



**DANAKALI**  
create. nurture. grow

**ASX Release:**

**22 April 2022**

## Notice of Annual General Meeting

Danakali Limited (ASX: DNK, **Danakali** or the **Company**) is pleased to confirm release of its Notice of Annual General Meeting (**Notice**) to shareholders.

The Annual General Meeting will be held at 10:00am (AWST) on Thursday 26 May 2022 at The Celtic Club, Presidents Room, 48 Ord Street, West Perth, Western Australia.

A copy of the Notice is attached to this announcement.

Announcement authorised for release by the Executive Chairman of Danakali.

For more information, please contact:

### **Danakali**

Seamus Cornelius  
Executive Chairman  
+61 8 6266 8368

Mark Riseley  
Head of Corporate Development  
+61 8 6266 8368

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)

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, 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 world's first Zero Carbon SOP Producer

Development underway towards production

### **Financial facts:**

Issued capital: 368.3m  
Share price: A\$0.29  
Market cap: A\$106.8m



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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 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



**DANAKALI**

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[www.danakali.com.au](http://www.danakali.com.au)

22 April 2022

Dear Shareholder,

**Danakali Ltd – Annual General Meeting**

Danakali Ltd (ASX: DNK, LSE: DNK, **Danakali** or the **Company**) advises its Annual General Meeting of Shareholders (**Meeting**) to be held on Thursday, 26 May 2022 at 10:00am (AWST) at The Celtic Club, Presidents Room, 48 Ord Street, West Perth, Western Australia, 6005.

The Company will not be sending hard copies of the notice of Meeting to members. Instead, a copy of the Meeting materials can be viewed and downloaded online as follows:

- You can access the Meeting materials online at the Company's website: [www.danakali.com.au](http://www.danakali.com.au)
- A complete copy of the Meeting materials has been posted to the Company's ASX Market announcements page at [www.asx.com.au](http://www.asx.com.au) under the Company's ASX code "DNK".
- If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting materials and the voting instruction form.

A copy of your Proxy Form is enclosed for convenience.

The Company intends to hold a physical meeting. We will notify any changes by way of announcement on ASX and the details will also be made available on our website. Shareholders are encouraged to vote by proxy instead of attending the meeting.

The Meeting materials are important and should be read in their entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

Yours faithfully

Catherine Grant-Edwards  
Company Secretary  
**Danakali Ltd**



DANAKALI

# Danakali Ltd

## ACN 097 904 302

# NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

**Date of Meeting**

26 May 2022

**Time of Meeting**

10:00am AWST

**Place of Meeting**

The Celtic Club, Presidents Room, 48 Ord Street, West Perth, Western Australia.

**A Proxy Form is enclosed**

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

# DANAKALI LTD ANNUAL GENERAL MEETING AND CORONAVIRUS (COVID-19)

**Danakali Ltd's Annual General Meeting (Meeting) is due to be held at 10:00am (AWST) on 26 May 2022 at The Celtic Club, Presidents Room, 48 Ord Street, West Perth, Western Australia.**

**As a result of the uncertainty and potential health risks created by the coronavirus (COVID-19) pandemic, the Company encourages its Shareholders to consider lodging a directed proxy in advance of the Meeting, rather than attending the Meeting in person.**

Danakali Ltd's Meeting is due to be held at 10:00am (AWST) on 26 May 2022 at The Celtic Club, Presidents Room, 48 Ord Street, West Perth, Western Australia.

As a result of the uncertainty and potential health risks created by COVID-19, the Company strongly encourages its Shareholders to consider lodging a directed proxy in advance of the Meeting, rather than attending the Meeting in person.

To lodge your directed proxy in advance of the Meeting, please follow the instructions set out in this Notice and in the enclosed Proxy Form and lodge it by 10:00am (AWST) on 24 May 2022.

If you wish to ask questions of the Board, Shareholders are encouraged to lodge questions in advance of the Meeting by visiting the Company's website at [www.danakali.com.au](http://www.danakali.com.au) to submit a question electronically or by emailing [admin@danakali.com](mailto:admin@danakali.com) by no later than 10:00am (AWST) on 24 May 2022.

Any Shareholders who wish to attend the physical Meeting should be mindful of State and Federal Government warnings and recommendations regarding COVID-19 and monitor the Company's website and ASX announcements for any updates regarding the Meeting. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available via the Company's ASX platform at [www.asx.com.au](http://www.asx.com.au) (ASX:DNK) and on the Company's website [www.danakali.com.au](http://www.danakali.com.au).

