

## PRESS RELEASE

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### FURTHER HIGH-GRADE LITHIUM AT LEMARE

- UP TO 3.34% Li<sub>2</sub>O FROM LEMARE SPODUMENE PEGMATITE
- LATEST GRADES AVERAGE 1.73% Li<sub>2</sub>O
- PROJECT CONTAINS AN UNDRILLED SPODUMENE PEGMATITE AT LEAST 200 M LONG AND GRADING UP TO 12 M @ 1.96% Li<sub>2</sub>O, AS DEFINED BY SURFACE CHANNEL SAMPLING
- DRILLING PERMIT EXPECTED IMMINENTLY
- FIELD CAMP PERMIT IN PLACE, AND AWAITING DRILL RIG

**AUGUST 3, 2016** – MONTREAL, QUEBEC – **Critical Elements Corporation** (“Critical Elements” or the “Company”) (TSX-V: CRE) (US OTCQX: CRECF) (FSE: F12) and Platypus Minerals Ltd (ASX: PLP) (“Platypus”) advise that preparations for field work at Lemare are progressing, with the granting of a permit to establish a field camp.

A drilling permit is expected imminently, with the arrival of a diamond drilling rig due by mid-August.

The Lemare lithium project is located in the James Bay region of Quebec, Canada (Figure 1). The project is secured by an option agreement (“Lemare Option”) entered into by Platypus wholly owned subsidiary Lepidico Ltd (“Lepidico”) and the owner of Lemare, Critical Elements on February 11, 2016. Full details were reported to the market on February 11, 2016.



**Figure 1.** Location of Lemare lithium project in Quebec, Canada.

During site investigations for a suitable field camp, an additional six grab samples were collected from an outcropping portion of the Lemare spodumene pegmatite (Figures 2 and 3). Results confirm robust lithium grades at Lemare, with up to 3.34% Li<sub>2</sub>O recorded. The average across the six samples is 1.73% Li<sub>2</sub>O (Table 1).

As previously reported, in summary, the Lemare project covers approximately 70 km<sup>2</sup> of tenure in a proven lithium district that hosts several advanced lithium deposits in the vicinity. Lemare is located only 25 km east-northeast of the Whabouchi deposit, held by Nemaska Lithium, within a similar geological setting, namely, on the margin of a belt of metamorphosed greenstones fringing a zone of granulite and migmatite rocks (Figure 4).

The project contains an undrilled spodumene pegmatite discovered in 2012 at least 200 m long and grading up to 12 m @ 1.96% Li<sub>2</sub>O, including 6 m @ 2.68% Li<sub>2</sub>O, as defined by surface channel sampling.

**Table 1.** Lemare spodumene pegmatite grab sampling<sup>1</sup> July 2016

Sample ID	Northing (m)	Easting (m)	Li <sub>2</sub> O (%)
I669460	471639	5734456	0.24%
I669461	471639	5734456	1.02
I669462	471670	5734472	0.82
I669463	471670	5734472	<b>3.34</b>
I669464	471693	5734488	1.80
I669465	471752	5734509	<b>3.19</b>
<b>Average</b>			<b>1.73</b>

<sup>1</sup> Grab samples are selective by nature and are unlikely to represent the average grade of the deposit.



