



ELEMENTAL MINERALS LIMITED

ABN 31 108 066 422

Notice of General Meeting Proxy Form and Explanatory Statement

Date of Meeting

13 October 2014

Time of Meeting

10.00 am (Perth time)

Place of Meeting

The CWA House, 1176 Hay Street, West Perth 6005, Western Australia

*This Notice of General Meeting and Explanatory Statement should be read in its entirety.
If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor
or other professional adviser without delay.*

Notice of General Meeting

NOTICE IS GIVEN THAT A GENERAL MEETING OF SHAREHOLDERS WILL BE HELD AT THE CWA HOUSE, 1176 HAY STREET, WEST PERTH, WESTERN AUSTRALIA ON MONDAY, 13 OCTOBER 2014, AT 10.00 AM (PERTH TIME).

AGENDA

The Explanatory Statement accompanying this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Extraordinary General Meeting are those who are registered Shareholders at 5 pm (Perth time) on 10 October 2014.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary contained in the Explanatory Statement.

1. Resolution 1 – Approval of Issue of Shares to Acquire Further Interest in the Sintoukola Potash Project

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rules 7.1 and for all other purposes, Shareholders approve the issue of 13,576,920 Shares to the parties (or their nominee) on the terms and conditions set out in the Explanatory Statement.”

2. Resolution 2 – Ratification of Previous Share issue

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 12,400,000 Shares to Placement Investors at an issue price of \$0.25 per Share on the terms and conditions set out in the Explanatory Statement.”

VOTING EXCLUSION STATEMENTS

The Company will disregard any votes on the respective Resolutions cast by or on behalf of the following persons:

Resolution	Persons excluded from voting
Resolution 1 – Approval of Issue of Shares	Les Etablissements Congolais MGM S.A.R.L. and Tanaka Resources Limited and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if Resolution 1 is passed, and any associates of those persons.
Resolution 2 – Ratification of Previous Share issue	The Placement Investors and any of their associates.

However, the Company need not disregard a vote by the persons excluded from voting on Resolution 1 or 2 if:

- it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

HOW TO VOTE

Voting in person

Shareholders who plan to attend the meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting if possible, so that their holding may be checked against the Company's Shareholder register and attendances recorded.

Corporate representatives

A body corporate, which is a Shareholder or which has been appointed as a proxy, may appoint an individual to act as its corporate representative at the meeting in accordance with section 250D of the Corporations Act. The appropriate appointment document must be produced prior to admission. A form of the certificate can be obtained from the Company's registered office.

Voting by proxy

A Shareholder who is entitled to attend and cast a vote at the meeting may appoint a proxy. A proxy need not be a Shareholder and may be an individual or body corporate. If a body corporate is appointed as a proxy it must appoint a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the meeting (see above).

A Shareholder who is entitled to cast two or more votes may appoint two proxies to attend the meeting and vote on their behalf and may specify the proportion or a number of votes each proxy is appointed to exercise. If a Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes (disregarding fractions). If you wish to appoint a second proxy, you may copy the enclosed proxy form or obtain a form from the Company's registered office.

To be effective for the scheduled meeting a proxy appointment (and any power of attorney or other authority under which it is signed or otherwise authenticated, or a certified copy of that authority) must be received at an address or fax number below no later than 10 a.m. on 11 October 2014, being 48 hours before the time of the meeting. Any proxy appointment received after that time will not be valid for the scheduled meeting.

In person

14 Emerald Terrace,
West Perth, Western Australia 6005,

By email

leonard@gdacorporate.com.au

By mail

PO Box 389,
West Perth, Western Australia 6872

By fax

(08) 9322 7211

For further information concerning the appointment of proxies and the ways in which proxy appointments may be submitted, please refer to the enclosed proxy form.

Voting by attorney

A Shareholder may appoint an attorney to attend and vote on their behalf. For an appointment to be effective for the meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at one of the addresses listed above for the receipt of proxy appointments at least 48 hours prior to the commencement of the meeting.

Chairman as proxy

If you appoint a proxy, the Company encourages you to consider directing them how to vote by marking the appropriate box on each of the proposed Resolutions.

If a Shareholder entitled to vote on a Resolution appoints the Chairman of the meeting as their proxy (or the Chairman becomes their proxy by default) and the Shareholder does not direct the Chairman how to vote on the Resolution the Chairman intends to vote in favour of the Resolution, as proxy for that Shareholder on a poll; and

If you do not want to put the Chairman of the meeting in the position to cast your votes in favour of any of the proposed Resolutions, you should complete the appropriate box on the proxy form, directing your proxy to vote against, or to abstain from voting, on the resolution.

