

## ELEMENTAL ANNOUNCES A\$4.1 MILLION PRIVATE PLACEMENT

### ELEMENTAL MINERALS LIMITED

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### EMAIL AND WEBSITE

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### DIRECTORS

Chairman: David Hathorn  
Managing Director: Sean Bennett  
Non-exec Director: Sam Middlemas  
Non-exec Director: Leonard Math

### ISSUED CAPITAL

(As at – 12 Feb 2016)  
410.2m Ordinary Shares  
ASX Code: ELM

**Perth, Australia, 12 February 2016 – Elemental Minerals Ltd.** (ASX: ELM) ('Elemental' or 'the Company') is pleased to announce that it has received commitments to raise A\$4.1m through the issue of 20.5m fully paid ordinary shares at A\$0.20 from unrelated sophisticated and institutional investors. The funds raised will be used to supplement Elemental's working capital and allow the continuation of the process of completing the planned US\$50M equity investment by SUMMIT as well as to continue with the execution of the Company's Master Plan.

Of the amount raised, A\$2.44m is subject to certain standard exchange control approvals within the investor's jurisdiction, however the Company expects this to be resolved within the next couple of weeks.

The placement will be made using the Company's existing Listing Rule 7.1 capacity, and shareholder approval will not be sought for the issue.

### Highlights

- Completion of a private placement of A\$4.1 million at AU\$0.20 per share from existing and new shareholders;
- Continuation of the process to secure the planned US\$50M equity investment by SUMMIT.

### Contact

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## About Elemental Minerals Limited

Elemental Minerals Limited (ASX: ELM) is an advanced stage mineral exploration and development company whose primary asset is 97%-owned Sintoukola Potash SARL (SP) in the RoC. SP holds 100% ownership of the Sintoukola Exploration Permit and 100% of the Kola Mining Lease, within which the Kola, Dougou and Yangala Projects are located.

These properties are easily accessed, being located approximately 80km to the north of the city of Pointe Noire. The Projects have the potential to be among the world's lowest-cost potash producers and their location near the Congolese coast of Central West Africa offers a transport cost advantage to key Brazilian and Asian fertilizer markets. The three projects are at varying stages of development; the Kola sylvinitic Project is the Company's lead project.

Kola is a large sylvinitic deposit, for which a Pre-Feasibility Study (PFS) defined Proven and Probable Reserves of 152 Mt of sylvinitic ore<sup>1</sup> with an average grade of 31.7% KCl to be mined by conventional underground methods (at a depth of between 200 and 300 m), for a full scale production of 2 Mtpa Muriate of Potash (MoP) by 2024. A Mining License and ESIA approval for Kola were granted in August 2013<sup>2</sup>.

The Dougou Deposit is 15 km southwest of Kola and is a very large carnallitic deposit with a Measured and Indicated Potash Mineral Resource of 1.1 billion tonnes grading 20.6% KCl (at a depth of between 400 and 600 metres) hosted by 35-40 metres of carnallitic within 4 flat-lying seams<sup>3</sup>. A Scoping Study was completed by ERCOSPLAN of Germany in February 2015<sup>4</sup>. This Study indicates that a low capital cost, low operating cost (Life of Mine operating cost of US\$68 per tonne MOP), quick to production carnallitic<sup>5</sup> solution mine can be established at Dougou, taking advantage of the deposit quality and availability of cheap energy in the RoC.

The Yangala Sylvinitic Prospect lies immediately west of Dougou. At Yangala, the Company has drilled two holes, both intersecting a flat-lying layer of over 4 to 4.5 metres thickness with a grade of between 57 and 60% KCl, a candidate for the world's highest grading potash seam<sup>6</sup>. An Exploration Target of 235 to 470 Mt grading 55 to 60 % KCl was announced on 27<sup>th</sup> January 2015<sup>7</sup>.

Elemental's management team has a record of bringing quality African mineral projects to production. For more information contact us or visit [www.elementalminerals.com](http://www.elementalminerals.com).

