

ASX ANNOUNCEMENT

4 January 2019

Interim completion of acquisition of the Oropesa Tin Project

Highlights:

- Interim Completion of the Arrangement Agreement (under which Elementos Limited is to acquire the Oropesa Tin Project) has occurred;
- The Company has issued 1,000,000,000 convertible redeemable preference shares (**CRPS**) to Eurotin Inc. to be distributed to its shareholders;
- On receipt of the Spanish Regional Mining Authority approval and satisfaction of all remaining conditions precedent the acquisition of the Oropesa Project will be completed and the CRPS will convert to ordinary shares in the Company

Elementos Limited (ASX: ELT) ("Elementos" or the "Company") is pleased to announce that, further to prior announcements by the Company concerning the Arrangement Agreement signed with Eurotin Inc. (**TIN**) for the acquisition of the Oropesa Project, Interim Completion of the Arrangement Agreement has now occurred.

Following all necessary shareholder approvals of the Company being obtained at the recent Annual General Meeting, TIN has also obtained all necessary shareholder approvals at its recent General Meeting to approve the acquisition of the Project by the Company.

In addition, TIN has received final approval from the Ontario Superior Court of Justice for the Plan of Arrangement which provides for the transfer by TIN to ELT of 100% of the issued and outstanding securities in Minas De Estano De Espana S.L.U. (**Mespa**).

Due to the recent Christmas period, it was necessary to slightly extend the proposed date of Interim Completion from 31 December 2018, with the Company and TIN agreeing to extend the "Outside Date" for Interim Completion under the Arrangement Agreement to 11 January 2019. As a variation to the Arrangement Agreement, it has also been agreed that TIN will fund the payment of €150,000 to cover 50% of a termination payment payable to a director of Mespa (with the remaining 50% (€150,000) to be funded by ELT).

As per the Company's earlier announcements and the notice of meeting announced on 30 October 2018, on Interim Completion the Company issued to TIN 1,000,000,000 convertible redeemable preference shares (**CRPS**). The CRPS must, within 10 business days, be distributed to the shareholders of TIN and this is anticipated to occur on 4 January 2019.

The next step of the acquisition is the transfer to ELT of all shares in Mespa, a wholly owned subsidiary of TIN and the holder of Oropesa. The change in control that will result from the transfer of Mespa shares to Elementos requires the prior approval from the relevant Spanish Regional Mining Authority.

On receipt of the Spanish Regional Mining Authority approval and satisfaction of all remaining conditions precedent to the transfer being satisfied or waived, the transfer to the Company of the shares in Mespa and the conversion of the CRPS to ordinary shares in the Company will be completed (**Final Completion**). Final Completion must occur within 12 months of distribution of the CRPS to TIN shareholders. The Company will provide a further update once Final Completion occurs.

For more information, please contact:

Duncan Cornish

Company Secretary

Phone: +61 7 3212 6299

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.