Management's Discussion and Analysis
Three Months Ended March 31, 2024

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

May 30, 2024

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the audited financial statements for the year ended December 31, 2023, and related notes thereto which have been prepared with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. References to "E29", "Element 29", 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") 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") 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 Richard Osmond (P. Geo.), the President and CEO of the Company. Each of Mr. Strickland, Mr. Keech, and Mr. Osmond 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 Cu mineralization at its Flor de Cobre property. At the Elida porphyry copper project, exploration and resource expansion programs are planned on the Cu, Mo, and Ag mineralization delineated in the Zone 1 deposit (see "Elida Copper Project") and also drill testing of the four other porphyry targets located on the project.

The Company also holds two other projects; the Pahuay copper project, and the Paka copper project (referred to previously as the Muñaorjo 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 November 16, 2022, the Company's common shares commenced trading on the Bolsa de Valores de Lima ("BVL" or the "Lima Stock Exchange") under the trading 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 S.A.C., Elida Resources S.A.C., and Pahuay Resources S.A.C., all of which were incorporated under the laws of Peru (the "Subsidiaries").

Element 29 is led by a 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

Corporate

The Company's financial highlights for the three months ended March 31, 2024 included:

- Operating loss was $313,933 compared to an operating loss of $520,313 in the comparative period of 2023;
- Operating cash outflow before working capital was $288,579 compared to an operating cash outflow before working capital of $450,476 in the comparative period of 2023; and
- As at March 31, 2024, cash was $825,377 and the working capital was $809,680.

2024 OUTLOOK

Flor de Cobre

The Company completed a 4,532 m drill program ("Flor de Cobre Drill Program") at Flor de Cobre as announced in May 2022. The primary objective of the drill program was to validate results reported from historical drilling so they could be incorporated into an initial Mineral Resource Estimate at Candelaria. The program was also designed to explore for primary mineralization under the enrichment zone to depths over 500 m and provide materials for metallurgical testing.

Nine historical drill holes were selected for twinning and results of the twin holes completed by Element 29 demonstrated the reliability of the historical drill hole results such that this historical information can be considered sufficiently accurate to be reliable. Mineralization intersected in the Element 29 core holes verifies the mineralization that was intersected in the historical Rio Amarillo and Phelps Dodge drill holes. Thus, historical information can be incorporated into a drill hole database used for a mineral resource estimate that meets the current CIM best practice guidelines.

On March 1st, 2024, the Company announced the termination of the 5-year option agreement between Candelaria Resources S.A.C. and the vendor for the 127.12 ha Candelaria Concessions. The Company has signed a non-binding letter of intent ("LOI") to negotiate the terms for a new option agreement with the vendor.

The Company continues to progress drill permitting at Atravesado with the approval of the environmental permit received in Q4, 2023. The permit, known as a Declaración de Impacto Ambiental ("DIA"), allows the Company to drill from a maximum of 40 drilling platforms. Following approval of the environmental permit, the Company requested approval from the Peruvian General Mining Bureau ("DGM") for the Authorization to Initiate Exploration Activities ("AIEA"), which is a normal course step that triggers Peruvian authorities to evaluate the effect of exploration activities on the local community. The outcome of this evaluation will establish whether there is a need for a prior consultation process ("Consulta Previa"). In parallel, the Company is negotiating a surface rights agreement with the local community. After completing these steps, the Company expects that Peruvian authorities will be able to issue approval of the AIEA.

Elida

The Company completed a seven-hole, 4,481.4 m diamond drill campaign in December 2021 ("Phase 1") to further test Zone 1 within the Elida porphyry cluster. Results of the first two drill holes were reported on October 18, 2021, and a second batch of two drill holes were released on November 15, 2021. The final three diamond drill holes were reported on January 19, 2022. These diamond drill results were used to complete an initial Mineral Resource Estimate at Zone 1 in accordance with CIM Definition Standards for Mineral Resources and Mineral Reserves (2014).

A Phase 2 drill program, designed to test Zone 2 and the unexplored segments of Zone 1, was completed in November 2022 and consisted of 2,043 m in seven diamond drill holes. The results of these seven diamond drill holes were reported on March 6, 2023.

PROJECT DETAILS - PERU

FLOR DE COBRE COPPER PROJECT (PERU)

Flor de Cobre is located 35 km southeast of Arequipa and straddles the border between the Departments of Arequipa and Moquegua, the Provinces of Arequipa and General Sanchez Cerro, and the Districts of Polobaya and La Capilla. The property is accessible along paved and maintained unpaved roads from Arequipa and is situated at a modest elevation of ~2,700 m with excellent infrastructure for mine development (Figure 1 and Figure 2).

Flor de Cobre is comprised of seven mining concessions for a total of 2,000 ha which are 100% owned by the Company's Peruvian subsidiary Candelaria Resources S.A.C. Additionally, the Company had the option to earn a 100% interest in 127.12 ha of contiguous concessions ("Candelaria Concessions") from a Peruvian vendor for a total of 2,127.12 ha (Figure 3). The Company also staked four additional claims in January 2024 for a total of 800 ha which are currently under concession applications.

Flor de Cobre is in the Southern Peru Copper Belt, which is host to numerous porphyry Cu deposits, including the Cerro Verde Cu-Mo mine operated by Freeport-McMoRan; the Cuajone and Toquepala Cu-Mo mines operated by Southern Copper; and the Quellaveco Cu-Mo mine operated by Anglo American (Figure 1). Flor de Cobre is 5 km northwest of the Chapi Mine and 26 km southeast of the Cerro Verde Mine (Figure 2). The Candelaria Concessions contain the Candelaria historic Cu resource first identified in the 1960s and was the site of an historical small-scale Cu mining operation since that time.

On March 1st, 2024, the Company announced the termination of the option agreement for the Candelaria Concessions and the signing of a non-binding LOI to negotiate the terms of a new option agreement with the Peruvian vendor. The original terms of the option agreement provided the Company with the right to earn a 100% interest in the Candelaria Concessions by making option payments to the vendor for the total amount of US$5 million over five years between 2020 and 2024 with an additional US$6 million payment due on completion of a positive feasibility study within the Candelaria Concessions area. Prior to the termination of the option agreement, the Company paid US$2.0 million to the vendor.

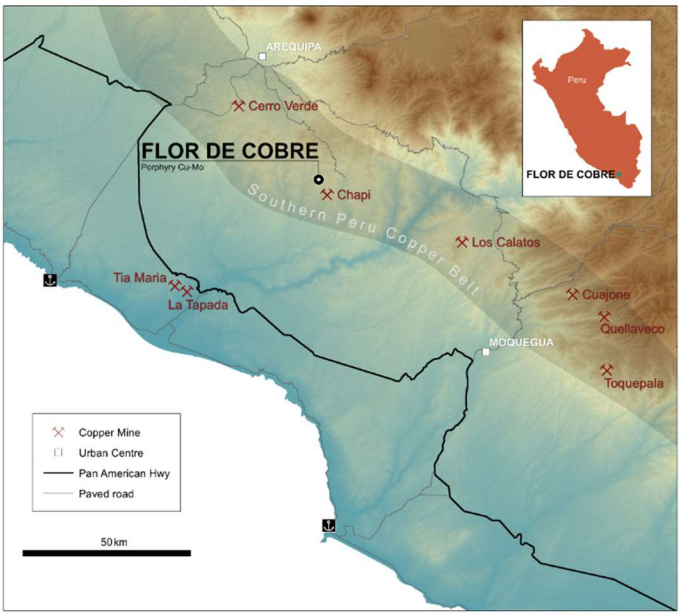

Figure 1. Flor de Cobre Project location. The light grey tone is the approximate position of the Southern Peru Copper Belt, which hosts major mining operations in the region.

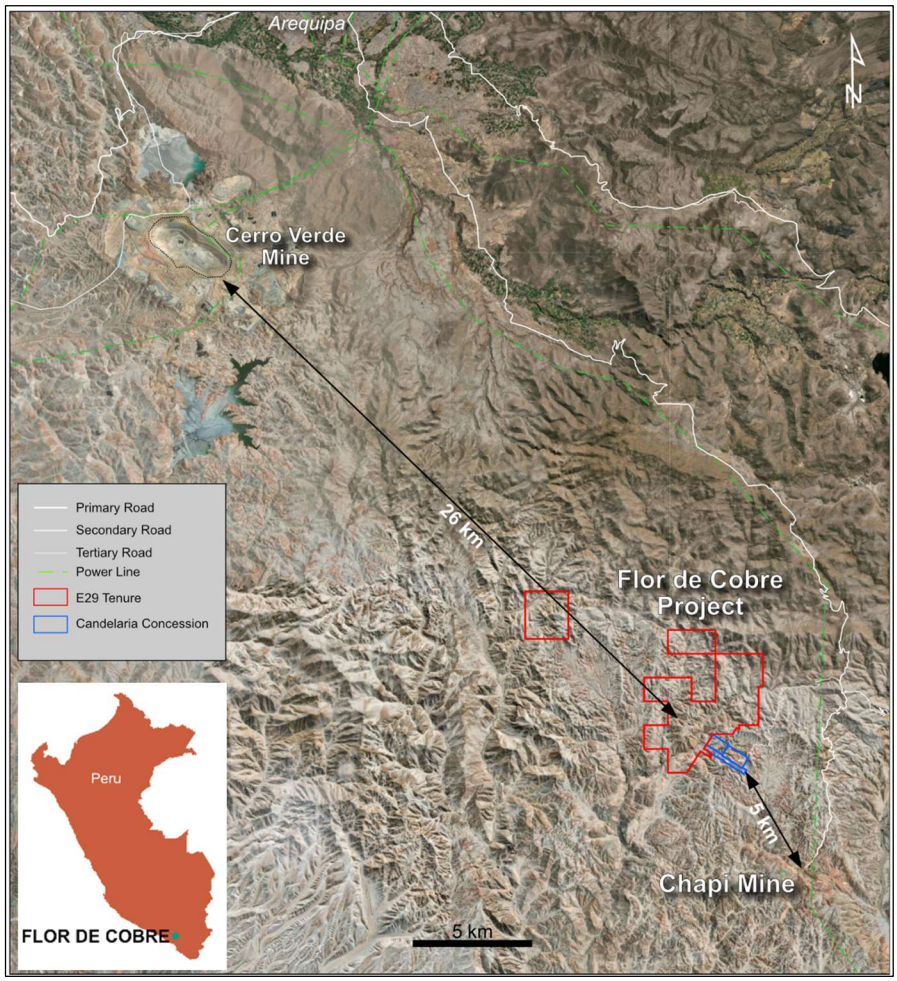

Figure 2. Regional setting and infrastructure.

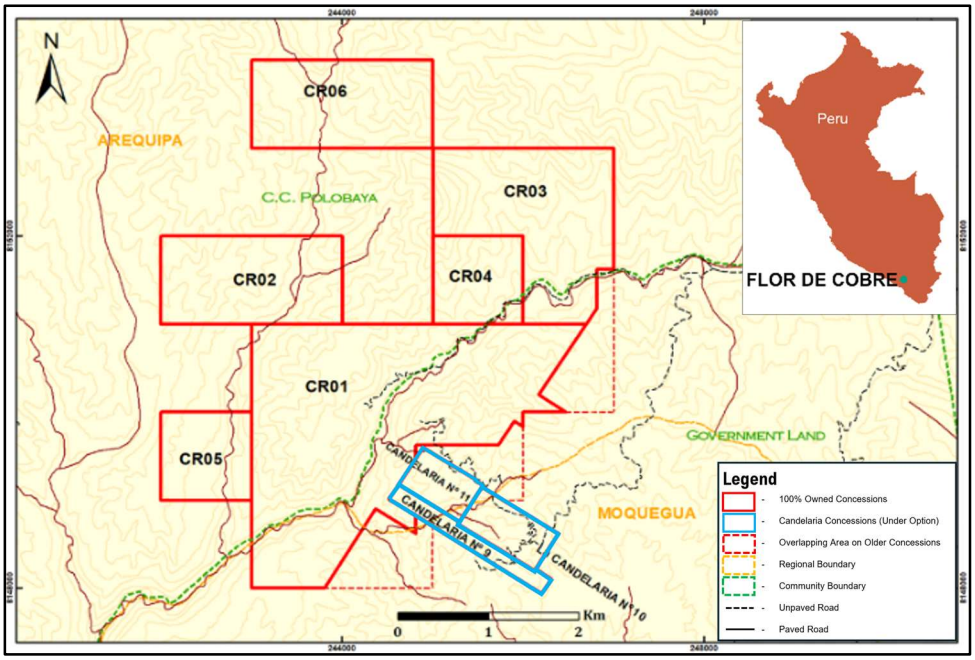

Figure 3. Flor de Cobre property concession map.

Candelaria Historic Copper Resource

Historical drilling by prior operators in the Candelaria area was limited in scope but led to the discovery of an historic resource of 57.4 million tonnes at a grade of 0.67% Cu, using a 0.2% Cu cut-off grade in the near-surface supergene enrichment zone containing secondary Cu oxides and sulphide, the majority of which is on the Candelaria Concessions. The property also covers the Atravesado porphyry Cu target located just 1.5 km northwest of Candelaria (Figure 4).

The source of the historical resource estimate at Candelaria is the report Rio Amarillo Mining Ltd. – Candelaria Porphyry Copper Deposit, Arequipa, Peru, Mineral Reserve Estimate, 1996. This historical estimate is relevant to Flor de Cobre 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 unknown. It is also unclear what portion of this historical resource estimate is within the Candelaria Concessions. 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

Candelaria is interpreted to host a porphyry Cu-Mo system 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 Cu-Mo sulphide 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 Cu oxides and sulphides formed by weathering and redistribution of primary hypogene Cu mineralization into sub-horizontal, tabular bodies located beneath remnants of a leached cap that has been dissected through erosion. Chalcocite is the dominant secondary sulphide mineral, with malachite, chrysocolla, and tenorite as the most abundant Cu oxide minerals.

The Cu mineralization outlined at Candelaria is associated with an intrusive complex of quartz monzonite porphyry stocks 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 Cu predominantly as secondary chalcocite into a supergene enrichment blanket, which forms most of the historical Candelaria Cu resource. The supergene enrichment blanket has approximate dimensions of 850 x 1,000 m, ranges in thickness from 5 m up to 126 m and is located less than 200 m from surface at the base of a hematite leached zone.

Previous exploration by Rio Amarillo during the 1990s focused primarily on the delineation of supergene Cu mineralization at Candelaria with very little interest in exploring for lower grade primary Cu sulphides at depth below the supergene enrichment blanket. Several drill holes extended below the supergene enrichment blanket into the mineralized porphyry stocks. 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 Cu system at depth.

