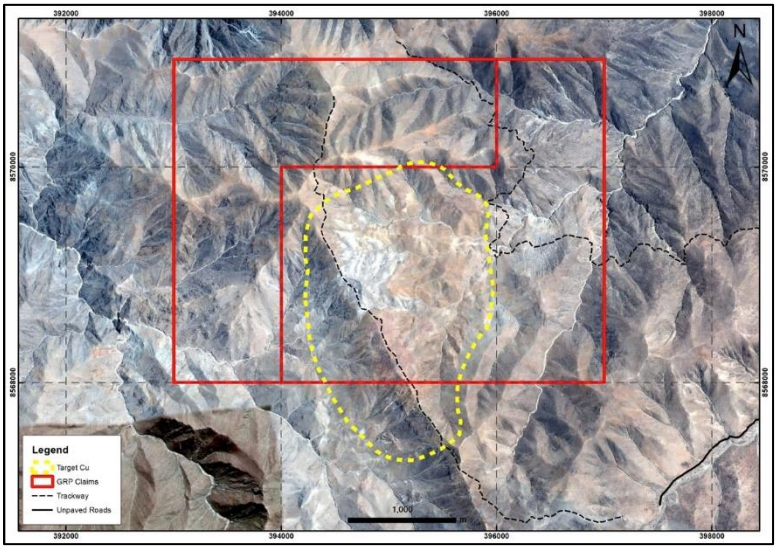


Figure 22. Pahuay concessions and copper exploration target shown as a dashed yellow outline.

MUÑAORJO COPPER-SKARN-PORPHYRY PROJECT

The Muñaorjo project consists of 1,000 hectares and is 100% owned by Element 29, subject to a 2% NSR with Globetrotters. The project is located approximately 200 kilometres northeast of Arequipa, Peru within the probable northwest continuation of the Paleocene Southern Peru Copper Belt, which is host to several very large porphyry copper deposits including the Cerro Verde mine (Freeport-McMoRan) and the Toquepala mine (Southern Copper). The property is centered on a large, 4.3 x 1.3 kilometre hydrothermal alteration zone and covers a limestone sequence intruded by diorite and granodioritic rock units. Hydrothermal recrystallization in the limestone is extensive on the property and includes a central area containing skarn, quartz-limonite stockwork, hydrothermal brecciation, and associated strong copper mineralization exposed within a 480 x 280 metre area. Rock sample results for this area (58 rock samples) are highly anomalous and returned assay results up to 4% copper. The skarn is open to the northeast where it is covered by thin post mineralization Miocene tuff. The porphyry-related alteration continues to the northeast for another 1.5 kilometres. The work plan is to complete detailed geological mapping, outcrop sampling, and magnetometer and IP-resistivity surveys to identify diamond drill targets (Figure 19, Figure 20).

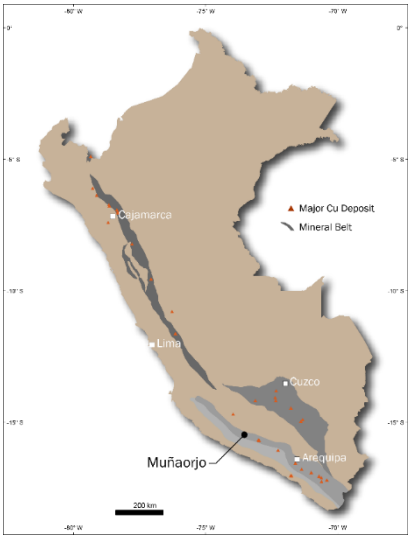


Figure 23. Location of the Muñaorja property in southern Peru.

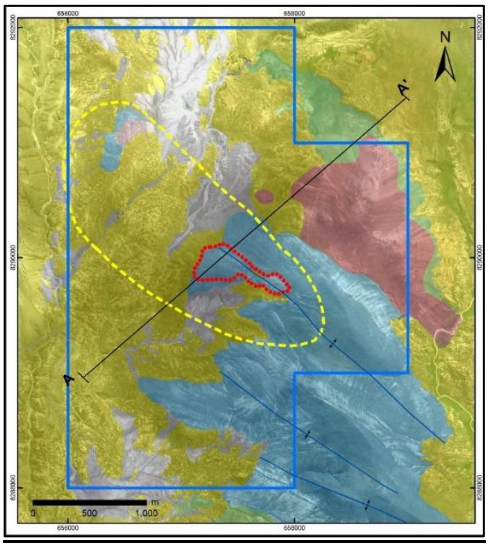


Figure 24. The Muñaorjo property showing the exploration target area as a yellow dashed line.

