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Element 29 Announces Initial Mineral Resource Estimate for the Elida Porphyry Copper Deposit in Peru

Inferred Mineral Resource of 321.7 million tonnes grading 0.32% copper, 0.03% molybdenum and 2.6 g/t silver with a low 0.74:1 strip ratio

Vancouver, Canada, September 27, 2022 – Element 29 Resources Inc. (“Element 29” or the “Company”) (TSX-V: ECU; OTCQB: EMTRF) announces the completion of an initial independent Inferred Mineral Resource estimate (“Mineral Resource”) at its Elida porphyry copper-molybdenum deposit (“Elida”) in west-central Peru. This Mineral Resource was completed on just one of five porphyry centres at Elida and provides a solid foundation for future engineering studies as well enhancement and expansion through ongoing exploration.

Elida Mineral Resource Highlights

- Pit-constrained, Inferred Mineral Resource Estimate of 321.7 million tonnes grading 0.32% copper (for a total of 2.24 billion pounds of contained copper) plus 0.029% molybdenum and 2.6 g/t silver, using a 0.20% copper cut-off grade and 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% copper, 0.037% molybdenum, and 4.4 g/t silver (at a cut-off grade of 0.45% copper) has potential to be mined with minimal stripping in the initial years of mining.
- Significant molybdenum and silver grades have the potential to enhance the economics of the deposit, subject to metallurgical test work.

Steve Stakiw, Element 29’s President and CEO comments, “We are very pleased with this significant initial Mineral Resource Estimate for our Elida porphyry copper deposit. It is an impressive accomplishment over the past year and a half and is a testament to the dedication of our team. This major milestone for Element 29 demonstrates Elida is a large copper mineralized system along with significant molybdenum and silver that has the potential to enhance the economics of the deposit. Our evaluation of the Elida deposit’s potential is still at an early stage and we see strong resource growth potential given this initial mineral resource estimate covers only a portion of our Zone 1 porphyry, one of five porphyry centres we have identified on the project for testing.”

Click [HERE](#) to watch a short video presentation by Steve Stakiw, CEO, and Paul Johnston, Vice-President, Exploration, discussing the highlights of today’s press release.

Table 1. Pit-constrained Inferred Mineral Resources for the Elida deposit as at September 20, 2022.

| 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:

1. The effective date for the Mineral Resource is September 20, 2022.
2. Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability.
3. 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.
4. Mineral Resources are reported at a cut-off grade of 0.2 g/t Cu, 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: copper 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% copper recovery, and 45° pit slope.
5. The estimate of Mineral Resources may be materially affected by geology, environment, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.

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 mineral resource potential of Zone 1 (Figure 1). 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 Mineral Resources from Inferred to Indicated.

Higher Grades Located Close to Surface

Most of the higher-grade subset of the Mineral Resource noted in Table 1 with a 0.45% copper cut-off is centred on mineralization intersected in the upper parts of holes ELID012, ELID014, ELID019, and ELID025 (Figure 3). These holes demonstrate that stronger copper mineralization occurs from the bedrock surface where this tonnage has potential to be mined with minimal stripping in the initial years of mining.

Mineral Resource Estimation Methodology

The Mineral Resource Estimate 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 were estimated by:

- Developing a geologic interpretation of copper 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 copper grade domain and a lower copper grade domain.
- Integration of an accurate digital terrain model into the mineralization model.
- Compositing original samples to 2 metre ("m") lengths.
- Exploratory data analysis to understand different geometric and statistical properties of copper, molybdenum, and silver 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 copper, molybdenum, and silver 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 copper 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. For such, the usage of the ordinary kriging technique with capped composited grades is believed to be an adequate strategy for the grade interpolation process.

The validation of the copper grade estimates has shown good results from the various tests carried out. It can be concluded that the copper grade estimates are not biased and have an adequate amount of smoothing/variability. Therefore, it is believed that the copper grade estimates are an adequate representation of the Mineral Resource at Elida, based on the current geologic understanding and available data. There is good potential for additional mineral resources on the property with other untested targets.

Future Work

The Mineral Resource announced herein was useful for indicating areas for further drilling as shown in Figure 1. 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 mineral resources within the Elida porphyry cluster (Figure 2).