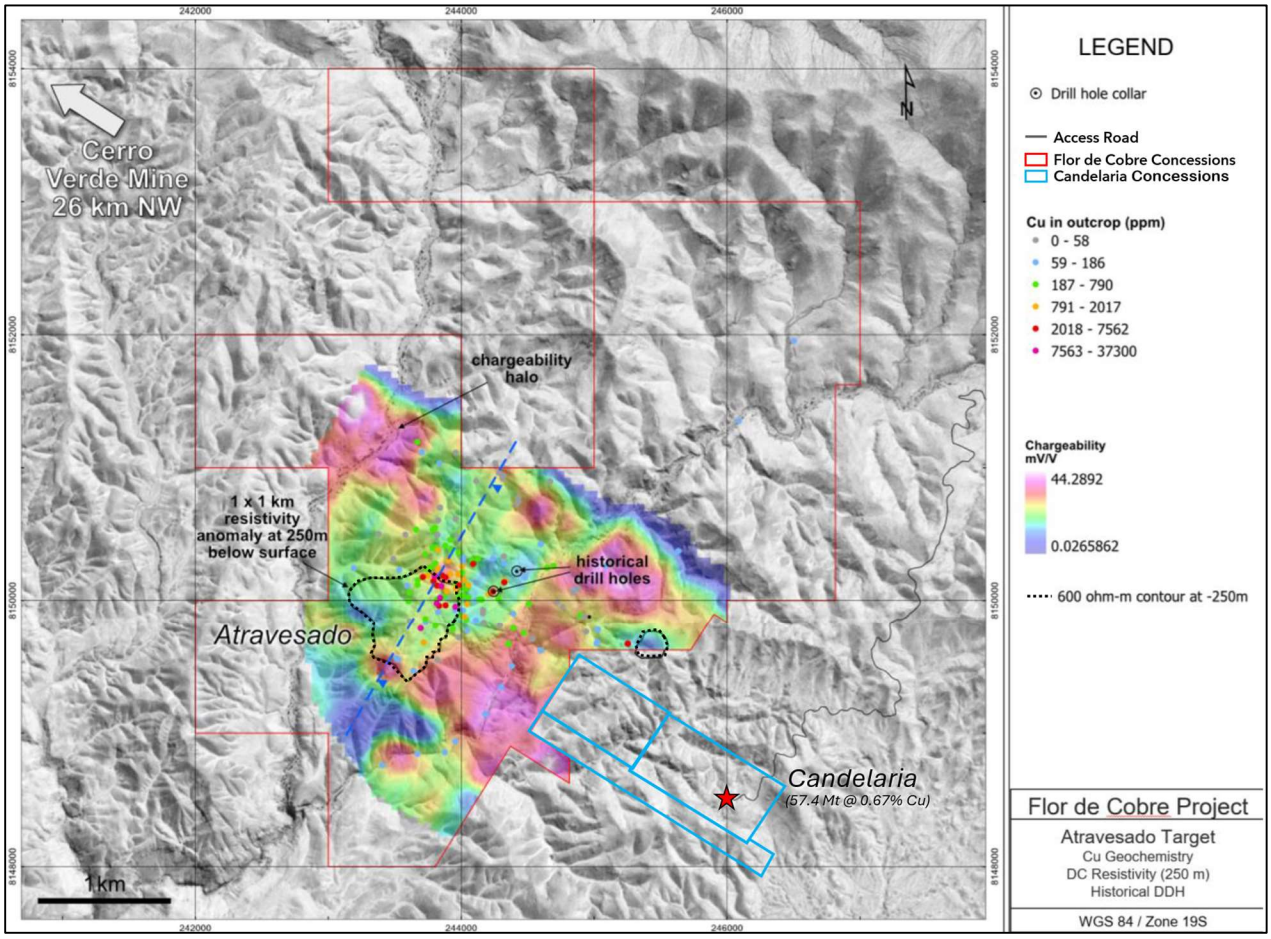

Figure 4. The Flor de Cobre project showing the locations of the Candelaria and Atravesado target areas. The continuous colour overlay shows chargeability response at 250 m depth. The black dashed line delimits moderate resistivity response at the same depth. Anomalous outcrop geochemistry, quartz veinlet development, and minor late porphyry dikes coincide with the moderate resistivity zone.

2022 Flor De Cobre Drill Program Results

The Company completed 4,532 m of diamond drilling in a twelve-hole drill program in July 2022. The results of the twelve-hole drill program are shown in Table 1 and were disclosed in the following press releases:

- Element 29 Releases Final Results from Flor de Cobre Drill Program Including 329.4 metres of 0.56% Cu in Hole FDC011 (See September 7, 2022 press release https://www.e29copper.com/news/element-29-releases-final-results-from-flor-de-cobre-drill-program-including-3294-metres-of-056-cu-in-hole-fdc011).
- Element 29 Completes Validation of Flor De Cobre Historical Drilling and Will Proceed with Mineral Resource Estimation (See July 6, 2022 press release http://www.e29copper.com/news/2022/element-29-completes-validation-of-flor-de-cobre-historical-drilling-and-will-proceed-with-mineral-resource-estimation).
- Element 29 Further Confirms Past Drill Results Used in Historical Copper Resources Estimate at Flor De Cobre (See June 1, 2022 press release http://www.e29copper.com/news/2022/element-29-further-confirms-past-drill-results-used-in-historical-copper-resource-estimate-at-flor-de-cobre).
- Element 29 Drills 439.0 m of 0.77% Copper Including 123.0 M of 1.42% Copper as Enrichment at Flor De Cobre (See April 19, 2022 press release http://www.e29copper.com/news/2022/element-29-drills-3490-m-of-0-77-copper-including-1230-m-of-142-copper-as-enrichment-at-flor-de-cobre).

Table 1. Results from the Flor de Cobre drill program expressed as length-weighted assay intervals.

HoleID	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**	**0.79**
enriched	78.00	201.00	123.00	1.42	0.004	1.8	104	1.44
primary	201.00	427.00	226.00	0.42	0.007	1.7	75	0.45
including	201.00	318.10	117.10	0.58	0.007	2.0	90	0.61
includes	239.00	269.50	30.50	0.65	0.008	2.4	119	0.68
includes	287.50	318.10	30.60	0.73	0.005	3.2	108	0.76
including	318.10	427.00	108.90	0.25	0.006	1.2	60	0.27
FDC002	**70.95**	**449.50**	**378.55**	**0.50**	**0.006**	**1.3**	**24**	**0.53**
enriched	70.95	201.65	130.70	0.90	0.006	1.1	44	0.92
primary	201.65	449.50	247.85	0.30	0.006	1.3	13	0.32
including	201.65	357.90	156.25	0.32	0.004	1.1	10	0.34
including	357.90	449.50	91.60	0.26	0.004	1.7	18	0.28
FDC003	**14.35**	**310.00**	**295.65**	**0.38**	**0.009**	**1.1**	**111**	**0.40**
oxide	14.35	61.30	46.95	0.69	0.005	0.7	16	0.71
enriched	97.20	164.50	67.30	0.46	0.018	0.6	31	0.50
primary	164.50	310.00	145.50	0.30	0.005	1.3	197	0.32
FDC004	**74.40**	**239.00**	**164.60**	**0.43**	**0.006**	**0.7**	**12**	**0.45**
enriched	74.40	111.85	37.45	0.75	0.003	0.8	19	0.76
primary	111.85	239.0	127.15	0.33	0.007	0.7	10	0.35
FDC005	**65.40**	**208.40**	**143.00**	**0.34**	**0.004**	**1.3**	**59**	**0.36**
enriched	65.40	122.80	57.40	0.46	0.004	0.7	19	0.47
primary	122.80	208.40	85.60	0.26	0.004	1.6	86	0.28
FDC006	**92.45**	**160.00**	**67.55**	**0.27**	**0.003**	**0.7**	**45**	**0.28**
enriched	92.45	110.00	17.55	0.47	0.001	0.8	36	0.47
primary	110.00	160.00	50.00	0.20	0.004	1.0	48	0.21
FDC007	**114.50**	**183.00**	**68.50**	**0.45**	**0.008**	**0.7**	**16**	**0.47**
enriched	114.50	134.00	19.50	0.92	0.019	0.7	13	0.97
primary	134.00	183.00	49.00	0.26	0.004	1.0	17	0.27
FDC008	**30.50**	**160.00**	**129.5**	**0.29**	**0.008**	**0.9**	**32**	**0.31**
oxide	30.50	112.00	81.50	0.26	0.009	0.7	7	0.28
enriched	112.00	123.70	11.70	0.73	0.007	0.8	15	0.75

HoleID	From (m)	To (m)	Length[2] (m)	Cu (%)	Mo (%)	Ag (ppm)	As (ppm)	CuEq[1] (%)
primary	123.70	160.00	36.30	0.21	0.006	1.6	93	0.23
FDC009	**62.25**	**108.00**	**45.75**	**0.29**	**0.003**	**0.6**	**19**	**0.30**
enriched	62.25	74.00	11.75	0.54	0.002	0.9	11	0.55
primary	74.00	108.00	34.00	0.21	0.004	0.4	32	0.22
FDC010	**86.55**	**222.00**	**135.45**	**0.40**	**0.008**	**0.7**	**32**	**0.43**
enriched	86.55	151.00	64.45	0.52	0.011	0.6	31	0.55
primary	151.00	222.00	71.00	0.30	0.005	0.8	33	0.32
FDC011	**183.10**	**512.50**	**329.40**	**0.56**	**0.008**	**1.4**	**231**	**0.59**
enriched	183.10	283.20	100.10	0.99	0.005	1.4	111	1.01
primary	283.20	512.50	229.30	0.37	0.010	1.4	283	0.40
including	379.50	479.10	99.60	0.46	0.005	1.5	122	0.48
includes	382.90	405.30	22.40	0.54	0.005	1.7	187	0.56
FDC012	**79.90**	**473.00**	**393.10**	**0.51**	**0.005**	**1.1**	**18**	**0.52**
oxide	6.40	16.40	10.00	0.33	0.005	1.6	21	0.35
enriched	79.90	232.00	152.10	0.82	0.005	0.9	17	0.84
primary	232.00	473.00	241.00	0.31	0.005	1.2	18	0.33

Notes:

1. *The CuEq% grades are for comparative purposes only. Calculations are based on uncut grades for Cu, Mo, and Ag utilizing metal prices of Cu = US$3.75/lb, Mo = US$13.51/lb and Ag = US$21.63/oz. Metal prices are institutional consensus prices compiled in 2023-03-01. Recoveries used for the CuEq equation are Cu = 85.5%, Mo = 55%, and Ag = 65%, which are based on benchmarking from similar deposits. The equation used to calculate equivalent values is CuEq% = Cu% + [Mo% x 2.3175] + [Ag g/t x 0.0064].*
2. *Intervals are downhole drilled core lengths. Drilling data to date is insufficient to determine true width of mineralization. Assay values are uncut.*

All drillholes intersected a sub-horizontal, secondary Cu sulphide enrichment zone dominated by chalcocite with minor covellite and digenite located at the base of strongly leached porphyry and siliciclastic host rocks. Cu oxides represent a minor component of the enrichment zone and where present, are situated above the secondary Cu sulphide enrichment zone. The best mineralization is centred on the porphyry complex at Candelaria, which is characterized by strong potassium silicate alteration (potassic) associated with chalcopyrite mineralization overprinted by quartz-sericite-pyrite (phyllic) alteration.

Drill hole FDC001 was collared in an early phase of the quartz monzodiorite porphyry belonging to Candelaria and intersected 123 m of 1.42% Cu as chalcocite-dominated enrichment at the base of hematitic leached cap from a depth of 78 m. The enrichment zone overlies 226 m 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 relatively 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 mineralized porphyry clasts, a 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.

A similar sequence was intersected by FDC002 (130.7 m of 0.90% Cu and 67.30 m of 0.46% Cu, enriched) and FDC003 (67.30 m of 0.46% Cu, enriched), where secondary enrichment is positioned at the base of strong, hematitic leached cap. Secondary-enriched mineralization in FDC002 directly overlies 247.85 m of

0.30% Cu, 0.006% Mo, and 1.1 g/t Ag of primary sulphide mineralization. Similarly, enriched mineralization in FDC003 is above 145.5 m of 0.30% Cu in primary sulphide mineralization. Primary sulphide mineralization is associated with potassic alteration overprinted by quartz-sericite-pyrite (phyllic) alteration.

Drill hole FDC004 intersected strong, potassic altered, early quartz monzodiorite porphyry through its entire length. Chalcocite-dominated enrichment was encountered at 74.40 m below surface and returned 37.45 m of 0.75% Cu followed by 127.15 m of 0.33% Cu of primary sulphide. Locally elevated Cu grades are present in the broader primary sulphide interval.

The southern edge of the early quartz monzodiorite porphyry was cored by drill hole FDC005, which intersected an enrichment zone of 57.40 m of 0.46% Cu followed by primary sulphides returning 85.60 m of 0.26% Cu. Alternating intervals of early quartz monzodiorite porphyry, later quartz monzodiorite porphyry, hydrothermal breccia, and sedimentary host rocks were intersected.

A total of 1,477 m was allocated to three angled drill holes to test primary Cu sulphide mineralization potential below the supergene enrichment blanket to depths of more than 500 m. Drillhole FDC011, located along the northwest margin of the permitted drilling area intersected 329.4 m of 0.56% Cu from 183.1 m, including 100.1 m of 0.99% Cu of enriched mineralization. Drillhole FDC012 intersected 393.1 m of 0.51% Cu, 0.005% Mo, 1.5 g/t Ag from 79.9 m including 152.1 m of 0.82% Cu of enriched mineralization. These angled drill holes add confidence to the position and geometry of the porphyry complex at Candelaria and the presence of elevated Cu grades within the primary sulphide mineralization. The porphyry complex at Candelaria is untested to the northwest, toward the large Atravesado target area.

Comparison with Historical Data

One of the primary objectives of the drilling program was 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 Cu 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 Mo and Ag were incomplete in the historical database. Multi-element analysis from twinned holes provides an opportunity to investigate a possible economic contribution of these constituents. Comparisons of Element 29 and historical drill hole intervals are showing in Table 2.

Table 2. Summary comparison of intervals from the Element 29 twinned drill holes with historical drill holes. Intervals are length-weighted averages and Cu grades are uncut.

