

18 MARCH 2010

SYSTEMATIC CHANNEL SAMPLING CONSOLIDATES DRILLING TARGETS AT MANANTIAL VEIN & MEETING WITH SAN JUAN MINES MINISTER

Key Highlights

- Channel sampling confirms significant gold-silver mineralisation distributed over 600 metres of strike, including a high grade gold zone of 120 metres within the northern 275 metres of the main exposed vein.
- Exploration activities focused on defining drill targets at the Manantial vein as well as at the northern extension of the Julieta vein ready for drilling in the second quarter 2010 (subject to approval of the Environmental Impact Assessment). Exploration activities to commence at La Puerta target.
- Elementos management team presented the company's exploration plans for the coming year in San Juan to the Mines Minister for San Juan Province, Felipe Saavedra.

Follow up channel sampling results at Manantial vein

Elementos Limited (ASX: ELT) ("Elementos" or the "Company") is pleased to report further results from follow-up sampling of the first phase of exploration activities at the Manantiales epithermal project in San Juan Province, Argentina.

New saw cut channel sampling of the Manantial vein zone produced mineralised intervals including:

- channel 29 – 6 metres (4 metre true width) at 2.4g/t gold and 18.7g/t silver including 1 metre (1 metre true width) at 6.44g/t gold and 55 g/t silver;
- channel 36 - 0.95 metres (0.4 metres true width) at 3.75g/t gold and 9g/t silver; and
- additionally, a selective rock chip sample taken over narrow footwall quartz veining at the northern extension of the Julieta vein returned 0.3 metres at 3.31g/t gold and 7g/t silver.

The latest channel sampling program was designed to:

- infill sample the main sericite-sílica-limonite alteration zone to test for gold-silver mineralisation;
- continue infill sampling the main 275 metre mineralized zone;
- continue sampling new vein systems, mostly east-west trending, all located between 1.2 to 1.4 kilometres east of the main Manantial vein system; and
- commence sampling the northern extension of the Julieta vein.

Mineralised intervals returned by infill channel 29 confirmed the grades intercepted during channel sampling in January and February 2010 (see ASX release 9 February 2010 and 01 March 2010). Gold grades returned by channel 36, in conjunction with gold grades from previously reported channels 1, 2, 10 and 11 confirm significant mineralisation related with a narrow vein zone trending north-south and separated some 60 metres from the high grade zone of the main Manantial vein (Figure 3). The area between the veins is dominated by talus material therefore the presence of additional sheeted veins has not yet been confirmed but the spatial distribution of veining suggest potential for open-cut amenable sheeted or stock-work veining.

The first selective rock chip sample taken over a narrow quartz vein located in the footwall of the northern extension of the Julieta vein, some 120 metres north of the southern boundary of the Manantial tenure and some 50 metres northwest of the main outcropping vein. A gold grade of 3.3g/t is a positive indicator for potentially mineralised veining at depth, in areas where such vein bodies are not exposed.

East-west trending veins located between 1.2 to 1.5 kilometres east of the Main Manantial vein and some 0.5 kilometres north of the northern extension of the Julieta vein, have not returned significant gold values.

Best results from this round of sampling are tabulated below:

Channel	From (metres)	To (metres)	Sample Length (metres)	Gold (g/t)	Silver (g/t)	Vein strike direction
C28	0	3	3	1.24	15.7	N-S
including	2	3	1	1.4	11	N-S
C29	0	6	6	2.41	18.7	N-S
including	1	2	1	6.44	55	N-S
C36	0	0.95	0.95	3.75	9	N-S
RCh492	0	0.3	0.3	3.31	7	NW

Note - Sample lengths presented above are sample intersection lengths irrespective of topography of mineralisation and may not represent the true widths of mineralisation.

The latest results combined with ongoing channel sampling, detailed mapping, and a proposed geophysical survey, will be used to define drill targets at the Manantial vein and the northern extension of Julieta vein. Drilling is planned for the second quarter of 2010 (subject to approval of the Environmental Impact Assessment), and preparations are advanced.

A number of proposals have been received from drilling contractors and these are being evaluated along with site visits to ensure that drill rigs can be quickly mobilised when the Environmental Impact Assessment is approved.

Exploration program update

On-going exploration and drill target definition sampling include:

- the first sample program has been completed at the northern extension of Julieta vein and assay results are pending;
- a systematic exploration program at the La Puerta target (located 5.5 kilometres east of Manantial vein target) will commence in the second half of March; and
- the northern extension and sub-parallel veins of the main Manantial vein will be mapped and sampled.

Meeting with San Juan Mines Minister

In February, the Elementos management team presented the Company's investment plans for San Juan to Engineer Felipe Saavedra, the San Juan Mines Minister (Secretaria de Minería de San Juan).

Engineer Saavedra was very supportive of the Company's activities and future exploration plans. The progress of the Manantiales Environmental Impact Assessment was discussed and the Company is hopeful that it will be approved by May/June as outlined in the IPO Prospectus.



Figure 1: Engineer Felipe Saavedra, head Secretariat of Mining San Juan, Gustavo Delendatti, Corey Nolan and Alistair Grahame.



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 with low sovereign risk. The properties are all in mineral rich, highly prospective provinces, with developed infrastructure nearby.

Please visit us at www.elementos.com.au

SAMPLE QUALITY CONTROL AND ASSURANCE

The saw blade channel sample widths presented above are sample intersection widths and may not represent the true widths of mineralisation. Gold assay results presented above are finals and have been calculated using a 0.5 g/t gold cut-off grade. Gold intervals are weighted averages of sample length multiplied by gold grade.

Samples were prepared at the Acme Analytical Laboratories ("AcmeLabs") preparation facility in Mendoza, Argentina and assayed by fire assay (50 gram charge) at the AcmeLabs laboratory in Chile and for ICP-MS ultra traces level, 53 elements (15 grams charge) at the AcmeLabs laboratory in Vancouver, all ISO-9001:2000 certified laboratories.

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 Neil Stuart a fellow of the Australasian Institute of Mining and Metallurgy. Mr Stuart is a Director 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 they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Stuart consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Figure 3: Updated detail of the Manantial vein prospect showing channel location and main mineralised intervals along 600 metres strike as well as schematic geology, alteration and structure. New channels are labeled in red and marked with *. Previous reported channels are labeled in light brown and marked with **. Main outcropping vein is placed between Channel 9 (northern end) and Channel 25 (southern end). Highest grades within this vein are concentrated between Channel 5 (northern end) and Channel 25 (southern end). Highest grades at the main sub-parallel vein system are placed between Channel 36 (northern end) and Channel 1 (southern end).

