

21 MAY 2012

TAMAYA SAMPLING IDENTIFIES FURTHER HIGH-GRADE COPPER

Highlights

- High-grade copper up to 7.91%, with 86% of samples containing over 1% copper, reported from multiple structures
- Gold and silver anomalies indicate potential for precious metals mineralisation with grades of up to 9.52 g/t gold and 17.5 g/t silver
- Multi-element data together with ground magnetic anomalies suggests an intrusive related mineralisation phase

Elementos Limited (ASX: ELT) ("Elementos" or the "Company") is pleased to announce the first results from mapping and sampling at the Tamaya Project, central Chile.

Forty-two rock-chip samples were collected from outcropping structures, veins, mine workings and mine waste dumps. Thirty-six of the forty-two samples returned over 1% copper, up to a maximum of 7.91% (Table 1).

Preliminary interpretations include:

- Multiple, sub-parallel structures on the eastern flank and ridge-top returned elevated copper grades and are coincident with linear magnetic highs;
- High copper grades were reported from sub-parallel and cross-cutting structures over an area of lower magnetic susceptibility on the western flank;
- Gold up to 9.52 g/t was reported from several widely distributed samples with six samples containing over 0.5 g/t;
- Silver values up to 17.5 g/t, together with the gold values, demonstrate that precious metal mineralisation exists, which appears to be related to quartz veinlets cutting the copper structures;
- Up to 1,110 ppm molybdenum was reported, mostly on the eastern flank above the large, apparently intrusive related magnetic high;
- Over four kilometres of mineralised structure has now been identified by the on-going mapping and sampling

The initial reconnaissance mapping at Tamaya is discovering multiple sets of unmarked mineralised structures that can be followed along strike and increase the potential for Tamaya to host economic copper and precious metal mineralisation. A detailed geological overview summarising the results to date is outlined on page 5.

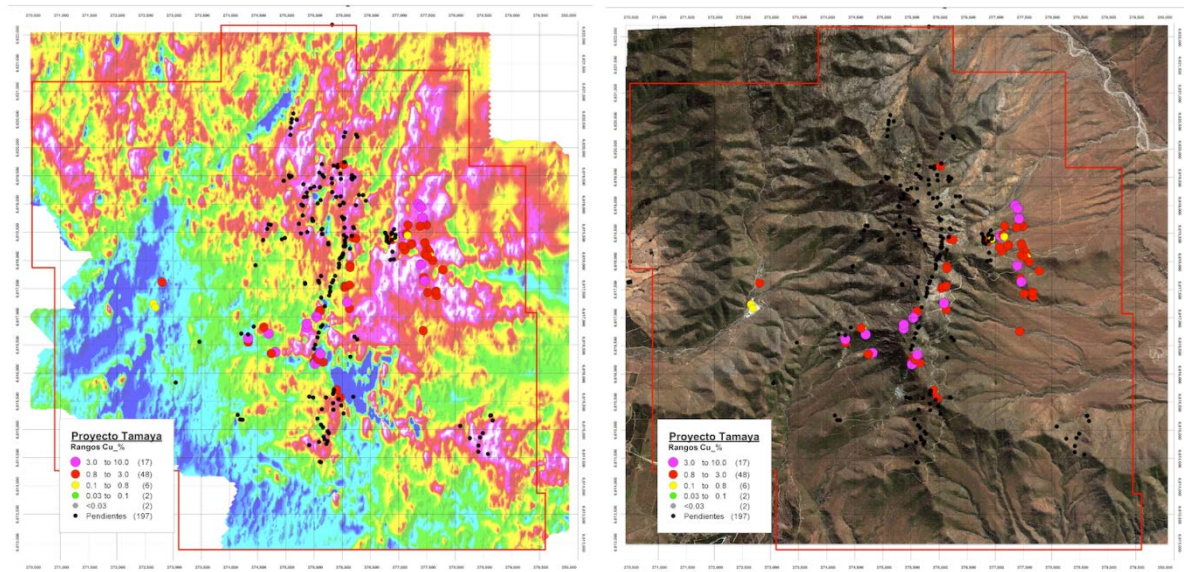


Figure 1: Copper grades of the 75 samples collected to date (33 from due diligence studies and 42 from the first phase of the detailed exploration) superimposed on the ground-magnetometry reduced-to-pole map (left) and the Google Earth image (right). 197 assay results remain pending to date.

