



Correction to Corporate Presentation

Danakali Limited (ASX: DNK, LSE: DNK) (**Danakali**, or the **Company**) advises a correction to the Corporate Presentation released on 22 March 2021. It has been identified that there some incorrect references included in slide 8 (Industry Leading Economics) and slide 28 (Industry Comparisons at the Project Level). Accordingly, the Company retracts these slides. In the Presentation released 22 March 2021, Australian Potash Limited's Initial Capex amount was incorrectly stated as A\$268m. The correct amount is A\$208m.

Investors should not rely on the retracted information as a basis for any investment decision concerning the Company.

A revised Corporate Presentation is attached.

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Follow Danakali on LinkedIn: www.linkedin.com/company/danakali-limited

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Announcement authorised for release by the Executive Chairman of Danakali.

— — — ENDS — — —



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About Danakali

Danakali Limited (ASX: DNK) (**Danakali**, or the **Company**) is an ASX-listed potash company focused on the development of the Colluli 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 potash deposit. The resource is amenable to open pit 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 **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.

A non-binding indicative term sheet and mandate for the provision of US\$200M in senior debt funding to CMSC has been executed with Mandated Lead Arrangers Africa Export Import Bank (**Afreximbank**) and Africa Finance Corporation (**AFC**).

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.

Competent Persons Statement (Sulphate of Potash and Kieserite Mineral Resource)

Colluli has a JORC-2012 compliant Measured, Indicated and Inferred Mineral Resource estimate of 1,289Mt @ 11% K₂O Equiv. and 7% Kieserite. The Mineral Resource contains 303Mt @ 11% K₂O Equiv. and 6% Kieserite of Measured Resource, 951Mt @ 11% K₂O Equiv. and 7% Kieserite of Indicated Resource and 35Mt @ 10% K₂O Equiv. and 9% Kieserite of Inferred Resource.

The information relating to the Colluli Mineral Resource estimate is extracted from the report entitled "Colluli Review Delivers Mineral Resource Estimate of 1.289Bt" disclosed on 25 February 2015 and the report entitled "In excess of 85 million tonnes of Kieserite defined within Colluli Project Resource adds to multi agri-commodity potential" disclosed on 15 August 2016, which are available to view at www.danakali.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

Competent Persons Statement (Sulphate of Potash Ore Reserve)

Colluli Proved and Probable Ore Reserve is reported according to the JORC Code and estimated at 1,100Mt @ 10.5% K₂O Equiv. The Ore Reserve is classified as 285Mt @ 11.3% K₂O Equiv. Proved and 815Mt @ 10.3% K₂O Equiv. Probable. The Colluli SOP Mineral Resource includes those Mineral Resources modified to produce the Colluli SOP Ore Reserves.

The information relating to the January 2018 Colluli Ore Reserve is extracted from the report entitled "Colluli Ore Reserve update" disclosed on 19 February 2018 and is available to view at www.danakali.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

Competent Persons Statement (Rock Salt Mineral Resource)

Colluli has a JORC-2012 compliant Measured, Indicated and Inferred Mineral Resource estimate of 347Mt @ 96.9% NaCl. The Mineral Resource estimate contains 28Mt @ 97.2% NaCl of Measured Resource, 180Mt @ 96.6% NaCl of Indicated Resource and 139Mt @ 97.2% NaCl of Inferred Resource.

The information relating to the Colluli Rock Salt Mineral Resource estimate is extracted from the report entitled "+300M Tonne Rock Salt Mineral Resource Estimate Completed for Colluli" disclosed on 23 September 2015 and is available to view at www.danakali.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the

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relevant market announcement continue to apply and have not materially changed. 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.

AMC Consultants Pty Ltd (AMC) independence

In reporting the Mineral Resources and Ore Reserves referred to in this public release, AMC acted as an independent party, has no interest in the outcomes of Colluli and has no business relationship with Danakali other than undertaking those individual technical consulting assignments as engaged, and being paid according to standard per diem rates with reimbursement for out-of-pocket expenses. Therefore, AMC and the Competent Persons believe that there is no conflict of interest in undertaking the assignments which are the subject of the statements.

Quality control and quality assurance

Danakali exploration programs follow standard operating and quality assurance procedures to ensure that all sampling techniques and sample results meet international reporting standards. Drill holes are located using GPS coordinates using WGS84 Datum, all mineralisation intervals are downhole and are true width intervals.

The samples are derived from HQ diamond drill core, which in the case of carnallite ores, are sealed in heat-sealed plastic tubing immediately as it is drilled to preserve the sample. Significant sample intervals are dry quarter cut using a diamond saw and then resealed and double bagged for transport to the laboratory.

Halite blanks and duplicate samples are submitted with each hole. Chemical analyses were conducted by Kali-Umwelttechnik GmbH, Sondershausen, Germany, utilising flame emission spectrometry, atomic absorption spectroscopy and ion chromatography. Kali-Umwelttechnik (KUTECH) has extensive experience in analysis of salt rock and brine samples and is certified according to DIN EN ISO/IEC 17025 by the Deutsche Akkreditierungsstelle GmbH (DAR). The laboratory follows standard procedures for the analysis of potash salt rocks chemical analysis (K^+ , Na^+ , Mg^{2+} , Ca^{2+} , Cl^- , SO_4^{2-} , H_2O) and X-ray diffraction (XRD) analysis of the same samples as for chemical analysis to determine a qualitative mineral composition, which combined with the chemical analysis gives a quantitative mineral composition.

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.

The distribution of this announcement outside the United Kingdom may be restricted by law and therefore any persons outside the United Kingdom into whose possession this announcement comes should inform themselves about and observe any such restrictions in connection with the distribution of this announcement. Any failure to comply with such restrictions may constitute a violation of the securities laws of any jurisdiction outside the United Kingdom.

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COLLULI
A Global Game Changer

INVESTMENT HIGHLIGHTS

COLLULI IS MASSIVE

- Uniquely the worlds largest solid salt, near surface high grade Sulphate of Potash (SOP) reserve of 1.1Bt. 200 year of LOM

POTENTIAL FOR ZERO CARBON SOP

- Colluli can become the worlds first zero carbon producer of SOP
- Unrivalled access to solar, wind and one of the worlds greatest geothermal energy systems, East African rift

HUMANITARIAN IMPACT

- United Nations Development Program (UNDP) states Colluli will have long term positive humanitarian impact
- Responsible socio-economic development and increased food security in the region

CLOSE TO MARKETS

- Close to established SOP markets of Europe, Middle East, SE Asia and developing markets in Africa
- 10 year take or pay offtake agreement with EuroChem

CLOSEST SOP PROJECT TO PORT

- No other SOP project closer to port infrastructure with port capacity at Massawa
- Future Anfile Bay port development creates unrivalled global port advantage, 87km from site

SUPERIOR ECONOMICS AND ADVANCED FUNDING

- Lowest quartile operating costs, industry leading capital intensity , premium product
- The first of the two strategic growth phases produce 944ktpa. Robust returns: NPV₁₀ of US\$439m, IRR of 31%
- US\$221m of senior debt and equity project financing secured

MULTI-COMMODITY POTENTIAL

- Colluli can readily expand to become a multi-commodity premium fertilizer producer
- A number of products can be commercialised once Anfile Bay is developed

RIGHT TEAM TO DELIVER

- Strong Government relationships and committed project support
- Expertise in fertilizer market, project development and potash operational management



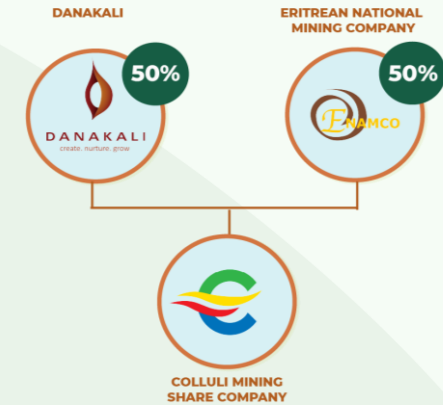
CORPORATE SNAPSHOT

Top shareholders

African Finance Corporation	16.6%
Well Efficient	11.0%
Element 25 & Other related parties	6.9%
Danakali Board and management	4.6%

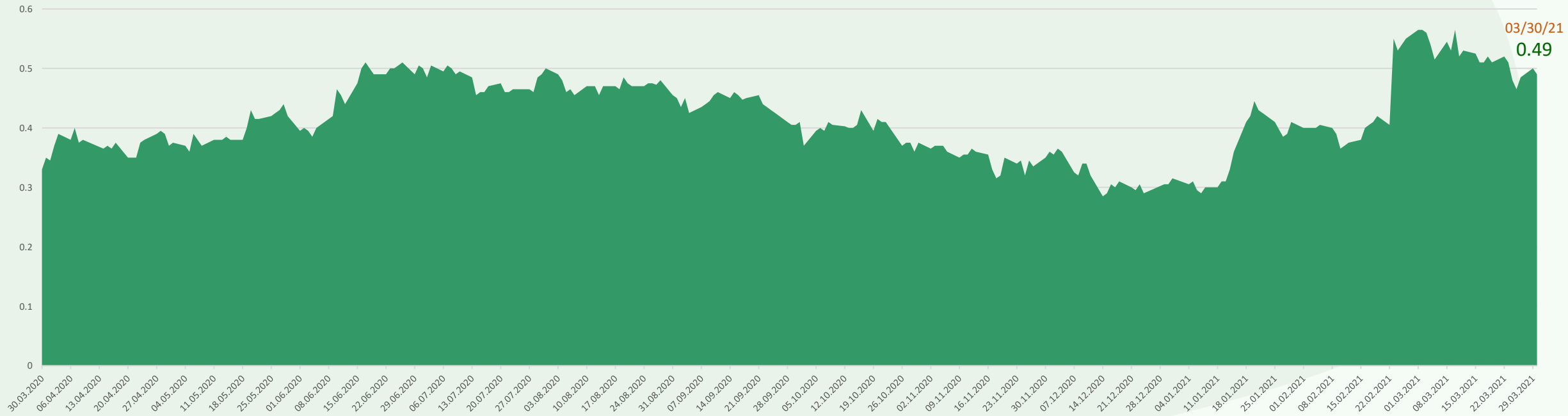
Financial information

Share price (30-March-2021)	A\$0.49
Number of shares	319.69
Market capitalisation	AU\$156.7m
Cash (28-Jan-21)	A\$9.7m
Debt (28-Jan-21)	Nil
Enterprise value	AU\$147.0m

