

**KORE POTASH LIMITED**

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DIRECTORS

Chairman: David Hathorn
CEO: Sean Bennett
Non-exec Director: Jonathan Trollip
Non-exec Director: Leonard Math

ISSUED CAPITAL

(As at – 11 Nov 2016)
433.4m Ordinary Shares
ASX Code: K2P

Key conditions satisfied for US\$45m Strategic Investment (including private placement of US\$5 million)

Highlights

- **Key conditions satisfied for US\$45m (including US\$5m placement to existing shareholders) Strategic Investment**
- **Settlement scheduled to occur on 15 November**
- **Balancing US\$5m of the US\$50m Strategic Investment scheduled to settle following receipt of regulatory approvals for Summit**
- **Kore will now be fully funded for a significant work programme**
- **High impact exploration work to shortly commence, undertaken in parallel with Kola DFS**

Perth, Australia 11 November 2016 – Kore Potash Limited (ASX:K2P) (formally Elemental Minerals Limited - ASX:ELM) (**Company**) is pleased to announce that all key conditions for US\$45m of the Summit Transaction as approved by the Company's Shareholders on 20 October 2016 have been satisfied. In particular:

1. The conditions precedent relating to investments by Sociedad Quimica y Minera de Chile S.A. (**SQM**) and State General Reserve Fund of Oman (**SGRF**) have been satisfied, with the transfer of funds and issue of securities for a collective total of US\$40m due in the next few days.
2. As announced on 1 September 2016, Summit Investments PCC (**Summit**) in conjunction with the Company has sought mechanisms to allow existing shareholders to participate in this landmark transaction on the same terms as the strategic investors (i.e. fully paid ordinary shares priced at A\$0.20 per share with a free attaching option with a A\$0.30 exercise price and three year term). The Company has raised US\$5m through a private placement to certain existing shareholders, which has resulted in a corresponding reduction in the amount required to be raised from Summit. This means that the aggregate fund raising is being closed at an initial US\$45m which will be increased to US\$50m subject to the Summit investment as detailed in paragraph 3 below. The Company will rely upon its existing 15% capacity under Listing Rule 7.1 so that shareholder approval is not required for the US\$5m private placement issue, other than to Chairman David Hathorn and Managing Director Sean Bennett, for which shareholder approval was obtained on 20 October 2016.



3. The Summit subscription for the remaining US\$5m remains conditional upon obtaining certain approvals under Mauritius law and as a result the parties have agreed to:
 - a. extend the period for Summit to satisfy the outstanding condition and complete to 30 November 2016; and
 - b. if Summit is unable to complete by 30 November 2016, provide Summit with an extension until 20 January 2017 to satisfy the outstanding condition to completion, but in this case Summit will forfeit the attaching options (A\$0.30 exercise price and three year term).

Commenting on the imminent completion of the US\$45m capital raising, Mr Bennett said:

"The Board is very excited that this transaction is now closing and is looking forward to working with our new investors on the numerous work streams on our different projects. We have a very exciting and busy future ahead."

As a result of completing the US\$20 million share issue to each of SQM and SGRF and the US\$5m placement (all at an exchange rate of A\$1:US\$0. 7612088), SQM and SGRF's interests in the Company will be 18.1% each.

- ENDS -

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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.