Element 29 Resources Identifies Multiple Large Untested MT Geophysical Anomalies at Elida Porphyry Cu-Mo-Ag Deposit

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Element 29 Resources Inc. (TSXV: ECU) (OTCQB: EMTRF) (BVL: ECU) ("Element 29" or the "Company") is pleased to announce the results of the recently completed magnetotellurics ("MT") geophysical survey at its flagship Elida Porphyry Copper-Molybdenum-Silver ("Cu-Mo-Ag") Deposit ("Elida") in central Perú.

Element 29 has completed a large-scale MT geophysical survey at Elida, targeting mineralization outside and beneath the current pit-constrained Inferred Mineral Resource Estimate. The survey results outlined an east-west trending high-resistivity anomaly correlating with the Elida porphyry intrusive complex, which is straddled by several large, low-resistivity anomalies within and extending beyond the mapped 2.5-kilometre ("km") by 2.5 km phyllic hydrothermal alteration footprint of the Elida porphyry system. These results highlight the potential to expand the known Cu-Mo-Ag resource and discover new zones of mineralization. Insights gained from the MT survey will help guide deeper and step-out drilling in the next phases of drilling as the Company advances Elida toward a Tier-1 discovery in a world-class mining jurisdiction.

Richard Osmond, President and CEO, states, "The MT geophysical survey has been highly successful in outlining the known Elida orebody, confirming its continuation at depth, and identifying multiple new geophysical anomalies that represent compelling targets for further exploration. The strong correlation between the high-resistivity anomaly and existing Cu-Mo-Ag mineralization supports our current geological model, while the presence of several large, untested low-resistivity anomalies highlights the potential for resource expansion and new discoveries. With this MT 3D resistivity model in hand, we are now well-positioned to unlock the full potential of the Elida Project."

Based on a total of 122 MT stations collected over a 5 km by 6 km survey area, a high-resolution, three-dimensional ("3D") resistivity model of the subsurface was generated to depths exceeding 3,000 metres ("m"). The MT 3D resistivity model outlined a 1,000 m long east-west trending high-resistivity anomaly running through the centre of the Elida deposit which correlates well with the Elida porphyry intrusive complex intruding predominately potassic-altered volcano-sedimentary host-rocks. This high-resistivity anomaly is straddled by several large low-resistivity anomalies that correlate with intensely hydrothermally altered volcano-sedimentary host-rocks cut by narrow early to late mineral porphyry fingers and dykes. The Cu-Mo-Ag mineralization shows a strong correlation with the high-resistivity anomaly, with higher-grade Cu-mineralization occurring along the transition from high to low resistivity. This transition likely maps the emplacement of the Elida porphyry intrusive complex into the altered volcano-sedimentary host rocks.

A total of six (6) resistivity anomalies are highlighted as follows (Figures 1 and 2):

- MT Anomaly 1: an east-west trending high-resistivity anomaly correlating with the Elida late-mineral quartz monzonite porphyry stock and swarm of early to late mineral porphyry fingers and dykes intruding predominately potassic-altered volcano-sedimentary host-rocks. The Cu-Mo-Ag mineralization from existing drilling correlates well with this anomaly.
- MT Anomaly 2: A shallow low-resistivity anomaly correlating with known higher-grade Cu mineralization within the existing pit-constrained resource shell where it transitions into the high-resistivity anomaly at depth and extends northwest towards Zone 5 where it remains untested.
- MT Anomaly 3: A deeper untested low-resistivity anomaly extending to more than 1,000 m beneath the existing pit-shell and striking northwest towards Zone 5. This low-resistivity anomaly is situated roughly 100 m below drill hole ELID033 which intersected 1,039.6 m of 0.54% CuEq (0.39% Cu, 0.036% Mo, 2.96 g/t Ag) including 310.1 m of 0.71% CuEq (0.56% Cu, 0.04% Mo, 3.49 g/t Ag) from 799.5 m to the end of hole at 1,109.6 m (see drilling results press release - January 22, 2025). This drill hole ended in higher-grade Cu-Mo-Ag mineralization suggesting the potential for continued mineralization at greater depth through the transition from higher to lower resistivity.

- MT Anomaly 4: A low-resistivity anomaly sitting along the south side of the high-resistivity anomaly (MT Anomaly 1) and correlating with known Cu-Mo-Ag mineralization within the existing pit-constrained resource shell.
- MT Anomaly 5: A northwest trending low-resistivity anomaly correlating with known phyllic alteration overprinting potassic alteration and associated quartz+sulphide vein stockworking and leached capping recognized at surface in Zone 2.
- MT Anomaly 6: A large untested low-resistivity anomaly located outside the mapped 2.5 km by 2.5 km phyllic alteration footprint of the Elida deposit. Outcrop exposures are poor, but preliminary mapping suggests the phyllic alteration extends to the north into this area.