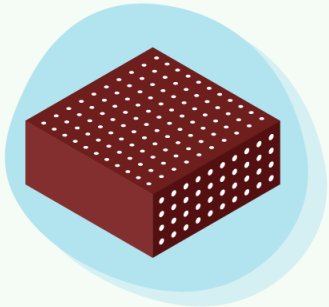


Danakali Ltd (DNK AU)

03/20/2020 to 03/30/2021



COLLULI IS WHERE THE VALUE BEGINS



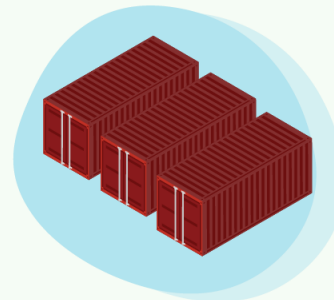
GRADE
Homogenous,
predictable highest
grade solid salts



GEOGRAPHY
Closest to coast, port
and key growth
markets



GEOMETRY
1% Gradient



GROWTH
Unrivalled long term
production growth
options



Drill core from
Colluli Ore
Reserve



GEOLOGY: STRATIFICATION OF THE COLLULI RESOURCE¹

- Solid salts are layered
- Selective extraction
- Predictable production rates
- Shallowest known evaporite deposit in the world
- Simple grade control drilling

ASX announcements 29-Jan-18 and 19-Feb-18

Thick, uniform
shallow deposit
starting at 16m
below the
surface



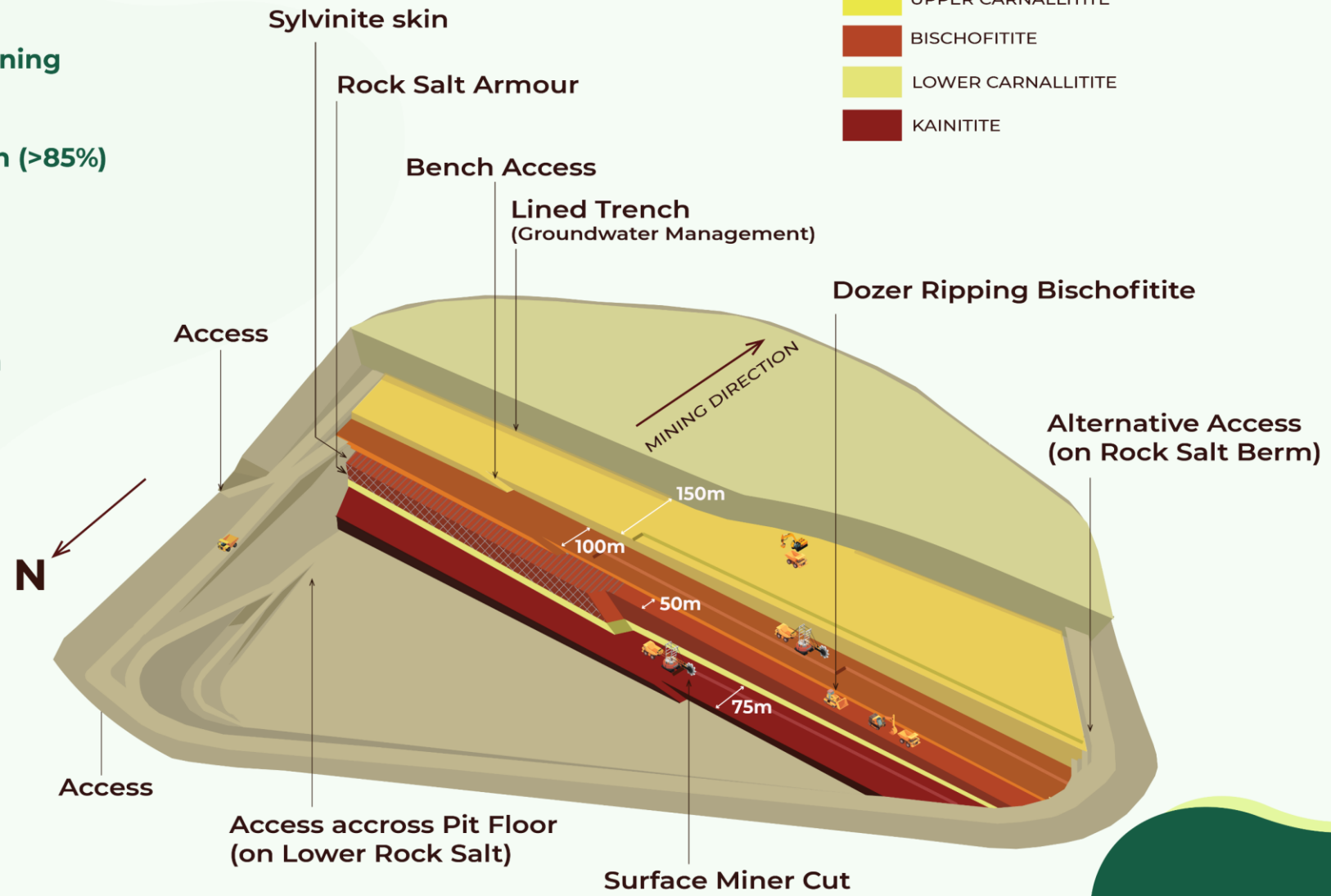


COLLULI MINE PLAN

Colluli's favourable resource characteristics allow simple, low cost, open-cut mining¹

-  Proven and safer than underground mining
-  Superior resource to reserve conversion (>85%)
-  Low risk and complexity
-  Potassium salts extracted in solid form
-  Potential monetisation of other salts extracted as waste
-  Expansion potential
-  Low incremental growth capital

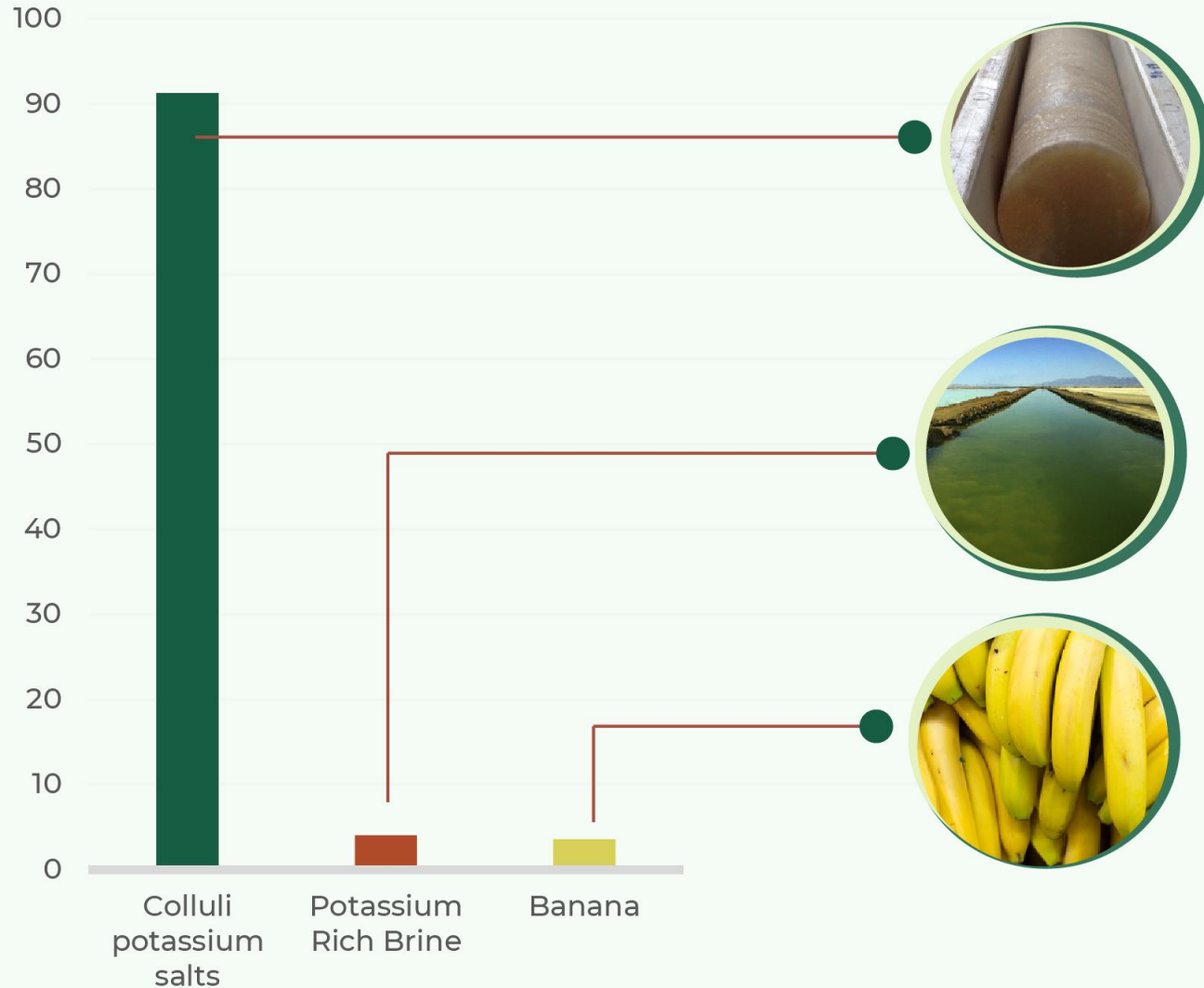
-  CLASTIC OVERBURDEN
-  UPPER ROCK SALT/MARKER BEDS
-  SYLVINITES
-  UPPER CARNALLITITE
-  BISCHOFITITE
-  LOWER CARNALLITITE
-  KAINITITE