The effective date of the Mineral Resource Estimate is September 20, 2022. A NI 43-101 technical report prepared by Ginto Consulting will be filed on SEDAR within 45 days of this news release and will be available at that time on the Company's website.

For readers to fully understand the information in this news release they should read the technical report in its entirety when it is available, 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.

Analytical Quality Control & Quality Assurance

Elida Resources S.A.C., a wholly owned subsidiary of Element 29 Resources Inc., supervises drilling and carries out sampling of HQ and NQ core. Logging and sampling are completed at a secured Company facility situated on the Flor de Cobre project site. Sample intervals are nominally 2 m long. Drill core is cut in half using a rotary diamond blade saw and samples are sealed on site before transportation to the ALS Peru S.A.C. sample preparation facility in Arequipa by Company vehicles and staff. Prepared samples are sent to Lima by ALS Peru S.A.C. for analysis. ALS Peru S.A.C. is an independent laboratory. Samples are analyzed for 35 elements using an Aqua Regia digestion and ICP-AES analysis (ME-ICP41). Samples reporting over limits are analyzed by Aqua Regia digestion with ICP-AES finish (ME-OG46). ALS meets all requirements of International Standards ISO/IEC 17025:2005 and ISO 9001:2015 for analytical procedures.

Element 29 employs an independent, internal quality assurance/quality control program that includes insertion of duplicate, blank, and certified reference samples at the field site. The Company is not aware

of any drilling, sampling, recovery, or other factors that could materially affect the accuracy or reliability of the data reported.

Qualified Persons

The scientific and technical content of this news release has been reviewed and approved by Paul J. Johnston (PhD, P.Geo), Vice President of Exploration for Element 29, and is a “Qualified Person” as defined in National Instrument 43-101 Standards of Disclosure for Mineral Projects.

The Mineral Resource estimate was prepared by Marc Jutras, P.Eng., M.A.Sc., of Ginto Consulting. Mr. Jutras is independent of Element 29, as defined in National Instrument 43-101 Standards of Disclosure for Mineral Projects.

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.

About Elida

Elida is a porphyry copper-molybdenum exploration project within a property composed of 28 mining concessions totaling 19,210 hectares that are 100% owned by Elida Resources S.A.C., a Peruvian subsidiary of Element 29. The property contains a large, 2.5 x 2.4 kilometre (“km”) phyllic alteration system enclosing a cluster of porphyry centres that represent five distinct exploration targets. In 2021, Element 29 completed seven diamond drill holes totalling 4,481 m that intersected multiple, long intervals of Cu-Mo-Ag mineralization and traced mineralization to a depth greater than 900 m. Mineralization remains open at depth. The remaining four large targets are untested. Under the current drill permit, the Company can elect to drill-test all identified targets.

Elida is in west-central Peru, approximately 85 km inland from the Pacific coast at moderate elevations between 1,500 m and 2,000 m, and close to transportation and power infrastructure, including a 45 mega-watt hydroelectric generation facility situated 15 km from the project.

About Element 29 Resources Inc.

Element 29 Resources Inc. is an emerging copper exploration and development company focused on advancing its portfolio of Peruvian projects towards development in one of the world’s premier mining jurisdictions. Element 29’s growth strategy is led by our strong board and management, who have a proven track record of discovery and delivering significant value to our shareholders.

The Company’s principal objective is to explore and develop its Elida porphyry copper deposit in west-central Peru and its Flor de Cobre porphyry copper project located in the Southern Peru Copper Belt, 26 km southeast from Freeport-McMoRan’s Cerro Verde copper mine. Both projects are well located for potential mine development and will benefit from nearby infrastructure including roads, powerlines, ports, water, and a skilled workforce.

More information is available at www.e29copper.com.

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Forward Looking Statements

This press release contains certain forward-looking information and forward-looking statements within the meaning of applicable Canadian securities legislation (collectively, “**Forward-looking Statements**”). All statements, other than statements of historical fact, constitute Forward-looking Statements. Words such as “will”, “intends”, “proposed” and “expects” or similar expressions are intended to identify Forward-looking Statements. Forward looking Statements in this press release include statements related the Company’s resource properties, and the Company’s plans, focus and objectives.

