

Element79 Gold Signs Letter of Intent to Acquire 100% Ownership of Plutus Gold Corp.

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Topic:

Mergers and Acquisitions

VANCOUVER, BC / ACCESSWIRE / August 25, 2021 / Element79 Gold Corp.

(CSE:ELEM) ("**Element79 Gold**", the "**Company**") announced that it has signed a binding Letter of Intent ("LOI") to acquire 100% of the issued and outstanding shares in Plutus Gold Corp. ("Plutus Gold"), which holds the option to acquire the Snowbird High-Grade Gold Project.⁽¹⁾

The Snowbird High-Grade Gold Project consists of 2,726 hectares across ten mineral claims located in Central British Columbia approximately 20 kilometers west of Fort St. James. The claims sit at low elevation with access via dirt roads that allows them to be drilled year-round (Figure 1.).

President and CEO of Element79 Gold, James Tworek commented, "The entire team has been hard at work developing our M&A pipeline and today we are pleased to announce the first of several potential acquisitions. Over the coming months, we intend to pursue an aggressive development strategy aimed at significant value-creation for our shareholders and the Snowbird High-Grade Gold Project is a perfect complement due in large part to its expansive potential."

Snowbird High-Grade Gold Project: 2,700+ Hectares of Untapped Potential

First discovered in the 1920s, the Snowbird High-Grade Gold Project's original owners completed limited underground development in the 1930s and 1940s. A total of 226 shallow drill holes (both percussion and diamond) representing 19,580 meters have

been completed on the Snowbird High-Grade Gold Project, the bulk of which occurred in the 1980s, with a total of 40 diamond drill holes (6,993 meters) drilled since 2017, including 9 holes for which results are pending.⁽¹⁾

The Snowbird High-Grade Gold Project includes two significant mineralized veins: the "Main Vein" and the "Peg-leg Vein." Underground sampling on the Main Vein in the 1940s produced weighted averages of 10.5 g/t (cut to 30 g/t) and 357.7 g/t (uncut) over 0.6 meters with an individual sample up to 5,074 g/t⁽²⁾ (Table 1.). Historical drilling has returned up to 8,508.34 g/t gold and 2,899.88 g/t silver (Hole X86-06 by X-Cal Resources Ltd.) over 0.15 meters.⁽³⁾ Historical trench sampling along 66m of the Peg-leg vein yielded gold assay values of 13.03 g/t across an average width of 0.8m.⁽⁴⁾

Geology Parallels Some of the World's Largest Gold Districts

The Snowbird High-Grade Gold Project is a structurally controlled mesothermal deposit with geology that is analogous to the famed Mother Lode District of California, and the Bralorne Mine Complex of British Columbia which produced 4.2 million oz of gold before closing in 1971.⁽⁶⁾ It also holds similarities to deposits in several other significant multi-million oz producing mining camps, including the Timmins Camp in the Abitibi Subprovince of Ontario which has produced over 70 million oz of gold to date.⁽⁷⁾

Kilometers of Depth Potential

Unlike shallow epithermal deposits, mesothermal deposits can have significant depth extent measured in kilometers. The gold system at the Snowbird High-Grade Gold Project has only been tested to a maximum depth of 400 meters (one hole) with the vast majority of the drilling being shallower than 200 meters. Gold mineralization is hosted by stockwork quartz-carbonate veins (Figure 2) associated with fuchsite, pyrite, stibnite and arsenopyrite along the sheared contact between altered ultramafics and metasediments. The alteration associated with the sheared contact forms a magnetic

low, which allows for delineation of the favourable contact using detailed magnetic surveys (Figure 3).

