

ELEMENT 29 REPORTS FINAL THREE HOLES FROM THE ELIDA PHASE 1 DRILLING AND REPORTS 908.75 METRES OF 0.55 % CUEQ

Vancouver, Canada, January 19, 2022 – Element 29 Resources Inc. (“Element 29” or the “Company”) (TSX-V: ECU | OTCQB: EMTRF) is pleased to announce results from the last three drill holes of the seven-hole, 4,500 metre (“m”) drilling program completed in December 2021 at its 100% owned Elida Copper Project (“Elida” or “the Project”) located in central Perú (Figure 1).

Richard Osmond, Chairman and Interim CEO, comments, “The Phase 1 drill program at Elida was a complete success and exceeded expectations with several long intercepts of strong copper mineralization starting at the bedrock surface and, in the case of drill hole ELID025, mineralization extended to depths greater than 900 m. The program was successful in defining the limits of copper mineralization at Target 1 with the appropriate drill spacing needed to complete an initial resource estimate, which we expect to publish later this year. We are excited about our plans to move forward with a Phase 2 program intended to expand on potential resources at Target 1 and drill test Targets 2 and 3.”

Click [HERE](#) to listen to Richard Osmond discuss the highlights of today’s press release.

Elida Drilling Highlights

- Drill hole ELID025 intersected 908.75 m of 0.39% copper (“Cu”), 0.035% molybdenum (“Mo”), and 2.9 g/t silver (“Ag”) for 0.55% copper equivalent¹ (“CuEq”), see footnote 1 in Table 1), including 339.6 m of 0.50% Cu, 0.036% Mo and 4.3 g/t Ag for 0.67% CuEq¹ starting from the bedrock surface at 38.45 m depth (Figure 2). The hole confirmed the vertical extent of mineralization to 933 m below surface and remains open at depth.
- Drill hole ELID024 intersected 451.75 m of 0.38% Cu, 0.034% Mo, and 3.1 g/t Ag for 0.53% CuEq¹ (Figure 3). The hole confirmed an apparent western limit of Target 1 mineralization and demonstrated good continuity of mineralization between holes ELID019, ELID020, and ELID025.
- Drill hole ELID023 encountered a much wider than anticipated zone of mineralization on the south side of the low-grade central quartz monzonite porphyry stock and confirmed the westward continuity of mineralization south of the stock. The strongest of two mineralized intervals was 91.1 m of 0.41% Cu, 0.032% Mo, 4.1 g/t Ag (0.56% CuEq¹) (Figure 4). The hole was stopped before reaching the southern limit of the Target 1 mineralized zone.

Table 1: Length-weighted assay intervals for holes ELID023, ELID024, and ELID022 with results from ELID019, ELID020, ELID021, and ELID022 released previously.

Hole	From (m)	To (m)	Length ² (m)	Cu (%)	Mo (%)	Ag (ppm)	As (ppm)	CuEq ¹ (%)
ELID025	38.45	947.2	908.75	0.39	0.035	2.9	42	0.55
<i>includes</i>	38.45	378.0	339.55	0.50	0.036	4.3	36	0.67
<i>includes</i>	442.0	821.2	379.2	0.30	0.033	1.9	47	0.43

