



ELEMENTAL MINERALS REVIEW OF OPERATIONS

FOR THE QUARTER ENDED 31 MARCH 2015

Perth, Australia – 30th April 2015 – Elemental Minerals Ltd. (ASX: ELM) ("Elemental" or "the Company") is pleased to provide the following quarterly update on its activities at its Sintoukola Potash Project located in the Republic of Congo ("RoC")- Figure 1.

Key Points:

- An updated and expanded Mineral Resource for the Dougou carnallite¹ deposit (Dougou) was announced of 3.06 billion tonnes grading 20.7% KCl, including 875 Mt grading 24.6% KCl within the Hangingwall Seam (Table 1)².
- An Exploration Target of 235 to 470 million tonnes (Mt) grading 55 to 60% KCl³ was also announced for the Yangala sylvinite⁴ prospect (Yangala) which hosts sylvinite of the Hangingwall Seam (HWS), a candidate for the world's highest grading potash seam.
- Completed and announced results for the Dougou⁵ Scoping Study including the following highlights:
 - An unlevered, after-tax NPV_{10%} of US\$880 million and IRR of 21.7%
 - Phase 1 project capital expenditure of US\$430 million and a life of mine operating cost of US\$68/t
 - Average, after-tax Free Cash Flows of approx. US\$100m/annum during Phase 1, US\$200m/annum for Phase 2 and US\$300m/annum during Phase 3 using latest potash price forecasts
 - Free cash flows post Phase 1 potentially allow for the self-financing of the Phase 2 and Phase 3 capital expenditure
- The government of the Republic of Congo (RoC) granted a renewal for the Sintoukola Exploration Permit by decree No. 2015-109 dated 13 January 2015. The permit also includes the Dougou deposit and Yangala Prospect and is valid for a period of two years.
- A work programme for the Kola Feasibility Study is in the process of being finalised, comprising fieldwork and desktop work for the range of disciplines including geology and resources, geotechnical surveys and engineering works.

¹ Carnallite: a rock comprising predominantly of the primary potash mineral carnallite (KMgCl₃·6H₂O) and halite (NaCl).

² ELM announcement dated 9 February, 2015

³ ELM announcement 27 January 2015

⁴ Sylvinitite: a rock comprising predominantly of the primary potash mineral sylvinite (KCl) and halite (NaCl).

⁵ ELM announcement dated 17 February 2015

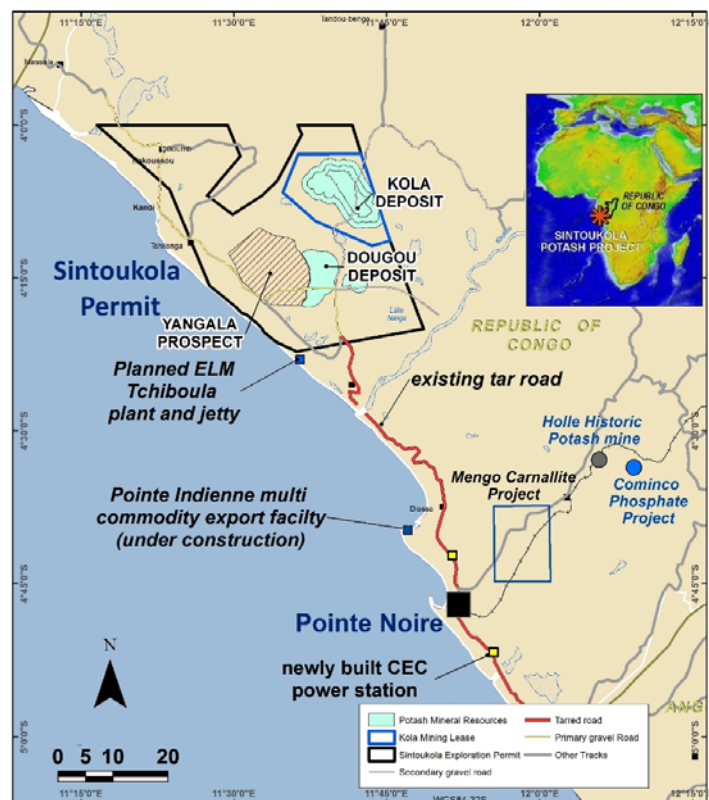


Figure 1. Location of the Sintoukola Project showing the Dougou, Kola and Yangala Projects, and available infrastructure.

