

## PRESS RELEASE

### CRITICAL ELEMENTS INITIATES DRILLING ON NEW HELICO SUD DISCOVERY

**NOVEMBER 2, 2016** – MONTREAL, QUEBEC – **Critical Elements Corporation** (the “Corporation” or “Critical Elements”) (TSX-V: CRE) (US OTCQX: CRECF) (FSE: F12) is pleased to announce that a drill rig will be mobilized in the next few days to initiate the exploration drilling program on the new Helico Sud discovery, 100% owned by Critical Elements. Samples collected on this discovery identified high-grade lithium zones within the Helico Sud pegmatite. A total of nine chip samples were collected on the showings in areas of outcropping spodumene pegmatites (**Photos 1 and 2**). The results confirm high levels of lithium, with grades of up to 3.04% Li<sub>2</sub>O and 248 ppm Ta<sub>2</sub>O<sub>5</sub>, (See *press release dated August 8, 2016*, and the location map below (**Figure 1**))

Critical Elements plans to start with an initial program of exploration drilling on the Helico Sud, Pivert and JR area, followed by condemnation drilling to test for possible resources at the planned site of the various Rose lithium-tantalum project installations, geotechnical drilling and a hydrogeological survey on the Rose lithium-tantalum deposit. The hydrogeological survey consists of “Packer tests” in historical holes and pumping test in two new six-inch wells to be drilled in the next few weeks.

“We are really excited about the possibility of delineating additional near-surface high-grade lithium resources on the Rose lithium-tantalum project, which could increase the project resource and extend the mine life,” said Jean-Sébastien Lavallée, President and Chief Executive Officer of Critical Elements Corporation. “We are also pleased with the progress on the feasibility study, with the completion of the environmental baseline and the beginning of a drilling program that includes condemnation drilling, geotechnical and hydrogeological work. These phases of work are the final steps required to complete final engineering and design for the mining, tailings and infrastructure portions of the feasibility study.”

**Table 1.** Chip Sample Results from the Helico Sud<sup>1</sup> Showings, July 2016

Year	Area	Sample No.	Location		Li <sub>2</sub> O	Ta <sub>2</sub> O <sub>5</sub>
			Easting	Northing	(%)	ppm (g/t)
2016	Helico Sud	669454	422545	5765693	0.22	72
2016	Helico Sud	669455	422563	5765684	2.45	92
2016	Helico Sud	669456	422759	5765748	1.46	118
2016	Helico Sud	669457	422809	5765715	3.04	173
2016	Helico Sud	669458	422870	5765700	2.14	150
2016	Helico Sud	669459	423211	5765656	0.33	248

<sup>1</sup> Chip samples are selective by nature, and cannot be considered representative of the mineralization.