West Wall				East Wall			
Sample No	Grade		Interval (m)	Sample No	Grade		Interval (m)
	Gold (gpt)	Sb (%)			Gold (gpt)	Sb (%)	
18452	9.94	na	0.77	18451	5.83	na	0.72
18454	5,074.21	31	0.87	18453	21.94	na	0.67
18456	18.51	na	0.64	18455	2.06	na	0.31
18458	2,468.53	31	0.56	18457	8.91	na	0.36
18460	13.03	na	0.69	18459	14.06	na	0.92
18462	12.69	na	1.03	18461	4.11	na	0.59
18464	5.14	na	0.38	18463	2.06	na	0.46
18466	12.34	na	0.56	18465	9.60	na	0.74
18468	5.49	na	0.41	18467	4.11	na	0.31
18469	16.46	na	0.59	18470	4.46	na	0.62
18472	15.77	na	0.46	18471	7.20	na	0.54
18474	1,165.70	31	0.41	18478	16.11	na	0.18
18481	12.34	na	0.33	18479	13.71	na	0.92
18483	7.54	na	0.64	18482	8.57	na	2.15
				18487	18.86	na	0.23
Weighted average grade of all samples over average interval					357.66		0.62
Weighted average grade ex-gold >30 gpt					10.54		0.62

Table 1. 1940s underground sampling. Individual samples were collected along the ribs of the Main Vein.⁽²⁾

Hole	Gold g/t	Width*
X86-06	8,508.34	0.15
P87-29	13.29	1.52
88-13	10.94	6.12
Inc.	29.00	2.00
SB17-04a	9.10	2.02
Inc.	16.20	1.00
SB18-06	11.32	1.32
Inc.	22.00	0.82
SB19-06	18.30	0.50
And	19.30	0.56

Table 2. Select Historic drill hole Intersection from the Snowbird High-Grade Gold Project^(1,2,3,4,5)

