



PRESS RELEASE
EARLY WARNING REPORT

SEPTEMBER 7, 2016 – MONTREAL, QUEBEC – **Critical Elements Corporation** (the “Corporation” or “Critical Elements”) (TSX-V: CRE) (US OTCQX: CRECF) (FSE: F12) announces that it has acquired ownership of 2,669,784 common shares (the “Shares”) of Natan Resources Ltd (the “Issuer”) in connection with an option agreement. See press release dated July 12, 2016, for more information. The Shares acquired represent, approximately 19.9% of the Issuer’s issued and outstanding common shares.

Prior to the transaction, the Company was not a shareholder of the Issuer. Following the closing of this Transaction, the Company owns 2,669,784 common shares which represents approximately 19.9% of the Issuer’s issued and outstanding common shares.

The Shares were acquired for investment purposes. The Company may from time to time acquire additional securities of the Issuer, dispose of some or all of the existing or additional securities it holds or will hold, or may continue to hold its current position.

A copy of the Early Warning Report filed by the Company in connection with the option agreement is available on SEDAR on the Issuer’s SEDAR profile. The press release is being issued under the early warning provisions of Canadian securities legislation.

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 Ta₂O₅ contained in a tantalite concentrate and US\$6,000/t for lithium carbonate (Li₂CO₃) 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) Li₂CO₃ and 206,670 pounds of Ta₂O₅ per year over a 17-year mine life.

The project hosts a current 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.

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