



PRESS RELEASE

CRITICAL ELEMENTS PRODUCES 99.9% BATTERY GRADE LITHIUM CARBONATE FROM TEST SAMPLES FROM ROSE PROJECT

APRIL 25, 2012 – MONTREAL, QUEBEC – **CRITICAL ELEMENTS CORPORATION** (TSX.V : CRE) (US OTCQX : CRECF) (FSE : F12) is progressing on the treatment of the spodumene flotation concentrate to produce lithium carbonate.

A 91% recovery of lithium carbonate has been achieved so far from the flotation concentrate. It is expected that further test work will permit to increase this recovery to the 94% range.

Particular emphasis has been put on the purity of the lithium carbonate produced. The intent is to have all of the lithium carbonate production meeting battery grade specifications. High purity battery grade has easily been achieved to date with results of 99.9% Li_2CO_3 . The major impurities usually encountered in lithium carbonate produced from salars or the old sulfuric acid pugging process (magnesium, calcium, sodium, potassium) are absent or at level of less than 10 ppm in the Critical Elements lithium carbonate produced. We do not expect any major difficulty in achieving higher purity grade product. To merit the "battery-grade" designation, lithium carbonate product must meet a minimum 99.5% level.

Work is progressing also on the recovery of tantalum. Overall recovery achieved so far by flotation followed by a combination of high gradient magnetic separation and gravity has been 60%, 10% higher than used in the original PEA. Additional work is also being carried out for the production of pure tantalum oxide from the concentrate.

The mineralogy of the ROSE deposit is homogeneous. Nevertheless, test work is continuing on the primary flotation of spodumene for variability characterization (if any) including comminution from a series of composites from all parts of the deposit.

A flotation pilot plant will be run during the coming weeks to produce large quantities of spodumene concentrate to complete work on the production of high purity battery grade lithium carbonate and the production of tantalum oxide. This work is required to produce the detailed specifications for the future industrial processing equipment as required for the Feasibility Study.

"The quality of the lithium carbonate produce to date by bench test demonstrates that the Rose Lithium-Tantalum Project can easily excess the battery-grade standards set by international battery manufacturers," stated Jean-Sébastien Lavallée, President & CEO of Critical Elements Corporation.

The test work is being carried out by Acme Metallurgical Ltd of Vancouver, British Columbia.

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

Critical Elements is actively developing its 100%-owned Rose lithium-tantalum flagship project located in Quebec.

A recent financial analysis of the Rose Project based on price forecasts of US\$260/kg (\$118/lb) for Ta₂O₅ contained in a tantalite concentrate and US\$6,000/t for lithium carbonate (Li₂CO₃) show an after-tax Internal Rate of Return (IRR) of an estimated 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 that are not mineral reserves do not have demonstrated economic viability).

The project hosts a current NI 43-101-compliant **Indicated resource of 26.5 million tonnes of 1.30% Li₂O Eq. or 0.98% Li₂O and 163 ppm Ta₂O₅ and an Inferred resource of 10.7 million tonnes of 1.14% Li₂O Eq. or 0.86% Li₂O and 145 ppm Ta₂O₅.**

The Company is currently in a bidding process for each of the sectors covered by the feasibility study. GENIVAR is conducting an environmental study and a feasibility study for the surface facilities. Ambuck and Associates is leading the feasibility study and doing the mine design for the study, and Acme Metallurgical Ltd of Vancouver is handling the metallurgical aspect of the project.

Critical Elements' portfolio also includes rare-earth and tantalum-niobium projects in the Rocky Mountains of British Columbia and in Quebec, as well as a 50% interest in the Croinor project, which is located in Quebec and hosts a current NI 43-101-compliant measured and indicated resource of 506,700 tonnes at 10.66 g/t Au, for 173,700 ounces of gold at a 5 g/t cut-off.

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