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<sup>1</sup> NI 43-101 Technical Report. PFS for the Kola Deposit, 17 September 2012 (SRK Consulting)

<sup>2</sup> Announcement dated 15 August 2013: Elemental Minerals Announces Award of Mining License for the Kola Potash Project.

<sup>3</sup> Announcement dated 9 February 2015: Elemental Minerals Announces Large Mineral Resource Expansion and Upgrade for the Dougou Potash Deposit.

<sup>4</sup> Announcement dated 17 February 2015: Results for the Dougou Potash Project Scoping Study

<sup>5</sup> Carnallitic: a rock comprising of the potash mineral carnallite (KMgCl<sub>3</sub>·6H<sub>2</sub>O) and other minerals such as halite (NaCl).

<sup>6</sup> Announcement dated 20 October 2014: Elemental Minerals Announces results for the Phase 1B drilling programme in the Dougou-Yangala area (part of the Sintoukola Potash Project) in the Republic of Congo (RoC).

<sup>7</sup> Announcement dated 27 January 2015: Elemental Minerals Announces an Exploration Target for the High Grade Sylvinitic Hangingwall Seam at the Yangala Prospect.

	Potash Mineral Resources		
Potash Deposit	Category	Million Tonnes	Grade KCl %
Kola Sylvinitite	Measured	264	33.75
	Indicated	309	32.61
	Inferred	475	32.48
	<b>TOTAL</b>	<b>1,048</b>	<b>32.84</b>
Kola Carnallitite	Measured	295	17.83
	Indicated	449	18.69
	Inferred	473	18.81
	<b>TOTAL</b>	<b>1,217</b>	<b>18.53</b>
Dougou Carnallitite	Measured	148	20.07
	Indicated	920	20.65
	Inferred	1,988	20.77
	<b>TOTAL</b>	<b>3,056</b>	<b>20.70</b>
TOTAL MINERAL RESOURCES	Measured	707	24.24
	Indicated	1,678	22.33
	Inferred	2,936	22.35
	<b>TOTAL</b>	<b>5,321</b>	<b>22.59</b>

*Table 1. Elemental Minerals' potash Resources*

**Notes:** The Kola Mineral resources were estimated by CSA Global of Perth, and reported under the JORC Code 2004. Elemental is not aware of any new information or data that materially affects the information included in the Announcement to the ASX on the 21<sup>st</sup> August titled "Elemental Announces Further Significant Mineral Resource Upgrade for Kola". In the case of the Mineral Resources the company can confirm the assumptions and the technical parameters underpinning the estimates continue to apply and have not materially changed. The form and context of the Competent Person's findings as presented in the announcement have not materially changed. The Dougou Mineral Resource was completed by ERCOSPLAN Ingenieurgesellschaft Geotechnik und Bergbau mbH ("ERCOSPLAN") and reported in accordance with the JORC 2012 code in the ASX announcement dated 9 February 2015 titled "Elemental Minerals Announces Large Mineral Resource Expansion and Upgrade for the Dougou Potash Deposit". Table entries are rounded to the appropriate significant figure. A conversion factor of 1.5837 was used to convert K<sub>2</sub>O to KCl. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues.

Category	Million Tonnes	Grade KCl %
Proven	88	31.68
Probable	64	31.69
<b>TOTAL</b>	<b>152</b>	<b>31.69</b>

*Table 2. Elemental Minerals' potash Ore Reserves*

**Notes:** The Kola Sylvinitite Mineral Reserves were determined by SRK Consulting and described in detail in the report titled 'NI 43-101 Technical Report for the Sintoukola Potash Project, Republic of Congo' dated 17 September 2012 and have not changed since then.