*Widths are drilled widths

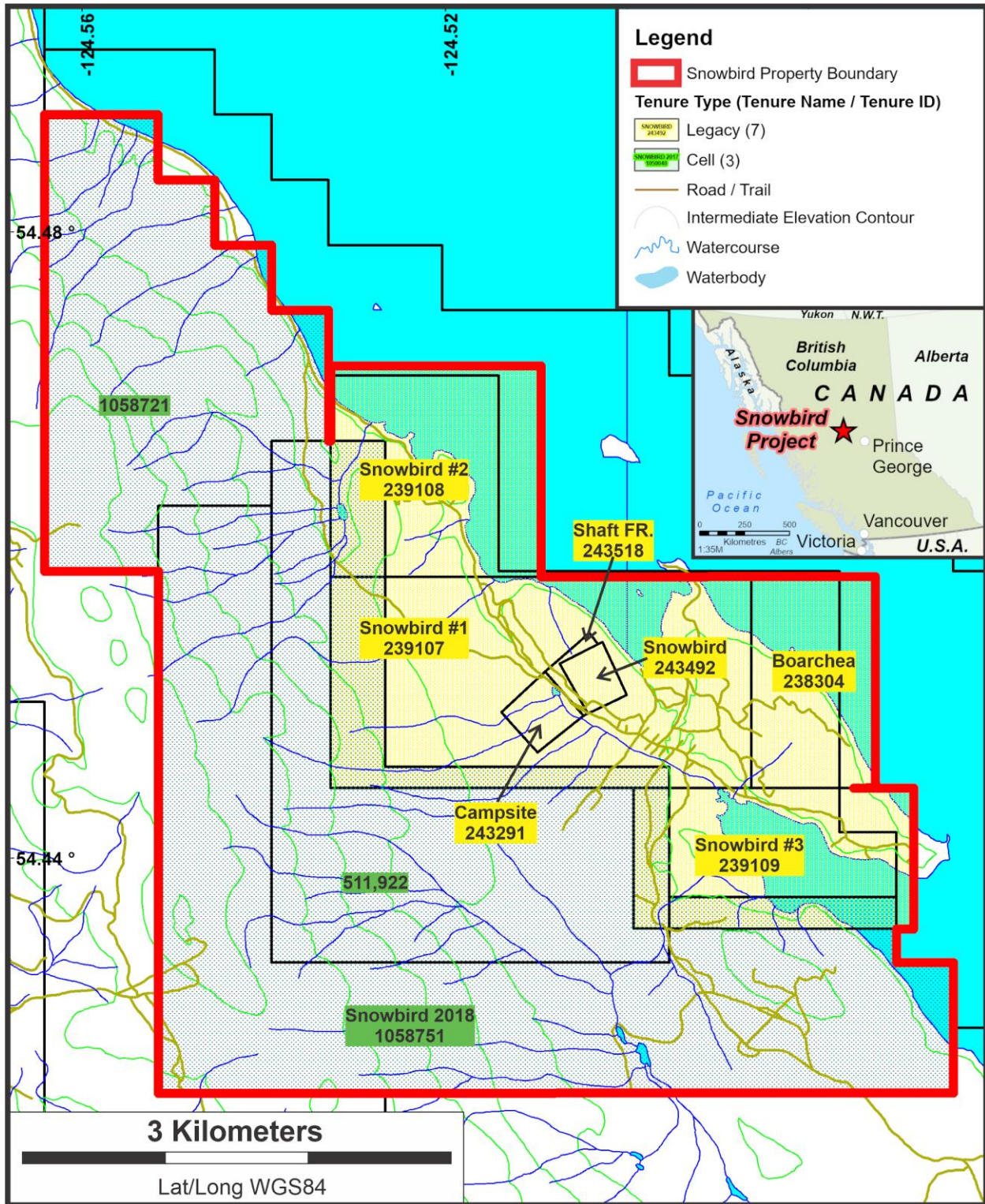


Figure 1. Snowbird High-Grade Gold Project property map.



Figure 2. A. Example of Quartz-carbonate vein stockwork near the Peg-leg Vein located southeast of the Main Vein exposed by trenching.^(2,5) **B.** Close up of the same quartz-carbonate vein stockwork. **C.** Hole SB19-06, high grade intersections from 37.70 to 38.20 returning 18.30 g/t over 0.50m and 41.44 to 42.00 returning 19.25 g/t over 0.56m highlighted in red. **D.** Hole SB17-03 closeup of quartz-carbonate stockwork veining hosted in listwanite (carbonate altered ultramafic) showing clusters of massive stibnite (antimony) which returned 1.44 g/t over 0.94 meters from 42.56-43.50 meters.