<i>includes</i>	821.2	861.0	39.8	0.58	0.027	3.6	50	0.71
<i>includes</i>	861.0	947.2	86.2	0.35	0.040	2.0	67	0.51
ELID024	198.45	650.2	451.75	0.38	0.034	3.1	19	0.53
<i>includes</i>	198.45	467.5	269.05	0.31	0.026	2.8	9	0.43
<i>includes</i>	467.5	650.2	182.7	0.47	0.047	3.9	34	0.67
<i>and includes</i>	467.5	540.0	72.5	0.59	0.048	4.5	9	0.81
ELID023	87.0	610.5	523.5	0.24	0.024	2.9	39	0.35
<i>includes</i>	87.0	178.1	91.1	0.41	0.032	4.1	91	0.56
<i>includes</i>	425.0	610.5	185.5	0.30	0.017	4.6	19	0.41
ELID022	145.0	533.0	388.0	0.34	0.026	2.4	80	0.45
<i>includes</i>	201.0	405.0	204.0	0.38	0.026	2.7	70	0.50
<i>and includes</i>	201.0	229.0	28.0	0.62	0.022	4.2	66	0.74
<i>and includes</i>	283.0	405.0	122.0	0.39	0.032	2.8	79	0.52
<i>includes</i>	425.0	451.0	26	0.43	0.024	3.2	79	0.55
ELID021	207.9	764.0	556.1	0.36	0.024	2.4	101	0.47
<i>includes</i>	244.0	662.0	418.0	0.40	0.025	2.6	91	0.51
ELID020	143.00	451.00	308.00	0.43	0.028	3.9	15	0.56
<i>includes</i>	249.00	353.00	104.00	0.54	0.031	4.6	12	0.69
<i>includes</i>	384.20	451.00	66.80	0.62	0.041	5.2	17	0.81
ELID019	43.15	426.9	383.75	0.54	0.035	4.2	47	0.71
<i>includes</i>	43.15	358.0	314.85	0.60	0.033	4.7	32	0.76

¹ Copper equivalent grades (CuEq) are for comparative purposes only. Calculations are uncut and recovery is assumed to be 100% as metallurgical data is insufficient to allow for estimation of metal recoveries. Copper equivalence (CuEq %) is calculated as: $CuEq (\%) = Cu (\%) + [3.55 \times Mo (\%)] + [0.0095 \times Ag (g/t)]$, utilizing metal prices of Cu - US\$3.34/lb, Mo - US\$11.86/lb and Ag - US\$21.87/oz. Metal prices are based on a 2-year average of monthly LME metal prices.

² Intervals are downhole drilled core lengths. Drilling data to date is insufficient to determine true width of mineralization. Assay values are uncut.

Phase 1 drilling at Elida successfully achieved the program objectives of: (1) investigating the vertical continuity and zonation of Target 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 Target 1. Information returned from the Phase 1 program was used to revise the interpretation of mineralization boundaries shown in **Figure 1**. 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.

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 0.55% CuEq¹ (**Figure 2**). 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 quartz monzonite porphyry (“QMP”) intrusion. The hole ended in mineralization and was discontinued for operational reasons. Chalcopyrite remained the copper-bearing sulfide mineral for the entire length of the drill hole and indicates a vertically protracted mineral system. Notably, arsenic (“As”) was low at 42 ppm and did not correlate with Cu grade.

ELID024 was collared a short distance west and outside of the mineralization limit inferred from earlier drilling (**Figure 3**). 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 (0.53% CuEq¹) 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 (0.67% CuEq¹) 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 (0.81% CuEq¹), which indicates coherent, higher grade zones are an important component of the broader Target 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.

ELID023 was designed to test mineralization wrapping around the south side of the QMP (**Figure 1**). The hole intersected a well mineralized interval of 0.41% Cu, 0.024% Mo, and 4.1 g/t Ag (0.56% CuEq¹) over 91.1 m adjacent to the QMP followed by a longer interval of mineralization disrupted and diluted by numerous weakly mineralized QMP dikes (**Figure 4**). 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 (0.41% CuEq¹). 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.

Drill results for drill holes ELID019 and ELID020 were released on [October 18, 2021](#), which highlighted a 383.75 m interval of 0.54% Cu, 0.035% Mo, and 4.2 g/t Ag (0.71% CuEq¹) in ELID019 and a 308 m interval of 0.43% Cu, 0.028% Mo, 3.9g/t Ag (0.56% CuEq¹) in ELID020. Drill results for drill holes ELID021 and ELID022 were released on [November 15, 2021](#), which highlighted a 556.1 m interval of 0.36% Cu, 0.024% Mo, and 2.4 g/t Ag (0.47% CuEq¹) in ELID021 and a 388.0 m interval of 0.34% Cu, 0.026% Mo, 2.4 g/t Ag (0.45% CuEq¹) in ELID022.