BY ORDER OF THE BOARD



Leonard Math
Director & Joint Company Secretary
Dated 8 September 2014

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the General Meeting of the Company to be held on Monday, 13 October 2014 at 10.00 am (Perth time).

The Directors recommend Shareholders read this Explanatory Statement and the Notice of Meeting in full before making any decision in relation to the Resolutions. Terms used in this Explanatory Statement will, unless the context otherwise requires, have the meaning given to them in the glossary contained in this Explanatory Statement.

Resolution 1 – Approval of Issue of Shares to Acquire Further Interest in the Sintoukola Potash Project

Background

On 14 July 2014, the Company announced that it has entered into an agreement to acquire the minority holders' direct stake in Sintoukola Potash SA ("Sintoukola"), which will take its holding from the current 93% to 97%, with terms agreed for the remaining 3%.

Les Etablissements Congolais MGM S.A.R.L ("MGM"), will remain as a 3% shareholder and will retain the Chairmanship of Sintoukola. Terms, including first option, have been agreed with MGM for the balance of Sintoukola.

The agreement will see Elemental issue the Sintoukola minorities new shares in Elemental, based on their relative shareholding in Sintoukola. The issue of the new shares are subject to Elemental shareholders' approval. The closing date for the remaining 3% will be any agreed date but no later than 5 days before the State is vested with 10% free carry in Sintoukola.

ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not issue or agree to issue more than 15% of its total ordinary share capital within a 12 month period unless a specified exception applies or the issue is made with the prior approval of shareholders for the purpose of ASX Listing Rule 7.1.

Shareholder approval is now sought pursuant to Listing Rule 7.1 to enable the Company to issue 13,576,920 Shares to the parties set out below, in order to increase the Company's interest in the Sintoukola Project from 93% to 97%.

Information requirements under ASX Listing Rule 7.3

For the purposes of ASX Listing Rule 7.3, the following information is provided in connection with Resolution 1:

- (a) A total of 13,576,920 Shares are proposed to be issued if Resolution 1 is passed.
- (b) If Resolution 1 is passed, the Shares will be issued on the date that is three business days after the date that Shareholder approval is obtained, or such other date as agreed between the Company and the parties, which, in any event, will be no later than three months after the date of this Meeting.
- (c) The Shares are being issued in consideration of an additional 4% in Sintoukola with a deemed price of \$0.20 per share (based on the closing share price at the date of the preparation of this Notice).
- (d) The Shares will be issued to:
 - Tanaka Resources Limited – 6,788,460 shares for 2% of Sintoukola
 - Les Etablissements Congolais MGM S.A.R.L. – 6,788,460 shares for 2% of Sintoukola
- (e) The Shares will be issued on the same terms and conditions as existing Shares and will rank equally in all respects with all other Shares on issue.
- (f) There will be no funds raised by the issue of Shares as they will be issued to increase the Company's interest in the Sintoukola Potash Project.
- (g) A voting exclusion statement is included in the Notice of Meeting.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1, and have each notified the Company that they intend to vote all the Shares controlled by them in favour of the Resolution.

Resolution 2 – Ratification of Previous Share issue

On 19 May 2014, the Company announced that it had completed the issue of 12,400,000 Shares to sophisticated and institutional investors at an issue price of \$0.25 per Share (Placement). The Placement was undertaken within the Company's annual 15% placement capacity under ASX Listing Rule 7.1. The Placement raised approximately \$3.1 million and will be used to supplement Elemental's treasury and enable execution on the revised strategy previously announced on 1 May 2014. These funds, under the revised strategy and cost structure being put in place, will fund the Company including the first phase of the Dougou exploration program, working capital and general corporate purposes.

A summary of the requirements of ASX Listing Rule 7.1 is set out in respect of Resolution 2.

ASX Listing Rule 7.4 allows an issue of securities to be made without the approval of shareholders to be treated as if it had been approved by shareholders for the purposes of ASX Listing Rule 7.1, provided that the issue did not breach ASX Listing Rule 7.1 and shareholders subsequently approve the issue. As noted above, the Placement was within the Company's 15% issue capacity under ASX Listing Rule 7.1.

Resolution 2 seeks the approval of Shareholders to ratify the issue of Shares pursuant to the Placement to provide the Company with the maximum flexibility to undertake equity raisings without the need for further shareholder approval. The requirement to obtain shareholder approval for an issue, at the time of issue, could limit the Company's ability to take advantage of the opportunities that may arise.