FINANCIAL INFORMATION

EXPLORATION AND EVALUATION ASSET EXPENDITURES

Expenditures for the three months ended March 31, 2022 were as follows:

	Flor de Cobre	Elida	Pahuay and Muñaorjo	Total
Balance at December 31, 2021	$ 1,910,378	$ 6,342,479	$ 1,527,754	$ 9,780,611
Additions:				
Option payments	8,363	-	-	8,363
Drilling	830,570	123,037	-	953,607
Geological and mapping	11,663	37,440	-	49,103
Geophysics and geochemistry	20,863	11,367	-	32,230
Permitting, concessions and taxes	136,414	54,676	268	191,358
Community, health, safety and environment	44,075	50,431	-	94,506
Geology salaries	29,983	2,563	-	32,546
Property maintenance and administration	128,889	63,029	2,276	194,194
Total additions for the period	1,210,820	342,543	2,544	1,555,907
Balance at March 31, 2022	$ 3,121,198	$ 6,685,022	$ 1,530,298	$ 11,336,518

Expenditures for the year ended December 31, 2021 were as follows:

	Flor de Cobre	Elida	Pahuay and Muñaorjo	Total
Balance at December 31, 2020	$ 1,449,929	$ 3,173,864	$ 1,511,778	$ 6,135,571
Additions:				
Option payments	339,344	-	-	339,344
Geological and mapping	1,721	650,959	-	652,680
Geophysics	41,839	26,678	-	68,517
Geochemistry	-	1,325,934	-	1,325,934
Permitting	1,159	2,588	-	3,747
Community, health, safety and environment	18,927	280,791	-	299,718
Concessions and taxes	435	502,848	1,559	504,842
Technical report	905	3,115	-	4,020
Geology salaries	-	224,661	-	224,661
Property maintenance and administration	56,119	151,041	14,417	221,577
Total additions for the year	460,449	3,168,615	15,976	3,645,040
Balance at December 31, 2021	$ 1,910,378	$ 6,342,479	$ 1,527,754	$ 9,780,611

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristics of many exploration and evaluation assets. The Company has investigated title to its exploration and evaluation assets and, to the best of its knowledge, title to the exploration and evaluation assets remains in good standing.

Flor de Cobre Copper Project

Expenditures were related to drilling, payments to the optionor of the Candelaria concessions towards its earn-in on those claims, administration and support costs for the drilling program and costs associated with the completion of the permitting process.

Elida Copper Project

Expenditures were related to the completion of the seven-hole, 4,500 m drill program that was executed through out the 2021 year and completed in January 2022.

Pahuay and Muñaorjo Copper Projects

Expenditures were related to holding and administrative costs on the properties.

SUMMARY OF CONSOLIDATED FINANCIAL OPERATING RESULTS

Operating Results

	March 31, 2022	March 31, 2021
General and administrative expenses		
Administration and office	$ 51,356	$ 23,785
Investor relations	174,283	142,636
Corporate development	96,831	-
Personnel costs	186,637	179,818
Professional fees	23,083	45,024
Filing fees	18,753	15,312
Foreign exchange (gain) loss	(38,961)	25,489
Share-based compensation	1,191,093	566,286
Depreciation	4,410	-
Other	(10,622)	1,192
Operating loss	1,696,863	999,542
Interest income	(6,097)	(7,733)
Loss and comprehensive loss	$ 1,690,766	$ 991,809

Administration and office expenses in Q1 2022 were higher compared to Q1 2021 due to increased operating costs including insurance and general administration.

Investor relations expenses in Q1 2022 were higher compared to Q1 2021 due to increased marketing activities to increase the Company's exposure in the capital markets.