1) DNK announcement, 29-Jan-18

HIGH GRADE COMPARISONS

Solid Salt SOP Mining has enormous advantages



Colluli is the only resource in the world that is ideal for K_2SO_4 (SOP) production that can be extracted in solid form

This is directly related to the shallow kainite mineralisation and open cut mining method

25x that of potassium rich brines¹

A potassium rich brine on a weight basis has similar potassium concentration to a banana²

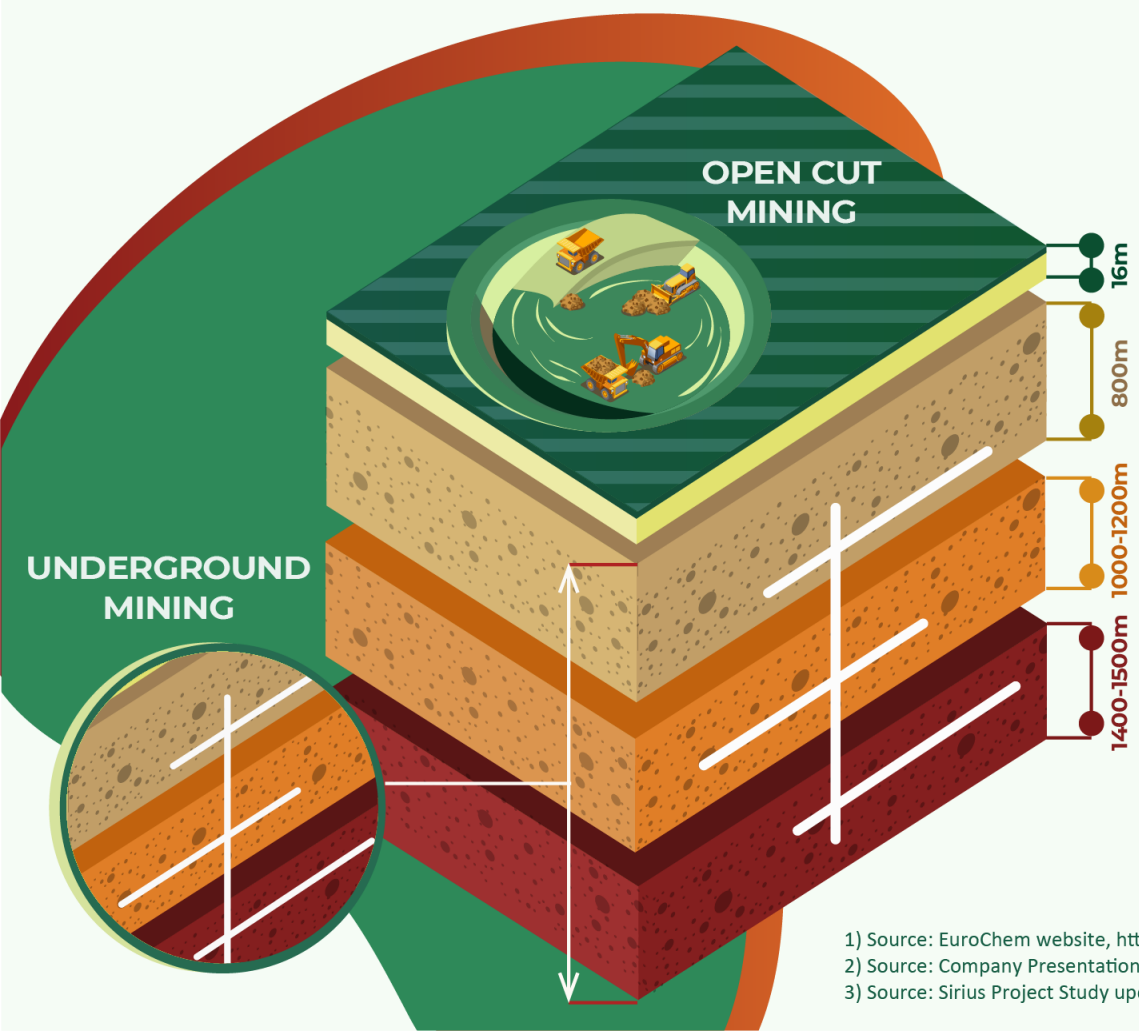


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COLLULI THE ONLY OPEN CUT AND POTENTIALLY ZERO CARBON SOP MINE GLOBALLY

Open cut costs are lower and volumes are higher than underground

Premium Price SOP
SOP Price 2-3x MOP
Low Opex- Open pit
Low Capex



COLLULI DEPTH 16m

Capex: US\$350m
Production Target: 1 mtpa (approx.)

DEPTH OF RUSSIAN MINE MOP (KCl) 800m¹

Capex US\$3-4 billion est.
Production Target: 3-4 mtpa

DEPTH OF CANADIAN MINE MOP (KCl) 1000-1200m²

US\$5.3-5.7 billion (Jansen)
Production Targets: 4.3 - 4.5 mtpa (approx.)

DEPTH OF UK MINE POLYHALITE (K₂Ca₂Mg(SO₄)₄·2H₂O) 1400-1500m³

Capex US\$4-5 billion (Sirius)
Production Target 5 mtpa

1) Source: EuroChem website, <https://www.eurochemgroup.com/project/volgakaliy-potash/>, accessed 16 March 2021
2) Source: Company Presentations: 16 Feb 2021
3) Source: Sirius Project Study update 3 Dec 2012.

FIRST QUARTILE COST OF PRODUCTION

Danakali will be one of the lowest cost SOP producers

Mine gate production costs for global SOP producers¹

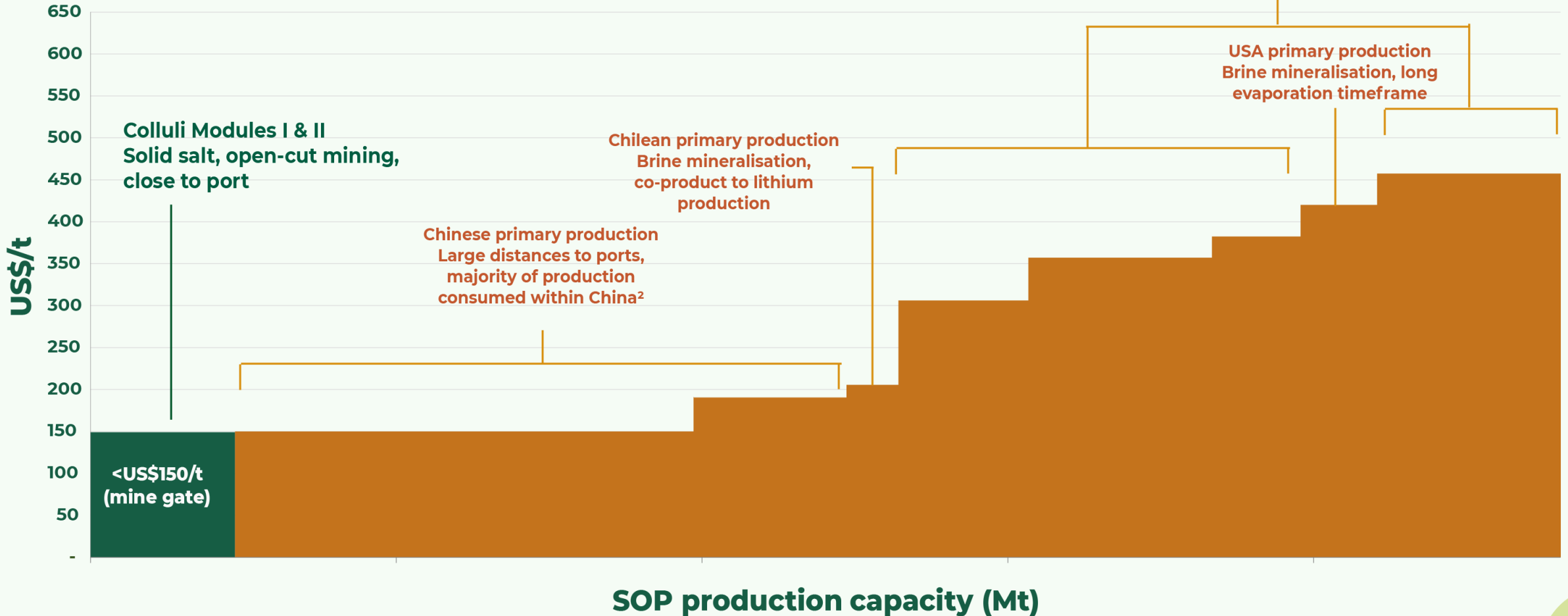
Mannheim Process production
High energy, high cost and environmental issues²
>50% of production
Protects margins for primary producers