Dougou Carnallite Deposit – Resource Update and Expansion

The Updated and Expanded Mineral Resource for the Dougou Deposit was announced on the 9th February 2015, completed by ERCOSPLAN Ingenieuresellschaft Geotechnik und Bergbau mbH ("ERCOSPLAN"), totaling 3.056 billion tonnes (Bt) grading 20.7% KCl (Table 1).

CATEGORY	Potash Seam	Million Tonnes carnallite	average grade KCl %	average grade K ₂ O %	Million tonnes contained KCl
Total Measured	All seams	148	20.1	12.7	30
Total Indicated	All seams	920	20.7	13.0	190
Subtotal Measured + Indicated	All seams	1068	20.6	13.0	220
Total Inferred	All Seams	1988	20.8	13.1	413

This Mineral Resource Estimate was completed by ERCOSPLAN. A 5% allowance for structure has been removed from the Estimate. No thickness and grade cut-off was applied as all intersections are > 7 m and seams have abrupt grade (lithological) upper and lower contacts. Bulk density for each seam is between 1.64 and 1.81 (t/m³). Insoluble material plus anhydrite content is <1% throughout. Classification of Resources is described in full in the Company's announcement of 9/2/2015 and summarised: Measured: 750 m radius around a drill hole intersection if a correlation is possible on 2 sides to other comparable potash intervals. Indicated: 1,500m radius around a drill hole intersection if a correlation is possible on 2 sides to other drill holes with a comparable potash intervals. Inferred: 3,000m radius around an intersection if a correlation is possible on 2 sides to other comparable potash intervals. Table entries are rounded to the appropriate significant figure. 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.

Deposit mineralisation is hosted by 4 continuous carnallite layers within an interval of between 100-130 metres, at a depth below surface of between 400 to 600 metres. These seams have an average combined thickness of 35 metres. This is potentially the highest grading carnallite deposit globally, and includes 875 Mt grading 24.6% KCl within the Hangingwall Seam. The deposit seam geometries are flat or very gently dipping and the variation of grade and thickness is minimal. The insoluble and sulphate content is extremely low by global standards at less than 1% for the four potash seams combined. These deposit qualities are favourable for solution mining and underpin the results of the Scoping Study, discussed below.

