

30 October 2014

QUARTERLY REPORT SEPTEMBER 2014

Highlights

- Large silver-lead-zinc soil anomalies identified in the Cleveland Province
- Over-subscribed rights issue raises \$1.52M
- Metallurgical testwork program commenced
- Chief Operating Officer appointed

Elementos Limited (ASX: ELT) ("Elementos" or the "Company") activities this quarter have been focused on the development of the 100% owned Cleveland Province.

Following the successful mid-year capital raising, development activities continue to be concentrated on the low capex tailings project at Cleveland, which presents an opportunity to generate positive cash flows, that can be used for the on-going development of the Province. The Development Proposal and Environmental Management Plan and the Mining Lease Applications are targeted for submission in early 2015.

Silver-Lead-Zinc Soil Anomalies Identified

During the quarter, a trial soil sampling program was undertaken at the Godkin zone, two kilometres south of the Cleveland tin mine. Two large base metal soil anomalies were delineated over a wide area, where previous high-grade selective samples for silver, lead and zinc had been taken. The aim of the soil sampling program was to test a technique for identifying mineralised structures that are not clearly visible on surface over a wide area. The Company believes the combination of the selective sampling program undertaken in March 2014, and this trial soil sampling program, demonstrates the strong base metal potential of the Godkin zone.

Capital Raising

During the quarter, the rights issue previously announced on 6 June 2014, closed over-subscribed, raising \$1.52 million. In June and July 2014, the Company raised a total of \$2.10 million, including \$0.58 million by private placement, to fund the ongoing development of the Cleveland Province.

Metallurgical Testwork

During the quarter, the Company commenced metallurgical testwork on the Cleveland tailings project at ALS Metallurgy Burnie. The objective of the program is to further develop the process flowsheet using modern gravity, flotation and associated techniques geared to optimising recovery, operating costs and concentrate grade.



Appointment of Chief Operating Officer

Experienced geologist and manager, Tim McManus, was appointed Chief Operating Officer during the quarter. Tim will drive the development of the Cleveland Province in Tasmania, with particular focus on the tailings project.

Selwyn Range Project, Queensland, Australia

During the quarter, there were no exploration activities at Selwyn Range. The joint venture agreement with Below Ground Technology Pty Ltd was being finalised.

Millenium Project, Queensland, Australia

During the quarter, there were no exploration activities at Millenium. The Company's joint venture partners, Chinalco Yunnan Copper Resources Ltd are assessing the geological features at Millenium, to establish the targets for a deeper drilling program, scheduled for early 2015.

Santo Domingo, Argentina

During the quarter, there were no exploration activities at Santo Domingo. Joint venture negotiations continue.

Financial Position

At the end of the quarter, the Company had cash reserves of \$1.59 million. Further details of the Company's financial activities during the quarter are set out in the Appendix 5B quarterly cash flow report.

For more information, please contact:

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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



Elementos Ltd held the following interests in exploration tenements at the end of the quarter:

Tenement Name	Tenement Number	Area (Hectares)	Elementos Interest	Location of Tenements
Santo Domingo	MD 1124-493-G-07	497	Nil - earning	Argentina
	MD 1124-094-G-09	511	Nil - earning	Argentina
	MD 1124-133-G-09	1458	Nil - earning	Argentina
	MD 1124-454-G-09	500	Nil - earning	Argentina
	MD 1124-643-G-10	1940	Nil - earning	Argentina
	EPM 1124-494-G-07	900	Nil – earning(i)	Argentina
	EPM 1124-495-G-07	1338	Nil – earning(i)	Argentina
	EPM 1124-496-G-07	900	Nil – earning(i)	Argentina
	EPM 1124-497-G-07	900	Nil – earning(i)	Argentina
	EPM 1124-499-G-07	900	Nil – earning(i)	Argentina
	EPM 1124-500-G-07	900	Nil – earning(i)	Argentina
	EPM 1124-265-G-08	2616	Nil – earning(i)	Argentina
	EPM 1124-633-G-10	1179	Nil – earning(i)	Argentina
	EPM 1124-022-G-11	1500	Nil – earning(i)	Argentina
	EPM 1124-131-O-09	4953	Nil – earning(i)	Argentina
	EPM 1124-132-O-09	9203	Nil – earning(i)	Argentina
	MD 1124-309-G-12	1500	Nil – earning	Argentina
	MD 1124-308-G-12	200	Nil – earning	Argentina
	MD 1124-149-G-14	1995	Nil – earning(i)	Argentina
	MD 1124-148-G-14	1499	Nil – earning(i)	Argentina
	MD 1124-350-G-14	340	Nil – earning(i)	Argentina
	MD 1124-351-G-14	1269	Nil – earning(i)	Argentina
Millenium	ML 2512	4	100%	Queensland
	ML 2761	20	100%	Queensland
	ML 2762	16	100%	Queensland
	ML 7506	50	100%	Queensland
	ML 7507	45	100%	Queensland
	EPM 18402	5146	100%	Queensland
	EPM 18773	3859	100%	Queensland
	EPM 18793	2251	100%	Queensland
	EPM 18982	4184	100%	Queensland
	EPM 19014	6111	100%	Queensland
	EPM 19036	3216	100%	Queensland
Selwyn South	EPM 19371	3860	100%	Queensland
	EPM 19375	6400	100%	Queensland
	EPM 19426	643	100%	Queensland
Cleveland	EL7/2006	1798	100%	Tasmania
	EL9/2006	4195	100%	Tasmania
	EL15/2011	3358	100%	Tasmania

(i) Tenements/Cateos in process of being granted/transferred



The following tenements expired during the quarter, and were replaced with new tenements:

Tenement Name	Tenement Number	Area (Hectares)	Elementos Interest	Location of Tenements
Santo Domingo	EPM 1124-368-G-06	1958	Nil-earning	Argentina
	EPM 1124-385-G-06	3496	Nil-earning	Argentina
	EPM 1124-498-G-07	900	Nil-earning	Argentina
	EPM 1124-336-G-08	368	Nil-earning	Argentina

The following tenements were acquired during the quarter, replacing the expired tenements above:

Tenement Name	Tenement Number	Area (Hectares)	Elementos Interest	Location of Tenements
Santo Domingo	MD 1124-309-G-12	1500	Nil-earning	Argentina
	MD 1124-308-G-12	200	Nil-earning	Argentina
	MD 1124-149-G-14	1995	Nil-earning (i)	Argentina
	MD 1124-148-G-14	1499	Nil-earning (i)	Argentina
	MD 1124-350-G-14	340	Nil-earning (i)	Argentina
	MD 1124-351-G-14	1269	Nil-earning (i)	Argentina