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Element 29 Provides Update for Elida Copper Project, Peru

Investor Webinar January 7, 2021 at 12:00pm ET

Vancouver, Canada, January 5, 2021 – Element 29 Resources Inc. (“**Element 29**” or “**E29**” or the “**Company**”) (TSX-V: **ECU**) provides an update and summary of its wholly-owned Elida Copper Project (“**Elida**”) located in central Peru. Elida is a large porphyry copper-molybdenum-silver (Cu-Mo-Ag) system discovered in 2015.

Elida Highlights

- 2015 drilling consists of 18 diamond drill holes totalling 9,880 metres (“**m**”). See **Figure 1**.
 - All holes intercepted Cu-Mo-Ag mineralization
 - Highlight hole intercepted **503 m of 0.42% Cu, 0.046% Mo, 3.23 g/t Ag, for 0.579% CuEq grades**.
- Resides in a large 2.0 x 2.0 kilometre (“**km**”) Cu-Mo-Ag porphyry system
- Close to infrastructure: highway, power, and west coast.
- Community agreement renewed and in place to 2025.
- Environmental Evaluation (“**FTA**”) approval obtained and final drill permit pending early 2021.
- 3,600 m diamond drill program planned in 2021.

Brian Booth, President & CEO of Element 29 comments, “We are excited to introduce our Elida project to the public markets. Elida is a large porphyry copper system comprised of five individual porphyry centres of which only the central target has been drilled returning numerous long mineralized intersections. This drilling confirmed the significant size potential of the system and its excellent exploration upside for future discovery.”

An initial drill program, completed by Elida’s previous operator, Lundin Mining Peru SAC (“**Lundin**”), consisted of a total of 9,880 m in 18 diamond drill holes. All holes intercepted Cu-Mo-Ag mineralization, with six of the holes at the Central/Area 1 Target that intercepted significant Cu-Mo-Ag mineralization.

DDH 15ELID012 returned the highest assay results, with an intercept of 503 m of 0.42% Cu, 0.046% Mo, 3.23 g/t Ag, for 0.579% CuEq grade, including 393 m of 0.455% Cu, 0.048% Mo, 3.58 g/t Ag, for 0.623% CuEq grades (Table 1).

Some of the mineralized intercepts begin immediately below the colluvial cover demonstrating that the mineralized system sub-crops beneath the post-mineral unconsolidated cover sequence. Most drill holes also ended in mineralization, suggesting the system is open at depth.

With a renewed community agreement in place until 2025, Element 29 has been working alongside our community partners for years and reinforces our strong relationship with local stakeholders.

In July 2019, the Company received FTA approval for Elida from the Peruvian Ministry of Energy and Mines of Peru (“**MINEM**”). The FTA enables the Company to commence its drilling program at Elida subject to filing a notice for permit activation and obtaining the local water permit which is expected to be received in early 2021.

2021 Drill Program

The 2021 exploration program will consist of 3,600 m of in-fill drilling in and around the known copper mineralization at the Central/Area 1 Target to tighten up the drill spacing in order to complete a maiden National Instrument 43- 101 compliant mineral resource estimate (anticipated completion by the end of 2021). Preliminary metallurgical studies are also planned to be completed from existing core from previous drilling.

The Company is pursuing an exploration target at the Elida Central/Area 1 of 200M to 500M tonnes, with grades ranging between 0.35%-0.45% Cu, 0.03%-0.05% Mo and 3.5 g/t to 4.5 g/t Ag. This exploration target is based on the high-quality data from the initial 18 drill hole diamond drill program (9,880 m) completed by Lundin, and the surficial mapping and detailed interpretations undertaken by Lundin and Globetrotters Resources Peru SAC. The potential quantity and grade of this exploration target is conceptual in nature. There is currently insufficient drilling data to define a mineral resource and it is uncertain if further exploration will result in this target being delineated as a mineral resource. (See SEDAR - Technical Report Elida - November 13, 2020).

Webinar

Management will be hosting a webinar at 12:00pm ET January 7, 2021 to discuss the Company’s two highly prospective and advanced copper projects – Elida and Flor de Cobre. Register for free [HERE](#).

Table 1: 2015 Drilling

Drill hole ID	From (m)	To (m)	Length (m)	CuEq* (%)	Cu (%)	Mo (%)	Au (ppm)	Ag (ppm)
14ELID002	46.0	613.9	567.9	0.436	0.280	0.048	0.006	2.52
<i>including</i>	49.7	76.0	26.3	0.541	0.432	0.025	0.006	3.91
<i>and including</i>	108.0	336.0	228.0	0.519	0.351	0.048	0.007	3.69
<i>and including</i>	382.0	448.0	66.0	0.468	0.299	0.055	0.008	1.89
14ELID004	24.0	331.0	307.0	0.388	0.304	0.023	0.005	2.12
<i>including</i>	42.0	67.0	25.0	0.454	0.357	0.028	0.006	1.95
<i>and including</i>	147.0	223.0	76.0	0.485	0.393	0.023	0.007	2.62
and	369.0	415.0	46.0	0.276	0.216	0.016	0.006	1.48
and	541.0	605.3	64.3	0.211	0.163	0.013	0.004	1.13
15ELID005	34.0	547.8	513.8	0.329	0.242	0.024	0.003	2.01
<i>including</i>	89.8	121.0	31.2	0.404	0.271	0.041	0.003	2.20
<i>and including</i>	339.0	365.0	26.0	0.506	0.395	0.029	0.003	3.37

