



BUSINESS UPDATES – 2023

from ECPN Board Chairman Doug Sanders

July 14, 2023

With temperatures rising across the country and summer in full swing, our JV partner and I have also been “turning up the heat” — in terms of pushing, hard, to move us and our initiatives forward. That said, we continue to make solid progress and while there have been *so* many “hoops” to jump through we are steadfast in our pursuit of funding on several fronts. I continue to be confident that, in the weeks ahead, I will have details to share... and news that could shape the future of El Capitan.

Each week I field many calls and emails from shareholders who ask, “How’s it going?” I share what I can, in terms of my personal impressions related to our progress. Shareholders have been supportive and complimentary about our efforts and progress and tell us they are grateful for the priority we’ve put on communications and our regular Business Updates. I went on record early on, when I took over the helm of this ship as its captain, that I’d report on what we’ve accomplished... and not pie-in-the-sky stuff that would give false hope or unfounded over-confidence. I continue to be confident that big news is right around the corner, BUT until I can report to you all with details and timeliness and plans... I’ll leave it at that. My confidence has not wavered, not in the least, and I continue to cover essential operating expenses for El Capitan from my own pocket. That should speak to my level of confidence and commitment. And when I can report on “mission accomplished” in the funding arena, you all will be among the first to know.

And make no mistake (should you be wondering...) that I am in this fight for the long haul and up to the challenge. I did have some back surgery, but rebounded quickly and am back to biking 20 to 25 miles each day. The surgery had zero impact on our push toward locking down funding — and I was signing due diligence docs in the recovery room just an hour or so after my surgery. I’m a ‘tough old bird’ and bring a lifetime of experience and skills to this job... and look forward to what the next few weeks and months will hold as we start to see fruits of our labors.

We have completed a few minor things since our last Update — and there’s always going to be “clean up on aisle four” as we continue to move forward. I’ll detail a few of those items below, but know that FUNDING remains the top priority for our JV team and we focus time and attention each day on steps that will secure that funding.

Other updates I want to share today:

- We are updating our N-43-101 Report again, as it is required by one of our funding sources.
- The funding we are working to secure is complex, requires many layers of approvals, and has been painstakingly slow. But we are making progress every day on multiple source entities and programs, all of which require strict confidentiality related to sources, programs, terms, and amounts. I continue to be optimistic that the efforts of our joint venture will be successful.
- As I’ve mentioned earlier in this Update, we continue to have expenses related to essential operating requirements. I haven’t looked for additional shareholder contributions for these expenses and have covered them myself. After all: I volunteered for this job, at no compensation until we were operational, and I intend to see the job through. At this writing, I have personally contributed over \$160,000. I’m not complaining or bragging; I just want you to know my level of personal commitment. I expect I’ll be reimbursed — as will those shareholders who contributed to cover the renewals on our land claims, legal expenses, mortgage settlement, taxes, etc. — as soon as we’re funded. We are already preparing for those reimbursements to shareholders...
- We have successfully completed a transition to a new Transfer Agent... as one more step forward building our Operations team and planning for Shareholder Meetings. If you’re a shareholder who needs to contact our Transfer Agent, related to stock certificates or other issues, we can assist with that and ask that you notify us via AskECPN@gmail.com ...using subject line Transfer Agent Assist.

I continue to be hopeful that the next Business Update you receive will be “the one” that we’ve all been waiting for... and the waiting has been the hard part.

And, at the risk of saying a lot about nothing — which I pledged never to do — I’ll end this here, simply and with this message: Hang in there, we’re close... and think gold.

Your “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.