



**DANAKALI**  
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ASX Release:

11 August 2021

## Proposed Cancellation of London Listing

- LSE delisting increases administrative efficiencies in support of full funding solution
- Over 97% of DNK's current UK institutional investors invest directly into ASX via nominees
- Key Stakeholders and Major Shareholders fully supportive of the LSE delisting event

Danakali Limited (ASX: DNK / LSE: DNK) (**Danakali**, or the **Company**) is pleased to announce its request for cancellation of admission of the Company's ordinary shares on the London Stock Exchange (**LSE**).

The Company believes it is in the interests of all Danakali shareholder to delist from LSE. This step increases administrative efficiencies for the Company with respect to completing its full funding solution. 97% of DNK's current UK Institutional investors are opting to invest on the ASX via their Nominees.

Stakeholder support for the decision was received from Eritrean National Mining Corporation, (**ENAMCO**), Afreximbank (**AFX**), African Finance Corporation (**AFC**), major shareholders of **DNK** and other key stakeholders.

Therefore, in accordance with the UK's Financial Conduct Authority (**FCA**) Listing Rule 5.2.4R the Company has requested that the FCA cancel the admission of the Company's ordinary shares to the Standard Segment of the Official List, and in accordance with Section 4.18 of the London Stock Exchange's Admission and Disclosure Standards has informed the London Stock Exchange of such cancellation. It is expected that the admission of the Company's ordinary shares to the Standard Segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities will be cancelled with effect from 0800 London time on Friday 24 September 2021 (**Cancellation**).

Danakali will retain the listing of its ordinary shares on the ASX.

Danakali advises holders of Depositary Interests in respect of its ordinary shares of its intention to terminate the Depositary Interest Facility constituting those Depositary Interests. Computershare Investor Services PLC shall cease to act as depositary for the purpose of issuing Danakali Depositary Interests with effect from the close of business on 23 September 2021. Prior to the date of Cancellation, Depositary Interest holders may withdraw their Depositary Interests and arrange for the transfer of the underlying Danakali ordinary shares into their own name (or that of a nominee) to hold directly on Danakali's Australian share register; or if Depositary Interest holders take no action, then upon Cancellation on 24 September 2021 they will automatically be issued shares on a 1:1 basis on the Australian share register, maintained by Danakali's Australian registrar, Computershare Investor Services Pty Limited. Depositary Interest Holders will receive individual notice to this effect as required under the Depositary Interest Facility documentation.

The Colluli Potash Project (**Project, Colluli**) is 100% owned by Colluli Mining Share company (**CMSC**), a 50:50 Joint Venture between Danakali Limited (**DNK**) and Eritrean National Mining Corporation (**ENAMCO**)



### Codes:

ASX: DNK, LSE: DNK,  
SO3-FRA, SO3-BER.  
US Level 1 ADR's OTC-  
DNKLY,  
CUSIP.23585T101

### Highlights:

The world's largest JORC  
compliant solid salt,  
Sulphate of Potash (**SOP**)  
reserve, 1.1Bt

Aiming to be the worlds  
first Zero Carbon SOP  
Producer

Development underway  
towards production

### Financial facts:

Issued capital: 368.3m  
Share price: A\$0.47  
Market cap: A\$173.1m



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Announcement authorised for release by the Company Secretary of Danakali.

For more information, please contact:

**Danakali**

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Visit the Company's website: [www.danakali.com](http://www.danakali.com)

Follow Danakali on LinkedIn: [www.linkedin.com/company/danakali-limited](https://www.linkedin.com/company/danakali-limited)

Subscribe to Danakali on YouTube: [www.youtube.com/channel/UChGKN4-M4lOvPKxs9b-IJvw](https://www.youtube.com/channel/UChGKN4-M4lOvPKxs9b-IJvw)

11 August 2021

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Dear Depositary Interest holder,

**Cancellation of Depositary Interests (DIs) representing Ordinary shares of Danakali Limited - ISIN: AU000000DNK9**

Computershare Investor Services PLC (the 'depository') hereby gives 30 days' notice of termination under clause 14.1 of the Deed dated 29 June 2018 in respect of Danakali Limited ("Danakali") Depositary Interests. Accordingly, Computershare Investor Services PLC shall cease to act as depository for the purpose of issuing Danakali Depositary Interests with effect from the close of business on 23 September 2021 (the 'Effective Date').

On the Effective Date the Depositary Interest facility shall terminate and Depositary Interests will be cancelled in accordance with the terms of the Deed.