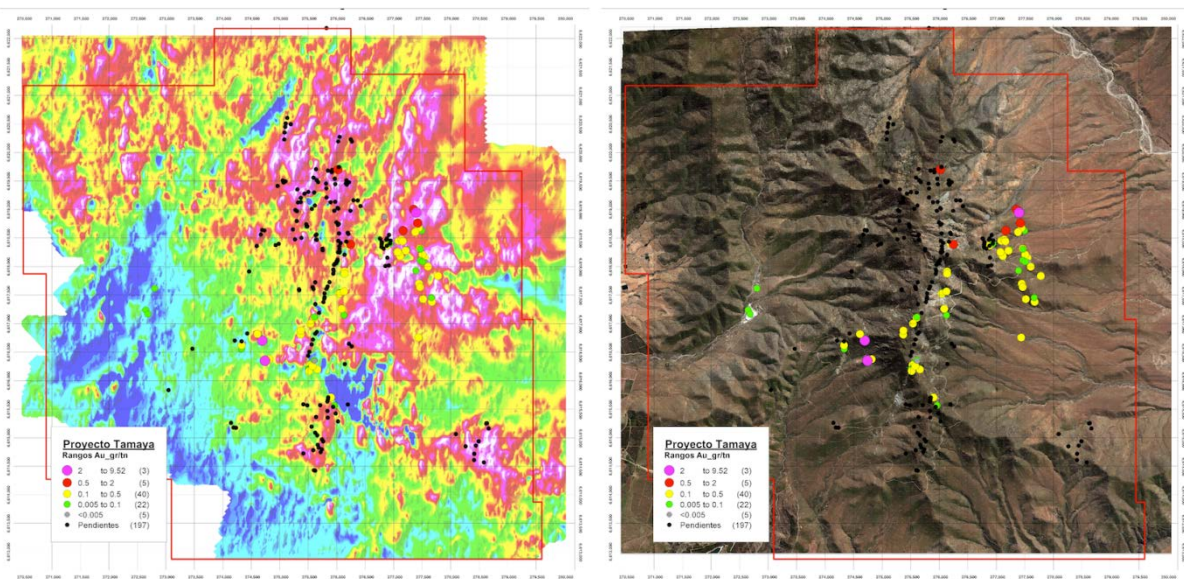


Figure 2: Gold grades of the 75 samples collected to date superimposed on the ground-magnetometry reduced-to-pole map (left) and the Google Earth image (right).

Next Steps

Mapping and geochemical sampling programs are continuing over the historic workings and surface exposures of the multiple structures, veins and systems which host copper mineralisation. This will be followed by a ground-penetrating pole-dipole IP geophysical survey, planned to commence in late May.

The Company expects to start drilling at Tamaya in July, subject to drill rig availability.

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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 Alistair Grahame, a member of the Australian Institute of Geoscientists. Mr Grahame 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 Grahame consents to the inclusion in the report of the matters based on his information in the form and context.

SAMPLE QUALITY CONTROL AND ASSURANCE

Samples were prepared and assayed by ALS Chile (ALS), Minerals Division, at their facility in Coquimbo, an ISO-9001:2008 certified laboratory. Methods utilised were:

- Thirty-three element ICP_AES;
- Samples returning greater than 1.0% copper are assayed using Four Acid Digest and an Atomic Adsorption Spectrometer (AAS);
- Gold assay by Fire Assay (30g) and AAS; and
- Samples returning greater than 1.0 g/t gold are check analysed by ALS using the same method.

Table 1: Results of due diligence sampling and the first batch of detailed sampling at Tamaya.

Sample Number	Easting UTM WGS84	Northing UTM WGS84	Altitude (metres)	Sample Classification	Description	Copper (%)	Gold (g/t)
954501	277507	6618208	534	Selective	Clastic wallrock (waste dump)	1.79	0.15
954502	277564	6618074	554	Representative	Silicified structure	0.10	0.00
954503	277603	6617998	545	Selective	Volcanic wallrocks (waste dump)	1.83	0.14
954504	277664	6617458	564	Representative	Vein structure	2.41	0.01
954505	277670	6617382	472	Selective	Quartz vein (waste dump)	1.28	0.13
954506	277779	6617836	472	Selective	Volcanic wallrock (waste dump)	2.01	0.19
954507	277351	6619001	537	Selective	Volcanic wallrock (waste dump)	3.16	0.76
954508	277397	6618944	555	Selective	Volcanic wallrock (waste dump)	3.76	9.52
954509	277421	6618762	553	Selective	Volcanic wallrock (waste dump)	3.15	0.59
954510	277379	6618605	553	Selective	Volcanic wallrock (waste dump)	1.57	0.10
954511	277111	6618183	609	Representative	Vein on fault contact	2.00	0.38
954512	277071	6618254	625	Selective	Fault breccia (waste dump)	2.33	0.19
954513	276856	6618408	691	Representative	Rhyolite wallrock	0.03	0.00