Results from the Phase 1 drilling program increased confidence in the position of mineralization contacts interpreted from previous sparse drilling and demonstrated continuity of mineralization within the interpreted mineralized zone. Drilling also more than doubled the depth of investigation from 400 m to 933 m below surface and confirmed that the mineral system begins at the bedrock surface beneath 30 m to 120 m of unconsolidated gravel cover. A portion of Target 1 now has drill holes nominally spaced at 100 metres, which are considered appropriate for potential resource estimation.

Future Work

The Company plans to use drilling results from the Phase 1 program to prepare a potential initial resource estimate. In parallel, preliminary metallurgical studies have been initiated to examine recovery and comminution characteristics of mineralization for use in preliminary economic studies.

Exploration planned for later in 2022 will be designed to test the unexplored segments of the Target 1 mineralized zone and further constrain limits of mineralization where drill holes are lacking. Initial drill testing of Targets 2 and 3 will also be planned (see **Figure 5**).

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 core. Logging and sampling are completed at a secured Company facility situated near the Elida 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. independent laboratory in Lima by Company vehicles and staff. 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 Person

The scientific and technical content of this press release has been reviewed and approved by Paul J. Johnston (PhD, PGeo), who is 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.

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 x 2 kilometre (“**km**”) alteration system enclosing a cluster of porphyry centres that represent five distinct exploration targets. In 2021, Element 29 completed seven 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.

The Project is located in central Perú, 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.

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 world’s lowest-risk 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 shareholders.

The Company’s principal objective is to explore and develop its flagship Flor de Cobre porphyry Cu-Mo project located in southern Perú, 26 km southeast from Freeport-McMoRan’s Cerro Verde Cu-Mo mine. At the same time, the Company intends to build on its potential copper inventory with continued

exploration of its Flor de Cobre project as well as its remaining 22,000 ha of mining concessions in Perú, including the recently discovered Elida porphyry Cu-Mo-Ag system located in central Perú and 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 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. Plan view of **Target 1** at the Elida Porphyry Cu-Mo project. The Phase 1 drilling program consisting of seven holes was completed in December 2021. The last three holes from this program are reported in this press release. Section locations for Figures 2, 3 and 4 are indicated with white dashed lines. Holes ELID001 – ELID018 were completed by Lundin Mining in 2014/15 and ELID019 – ELID025 were completed by Element 29 in 2021.

