



Element79 Gold Corp Shares Further Advances With Chachas Community on Lucero Surface Rights, Provides Corporate Update

VANCOUVER, BC / THENEWSWIRE / October 24, 2024 – *Element79 Gold Corp.* (CSE: ELEM) (OTC: ELMGF) (FSE: 7YS0) ("Element79" or the "Company") is pleased to announce additional progress towards obtaining approval of its surface rights contract at the Lucero project in Peru, through ongoing community engagement and recent approval at the Chachas General Assembly.

Since acquiring the Lucero mineral rights in mid-2022, Element79 Gold has actively engaged with the Chachas community to secure support critical for project success. On [October 6, 2024](#), after more than 18 months of outreach and collaboration, the Company received over 75% approval from the community for its operational initiatives. This approval paves the way for the negotiation of a 5-year revolving surface rights access agreement.

The formal request for surface rights was received and officially recognized by the Chachas administration on October 18, 2024, with contract negotiations expected to be finalized by the end of the year. Several other mining projects in the region are undergoing similar approvals, and the Chachas administration is anticipated to approve multiple projects in parallel by year-end. The GAE Consultores team that has been successful in achieving these recent milestones is back in the community starting this week, to continue the drive towards negotiating and forging the required agreements between the Chachas community, the artisanal mining association Lomas Doradas and Element79 Gold Corp.

Element79 CEO and Director James Tworek stated “While we are seeing snow start in Nevada for the year, and being in the final queue towards completing our surface rights contracts with Chachas and Lomas Doradas, we turn our attention to advancing the most tangible near-term resource development and revenue generation project in our portfolio, the Lucero Tailings, to work on through the winter. We believe the data gathering for this project will be fastest and easiest to achieve given the four piles of tailings are easily accessible for auguring. While the lab tests, metallurgy and testing of innovative technologies to process the tailings are underway, the planning of work flow on the project

from building the plant to processing and retiring the tailings in their final resting places will carry on through the winter, along with processes to permit the construction of the plant.

We are excited to get started on this high-value initiative, and will be reporting through its multiple processes unfolding over time.”

Lucero Tailings Project overview

As a first step upon completion of the contracts with Chachas and Lomas Doradas, the Company intends to focus its energies on the Lucero Tailings project, which holds approximately 1.3 million metric tons (MMT) of flotation-treated, dry-stacked tailings estimated to yield around 50,000 ounces of gold equivalent, the Company is undertaking a 43-101 compliant Mineral Resource Estimate and a Pre-Economic Assessment (PEA) on the tailings. These studies will assess the Tailings project’s value today, economic viability, process flow, and capacity for up to 2.5MMT of tailings to account for both current and future material.

Element79 is also focused on securing permits from the state of Arequipa for the construction of an on-site processing plant. The Company has already been in contact with the proper departments of the State of Arequipa regarding permitting approval and will formally start the estimated 4–6-month process to obtain this permit upon completion of the agreements with Chachas. This timeline dovetails with the rainy season that prevents access to the Lucero mine from December to April given its current level of infrastructure. Once approvals are in place, plant construction is estimated to take approximately 90 days. The plant will not only process tailings materials but can also expand to include raw ore milling and flotation, improving efficiency and reducing multiple costs for both Element79 and local artisanal miners.

Recent Corporate Updates

Pursuant to its press release of October 7, 2024, the Company has issued 7,862,421 common shares to certain of its creditors (the "Settlement Shares") in exchange for outstanding accounts payable (the "Shares for Debt Transaction") in the aggregate amount of CA\$1,022,115 (the "Debt") owing to certain creditors (the "Creditors"), primarily management, board of directors and principal consultants of the Company for backdated pay. The Settlement Shares are being issued at a price of \$0.13, in accordance with the policies of the Canadian Securities Exchange (the "CSE").

As previously announced the Company is completing the Shares for Debt Transaction to improve its financial position by reducing its existing liabilities. All Settlement Shares will be subject to a four-month and one-day hold period. No new control person of the Company will be created pursuant to the Shares for Debt Transaction. The Shares for Debt Transaction constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61101") as Stack Asset Management Ltd., a company controlled by James Tworek (CEO and Director of the Corporation); Neil Pettigrew, (Director of the Corporation); Frontier Advisory (a corporation controlled by Warren Levy, Director of the Corporation); Zara Kanji, (Director of the Corporation); Tammy Gillis (CFO of the Corporation); Monita Faris, (Corporate Secretary of the Corporation); and Dry Gulch Investments LLC (a corporation controlled by Kim Kirkland, Chief Operating Officer of the Corporation), have all been issued Settlement Shares in connection with the debt settlement. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the shares for debt transaction with the forgoing insiders does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the debt settlement, which the Company deems reasonable in the circumstances as the Company wishes to improve its financial position by reducing its existing liabilities.

The Company did not file a material change report more than 21 days before the expected closing of the Shares for Debt Transaction, which it considers reasonable in the circumstances, as the participation in the transaction by a related party of the Company was not definitive until shortly prior to the closing of the Shares for Debt Transaction and the Company was attempting to close the transaction expeditiously.

About Element79 Gold Corp.

Element79 Gold is a mining company focused on gold and silver, committed to maximizing shareholder value through responsible mining practices and sustainable development of its projects. Element79 Gold's focus is on developing its past-producing, high-grade gold and silver mine, the Lucero project located in Arequipa, Peru, with the intent to restart production in 2025.

The Company also holds a portfolio of 5 properties along the Battle Mountain trend in Nevada, with the Clover and West Whistler projects believed to have significant potential for near-term resource development. Three properties in the Battle Mountain Portfolio are under contract for sale to Valdo Minerals Ltd., with an anticipated closing date in the first half of 2024.

The Company has 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

E-mail: jt@element79.gold

For investor relations inquiries, please contact:

Investor Relations Department

Phone: +1.403.850.8050

E-mail: investors@element79.gold

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 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".

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.