



PRESS RELEASE

CRITICAL ELEMENTS ARRANGES NON-BROKERED PRIVATE PLACEMENT

FEBRUARY 21, 2013 – MONTREAL, QUEBEC – **CRITICAL ELEMENTS CORPORATION** (TSX.V: CRE) (US OTCQX: CRECF) (FSE: F12) announces that it is currently arranging non-brokered private placement for up of \$1,400,000, consisting in:

- **PRIVATE PLACEMENT OF UNIT COMMON SHARES.**

The company is proposing to issue 7,000,000 common shares Units at a price of \$0.20 per Unit. Each unit includes one common share at a price of \$0.20 per share and one-half share purchase warrants of the Corporation. Each whole warrant entitles the holder thereof to purchase one common share of the Corporation for a period of 36 months at a price of \$0.375 per share.

The proceeds of this private placement will be used for working capital and to pursue the feasibility study. The private placement is subject to regulatory approval.

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). See press release dated November 21, 2011).

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 presently at the feasibility study stage on the Rose project. Genivar is carrying out an environmental study and a feasibility study for the surface installations, Ambuck Associates is leading the feasibility study and doing mine design for the study, AMEC is leading the tailings facility study, Bumigeme is handling the concentration and carbonatization plant study, and Acme Metallurgical Ltd. of Vancouver is responsible for the metallurgical component 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.

INFORMATION:

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