

ELEMENT79 GOLD CORP SECURES LOI FOR LAUNCHING TAILINGS REPROCESSING BUSINESS IN AREQUIPA, PERU

Vancouver, BC – SEPTEMBER 26, 2024 – Element79 Gold Corp (CSE: ELEM, OTC: ELMGF, FSE: 7YSO, Hereinafter “Element79 Gold”), a mining company focused on gold and silver committed to maximizing shareholder value through responsible mining practices and sustainable development of its projects is pleased to announce the signing of a Letter of Intent (LOI) with S.M.R.L. PALAZA 16 (“Palaza”), marking a significant milestone in the Company’s strategic efforts to restart the Lucero mine and concentrate its focus in the Arequipa, Peru region. This agreement represents a unique and substantial economic opportunity for both parties involved, with multiple additional social and environmental benefits for the local region and community.

Under the terms of the LOI, Element79 Gold will have the exclusive right to purchase and process approximately 1.3 million tons of tailings currently controlled by Palaza. These tailings, a byproduct of previous mining activities at the Shila and Paola Mines (now known as the Lucero Mine), present a valuable resource for reprocessing for commercial benefit, to cooperatively strengthen regional and community ties via Palaza's long-term relationships in the region, as well as the tailings project stands to become a stronger foothold for the Company’s mining operations in the region immediately surrounding the Lucero mine.