USA primary production
Brine mineralisation, long
evaporation timeframe

Chilean primary production
Brine mineralisation,
co-product to lithium
production

Chinese primary production
Large distances to ports,
majority of production
consumed within China²

Colluli Modules I & II
Solid salt, open-cut mining,
close to port



1) CRU Potassium Sulphates and Potassium Nitrate Market Outlook, Internal company research, 2) Argus

MARKET OVERVIEW & DEMAND

SOP (K₂SO₄)

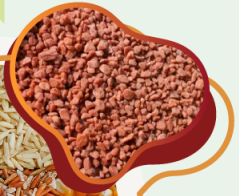


“Global SOP prices to increase to 2023 as the market balance tightens with limited new capacity to enter production”

Price reporting agency CRU

7 Mtpa
US\$ 450-600/t*
High value, chloride sensitive or intolerant

MOP (KCl)



67 Mtpa
US\$ 200-300/t*
Low value, chloride tolerant



SOP is an environmentally-friendly, chloride-free, nonsubstitutable source of Potassium and Sulphur



SOP prices are typically 2-3x MOP prices. Demand is inelastic



SOP is used to enhance yields for high value crops such as fruits, vegetables, coffee, tea and nuts



Demand driven by rapidly growing middle class in developing nations, changing dietary preferences, and global population growth



Limited primary production available



Secondary production (typically the high cost, energy intensive and environmentally unfriendly Mannheim Process¹) accounts for over 50% of supply

*Price range between Jan 2014-2020


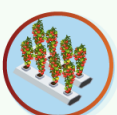
SOP PRICING DYNAMICS

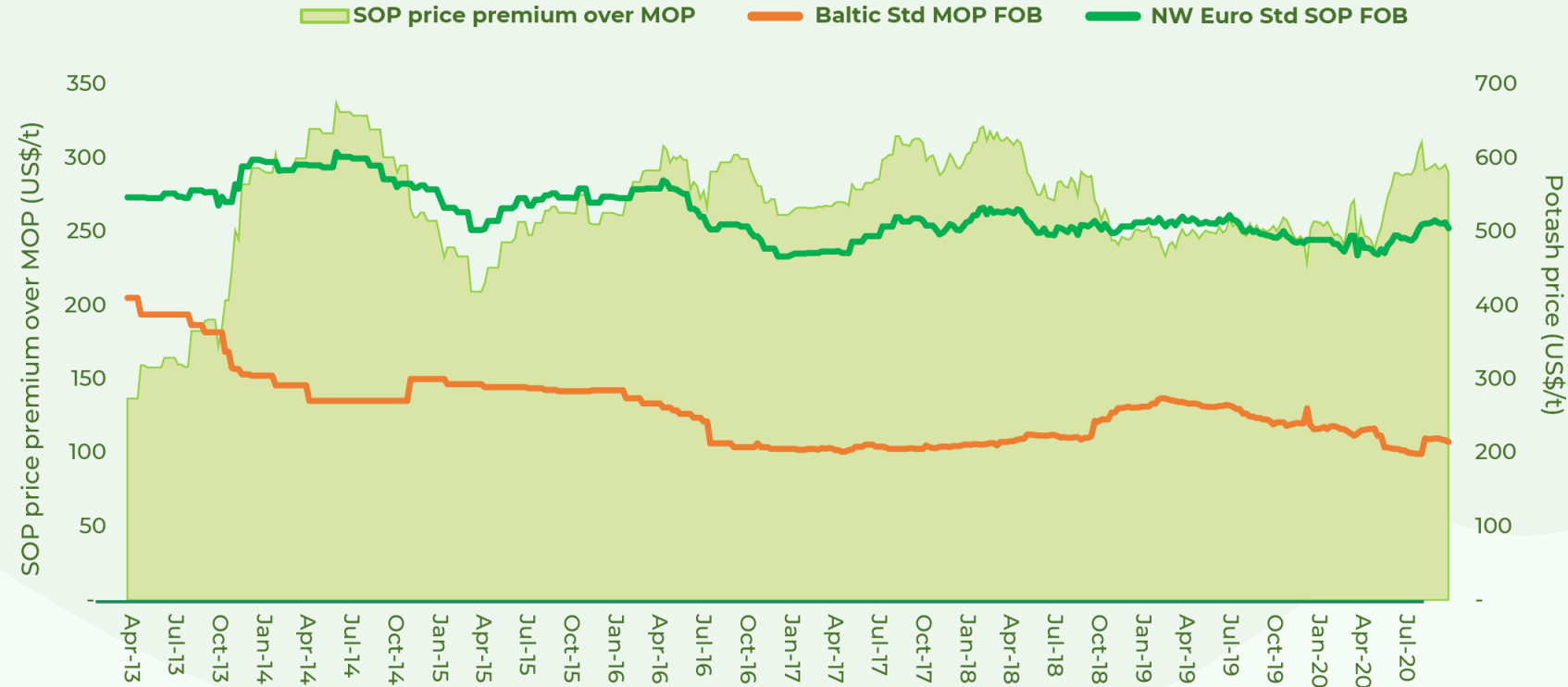
SOP demand and supply dynamics support a robust pricing environment

SOP price provides attractive margins for low cost primary producers

SOP price premium to MOP has consistently remained above US\$200/t for over 5 years

Premium is sustainable due to:

-  Mannheim Process conversion cost
-  Mannheim Process environmental issues (carbon emissions and acid disposal)
-  Limited SOP supply expansion
-  Robust and growing SOP demand



INDUSTRY TRENDS & OPPORTUNITIES

CONSUMER SENTIMENT DRIVING PRODUCT DEVELOPMENT



Bill Gates: “Green Premium is the difference in cost between a product that involves emitting carbon and an alternative that doesn’t” - Feb. 2021¹

INDUSTRY

- Nestlé invest \$3.6B to boost sustainability in supply chain²
- Premiums offered to Nestles farmers suppliers to produce low emission products
- Nestle developing low carbon food products

CHANGING POLICY AND PRODUCTS

- Nestlé developing low emission premium priced products.
- Generous premiums paid by customers for climate-neutral products

“Nestle is using its size, scale and reach to tackle climate change and make a big difference.” - Dec 2020

HIGH CARBON FOOTPRINT OF EXISTING SUPPLY CHAIN



Governments responding and changing policy in the agriculture sector. Incentivize low CO₂ emission agricultural practices

INDUSTRY

- Nestle, Nutrien, Kellogg, Corteva and Mosaic target massive CO₂ emission reductions by 2025-2030³
- Farmers seeking methods to decrease water use, improve yields and emit less CO₂

POLICY

- The EU proposing US\$70B to support to farmers with “green direct payment” to support EU climate goals⁴
- Reforming EU Common Ag Policy targeting emission reduction in agriculture

Farmers and industry in EU dependent on high CO₂ emitting Mannheim SOP production process

1) GatesNotes, <https://gatesnot.es/3rGglf5>

2) Nestle Net Zero Carbon Roadmap, <https://bit.ly/3ew7k4h>

3) Respective company websites

4) European Commission, Sustainable land use (greening), <https://bit.ly/3bETd17>

HIGH POTENTIAL ZERO CARBON



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Plans to transition to renewable energy. Potential zero-carbon SOP production is pursued using solar, wind and geothermal options accessible to Colluli



SOLAR

Danakil Basin has predictable sunlight



GEOHERMAL

Well endowed with geothermal energy potential. Surface geothermal activity on Tenement

(African rift system)



WIND

Predictable wind resource, Colluli has approx 5 years of wind data

1.5 MW Solar plant installed by GoE and supported by UNDP and the EU



ERITREA

AREZA



ALID



COLLULI



RED SEA

ETHIOPIA



Alid geothermal field in close proximity to mine site

136,956 Km²



600kW Wind park installed by GoE and supported by Global Environment Facility and UNDP