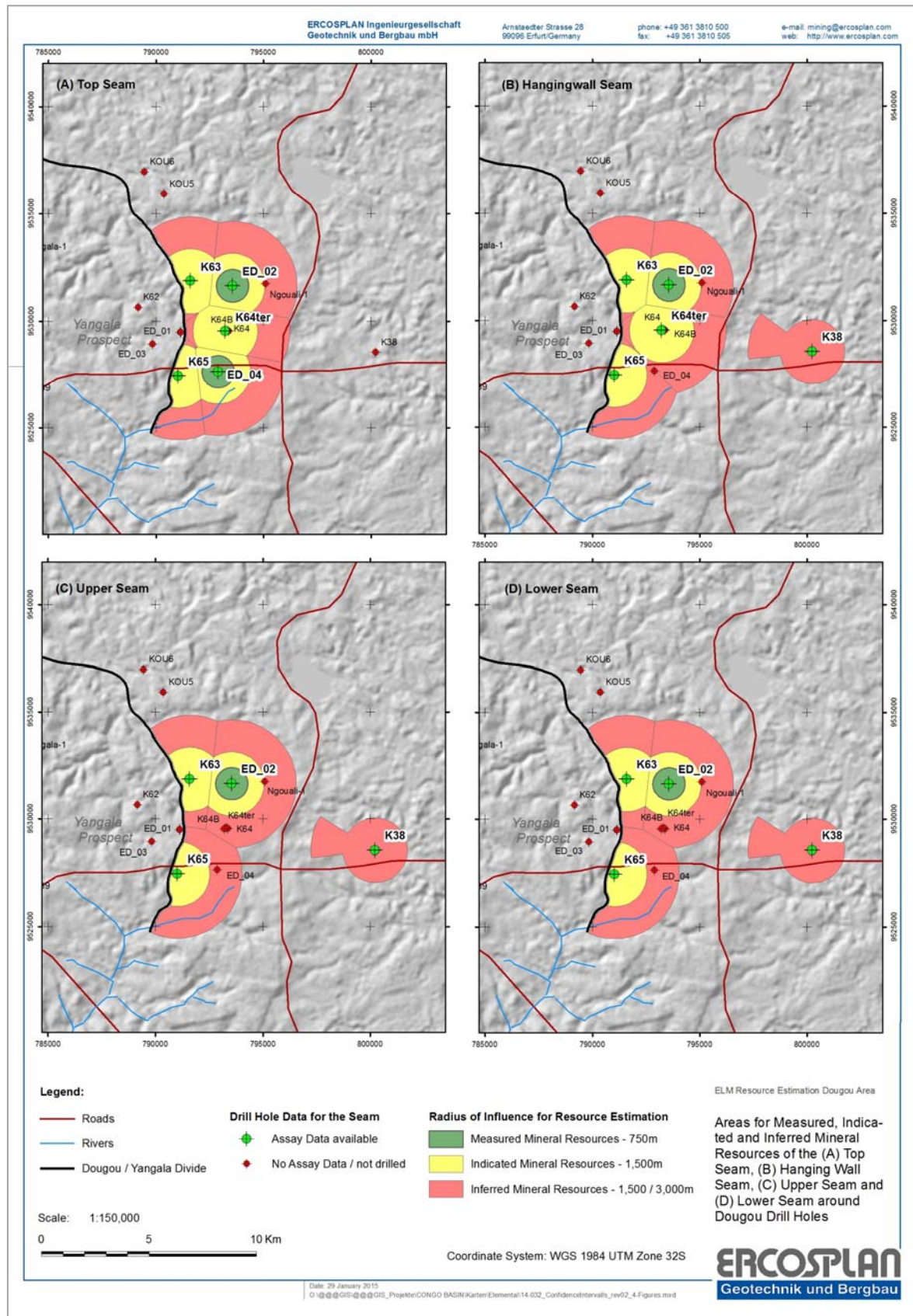


Figure 2. Map showing extent of the Measured, Indicated and Inferred Resources for each seam at the Dougou Deposit.

Dougou Carnallite Deposit - Scoping Study Results

Elemental engaged ERCOSPLAN Ingenieurgesellschaft Geotechnik und Bergbau mbH ('Ercosplan') to undertake a Scoping Study on a solution mine opportunity at the Dougou carnallite deposit. Ercosplan is a German based consultancy firm with more than half a century of experience in process design and mining throughout the mineral

salt industry. They have completed more than 500 projects treating more than 40 products, including the Mengo Project in the ROC, which is currently under construction.

Project development in three phases is envisioned:

Phase 1 will produce 400ktpa standard muriate of potash (MoP)

Phase 2 will produce 800ktpa granular MoP

Phase 3 will produce 1200ktpa granular MoP

Key results from the Scoping Study are presented in the table below:

Phase 1 MoP Production	400ktpa
Phase 1 Capital Expenditure (including 20% contingency)	US\$430m
Average Life of mine operating costs (including 3% contingency)	US\$68/t MoP
Life of mine based on measured and indicated resource	47 years
Internal Rate of Return (IRR) ¹	21.67%
After Tax NPV 10% ¹	US\$880m

- First production in 2019
- Phase 1 free cash flows (approximately US\$100m/annum) potentially allow for the self-financing of Phase 2 and subsequent Phase 3 capital expenditures
- An unleveraged Phase 1 capex of US\$430m is estimated and appropriate debt-equity ratios will be considered, further reducing the initial project equity requirements
- The 1.1 billion tonne Measured and Indicated Resource @ 20.6% KCl underpins a 47 year mine life
- ERCOSPLAN has recommended that the project be progressed to Feasibility Study.

