

ELEMENT 29 RESOURCES INC.

ELIDA PROJECT

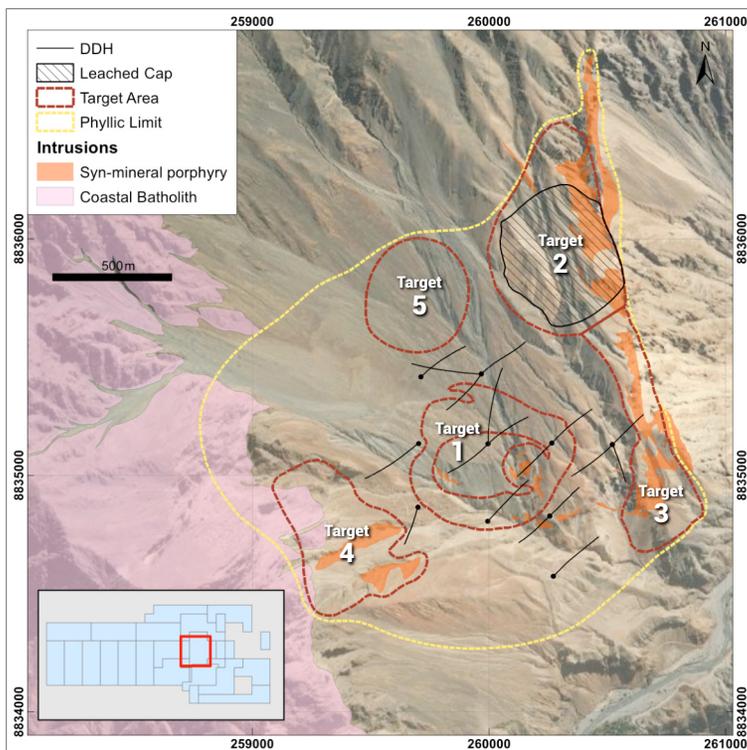
A new large copper molybdenum porphyry cluster in central Peru, well-positioned close to infrastructure.



Elida consists of a cluster of at least 5 individual porphyry Cu-Mo centres distributed over a 2 x 2 km area that has been affected by quartz-sericite or phyllic hydrothermal alteration. Individual porphyry centres are characterized by multiple generations of mineralized vein stockworks associated with multi-phase quartz monzonite porphyry intrusions. Porphyry intrusions were emplaced into a deformed Cretaceous sequence of volcanoclastic and sedimentary rocks assigned to the Casma Formation and a granodiorite phase located on eastern margin of the Peruvian Coastal Batholith. The porphyry system is Eocene in age, based on radiometric dates of 40-41 Ma on inter-mineral porphyry intrusions.



Globetrotters Resource Group identified the Elida system in 2011 by field reconnaissance and Lundin Mining completed an initial diamond drilling program of 18 holes totalling 9,880m in 2014-15 that was centred on one of the five porphyry centres. The drilling program returned multiple, long mineralized intervals of porphyry style mineralization where copper sulfide minerals are contained in different generations of veinlets and disseminated in the adjacent host rock. A highlight of the drilling was ELID-12 intersecting 502.9m of 0.42% Cu, 0.046% Mo, 3.23g/t Ag and ending in mineralization.



The initial drilling program by Lundin intersected part of Target 1 and revealed a zone of well-mineralized wall rock concentric with a lower grade early, quartz monzonite porphyry stock measuring 500 x 300 m in plan. The porphyry centre exhibits a well-defined lateral zonation from the high-temperature core outward to lower temperatures in the concentric copper-molybdenum zone, where the better higher grade intersections are located. Copper mineralization persists to the lower limits of drilling, about 400 metres below surface. Copper and molybdenum mineralization are associated with potassic alteration and a slightly later and lower temperature alteration phase dominated by chlorite and epidote. Late-stage sericite-pyrite or phyllic alteration of variable intensity overprints all copper-associated alteration.

At higher elevations where Target 2 is located, the complete weathered profile is intact and potential exists for a preserved enrichment zone. Leached exposures at Target 2 contain abundant quartz veinlets associated with potassic alteration that are overprinted by strong sericite-pyrite alteration. Mineralization characteristics similar to Target 1 are inferred from secondary minerals derived from weathering of primary sulfides.



Leached veined porphyry at Target 2



Copper oxide mineralization at Target 4



Multiple Cu-Mo vein generations in drill hole ELID-12 (272.3 m)