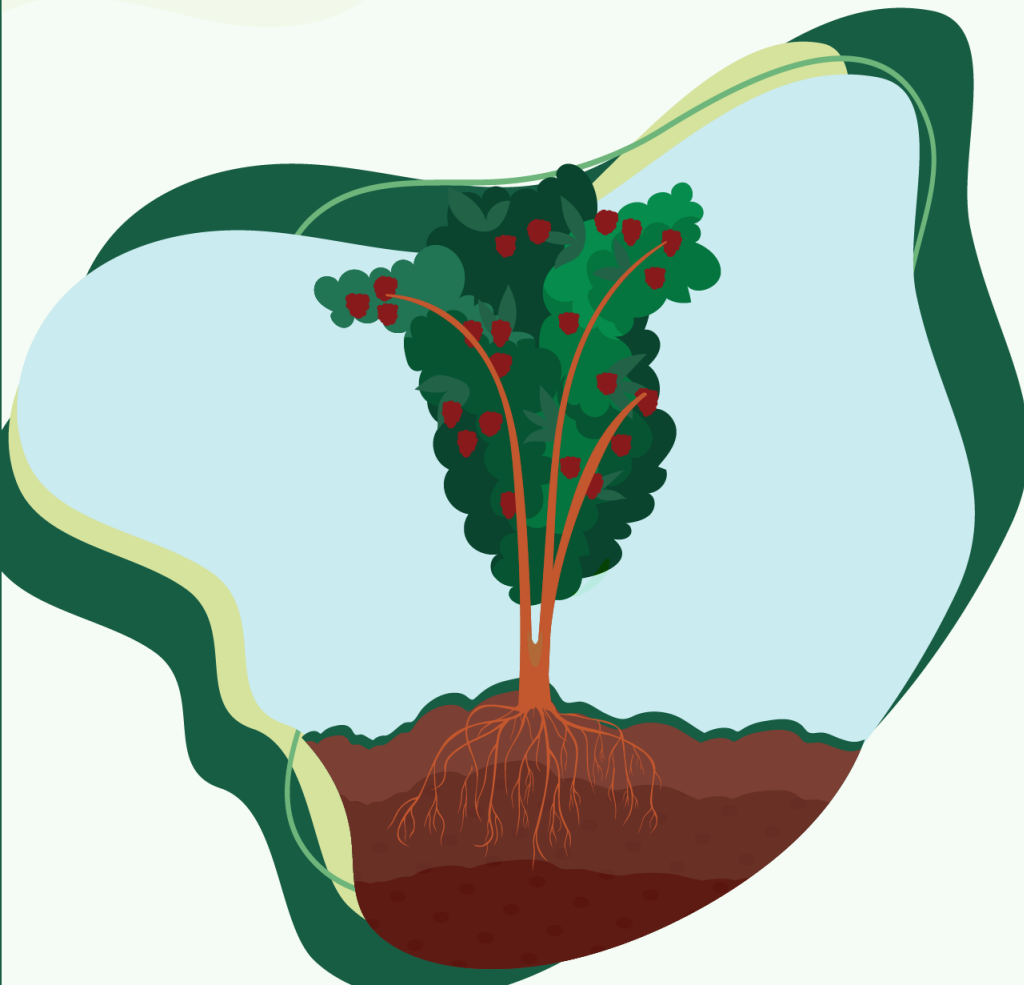
ASSAB



SOP VITAL FOR CLIMATE-SMART AGRICULTURE

SOP is integral to climate smart agriculture production as it improves soil and plant resilience¹

Mineral fertiliser like SOP can play an important role increasing soil carbon sequestration by supplying nutrients to crops increasing yields and limiting agricultural land area expansion²

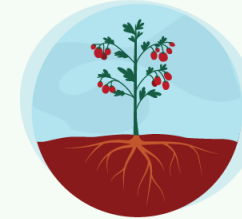


IMPROVED CO₂ SEQUESTRATION



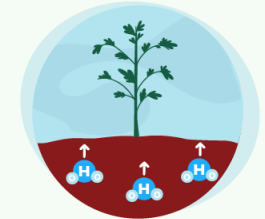
Stimulates photosynthesis & CO₂ capture

IMPROVED NUTRIENT INTAKE



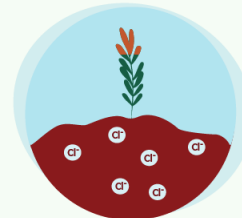
Stimulates root system growth & increases crop yield