### **Forward-Looking Statements**

This news release contains statements that are "forward-looking". Generally, the words "expect," "potential", "intend," "estimate," "will" and similar expressions identify forward-looking statements. By their very nature, forward-looking statements are subject to known and unknown risks and uncertainties that may cause our actual results, performance or achievements, to differ materially from those expressed or implied in any of our forward-looking statements, which are not guarantees of future performance. Statements in this news release regarding the Company's business or proposed business, which are not historical facts, are "forward looking" statements that involve risks and uncertainties, such as resource estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made.

### **Competent Person Statement:**

The information relating to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves, and the results of economic studies, is extracted from previous reports, as referred to herein, and available to view on the Company's website. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

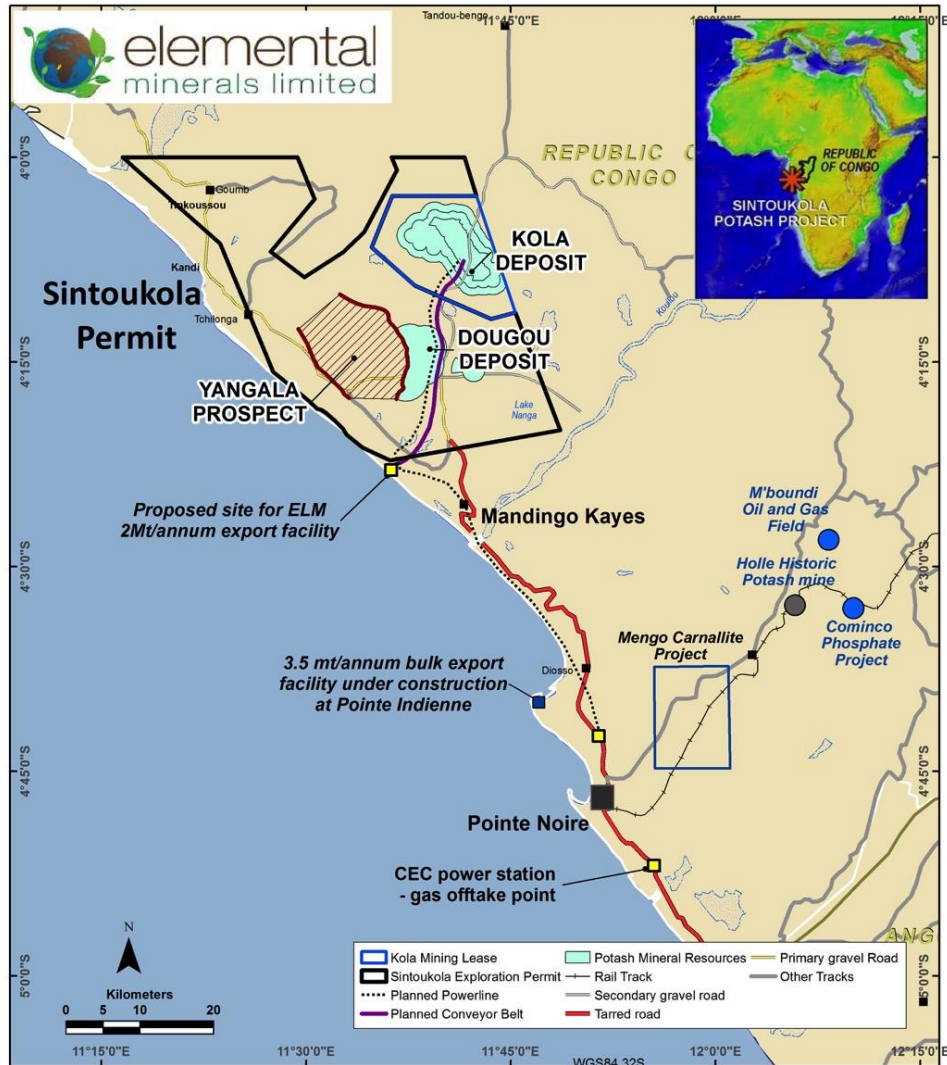


Figure 1: Location of the Kola and Dougou Projects within the Sintoukola Permit in relation to available infrastructure