FDC001 (Element 29 twin)				**K-008 (historical)**				
From	To	Length (m)	Cu%	From	To	Length (m)	Cu%	Zone
78.00	350.00	272.00	0.92	78.00	350.00	272.00	0.92	Total
78.00	201.00	123.00	1.42	78.00	204.00	126.00	1.36	Enriched
201.00	350.00	149.00	0.51	204.00	350.00	146.00	0.53	Primary
FDC002 (Element 29 twin)				**CAR-188 (historical)**				
From	To	Length (m)	Cu%	From	To	Length (m)	Cu%	Zone
70.95	255.60	184.65	0.74	66.00	256.00	190.00	0.68	Total
70.95	201.65	130.70	0.90	66.00	188.00	122.00	0.79	Enriched
201.65	255.60	53.95	0.37	188.00	256.00	68.00	0.47	Primary
FDC003 (Element 29 twin)				**CAR-190 (historical)**				
From	To	Length (m)	Cu%	From	To	Length (m)	Cu%	Zone
14.35	230.00	215.65	0.42	12.00	230.00	218.00	0.47	Total
14.35	61.30	46.95	0.69	12.00	54.00	42.00	0.82	Oxide
97.20	164.50	67.30	0.46	88.00	160.00	72.00	0.52	Enriched
164.50	230.00	65.50	0.36	160.00	230.00	70.00	0.36	Primary
FDC004 (Element 29 twin)				**CAR-189 (historical)**				

From	To	Length (m)	Cu%	From	To	Length (m)	Cu%	Zone
74.40	207.00	132.60	0.44	76.00	208.00	132.00	0.39	Total
74.40	111.85	37.45	0.75	76.00	112.00	36.00	0.79	Enriched
111.85	207.00	95.15	0.31	112.00	208.00	96.00	0.24	Primary
FDC005 (Element 29 twin)				**M-008 (historical)**				
From	To	Length (m)	Cu%	From	To	Length (m)	Cu%	Zone
65.40	208.40	143.00	0.34	73.15	208.65	135.50	0.35	Total
65.40	122.80	57.40	0.46	73.15	127.00	53.85	0.48	Enriched
122.80	208.40	85.60	0.26	127.00	208.65	81.65	0.27	Primary
FDC006 (Element 29 twin)				**K-006 (historical)**				
From	To	Length (m)	Cu%	From	To	Length (m)	Cu%	Zone
92.45	230.00	137.55	0.22	94.10	230.56	136.46	0.22	Total
92.45	110.00	17.55	0.47	94.10	111.55	17.45	0.46	Enriched
110.00	230.00	120.00	0.19	111.55	230.56	119.01	0.18	Primary
FDC007 (Element 29 twin)				**K-010 (historical)**				
From	To	Length (m)	Cu%	From	To	Length (m)	Cu%	Zone
114.50	258.00	143.50	0.29	114.75	257.05	142.30	0.24	Total
114.50	134.00	19.50	0.92	114.75	137.15	22.40	0.64	Enriched
134.00	258.00	124.00	0.19	137.15	257.05	119.90	0.17	Primary
FDC008 (Element 29 twin)				**I-008 (historical)**				
From	To	Length (m)	Cu%	From	To	Length (m)	Cu%	Zone
30.50	146.50	116.00	0.30	32.00	146.80	114.80	0.31	Total
30.50	112.00	81.50	0.26	32.00	106.00	74.00	0.24	Oxide
112.00	123.70	11.70	0.73	106.00	124.00	18.00	0.65	Enriched
123.70	146.50	22.80	0.23	124.00	146.80	22.80	0.26	Primary
FCD009 (Element 29 twin)				**CAR-186 (historical)**				
From	To	Length (m)	Cu%	From	To	Length (m)	Cu%	Zone
62.25	212.00	149.75	0.19	66.00	211.00	145.00	0.27	Total
62.25	108.00	45.75	0.29	66.00	118.00	52.00	0.45	Enriched
108.00	212.00	104.00	0.15	118.00	211.00	93.00	0.17	Primary

To assess how well the Element 29 twin drill holes compare with the historical Rio Amarillo Mining core holes and the Phelps Dodge reverse circulation drill holes, CGK Consulting Services Inc. used a series of statistical and graphical summaries. The statistical summaries include the mean, the standard deviation, the linear correlation, the average coefficient of variation, the reduced to major axis linear model, and the two-sample t-test (Table 3). The graphical summaries include drill hole profile plots, scatter plots of sample pairs, cumulative grade times thickness plots, relative difference plots, and down-the-hole correlograms.

In addition to the above statistical and graphical summaries for the twin hole comparisons, CGK Consulting Services Inc. also reviewed the historical re-sampling carried out by Phelps Dodge, an assessment of the reliability of the drill hole collar locations, and an assessment of the quality control and quality assurance results for the Element 29 drill hole sample assays to demonstrate the reliability of this data.

Table 3. Summary of selected statistics for the twin drill hole comparisons. The "Mean" for each historical drill hole and its E29 twin are length-weighted averages of the two sets of Cu assays. "Correlation" is a summary statistic that measures how close the two sets of Cu assay grades fall along a straight line. The "t-statistic" is a two-sample t-test used to determine if the samples belong to the same statistical population. If the t-statistic is between -2 and +2 the samples come from the same population.

Historical Hole	E29 Twin	No. of Pairs	Historical Mean	E29 Mean	Correlation	t-statistic	Comparison Type

K-008	FDC001	117	0.864	0.864	0.845	-0.080	Core-Core
CAR-188	FDC002	100	0.583	0.642	0.592	-0.830	RC-Core
CAR-190	FDC003	111	0.459	0.401	0.195	0.830	RC-Core
CAR-189	FDC004	18	0.257	0.296	0.811	-0.780	RC-Core
M-008	FDC005	118	0.249	0.247	0.663	0.080	Core-Core
K-006	FDC006	141	0.150	0.152	0.640	-0.110	Core-Core
K-010	FDC007	156	0.159	0.178	0.874	-0.730	Core-Core
I-008	FDC008	49	0.284	0.293	0.684	0.200	Core-Core
CAR-186	FDC009	88	0.229	0.169	0.446	1.98	RC-Core

The Company reported result from sequential Cu leach analysis of materials obtained from the twelve-hole diamond drilling program completed in July 2022 (See February 22, 2023 press release https://www.e29copper.com/news/2023/element-29-reports-positive-sequential-copper-leach-results-from-the-flor-de-cobre-project). Preliminary results indicate positive Cu leach extraction characteristics from the chalcocite-dominated enrichment zone associated with the porphyry complex at Candelaria.

The sequential leach analysis was undertaken on 1,233 m of drill core (674 samples) representing a sample set of the secondary Cu enrichment intervals from the 12 drill holes completed by the Company. Sequential leach analysis is an established geochemical technique used to examine the solubility of Cu minerals in a series of different solutions to indicate proportions of soluble oxide minerals, soluble secondary sulphide minerals, and primary Cu minerals. Results can be used to identify mineral zones for metallurgical sampling and testing, indicate types of technologies and reagents to use, contribute to evaluation of process route options, and eventually inform geometallurgical modelling, and a prediction of recoveries as the company advances toward a potential development path.

The sequential leach analysis indicates the main enrichment zone at Candelaria is dominated by soluble secondary sulphide with a minor Cu oxide component, which is consistent with visual observations of chalcocite, covellite, digenite, malachite, and chrysocolla in drill core. The ternary diagram (Figure 5) displays the sequential Cu assays and estimates the proportions of leachable oxide, leachable sulphide, and primary sulphide Cu minerals. Minor amounts of refractory minerals are present in oxide zones perched above the main enrichment zone. Chalcopyrite is the dominant primary Cu mineral observed in mineralization beneath the enrichment zone.

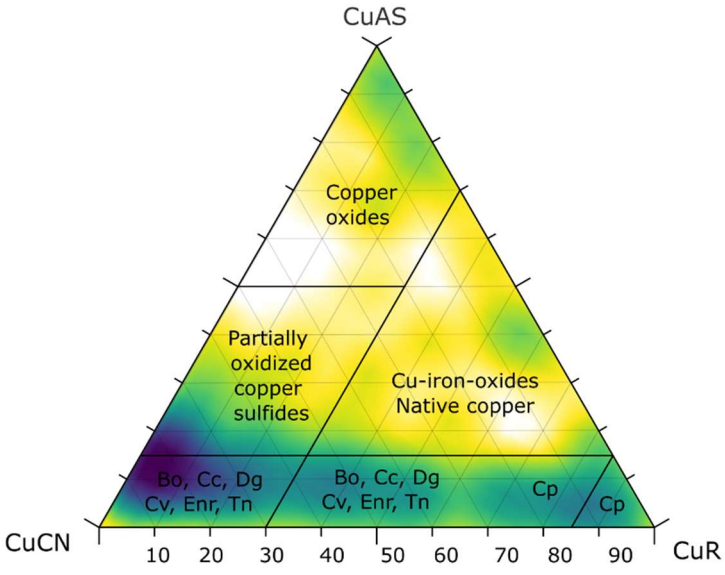

Figure 5. Ternary diagram used to display results (674 samples) from sequential leach analysis for data from Flor de Cobre. The proportions of Cu reported in sulphuric acid, sodium cyanide, and four-acid solutions are plotted where the triangle vertices represent a 100% proportion for each solution. The plot shows most of the Cu is leached by the cyanide solution (CuCN), indicating the dominant minerals are a soluble Cu sulphide mineral such as chalcocite. Samples plotting towards the sulphuric acid vertex (CuAS) contain Cu oxide minerals and samples plotting toward the four-acid vertex (CuR) indicate presence of chalcopyrite. Results are consistent with visual mineral observations. Dark colours (blue) on the diagram indicate a high density of samples, lighter colours (yellow) indicate a low density of samples.

Results successfully confirmed the position of the enrichment zone as recognized from visual observations of mineralogy in each drill hole (Figure 6 and Figure 7). The contact between enrichment mineralization and the overlying leached zone is relatively abrupt and marked by the appearance of chalcocite. The lower enrichment contact is transitional over 10-50 m into the underlying primary, chalcopyrite-dominant zone.

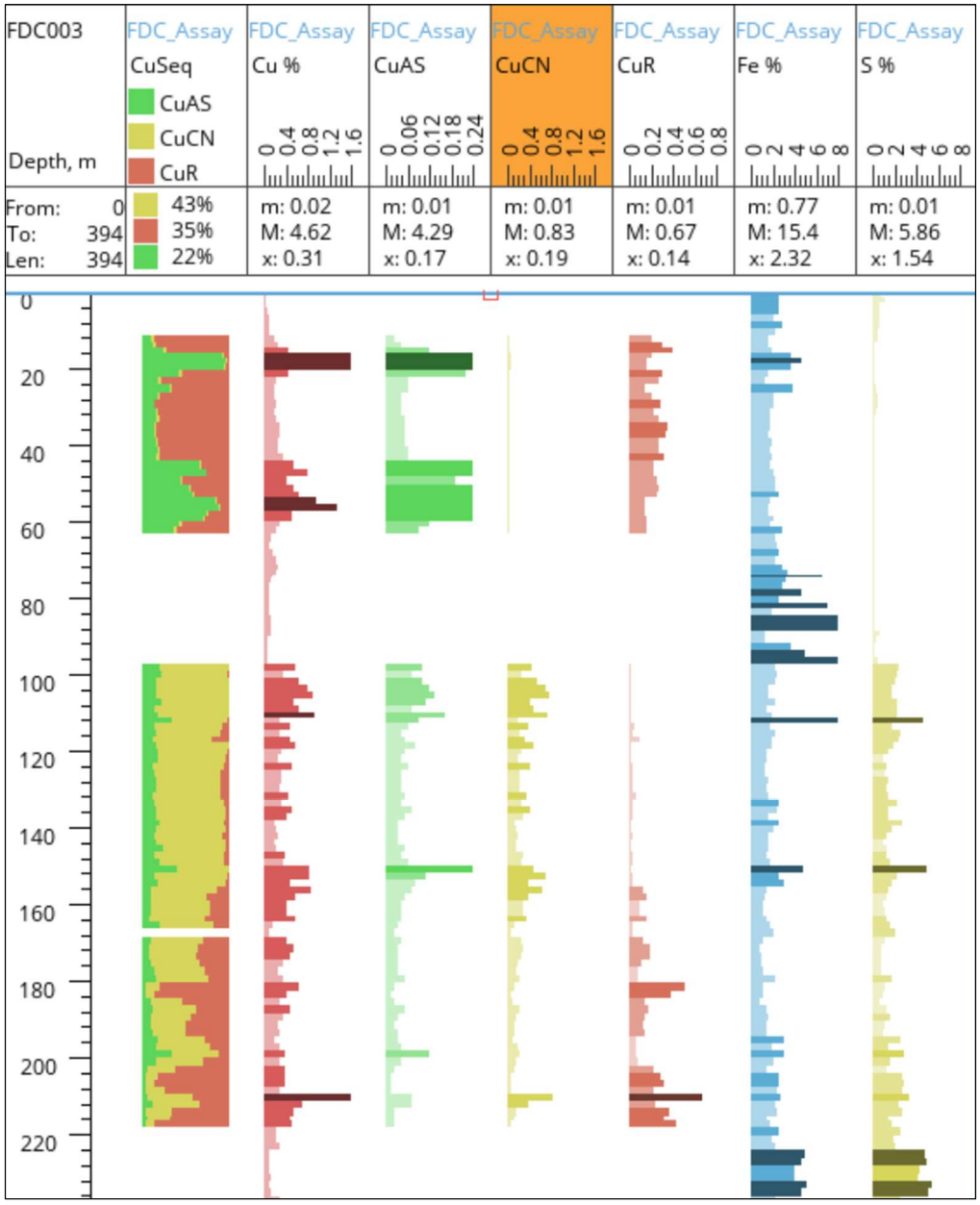

Figure 6. Profile of drill hole FDC003 showing Cu grade with the proportions of Cu given by sequential leach analysis. This hole intersected Cu oxide mineralization from 14.35 to 61.30 m. The main Cu enrichment zone is from 97.20 to 164.50 m. The abrupt upper contact of the enrichment zone is visible in the Cu% column. A transitional zone containing chalcocite and chalcopyrite persists to

approximately 215 m. The remainder of the hole intersected primary sulphide (chalcopyrite) mineralization. The profile shows the portion of the hole where sequential analysis was completed. FDC003 was drilled to a depth of 394 m.

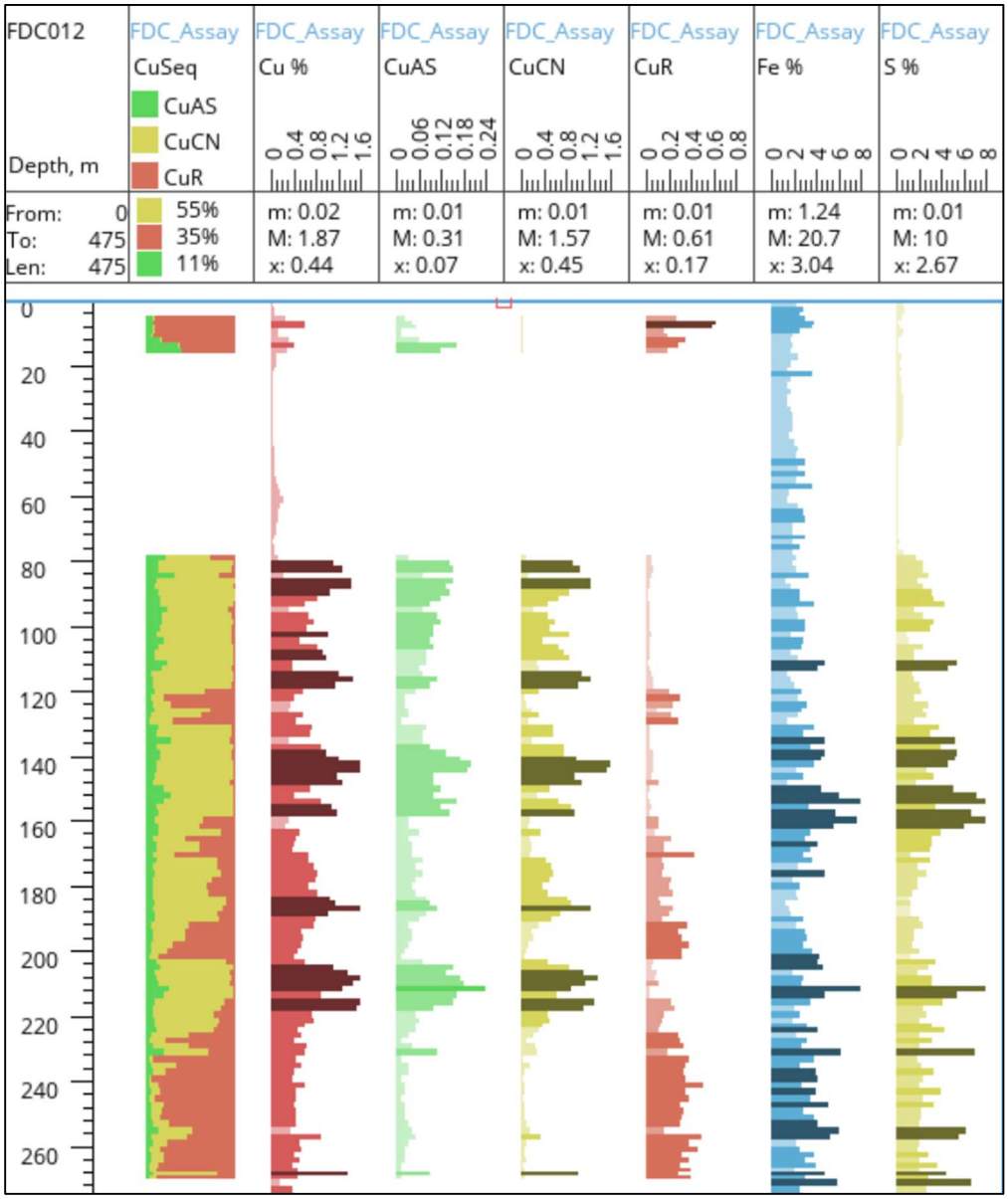

Figure 7. Profile of drill hole FDC012 showing Cu grade with the proportions of Cu given by sequential leach analysis. The abrupt contact of the enrichment zone at 79.9m is visible in the Cu% column. The enrichment zone (79.9 – 180.0 m) is dominated by CuCN, which measures soluble Cu sulphide minerals such as chalcocite. A transitional zone containing mixtures of chalcocite and chalcopyrite extends to 232.0m. The remainder of the hole intersected primary sulphide (chalcopyrite) mineralization. The profile shows the portion of the hole where sequential leach analysis was undertaken. FDC012 was drilled to a depth of 475 m.