DROUGHT RESISTANCE



Vital for water loss prevention

REDUCING SALINITY RISK



Neutralizes soil salinity

FLOOD RESISTANCE



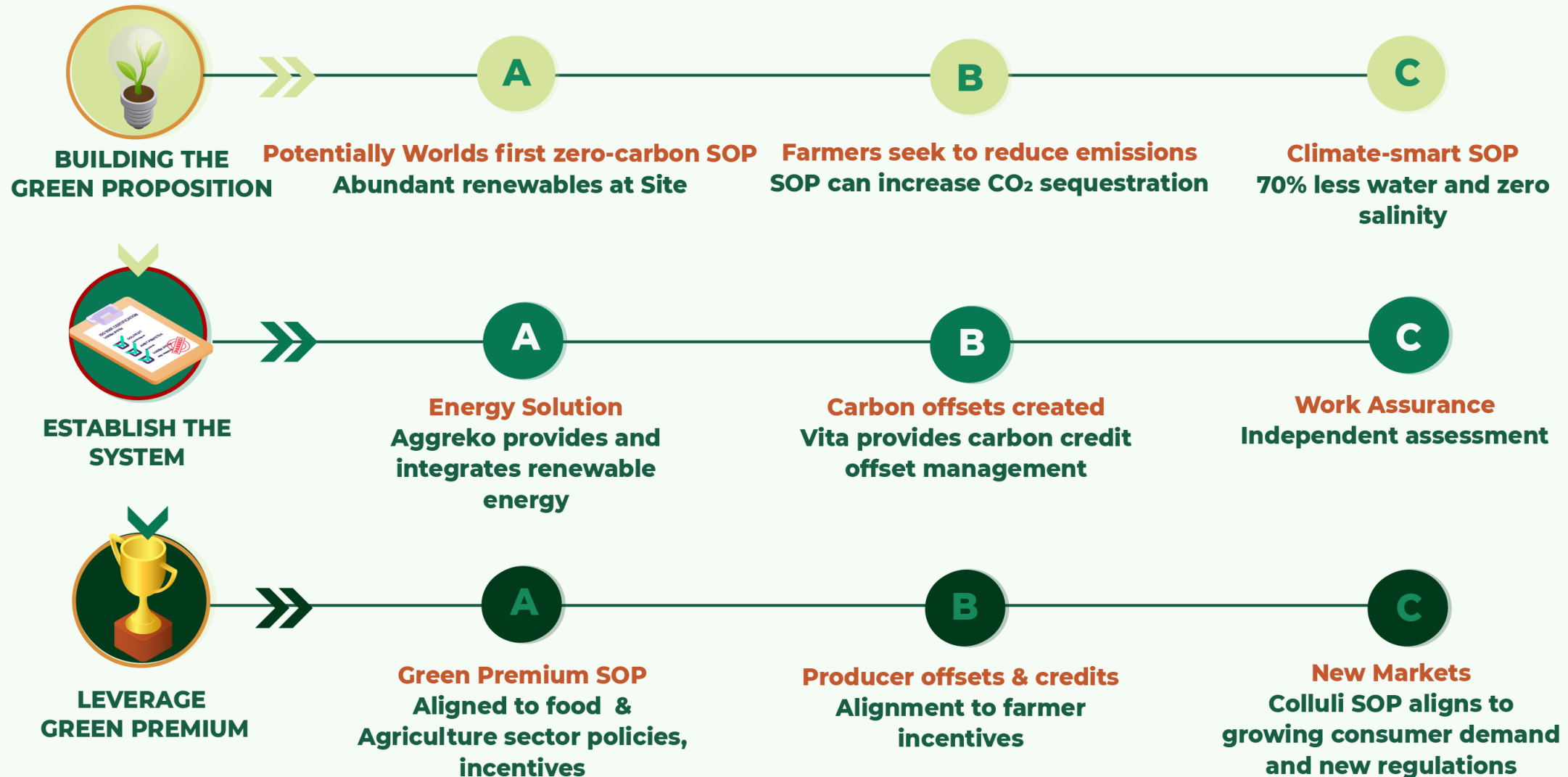
Supports plants in event of floods

PEST RESISTANCE



Reduces pesticide use

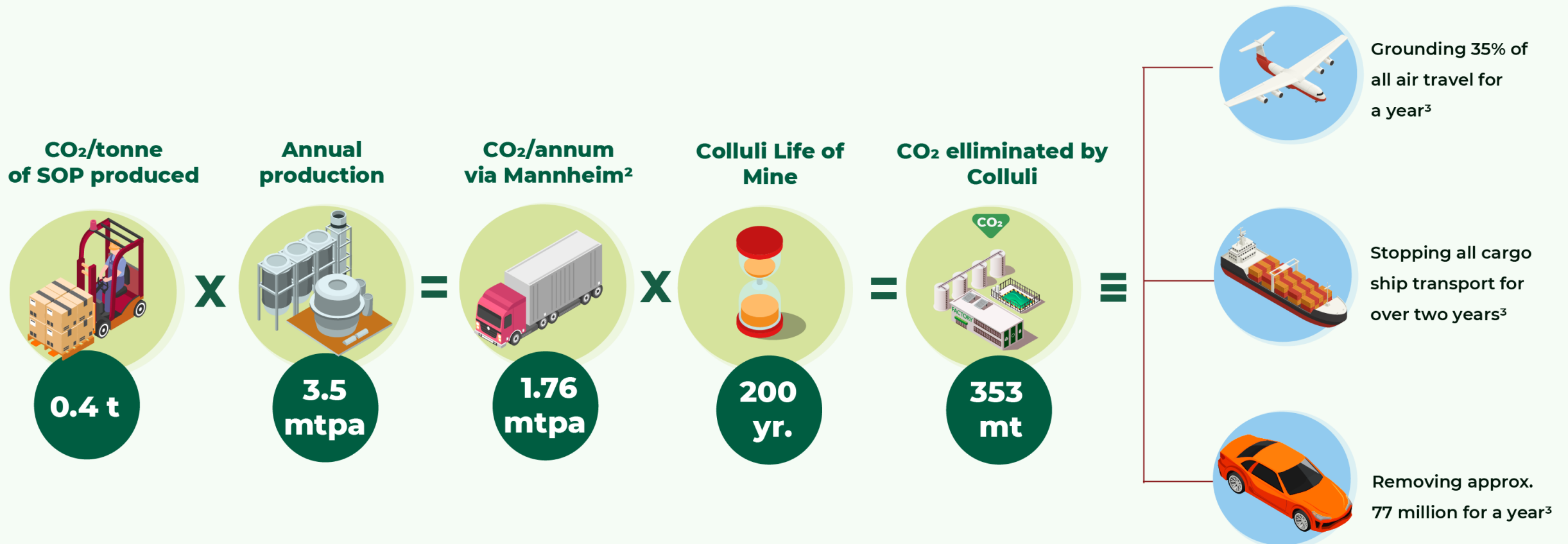
POSITIONING COLLULI WITH ZERO CARBON



COLLULI CAN DISRUPT INCUMBENTS

Colluli can be the first Project to produce Zero Carbon SOP

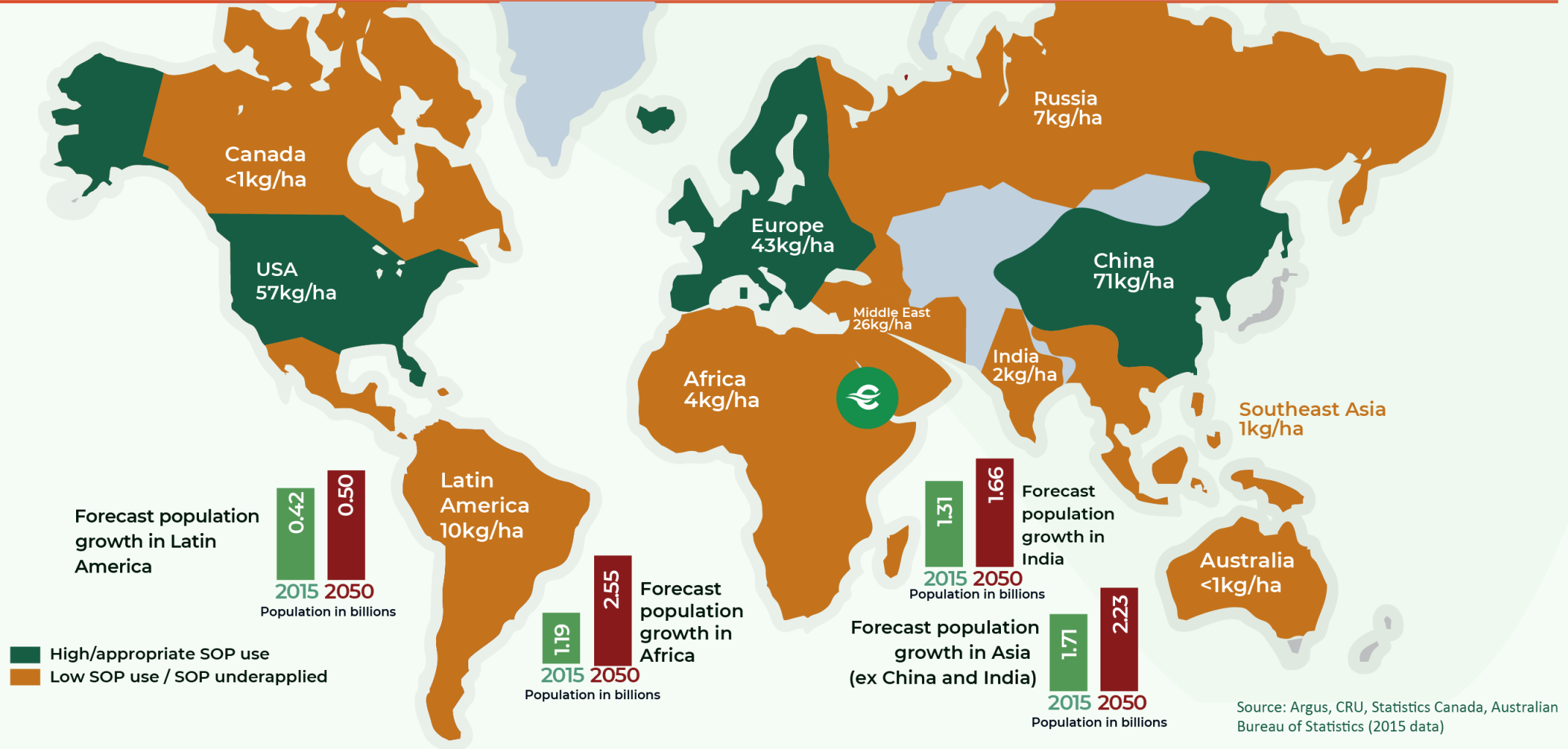
With capacity to displace all carbon intensive Mannheim SOP production globally



1) Source: Wood, Lake Way, Estimation of greenhouse gases emission factors of China's nitrogen, phosphate and potash fertilizers, 2) CRU, 3) Calculated based on Air Transport Action Group figures for air travel in 2019, U.S Environmental Protection Agency figures for average passenger car GHG annual emissions, Global Carbon Project figures for total GHG emissions of the State of Eritrea, UNCTAD, IMO and IEA figures for annual shipping GHG emissions

MARKET POTENTIAL AND PROXIMITY

SOP is currently underapplied in the areas expecting the highest rate of population growth, the majority of which are proximate to Colluli





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PROXIMITY TO A COASTLINE

Proximity to established port infrastructure provides unrivalled access to the global export markets and significant cost advantage
Future Anfile Bay port unlocks the multi-commodity potential of Colluli



ERITREA

Massawa
Operational port



Asmara
Capital of Eritrea



230 km

Colluli

Mining and processing site



Anfile Bay
Proposed future port

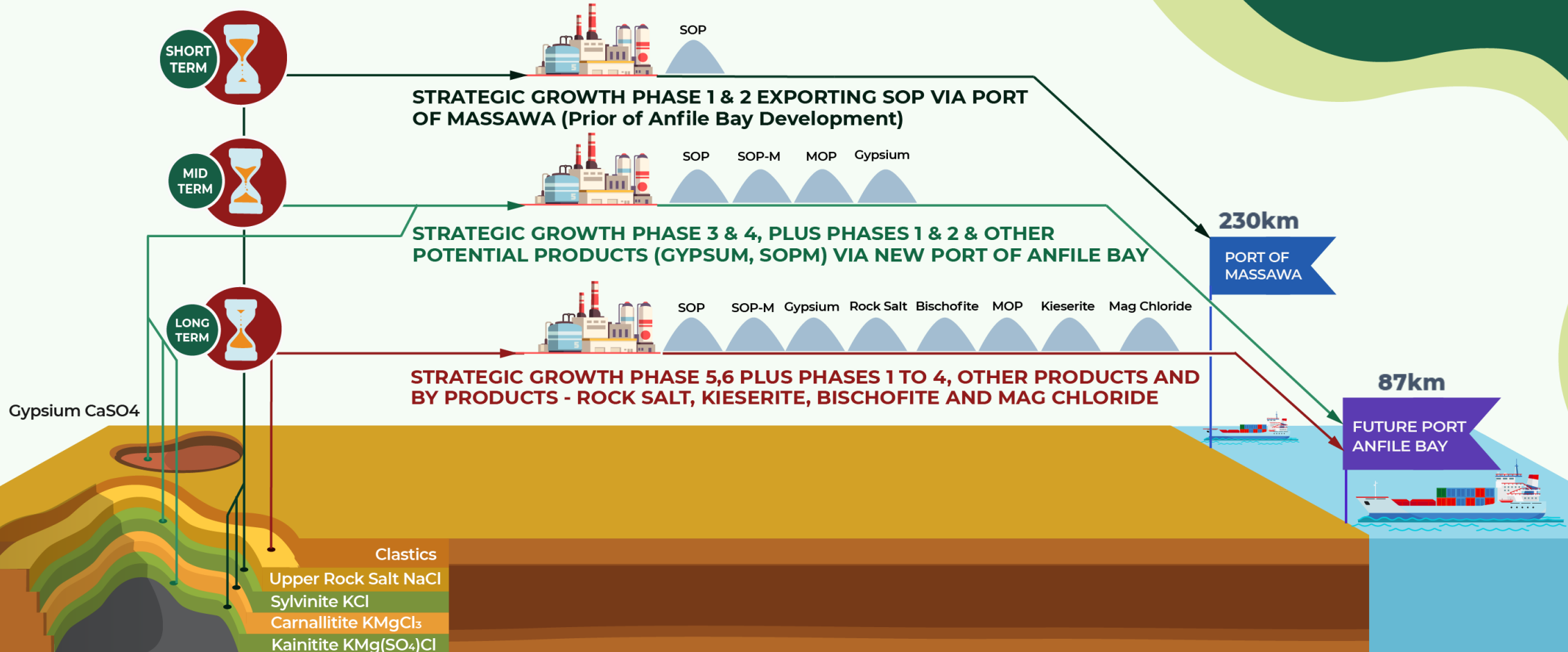
87 km

ETHIOPIA

RED SEA

THE POTENTIAL OF COLLULI

Strategic growth phases can create unrivalled degree of economic expandability and multi-commodity potential and significant additional economic value



1) SOP-M and MOP production is defined within FEED processing design where they are produced as feedstock for final conversion to SOP, 2) Stockpiling volumes of potential by-products have been derived from FEED mass balance modeling and mine scheduling and are based on the Rock Salt Mineral Resource (DNK announcement, 23-Sep-15) and the SOP Ore Reserve (DNK announcement, 19-Feb-18). The disclosure of stockpiled volumes should not be considered as a Production Target. 3) Gypsum core samples have been analysed

DANAKALI ESG FRAMEWORK

The United Nations Development Programme reported Colluli's potential contributions to Eritrea's Sustainable Development Goals