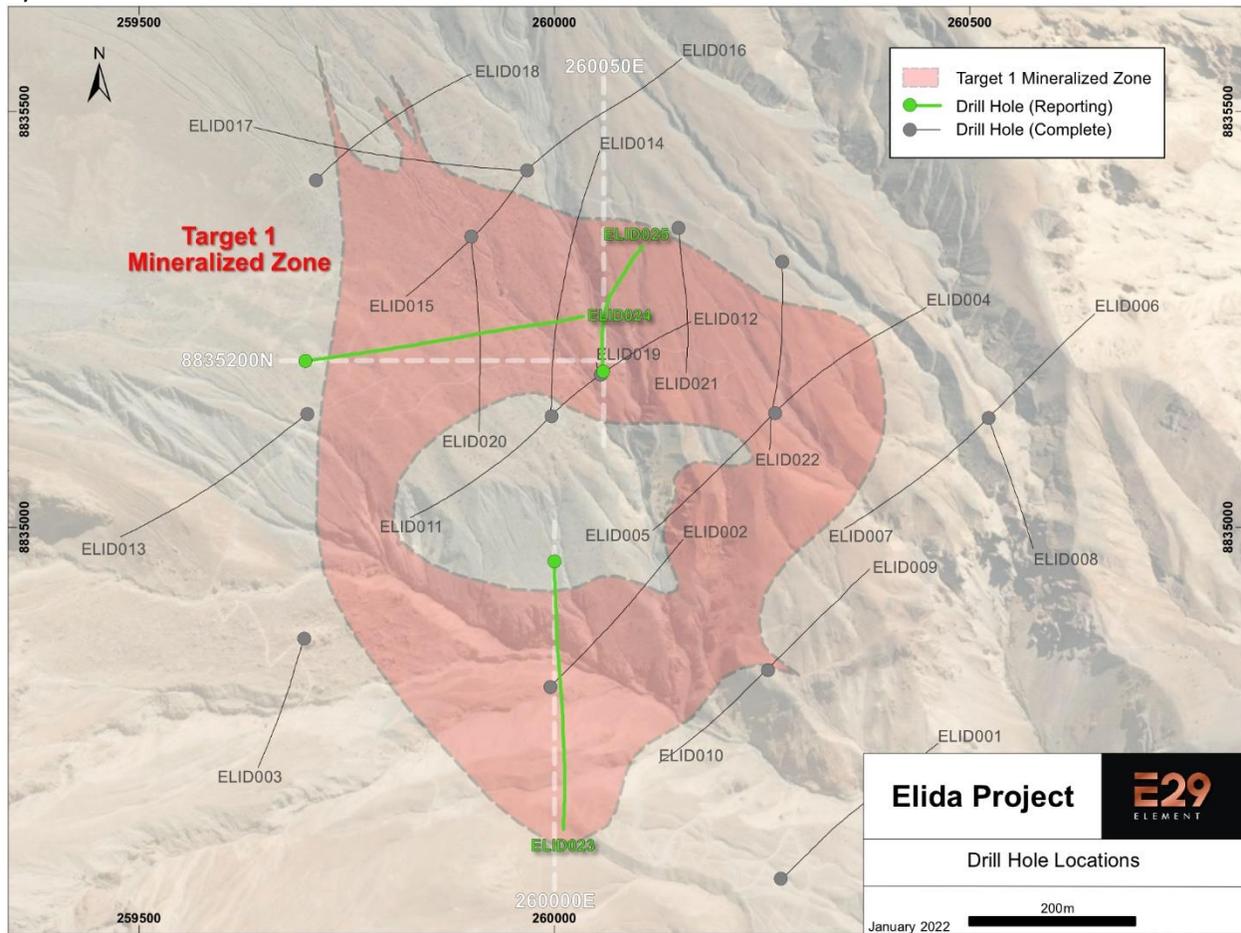


Figure 2. Cross section 260050 E showing hole **ELID025**. The hole entered well-mineralized, potassic-altered sedimentary rocks immediately beneath 35 m of gravel cover. Continuous mineralization was encountered to the bottom of the hole at 947.2 m. This hole demonstrated the vertical continuity of mineralization to a depth of 933 m below surface. Apart from the zone of strong mineralization present near the top of the hole, other well mineralized intervals are distributed throughout the hole. The hole ended in mineralization and the mineralized zone remains open at depth.

