

29 September 2014

COMPANY UPDATE

Highlights

- Appointment of a Chief Operating Officer to focus on the development of the Cleveland province
- Advanced metallurgical testwork program commenced
- Environmental permitting for Tailings Rehabilitation Project nearing completion

Elementos Limited (ASX: ELT) ("Elementos" or the "Company") is pleased to provide a Company update following the recent successful capital raising.

Appointment of Chief Operating Officer

The Company is pleased to announce the appointment of Tim McManus as Chief Operating Officer. Tim will focus on the development of the Cleveland tin and copper province in Tasmania.

Tim has over twenty years' experience in mining and geology, and has worked across a diverse range of deposit styles throughout Australia. Tim also has experience on projects in China, Canada, Africa, Indonesia and New Zealand across multiple commodities including tin, copper, gold, silver, platinum, uranium, marble, diamonds, oil and gas, iron ore, and coal. Tim has significant experienced in project development at senior management level complemented by a strong background in due diligence, valuation and project assessment. Tim was formally Chief Geologist with Xstrata Coal, Regional Manager with AMC Consultants and Managing Director of Scorpion Energy.

Managing Director Calvin Treacy commented "We are really excited to welcome Tim to the team. Tim's appointment further demonstrates our commitment to move from developer to operator as quickly as possible, and his skill set and attitude is a perfect fit to accelerate the project."

Metallurgical Test Program

The Company has commenced a metallurgical testwork program on the Cleveland tailings rehabilitation project. The program is underway at ALS Metallurgy Burnie, a world leading tin metallurgy laboratory. The Company has drawn on a strong team of consultants to assist with the design of a testing protocol that builds on previous testwork components. The objective of the program is to further develop the process flowsheet using modern gravity, flotation and associated techniques geared to optimising recovery, operating cost and concentrate grade.

The Company has compiled previous tailings metallurgical test program results and used this information as a basis for designing a flowsheet for the Cleveland tailings retreatment project (Figure 1). Previous testwork was completed in several programs from the 1980s to more recent times. The latest testwork program will utilise 88 samples taken from a 21 hole sonic drilling program.

There have been significant advancements in fine particle gravity and tin flotation technologies in the thirty years since the mine was operational. The programme design and flowsheet optimisation includes modern gravity and flotation methods and draws on the expertise of experienced tin metallurgist Mike Gunn, with key input from industry veteran and metallurgist Mike Adams, who has been intimately involved with the Cleveland project since 2010. John Glen of ALS Metallurgy Burnie, who also has extensive experience in the field of tin metallurgy, is conducting the testwork.

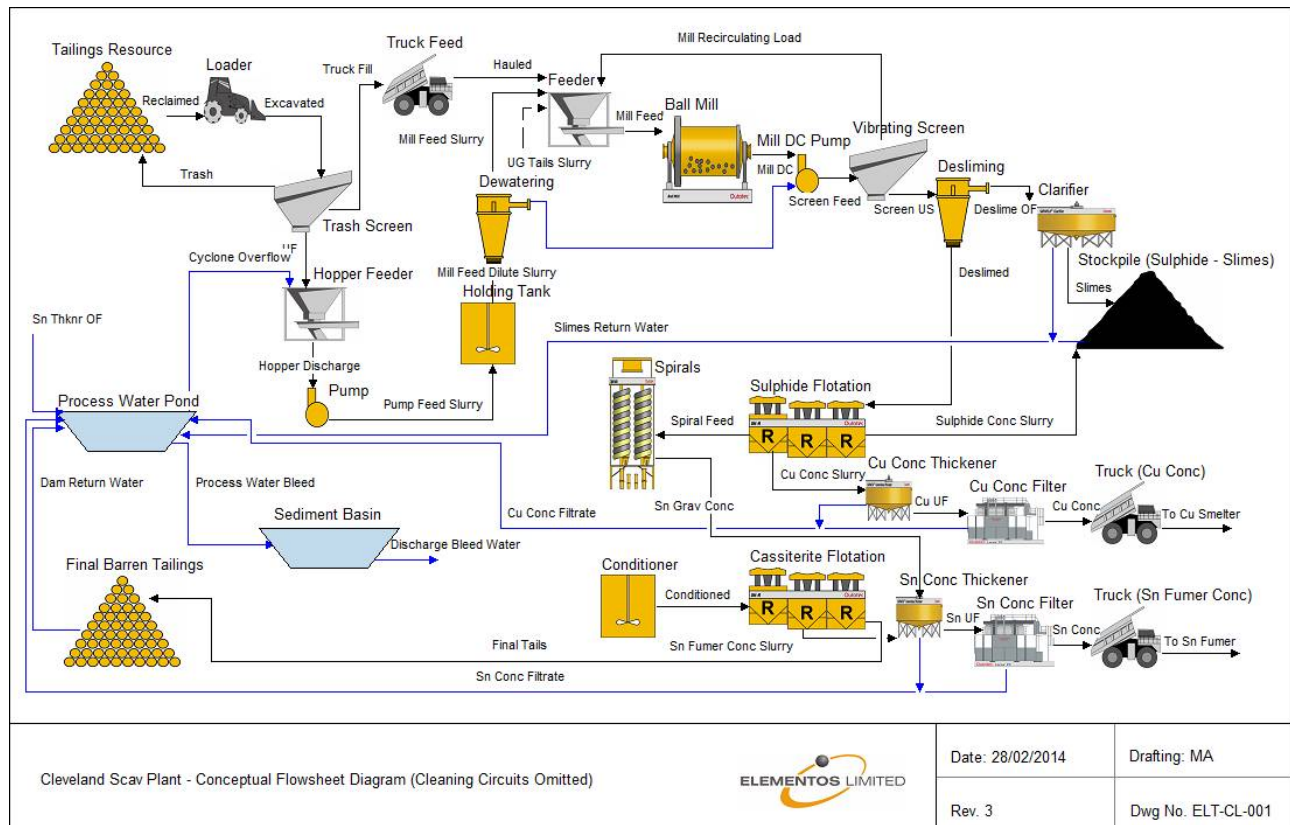


Figure 1 – Conceptual Flowsheet Design for Cleveland Retreatment Project

Environmental Permitting

The Company has commenced the final stages of the Development Proposal and Environmental Management Plan ("DPEMP") submission for the tailings rehabilitation project.

The DPEMP will be updated with further results from the metallurgical testwork program, the ongoing surface and groundwater monitoring programs. This program of works will be undertaken before submission of the DPEMP in early 2015.

Based on feedback received thus far, the Company believes the project continues to be well supported by the Government and Community. Accordingly, the Company remains confident that final steps in the approval process will proceed smoothly leading to development approval in 2015.



For more information, please contact:

Calvin Treacy

Managing Director

Phone: +61 7 3221 7770

Email: admin@elementos.com.au

Elementos is an Australian, ASX-listed, diversified metals company, including Cleveland, an advanced stage tin-copper and tungsten project in Tasmania, together with a number of prospective copper and gold assets in South America and Australia.

Please visit us at www.elementos.com.au