

Element79 Gold Announces Binding MOU for Sale of Lucero Project

Vancouver, British Columbia – June 12, 2026

Element79 Gold Corp. (CSE: ELEM | OTCQB: ELMGF | FSE: 7YS0) (“Element79 Gold”, the “Company” or “ELEM”) announces that it has entered into a binding Memorandum of Understanding (“MOU”) dated June 10, 2026, for the sale of one hundred percent (100%) of the shares of Minas Lucero del Sur S.A.C. (“MLDS”), including all associated mining concessions, mineral rights, permits and related assets comprising the Lucero Project in Arequipa, Peru (the “Transaction”).

Under the terms of the MOU, the purchasers, a private arm’s length purchaser who has closely followed the Lucero Project and its development history, and will acquire MLDS for aggregate consideration of USD \$2,000,000, with closing scheduled on or before July 31, 2026. As a condition of the Company's obligation to proceed with the Transaction, the purchasers will immediately pay a non-refundable deposit of USD \$300,000 (the "Deposit"), which amount shall be credited against and form part of the purchase price payable at closing. The Deposit is strictly non-refundable to the purchasers in all circumstances. The Transaction remains subject to customary closing conditions, including receipt of applicable regulatory approvals.

The Company states that the Transaction follows an extensive strategic review by the Board of Directors regarding the long-term financial and operational exposure associated with maintaining the Lucero Project under ongoing force majeure conditions declared in June 2025. The Board determined that divestiture of the asset represents the most prudent course of action to reduce current and future contractual liabilities, concession maintenance costs, community relations expenditures, and contingent obligations associated with the project.

As previously disclosed, Element79 Gold had declared force majeure over the Lucero Project due to prolonged social and community-related impasses impacting the Company’s ability to reasonably advance operations and contractual milestones. The Board believes that a private ownership structure, with a focused investor group dedicated solely to Peru-based negotiations and community engagement, will be better positioned to continue advancing discussions with the Comunidad Campesina de Chachas and other regional stakeholders.

James C. Tworek, Director of Element79 Gold, commented: “This decision was not made lightly. Lucero had once been the cornerstone asset of Element79 Gold for several years, and we remain highly confident in the geological merit and long-term value of the project. However, after extensive debate and review, the Board determined that carrying the project forward under ongoing force majeure conditions would expose the Company and shareholders to increasing financial and contractual risk without a predictable timeline toward resolution. We believe transitioning Lucero into the hands of a private group capable of dedicating substantial localized resources toward community and social negotiations represents the best path forward for all stakeholders. The Company announced its pivot

towards advancing its Battle Mountain, Nevada projects - Gold Mountain and Elephant - last June, and this asset sale helps increase focus on developing out those assets.”

Pursuant to the Transaction terms, approximately USD \$1,100,000 from the sale proceeds will be directed toward outstanding progress payments and contractual obligations owing to Condor Resources Ltd. relating to the original acquisition agreements for the Lucero Project. In addition, approximately USD \$280,000 plus related fees will be allocated toward maintaining the Lucero concessions and mineral rights in good standing prior to June 30, 2026. After giving effect to these payments, the Company expects to retain net proceeds of approximately USD \$600,000.

Following closing, the buyers will assume all ongoing rights, obligations, liabilities, community negotiations, permitting matters, formalization processes and future contractual responsibilities relating to the Lucero Project, including future negotiations with Condor Resources Ltd. pursuant to the original acquisition agreements.

The MOU further provides that, should the purchasers complete a subsequent sale or monetization transaction involving the Lucero Project within eighteen (18) months of closing, Element79 Gold will retain a contingent participation right equal to twenty-five percent (25%) of gross profit realized above \$10,000,000, subject to the terms outlined in the MOU.

About the Lucero Project

The Lucero Project is a past-producing, high-grade gold and silver mining asset located in the Arequipa region of southern Peru. The property consists of approximately 10,813 hectares and hosts a large number of historically identified epithermal veins, with only a limited number having seen historical commercial production. Historic operators reportedly produced gold grades averaging approximately 19 g/t Au during prior operations; however, these figures are based on historical data that has not been independently verified by the Company in accordance with NI 43-101 and should not be relied upon. The project includes extensive underground workings, existing mine infrastructure and a significant tailings reprocessing opportunity.

About Element79 Gold Corp.

Element79 Gold Corp. is a mining company focused on the exploration and development of high-grade gold and silver assets. The Company continues to advance its Nevada-focused exploration portfolio, including the Gold Mountain and Elephant projects along the Battle Mountain trend, while also evaluating strategic opportunities to maximize shareholder value through disciplined capital allocation and asset optimization initiatives.

For More Information

Michael Smith, CEO

E-mail: ms@element79.gold

Investor Relations Department

Phone: +1.855.535.3679

E-mail: investors@element79.gold

Cautionary Note Regarding Forward Looking Statements

This news release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities legislation (collectively, "forward-looking statements"). Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by words such as "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur.

Forward-looking statements in this news release include, without limitation, statements regarding: the completion of the Transaction on the terms described or at all; satisfaction of customary closing conditions, including receipt of applicable regulatory approvals; the closing of the Transaction as contemplated or at all; the expected closing date of July 31, 2026; the allocation and application of sale proceeds, including payments to Condor Resources Ltd. and concession maintenance costs; the net proceeds expected to be retained by the Company following closing; the assumption by the purchasers of liabilities, obligations and responsibilities relating to the Lucero Project; the ability of the purchasers to advance community and social negotiations with the Comunidad Campesina de Chachas and other regional stakeholders; the contingent participation right and any future monetization of the Lucero Project by the purchasers; the Company's strategic focus on and advancement of its Battle Mountain, Nevada projects (Gold Mountain and Elephant); and the Company's ability to maximize shareholder value through disciplined capital allocation.

Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date such statements are made and are subject to a number of significant risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from those anticipated, expressed or implied by such forward-looking statements, including, without limitation: the risk that the Transaction is not completed on the anticipated timeline or at all; failure to satisfy closing conditions or obtain required regulatory approvals; disputes regarding the Transaction terms or the allocation of proceeds; the risk that the purchasers are unable to advance or resolve community and social impasses at the Lucero Project; changes in applicable law, regulation or government policy in Peru affecting mining concessions, permitting or community negotiations; currency fluctuations; the risk that the contingent participation right is not triggered or is subject to dispute; risks inherent in mineral exploration and development; and general economic and market conditions. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Readers are cautioned not to place undue reliance on forward-looking statements. The forward-looking statements contained in this news release are made as of the date hereof and the Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.