Share based compensation in Q1 2022 was higher compared to Q1 2021 due to grants of options, deferred share units and restricted share units in Q1 2022 and options vesting in the period from prior grants.

Quarterly Financial Data

	Q1 22	Q4 21	Q3 21	Q2 21
Administration and office	$ 51,356	$ 36,510	$ 41,251	$ 36,779
Investor relations	174,283	204,590	187,417	196,319
Corporate development	96,831	-	-	-
Personnel costs	186,637	186,625	219,501	243,892
Professional fees	23,083	111,832	70,862	69,516
Filing fees	18,753	16,172	10,757	6,345
Foreign exchange (gain) loss	(38,961)	(17,855)	(26,230)	21,247
Share-based compensation	1,191,093	129,920	182,910	184,802
Depreciation	4,410	5,140	-	-
Other	(10,622)	(9,911)	4,981	1,464
Operating loss	$ 1,696,863	$ 663,023	$ 691,449	$ 760,364

	Q1 21	Q4 20	Q3 20	Q2 20
Administration and office	$ 23,785	$ 50,858	$ 23,983	$ 11,789
Consulting	-	16,025	-	698
Investor relations	142,636	117,606	21,828	20,414
Personnel costs	179,818	346,022	140,062	176,863
Professional fees	45,024	423,732	124,872	68,694
Filing fees	15,312	-	-	-
Foreign exchange loss	25,489	49,345	24,861	47,742
Share-based compensation	375,443	65,226	-	166,939
Other	1,192	360	662	186
Operating loss	$ 808,699	$ 1,069,174	$ 336,268	$ 493,325

Overall, costs have been higher since Q4 2020 due to an increase in operational activities since the Company became publicly listed in Q4 2020.

Higher professional fees and personnel costs in Q4 2020 were directly related to the IPO. In addition, investor relations expenses have been increasing since Q4 2020 due to marketing activities to increase the Company's exposure in the capital markets.

Share based compensation is directly related to the granting and/or vesting of equity based compensation in the quarter.

LIQUIDITY AND CAPITAL RESOURCES

	March 31, 2022	March 31, 2021
Cash flows used in operating activities before working capital movements	$ (457,808)	$ (438,243)
Increase in receivables and prepaid expenses	(72,435)	(141,101)
Decrease in accounts payable and accrued liabilities	(572,327)	(5,516)
Increase in deposits	(15,779)	-
Cash flows used in operating activities after working capital movements	(1,118,349)	(584,860)
Cash flows used in investing activities	(1,124,264)	(38,285)
Cash flows from financing activities	-	159,000
Decrease in cash	(2,242,613)	(464,145)
Cash - beginning of period	7,832,949	6,219,707
Cash - end of period	$ 5,590,336	$ 5,755,562

Cash outflows after changes in non-cash working capital items in Q1 2022 increased compared to Q1 2021 due mainly to the timing of accrual payments made in Q1 2022 related to the Elida drill program costs that were incurred in Q4 2021.

Cash outflows from investing activities in Q1 2022 was related to site and drill activity at the Flor de Cobre Project which commenced in Q1 2022 resulting in an increase in mineral exploration costs compared to Q1 2021.

Cash inflows from financing activities in Q1 2021 were related to stock option exercises during that respective period.

Contractual Obligations

As at March 31, 2022, the Company had no contractual obligations outstanding.

SHAREHOLDERS' EQUITY

The Company's authorized share capital consists of unlimited common shares without par value. At March 31, 2022 and at the date of this MD&A, the Company had 79,240,860 (December 31, 2021 – 79,240,860) shares issued and outstanding.

Share Options

The Company provides share-based compensation to its directors, officers, employees, and consultants through grants of share options.

The Company has adopted a stock option plan (the "Plan"), as amended, to grant options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding shares of the Company. Vesting is determined at the discretion of the Board of Directors (the "Board").

The Company uses the Black-Scholes option pricing model to determine the fair value of share options granted. For employees, the share-based compensation expense is amortized on a graded vesting basis over the requisite service period which approximates the vesting period. Share-based compensation expense for share options granted to non-employees is recognized over the contract services period or, if none exists, from the date of grant until the share options vest.

