

29 October 2015

ANNUAL REPORT - ADDENDUM

Elementos Limited (ASX: ELT) ("Elementos" or the "Company") provides the following information as an addendum to the 2015 Annual Report released on 23 October 2015:

Review of Ore Reserves and Mineral Resources

During the year, the Company continued the development of its Cleveland Mineral Resources by:

- ✓ Completing a Pre-Feasibility Study¹ ("PFS") for the reprocessing of the Tailings Indicated Mineral Resource of 3.8Mt @ 0.30% tin and 0.13%, which provided an estimate for a Probable Ore Reserve of 3.7Mt @ 0.29%² (0% cut-off grade).
- ✓ Reviewing the Cleveland hard rock Mineral Resources to assess the potential of developing part of the Cleveland Mineral Resource as an open pit mine. Accordingly, the Mineral Resource above 150m depth has been reported as an Open Pit Mineral Resource, and the remaining Mineral Resource has been reported as an Underground Mineral Resource. The total Mineral Resources at Cleveland remain unchanged³.
- ✓ The Tungsten Mineral Resource remains unchanged.

Governance Arrangements and Internal Controls

A summary of the governance and controls applicable to the Company's Mineral Resource and Reserves processes is as follows:

- ✓ Review and validation of drilling and sampling methodology and data spacing, geological logging, data collection and storage, sampling and analytical quality control;
- ✓ Geological interpretation — review of known and interpreted structure, lithology and weathering controls;
- ✓ Estimation methodology — relevant to mineralisation style and proposed mining methodology;
- ✓ Comparison of estimation results with previous mineral resource models, and with results using alternate modelling methodologies;
- ✓ Visual validation of block model against raw composite data; and
- ✓ Peer review by senior company personnel and independent consultants.

¹ Announced per the JORC Code 2012 on 3 August 2015 "Cleveland Tailings PFS".

² Announced per the JORC Code 2012 on 3 August 2015 "Cleveland Tailings Ore Reserve".

³ Announced per the JORC Code 2012 on 5 March 2014 "Cleveland JORC Resources Significantly Expanded".

The Mineral Resources and Ore Reserves for Cleveland at 27 October 2015 are:

Mineral Resources and Ore Reserves

Tailings Mineral Resource (at 0% Sn cut-off) ⁴

Category	Tonnage	Sn Grade	Cu Grade
Indicated	3.8 Mt	0.30%	0.13%

Table subject to rounding errors; Sn = tin, Cu = copper

Tailings Ore Reserve (at 0% Sn cut-off) ⁵

Category	Tonnage	Sn Grade	Cu Grade	Contained Sn	Contained Cu
Probable	3.7 Mt	0.29%	0.13%	11 Kt	5 Kt

Table subject to rounding errors; Sn = tin, Cu = copper

Open Pit Tin-Copper Mineral Resource (at 0.35% Sn cut-off) ⁶

Category	Tonnage	Sn Grade	Cu Grade
Indicated	0.8 Mt	0.81%	0.27
Inferred	0.01 Mt	0.99%	0.34

Table subject to rounding errors; Sn = tin, Cu = copper

Underground Tin-Copper Mineral Resource (at 0.35% Sn cut-off) ⁷

Category	Tonnage	Sn Grade	Cu Grade
Indicated	4.2 Mt	0.67%	0.28%
Inferred	2.4 Mt	0.56%	0.19%

Table subject to rounding errors; Sn = tin, Cu = copper

Underground Tungsten Mineral Resource (at 0.20% WO₃ cut-off) ⁸

Category	Tonnage	WO ₃ Grade
Inferred	4 Mt	0.30%

Table subject to rounding errors; WO₃ = tungsten oxide

For more information, please contact:

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⁴ Announced per the JORC Code 2012 on 17 June 2014 "Cleveland Tailings Resource Upgrade"

⁵ Announced per the JORC Code 2012 on 3 August 2015 "Cleveland Tailings Ore Reserve"

⁶ Announced per the JORC Code 2012 on 3 March 2015 "Cleveland Open Pit - High-Grade Mineral Resource Defined"

⁷ Announced per the JORC Code 2012 on 3 March 2015 "Cleveland Open Pit - High-Grade Mineral Resource Defined"

⁸ This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

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.

Mineral Resources and Ore Reserves

Elementos confirms that Mineral Resource and Ore Reserve estimates used in this document were estimated, reported and reviewed in accordance with the guidelines of the Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code) 2012 edition.

Elementos confirms that it is not aware of any new information or data that materially affects the Mineral Resource or Ore Reserve information included in the "Cleveland Tailings Resource Upgrade" announced to the ASX on 17 June 2014, or the "Cleveland Open Pit - High-Grade Mineral Resource Defined" announced on 3 March 2015 and the "Cleveland Tailings Ore Reserve" released on the 3 August 2015.

The Company also confirms that all material assumptions and technical parameters underpinning the estimates in the Cleveland Mineral Resources and Reserves continue to apply and have not materially changed. Elementos also confirms the form and context in which the Competent Person's findings are presented have not been materially modified from the date of announcement.