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**Subject:** FW: Elementos - Cleveland scoping study - off Australasian edition of Mining Weekly

**Date:** 21 August 2015 9:46 am

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Elementos's Cleveland proves its mettle 20TH AUGUST 2015 BY: ESMARIE SWANEPOEL  
CREAMER MEDIA SENIOR DEPUTY EDITOR: AUSTRALASIA PERTH  
(miningweekly.com) – The proposed Stage 2 openpit operation planned for the Cleveland mine would add an additional A\$21-million to the project's cash flow, owner Elementos reported on Thursday. Elementos was developing the Cleveland project through a staged, low-capital development strategy, which the company hoped would minimise up-front capital, with cash flow funding future stages. A recent prefeasibility study into the Stage 1 tailings project estimated that an initial capital investment of A\$21-million would be required to deliver some 5 200 t of tin concentrate and 1 500 t of copper concentrate over a seven-year mine life. A scoping study into the Stage 2 openpit operation was based on a mineral resource of 800 000 t, grading 0.81% tin and 0.27% copper, over five pits, which would be mined at a combined rate of 200 000 t/y, over a three-year period. The incremental capital cost required for the Stage 2 operation was A\$6.6-million but this would be fully funded by cash flow from the Stage 1 operations, Elementos said. While production from the Stage 1 tailings operation was scheduled to start in 2016 or 2017, the Stage 2 operation would start in 2017. Elementos CEO Tim McManus said on Thursday that the openpit scoping study provided a strong endorsement to the staged development strategy being considered at Cleveland. "Work is also continuing on the Stage 3 underground operation, which has the potential to significantly expand the project cash flow and mine life," he added. The Stage 3 underground operation was expected to come on line in 2021. Meanwhile, McManus was hopeful that the Cleveland operation could offer considerable exploration upside, as the technical studies at the project were currently based only on the validated work of the previous mine operator

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