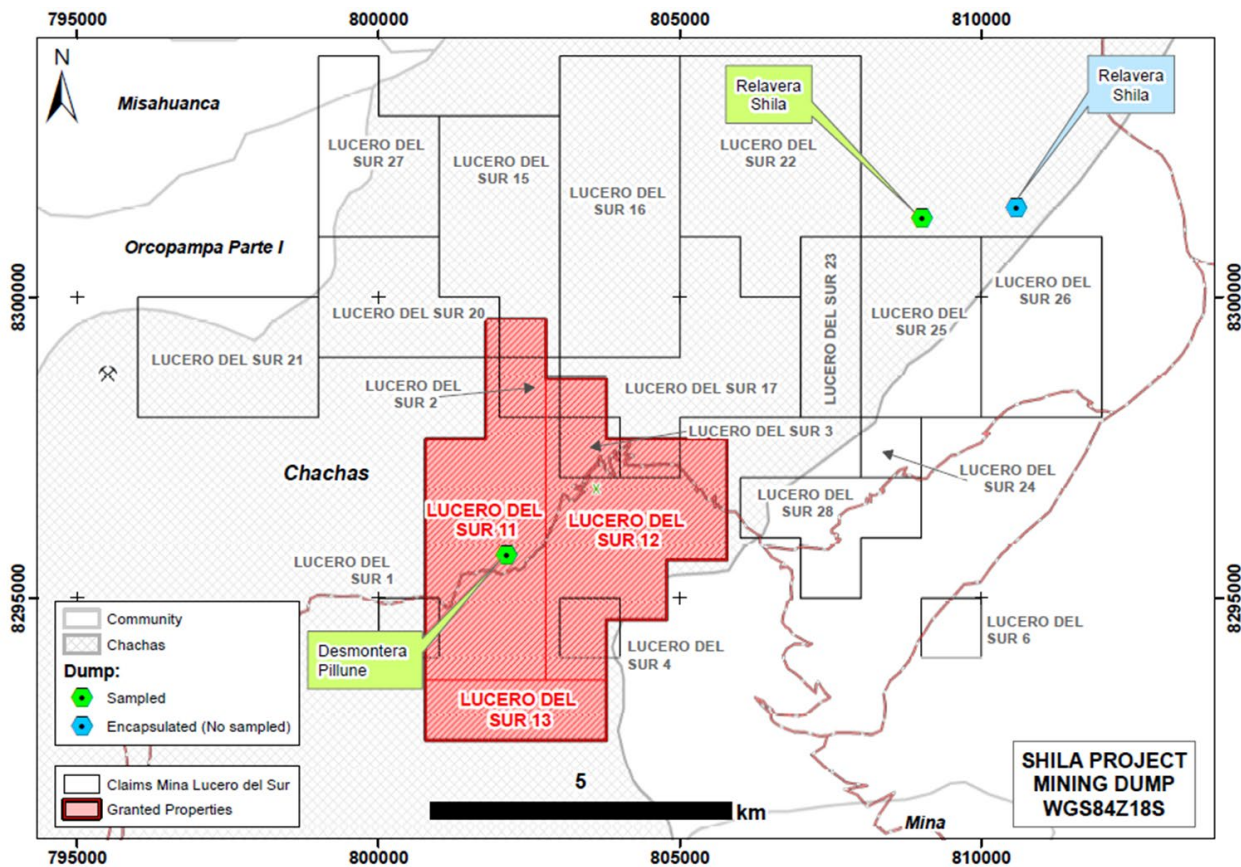


Image 1: Element79's core mineral rights holdings of the Lucero past-producing mine, outlining the tailings facilities (Relaveras) and former Staging Area (Desmontera)

Key Highlights of the LOI Agreement:

Strategic Acquisition: Element79 Gold will purchase the tailings from Palaza for a competitive price of USD \$10 per ton, plus VAT (18%), with a base case (optional total batch purchase) of \$10 per metric ton at USD 2,200 per ounce of gold, subject to increases based on the market value of gold at the time that batches are purchased. This acquisition aligns with Element79 Gold 's strategic objective to enhance its resource base. The 43-101 and PEA Studies to be completed on the tailings piles during the Due Diligence period and through 2024 will feed further institutional funding of the Company's growth.

Construction of Processing Plant: Palaza has authorized Element79 Gold to construct a processing plant on its property. This facility will not only process the acquired tailings but also become a foothold to accommodate other mineral ore inputs, from Lucero's production and regional Artisanal Small-scale Miners (ASMs), with an eye to maximize operational efficiency and output.

Initial Deposit and Due Diligence: Element79 Gold will make an initial non-refundable deposit of USD \$25,000, followed by a comprehensive due diligence period of 75 days. This thorough evaluation will ensure the viability and profitability of the reprocessing project. Upon completion of Due Diligence, an additional USD \$50,000 deposit will be required to proceed, in conjunction with the completion of the Definitive Agreement. All deposits paid will be credited as prepayments for tailings.

Royalties and Economic Impact: In addition to the purchase price, for all tailings processed, Element79 Gold will pay Palaza a 1% royalty based on the London Metals Exchange (LME) spot price of gold, reflecting the dynamic and lucrative nature of this venture. This agreement is poised to generate significant economic benefits for both Element79 Gold and Palaza, as well as contribute positively to the local economy in Chachas, and other neighbouring communities in Arequipa.

New Technologies Being Tested to Implement: Element79 Gold has been reviewing a number of ways to increase the safety and minimize the environmental impact of the proposed tailings processing plant, and through its due diligence period, will be testing milling and processing with and without chemicals, milled ore beneficiation, efficiencies, and soil impermeability to prevent soil leaching.

Community and Environmental Considerations: The project will be executed with full compliance with local regulations and in close collaboration with Chachas Community and other surface landholders. Element79 Gold is committed to ensuring that all activities meet stringent environmental and community standards.

PROJECT DATA AND ECONOMIC PROJECTIONS

Total Tailings Volume: Approximately 1.3 million tons of tailings available for reprocessing, located on the same ingress/egress road to the Lucero mine.

Processing Plant Capacity: The new plant will have the capability to handle up to 350 tons per day (tpd) of mineral.

Economic Impact: The agreement is expected to generate substantial revenue streams for both parties, with significant contributions to the local economy through job creation and community investments.

Potential Revenue Generation from Tailings:

NOTE: *all estimates subject to change via data collected via the Due Diligence period, to be reaffirmed via third-party Pre-Economic Analysis report*

Estimated Recovery: Based on 2011 and 2012 Plenge Lab tests, AuEq found in the tailings at that time was approximately 1.5g/t. Gold solubility/recovery from the tailings is projected at 85% and silver at 75%. Palaza's estimates are that there is approximately 50,000oz of gold equivalent recoverable through the life of the project.

Projected Revenue: Potential estimated gross AuEq of \$100 million (assuming \$2,000 gold price) with 80% recoverable resources (\$80 million), minus \$16 million input (tailings) cost and scalable \$6-20 million plant cost, resulting in \$44-58 million gross over a 15-year project life (\$2.9-5.3 million annual gross).