Atravesado Target Development

Atravesado is a large porphyry Cu target found on the Company's 100% owned Flor de Cobre concessions. Outcrop samples anomalous in Cu and Mo, resistivity and chargeability anomalies, and corresponding geological indicators define the target within an area of approximately 1.5 km x 2.0 km (Figure 4).

A field mapping program was undertaken in September 2023 where information on rock types, hydrothermal alteration, mineralization, and vein densities were collected. Quartz veinlets associated with potassic alteration were recognized overprinted by later iron hydroxide after pyrite veinlets from the leaching of phyllic alteration. Higher quartz veinlet densities correlate with more abundant Cu oxide mineralization and anomalous outcrop Cu geochemistry interpreted as the leached capping zone formed on top of phyllic

overprinting potassic altered sediments associated with a deeper early-mineral porphyry intrusion. Late-mineral porphyry dikes are also mapped within the target area.

Geological mapping confirmed the three historical drill hole platforms installed by Anglo American in 2007 are located where quartz veinlet densities are relatively low suggesting these holes were drilled outside of the main Atravesado porphyry Cu target area. More mapping is required to delimit the target area more accurately, especially to the northwest.

ELIDA COPPER PROJECT (PERU)

The Elida Project is in the province of Ocros, in the district of Carhuapampa, Department of Ancash which is 170 km northwest of Lima and roughly 85 km 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 8).

The property is made up of 28 mining concessions, totalling 19,800 ha, as shown in Figure 7. These concessions are currently registered in the name of Elida Resources SAC (Figure 9). There is currently one mineral concession internal to the Elida property and that concession is not owned by Element 29.

Figure 8. The location of the Elida property approximately 200km north of Lima at an elevation of approximately 1600m.

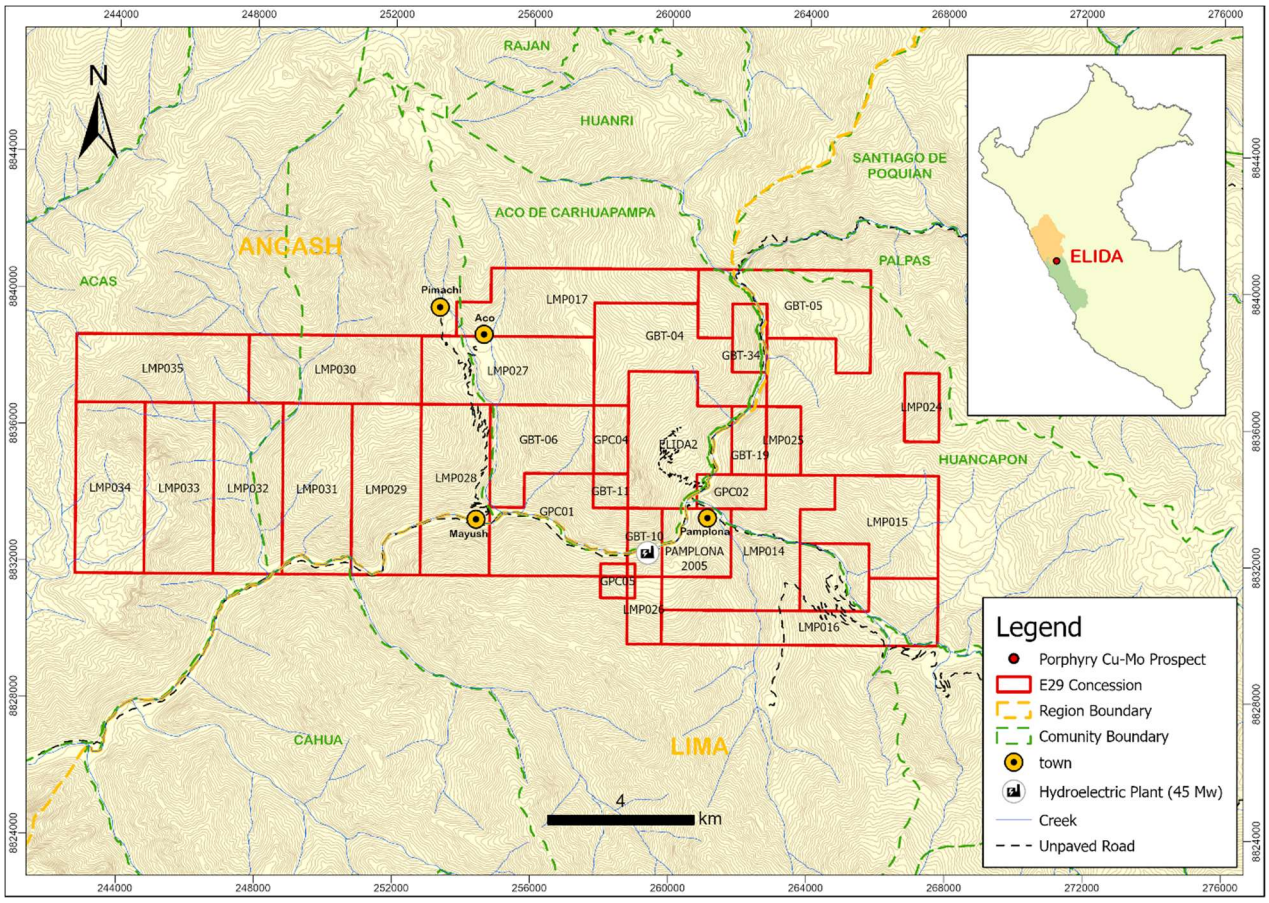

Figure 9. Elida property concession map.

The property was originally staked by GlobeTrotters Resource Group Inc. ("GlobeTrotters") over a large, remote-sensing anomaly situated in an emerging porphyry belt in central Peru. Ground follow-up of this anomaly by GlobeTrotters eventually led to the discovery of an untested porphyry Cu-Mo centre that is part of a porphyry cluster enclosed by a 2.5 x 2.5 km 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 from GlobeTrotters 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/resistivity ("IP"), and culminating in drilling 18 diamond drill holes ("DDH") (Figure 10).

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 km and 12 IP lines using a pole-dipole configuration, at 100 m spacing along NW-SE oriented survey lines were conducted from January to March, 2014. Thirty additional lines of ground magnetic surveying, at 100 m spacing with NE-SW oriented lines totalling 76.26 km was carried out in July 2014.

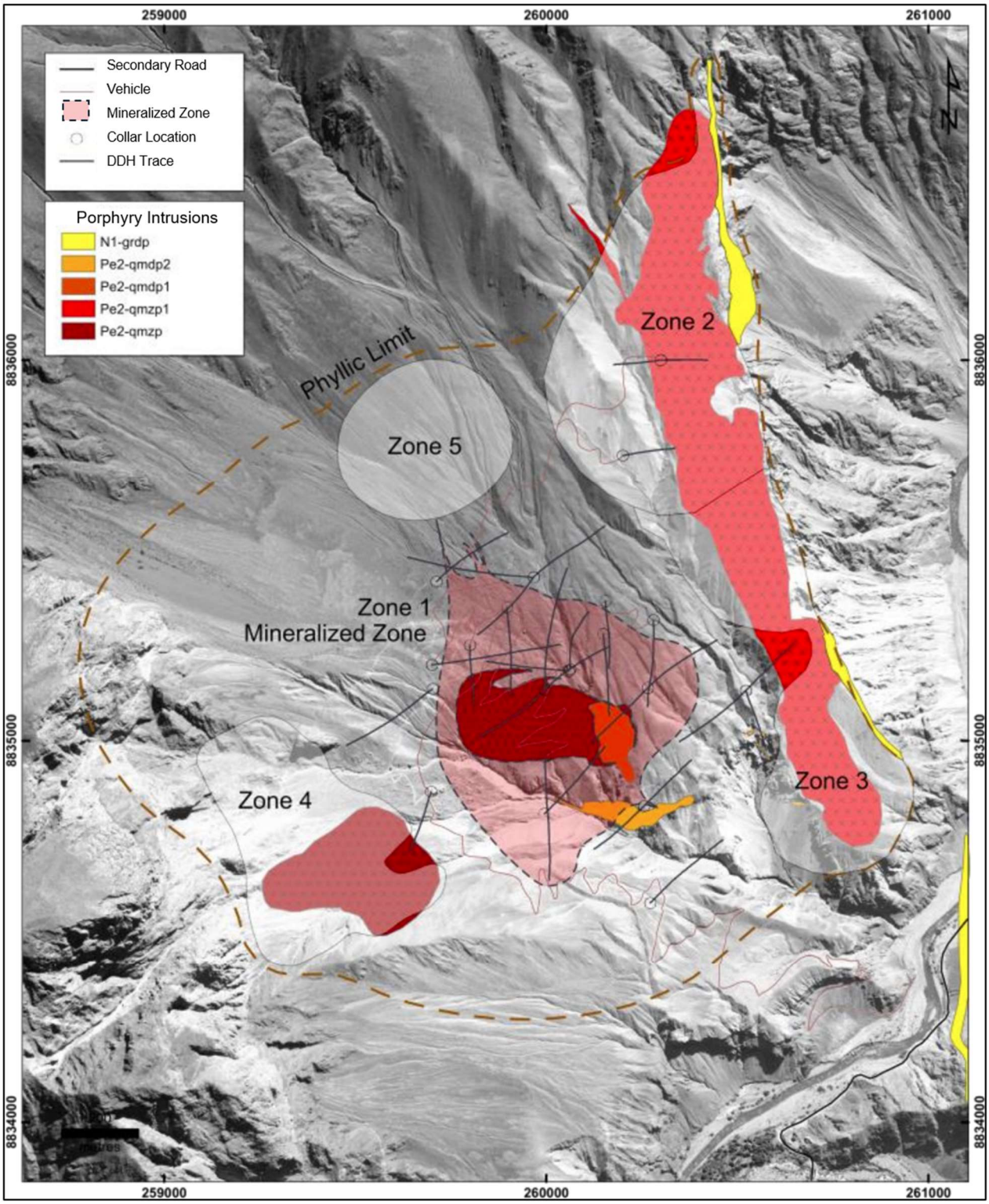

Figure 10. Five exploration targets representing individual porphyry centres are recognized at Elida. The targets are within a 2.5 x 2.5 km area of phyllic alteration.

A total of 9,880 m of diamond drilling in 18 drill holes was completed by Lundin in 2015. All holes intercepted Cu-Mo mineralization and six of the holes intercepted significant Cu-Mo mineralization. Diamond drill hole ELID012 intersected an interval of 502.9 m of 0.42% Cu, 0.046% Mo, 3.2 g/t Ag including 181.8 m of 0.55%

Cu, 0.046% Mo, 4.5 g/t Ag (Table 4). Some mineralized intercepts begin immediately below colluvial cover, demonstrating the mineralized system begins in bedrock beneath the post-mineral unconsolidated cover sequence.

Table 4. Elida 2014-15 summary of historical drilling results.

HoleID[3]	From	To	Length	Cu	Mo	Ag	CuEq[1]
ELID001	69.00	73.00	4.0	0.30	0.019	4.5	0.37
ELID002	46.00	613.90	567.90	0.28	0.048	2.5	0.41
including	46.00	320.00	274.00	0.34	0.044	3.7	0.46
ELID003	162.40	166.40	4.00	0.49	0.005	7.5	0.55
ELID004	32.00	411.00	379.00	0.28	0.021	2.0	0.34
including	161.1	240.00	79.00	0.40	0.020	2.7	0.46
ELID005	58.00	547.80	489.8	0.25	0.024	2.0	0.32
including	319.00	501.60	182.60	0.32	0.019	2.7	0.38
including	339.00	375.00	36.00	0.38	0.026	3.2	0.46
ELID006	137.00	141.00	4.00	0.31	0.018	2.6	0.36
ELID007	205.00	220.50	15.50	0.34	0.019	2.9	0.40
ELID008	44.00	67.00	23.00	0.25	0.005	2.8	0.28
ELID009	19.00	40.00	21.00	0.45	0.023	2.7	0.52
and	501.60	547.80	46.20	0.18	0.025	1.3	0.20
ELID010	446.60	54.25	9.65	0.61	0.066	1.2	0.77
and	85.00	101.00	16.00	0.25	0.015	1.1	0.29
ELID011	20.25	576.55	556.30	0.15	0.025	1.1	0.22
ELID012	55.1	558.0	502.90	0.42	0.046	3.2	0.55
including	131.20	313.00	181.80	0.55	0.046	4.5	0.69
including	333.00	394.70	61.70	0.50	0.054	3.5	0.65
including	500.00	558.00	58.00	0.38	0.033	2.3	0.47
ELID013	346.00	356.00	10	0.35	0.009	2.1	0.38
ELID014	78.00	485.00	407.00	0.36	0.048	3.1	0.49
including	78.00	161.80	83.80	0.46	0.031	4.3	0.56
including	231.00	359.35	128.35	0.46	0.063	3.7	0.63
including	448.00	485.00	37.00	0.39	0.023	4.3	0.47
ELID015	106.00	639.20	533.20	0.33	0.042	3.6	0.45
including	229.70	315.00	85.30	0.46	0.039	5.5	0.58
and including	229.70	292.50	62.80	0.52	0.038	6.5	0.65
including	394.00	428.00	34.00	0.42	0.045	3.6	0.55
ELID016	65.55	214.00	148.45	0.22	0.010	3.7	0.27
ELID017	225.00	333.70	78.70	0.38	0.011	6.3	0.44
and	447.00	487.60	40.60	0.27	0.005	5.9	0.32
ELID018	372.50	398.50	26.45	0.31	0.007	7.4	0.37
and	492.15	557.20	65.05	0.23	0.005	3.8	0.27

Notes (Continued):

3. *Drilling and sampling were carried out by Lundin Mining Peru SAC (2014-2015). ALS-Global Laboratories in Lima, Peru, analysed the half-core for 31 elements by ME-ICP61, which uses a four-acid digestion with ICP-AES analysis and gold fire assay with an AA finish (Au-AA23). The over limits underwent ME-OG62 for ore grade elements using a four-acid digestion. Reported widths are drill core lengths; true widths are unknown at this time. Assay values are uncut.*

Core from the first 18-drill hole program, totaling 9,880 m, 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 4 (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 near Lima.

The Elida porphyry complex is a Cu-Mo-Ag mineralized multiphase porphyry system approximately 2.5 x 2.5 km 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 Cu-Mo-Ag mineralized porphyry system centred on an early quartz-feldspar porphyry stock. This stock has an elliptical shape in plan with dimensions approximately 300 x 500 m and is elongated east-west. Porphyry mineralization displays a clear zonation from a central, high temperature core containing Mo and minor Cu outward to a concentric Cu-Mo zone that contains the better drill hole intersections. The Ag content is relatively common yet minor in content throughout the mineralization. The Zn grades are 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 cap is locally abundant. Both exotic and indigenous Cu oxide minerals are present.