**Figure 2.** Outcropping Lemare pegmatite

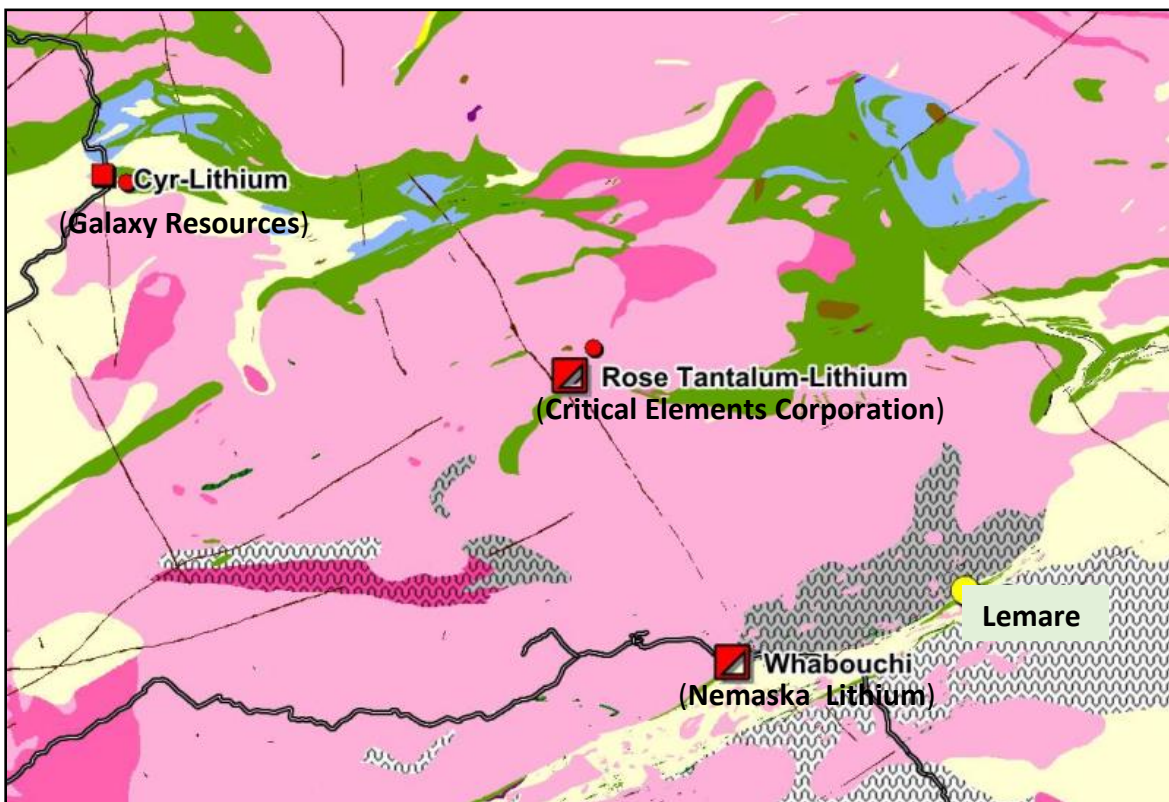
Platypus will implement a work program comprising mapping and prospecting in conjunction with two phases, of approximately 2,000 metres each, of diamond drilling, with the aim of defining an initial Inferred Resource at Lemare by December 31, 2016. As mentioned above, a drilling rig is expected on site in mid-August 2016 to commence the first phase of drilling.



**Figures 3.** Close up of Lemare pegmatite showing large spodumene crystals

Platypus, through Lepidico, is earning up to 75% of the Lemare project. Under agreed terms, Platypus has issued to Critical Elements \$500,000 worth of Platypus shares, being 18,514,939 shares issued at the 5-day VWAP post May 30, 2016 of 2.8355 cents.. To complete the initial earn of a 50% interest in the project, Platypus is to make a cash payment to Critical Elements of \$35,000 by September 9, 2016, and fund exploration expenditure of \$800,000 by December 31, 2016, and a further \$1.2 million by December 31, 2017.

Platypus can then proceed to earn an additional 25% interest in Lemare by paying to Critical Elements \$2,500,000 and delivering a definitive feasibility study and environmental study by June 30, 2020.



**Figure 4.** Summary geology of a portion of the James Bay region, Quebec, Canada, showing similarity of geological setting of Whabouchi and Lemare on the northern edge of a belt of metamorphosed greenstones (green and yellow) wrapping around a zone of high-grade granulite and migmatite (dark grey). (After Quebec Ministry of Energy and Natural Resources, 2016). Lemare sits 25 km from Whabouchi.

Jean-Sébastien Lavallée (OGQ #773), geologist, shareholder and President and Chief Executive Officer of the Company 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<sub>2</sub>O<sub>5</sub> contained in a tantalite concentrate and US\$6,000/t for lithium carbonate (Li<sub>2</sub>CO<sub>3</sub>) 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<sub>2</sub>CO<sub>3</sub> and 206,670 pounds of Ta<sub>2</sub>O<sub>5</sub> per year over a 17-year mine life.

The project hosts a current Indicated resource of 26.5 million tonnes of 1.30% Li<sub>2</sub>O Eq. or 0.98% Li<sub>2</sub>O and 163 ppm Ta<sub>2</sub>O<sub>5</sub> and an Inferred resource of 10.7 million tonnes of 1.14% Li<sub>2</sub>O Eq. or 0.86% Li<sub>2</sub>O and 145 ppm Ta<sub>2</sub>O<sub>5</sub>.

#### **FOR MORE INFORMATION:**

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