SOCIAL AND ENVIRONMENTAL BENEFITS:

Social: This venture has been a long-standing issue for the local population by completing the final remediation of the with the four piles of dry-stacked tailings that have been left inert and covered by "bio-membranes" and limestone rock for approximately 19 years without remediation. In reprocessing these tailings, they will be put in their final resting place along with additional tailings created by production from Lucero and other regional ASMs.

Environmental: Cleans up a benign environmental issue that has been outstanding for the past 20 years.

Economic: Creates a revenue-positive project that serves as a catalyst for building a production plant on-site and becoming a regional hub for local ASMs. A common thread of conversation with the Chachas community and the Lomas Doradas artisanal mining association has been the desire to have a plant more regionally proximate to the community, as they are currently shipping mined ores approximately 600km away to have it processed today. Helping to eliminate logistical costs, risks and time are all beneficial factors to local miners.

NEXT STEPS:

Due Diligence: Upon paying the deposit, the Company will have 75 days to complete due diligence, which data will feed a 43-101 Mineral Resource Estimate report and Preliminary Economic Assessment (PEA). A Go/No Go decision will follow these reports, with a USD \$50,000 payment due upon the completion of the Definitive Agreement. All deposits paid will be credited as prepayments for tailings.

The Company will pull augur samples from all four piles and, provided that lab tests meet required internal decision-making standards, the Company will have a 43-101 compliant Mineral Resource Estimate of the tailings generated as well as a third-party PEA completed, which will encompass the project economics, work flow through the life of the project and the final resting place for up to 2.5M tons of tailings generated from processing the tailings and other throughput.

The Company anticipates that these reports will form the foundation of what it will require to obtain institutional funding for the development of the mill/tailings processing facility as well restart commercial production at the Lucero mine.

Permitting, Community Consultation: Securing permits for working with the tailings and building a plant will be process undertaken with the Chachas community and state authorities through Fall 2024/Winter 2025, aiming for a 90-day plant construction start in estimated end of Q1 to start of Q2 2025 after the rainy season ends.

"We are thrilled to enter into this strategic partnership with Palaza, which underscores our ongoing commitment to strengthening our presence and operational capacity with innovative and sustainable mining practices," said James Tworek, CEO and Director of Element79 Gold Corp. "The Palaza team have worked in the region for decades, have solid local relationships and have valuable experience of having explored and worked at the Shila mine in the past. The end point of this agreement not only enhances Element79's accessible resource base but also positions us for long-term growth and profitability, while helping remediate the tailings piles to stable closure as well as provide a solution to many of the local logistical obstacles to increasing production from the Lucero mine and other mines in the region. We are confident that the reprocessing of these tailings will yield significant economic benefits for both Parties and the Communities involved as well as strengthen our presence in the Peruvian mining sector."

Qualified Person

The technical information in this release has been reviewed and verified by Kim Kirkland, Fellow of AusIMM #309585, Chief Operating Officer of Element79 Gold Corp, and a "qualified person" as defined by National Instrument 43-101.

About S.M.R.L. PALAZA 16

S.M.R.L. PALAZA 16 is a Peruvian mining company with extensive experience in the management of Andean mining projects, including reprocessing of mining tailings. Located in the Arequipa region, PALAZA is dedicated to leveraging its decades of experience in the region and resources for sustainable and profitable operations.

About Element79 Gold Corp

Element79 Gold is a mining company with a focus on exploring and developing its past-producing, high-grade gold and silver mine, the Lucero project located in Arequipa, Peru, with the intent to restart production in the near term.

The Company holds a portfolio of four properties along the Battle Mountain trend in Nevada, and the projects are believed to have significant potential for near-term resource development. The Company has retained the Clover project for resource development purposes and signed a binding agreement to sell three projects with a closing date on or before November 30, 2024.

The Company also holds an option to acquire a 100% interest in the Dale Property, 90 unpatented mining claims located approximately 100 km southwest of Timmins, Ontario, and has recently announced that it has transferred this project to its wholly owned subsidiary, Synergy Metals Corp, and is advancing through the Plan of Arrangement spin-out process.

For more information about the Company, please visit www.element79.gold

Contact Information For corporate matters, please contact:

James C. Tworek, Chief Executive Officer and Director

E-mail: jt@element79.gold

For investor relations inquiries, please contact:

Investor Relations Department

Phone: +1.403.850.8050

E-mail: investors@element79.gold

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opportunities that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management made considering 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; 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: 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.sedarplus.ca. 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. 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.