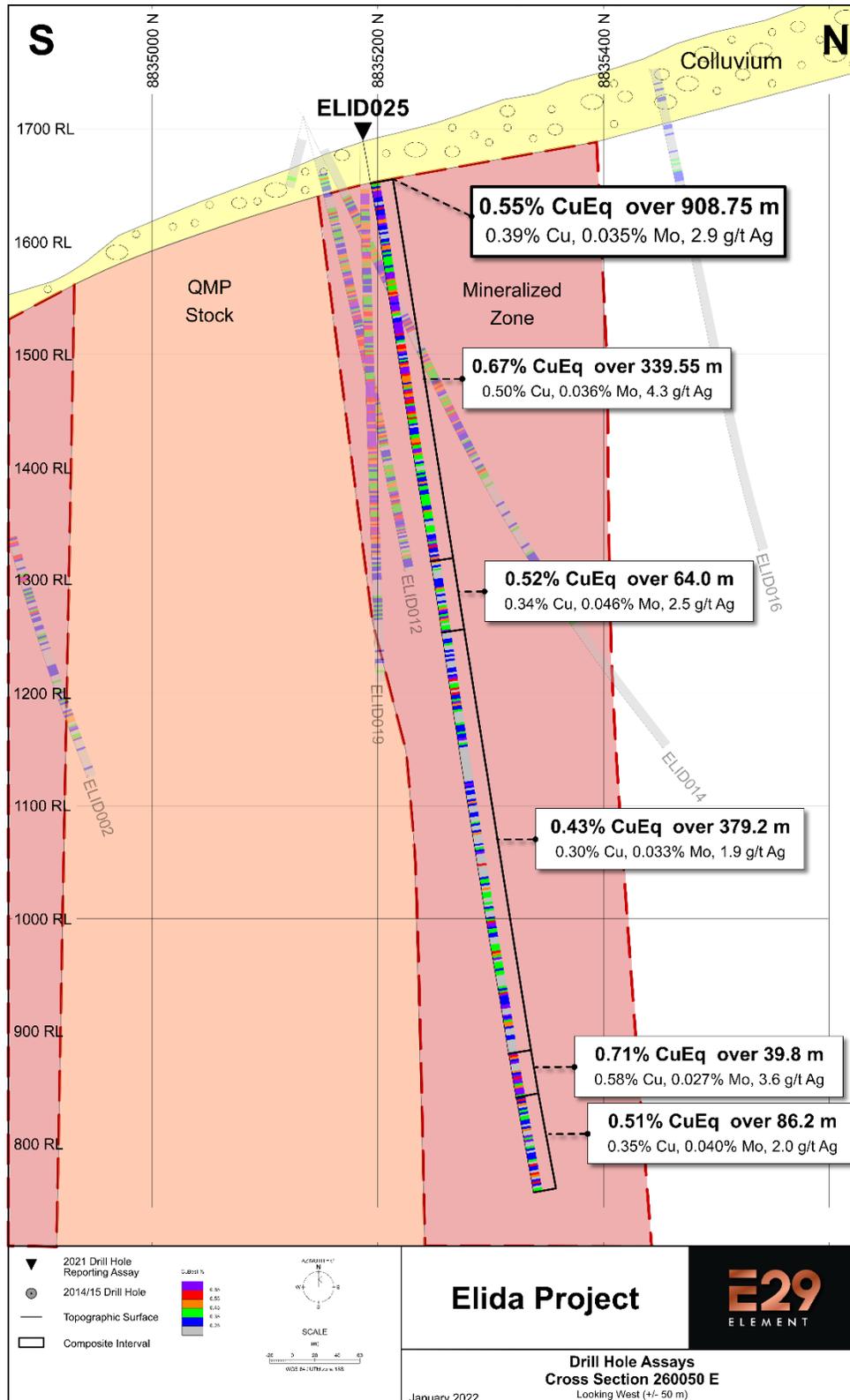


Figure 3. Cross section at 8835200 N showing the position of **ELID024**. This hole was designed to constrain the western limit of Target 1 mineralized zone and test for continuity of mineralization in a direction orthogonal to the other Phase 1 drill holes, specifically ELID020, ELID019, and ELID025. More drilling is required to determine the orientation of the western limit of mineralization, which is interpreted to be vertical.