The Company uses historical data to estimate option exercise, forfeiture and employee termination within the valuation model. The risk-free interest rate is based on a treasury instrument whose term is consistent with the expected term of the share options. Since the Company has not paid and does not anticipate paying dividends on its common shares, the expected dividend yield is assumed to be zero. Companies are required to utilize an estimated forfeiture rate when calculating the share-based compensation expense for the reporting period. Based on the best estimate, management applied the estimated forfeiture rate of nil in determining the share-based compensation expense recorded in the accompanying Consolidated Statements of Comprehensive Loss.

The following is a summary of share options outstanding as at the date of this MD&A:

Number of share options	Number of share options vested	Exercise price per share option $	Expiry date
200,000	50,000	0.59	November 28, 2022
300,000	300,000	0.30	August 23, 2024
200,000	133,333	0.30	May 19, 2025
350,000	233,333	0.30	June 25, 2025
150,000	100,000	0.30	June 29, 2025
150,000	100,000	0.50	October 28, 2025
225,000	150,000	0.50	November 9, 2025
2,100,000	2,100,000	0.45	February 3, 2026
150,000	75,000	0.45	April 7, 2026
2,345,000	1,172,500	0.57	March 1, 2027
500,000	250,000	0.59	March 29, 2027
6,670,000	4,664,166		

Share Purchase Warrants

At March 31, 2022 and at the date of this MD&A, the following share purchase warrants were outstanding:

Number of share purchase warrants	Exercise price per share purchase warrant $	Expiry date
6,655,200	0.70	December 3, 2023
2,666,478	0.50	December 3, 2023
5,749,000	0.85	December 14, 2024
15,070,678		

No share purchase warrants were exercised at the date of this MD&A.

Deferred Share Units ("DSU")

DSUs are granted to the Company's directors as a part of compensation under the terms of the Company's deferred share units plan (the "DSU Plan"). Each DSU entitles the participant to receive the value of one common share of the Company (a "Common Share"). The maximum number of awards of DSU's and all other security based compensation arrangements shall not exceed 10% of the Company's outstanding shares.

Participants are entitled to the value of the Common Share upon termination of their service. In accordance to the DSU Plan, upon each vesting date the Company shall decide at, at its sole discretion whether, participants receive (a) the issuance of Common Shares equal to the number of DSUs vesting, or (b) a cash payment equal to the number of vested DSUs multiplied by the fair market value of a Common Share, calculated as the closing price of the Common Shares on the TSX-V for the trading day immediately preceding such payment date; or (c) a combination of (a) and (b).

On the grant date of DSUs, the Company determines whether it has a present obligation to settle in cash. If the Company has a present obligation to settle in cash, the DSUs are accounted for as liabilities, with the fair value remeasured at the end of each reporting period and at the date of settlement, with any changes in fair value recognized in profit or loss for the period. The Company has a present obligation to settle in cash if the Company has a past practice or a stated policy of settling in cash, or generally settles in cash whenever the counterparty asks for cash settlement. If no such obligation exists, DSUs are accounted for as equity settled share-based payments and are valued using the share price of the Common Share on grant date. Since the Company controls the settlement, the DSU's are considered equity settled.

On March 3, 2022, the Company granted 300,000 (2021 – nil) DSUs to the Company's directors and recorded share-based compensation of $171,000 (2021 – nil). The fair value per DSU granted was determined to be C$0.57 (2021 – nil) which is the share price of the Common Share on grant date

Restricted Share Units ("RSU")

RSUs are granted to the Company's directors, officers, employees and consultants as a part of compensation under the terms of the Company's restricted share units plan (the "RSU Plan"). Each RSU entitles the participant to receive the value of one Common Share. The maximum number of awards of RSU's and all other security based compensation arrangements shall not exceed 10% of the Company's outstanding shares.

The number of RSUs awarded and underlying vesting conditions are determined by the Board of Directors in its discretion. In accordance with the RSU Plan, upon each vesting date the Company shall decide, at its sole discretion, whether participants receive (a) the issuance of Common Shares equal to the number of RSUs vesting, or (b) a cash payment equal to the number of vested RSUs multiplied by the fair market value of a Common Share, calculated as the closing price of the Common Shares on the TSX-V for the trading day immediately preceding such payment date; or (c) a combination of (a) and (b).