“Colluli has the potential to boost the national economy [of Eritrea] and potentially transform agriculture in the region”

Christian Parra and Dr P Anand
UNDP report authors,
Analysis of the potential contributions of Colluli to sustainable development goals in Eritrea, January 2019



ALIGNED WITH THE UN SDGs



COMPLIANCE WITH THE IFC PERFORMANCE STANDARDS

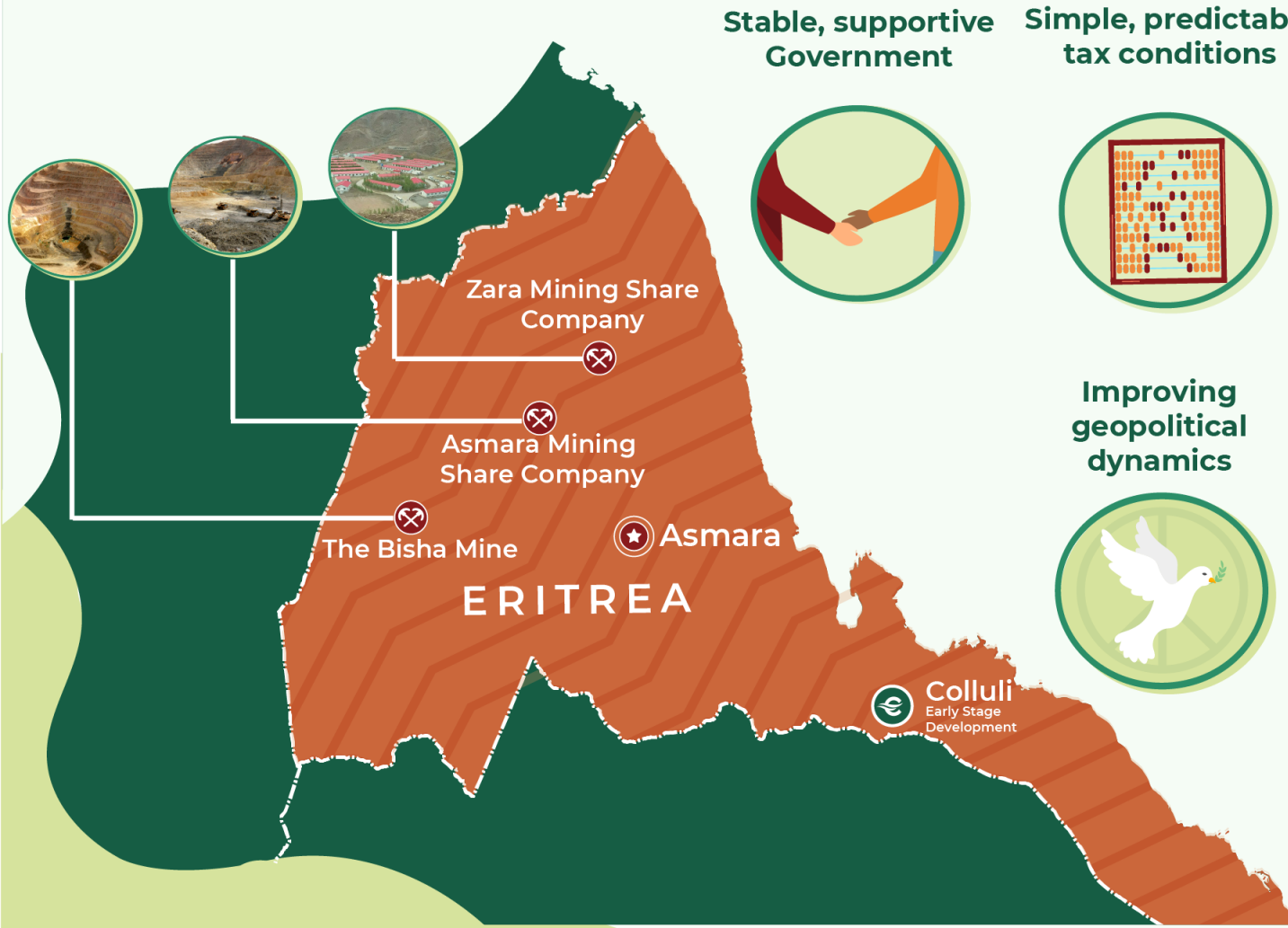


COMPLIANCE WITH THE EQUATOR PRINCIPLES

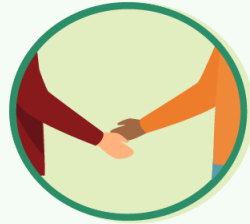


ERITREA AS A PROVEN MINING JURISDICTION

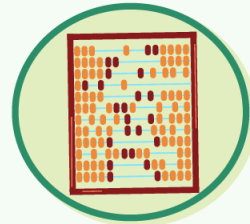
Danakali has been in Eritrea since 2009 and has found the country to be safe, stable and development focused



Stable, supportive Government



Simple, predictable tax conditions



Pragmatic and business-friendly mining policies



No evidence of corruption



Freedom of transactions ASX/TSX listed



Improving geopolitical dynamics



Significant community support



Safe and secure operational environment



Improving infrastructure



OUR PARTNERS



JV Partner



Equity and senior debt



Senior debt



Power solution



EPCM



Accommodation and support services



Off-take agreement



FEED Study



Mining Services



COVID 19 IMPACT



COUNTRY RESPONSE

Eritrea's approach successful

- 2,944 cases in total since outbreak¹
- 13 new infections reported on average each day¹
- 501 active cases¹
- 7 deaths¹



OPERATIONAL ASPECTS

Access to site is secured

- DNK has access to site
- Able to get people in the country (with the one-week quarantine period applied)
- Active mining companies, maintained operations



LOOKING FORWARD

No major impact on operational costs

- Power ready to go, renewables being integrated by Aggreko
- Reverse Osmosis plant near complete
- Final geotechnical investigations required



Eritrea's Successful COVID-19 Response

1) COVID-19 Data Repository by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University

HIGH QUALITY BOARD AND EXECUTIVE TEAM

Strong, energetic and accomplished Executive team supported by experienced, multi-disciplinary Board

EXECUTIVE TEAM



Seamus Cornelius
Executive Chairman

Corporate lawyer with over 20 years' experience in the resource sector experience including at BHP



Stuart Tarrant
Chief Financial Officer

Extensive mining industry exposure, with focus on debt finance and corporate governance. Previously a finance manager at BHP



Dr Rod McEachern
Chief Operating Officer

Significant most recent experience with Nutrien Ltd related to potash mining, production, process engineering, logistics, safety and environmental compliance



Tony Harrington
Project Director

Over 30 years' experience across a range of mining projects in Africa and globally

BOARD



John Fitzgerald

Non-Executive Director
Chartered Accountant with over 30 years' finance and corporate advisory experience in the resource sector



Bob Connochie

Non-Executive Director
Highly experienced potash and mining specialist with over 40 years' industry experience



Samalia D. Zubairu
Non-Executive Director

President and Chief Executive Officer Africa Finance Corporation (AFC). Extensive project finance experience



Zhang Jing

Non-Executive Director
Over 15 years of international trading and business development experience in China



Taiwo Adeniji

Non-Executive Director
Senior Director for Investment Operations & Execution, Africa Finance Corporation (AFC). Extensive in infrastructure investments and financial sector development



Neil Gregson

Non-Executive Director
Mining/finance industry professional with extensive investor market, finance, portfolio management and leadership experience. Senior roles within Credit Suisse and JPM Global Natural Resources Fund.



COLLULI
A Global Game Changer

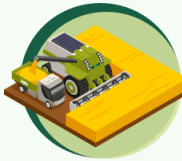
POPULATION GROWTH DRIVES THE SOP DEMAND

Population (Bn): 9.8Bn

SOP increases yields in high value crops and is integral to navigating the global food security challenge