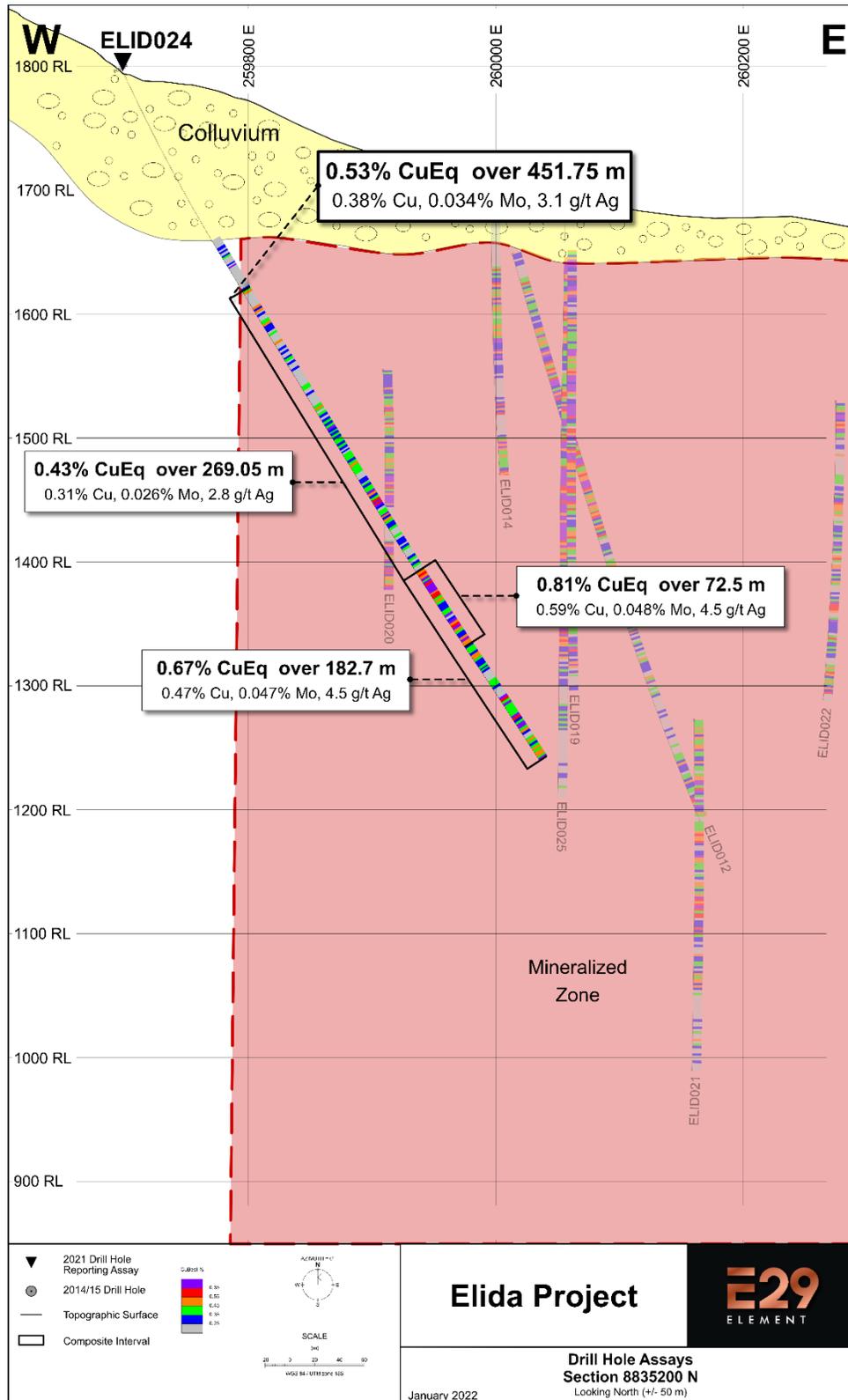


Figure 4. Cross section at 260000 E showing the position of **ELID023**. The hole was collared in the QMP and drilled south to test the southern arm of the Target 1 mineralized zone. The mineralized zone is interrupted by numerous, weakly mineralized QMP dikes that result in lower grades. The hole ended in veined and altered sedimentary host rock. More drilling is required to define the southern boundary of the mineralized zone.

