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MERCEDES GEOPHYSICS PROGRAM IDENTIFIES OXIDE AND PORPHYRY TARGETS

Highlights

- Airborne geophysics reveals a strong correlation between geophysical lineaments and high-grade copper oxide mineralisation on surface
- Large, sub-circular magnetic lows coincide with outcropping porphyries, porphyry-style alteration, and copper, gold and molybdenum mineralisation
- The preliminary exploration results highlight the significant potential of the Mercedes property

Elementos Limited (ASX: ELT) (“Elementos” or the “Company”) is pleased to announce the results from the recently completed aero-magnetometry survey at the Mercedes Project, northern Chile.

Preliminary interpretations of the geophysics for the copper oxide and porphyry targets include:

Copper oxide mineralisation:

- Multiple NW & ENE structural lineaments extending up to five kilometres;
- Lineaments interpreted to control the structurally hosted, high-grade copper oxide mineralisation where grades of up to 7.3% copper and 53 g/t silver have been previously reported at Mecha; and
- Highlights the potential to identify mineralisation not exposed on surface due to the thin layer of overburden partially covering the project area.

Copper porphyry mineralisation:

- Large, sub-circular magnetic low areas coincide with exposed porphyry intrusions, associated alteration, and disseminated copper and molybdenum mineralisation at Elvira and Marcelita;
- NW and ENE structural lineaments interpreted to control porphyry outcrops with samples containing copper up to 9.8%, plus gold, silver and molybdenum mineralisation of up to 0.59 g/t, 37.3 g/t and 38 g/t respectively; and
- Supports hypothesis that Elvira represents a high-level in a porphyry system.

The 3,300 kilometre survey flown on 125 metre spacing has successfully delineated the porphyry bodies, located the extensions of the known mineralised structures and defined the structural framework for modelling the controls on mineralisation.

Mapping and sampling programs are continuing over the porphyry copper prospect at Elvira and the copper oxide targets at Mecha. A ground-penetrating Pole-dipole IP geophysical survey is planned for Elvira to define targets for drilling (planned for the second quarter subject to drill rig availability).

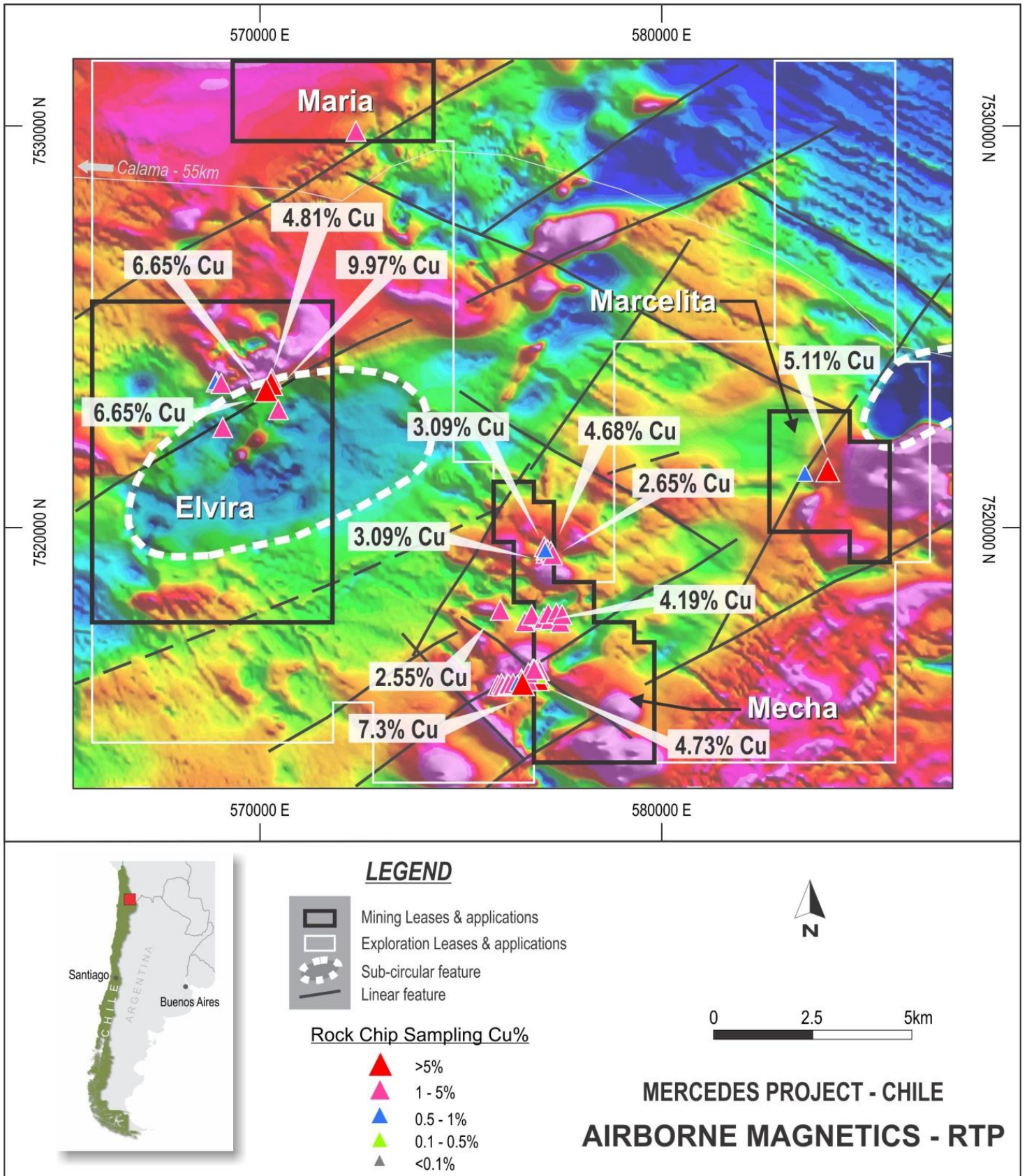


Figure 1: Airborne magnetic survey Reduced to Pole map showing interpreted lineations (in black) and magnetic lows coincident with porphyries in outcrop (in white).

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Elementos is an Australian, ASX-listed, copper and gold exploration company, with projects in Chile, Argentina and Australia. The properties are all in mineral rich, highly prospective provinces, with developed infrastructure nearby. Please visit us at

www.elementos.com.au

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 Gustavo Delendatti, a member of the Australian Institute of Geoscientists. Mr Delendatti is a full-time employee 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 it is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Delendatti consents to the inclusion in the report of the matters based on his information in the form and context