**Photo 1.** Pegmatite outcrop at the Helico Sud showing



**Photo 2.** Close-up photo of the Helico Sud pegmatite showing large spudomene crystals, as well as Sample 669456

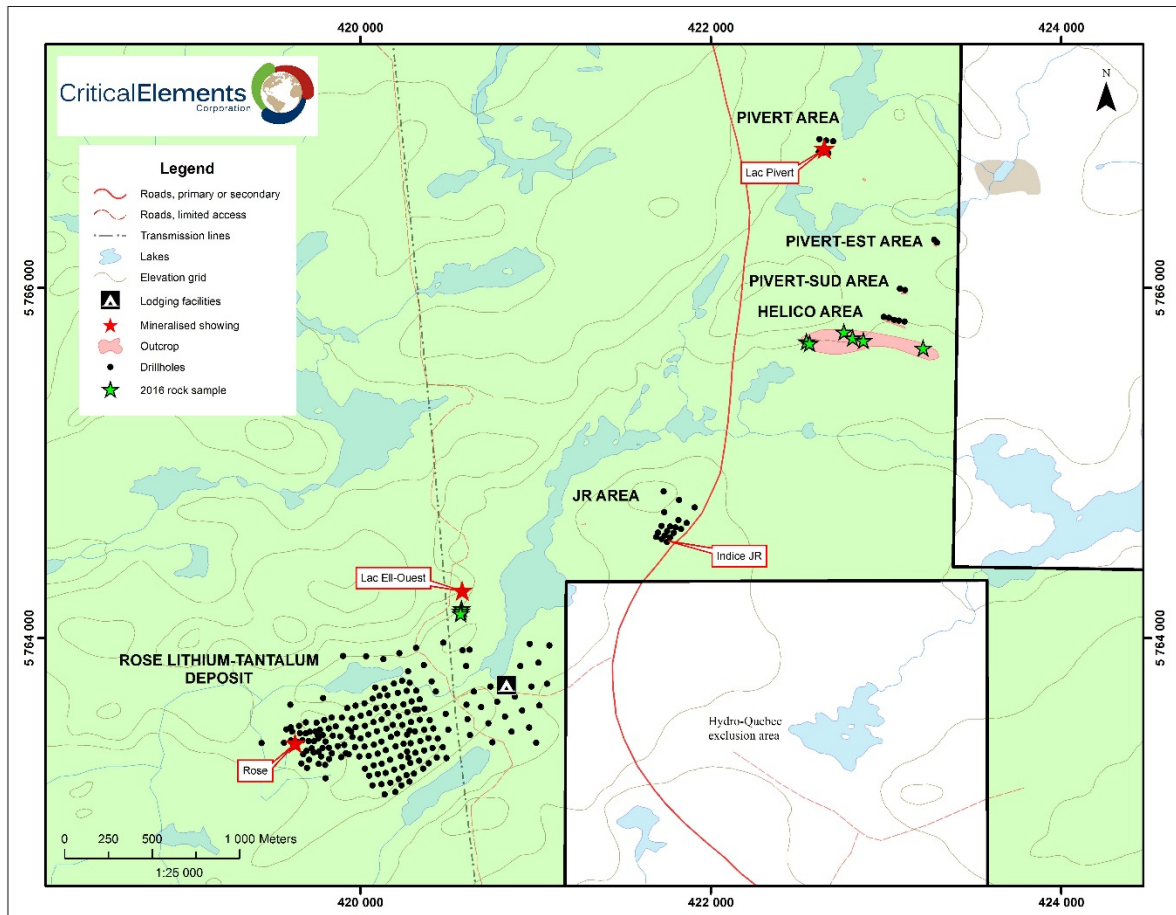


Figure 1. Location map of the various showings on the Rose lithium-tantalum project

Jean-Sébastien Lavallée (OGQ #773), geologist, shareholder and President and Chief Executive Officer of the Corporation and a Qualified Person under NI 43-101, has reviewed and approved the technical content of this release.

#### ABOUT CRITICAL ELEMENTS CORPORATION

A recent financial analysis (Technical Report and Preliminary Economic Assessment (PEA) on the Rose lithium-tantalum Project, Genivar, December 2011) of the Rose project, 100% owned by Critical Elements, based on price forecasts of US\$260/kg (\$118/lb) for  $Ta_2O_5$  contained in a tantalite concentrate and US\$6,000/t for lithium carbonate ( $Li_2CO_3$ ) showed an estimated after-tax Internal Rate of Return (IRR) of 25% for the Rose project, with an estimated Net Present Value (NPV) of CA\$279 million at an 8% discount rate. The payback period is estimated at 4.1 years. The pre-tax IRR is estimated at 33% and the NPV at \$488 million at a discount rate of 8%. (Mineral resources are not mineral reserves and do not have demonstrated economic viability). (The preliminary economic assessment is preliminary in nature). (See press release dated November 21, 2011.)

The conclusions of the PEA indicate the operation would support a production rate of 26,606 tons of high purity (99.9% battery grade)  $Li_2CO_3$  and 206,670 pounds of  $Ta_2O_5$  per year over a 17-year mine life.

The project hosts a current Indicated resource of 26.5 million tonnes of 1.30%  $Li_2O$  Eq. or 0.98%  $Li_2O$  and 163 ppm  $Ta_2O_5$  and an Inferred resource of 10.7 million tonnes of 1.14%  $Li_2O$  Eq. or 0.86%  $Li_2O$  and 145 ppm  $Ta_2O_5$ .

#### FOR MORE INFORMATION:

Jean-Sébastien Lavallée, P.Geo.  
 President and Chief Executive Officer  
 819-354-5146  
 president@cecorp.ca  
 www.cecorp.ca

**Investor Relations:**  
Paradox Public Relations  
514-341-0408

*Neither the TSX Venture Exchange nor its Regulation Services Provider  
(as that term is defined in the policies of the TSX Venture Exchange)  
accepts responsibility for the adequacy or accuracy of this release.*