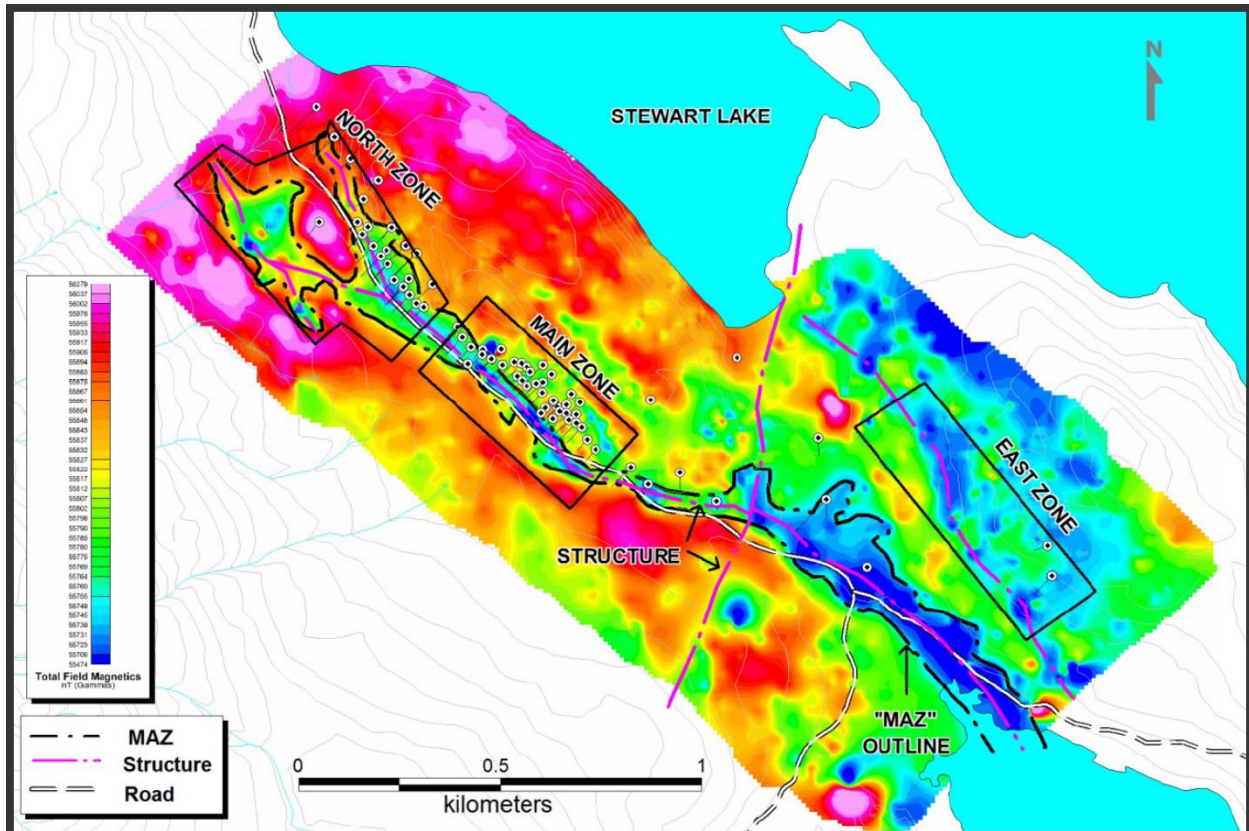


Figure 3. Total field magnetic map of the of the core area of the Snowbird High-Grade Gold Project showing pre 2017 historic drill holes and structural trends.⁽²⁾

The LOI carries exclusivity until October 31, 2021 and requires the parties to use best efforts to negotiate and execute a definitive agreement. Element79 Gold intends to acquire 100% interest in Plutus Gold for a \$200,000 cash payment, and 8,000,000 common shares of Element79 Gold. As the final obligation remaining under the Option Agreement between Plutus Gold and Gitennes Exploration Ltd., Plutus Gold is committed to completing further work on the Snowbird High-Grade Gold Project with expenditures totaling \$1,000,000 on or before June 30, 2022 in order to exercise its option to acquire the claims.

Investor Relations

The Company is also pleased to announce an update on its engagement of CorpComm Services Limited ("CorpComm") for ongoing investor relations and public awareness

campaigns for a 12-month period. CorpComm is actively working on campaigns to increase the general market awareness of Element79 Gold and its developing business. Further details may be found in the original disclosure on SEDAR, in the final prospectus filed on July 19, 2021.

Qualified Person

The technical information in this release has been reviewed and verified by Neil Pettigrew, M.Sc., P. Geo., Director of Element79 Gold and a “qualified person” as defined by National Instrument 43-101.

About Element79 Gold

Element79 Gold is a mineral exploration company focused on the acquisition, exploration and development of mining properties for gold and associated metals. The Company has an option to acquire 100% interest in the Dale Property which consists of 90 unpatented mining claims located approximately 100 km southwest of Timmins, Ontario, Canada in the Timmins Mining Division, Dale Township.

Contact Information

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Sources

(1) Gitennes Exploration Ltd., May 4, 2021, News

Release https://www.gitennes.com/site/assets/files/5689/snowbird_high_grade_gold_project_drilling_update.pdf

(2) Booth K. and Mallalieu D. March 2, 2018. Report for Omineca Gold Ltd. on the Geological, Geochemical and Geophysical aspects of the 2018 Work Programme by Gitenes Exploration Inc. on the Snowbird Property, Ft. St. James, B.C. Omineca Mining Division. Omineca Mining Division NTS 093 K/07, K/08, K/10 UTM Zone 10, NAD 98, 400 000 E, 6 035 000N Claims 238304, 239107, 239108, 239109, 243491, 243492, 243518, 511922, 1050040, 1050041, 1050042 Internal Gitenne Exploration Inc. Company Report