Lundin terminated the option with GlobeTrotters in 2016. The project was later acquired by the Company in February 2019 through a share purchase agreement with GlobeTrotters to acquire 100% of the shares in Peruvian subsidiary Elida Resources S.A.C.

Drill Programs

The Company announced on August 4, 2021, the commencement of its Phase 1 drilling program for 4,481.4 m to test mineralization at Zone 1. The drilling program was completed on December 14, 2021. The drilling program had the following objectives:

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

The 2021 exploration program at Elida consisted of drilling in and around the known Cu mineralization at Zone 1 (Figure 10) to reduce drill spacing in order to complete an initial Mineral Resource Estimate in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) Standards on Mineral Resources and Mineral Reserves, as adopted and amended by the CIM Council.

The Company announced on October 13, 2022, the commencement of its Phase 2 drill program for 2,043 m to test mineralization at Zone 1 and Zone 2 (

). The objectives of the Phase 2 drill program were to:

- Test for extensions of identified higher-grade mineralization internal to the Zone 1 deposit, specifically where a near surface, higher-grade subset of the Mineral Resource consisting of 34.1 million inferred tonnes at 0.55% Cu, 0.037% Mo, and 4.4 g/t Ag (at a cut-off grade of 0.45% Cu) was highlighted and has potential to be mined with minimal stripping in the initial years of mining; and
- Undertake an initial test of Zone 2 where veined and leached porphyry is exposed.

Drill Program Results

The Company completed 4,481.4 m of diamond drilling in a seven-hole Phase 1 drill program in December 2021. The results were disclosed in the following press releases:

- Element 29 Reports Final Three Holes from the Elida Phase I Drilling and Reports 908.75 metres of 0.55% CuEq (See January 19, 2022 press release https://www.e29copper.com/news/2022/element-29-reports-final-three-holes-from-the-elida-phase-1-drilling-and-reports-90875-metres-of-055--cueq)
- Element 29 Drills 418.0 metres of 0.51% CuEq at the Elida Copper Project (See November 15, 2021 press release http://www.e29copper.com/news/2021/element-29-drills-4180--of-051-cueq-at-the-elida-copper-project)

- Element 29 Drills 383.75 metres of .71% CuEq at the Elida Copper Project (See October 18, 2021 press release http://www.e29copper.com/news/2021/element-29-drills-38375-metres-of-71-cueq--at-the-elida-copper-project)

The Company completed 2,043 m of diamond drilling in a seven-hole Phase 2 drill program in November 2022. The results were disclosed in the following press releases:

- Element 29 Commences Phase 2 Drill Program at the Elida Copper Deposit in Peru (see October 13, 2022 press release https://www.e29copper.com/news/2022/element-29-commences-phase-2-drill-program-at-the-elida-copper-deposit-in-peru)
- Element 29 Announces Results from the Elida Phase 2 Drill Program including 404.5 metres of 0.60% CuEq (see March 6, 2023 press release https://www.e29copper.com/news/2023/element-29-announces-results-from-elida-phase-2-drill-program-including-4045-metres-of-060-cueq1)

Results of drilling are summarized in

Table 5 and collar locations are shown Table 6.

Table 5. Results from the Elida drilling program expressed as length-weighted assay intervals.

HoleID	From (m)	To (m)	Length[4] (m)	Cu (%)	Mo (%)	Ag (ppm)	As (ppm)	CuEq[1] (%)
ELID019	43.15	426.9	383.75	0.54	0.035	4.2	47	0.65
includes	43.15	358.0	314.85	0.60	0.033	4.7	32	0.71
ELID020	143.00	451.00	308.00	0.43	0.028	3.9	15	0.52
includes	249.00	353.00	104.00	0.54	0.031	4.6	12	0.64
includes	384.20	451.00	66.80	0.62	0.041	5.2	17	0.74
ELID021	207.9	764.0	556.1	0.36	0.024	2.4	101	0.43
includes	244.0	662.0	418.0	0.40	0.025	2.6	91	0.47
ELID022	145.0	533.0	388.0	0.34	0.026	2.4	80	0.41
includes	201.0	405.0	204.0	0.38	0.026	2.7	70	0.46
and includes	201.0	229.0	28.0	0.62	0.022	4.2	66	0.70
and includes	283.0	405.0	122.0	0.39	0.032	2.8	79	0.48
includes	425.0	451.0	26	0.43	0.024	3.2	79	0.51
ELID023	87.0	610.5	523.5	0.24	0.024	2.9	39	0.31
includes	87.0	178.1	91.1	0.41	0.032	4.1	91	0.51
includes	425.0	610.5	185.5	0.30	0.017	4.6	19	0.37
ELID024	198.45	650.2	451.75	0.38	0.034	3.1	19	0.48
includes	198.45	467.5	269.05	0.31	0.026	2.8	9	0.39
includes	467.5	650.2	182.7	0.47	0.047	3.9	34	0.60
and includes	467.5	540.0	72.5	0.59	0.048	4.5	9	0.74
ELID025	38.45	947.2	908.75	0.39	0.035	2.9	42	0.49
includes	38.45	378.0	339.55	0.50	0.036	4.3	36	0.61
includes	442.0	821.2	379.2	0.30	0.033	1.9	47	0.38
includes	821.2	861.0	39.8	0.58	0.027	3.6	50	0.66
includes	861.0	947.2	86.2	0.34	0.039	2.0	67	0.44

ELID026	29.10	117.70	886.6	0.009	0.000	2.6	349	0.03
ELID027	22.90	272.60	249.70	0.013	0.000	2.3	170	0.03
ELID028	144.25	250.60	106.35	0.012	0.001	3.9	355	0.04
ELID029	3.40	250.90	247.50	0.034	0.001	2.3	128	0.05
ELID030	144.25	300.30	156.05	0.13	0.033	1.1	14	0.22
ELID031	34.10	401.00	366.9	0.27	0.027	2.2	22	0.35
includes	34.10	70.30	36.20	0.14	0.025	2.7	49	0.22
includes	70.30	189.36	119.05	0.38	0.025	2.5	24	0.46
includes	189.35	389.3	199.95	0.23	0.028	1.9	17	0.31
includes	389.30	401.00	11.7	0.17	0.015	1.3	6	0.21
ELID032	45.50	450.00	404.50	0.45	0.032	3.6	23	0.55
includes	45.50	93.50	48.00	0.38	0.029	3.3	14	0.47
includes	93.50	216.50	123.00	0.52	0.036	4.0	10	0.63
includes	216.50	271.00	54.50	0.36	0.029	2.8	9	0.44
includes	271.00	361.00	90.60	0.50	0.034	3.9	56	0.61
includes	361.6	450.00	88.40	0.41	0.029	3.4	22	0.49
and includes	436.6	450.00	13.40	0.75	0.032	7.2	26	0.87

Notes (continued)

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

Table 6. 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
ELID026	260300	8836000	1948	117.7	090	-65
ELID027	260300	8836000	1948	272.6	263	-65
ELID028	260300	8836000	1948	250.6	090	-60
ELID029	260200	8835750	1835	250.9	080	-60
ELID030	259800	8835250	1777.5	300.3	180	-60
ELID031	260150	8835280	1709.5	401.0	180	-60
ELID032	260059	8835182	1686	450.0	277	-65

Phase 1 Drilling

ELID019 returned a continuous interval of strong mineralization (383.75 m at 0.54 % Cu, 0.035 % Mo, 4.2 g/t Ag for 0.65 % CuEq[1]) down to a depth of 426.9 m, where the central, weakly-mineralized quartz monzonite porphyry stock ("QMP") was encountered. 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 Cu and Mo with chalcopyrite as the dominant Cu bearing mineral. The mineralized interval contains low concentrations of deleterious elements including Arsenic ("As") which is reported at less than 50 ppm. Also, drilling data to date shows Cu and As do not correlate, suggesting As is not associated with the Cu sulphide minerals. This is significant, as high As concentrations, typically resulting from late-stage epithermal overprinting, can be detrimental to the economics of a porphyry Cu deposit. Such epithermal events are not observed at Elida.

ELID020 was collared within the mineralized zone at Zone 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. 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 like other holes that intersected Zone 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 Cu mineralization is associated with strong Mo grades in the order of 0.030% Mo and contains low concentrations of As (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 0.43% CuEq[1]) 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., 416.0 m at 0.40% Cu, 0.025% Mo, 2.6 g/t Ag for 0.47% CuEq[1]).

ELID022 was collared a short distance north (outside) of the mineralized zone 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 Zone 1, where mineralization is interpreted to wrap around the eastern edge of the 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 0.41% CuEq[1]) included an interval of 204 m of 0.38% Cu, 0.026% Mo, and 2.71 g/t Ag (for 0.46% CuEq[1]) 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 0.70% CuEq[1]). As with previous drill holes, the Cu-Mo mineralization is associated with potassic alteration of sedimentary host rocks and combinations of quartz and sulphide veining.

ELID021 and ELID022 test a 300 m strike length on the eastern segment of Zone 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 Zone 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. The hole intersected a well mineralized interval of 0.41%Cu, 0.024% Mo, and 4.1 g/t Ag (0.51% CuEq[1]) over 91.1 m adjacent to the QMP followed by a longer interval of mineralization disrupted and diluted by numerous weakly mineralized QMP dikes. 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 (0.37% CuEq[1]). 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. 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 (0.48% 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 (0.60% 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 (0.74% CuEq[1]), which indicates coherent, higher-grade zones are an important component of the broader Zone 1 mineralized zone. 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 0.49% CuEq[1]. 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 QMP. The hole ended in mineralization and was discontinued for operational reasons. Chalcopyrite remained the Cu-bearing sulphide mineral for the entire length of the drill hole and indicates a vertically protracted mineral system. Notably, 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 Zone 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 Zone 1. Information returned from the Phase 1 program was used to revise the interpretation of mineralization boundaries shown in Figure 11**.** 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.

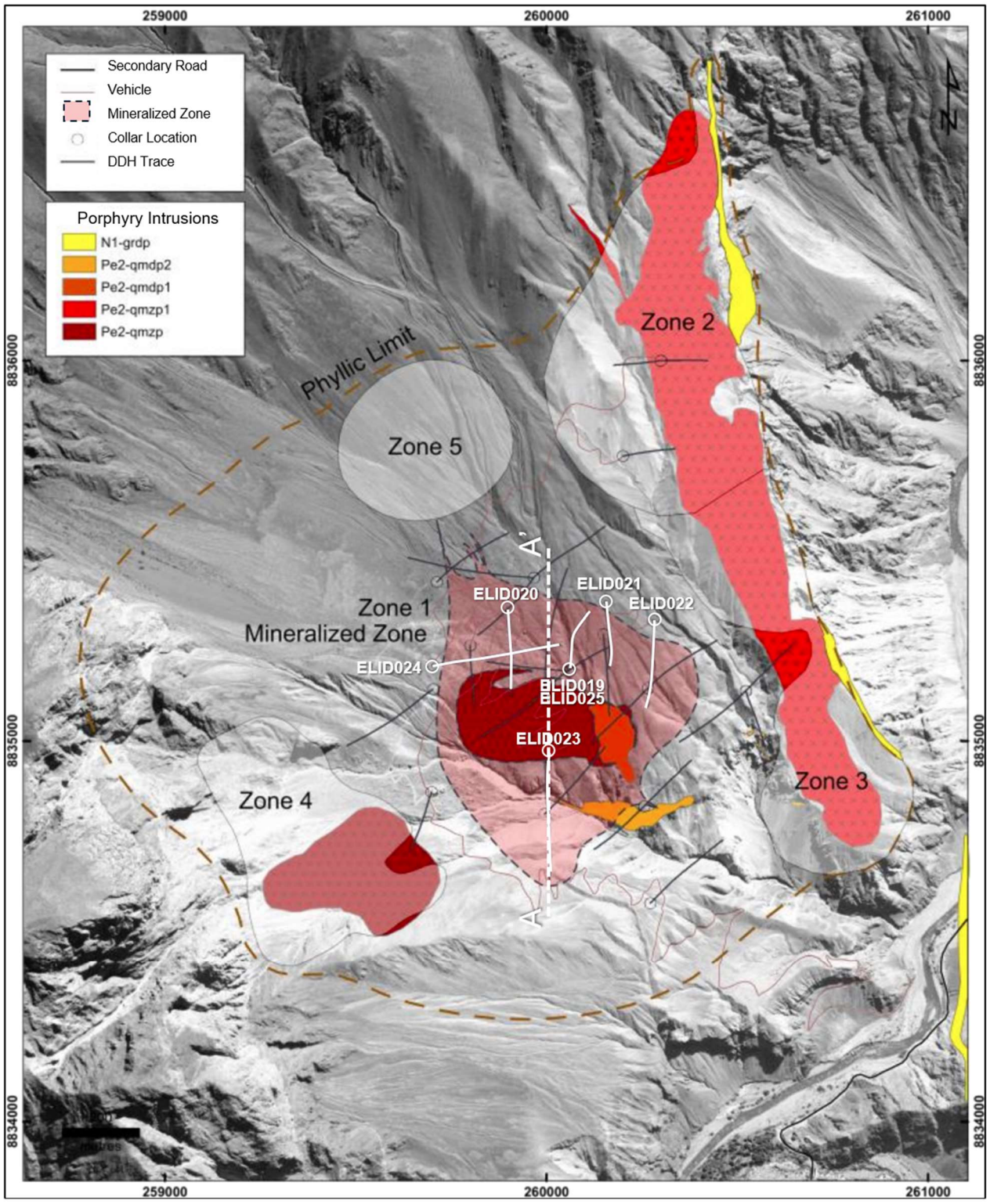

Figure 11: Plan view showing the locations of Phase 1 drill holes (white) completed in Q4-2021. Refer to Figure 13 for Section A-A'.

Phase 2 Drilling

Highlights from the Phase 2 drilling program consisting of 2,043 m of drilling in 7 holes (

) were:

Drill hole ELID032 intersected 404.5 m of 0.45% Cu, 0.032% Mo, and 3.6 g/t Ag for 0.55% CuEq[1] (see footnote 1 in

- Table 5), including 123.0 m of 0.52% Cu, 0.036% Mo and 4.0 g/t Ag for 0.63% CuEq[1] starting from the bedrock surface at 45.5 m depth.

- Drill hole ELID031 returned a longer than expected intersection of 366.9 m of 0.27% Cu, 0.027% Mo, and 2.2 g/t Ag for 0.35% CuEq[1], including a 119.1 m interval of 0.38% Cu, 0.025% Mo, and 2.5 g/t Ag for 0.46% CuEq[1].

The Elida Phase 2 drilling program was designed to evaluate the continuity of Zone 1 mineralization along strike and between widely spaced drill holes completed in Phase 1, and to provide better resolution on the position of the porphyry complex occupying the centre of Zone 1. A secondary objective was to complete initial drill testing of Zone 2.

Results from the drilling program are presented in

Table 5. Drill hole collar information from Phase 2 is provided in Table 6.

ELID032 was drilled to examine the west and depth continuity of an internal higher-grade zone intersected by drill holes ELID014, ELID020, and ELID024. Results from this hole show higher grade mineralization persists west and north of the higher-grade mineralization intersected by ELID020. Importantly, only minor intervals of late-mineral porphyry dikes were encountered, meaning there is minimal dilution from lower-grade porphyry units in the northern segment of Zone 1. The drill hole, which was terminated for operational reasons, ended in mineralization at a depth of 450.0 m in mineralization grading 0.75% Cu, 0.032% Mo, 7.2 g/t Ag (0.87% CuEq[1]).