Discussions with potential technical partners concerning 'Build-Own-Operate-Maintain' (BOOM) funding for the marine facilities and power supply are ongoing.

ELM is utilizing the results of this study to proceed with the preparation for the next study phase on Dougou and is considering the engagement of various consulting companies to this end. In parallel, ELM is preparing for the BFS on Kola by engaging with various EPCM and construction companies.

The Yangala Sylvinite Prospect - Exploration Target

An Exploration Target was defined for Yangala of 235 to 470 Mt grading 55 to 60% KCl hosted by the HWS. This seam is a candidate for the world's highest grading potash seam. As has been reported previously, Elemental have drilled two holes at Yangala: ED_01 (reported 4 September 2012) intersected 4.47 metres grading 57.66% KCl. Drillhole ED_03 positioned 1.4 kilometres west of ED_01 returned an intersection of 59.48 % KCl over a thickness of 4.21 metres (as reported 20th October 2014).

Corporate

The Company convened a share holders General Meeting on the 11th March 2015 to seek shareholder approval for five resolutions including the approval of a Performance Rights Plan, termination benefits under this Performance Rights Plan and for the issue of performance rights to directors. These resolutions were passed by the required majority.

Strategic Direction

Elemental continues to pursue its two pronged strategy in order to advance Kola and the two early stage Dougou and Yangala projects. Firstly and as reported last quarter, the Kola Project Phased Implementation Study successfully reduced the initial capital expenditure requirements for the project, and secondly, the Dougou Scoping Study indicates the potential for a low capital, low operating cost, quick to production carnallite solution mine could be established on the deposit. The Company intends to progress Dougou through the required technical study phases.

About Elemental Minerals and Tenement Details

Elemental Minerals Limited (ASX: ELM) is an advanced stage mineral exploration and development company whose primary asset is the 97%-owned Sintoukola Potash Permit in the Republic of Congo. ELM has three projects at varying development stages and all within the 1408 km² Sintoukola Permit.

Kola is a large sylvinitic deposit, for which a Pre-Feasibility Study (PFS) has defined Proven and Probable Reserves of 152 Mt of sylvinitic ore with an average grade of 31.7% KCl⁶ and is to be mined by conventional underground methods. A Mining License and ESIA approval for Kola were granted in August 2013⁷. The PFS has recently been updated by the Phased Implementation Study which has reduced the initial capital requirement for the project significantly while maintaining low operating costs⁸. The Company plans to commence its Definitive Feasibility Study (DFS) during this year.

The Dougou Deposit is 15 km southwest of Kola and is a very large carnallite deposit with a Measured and Indicated Potash Mineral Resource of 1.1 billion tonnes grading 20.6% KCl⁹. A Scoping Study on the deposit has been completed and confirmed that a low capital, low operating cost, quick to production carnallite solution mine can be established at Dougou.

The Yangala sylvinitic Prospect lies immediately west of Dougou. At Yangala the Company has drilled two boreholes, both intersecting a potash seam of over 4m grading between 57% and 60% KCl¹⁰. An Exploration Target of 235 to 470 Mt grading 55 to 60 % KCl was announced on 27th January 2015.

Elemental's RoC 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. For more information contact us or visit www.elementalminerals.com.

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Forward-Looking Statements

This report 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

⁶ SRK Pre-Feasibility Study, 17 September 2012

⁷ ELM Announcement dated 15 August 2012

⁸ ELM Announcement dated 23 October 2014

⁹ ELM Announcement dated 9 February 2015

¹⁰ ELM Announcement dated 20 October 2014

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 report 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 in this report that relates to the Dougou Deposit and Scoping Study is based on information compiled by Dr. Sebastiaan van der Klauw and Ms. Jana Neubert. Sebastiaan van der Klauw and Jana Neubert are senior geologists and employees of ERCOSPLAN Ingenieurgesellschaft Geotechnik und Bergbau mbH and members of good standing of the European Federation of Geologists registered as "European Geologist" (Registration Numbers 756 and 1033 respectively). Both have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as Competent Persons, as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Dr. van der Klauw and Ms. Neubert consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

All scientific and technical information ("Information") in this report relating to the Phased Implementation Study for the Kola Deposit is based on information approved by Neal Rigby, CEng MIMMM, PhD (SRK) and Paul O'Hara P.Eng. (AMEC) (minerals processing), who are independent of the Company and have sufficient experience to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code).