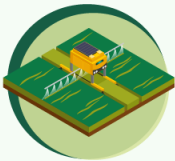
GLOBAL POPULATION GROWTH



REDUCTION IN ARABLE LAND PER CAPITA



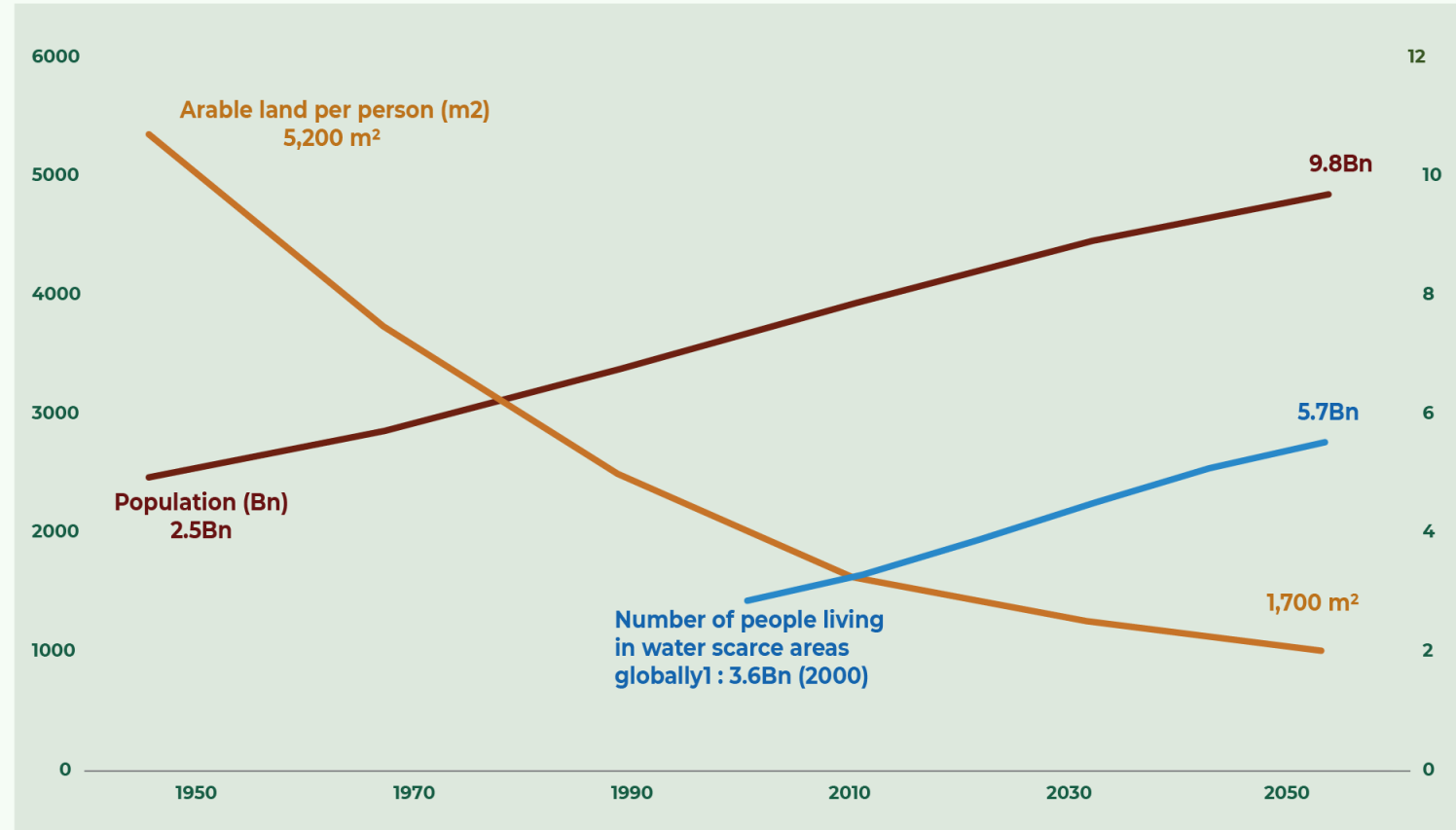
CHANGING DIETARY PREFERENCES



UNDER-APPLICATION IN DEVELOPING COUNTRIES



WATER AVAILABILITY



DNK CAN EXPAND QUICKLY FROM BASE: KEY PROJECT METRICS

Front End Engineering Design (FEED) economic estimates and outcomes^{1 2}

	Module I ³	Modules I & II ^{4,5}
100% of the Project (equity / pre-debt basis)		
Annualised SOP production	472ktpa	944ktpa
Module I development capital ⁶	US\$302M	
Incremental Module II development capital ^{5,6}		US\$202M
Capital intensity ⁶	US\$640/t	US\$534/t
Incremental Module II capital intensity ⁶		US\$427/t
Average mine gate cash costs ⁷	US\$165/t	US\$149/t
Average total cash costs ^{7,8}	US\$258/t	US\$242/t
Average annual undiscounted free cash flows ⁷	US\$88M	US\$173M
Post tax NPV (10% real)	US\$505M	US\$902M
Post tax IRR	28.1%	29.9%
Danakali's 50% share of the Project (post finance basis)		
Average annual undiscounted free cash flows ⁷	US\$43M	US\$85M
Post finance NPV (10% real) - POST TAX	US\$242M	US\$439M
Post finance IRR-POST TAX	29.7%	31.3%

1) DNK announcement 29 January 2018, 2) Economic estimates and outcomes reported in US\$ real, 3) Assumed that Module I is 60% debt / 40% equity funded, 4) Module II production expected to commence in year 6, 5) Assumed 100% funded from project cash flows and third-party debt, 6) Including contingency, excluding sustaining and working capital, 7) Average for first 60 years of production, 8) Includes mine gate cash costs, product logistics, and royalties

FORWARD LOOKING STATEMENTS DISCLAIMER

Competent Persons Statement (Sulphate of Potash and Kieserite Mineral Resource)

Colluli has a JORC-2012 compliant Measured, Indicated and Inferred Mineral Resource estimate of 1,289Mt @11% K2O Equiv. and 7% Kieserite. The Mineral Resource contains 303Mt @ 11% K2O Equiv. and 6% Kieserite of Measured Resource, 951Mt @ 11% K2O Equiv. and 7% Kieserite of Indicated Resource and 35Mt @ 10% K2O Equiv. and 9% Kieserite of Inferred Resource.

The information relating to the Colluli Mineral Resource estimate is extracted from the report entitled "Colluli Review Delivers Mineral Resource Estimate of 1.289Bt" disclosed on 25 February 2015 and the report entitled "In excess of 85 million tonnes of Kieserite defined within Colluli Project Resource adds to multi agri-commodity potential" disclosed on 15 August 2016, which are available to view at www.danakali.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

Competent Persons Statement (Sulphate of Potash Ore Reserve)

Colluli Proved and Probable Ore Reserve is reported according to the JORC Code and estimated at 1,100Mt @ 10.5% K2O Equiv. The Ore Reserve is classified as 285Mt @ 11.3% K2O Equiv. Proved and 815Mt @ 10.3% K2O Equiv. Probable. The Colluli SOP Mineral Resource includes those Mineral Resources modified to produce the Colluli SOP Ore Reserves.

The information relating to the January 2018 Colluli Ore Reserve is extracted from the report entitled "Colluli Ore Reserve update" disclosed on 19 February 2018 and is available to view at www.danakali.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

Competent Persons Statement (Rock Salt Mineral Resource)

Colluli has a JORC-2012 compliant Measured, Indicated and Inferred Mineral Resource estimate of 347Mt @ 96.9% NaCl. The Mineral Resource estimate contains 28Mt @ 97.2% NaCl of Measured Resource, 180Mt @ 96.6% NaCl of Indicated Resource and 139Mt @ 97.2% NaCl of Inferred Resource.

The information relating to the Colluli Rock Salt Mineral Resource estimate is extracted from the report entitled "+300M Tonne Rock Salt Mineral Resource Estimate Completed for Colluli" disclosed on 23 September 2015 and is available to view at www.danakali.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

AMC Consultants Pty Ltd (AMC) independence

In reporting the Mineral Resources and Ore Reserves referred to in this public release, AMC acted as an independent party, has no interest in the outcomes of Colluli and has no business relationship with Danakali other than undertaking those individual technical consulting assignments as engaged, and being paid according to standard per diem rates with reimbursement for out-of-pocket expenses. Therefore, AMC and the Competent Persons believe that there is no conflict of interest in undertaking the assignments which are the subject of the statements.

Quality control and quality assurance

Danakali exploration programs follow standard operating and quality assurance procedures to ensure that all sampling techniques and sample results meet international reporting standards. Drill holes are located using GPS coordinates using WGS84 Datum, all mineralisation intervals are downhole and are true width intervals. The samples are derived from HQ diamond drill core, which in the case of carnallite ores, are sealed in heat-sealed plastic tubing immediately as it is drilled to preserve the sample. Significant sample intervals are dry quarter cut using a diamond saw and then resealed and double bagged for transport to the laboratory. Halite blanks and duplicate samples are submitted with each hole. Chemical analyses were conducted by Kali-Umwelttechnik GmbH, Sondershausen, Germany, utilising flame emission spectrometry, atomic absorption spectroscopy and ion chromatography. Kali-Umwelttechnik (KUTEC) has extensive experience in analysis of salt rock and brine samples and is certified according to DIN EN ISO/IEC 17025 by the Deutsche Akkreditierungsstelle GmbH (DAR). The laboratory follows standard procedures for the analysis of potash salt rocks chemical analysis (K⁺, Na⁺, Mg²⁺, Ca²⁺, Cl⁻, SO₄²⁻, H₂O) and X-ray diffraction (XRD) analysis of the same samples as for chemical analysis to determine a qualitative mineral composition, which combined with the chemical analysis gives a quantitative mineral composition.

FORWARD LOOKING STATEMENTS DISCLAIMER

The information in this presentation is published to inform you about Danakali Limited (the “Company” or “DNK”) and its activities. DNK 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 presentation, 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 a guarantee 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 the Colluli Project will proceed as planned. Accordingly, readers should not place undue reliance on forward looking information. 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 presentation. Recipients should make their own enquiries in relation to any investment decisions.

Mineral Resources and Ore Reserves have been reported according to the JORC Code, 2012 Edition. Mineral Resource, Ore Reserve and financial assumptions made in this presentation are consistent with assumptions detailed in the Company’s ASX announcements dated 25 February 2015, 4 March 2015, 19 May 2015, 23 September 2015, 30 November 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.

This presentation does not comprise an admission document, listing particulars or a prospectus relating to the Company, does not constitute an offer or invitation to purchase or subscribe for any securities of the Company and should not be relied on in connection with a decision to purchase or subscribe for any such securities. This presentation does not constitute a recommendation regarding any decision to sell or purchase securities in the Company. No representation or warranty, express or implied, is given by or on behalf of the Company or its directors, officers or employees or any other person as to the accuracy or completeness of the information or opinions contained in this presentation, and no liability is accepted for any such information or opinions (including in the case of negligence, but excluding any liability for fraud).

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