On the grant date of RSUs, the Company determines whether it has a present obligation to settle in cash. If the Company has a present obligation to settle in cash, the RSUs are accounted for as liabilities, with the fair value remeasured at the end of each reporting period and at the date of settlement, with any changes in fair value recognized in profit or loss for the period. The Company has a present obligation to settle in cash if the Company has a past practice or a stated policy of settling in cash, or generally settles in cash whenever the counterparty asks for cash settlement. If no such obligation exists, RSUs are accounted for as equity settled share-based payments and are valued using the share price of the Common Share on grant date. Since the Company controls the settlement, the RSU's are considered equity settled.

On March 3, 2022, the Company issued 500,000 (2021 – nil) RSUs to employees and consultants of the Company all of which vest 50% after the first anniversary of the grant date and 50% after the second anniversary of the grant date. The Company recorded share-based compensation expense of $285,000 (2021 – nil). The fair value per RSU granted was determined to be C$0.57 (2021 – nil) which is the share price of the Common Share on grant date.

OTHER DISCLOSURES

Off-Balance Sheet Arrangements

The Company had no material off-balance sheet arrangements as at the date of this MD&A.

Related Party Transactions

The Company's related parties include key management personnel and directors. Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Board of Directors and corporate officers, including the Company's interim Chief Executive Officer, former Chief Executive Officer and President, Chief Financial Officer, Vice President – Exploration, and Corporate Secretary.

Direct remuneration paid to the Company's directors and key management personnel during the three months ended March 31, 2022 and 2021 was as follows:

	2022	2021
Salaries and benefits – personnel costs	$ 46,170	$ 102,366
Consulting fees – personnel costs	80,100	22,500
Directors' fees – personnel costs	17,291	24,486
Share-based compensation	876,803	366,201
	$ 1,020,364	$ 515,553

As at March 31, 2022, included in accounts payable and accrued liabilities was an amount of $46,950 (2021 - $nil) due to the Company's related parties.

PROJECT ACQUISITIONS BACKGROUND

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristics of many mineral properties. The Company has investigated title to its exploration and evaluation assets and, to the best of its knowledge, including INGEMMET public records, title to the mineral properties remains in good standing.

In April 2019, the Company acquired from Globetrotters, a private company incorporated under the laws of British Columbia, Canada, two advanced copper projects located in Peru. The projects acquired were the Flor de Cobre copper project ("Flor de Cobre") and the Elida copper project ("Elida"). The purchase price of $2,811,250 was settled through an issuance of 28,112,501 common shares of the Company. Globetrotters also retains a 2% net smelter royalty ("NSR") on the projects. The Company and Globetrotters share certain directors in common.

In September 2019, the Company was successful in acquiring an additional three claims through a government auction process located to the northeast of Flor de Cobre, which was named the San Jose property.

In November 2019, the Company acquired the Pahuay Copper Skarn Project ("Pahuay") and the Muñaorjo Copper Skarn Porphyry Project ("Muñaorjo") from Globetrotters for $1,500,000. In December 2020, in connection with the Company's IPO, 3,750,000 common shares of the Company were issued to Globetrotters as payment for the acquisition. Globetrotters also retains a 2% NSR on the project.

CRITICAL ACCOUNTING ESTIMATES AND POLICIES

Use of Estimates and Judgements

The preparation of condensed consolidated interim financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated interim financial statements and accompanying notes. Actual results could differ materially from those estimates.

Measurement of the Company's assets and liabilities is subject to risks and uncertainties, including those related to reserve and resource estimates; title to mineral properties; future commodity prices; costs of future production; future costs of restoration provisions; changes in government legislation and regulations; future income tax amounts; the availability of financing; and various operational factors. The Company's estimates identified as being critical are substantially unchanged from those disclosed in the MD&A for the year ended December 31, 2021.