Sample Number	Easting UTM WGS84	Northing UTM WGS84	Altitude (metres)	Sample Classification	Description	Copper (%)	Gold (g/t)
954514	276880	6618368	663	Selective	Rhyolite wallrock (waste dump)	2.24	0.32
954515	276936	6618402	664	Representative	Brecciated structure	0.46	0.05
954516	277086	6618452	605	Selective	Quartz-calcite vein (waste dump)	3.93	0.35
954517	277137	6618473	591	Representative	Quartz vein structure	1.42	0.22
954518	277158	6618446	578	Selective	Quartz-calcite vein (waste dump)	0.36	0.12
954519	277166	6618629	570	Selective	Potassic intrusive (waste dump)	1.73	0.62
954520	277468	6618306	524	Selective	Potassic intrusive (waste dump)	2.93	0.02
954521	276841	6618871	642	Representative	Silicified brecciated structure	0.01	0.00
954522	277210	6618277	567	Selective	Granodiorite intrusive (waste dump)	1.33	0.19
954523	277446	6617701	571	Representative	Silicified brecciated structure	1.88	0.29
954524	277462	6618109	553	Representative	Brecciated quartz structure	1.13	0.05
954525	277505	6618083	554	Representative	Quartz vein structure	1.21	0.02
954526	277389	6617930	619	Selective	Quartz vein (waste dump)	3.14	0.02
954527	277463	6617639	557	Selective	Quartz vein (waste dump)	3.06	0.23
954528	277517	6617430	518	Selective	Quartz vein (waste dump)	1.16	0.20
954529	274331	6616554	738	Representative	Fault breccia with quartz veining	1.52	0.05
954530	274330	6616620	765	Representative	Fault breccia vein (2.2 m channel)	3.02	0.16
954531	274639	6616795	832	Representative	Silicified brecciated structure	0.44	0.05
954532	274691	6616702	815	Representative	Silicified structure with quartz veining	6.34	5.82
954533	274609	6616816	832	Selective	Volcanic wallrock (waste dump)	1.09	0.17
954534	274814	6616375	774	Representative	Fault vein structure (2.5 m)	3.52	0.15
954535	274741	6616350	758	Representative	Intersecting structures	2.01	3.61
954536	275369	6616808	1151	Selective	Silicified wallrock (waste dump)	7.91	0.48
954537	275370	6616878	1134	Representative	Fault breccia structure (2.0 m)	3.60	0.20
954538	275601	6617101	1146	Selective	Fault structure (waste dump)	4.82	0.32
954539	275609	6617117	1147	Representative	Fault breccia structure (1.2 m)	1.95	0.07
954540	275537	6617001	1131	Representative	Fault structure with quartz veining	4.96	0.43
954541	275965	6615567	915	Selective	Quartz vein wallrock (waste dump)	2.94	0.05
954542	275898	6615707	908	Representative	Silicified brecciated structure (2.5 m)	2.66	0.43

Tamaya Geological Overview

The copper mineralisation occurs along sets of sub-parallel tectonic structures that host veins and breccias, as well as significant widths of mineralised wallrock.

The eastern flank of the hill is intruded by coarse-grained acid intrusive stocks with evidence of potassic alteration. These host sheeted and stockwork style veining with copper mineralisation (Figure 3) that has been exploited historically with small mine workings, some of which have been sampled (the easterly cluster of sample points within the magnetic high anomaly in Figure 1).