(3) British Columbia Ministry of Energy, Mines and Petroleum Resources, MINFILE Record Summary 15853 <https://aris.empr.gov.bc.ca/ArisReports/15853.PDF>

(4) British Columbia Ministry of Energy, Mines and Petroleum Resources, MINFILE Record Summary 093K 036 <https://minfile.gov.bc.ca/Summary.aspx?minfilno=093K%20%20036>

(5) Booth K. and Mallalieu D. February 13, 2018. Report for Omineca Gold Ltd. on the Geological, Geochemical and Geophysical aspects of the 2017 Work Programme by Gitenes Exploration Inc. on the Snowbird Property, Ft. St. James, B.C. Omineca Mining Division NTS 093 K/07, K/08, K/10 UTM Zone 10, NAD 98, 400 000 E, 6 035 000N Claims 238304, 239107, 239108, 239109, 243491, 243492, 243518, 511922, 1050040, 1050041, 1050042 Internal Gitenne Exploration Inc. Company Report

(6) <https://taliskerresources.com/discover-bralorne-our-flagship/>

(7) Timmins Camp Gold Production: DigiGeoData, June 2021
Map <https://digigeodata.com/area/timmins/>

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Neither the Canadian Securities Exchange nor the Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

Technical Disclaimer

This news release and related maps contain information about adjacent properties and properties with similar characteristics on which the Company has no right to explore or mine. Readers are cautioned that mineral deposits on adjacent properties or properties that share similar characteristics are not indicative of mineral deposits on the Company's properties. Readers are also cautioned that this news release contains historical technical information which is based on prior data prepared by previous property owners. A qualified person has not done sufficient work to confirm such information; significant data compilation, re-drilling, re-sampling and data verification may be required to do so.

Cautionary Note Regarding Forward Looking Statements

This press contains 'forward-looking information' and 'forward-looking statements' under applicable securities laws (collectively, 'forward-looking statements'). These statements relate to future events or the Company's future performance, business prospects or opportunities that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management made in light of management's experience and perception of historical trends, current conditions and expected future developments. Forward-looking statements include, but are not limited to, statements with respect to: the Company's business strategy; the entering into of a definitive agreement with Plutus Gold; the acquisition of Plutus Gold; the terms of the acquisition of Plutus Gold; future planning processes; exploration activities; the timing and result of exploration activities; capital projects and exploration activities and the possible results thereof; acquisition opportunities; and the impact of acquisitions, if any,

on the Company. Assumptions may prove to be incorrect and actual results may differ materially from those anticipated. Consequently, forward-looking statements cannot be guaranteed. As such, investors are cautioned not to place undue reliance upon forward-looking statements as there can be no assurance that the plans, assumptions or expectations upon which they are placed will occur. All statements other than statements of historical fact may be forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives or future events or performance (often, but not always, using words or phrases such as 'seek', 'anticipate', 'plan', 'continue', 'estimate', 'expect', 'may', 'will', 'project', 'predict', 'forecast', 'potential', 'target', 'intend', 'could', 'might', 'should', 'believe' and similar expressions) are not statements of historical fact and may be 'forward-looking statements'.

Actual results may vary from forward-looking statements. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to materially differ from those expressed or implied by such forward-looking statements, including but not limited to: the duration and effects of the coronavirus and COVID-19; risks related to the integration of acquisitions; actual results of exploration activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; commodity prices; variations in ore reserves, grade or recovery rates; actual performance of plant, equipment or processes relative to specifications and expectations; accidents; labour relations; relations with local communities; changes in national or local governments; changes in applicable legislation or application thereof; delays in obtaining approvals or financing or in the completion of development or construction activities; exchange rate fluctuations; requirements for additional capital; government regulation; environmental risks; reclamation expenses; outcomes of pending litigation; limitations on insurance coverage as well as those factors discussed in the Company's other public disclosure documents,

available on www.sedar.com. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. The Company believes that the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included herein should not be unduly relied upon. These statements speak only as of the date hereof. The Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws.

SOURCE: Element79 Gold Corp.