Prior to the Cancellation Date, DI holders may withdraw their DIs and arrange for the transfer of the underlying Danakali Shares into their own name (or that of a nominee) to hold directly on the Australian share register. If DI holders take no action, then on 24 September 2021 it is expected they will automatically be issued shares on a 1:1 basis on the Australian share register. This register is maintained by the Company's Australian registrar, Computershare Investor Services Pty Limited.

Please do not hesitate to contact Computershare UK should you have any questions in relation to cancellation of the DIs at:

By Mail: Computershare Client Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ

Phone Enquiries: 0370 702 0000

Yours faithfully

Jonathan Sterling  
Client Manager – Depositary Interest Team  
Computershare Investor Services PLC



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## About Danakali

Danakali Limited (ASX: DNK, LSE: DNK) (**Danakali**, or the **Company**) is an ASX- and LSE-listed potash company focused on the development of the Colluli Sulphate of Potash Project (**Colluli** or the **Project**). The Project is 100% owned by the Colluli Mining Share Company (**CMSC**), a 50:50 joint venture between Danakali and the Eritrean National Mining Corporation (**ENAMCO**).

The Project is located in the Danakil Depression region of Eritrea, East Africa, and is ~75km from the Red Sea coast, making it one of the most accessible potash deposits globally. Mineralisation within the Colluli resource commences at just 16m, making it the world's shallowest known potash deposit. The resource is amenable to open cut mining, which allows higher overall resource recovery to be achieved, is generally safer than underground mining, and is highly advantageous for modular growth.

The Company has completed a Front-End Engineering Design (**FEED**) for the production of potassium sulphate, otherwise known as Sulphate of Potash or **SOP**. SOP is a chloride free, specialty fertiliser which carries a substantial price premium relative to the more common potash type; potassium chloride (or **MOP**). Economic resources for production of SOP are geologically scarce. The unique composition of the Colluli resource favours low energy input, high potassium yield conversion to SOP using commercially proven technology. One of the key advantages of the resource is that the salts are present in solid form (in contrast with production of SOP from brines) which reduces infrastructure costs and substantially reduces the time required to achieve full production capacity.

The resource is favourably positioned to supply the world's fastest growing markets. A binding take-or-pay offtake agreement has been confirmed with EuroChem Trading GmbH (**EuroChem**) for up to 100% (minimum 87%) of Colluli Module I SOP production.

Development Finance Institutions, Africa Finance Corporation (**AFC**) and African Export Import Bank (**Afreximbank**), have obtained formal credit approval to provide CMSC with US\$200M in senior debt finance. The credit documentation was executed in December 2019, allowing drawdown of CMSC senior debt on satisfaction of customary conditions precedent. This represents the majority of funding required for the development and construction of the Colluli.

Project execution has commenced and the Company's vision is to bring Colluli into production using the principles of risk management, resource utilisation and modularity, using the starting module (**Module I**) as a growth platform to develop the resource to its full potential.

## Forward looking statements and disclaimer

The information in this document is published to inform you about Danakali and its activities. Danakali has endeavoured to ensure that the information enclosed is accurate at the time of release, and that it accurately reflects the Company's intentions. All statements in this document, other than statements of historical facts, that address future production, project development, reserve or resource potential, exploration drilling, exploitation activities, corporate transactions and events or developments that the Company expects to occur, are forward looking statements. Although the Company believes the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements.

Factors that could cause actual results to differ materially from those in forward-looking statements include market prices of potash and, exploitation and exploration successes, capital and operating costs, changes in project parameters as plans continue to be evaluated, continued availability of capital and financing and general economic, market or business conditions, as well as those factors disclosed in the Company's filed documents.

There can be no assurance that the development of Colluli will proceed as planned. Accordingly, readers should not place undue reliance on forward looking information. Mineral Resources and Ore Reserves have been reported according to the JORC Code, 2012 Edition. To the extent permitted by law, the Company accepts no responsibility or liability for any losses or damages of any kind arising out of the use of any information contained in this document. Recipients should make their own enquiries in relation to any investment decisions.

Mineral Resource, Ore Reserve, production target, forecast financial information and financial assumptions made in this announcement are consistent with assumptions detailed in the Company's ASX announcements dated 25 February 2015, 23 September 2015, 15 August 2016, 1 February 2017, 29 January 2018, and 19 February 2018 which continue to apply and have not materially changed. The Company is not aware of any new information or data that materially affects assumptions made.

No representation or warranty, express or implied, is or will be made by or on behalf of the Company, and no responsibility or liability is or will be accepted by the Company or its affiliates, as to the accuracy, completeness or verification of the information set out in this announcement, and nothing contained in this announcement is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or the future. The Company and each of its affiliates accordingly disclaims, to the fullest extent permitted by law, all and any liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this announcement or any such statement.

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