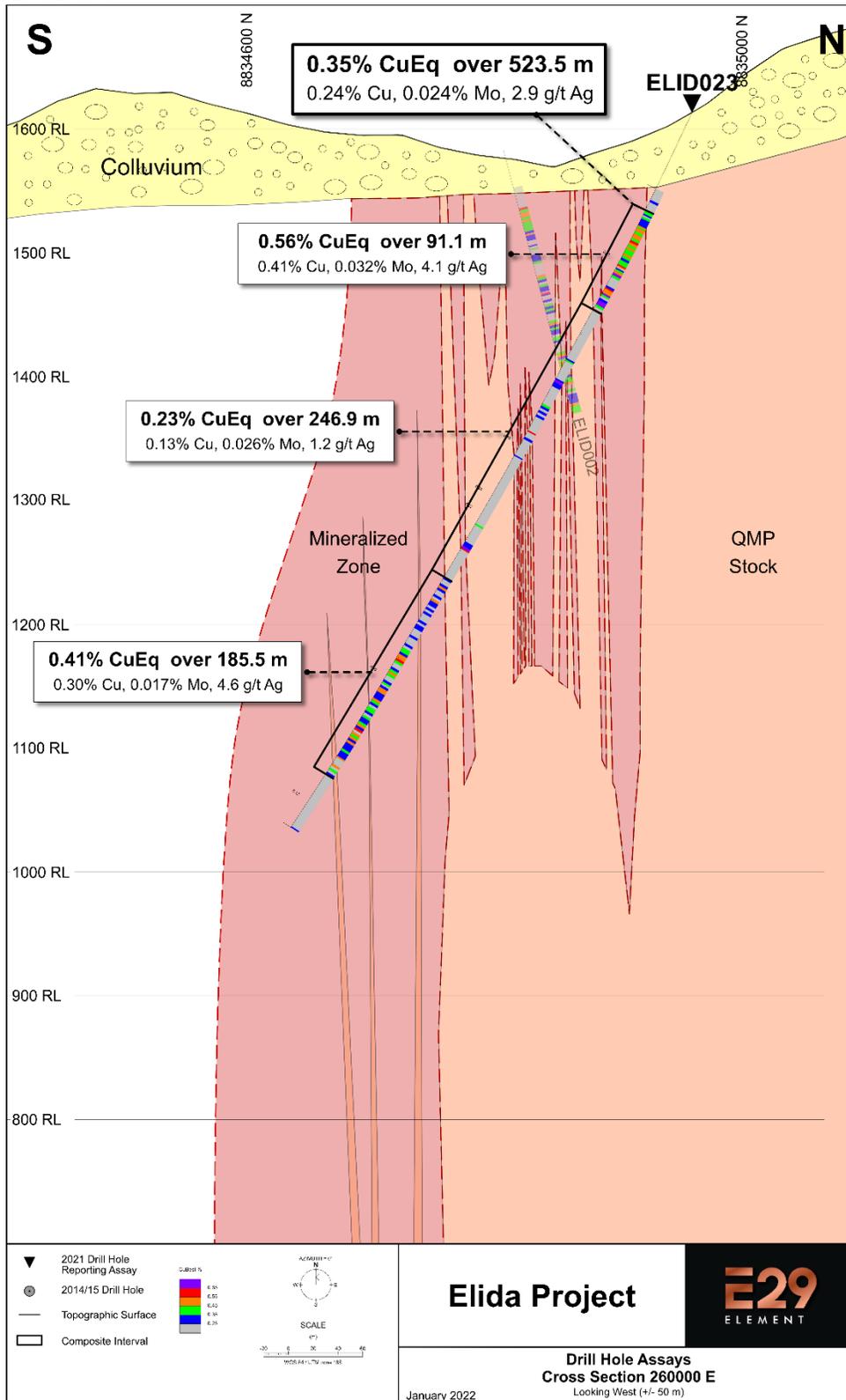


Figure 5. Plan view of the Elida exploration targets represented by five porphyry centres enclosed by a 2 x 2 km alteration system. Only Target 1 has been drill-tested. Targets 2 and 3 contain exposed leached capping associated with quartz monzonite porphyry intrusions overprinted by quartz vein stockworks. The Company plans to complete initial drilling on Targets 2 and 3 later in 2022.

