

HALIFAX, NOVA SCOTIA / TheNewswire / May 7 2015 - Troy Grant, President and CEO of ELCORA RESOURCES CORP. (TSXV:ERA/Frankfurt:ELM), (the "Company" or "Elcora"), is pleased to announce;

#### Construction Progress Update - Ragedera Graphite Processing Mill

Construction is advancing well on the Company's Ragedera graphite processing facility in Sri Lanka. "This work is an important advance as it incorporates many innovative advancements in the processing of graphite mineralization that will give the Company the ability to custom process graphite to the specific requirements of each individual client" said Troy Grant, Elcora's President and CEO. "Importantly, the construction project is running 'on time and within budget'. This is another positive advance in Elcora's business plan which includes the strategic targeting of niche markets for the high-end Sri Lankan graphite."

The construction progress report on Elcora's Ragadra processing facility is as follows:

1. a.The foundation and walls of the building are in place, structural completion of the building is on schedule and targeted for the middle of May with plumbing and wiring completed by June first,
2. b.The long order equipment is being modified to hydraulic drives which will allow Elcora greater operational flexibility including variable speed and torque on the equipment,
3. c.Fabrication of custom designed graphite flotation vessels is well-advanced,
4. d.Process engineers have been hired and training is underway.

Current construction timelines aim to complete construction of the mill building and complete the necessary equipment modifications by the end of the second quarter of 2015. Equipment installation, commissioning, and completion of training of processing engineers and operators are scheduled for the end of Q3 2015. Subject to satisfactory completion of these scheduled construction and start-up elements, mill operations and initial sales of processed graphite are expected to occur in the fourth quarter of 2015.

#### Convertible Loan

The Company is entering into a two-year syndicated limited recourse convertible loan (the "Loan") for up to Can\$1,750,000 bearing interest at the rate of 8% per annum payable quarterly.

The Loan will be advanced upon execution of the Agreement and receipt of TSX-V approvals of the Loan the sum of One Million Seven Hundred Fifty Thousand (\$1,750,000) dollars,

The Loan is a limited recourse loan and the lenders are relying primarily upon the future capability of the Sakura Mine to continue to produce graphite mineralization and on the future capacity of the Sakura Mill presently under construction to process such graphite mineralization, and the ability of management to secure sales of refined graphite to generate the cash flow and operating profitability to support repayment of the Loan. The Loan does not grant any security over the resource assets of Elcora, either in Canada or outside of Canada, and in the event of a default the lenders are not permitted to not seek the seizure or sale of the assets of Elcora except for liquid assets including cash and marketable securities.

The Loan shall be convertible into common shares of Elcora at \$0.14 cents per share. Any accrued and unpaid interest may be converted at any time and from time to time at the election of the lender into shares at the greater of \$0.14 cents per share or the closing market price of Elcora shares on the TSX Venture Exchange on the date the election to convert is conveyed to Elcora.

The loan agreement and the convertibility feature contained therein are subject to TSX-V approval.

#### Debt Settlement

The Company has reached an agreement with two officers and one employee to settle outstanding debts totaling C\$200,000 for contracted services by the issuance of 1,428,571 shares of Elcora at an issue price of \$0.14 per share. The shares will be subject to a mandatory four-month investment hold period from the date of issue. The debt settlement is subject to required TSX acceptance.

#### About Elcora

The Company is a TSX Venture Exchange listed company which owns an interest in the Ragadera graphite mine in Sri Lanka. The Company is continuing to upgrade the existing infrastructure to increase the production of graphite from the Ragadera mine, and metallurgical testing and laboratory research on that graphite to determine a suitable process for the commercial production of graphene is ongoing. Construction of a graphite refining facility is underway.

#### Cautionary Notes Regarding Ragadera Production

The Sakura graphite project's Ragadera mine has no established resource and is without a known body of commercial ore. The decision to commence production at the Ragadera mine and Elcora's plans for small scale mining and milling operations were based on economic models prepared by Elcora in conjunction with management's knowledge of the property and the prior limited recent operating history of the Sakura/Ragadera mine. The production decision and operating plan for the extraction and sale of graphite were not based on any preliminary economic assessment, a pre-feasibility study or a feasibility study of mineral reserves demonstrating economic and technical viability. Accordingly, there is increased uncertainty and economic and technical risks of failure associated with the production decision and operating plan, in particular the risk that mineral quantities and/or grades will be lower than expected, the risk that construction or ongoing mining operations will be more difficult or more expensive than expected, the risk that the Company will not be able to transport or sell the mineralized material it produces on the terms it expects, or at all, the risk that due to the absence of a detailed economic and technical analysis according to and in accordance with NI 43-101 the production and economic variables associated with mineral extractions and sale may vary considerably. Readers are cautioned that no reliable estimates of future production capability or the economics of any extraction activity can be made.

Ian Flint, Ph.D., P. Geo., is the Qualified Person as defined under NI 43-101 who has reviewed and is responsible for the technical information presented in this news release.

For further information please visit the company's website at <http://www.elcoraresources.com>

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#### CAUTIONARY STATEMENT:

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release. No stock Exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. This News Release includes certain "forward-looking statements". All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding potential mineralization and reserves, exploration results, and future plans and objectives of Elcora, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Elcora's expectations are exploration risks detailed herein and from time to time in the filings made by Elcora with securities regulators.

Investors are cautioned that, except as disclosed in the filing statement prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon.

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