

ASX ANNOUNCEMENT

23 January 2017

COMPLETION OF GROUND MAGNETIC SURVEY PRE-WORK

Elementos Limited (ASX: ELT) ("Elementos" or the "Company") is pleased to announce the completion of a ground magnetic survey at the Cleveland project.

The ground magnetic survey was carried out on a line spacing of 30 metres (see figure 2), with survey lines constructed perpendicular to the known strike of the mineralisation at Cleveland, for a total of approximately 32 line kilometres. The ground magnetic survey was completed by ModernMag, an Australian company with extensive local and international experience.

The close spaced survey lines will enable the Company to collect high resolution magnetic data which will assist in accurate targeting for a proposed diamond drilling programme in the first quarter of 2017.

The aim of the drilling program is to define both continuing and new mineralisation at the Cleveland project from which Elementos can build an open pit mining operation.

The results of the ground magnetic survey will be reported in February 2017.

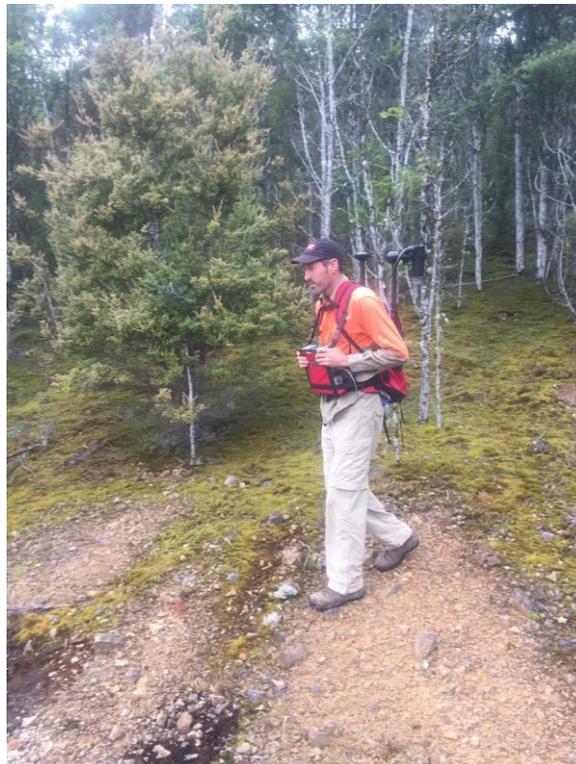


Figure 1: Ground Magnetic Survey being carried out by ModernMag at Cleveland

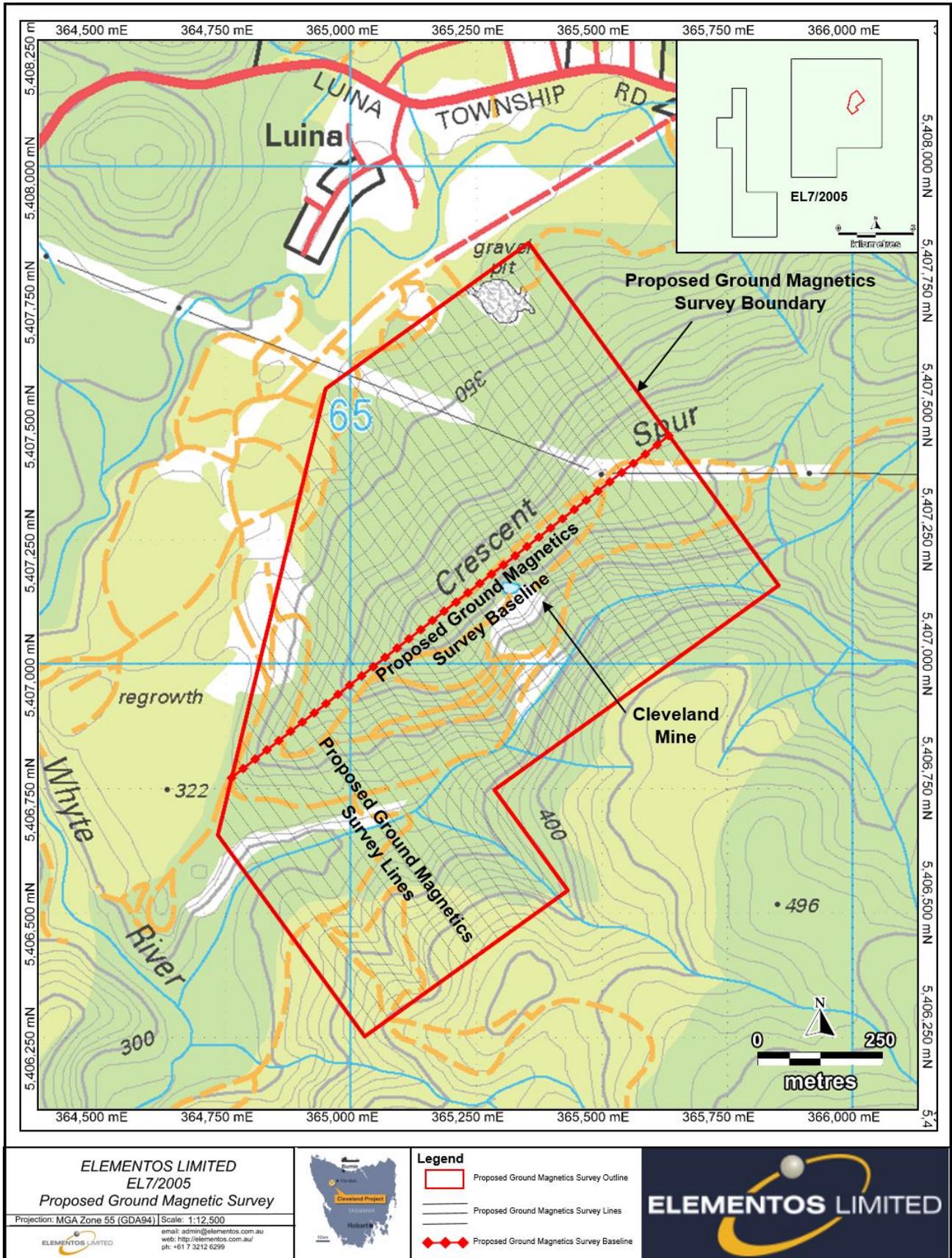


Figure 2: Ground Magnetic Survey Detail

For more information, please contact:

Duncan Cornish

Company Secretary

Phone: +61 7 3221 7770

Email: admin@elementos.com

Please visit us at: www.elementos.com.au

CAUTIONARY STATEMENTS

Forward-looking statements

This document may contain certain forward-looking statements. Such statements are only predictions, based on certain assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond the company's control. Actual events or results may differ materially from the events or results expected or implied in any forward-looking statement.

The inclusion of such statements should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions or that any forward-looking statements will be or are likely to be fulfilled.

Elementos undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this document (subject to securities exchange disclosure requirements).

The information in this document does not take into account the objectives, financial situation or particular needs of any person or organisation. Nothing contained in this document constitutes investment, legal, tax or other advice.