Notwithstanding an approval by shareholders of Resolution 2, any future equity raising will remain subject to the 15% limit under ASX Listing Rule 7.1.

No decision has been made by the Board of Directors to undertake any further issue of equity securities in the event that approval is received from shareholders in respect of Resolution 2. The Board of Directors will only decide to issue further equity securities if it considered it is in the best interests of the Company to do so.

In accordance with ASX Listing Rule 7.5, the following information is provided for the purpose of obtaining Shareholder approval for Resolution 2:

- (a) 12,400,000 Shares were issued to the Placement Investors, being selected sophisticated and institutional investors.
- (b) The Placement Investors were approved by the Board on the basis that they were sophisticated and professional investors for the purposes of section 708 of the Corporations Act. The Placement Investors are not related parties of the Company.
- (c) The Shares were issued at a price of \$0.25 per Share.
- (d) The Shares issued were fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the Company's existing Shares and ranking equally in all respects with all other Shares on issue.
- (e) Funds raised from the Placement will be used to supplement Elemental's treasury and enable execution on the revised strategy previously announced on 1 May 2014. These funds, under the revised strategy and cost structure being put in place, will fund the Company including the first phase of the Dougou exploration program, working capital and general corporate purposes.
- (f) A voting exclusion statement for Resolution 2 is included in the Notice.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2, and have each notified the Company that they intend to vote all the Shares controlled by them in favour of the Resolution.

Glossary

\$ means Australian dollars.

ASX means ASX Limited or the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the Official Listing Rules of ASX.

Board means the current board of directors of the Company.

Company means Elemental Minerals Limited ACN 108 066 422.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a current director of the Company.

Explanatory Statement means this explanatory statement.

General Meeting or Meeting means the general meeting convened by the Notice.

Notice or Notice of Meeting means the notice of meeting accompanying this Explanatory Statement.

Placement Investors means sophisticated or professional investors for the purposes of section 708 of the Corporations Act.

Proxy Form means the proxy form accompanying the Notice of Meeting.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

ELEMENTAL MINERALS LIMITED

ABN 31 108 066 422

PROXY FORM

Shareholder Details

Name:

Address:

Contact Telephone No:

Contact Email Address:

Contact Name (if different from above):

Step 1: Appointment of Proxy

I/We being a Shareholder/s of Elemental Minerals Limited and entitled to attend and vote hereby appoint

☐

The Chairman
of the meeting
(mark with an 'X')

OR

Write here the name of the person
you are appointing if this person is
someone other than the Chairman of
the Meeting.

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the General Meeting of Elemental Minerals Limited to be held at The CWA House, 1176 Hay Street, West Perth, Western Australia on Monday, 13 October 2014 at 10.00 am AWST and at any adjournment of that meeting.

Chairman to vote undirected proxies in favour: I/we acknowledge that the Chairman of the Meeting intends to vote undirected proxies in favour of each of the proposed Resolutions (to the extent permitted by law).

Step 2: Voting directions to your proxy – please mark ☒ to indicate your directions

		For	Against	Abstain*
Resolution 1	Approval of Issue of Shares to acquire for further interest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of Previous Share Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.
Appointment of a second proxy (see instructions attached).

- If you wish to appoint a second proxy, state the % of your voting rights applicable to the proxy appointed by this

%

PLEASE SIGN HERE This section must be signed in accordance with the instructions attached to enable your directions to be implemented

Individual or Shareholder 1

Sole Director and
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

How to complete this Proxy Form

Your Name and Address

Please print your name and address as it appears on your holding statement and the Company's share register. If shares are jointly held, please ensure the name and address of each joint Shareholder is indicated. Shareholders should advise the Company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a Shareholder of the Company.

Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of your voting rights are to be voted on any Resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given Resolution, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company on 08 9322 2700 or you may photocopy this form.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

Signing Instructions

You must sign this form as follows in the spaces provided:

- | | |
|---------------------------|--|
| Individual: | where the holding is in one name, the holder must sign. |
| Joint Holding: | where the holding is in more than one name, all of the Shareholders should sign. |
| Power of Attorney: | to sign under Power of Attorney, you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it. |
| Companies: | where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place. |

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate can be obtained from the Company's share registry.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting. ie. no later than 10.00 am on 11 October 2014. Any Proxy Form received after that time will not be valid for the scheduled meeting.

This Proxy Form (and any Power of Attorney and/or second Proxy Form) may be sent or delivered to the Company's registered office at 14 Emerald Terrace, West Perth Western Australia 6005 or sent by facsimile to the registered office on (08) 9322 7211 or by email at leonard@gdacorporate.com.au.