



Element79 Gold Corp. Reports Significant Progress in Community Relations and Development Efforts in Chachas, Peru

October 9, 2024 - Vancouver, B.C. – Element79 Gold Corp. (CSE: ELEM) (FSE: 7YS0) (OTC: ELMGF) ("Element79" or the "Company") is pleased to announce significant progress in its ongoing community engagement efforts with the community of Chachas, Peru, near the Company’s Lucero Project. These efforts are part of the Company’s broader strategy to align mining operations with sustainable community development and long-term value creation.

On October 6, 2024, Element79 representatives, including Rolando Hinostroza and Cesar Cuadros, addressed over 1,000 residents at a semi-annual General Assembly held in the annex of Huarocopalca.

This event was a key step in strengthening the relationship between the Company and local stakeholders. The Element79 team was successful in advancing dialogue, as part of the approval process of the Company’s surface rights access for restarting the Lucero Mine. Included in this general dialogue is the prospect of building a processing plant, subject to final terms being agreed to.

James Tworek, Element79 Gold Corp CEO and Director stated: “We are grateful to have reached this important milestone with the community. It is a complex process building relationships, trust and mutual understanding. This vote in our favour shows that the majority of the greater Chachas community is pro-mining and pro-Element79 in concept today. We will be proceeding with final negotiations, with the end goal being our enhanced investment in operations at Lucero, cognizant that past mining operators in the region have left precedents leading to hard feelings, and since that era, there is a contingent of local miners who have been working independently of mineral right holders for over a decade. We are comparatively new to the region, with the intent to abide by the federal and state rules as we restart operations at Lucero. Element79 Gold Corp is committed to working with the local miners to help improve the conditions of the mine operations, and the techniques used at Lucero to optimize production while upholding the federal standards.”

Tworek continued: “Building up to this General Assembly meeting, our community team has been working earnestly for months, building and sharing with many Residents of the greater Chachas community. It is a testament to their experience and hard work to have reached this formal point of community approval of the Company’s rights, presence and intentions, and we look forward to whittling down terms to final contracts and timing to get back to work at Lucero in the most efficient and effective way possible.”

Advancing Community Development

Over the past several months, the Company has worked closely with the community of Chachas and its annexes—Nahaira, Tolconi, Chua, Checotaña, Huarocopalca, Layo, and Anaro—aligning both communal and corporate initiatives, including discussing contractual terms from both sides, to foster long-term development.

These efforts, along with the community decision to approve Element79 Gold Corp’s surface rights access in the General Assembly, subject to final negotiations, have culminated in the establishment of a "Dialogue and Negotiation Table" between the Company and the Chachas community over the multiple facets of the Lucero Mine restart project.

This Dialogue and Negotiation Table will facilitate discussions on critical issues such as co-operative use of the infrastructure, and land-use agreements for surface mining activities. Participants will include key local organizations such as the Local Administration Boards (JAL), the Communal Board of Directors, and the Lomas Doradas Association, alongside community leaders and other advisors.

Sr. Melitón Raymundo Carhua Condori, the Communal President of Chachas, urged residents to support this opportunity for collaboration, noting the importance of reaching a Formalization Agreement for the use of surface lands and co-operation between its users. The Company aims to secure Formalization between local miners who currently operate under the REINFO program and the mineral right holders such as Element79 Gold Corp, providing a pathway for legal mining operations and mutual benefit into the future.

Next Steps for the Lucero Project

The Company is committed to finalizing the terms of surface land-use agreements as soon as possible, anticipated to be around the end of 2024. These agreements, once approved by the Communal Assembly, will ensure that the project aligns with the community’s interests and promotes sustainable, long-term growth.

In support of this process, Element79 has already presented a comprehensive territorial development plan to the communities including mining existing workings, underground and surface drilling, exploration, and building a regional plant for processing ore from the mine and the tailings (tailings business [outlined in the Company's news release from September 26, 2024](#)). This proposal focuses on mutual benefit and value, recognizing the unique needs of the region and the long-term benefits of collaboration between the Company and local stakeholders.

Additionally, the Lomas Doradas Association, representing communal miners working under the REINFO program, has been fully integrated into the negotiation process. These miners are focused on obtaining formal contracts to legitimize their operations, which will ensure compliance with federal, state and local regulations and open opportunities for future development.

The Company is also working closely with the Peruvian Regional Directorate of Energy and Mines (DREM) in Arequipa to expedite the Formalization process for these mining operations.

Ongoing Engagement and Investor Outlook

Element79 remains fully committed to maintaining strong communication and engagement with the Chachas community throughout the negotiation process. The Company has established a permanent Sustainability Office in Chachas, staffed by a local teammate, who will manage community relations while senior personnel are off-site.

Investors should watch for upcoming developments as Element79 works to finalize land-use agreements by year-end and advance formalization efforts for local miners. The Company's successful collaboration with the community is expected to enhance the value of the Minas Lucero Project and contribute to long-term growth and sustainability.

About Element79 Gold Corp.

Element79 Gold is a mining company focused 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, which are believed to have significant potential for near-term resource development. Element79 has retained the Clover project for resource development purposes and signed a binding agreement to sell three projects, with the closing date expected on or before November 30, 2024.

The Company also holds an option to acquire a 100% interest in the Dale Property, which includes 90 unpatented mining claims located approximately 100 km southwest of Timmins, Ontario. Recently, Element79 announced the transfer of this project to its wholly owned subsidiary, Synergy Metals Corp, as it advances through the Plan of Arrangement spin-out process.

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

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