Forward-looking Statements involve various risks and uncertainties and are based on certain factors and assumptions. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include uncertainties related to fluctuations in copper and other commodity prices, uncertainties inherent in the exploration of mineral properties, the impact and progression of the COVID-19 pandemic and other risk factors set forth in the Company’s prospectus under the heading “Risk Factors”. The Company undertakes no obligation to update or revise any Forward-looking Statements, whether as a result of new information, future events or otherwise, except as may be required by law. New factors emerge from time to time, and it is not possible for Element 29 to predict all of them or assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any Forward-looking Statement. Any Forward-looking Statements contained in this press release are expressly qualified in their entirety by this cautionary statement.

Figure 1. Details of Elida Zone 1, showing areas identified for follow-up drilling, which will be designed to better resolve copper and molybdenite grade distribution near surface and within the constraining pit shell and more accurately define limits of mineralization particularly on the northwest and southwest edges of Zone 1.

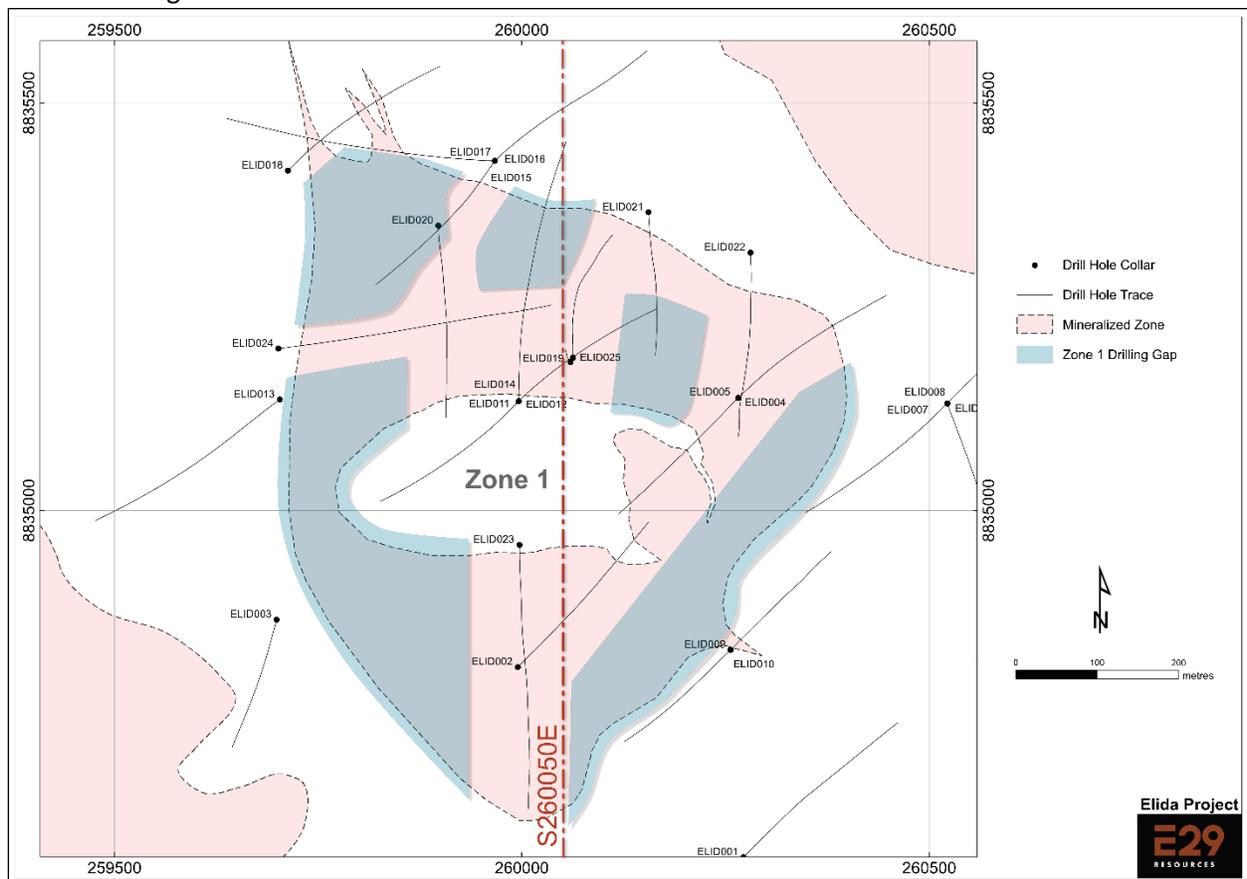


Figure 2. The Elida porphyry cluster showing five identified mineralized zones. Drilling to date has concentrated on Zone 1 and the other zones have not been drill-tested. The Company plans to test the remaining zones with future drilling programs.

