



Element79 Gold Announces Convertible Note Financing, provides financial update

Vancouver, B.C. May 5, 2023 – Element79 Gold Corp (CSE:ELEM) (OTC:ELMGF) (FSE:7YS) ("Element79 Gold", the "Company") announces a non-brokered private placement of unsecured convertible note units (the "Unit") in the aggregate principal amount of up to CA\$500,000. Each Unit shall consist of a \$1,000 unsecured convertible note (each, a "Convertible Note") and 10,000 non-transferrable full-common share purchase warrants (each, a "Warrant"). Each Convertible Note will be convertible into common shares (each, a "Share") of the Company at a price of \$0.10 per Share and any accrued but unpaid interest thereon will be convertible into Shares at the price of \$0.10 per Share.

Each Warrant will be exercisable into one common share of the Company (a "Warrant Share") at an exercise price of \$0.20 for two (2) years from issuance (the "Warrant Expiry Date") and are subject to an acceleration clause noting that in the event that the volume weighted average price (VWAP) of the Shares equals or exceeds \$0.30 per share on the Canadian Securities Exchange for ten consecutive trading days after the date that is four months and one day from the Closing Date.

The Principal Amount of the Convertible Note will bear interest at 15% per annum, payable every six months from the Closing Date, in shares or cash, at the Company's election with 60 days' notice. Any accrued but unpaid interest, will mature on the date that is two (2) years following the Closing Date (the "Maturity Date"). The Company may elect to extend the Convertible Notes for an additional one (1) year at the same terms as the initial term, with written notice to Note Holders 6 months prior to the Maturity Date.

Note Holders will be entitled, at their option, to convert (the "Conversion Right"), at any time on or prior to the Maturity Date, the full outstanding Principal and accrued Interest into common shares of the Company ("Shares") at a price per share equal to \$0.10 (the "Conversion Price").

The Company may elect to prepay all of the outstanding Principal Amount at any time and from time to time at a premium of 10% of the face value of the note, plus all accrued and unpaid Interest on the Principal Amount.

The securities issued will be subject to a 4-month one day hold period from the date of issue of the Convertible Notes, or the Shares. The completion of the private placement and payment of any commission and fees remains subject to the receipt of all necessary approvals, including the approval of the Exchange.

The Company will distribute all forms of capitalization in 2023 approximately 85-90% towards its projects and 10-15% for operations and reducing accounts payable.

Certain members of the Company's Management and Board of Directors are leading the funding of this Convertible Note with \$100,000 of total investment. In connection with the private placement, the Company may, subject to regulatory acceptance, pay a finder's fee to certain arm's-length parties on the proceeds raised.



Debt Settlement

The Company further announces that it has agreed to settle an aggregate of \$555,793 of indebtedness of the Company with various arm's length creditors through the issuance of an aggregate of 7,352,068 common shares ("Debt Shares"). The Debt Shares are being issued at a price equal to the closing market price of the common shares of the Company as listed on the Canadian Securities Exchange ("CSE") on April 28, 2023, being CA\$0.075, in accordance with the policies of the CSE.

The Debt Shares issued pursuant to the debt conversion are subjected to a four (4) month hold period.

Crescita Draw

To advance its flagship projects at Maverick Springs in Elko and White Pine counties in Nevada, and Lucero in Arequipa, Peru, the Company has drawn an additional \$399,000 from Crescita, exchanging 7,000,000 shares.

Element79 CEO James Tworek comments: "There are three main efforts underway at Element79 Gold: cleaning up the balance sheet; restarting and expanding work programs to uncover value through resource development and create a clear path to near term cashflow generation; and ensuring we have the funds on hand to continue further exploration, drilling and project development. These recent efforts at our world-class projects have brought new energy to our story and as a team we are pulling together to bring further proof of the value we are confident is there for our shareholders today and in the future."

About Element79 Gold

Element79 Gold is a mining company focused on gold, silver and associated metals. Element79 Gold's main focus is on two core properties: developing its previously-producing, high-grade gold and silver mine, the Lucero project located in Arequipa, Peru, with the intent to bring it back into production in the near term; and its flagship Maverick Springs Project located in the famous gold mining district of northeastern Nevada, USA, between the Elko and White Pine Counties. Maverick Springs hosts a 43-101-compliant, pit-constrained mineral resource estimate reflecting an inferred resource of 3.71 million ounces of gold equivalent "AuEq" at a grade of 0.92 g/t AuEq (0.34 g/t Au and 43.4 g/t Ag) with an effective date of Oct. 19, 2022 (see news release October 20, 2022, available on SEDAR). The acquisition of the Maverick Springs Project also included a portfolio of 15 properties along the Battle Mountain trend in Nevada, which are non-core to its primary business focus. In British Columbia, Element79 Gold has executed a Letter of Intent and funded a drilling program pursuant to acquire a private company which holds the option to 100% interest of the Snowbird High-Grade Gold Project, which consists of 10 mineral claims located in Central British Columbia, approximately 20km west of Fort St. James. The Company also has an option to acquire 100% interest in the Dale Property, 90 unpatented mining claims located approximately 100 km southwest of Timmins, Ontario, Canada in the Timmins Mining Division, Dale Township. The Company is analyzing the non-core Nevada projects, The Dale Property and Snowbird Property for further merit of exploration, sale or spin-out. For more information about the Company, please visit www.element79.gold

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