<i>and including</i>	414.0	463.0	49.0	0.428	0.370	0.011	0.003	2.89
15ELID006	22.2	85.0	62.8	0.208	0.165	0.008	0.006	1.83
15ELID007	71.0	530.0	459.0	0.280	0.188	0.028	0.004	1.59
15ELID008	25.0	73.0	48.0	0.253	0.218	0.004	0.003	2.35
and	105.0	166.0	61.0	0.203	0.142	0.016	0.003	1.69
15ELID009	11.0	84.0	73.0	0.275	0.216	0.014	0.004	2.05
and	117.0	380.0	263.0	0.293	0.215	0.024	0.006	1.21
and	444.0	507.3	63.3	0.209	0.088	0.042	0.003	0.65
15ELID010	8.3	145.0	136.7	0.256	0.163	0.029	0.007	1.14
and	268.0	443.0	175.0	0.213	0.152	0.018	0.005	1.08
15ELID011	116.0	242.0	126.0	0.218	0.151	0.021	0.003	1.05
and	274.0	576.5	302.5	0.287	0.186	0.032	0.004	1.31
15ELID012	55.1	558.0	502.9	0.579	0.420	0.046	0.008	3.23
<i>including</i>	57.0	450.0	393.0	0.623	0.455	0.048	0.008	3.58
and including	484.0	558.0	74.0	0.466	0.346	0.035	0.007	2.17
15ELID014	70.0	532.0	462.0	0.492	0.335	0.047	0.007	2.89
<i>including</i>	80.0	176.0	96.0	0.582	0.433	0.037	0.012	4.33
<i>and including</i>	195.1	359.4	164.3	0.637	0.416	0.069	0.006	3.28
<i>and including</i>	435.9	477.0	41.1	0.470	0.363	0.023	0.009	4.23
15ELID015	93.6	639.2	545.6	0.480	0.329	0.042	0.008	3.60
<i>including</i>	199.6	306.2	106.6	0.585	0.421	0.040	0.010	5.12
<i>and including</i>	349.0	381.0	32.0	0.582	0.403	0.036	0.007	8.00
<i>and including</i>	396.0	428.0	32.0	0.586	0.419	0.048	0.008	3.51
<i>and including</i>	474.0	639.2	165.2	0.593	0.395	0.058	0.011	3.72
15ELID016	65.5	210.0	144.5	0.284	0.218	0.011	0.004	3.70
15ELID017	84.0	494.0	410.0	0.295	0.230	0.009	0.006	3.92
<i>including</i>	260.4	318.0	57.6	0.490	0.393	0.011	0.008	6.52
15ELID018	276.1	398.9	122.8	0.266	0.201	0.005	0.004	4.87
and	430.4	583.6	153.2	0.234	0.189	0.004	0.004	3.30

Drilling and sampling was carried out by Lundin Mining Peru SAC (2014-2015). ALS-Global Laboratories in Lima, Peru, analysed the half-core by ME-ICP41, which includes 35 elements using an Aqua Regia digestion ICP-AES analysis and gold fire assay with an AA finish (Au-AA23). The over limits underwent ME-OG46 for ore grade elements using an Aqua Regia digestion. Reported widths are drill core lengths; true widths are unknown at this time. Assay values are uncut. *The calculated Copper Equivalent (CuEq. (%)) grade was used to determine the significant intervals (>0.20% CuEq. and >30 m core length, with higher grade intervals using a >0.40% CuEq. and >15m core length). *CuEq. = Cu(%) + Mo(%) x 2.667 +Au (ppm) x 0.6320 +Ag (ppm) x 0.0097 (no metallurgy has been completed at Elida, therefore no metallurgical recovery was applied in the copper equivalent formula). Cu Price= \$3.00 USD/lb, Mo Price = \$8.00 USD/lb, Au Price=\$1,300.00 USD/oz, Ag Price=\$20.00 USD/oz.

Core from the first 18-drill hole program, totaling 9,880 metres, was logged and sampled on site. A total of 5,612 rock samples, including core samples, were collected and analyzed by Au-AA23 and ME-ICP41 at ALS-Global Laboratories in Lima, Peru. Table 1 (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 located in Lima.

The Elida porphyry complex is a Cu-Mo-Ag mineralized multiphase porphyry system approximately 2.0 km x 2.0 km in size at surface, associated with Eocene aged quartz monzonite stocks, emplaced into the Cretaceous volcano-sedimentary sequence and a granodiorite member of Coastal Batholith. Elida is one of the first Eocene-aged mineralized porphyry systems discovered in Peru, suggesting a potential extension of the highly prolific Eocene Copper Belt from Northern Chile into Peru. The Eocene Copper Belt is known to host copper the renowned Chuquicamata and La Escondida copper porphyry systems

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

The drill hole intercepts presented in Table 1 have been prepared by Christopher Keech P.Ge., Principal Geologist for CGK Consulting Services Inc. Mr. Keech is a Qualified Person as set out in National Instrument 43-101 and is independent of Element 29 Resources Inc.

Technical information contained in this news release has been reviewed and approved by Brian Booth, P.Ge. the Company's President & CEO, who is Element 29's qualified person under National Instrument 43-101 and responsible for technical matters of this release.

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 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 lowest-risk mining jurisdictions in the world. 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 flagship Flor de Cobre porphyry Cu-Mo project located in southern Peru, just 26 kms southeast from Freeport-McMoRan's Cerro Verde Cu-Mo-Au mine. At the same time, the Company intends to build on its copper inventory with continued exploration on its Flor de Cobre project as well as its remaining 22,000 ha of mining concessions in Peru

including the recently discovered Elida porphyry Cu-Mo-Ag system located in central Peru, just 85 km from the coast. Both 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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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 to the listing of the Company’s common shares on the TSX Venture Exchange, the exercise of the Over-Allotment Option, 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 preliminary 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 E29 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: Elida Copper Project – 2015 historic drill locations and target areas