ELID031 was positioned east of the higher-grade zones intersected by holes ELID012, ELID019, and ELID025 and on the same section as ELID021. The objective was to obtain an intersection above the mineralization in ELID021 and determine the position of the porphyry complex central to Zone 1. ELID021, drilled in Phase 1, was collared near the northern boundary of Zone 1 and extended south toward the porphyry complex, but was unable to intersect the contact due to drilling equipment limitations. ELID031 was intended to intersect the part of Zone 1 between the end of ELID021 and the porphyry. The hole successfully intersected lower grade mineralization characteristic of the porphyry complex and was terminated in mineralized porphyry phases. The porphyry complex was approximately 100 m further south than was predicted from previous sparse drilling information.

ELID030 was located on the west side of Zone 1 to determine if the higher-grade mineralization in ELID020 continued to the west. The drill hole penetrated thick, unconsolidated colluvial cover and intersected a short interval of weakly mineralized sedimentary host rock before entering the lower-grade porphyry complex at the centre of Zone 1. The hole demonstrated that the porphyry complex is not a simple elliptical shape as interpreted previously. Geologic evidence from the drilling shows that the porphyry complex was emplaced into well-mineralized sedimentary host rock. Current drilling information suggests the internal higher-grade mineralized zone is displaced to the south by intrusion of the porphyry complex, which is supported by hole ELID020 on the north side of the porphyry complex and hole ELID023 on the south side of the porphyry complex. Further drilling will be required in this area to constrain the position of the porphyry complex and the internal higher-grade zone.

Zone 2 was tested with three (3) drill holes (ELID027, ELID028, and ELID029) positioned near strongly leached exposures of intensely altered and veined porphyry and sedimentary wall rock. Note, the first hole (ELID026) was lost at a depth of 117.7 m and the second attempt was successful at reaching the target depth. All drill holes intersected variably altered sedimentary and volcanic host rocks. Potassic (hydrothermal k-feldspar and biotite) alteration in both porphyry and wall rock was overprinted by phyllic (quartz-sericite-pyrite) alteration. However, only traces of chalcopyrite were present, and the holes returned no significant Cu values. Preliminary interpretation of results suggests the holes are located along the poorly mineralized upper boundary of the potassic zone. The initial drilling does not discount the existence of mineralization at

depth. However, more work is necessary to develop a deeper drill target. Given that drilling shows Zone 1 Cu mineralization ends abruptly with potassic alteration extending for 50-70 m past the mineralized boundary, it is permissive for a mineralized zone to exist at a reasonable depth.

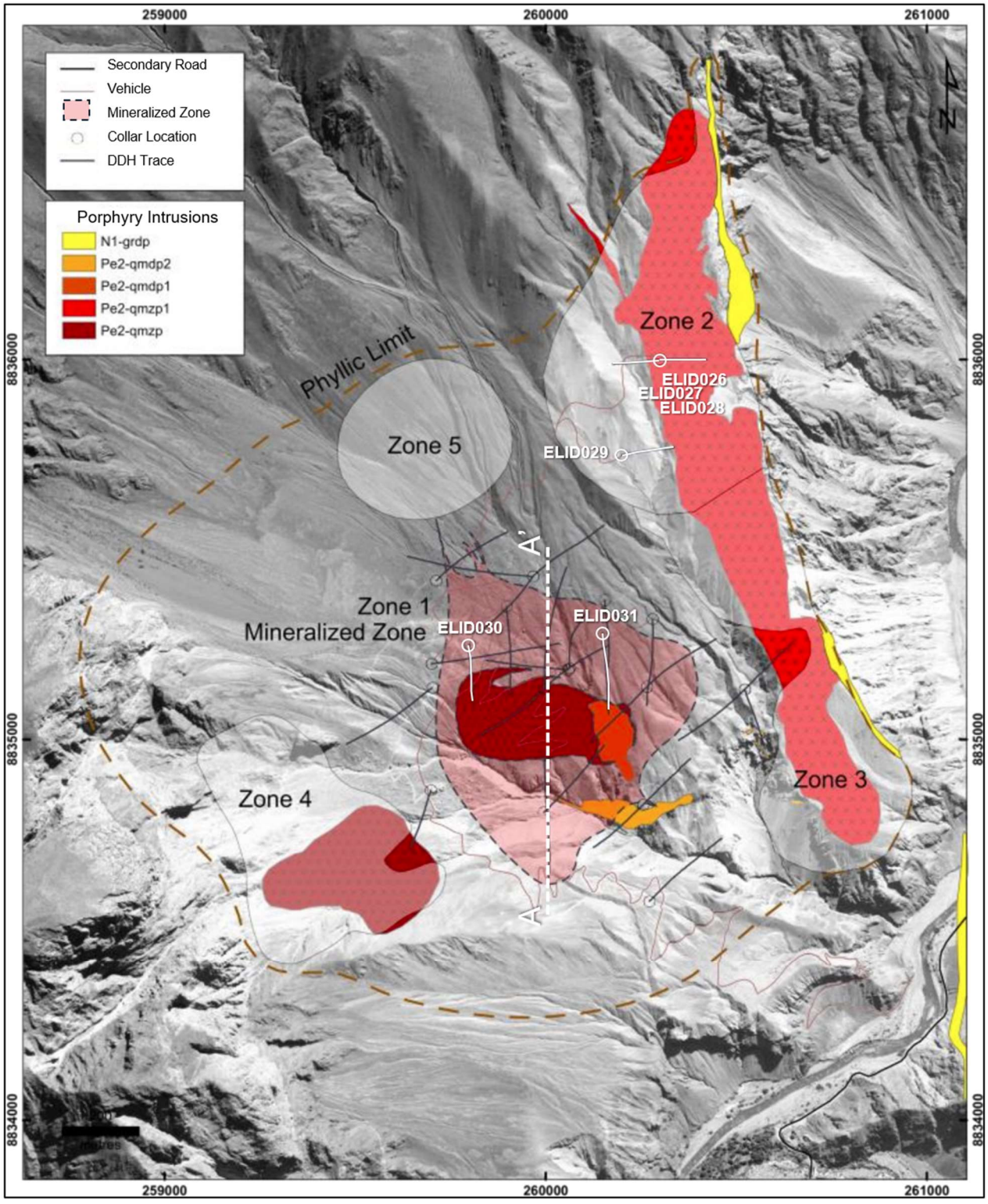

Figure 12. Plan view showing the locations Phase 2 drill holes (white) completed in Q4-2022.Refer to Figure 13 for Section A-A'.

Results from the Phase 2 drilling program improved our understanding of the continuity of mineralization within Zone 1 and increased confidence in the existence of a near-surface, higher-grade zone. Furthermore, results from Phases 1 and 2 show the northern segment of Zone 1 has a horizonal width of at least 250 m, which contributes to a low potential strip ratio. Drill holes from Zone 2 intersected alteration and veining consistent with outcrops in the area but did not intersect significant Cu mineralization. This does not discount the possibility of the existence of mineralization at depth, but on-going interpretation of available exploration data needs to be completed to develop drill targets.

Throughout the drill programs, local community members were employed to assist with site preparations and on-going drilling operations. To protect against community spread of COVID-19, the Company adopted rigorous 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 always wear masks 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.

Mineral Resource Estimation

The Company announced the completion of an initial independent Inferred Mineral Resource estimate ("Mineral Resource") of the Elida porphyry Cu-Mo deposit on September 27, 2022, with an effective date of September 20, 2022. The pit constrained, Inferred Mineral Resource Estimate of 321.7 million tonnes grading 0.32% Cu, 0.029% Mo and 2.6 g/t Ag, using a 0.20% Cu cut-off grade was prepared by Mr. Marc Jutras, P.Eng., M.A.Sc., Principal, Mineral Resources at Ginto Consulting Inc. ("Ginto Consulting"). Mr. Jutras is an Independent Qualified Person as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101) in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Standards on Mineral Resources and Mineral Reserves, as adopted and amended by the CIM Council.

Mineral Resources at Elida shown in

Table 7 were estimated by:

- Developing a geologic interpretation of Cu mineralization in collaboration with the Element 29 geology team based on geologic observations from surface exposure and drill core.
- Performing a statistical evaluation of the Elida drill hole database, which contained 25 diamond drill holes of HQ and NQ diameter.
- Three-dimensional modeling two mineralized domains represented by a higher Cu grade domain and a lower Cu grade domain.
- Integration of an accurate digital terrain model into the mineralization model.
- Compositing original samples to two m lengths.
- Exploratory data analysis to understand different geometric and statistical properties of Cu-Mo-Ag grades.
- Applying capping of high-grade outliers based on the statistical properties of the grade populations.
- Variographic analysis to spatially establish the preferred directions of grade continuity.
- Grade estimation of Cu-Mo-Ag with ordinary kriging using a strategy and parameters tailored to account for the various geometrical, geologic, and geostatistical characteristics identified in previous steps.
- Validation of grade estimates using a set of validation tests.
- Applying a pit constraint optimized using the Lerchs-Grossman algorithm.

The Cu grade populations within the mineralized domains were found to be well-behaved with low coefficients of variation (values of less than 0.6). The capping of the high-grade outliers has only had a minor effect on the average grades and the metal content. As such, ordinary kriging technique with capped composited grades is believed to be an adequate strategy for the grade interpolation process.

The validation of the Cu grade estimates has shown good results from the various tests carried out. It can

be concluded that the Cu grade estimates are not biased and have an adequate amount of smoothing/variability. Therefore, it is believed that the Cu grade estimates are an adequate representation of the Mineral Resource at Elida, based on the current geologic understanding and available data. The potential exists for additional mineral resources on the property also associated with untested targets.

The Mineral Resource has a low modeled strip ratio of 0.74:1 (waste: mineralized material). A near surface, higher-grade subset of the Mineral Resource consisting of 34.1 million inferred tonnes at 0.55% Cu, 0.037% Mo, and 4.4 g/t Ag (at a cut-off grade of 0.45% Cu) has potential to be mined with minimal stripping in the initial years of mining. Significant Mo and Ag grades have the potential to enhance the economics of the deposit, subject to metallurgical test work.

The effective date of the Initial Mineral Resource Estimate is September 20, 2022. A NI 43-101 technical report prepared by Ginto Consulting was filed on SEDAR within 45 days of September 29, 2022, and is available on the Company's website.

For readers to fully understand the Mineral Resource information contained in this document, they should read the technical report in its entirety, including all qualifications, assumptions, exclusions, and risks. The technical report is intended to be read as a whole and sections should not be read or relied upon out of context.

Table 7. Pit-constrained Inferred Mineral Resource estimates for the Elida Cu-Mo deposit.

Cu Cut-Off (%)	Tonnes (millions)	Cu (%)	Contained Cu (M lb)	Contained Cu (tonnes)	Mo (%)	Contained Mo (M lb)	Contained Mo (tonnes)	Ag (g/t)	Contained Ag (M oz)
0.10	520.8	0.255	2,927.9	1,328,057	0.026	298.5	135,410	2.15	36.0
0.15	439.4	0.278	2,692.9	1,221,456	0.028	271.2	123,024	2.31	32.7
0.20	**321.7**	**0.316**	**2,241.2**	**1,016,568**	**0.029**	**205.7**	**93,293**	**2.61**	**27.0**
0.25	214.9	0.363	1,719.4	779,926	0.031	146.8	66,605	2.97	20.5
0.30	143.0	0.407	1,283.4	582,150	0.033	104.1	47,201	3.31	15.2
0.35	94.7	0.449	937.9	425,415	0.034	71.0	32,214	3.65	11.1
0.40	59.7	0.493	649.1	294,423	0.036	47.4	21,499	3.99	7.7
0.45	34.1	0.547	411.7	186,736	0.037	27.8	12,631	4.40	4.8
0.50	20.1	0.599	265.4	120,396	0.038	16.8	7,638	4.76	3.1

Notes (Continued):

5. *Mineral Resource Estimate information is available in "NI 43-101 Technical Report, Mineral Resource Estimation of the Elida Porphyry Copper Project in Peru" dated September 20, 2022 and prepared in accordance with Form 43-101F1 by Marc Jutras, P.Eng., M.A.Sc., Ginto Consulting Inc., a Qualified Person as defined in National Instrument 43-101 Standards of Disclosure for Mineral Projects, who is independent of Element 29 Resources Inc. .*

   Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability and may be materially affected by geology, environment, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.

   The CIM definitions were followed for the classification of Inferred Mineral Resources. The quantity and grade of reported Inferred Mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Mineral Resources as an Indicated Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.

   Mineral Resources are reported using a US$/CAN$ exchange rate of 0.75 and constrained within an open pit shell optimized with the Lerchs-Grossman algorithm to constrain the Mineral Resources with the following estimated parameters: Cu price of US$3.46/lb, US$2.00/t mining cost, US$5.00/t processing cost, US$1.40/t G+A, 87% Cu recovery, and 45° pit slope.

Exploration Potential

The initial mineral resource estimate utilized widely spaced drill holes that tested a portion of the interpreted Zone 1 mineralization surrounding a low-grade porphyry core. More drilling will be required in the southwest and northwest sectors to completely evaluate the mineral resource potential of Zone 1 (Figure 14). The

Company elected to complete a mineral resource estimate at this stage to quantify the size of the drilled portion of Zone 1 and use the three-dimensional mineralization model for future drill hole planning to potentially expand the size of Zone 1 and upgrade the Mineral Resource from Inferred to Indicated.