Information that relates to Exploration Targets, Exploration Results, Mineral Resources and Ore Reserves at the Kola deposit was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. This information relating to the Sintoukola Project and Kola deposit was extracted from a Technical Report entitled "NI 43-101 Technical Report, Sintoukola Potash Project, Republic of Congo" dated September 17, 2012 with an effective date of September 17, 2012 (the "Technical Report") which is available on the Company's website (www.elementalminerals.com). 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.

The Information in this presentation that relates to the Yangala Prospect and exploration potential outside of Kola and Dougou is based on information compiled by Mr. Andrew Pedley, Elemental's Chief Geologist and a full-time employee of the Company. Mr. Pedley is a member of the South African Council for Natural Scientific Professions (SACNASP) being a registered Professional Natural Scientist in the field of Geological Science. Mr. Pedley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person, as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr. Pedley consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Elemental Minerals Limited

ABN

31 108 066 422

Quarter ended ("current quarter")

31 MARCH 2015

Consolidated statement of cash flows

		Current quarter \$USD'000	Year to date (3 months) \$USD'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) administration	(348)	(348)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	17	17
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (R & D Refund)	-	-
Net Operating Cash Flows		(331)	(331)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) exploration, development and evaluation	(771)	(771)
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		(771)	(771)
1.13	Total operating and investing cash flows (carried forward)	(1,102)	(1,102)

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,102)	(1,102)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Repayment of borrowings	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of convertible notes	-	-
1.18	Interest paid on convertible notes	-	-
1.19	Proceeds from convertible notes	-	-
1.20	Cost of Capital raising	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(1,102)	(1,102)
1.20	Cash at beginning of quarter/year to date	5,810	5,810
1.21	Exchange rate adjustments to item 1.20	(117)	(117)
1.22	Cash at end of quarter	4,591	4,591

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

	Current quarter \$USD'000
1.23 Aggregate amount of payments to the parties included in item 1.2	128
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

All payments to Directors and associates are on normal commercial terms:

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$USD'000	Amount used \$USD'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$USD'000
4.1 Exploration and evaluation	678.2
4.2 Development	-
4.3 Production	-
4.4 Administration	437.5
Total	1,115.7

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$USD'000	Previous quarter \$USD'000
5.1 Cash on hand and at bank	4,591	5,811
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,591	5,811

+ See chapter 19 for defined terms.

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-	-

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 *Ordinary securities	381,850,877	381,850,877	-	Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 *Convertible debt securities (description)	-	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
	78,915,929	78,915,929	AUD\$0.25	15/01/2016	
	4,450,000	-	AUD\$1.07	19/05/2015	
	500,000	-	AUD\$1.09	09/01/2016	
	300,000	-	AUD\$1.29	13/02/2016	
	250,000	-	AUD\$1.12	23/04/2016	
	500,000	-	AUD\$1.18	01/04/2016	
	250,000	-	AUD\$0.90	22/05/2017	
	6,691,226	-	AUD\$0.33	15/04/2018	
	1,500,000	-	AUD\$0.33	26/06/2018	
7.8	Issued during quarter				
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	4,500,000	-	AUD\$1.07	16/02/2015
7.11	Performance Rights Issued under the Company's Performance Rights Plan	3,500,000 3,500,000 3,500,000	Class A Class B Class C		11/03/2017 11/03/2018 11/03/2019
7.12	Issued during quarter	3,500,000 3,500,000 3,500,000	Class A Class B Class C		11/03/2017 11/03/2018 11/03/2019

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:



(Director & Company secretary)

Date: 30 April 2015

Print name: Leonard Math

+ See chapter 19 for defined terms.

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.