26 September 2011

GROUND MAGNETICS SURVEY AT DIVISORIA GOLD-COPPER PORPHYRY

Highlights

- A recently-completed magnetic survey has identified a magnetic-low anomaly which correlates to the gold–copper mineralised area previously mapped and sampled on the surface
- Potential for a larger area of porphyry mineralisation at depth
- IP geophysics will now be carried out to identify drill targets

Elementos Limited (ASX: ELT) ("Elementos" or the "Company") is pleased to report the results of the ground-based magnetometry geophysical survey at the Divisoria gold-copper porphyry prospect in the Santo Domingo Project, Argentina.

The aim of the survey was to test the magnetic response of the different alteration and mineralisation zones, and highlight potential structural corridors controlling higher-grade targets at depth.

The program has identified a large magnetic-low anomaly covering the main areas of disseminated and higher-grade vein-breccia style gold-copper mineralisation and alteration on surface – see Figure 1.

The ground magnetometry has also confirmed the main structural trends hosting the high-grade mineralisation returned by veins and vein-breccia's cross-cutting disseminated mineralisation.

Additionally, the survey has indicated there is potential for porphyry mineralisation at depth over a greater area than mapped on surface.

Magnetic lows are considered to represent the alteration associated with the mineralising system. The lows in this survey correlate spatially with a 500 x 300 metre, north-east trending area of phyllic alteration and the best disseminated gold and copper anomalies on surface. This area also hosts narrow, high-grade gold, copper and silver quartz and quartz-breccia veins in north-west and north-east trending structures.

The results of the magnetometry survey are highly encouraging and demonstrate a pattern of magnetic lows related with porphyry mineralisation over a larger area than mapped on surface. Since the area of potential mineralisation is so large, IP pole-dipole geophysics will be completed to test for chargeability anomalies within the magnetic low areas and structural arrays to assess the potential for structurally-controlled higher grade zones at depth for drill targeting purposes.

A drilling program will be planned based on the combined results of both the magnetometry and IP geophysical survey. Plans are advanced for a joint drilling program over Divisoria in conjunction with the Yvette polymetallic system. Drill permitting for Divisoria is complete, and Yvette is in the provincial approval process.

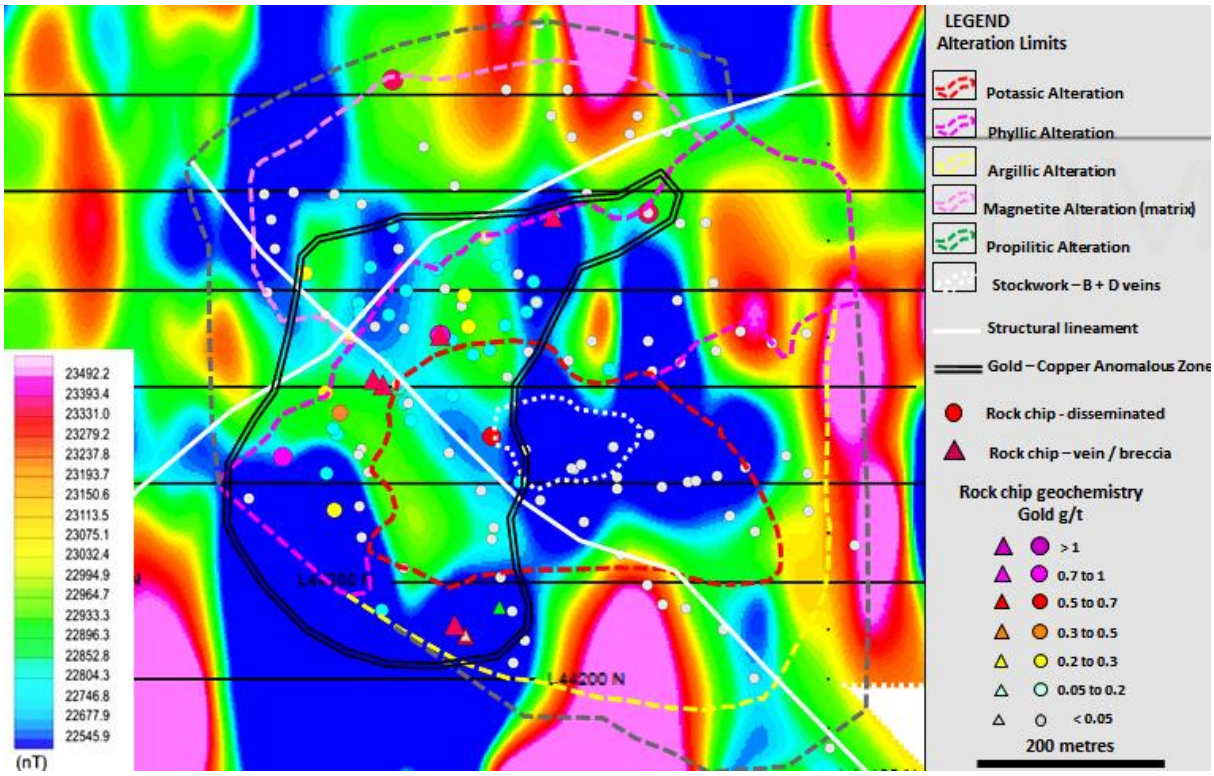

Figure 1 – Reduced to Pole Ground Magnetometry geophysics at Divisoria outlining alteration zones, structure and location of rock chip sampling over disseminated, and vein and breccia mineralisation. Blue to green areas are magnetic lows (indicating magnetite destruction by hydrothermal alteration) and are well correlated with the main gold-copper anomalous zone delineated by surface sampling.

For more information, please contact:

Corey Nolan
Managing Director
Phone: +61 (7) 3871 3985
Email: **admin@elementos.com.au**

Elementos is an Australian, ASX-listed, exploration company, with a number of projects in Argentina and Australia, which offer an attractive investment environment. The properties are all in mineral rich, highly prospective provinces, with developed infrastructure nearby.

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

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Alistair Grahame, a member of the Australian Institute of Geoscientists. Mr Grahame is a full-time employee of Elementos Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which it is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Grahame consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.