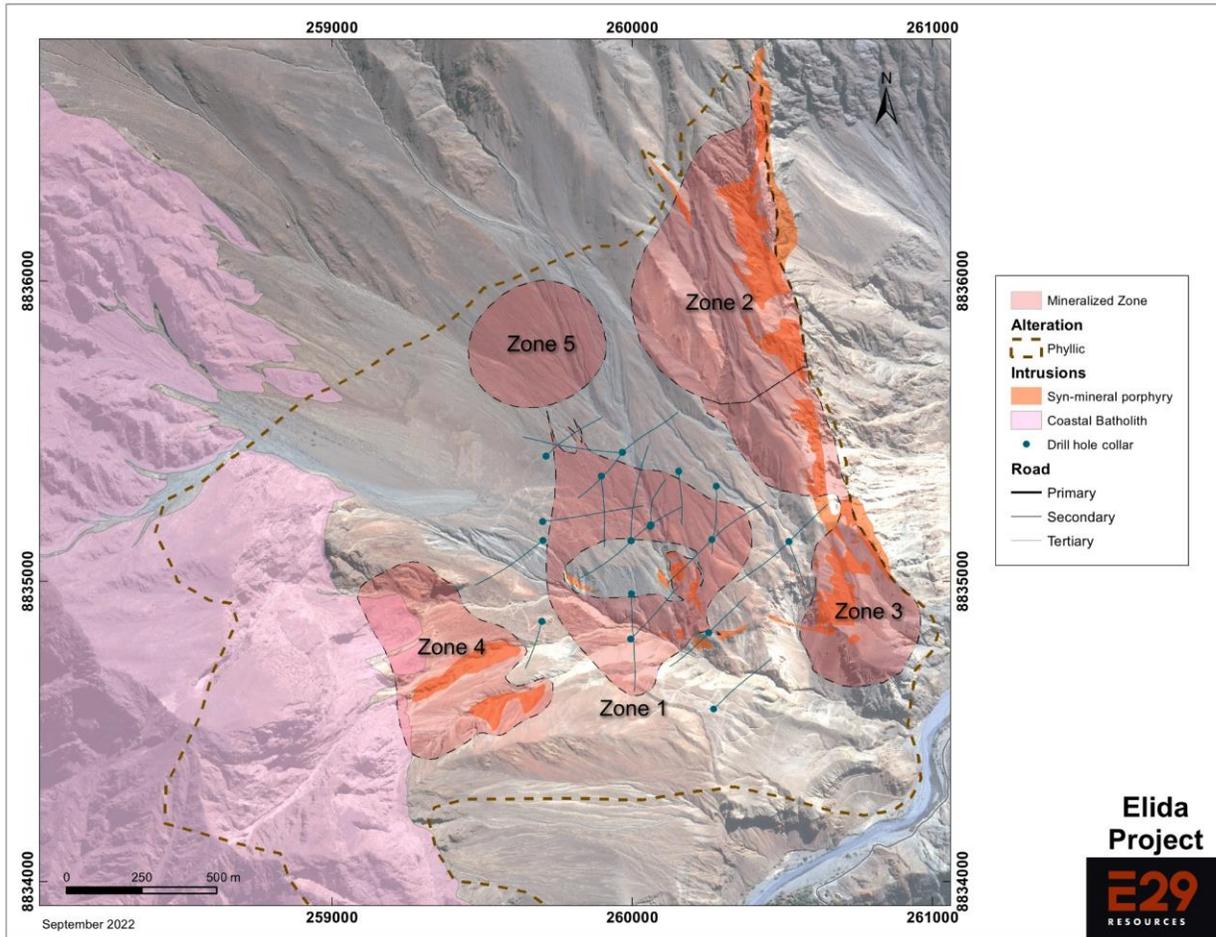


Figure 3. Section through 260050 E to illustrate the position of the constraining pit shell in relation to the original topographic surface and the block model used for the Mineral Resource estimate. The shaded area is the interpreted position of the low-grade quartz monzonite porphyry stock that occupies the core of Zone. Please refer to Figure 1 for the section location.

