



PRESS RELEASE

CRITICAL ELEMENTS INITIATES BULK SAMPLING AND PILOT WORK FOR FINAL PLANT DESIGN AND EQUIPMENT SELECTION

NOVEMBER 8, 2016 – MONTREAL, QUEBEC – **Critical Elements Corporation** (the “Corporation” or “Critical Elements”) (TSX-V: CRE) (US OTCQX: CRECF) (FSE: F12) is pleased to announce that it will mobilized contractors in the next few days to collect a bulk sample of approximately thirty-five tons of material from the Rose deposit.

The material will be shipped to Val-d’Or for crushing and ship to a laboratory for pilot testing. The lithium spodumene concentrate produced by the pilot plant will be used to complete pilot work for chemical conversion to lithium carbonate. A on-site water sample will be taken from the planned water supply source for use in the pilot plant to make sure all project water input data is representative of the future mine operation.

“We are really excited about initiating final equipment selection for the processing plants,” said Jean-Sébastien Lavallée, President and Chief Executive Officer of Critical Elements Corporation. “This is where the project really begins to take shape. The Rose lithium-tantalum project has always returned lithium recoveries and grades that were above industry standards, so the goal of this phase of work is to make sure we select the right equipment for large-scale production.”

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 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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