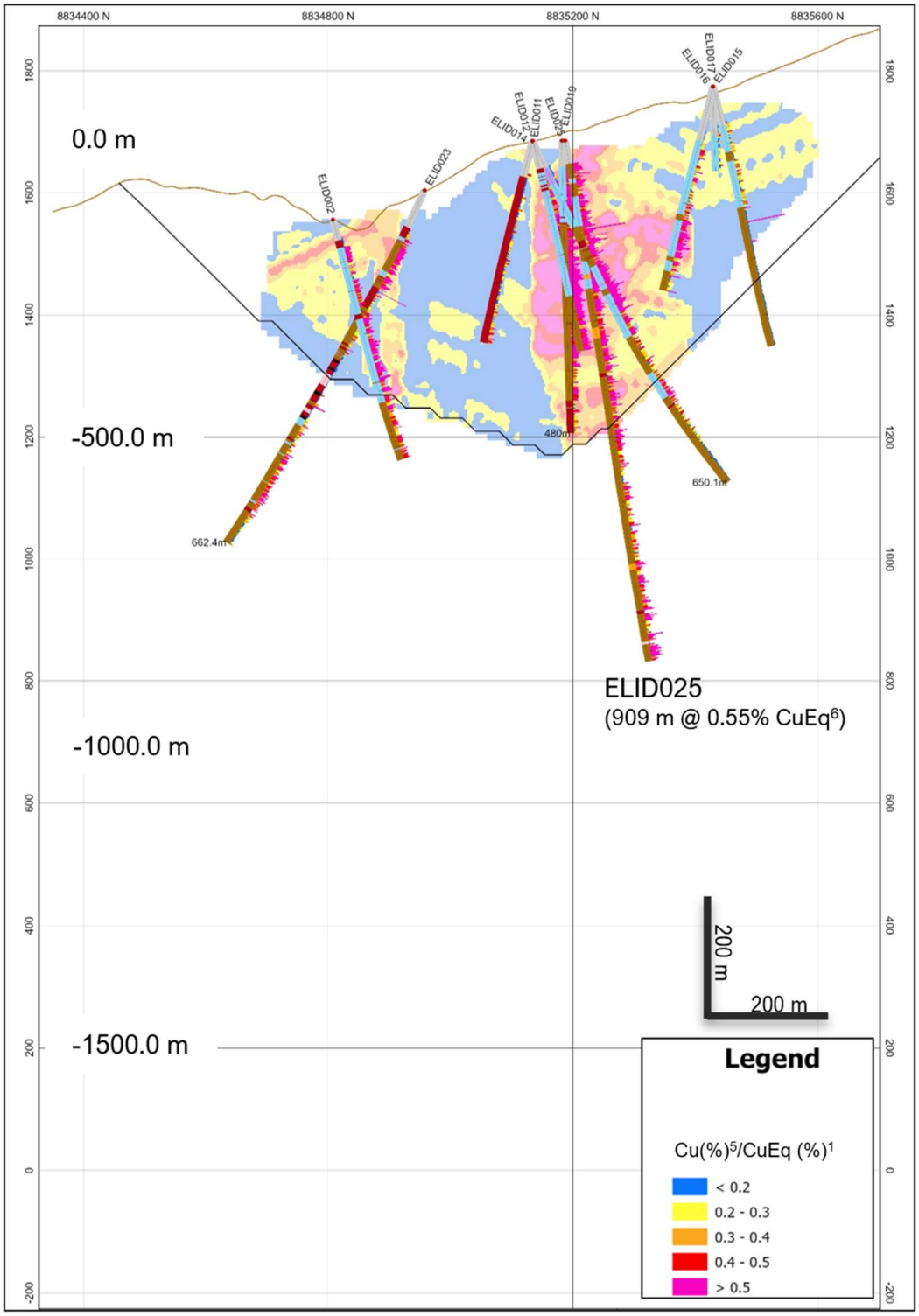

Figure 13. Section through 260000 E (looking west) to illustrate the position of the constraining pit shell in relation to the original topographic surface and the block model used for the Mineral Resource estimate. The central lower grade area is the interpreted position of the low-grade quartz monzonite porphyry stock that occupies the core of Zone. Please refer to for the section location A-A' in

.

Notes (Continued):

6. *Refer to news release "ELEMENT 29 REPORTS FINAL THREE HOLES FROM THE ELIDA PHASE 1 DRILLING AND REPORTS 908.75 METRES OF 0.55 % CUEQ" date January 19, 2022, for CuEq grades reported for ELID025.*

Higher Grades Located Close to Surface

Most of the higher-grade subset of the Mineral Resource noted in Table 7 with a 0.45% Cu cut-off is centred on mineralization intersected in the upper parts of holes ELID012, ELID014, ELID019, and ELID025 (Figure 13). These holes demonstrate that stronger Cu mineralization occurs from the bedrock surface where this tonnage has potential to be mined with minimal stripping in the initial years of mining.

Future Work

The Mineral Resource announced on September 20, 2022, was useful for indicating areas for further drilling as shown in Figure 14. The objectives of future drilling are to resolve internal, near-surface higher grade zones and expand the size of Zone 1, especially on the northwest and southwest edges and at depth.

Initial drill testing of the other zones will also be planned with the objective of further expanding the Mineral Resource within the Elida porphyry cluster (Figure 10).

The Company plans to use information from the Phase 1 and 2 programs coupled with more detailed surface mapping to design follow-up drilling programs to explore the internal structure of Zone 1 and develop drill targets on the other four zones. Drilling has provided samples of mineralization that can be used for preliminary metallurgical test work. A program involving preliminary metallurgical testing is planned.

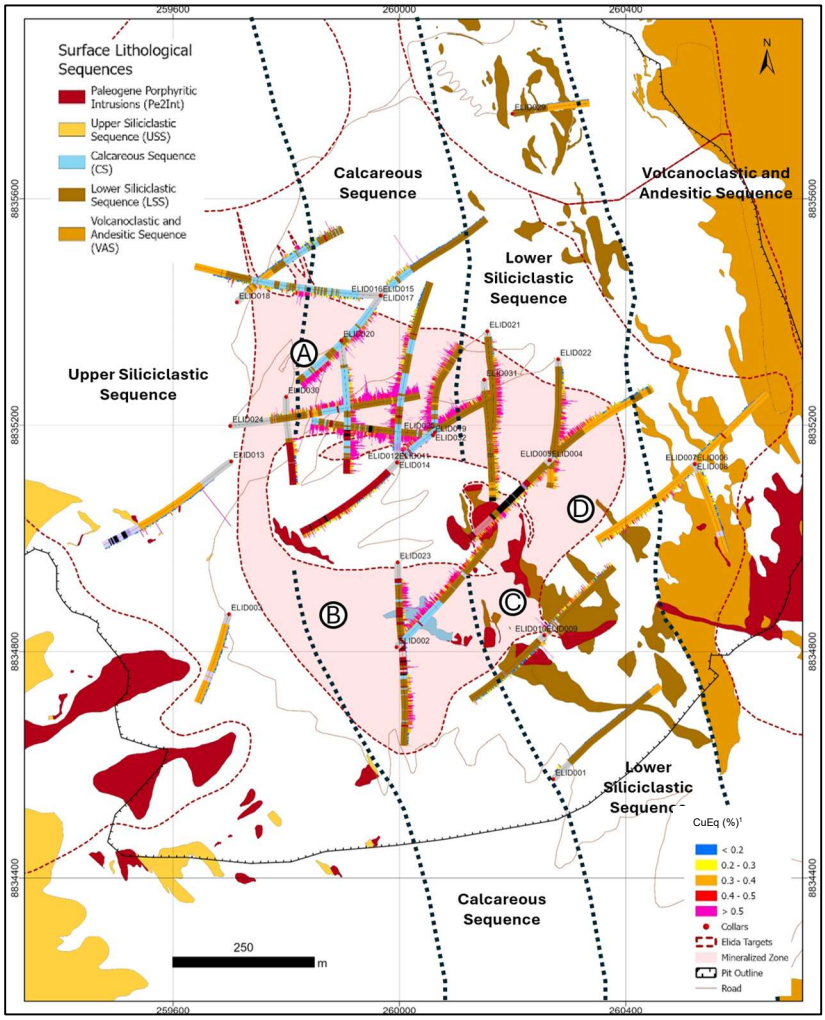

Figure 14. Elida Zone 1 showing areas identified for follow-up drilling identified with letters A, B, C, and D. Future programs will be designed to better resolve Cu and Mo grade distribution near surface and within the constraining pit shell and more accurately define limits of mineralization laterally and at depth.

PAHUAY PORPHYRY COPPER PROJECT

The Pahuay Cu project consists of 700 ha and is 100% owned by the Company (Figure 16), subject to a 2% net smelter royalty return to Globetrotters Resource Group Inc. The property is located 270 km south of Lima (Figure 15) within the eastern margin of the Coastal Batholith along the probable northwest projection of the Paleocene Southern Peru Copper Belt and is approximately 15 km north of the Cerro Lindo polymetallic (Zn, Pb, Cu, Au, and Ag) mine controlled by Nexa Resources Peru SA. Paleocene porphyry intrusions are emplaced into Cretaceous volcaniclastic rocks, siliciclastic sediments and limestones developing a 1.7 x 2.8 km Cu mineralized hydrothermal alteration zone. The mineralized area contains magnetite-garnet skarn formed in the limestones and phyllic alteration of the volcaniclastic units. Cu mineralization in the skarn consists of Cu oxides, chalcopyrite and semi-massive magnetite. The central parts of the skarn system are anomalous in Cu and Mo. Outcrop samples returned assays up to 4.4% Cu and 0.05% Mo and the distal areas (Zn, Cu and Ag) returned assays up to 6.5% Zn. 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).

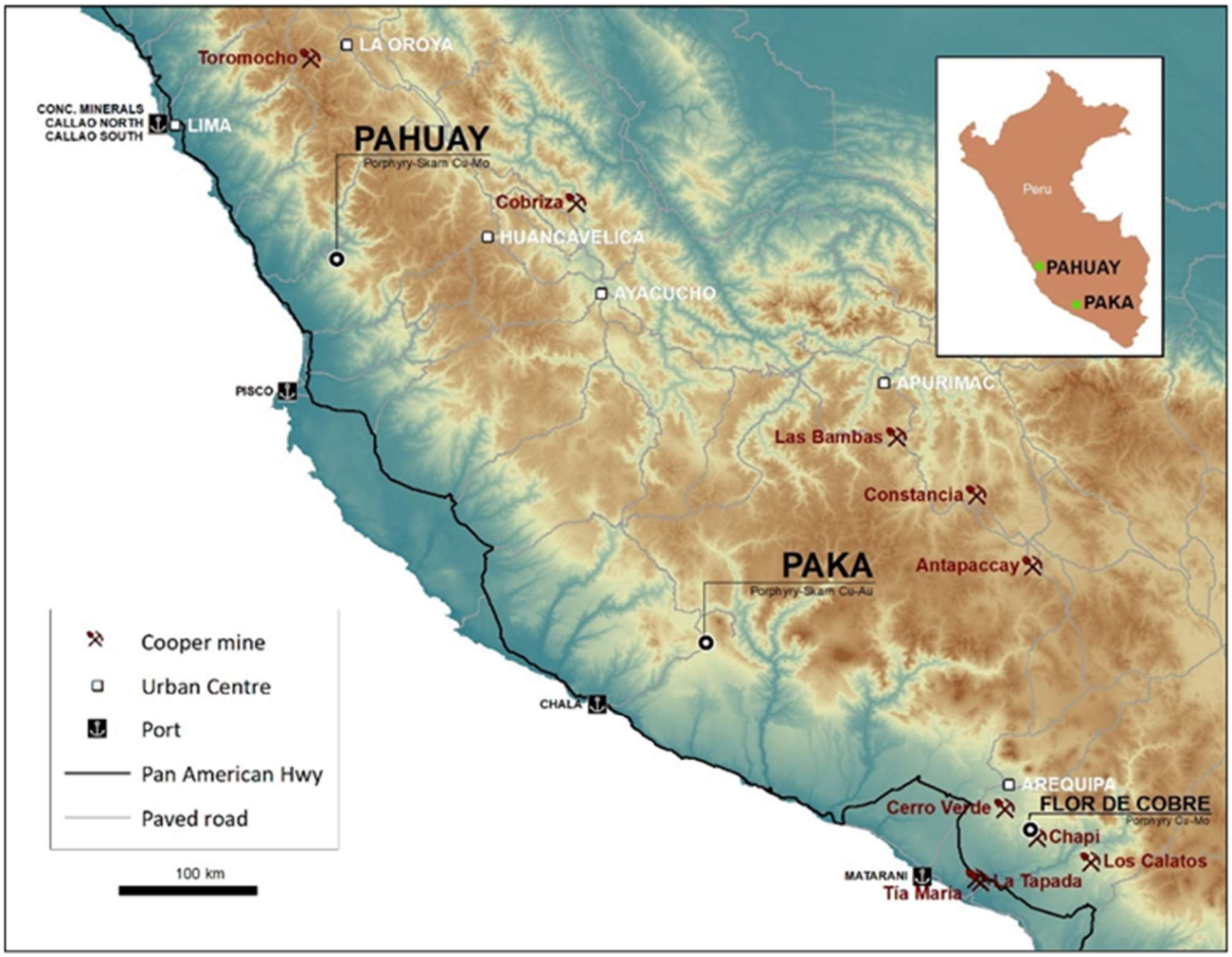

Figure 15: Location Map for the Paka porphyry Cu-Au skarn project and the Pahuay Cu-Mo skarn project in southern Peru. Based on observed geological relationships, both porphyry-skarn systems are interpreted as Paleocene-aged.

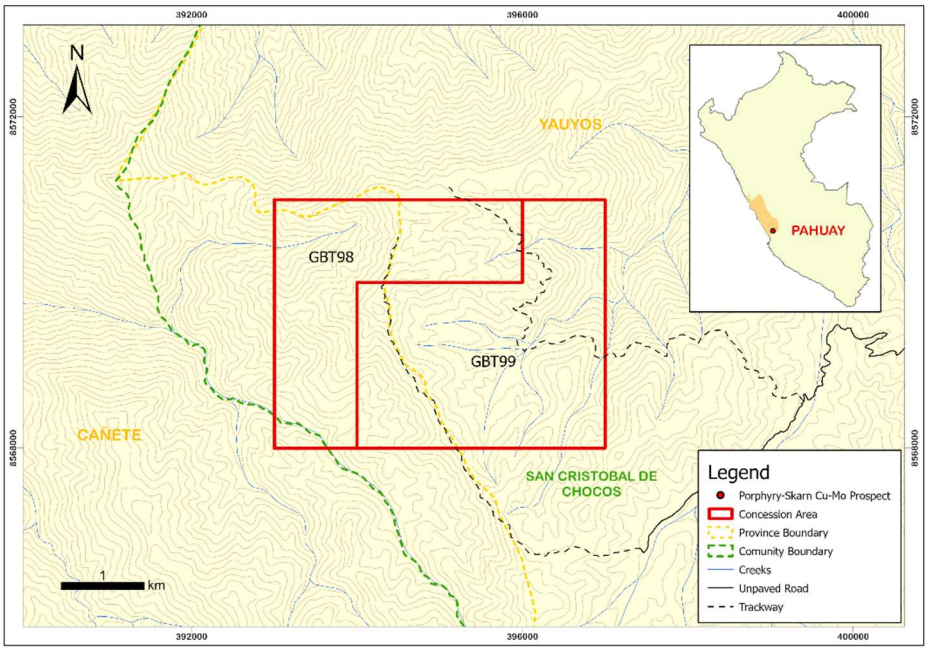

Figure 16: Pahuay porphyry Cu-Mo skarn concession location map.

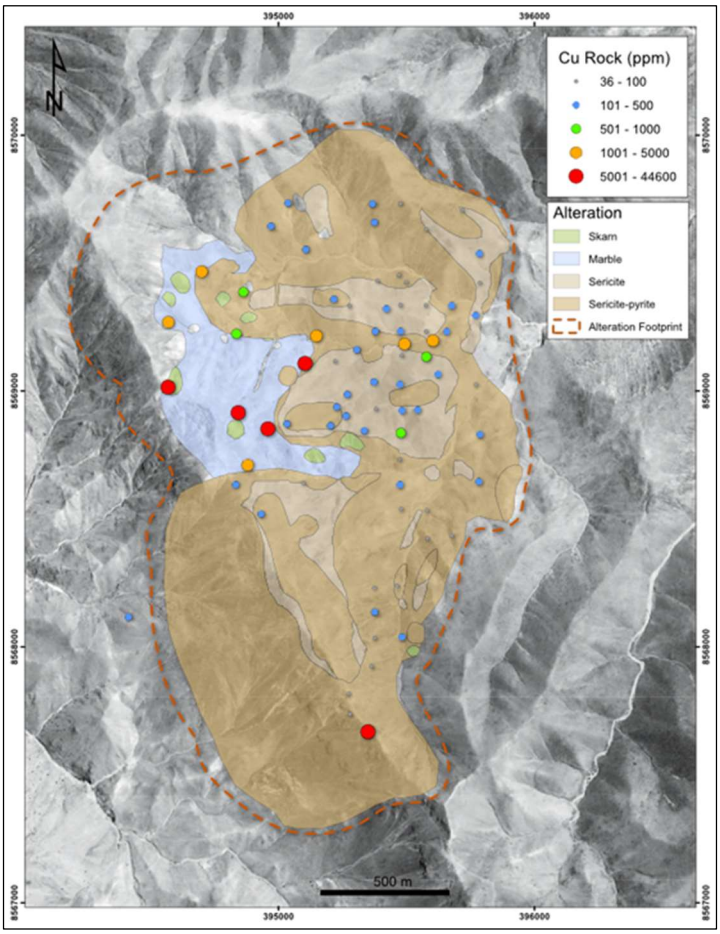

Figure 17: The Pahuay porphyry Cu-Mo skarn system showing the hydrothermal alteration footprint of a phyllic overprinting potassic altered porphyry Cu-Mo system with skarn alteration and anomalous Cu-Mo rock geochemistry in outcrop samples.