E29 is a mineral exploration company and is exposed to a number of risks and uncertainties due to the nature of the industry in which it operates and the present state of development of its business and the foreign jurisdictions in which it carries on business. The material risks and uncertainties affecting E29, their potential impact, and the Company`s principal risk-management strategies are substantially unchanged from those disclosed in its MD&A for the year ended December 31, 2021.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for designing internal control over financial reporting, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. No change in the Company's internal control over financial reporting occurred during the period beginning on January 1, 2022 and ended on March 31, 2022 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

FORWARD LOOKING STATEMENTS

This MD&A contains forward-looking information and forward-looking statements, within the meaning of applicable Canadian securities legislation, (collectively, "forward-looking statements"), which reflect management's expectations regarding the Company's future growth, results from operations (including, without limitation, statements about the Company's opportunities, strategies, competition, expected activities and expenditures as the Company pursues its business plan, the adequacy of the Company's available cash resources and other statements about future events or results), performance (both operational and financial) and business prospects, future business plans and opportunities. Wherever possible, words such as "predicts", "projects", "targets", "plans", "expects", "does not expect", "budget", "scheduled", "estimates", "forecasts", "anticipate" or "does not anticipate", "believe", "intend" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative or grammatical variation thereof or other variations thereof, or comparable terminology have been used to identify forward-looking statements. These forward-looking statements include, among other things, statements relating to:

- the Flor de Cobre and Elida Projects (as such term is defined herein) and the Company's planned and future exploration on the Flor de Cobre and Elida Projects;
- the Company's goals regarding exploration and potential development of its projects;
- the Company's future business plans;
- expectations regarding the ability to raise further capital;
- the market price of copper;
- expectations regarding any environmental issues that may affect planned or future exploration and development programs and the potential impact of complying with existing and proposed environmental laws and regulations;
- the ability to obtain and/or maintain any required permits, licenses or other necessary approvals for the exploration or development of its mineral properties;
- government regulation of mineral exploration and development operations in Peru;
- the Company's compensation policy and practices;
- the Company's expected reliance on key management personnel, advisors and consultants;
- plans regarding future composition of the Board; and
- effects of the novel coronavirus ("COVID-19") outbreak as a global pandemic.

Forward-looking statements are not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, as of the date of this MD&A including, without limitation, assumptions about:

- the ability to raise any necessary additional capital on reasonable terms to advance exploration and development of the Company's mineral properties;
- future prices of copper and other metal prices;
- the timing and results of exploration and drilling programs;
- the demand for, and price of copper;
- that general business and economic conditions will not change in a material adverse manner;
- the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the geology of the Flor de Cobre Project as described in the Flor de Cobre Technical Report (as such term is defined herein);
- the geology of the Elida Project as described in the Elida Technical Report (as such term is defined herein);
- the accuracy of budgeted exploration and development costs and expenditures;
- future currency exchange rates and interest rates;

- operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner;
- the Company's ability to attract and retain skilled personnel;
- political and regulatory stability;
- the receipt of governmental, regulatory and third-party approvals, licenses and permits on favourable terms;
- obtaining required approvals, licenses and permits on favourable terms and any required renewals of the same;
- requirements under applicable laws;
- sustained labour stability; stability in financial and capital goods markets;
- expectations regarding the level of disruption to exploration at the Flor de Cobre and Elida Projects as a result of COVID 19; and
- availability of equipment.

Furthermore, such forward-looking information involves a variety of known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of the Company to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking statements. Such risks include, without limitation:

- the Company may fail to find a commercially viable deposit at any of its mineral properties;
- there are no resources or mineral reserves on any of the properties in which the Company has an interest;
- the Company's plans may be adversely affected by the Company's reliance on historical data compiled by previous parties involved with its mineral properties;
- mineral exploration and development are inherently risky;
- the mineral exploration industry is intensely competitive;
- additional financing may not be available to the Company when required or, if available, the terms of such financing may not be favourable to the Company;
- fluctuations in the demand for copper;
- the Company may not be able to identify, negotiate or finance any future acquisitions successfully, or to integrate such acquisitions with its current business;
- the Company's exploration activities are dependent upon the grant of appropriate licenses, concessions, leases, permits and regulatory consents, which may be withdrawn or not granted;
- the Company's operations could be adversely affected by possible future government legislation, policies and controls or by changes in applicable laws and regulations;
- there is no guarantee that title to the properties in which the Company has a material interest will not be challenged or impugned;
- the Company faces various risks associated with mining exploration that are not insurable or may be the subject of insurance which is not commercially feasible for the Company;
- public health crises such as the COVID-19 pandemic may adversely impact the Company's business;
- the volatility of global capital markets over the past several years has generally made the raising of capital more difficult;
- compliance with environmental regulations can be costly;
- social and environmental activism can negatively impact exploration, development and mining activities;
- risks associated with political instability and changes to the regulations governing the Company's business operations.
- the success of the Company is largely dependent on the performance of its directors and officers;
- the Company and/or its directors and officers may be subject to a variety of legal proceedings, the results of which may have a material adverse effect on the Company's business;
- the Company may be adversely affected if potential conflicts of interests involving its directors and officers are not resolved in favour of the Company;
- the Company's future profitability may depend upon the world market prices of copper;

