



BUSINESS UPDATES – 2022

from ECPN Board Chairman Doug Sanders

March 8, 2022

My Update today will cover a few of my most recent activities related to the future of El Capitan. Foremost among them is the IMA Conference (Iron Mining Association) I attended in Minnesota last month — leaving sunny Florida for temps at -23 degrees! I can't go into too much detail just yet regarding all that led up to my attending that conference — and the meetings I was a part of that week — but if I were prone (or at liberty...) to name-drop I think you'd be impressed. With several NDAs in place, I have spoken with a number of people who represent the interests of potential buyers, partners, brokers, and suppliers.

I continue to move forward with sights sharply focused on improving the value of our asset, as we explore and pursue any and all opportunities which might result in the profitability of our New Mexico mine. I anticipate that I will have more to share in the coming weeks and months. My focus is “getting into production” — and all the components that entails.

In the interim, recent developments have given us the confidence to move forward on several fronts:

Mine Claim Renewals

We were successful in raising the dollars we needed for the renewal of our claims and that process is well underway. The paperwork is complete and ready to be filed and we have advanced funds to cover both the staking and the lapsed claim reinstatements. The staking of claims will be completed by March 9.

43-101 Report

We have commissioned an updated 43-101 Report that should be completed by mid-March. Our last 43-101 Report was done in 2014 and since we are in conversation with potential buyers and partners in many parts of the world, it has been recommended to us that we commission a new Report. Our geologist made a required visit to the mine site yesterday.

Air Quality Permits

As some, if not most, of you realize, multiple permits are required to operate our mine. Not the least of which is an Air Quality Permit. In renewing our annual Air Quality Permit for this year, we discovered the permit for 2021 had been cancelled by Danny Martinez shortly after our successful election and the de-throning of the previous Board and Chairman. I paid the permit renewal fee (out of my own pocket, I might add) in March of 2021, but the Air Quality Department had simultaneously received Danny's cancellation of the El Capitan permit. Keep in mind, this permit had been in place and active for several years. So I've asked myself *What could possibly have motivated him to cancel this permit after his defeat and the election of a new Chairman?* Danny submitted and signed this cancellation directive as Chairman of the Board, even though our registration with the State of Nevada clearly identified me as President, CEO, and Board Chairman at the time. This kind of activity only hurts the Company and our shareholders. One advantage of not owning any ECPN shares, I guess, is that anything you do to harm the Company or slow its progress doesn't affect you personally. An interesting and related sidebar note: It doesn't appear that Danny owned any ECPN shares at the time of the election because he did not vote any shares. This is just another hurdle to clear, and I'm currently tackling it. We expect that our Air Quality Permit will be reinstated in short order.

SEC Compliance

We are reviewing the status of our SEC filings and what it will take to get us current — in terms of both time and dollars. Our goal is to be prepared to move quickly if and when funds are available for this important compliance and filing work.

I could not be more grateful for the shareholder support I've received this past year and I look forward to what the next few months will hold in terms of progress and how that progress might shape both the future and the fate of El Capitan.

Doug

Forward-Looking Safe Harbor Statement:

The statements included in this business update concerning predictions of economic performance and management's plans and objectives constitute forward-looking statements made pursuant to the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Forward-looking statements are statements that are not historical facts. Words such as "expect(s)," "feel(s)," "believe(s)," "will," "may," "anticipate(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to, statements regarding the expected completion, timing and results of metallurgical testing, interpretation of drill results, the geology, grade and continuity of mineral deposits, results of initial feasibility, pre-feasibility and feasibility studies and expectations with respect to the engaging in strategic transactions. All of such statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Specifically, there can be no assurance regarding the timing and terms of any transaction involving the Company or its El Capitan property, or that such a transaction will be completed at all. In addition, there can be no assurance that periodic updates to the Company's geological technical reports will support the Company's prior claims regarding the metallurgical value and make-up of the ore on the New Mexico property. Additional risks and uncertainties affecting the Company include, but are not limited to, the possibility that future exploration, development, testing or mining results will not be consistent with past results and/or the Company's expectations; discrepancies between different types of testing methods, some or all of which may not be industry standard; the ability to mine precious and other minerals on a cost effective basis; the Company's ability to successfully complete contracts for the sale of its products; fluctuations in world market prices for the Company's products; the Company's ability to obtain and maintain regulatory approvals; the Company's ability to obtain financing for continued operations and/or the commencement of mining activities on satisfactory terms; the Company's ability to enter into and meet all the conditions to consummate contracts to sell its mining properties that it chooses to list for sale; and other risks and uncertainties described in the Company's filings from time to time with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.