The 3D resistivity model enhances the Company's understanding of the structural controls and geometry of the Elida porphyry system including potential relationships between host rocks and porphyry intrusions, hydrothermal alteration zones and sulphide mineralization. The Company intends to use the 3D resistivity model to further identify and prioritize drill targets extending outside and below the current pit-constrained Inferred Mineral Resource Estimate at Zone 1 and to explore for potential new zones of Cu-Mo-Ag mineralization within the mapped 2.5 km by 2.5 km phyllic alteration footprint of the porphyry system. Several of these MT anomalies also extend beyond the mapped alteration footprint suggesting the potential for currently unrecognized extensions to the known system and/or additional porphyry centres on the property.

MT is a passive geophysical method that measures natural variations in the Earth's electromagnetic fields to detect changes in subsurface resistivity. In porphyry copper exploration, MT is particularly effective for imaging the large-scale geological structures that control porphyry emplacement as well as the associated hydrothermal alteration and Cu-sulfide mineralization as low-resistivity zones. Widely used throughout the Andes, MT has contributed to the discovery of several deep-seated porphyry systems that exceed 1,000 m depth.

The Company is preparing to resume the Phase-III drilling program under the current Ficha Técnica Ambiental ("FTA") environmental approval and drill permit. This program is designed to potentially expand the current pit-constrained Inferred Mineral Resource Estimate at Zone 1 and increase overall Cu-Mo-Ag grades. The first two drill holes, completed in late 2024, intersected broad intervals of Cu-Mo-Ag mineralization starting at bedrock surface within the existing pit-shell and extending to depths exceeding 1,000 m-highlighting strong potential for resource expansion.

The MT 3D resistivity model is expected to support and refine drill targets for the Phase-III drilling program.

Figure 1: MT resistivity anomalies from a level slice at 1,450 m (a.s.l) of the 3D resistivity model (ohm.m) along with the Elida pit-constrained Inferred Mineral Resource Estimate at Zone 1, the phyllic hydrothermal alteration footprint and target zones. The 2D section through the MT 3D inversion along line A-A' is shown in Figure 2.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/7414/256872_f6fae2cfa439ebc3_001full.jpg

Figure 2: MT resistivity anomalies from a 2D section (looking NE) of the 3D resistivity model (ohm.m) with the Elida pit-constrained Inferred Mineral Resource Estimate at Zone 1 and drill hole traces with CuEq (%) grades. The location of this 2D section A-A' is shown in Figure 1.

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https://images.newsfilecorp.com/files/7414/256872_f6fae2cfa439ebc3_002full.jpg

Notes:
(1) The CuEq grades are calculated using CuEq = Cu% x 0.85 + [Mo% x 5.3744] + [Ag g/t x 0.0060] utilizing metal prices of Cu = US$4.10/lb, Mo = US$33.90/lb and Ag = US$26.00/oz based on a 2-year average of daily spot price (from January 15, 2023 to January 13th, 2025). The daily Mo price was determined by applying a factor of 1.50 to the LME daily spot price for Molybdenum (Platts).

About Elida Porphyry Cu-Mo-Ag Deposit
The Elida porphyry Cu-Mo-Ag deposit occurs along the east side of a large block of 29 contiguous

concessions totaling 19,749 hectares ("ha") that are 100% owned by Element 29 Resources Inc. The project is in west-central Perú and is road accessible from the capital city, Lima, along the Pan American Highway, 170 km northwest to the coastal city of Barranca, then inland 75 km along a secondary road with paved and unpaved surfaces.

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

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

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

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

Information on the Mineral Resource is in the technical report, available on the Company's website and on SEDAR+, titled "NI 43-101 Technical Report, Mineral Resource Estimation of the Elida Porphyry Copper Project in Perú" with an effective date of September 20, 2022 and prepared in accordance with Form 43-101F1 by Marc Jutras, PEng MASc, Principal, Mineral Resources, Ginto Consulting Inc., a Qualified Person as defined in National Instrument 43-101 Standards of Disclosure for Mineral Projects, who is independent of Element 29 Resources Inc.

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

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

The Company's principal objective is to explore and significantly expand its Elida Porphyry Cu-Mo-Ag Deposit in west-central Perú. Alongside Elida, the Company has three early stage, highly prospective porphyry Cu projects in Perú for more than 25,000 ha of titled concession. These include the Flor de Cobre porphyry Cu-Mo prospect situated in the Southern Perú Copper Belt, just 26 km from the Cerro Verde copper mine (Freeport-Buenaventura)[1] as well as the Paka and Pahuay porphyry Cu skarn prospects related to potential tertiary-aged, mineralized porphyry complexes intruding along the eastern margin of the Peruvian Coastal Batholith.

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

More information is available at www.e29copper.com.

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

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

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