PAKA PORPHYRY COPPER PROJECT

The Paka copper project (previously referred to as the Muñaorjo project) consists of 1,000 ha and is 100% owned by Element 29 (Figure 18), subject to a 2% net smelter return royalty with Globetrotters. The project is located approximately 200 km northeast of Arequipa, Peru within the probable northwest continuation of the Paleocene Southern Peru Copper Belt, which is host to several very large porphyry Cu deposits including the Cerro Verde mine (Freeport-McMoRan) and the Toquepala mine (Southern Copper) (Figure 15). The property is centered on a large, 4.3 x 1.3 km 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 Cu mineralization exposed within a 480 x 280 m area. Rock sample results for this area (58 rock samples) are highly anomalous and returned assay results up to 4% Cu. 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 km. The work plan is to complete detailed geological mapping, outcrop sampling, and magnetometer and IP-resistivity surveys to identify diamond drill targets (Figure 19).

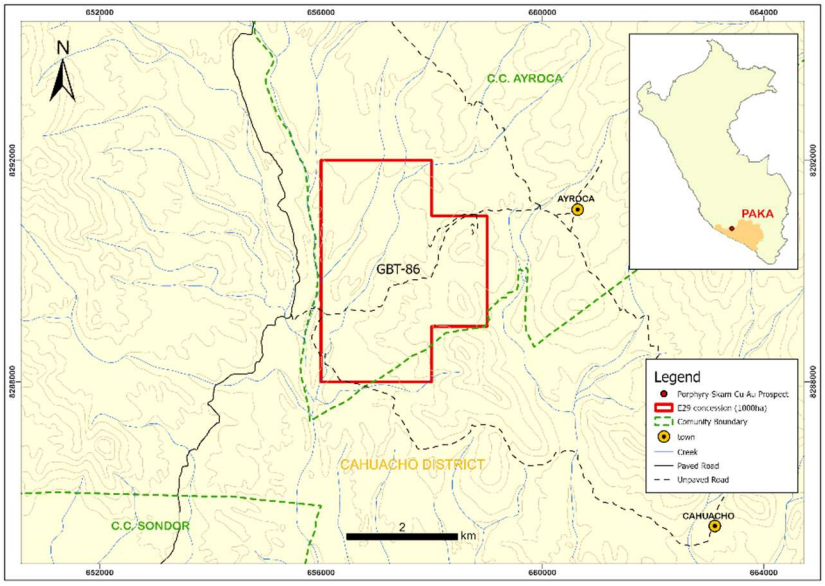

Figure 18: The Paka porphyry Cu-Au skarn project concession location map.

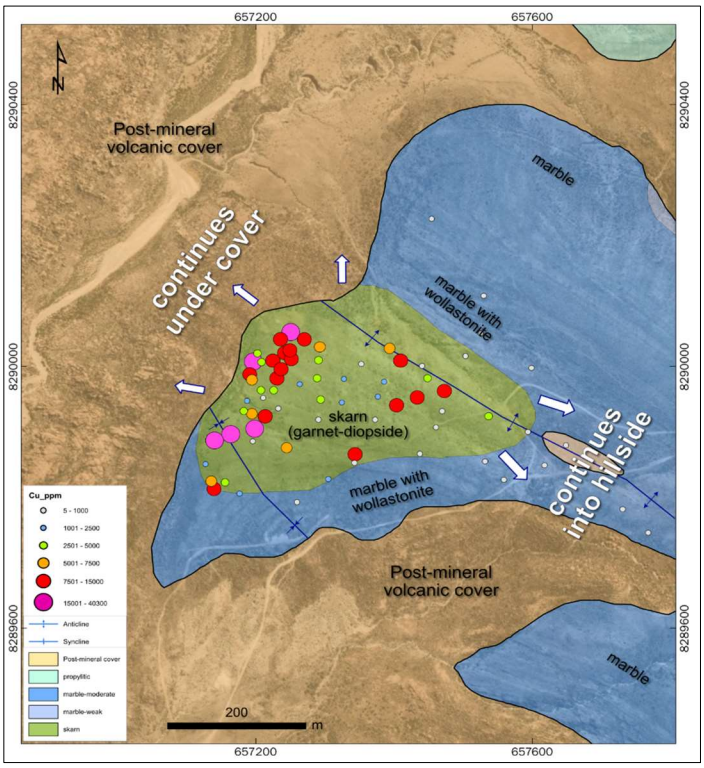

Figure 19: The Paka porphyry Cu-Au skarn project showing the outline of the porphyry Cu-Au skarn related hydrothermal alteration and highly anomalous Cu rock geochemistry in outcrop samples.

FINANCIAL INFORMATION

EXPLORATION AND EVALUATION ASSET EXPENDITURES

Expenditures for the period ended March 31, 2024 were as follows:

	Flor de Cobre	Elida	Pahuay and Paka	Total
Balance at December 31, 2023	$ 5,134,672	$ 9,220,212	$ 1	$ 14,354,885
Additions:				
Option payments	11,905	-	-	11,905
Geological and mapping	46	3,919	-	3,965
Permitting, concessions and taxes	10,547	16,814	-	27,361
Community, health, safety and environment	401	21,287	-	21,688
Geology salaries	-	1,989	-	1,989
Property maintenance and administration	28,718	111,444	-	140,162
Total additions for the period	51,617	155,453	-	207,070
Balance at March 31, 2024	$ 5,186,289	$ 9,375,665	$ 1	$ 14,561,955

Expenditures for the year ended December 31, 2023 were as follows:

	Flor de Cobre	Elida	Pahuay and Paka	Total
Balance at December 31, 2022	$ 4,623,841	$ 8,497,872	$ 1	$ 13,121,714
Additions:				
Option payments	404,722	-	-	404,722
Geological and mapping	1,412	13,899	-	15,311
Geophysics and geochemistry	217	15,053	-	15,270
Permitting, concessions and taxes	13,208	60,001	-	73,209
Community, health, safety and environment	5,978	117,553	-	123,531
Technical report	-	2,700	-	2,700
Geology salaries	-	254,821	-	254,821
Property maintenance and administration	85,294	258,313	-	343,607
Total additions for the year	510,831	722,340	-	1,233,171
Balance at December 31, 2023	$ 5,134,672	$ 9,220,212	$ 1	$ 14,354,885

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 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 administration and support costs for the preparation of a future drilling program and costs associated with the completion of the permitting process.

Elida Copper Project

Expenditures were related to administration and support costs for a future exploration program.

Pahuay and Paka Copper Projects

During the 2022 year, the Company re-evaluated the carrying value of the Pahuay and Paka projects and, as a result of this review, recorded an impairment charge of $1,541,503.

SUMMARY OF CONSOLIDATED FINANCIAL OPERATING RESULTS

Operating Results

The Company's operating results for the three months ended March 31 were:

	2024	2023
General and administrative expenses		
Administration and office	$ 14,016	$ 36,752
Corporate development	25,290	33,967
Investor relations	37,494	90,334
Personnel costs	167,443	196,899
Professional fees	61,356	14,831
Filing fees	9,899	23,527
Foreign exchange gain	(19,608)	(6,793)
Share-based compensation	8,335	118,354
Depreciation	7,471	10,122
Other	2,237	2,320
Operating loss	313,933	520,313
Interest income	(7,594)	(4,637)
Loss and comprehensive loss for the period	$ 306,339	$ 515,676

Administration and office expenses in 2024 were lower than in 2023 due to cost saving measures.

Corporate development expenses are for professional services to explore strategic initiatives.

Investor relations in 2024 were lower compared to 2023 due to a change in strategy and a reduction in spending that commenced in early 2023.

Personnel costs in 2024 were lower than in 2023 due to the resignation of two executives resulting in lower payroll costs.

Professional fees in 2024 were higher compared to 2023 due to timing of audit invoices.

Filing fees in 2024 were lower compared to 2023 due to initial Lima Stock Exchange filing fees incurred in 2023.

Share based compensation in 2024 was substantially lower than in 2023 as there were no equity grants in 2023 which decreased share-based compensation expense derived from the vesting of prior period grants.

Depreciation charges are related to the Vancouver office lease and fixed assets in Peru.

Quarterly Financial Data

	Q1 24	Q4 23	Q3 23	Q2 23
Administration and office	$ 14,016	$ 17,291	$ 32,379	$ 26,776
Corporate development	25,290	44,797	56,362	11,138
Investor relations	37,494	209,717	46,676	68,132
Personnel costs	167,443	192,439	208,802	197,310
Professional fees	61,356	6,052	68,948	20,000
Filing fees	9,899	26,402	35,197	29,988
Foreign exchange (gain) loss	(19,608)	5,624	51,036	(37,289)
Share-based compensation	8,335	17,061	17,061	16,876
Depreciation	7,471	9,347	13,138	7,059
Other	2,237	5,107	1,603	1,233
Operating loss	$ 313,933	$ 533,837	$ 531,202	$ 341,223

	Q1 23	Q4 22	Q3 22	Q2 22
Administration and office	$ 36,752	$ 43,465	$ 39,184	$ 42,908
Corporate development	33,967	(10,660)	97,561	79,295
Investor relations	90,334	153,794	192,999	179,911
Personnel costs	196,899	195,055	197,684	255,586
Professional fees	14,831	88,430	8,514	117,159
Filing fees	23,527	30,675	29,578	32,119
Foreign exchange (gain)	(6,793)	(11,380)	(117,068)	(21,533)
Share-based compensation	118,354	31,925	356,988	11,807
Depreciation	10,122	4,492	4,430	4,430
Other	2,320	1,483	2,062	(9,620)
Operating loss	$ 520,313	$ 527,279	$ 811,932	$ 692,062

Overall costs, excluding share-based compensation, have been consistent since Q2 2022.

Corporate development expenses were for professional services to explore strategic initiatives.

Investor relations expenses were related to marketing activities to increase the Company's exposure in the capital markets and fluctuate based on timing of expenditures.

Professional fees were related to legal, tax and audit services and fluctuate based on the timing of expenditures.

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

LIQUIDITY AND CAPITAL RESOURCES

	Three months ended March 31	
	2024	2023
Cash flows used in operating activities before working capital movements	$ (288,579)	$ (450,476)
Decrease in receivables and prepaid expenses	19,623	7,957
Increase (decrease) in accounts payable and accrued liabilities	71,017	(95,481)
Increase in deposits	-	(832)
Cash flows used in operating activities after working capital movements	(197,939)	(538,832)
Cash flows used in investing activities	(196,925)	(689,506)
Cash flows (used in) / from financing activities	(8,188)	793,500
Decrease in cash	(430,052)	(434,838)
Cash - beginning of period	1,228,429	1,079,849
Cash - end of period	$ 825,377	$ 645,011

Cash outflows after changes in non-cash working capital items was lower in 2024 compared to 2023 due to lower operating activities and cost saving measures.

Cash outflows used in investing activities in 2024 was lower compared to 2023 due to lower exploration program payments and reduced exploration and drill activities.

Cash flows used in / from financing activities in 2024 was lower compared to 2023 due to private placements which closed in 2023.

Contractual Obligations

As at March 31, 2024, the Company had the following contractual obligation outstanding:

	Total	Less than 1 year	1 -3 years	3-5 year	More than 5 years
Lease commitment	$ 38,937	$ 30,567	$ 8,370	$ -	$ -

SHAREHOLDERS' EQUITY

The Company's authorized share capital consists of unlimited common shares without par value. At March 31, 2024, the Company had 106,623,613 (December 31, 2023 – 106,248,613) shares issued and outstanding and nil common shares held in escrow (December 31, 2023 – nil). At the date of this MD&A, the Company had 106,623,613 shares issued and outstanding.

On January 6, 2023, the Company closed a non-brokered private placement consisting of 7,725,000 units at a price of $0.20 per unit which raised gross proceeds of $1,545,000, of which $720,000 was received as of December 31, 2022 and included in subscriptions in advance. Each unit consists of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire one share at a price of $0.30 per share for a period of two years from the closing date. The Company paid an aggregate finder's fee of $31,500.

On September 13, 2023, the Company closed a non-brokered private placement consisting of 19,045,253 units at a price of $0.15 per unit which raised gross proceeds of $2,856,788. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant is exercisable to acquire one share at a price of $0.25 per share for a period of two years from the closing date. The Company paid an aggregate finder's fee of $144,007.

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.

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.

As at March 31, 2024 and at the date of this MD&A, the Company had 5,985,000 stock options outstanding.

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

Number of share options	Exercise price per share option $	Expiry date
300,000	0.30	August 23, 2024
200,000	0.30	May 19, 2025
350,000	0.30	June 25, 2025
150,000	0.30	June 29, 2025
150,000	0.50	October 28, 2025
150,000	0.50	November 9, 2025
2,000,000	0.45	February 3, 2026
150,000	0.45	April 7, 2026
2,035,000	0.57	March 1, 2027
500,000	0.59	March 29, 2027
5,985,000		

Share Purchase Warrants

As at March 31, 2024 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
5,749,000	0.85	December 14, 2024
3,862,500	0.30	January 6, 2025
19,045,253	0.25	September 13, 2025
28,656,753		

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.

At March 31, 2024, the following DSUs were outstanding:

	Number of DSUs
Outstanding – December 31, 2023	300,000
Redeemed	(200,000)
Outstanding – March 31, 2024	100,000

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.

At March 31, 2024, the following RSUs were outstanding:

	Number of RSUs	Number of RSUs vested
Outstanding – December 31, 2023	237,500	-
Redeemed	(175,000)	-
Forfeited	(62,500)	-
Outstanding – March 31, 2024	-	-

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 Chief Executive Officer, Chief Financial Officer, Chief Technical Officer, former 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 was as follows:

	2024	2023
Salaries and benefits – personnel costs	$ 63,333	$ 102,770
Consulting fees – personnel costs	59,265	55,913
Directors' fees – personnel costs	19,024	25,500
Share-based compensation	7,145	76,112
	$ 148,767	$ 260,295

As at March 31, 2024, included in accounts payable and accrued liabilities was an amount of $26,623 (December 31, 2023 - $1,290) due to the Company's related parties.

Financial instruments

a) Fair value classification of financial instruments

The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices). Level 3 inputs are for the assets or liabilities that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash, receivables, deposits, accounts payable and accrued liabilities and lease liability.

The carrying values of these financial instruments approximate their fair value due to their short terms to maturity.

The following table summarizes the classification and carrying values of the Company's financial instruments at March 31, 2024:

	FVTPL	Amortized cost (financial assets)	Amortized cost (financial liabilities)	Total
Financial assets				
Cash	$ -	$ 825,377	$ -	$ 825,377
Receivables	-	16,191	-	16,191
Deposit	-	5,519	-	5,519
Total financial assets	$ -	$ 847,087	$ -	$ 847,087
Financial liabilities				
Accounts payable and accrued liabilities	$ -	$ -	$ 214,417	$ 214,417
Lease liability	-	-	35,179	35,179
Total financial liabilities	$ -	$ -	$ 249,596	$ 249,596

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, 2023.

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, 2023.

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, 2024 and ended on March 31, 2024 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.