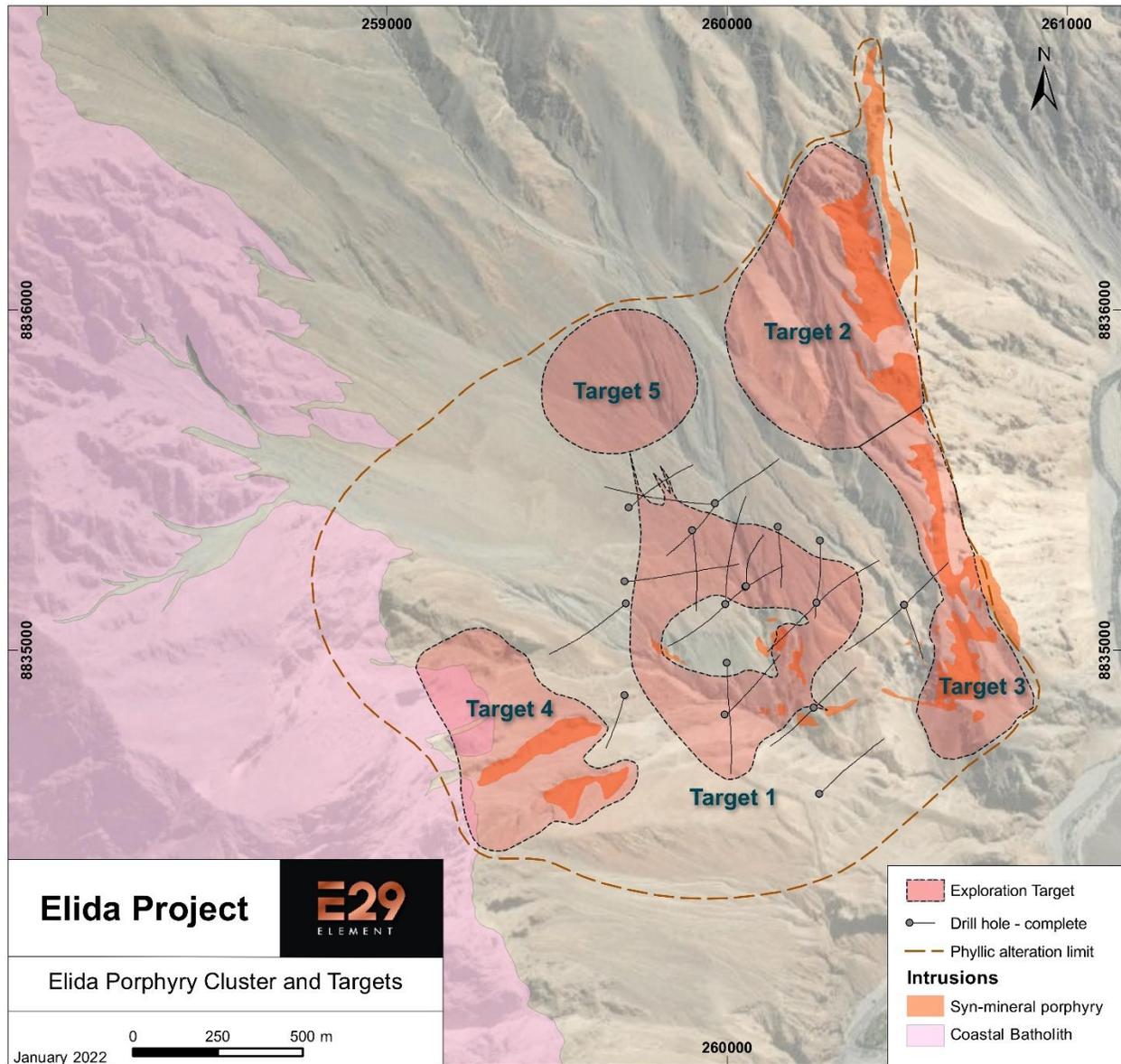


Table 2: Drill hole collar locations for reported drill holes.

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

Coordinates are in WGS84 zone 18S UTM

Image 1. Example of strongly veined and altered feldspathic arenite in ELID025 at 148.9 m from a 2 m long sample interval reporting **3.77% Cu, 0.009% Mo, and 31.6 g/t Ag**. Chalcopyrite is concentrated along early quartz veinlets (A-type veins) and early sulfide veins associated with secondary biotite. The dark haloes around some veins is secondary biotite. Core is HQ diameter (63.5 mm).



Image 2. ELID023, 397.5 m from a 2 m long sample interval reporting **1.07% Cu, 0.003% Mo, 14.6 g/t Ag**. Quartz vein containing a chalcopyrite assemblage in potassic-altered feldspathic arenite. Chalcopyrite is disseminated in the quartz vein and wall rock and in chalcopyrite-pyrite veinlets that overprint the quartz vein. Molybdenite is unusually low in this part of the drill hole. Core is HQ diameter (63.5 mm).

