

19 FEBRUARY 2019

## OROPESA TIN PROJECT 3-PHASE DEVELOPMENT STRATEGY

**Elementos Limited (ASX: ELT) (“Elementos” or the “Company”)**, the multi-national tin focused exploration company, is pleased to provide shareholders with an update on the development strategy for the Oropesa Tin Project, located in the Andalucía Region of Spain.

The Oropesa acquisition forms part of the Company's strategy to create a multi-project tin exploration and production company. An integral element of the Company's strategy is to target jurisdictions which demonstrate a long history of successful mining combined with low sovereign risk. Through the implementation of this low risk growth strategy, it is Elementos' intention to deliver high value tin production to assist in meeting the predicted global tin shortfall.



### Oropesa Development Strategy

Elementos's development strategy for the Oropesa Project is to employ a 3-phase development plan focusing on unlocking the full potential of the project. The phases are as follows and it is the Company's intention to execute these phases concurrently where possible:

#### PHASE 1

- Resource expansion.
- Optimisation of the process flowsheet to improve tin recoveries and minimize operating costs.

#### PHASE 2

- Finalisation of the right to operate (Development approvals etc.)
- Engineering and design of a large-scale tin mining operation.

#### PHASE 3

- Secure financing for the development of the project.
- Construction.
- Production of tin concentrate.

## Drilling to Expand the Resource

The Board and Management of ELT were encouraged by the recently announced Exploration Target for the Oropesa Project (ASX Announcement 4<sup>th</sup> February 2019). Based on this Exploration Target, a detailed drilling programme to test the induced polarisation (IP) anomalies is currently being planned.

Figure 1 demonstrates IP anomalies with the current defined resource overlaid. The strong correlation of the central IP anomaly with the current resource are the principle drivers in identifying the priority drill targets, which are:

- Along strike from the existing resource
- Immediately to the north of the existing resource
- Where the IP response is the greatest.
- In areas that future infrastructure for the proposed mine development is planned

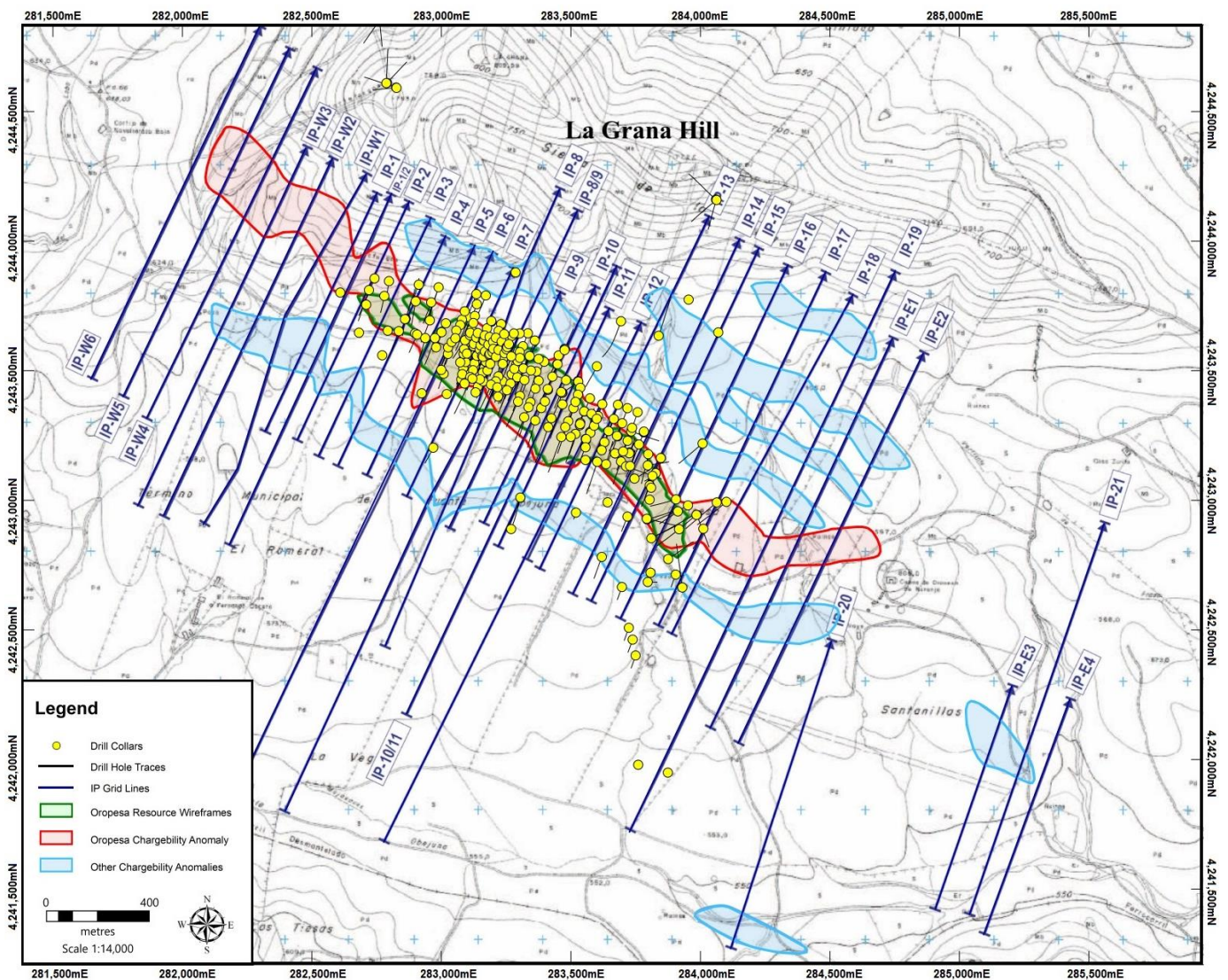


Figure 1. Oropesa IP chargeability anomalies, showing drill hole locations

Elementos intends to continue to expand the Oropesa resource base to cement Oropesa as a world-class tin resource, providing the foundation for the Company's success in becoming a significant tin producer.

## **Project Finance**

ELT has held discussions with a number of financing groups who have shown interest in providing project finance for Oropesa. The interest to date provides the Board with confidence that multiple options for financing Oropesa are available, creating potentially attractive financing structures.

The attractiveness of Oropesa from a financing point of view is:

- Capital requirements are not overly significant, reducing the lender's exposure and risk
- ELT's Board and Management team have executed many projects of this size or larger, significantly reducing the financier's risk
- Tin as a commodity is an LME traded metal - there is always a market for tin concentrate
- Financiers are looking to diversify their commodity base - with tin being a base metal and an integral part of the electrification of the world, it is an increasingly attractive commodity

**\*\*\*ENDS\*\*\***

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