# PRESS RELEASE

## CRITICAL ELEMENTS AND LEPIDICO EXTEND LEMARE AGREEMENT

**APRIL 6, 2016** – MONTREAL, QUEBEC – **Critical Elements Corporation** ("Critical Elements" or the "Company") (TSX-V: CRE) (US OTCQX: CRECF) (FSE: F12) and Lepidico Ltd ("Lepidico") have agreed to extend the date in which Lepidico has to inform Critical Elements of its intention to exercise its right to acquire an interest in the Lemare project under the terms of the Binding Agreement ("Agreement") entered into by the two companies on February 11, 2016.

Under the Agreement, Lepidico had until April 11, 2016 to complete its due diligence on Lemare and inform Critical Elements of its decision whether or not to exercise its right. Due to ongoing snow cover, Lepidico has been unable to undertake a meaningful site visit of Lemare to finalize its due diligence. As such, the companies have agreed to a one month extension to the due diligence phase to May 11, 2016.

To date, Lepidico and Platypus Minerals Limited ("Platypus") have been conducting desktop due diligence. The site visit of Lemare is currently scheduled for late April.

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.

### BACKGROUND

On March 16, 2016, Platypus agreed to acquire 100% of the outstanding shares in Lepidico. Lepidico is an emerging lithium company which has interests in various lithium properties and also owns the L-Max® technology, a proprietary process which has the potential to extract lithium from unconventional sources such as lithium bearing micas.

### ABOUT LEPIDICO

On March 16, 2016, Platypus agreed to acquire 100% of the outstanding shares in Lepidico. Lepidico is an emerging lithium company which has interests in various lithium properties and also owns the L-Max® technology, a proprietary process which has the potential to extract lithium from unconventional sources such as lithium bearing micas at a competitive cost.

Currently, the majority of the world's lithium is produced from either brines or hard rock spodumene. L-Max delivers an opportunity to create a third supply source of lithium, namely lithium bearing micas such as lepidolite and zinnwaldite. Although there are a number of known deposits of lithium bearing micas around the world, these materials have typically been overlooked as a source of lithium as there has been no commercial process available to economically extract the contained lithium and produce lithium carbonate or lithium hydroxide that is suitable for end users.

As part of its exploration activity, Lepidico has commissioned and received several geological reports to assist in the identification of ore bodies that have the potential to host commercial quantities of lithium bearing micas and associated lithium minerals.

With the use of its L-Max technology, Lepidico is seeking to unlock the potential value of such lithium bearing micas. Lepidico is actively exploring opportunities to apply L-Max directly to:

- **Brownfields Projects:** There are existing mining projects around the world that currently have lithium bearing micas being passed through to waste dumps or tailings dams. Lithium bearing micas can be effectively concentrated by flotation, which would allow the L-Max process to be utilised to produce lithium products (and other by-products) from a source that has previously been deemed to be of no value.

- **Greenfields Projects:** There has been limited exploration to date relating to identifying deposits of lithium bearing micas. These micas typically occur in pegmatites (coarse grained granites), often in association with other lithium, tin or tantalum containing ores.

Lepidico was founded in February 2015 by Executive Chairman Gary Johnson and has achieved significant progress in a short period of time. Gary Johnson is a metallurgist and has over 35 years experience in the mining industry in various roles. Gary currently is the Owner and Principal of Strategic Metallurgy Pty Ltd, which specializes in providing metallurgical and strategic consulting to various mining companies, including Sirius Resources, which Strategic Metallurgy has been involved with since first drill core. Gary was also the former Managing Director of Norilsk Nickel Australia and was a key proponent in the development and commercialization of Activox®, a process technology for treating refractory gold ores and nickel sulphide concentrates.

**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 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