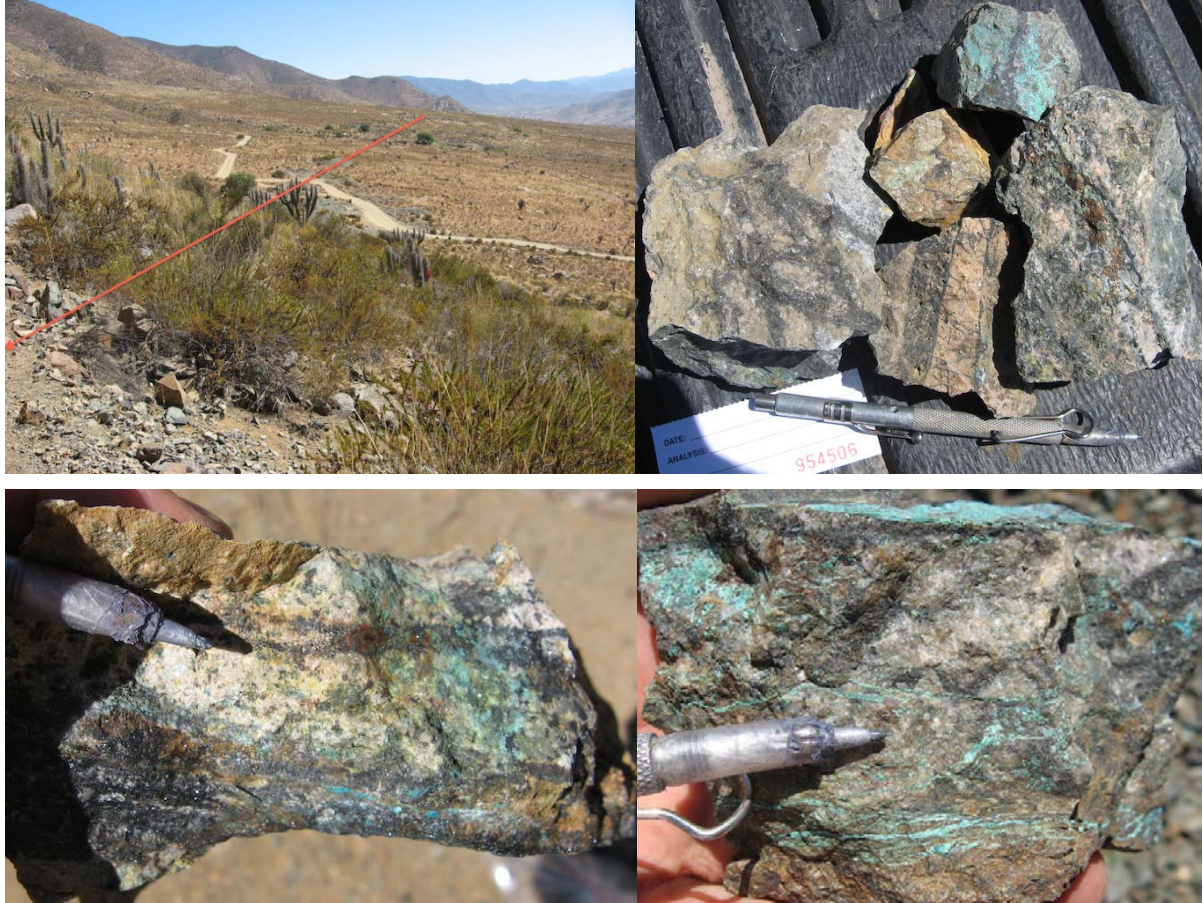


Figure 3: Trace of part of one of the mineralised structures on the eastern flank of the Tamaya hill marked by red line (upper left) with fragments of the mineralised acid intrusive with sheeted and stockwork style veining (upper right and below) from sample 954506 – 2.01% copper and 0.19 g/t gold.

These intrusives are in contact with a volcano-sedimentary sequence that forms the bulk of the Tamaya hill. This includes a massive limestone unit, which has been baked and strongly altered. The mine waste in this area contains fragments of what appears to be magnetite skarn material which hosts copper oxide mineralisation (Sample 954512 with 2.33% copper). This has not been mapped on surface.



Figure 4: Vein structure on eastern flank being sampled (left) and material from the vein (right) composed of quartz, calcite, copper oxides, sulphides, pyrite and limonite. Sample 954523 returned grades of 1.88% copper and 0.29 g/t gold.

The western flank of the hill is composed entirely of the volcano-sedimentary sequence: magnetic microdiorite through to andesite and rhyolite volcanics with crystal and fine lithic tuff horizons and dark red mudstones. Copper mineralisation appears to be related to structures in N-S, E-W, N-E and N-W orientations. There are locations in this sector where the degree of alteration increases in the wallrocks and the mineralisation appears more intense and of a higher grade (having been subject to larger scale mining activities) related to the intersection of multiple structures.



Figure 5: Two of the various mineralised structures on the western flank of the Tamaya hill marked by lines of shallow workings.



Figure 6: Fracture/fault zones on the western flank of the Tamaya hill hosting mineralised veins that have been worked to a shallow depth. Sample 954529 (left) reported grades of 1.52% copper and 0.05 g/t gold. Sample 954530 (right) reported 3.02% copper and 0.16 g/t gold.

The volcano-sedimentary sequence outcrops along the ridge of the main Tamaya hill and is affected by structures similar to those observed on the western flank of the hill. Several mineralised structures have been identified from old workings.

Throughout the entire area, fragments of massive calcite containing chalcopyrite and bornite occur on waste dumps close to shallow workings, indicating that calcite veins hosting sulphide mineralisation occur close to the surface. It would appear that only the calcite veins with strong sulphide mineralisation were exploited historically, the material having been sent for direct smelting, various locations having been found with slag dumps.