- if securities or industry analysts do not publish research or publish inaccurate or unfavourable research about the Company's business, the price and trading volume of the Common Shares could decline;
- there is no existing public market for the Common Shares and an active and liquid one may never develop, which could impact the liquidity of the Unit shares;
- the Common Shares may be subject to significant price volatility;
- dilution from future equity financing could negatively impact holders of Common Shares;
- the Company may not use the funds available to it in the manner described in the Prospectus;
- on becoming a reporting issuer, the Company will be subject to costly reporting requirements;
- failure to adequately meet infrastructure requirements could have a material adverse effect on the Company's business;
- the Company's projects now or in the future may be adversely affected by risks outside the control of the Company;
- the Company is subject to various risks associated with climate change; and
- other factors discussed under "Risks and Uncertainties".

Although the Company has attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events, conditions, results, performance or achievements to differ from those anticipated, estimated or intended. See "Risks and Uncertainties" for a discussion of certain factors investors should carefully consider before deciding to invest in the securities of the Company.

The Company cautions that the foregoing lists of important assumptions and factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking statements contained herein. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking statements.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable securities laws.

SCIENTIFIC AND TECHNICAL INFORMATION

Scientific and technical information relating to the Flor de Cobre Project contained in the Prospectus is derived from, and in some instances is a direct extract from, and is based on the assumptions, qualifications and procedures set out in, the Flor de Cobre Technical Report. Derrick Strickland, P.Geo, author of the Flor de Cobre Technical Report, has reviewed and approved the scientific and technical information relating to the Flor de Cobre Project contained in the Prospectus and is a Qualified Person and "independent" of the Company within the meanings of NI 43-101. Reference should be made to the full text of the Flor de Cobre Technical Report, which is available for review under the Company's profile on SEDAR at www.sedar.com.

Scientific and technical information relating to the Elida Project contained in the Prospectus is derived from, and in some instances is a direct extract from, and is based on the assumptions, qualifications and procedures set out in, the Elida Technical Report. Derrick Strickland, P.Geo, author of the Elida Technical Report, has reviewed and approved the scientific and technical information relating to the Elida Project contained in the Prospectus and is a Qualified Person and "independent" of the Company within the meanings of NI 43-101. Reference should be made to the full text of the Elida Technical Report, which is available for review under the Company's profile on SEDAR at www.sedar.com.

Cautionary Note to United States Investors - Canadian Disclosure Standards in Mineral Resources and Mineral Reserves

The terms "mineral reserve", "Proven mineral reserve" and "Probable mineral reserve" are Canadian mining terms as defined in accordance with NI 43-101 under the guidelines set out in the CIM Definition Standards - For Mineral

Resources and Mineral Reserves, adopted by the CIM Council on May 10, 2014, as may be amended from time to time by the CIM.

The definitions of Proven and Probable reserves used in NI 43-101 differ from the definitions in the SEC Industry Guide 7. Under SEC Industry Guide 7 standards, a "final" or "bankable" feasibility study is required to report reserves, the three year history average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority.

In addition, the terms "mineral resource", "Measured mineral resource", "Indicated mineral resource" and "Inferred mineral resource" are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and normally are not permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that all or any part of mineral deposits in these categories will ever be converted into reserves. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred mineral resources may not form the basis of feasibility or prefeasibility studies, except in rare cases.

Accordingly, information contained in this MD&A containing descriptions of E29's mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.