# Danakali Ltd

## ACN 097 904 302

### NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Danakali Ltd (ACN 097 904 302) will be held at The Celtic Club, Presidents Room, 48 Ord Street, West Perth, Western Australia on 26 May 2022 at 10:00am (AWST) for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

### BUSINESS OF MEETING

#### Financial Report, Directors' Report and Auditor's Report

To receive and consider the Financial Report of the Company for the year ended 31 December 2021, together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

#### Resolution 1 – Non-Binding Resolution to adopt Remuneration Report

To consider and, if thought fit, to pass, with or without amendment the following resolution as a **non-binding resolution**:

*"That the Remuneration Report for the year ended 31 December 2021 as set out in the Annual Report be adopted."*

**Note:** The vote on this Resolution is advisory only and does not bind the Directors or the Company.

#### Resolution 2 – Election of Paul Donaldson as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, for the purpose of ASX Listing Rule 14.4, Rule 59.2 of the Constitution and for all other purposes, Paul Donaldson, being a Director appointed casually on 11 October 2021, retires and, being eligible, is hereby elected as a Director."*

#### Resolution 3 - Issue of Options to Related Party - Seamus Cornelius

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

*"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 4,000,000 Options to Seamus Cornelius (or their nominee) on the terms and conditions set out in the Explanatory Memorandum."*

#### Resolution 4 – Approval of 7.1A Mandate (Special Resolution)

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Memorandum."*

## Voting Prohibition Statements

### Resolution 1 - Non-Binding Resolution to adopt Remuneration Report

**Voting Prohibition:** *In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member (**Restricted Voter**).*

*However, a Restricted Voter described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:*

- (a) *the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or*
- (b) *the voter is the Chair of the Meeting and the appointment of the Chair as proxy:*
  - (i) *does not specify the way the proxy is to vote on this Resolution; and*
  - (ii) *expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.*

## Voting Exclusion Statements

### Resolution 3 – Issue of Options to a Related Party – Seamus Cornelius

**Voting exclusion statement:** *The Company will disregard any votes cast in favour of this Resolution by or on behalf of Seamus Cornelius (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.*

*However, this does not apply to a vote cast in favour of this Resolution by:*

- (a) *a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or*
- (b) *the chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the chair to vote on this Resolution as the chair decides; or*
- (c) *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
- (d) *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and*
- (e) *the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

**Voting prohibition statement:** *The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if:*

- (a) *the proxy is either:*
  - (i) *a member of the Key Management Personnel; or*
  - (ii) *a Closely Related Party of such a member; and*
- (b) *the appointment does not specify the way the proxy is to vote on this Resolution.*

*However, the above prohibition does not apply if:*

- (a) *the proxy is the Chair; and*
- (b) *the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.*

### Resolution 4 - Approval of 7.1A Mandate (Special Resolution)

**Voting exclusion statement:** *The Company will disregard any votes cast in favour of the Resolution by or on behalf of*

- (a) *a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or*
- (b) *an associate of that person or those persons.*

*However, this does not apply to a vote cast in favour of this Resolution by:*

- (a) *a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or*
- (b) *the chair of the Meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the chair to vote on this Resolution as the chair decides; or*
- (c) *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
  - (i) *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and*
  - (ii) *the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

## **OTHER BUSINESS**

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**To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.**

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Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

**By order of the Board**



**Catherine Grant-Edwards**

Company Secretary

Dated: 21 April 2022



## How to vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice and by submitting their proxy appointment and voting instructions in person, by post, electronically via the internet or by facsimile.

## Voting in person (or by attorney)

Shareholders, or their attorneys, 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 share register and their attendance recorded. To be effective a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

## Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

## Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolution 1 in accordance with a direction on how the proxy is to vote or, if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. These rules are explained in this Notice.
- To be effective, proxies must be received by 10:00am (AWST time) on 24 May 2022. Proxies received after this time will be invalid.
- Proxies may be lodged using any of the following methods:
  - Online At [www.investorvote.com.au](http://www.investorvote.com.au)
  - By mail Share Registry – Computershare Investor Services Pty Limited, GPO Box 242 Melbourne Victoria 3001, Australia
  - By fax 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)
  - By mobile Scan the QR Code on your proxy form and follow the prompts
  - Custodian voting For Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions

The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 10:00am (AWST time) on 24 May 2022. If facsimile transmission is used, the Power of Attorney must be certified. The time is 48 hours prior to the meeting (10:00am (AWST time) on 26 May 2022).

**Shareholders who are entitled to vote**

In accordance with paragraphs 7.11.37 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 5:00pm (AWST time) on 24 May 2022.

# **Danakali Ltd**

## **ACN 097 904 302**

### **EXPLANATORY MEMORANDUM**

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

#### **FINANCIAL REPORTS**

The first item of the Notice deals with the presentation of the consolidated Financial Report of the Company for the financial year ended 31 December 2021, together with the Directors' declaration and report in relation to that financial year and the Auditor's Report on the Financial Report. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

The Company will not provide a hard copy of the Company's consolidated Financial Report to Shareholders unless specifically requested to do so. The Company's consolidated Financial Report is available on its website at [www.danakali.com.au](http://www.danakali.com.au).

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the management of the Company.

The Chair will also give Shareholders a reasonable opportunity to ask the Auditor or the Auditor's representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the independent audit report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

The Chair will also allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

#### **1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

Section 250R(2) of the Corporations Act requires the Company to put to its Shareholders a resolution that the Remuneration Report as disclosed in the Company's Annual Report be adopted. The Remuneration Report is set out in the Company's Annual Report and is also available on the Company's website at [www.danakali.com.au](http://www.danakali.com.au).

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

The Chair will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Note that a voting prohibition applies to Resolution 1 on the terms set out in the Notice.

## **2. RESOLUTION 2 – ELECTION OF DIRECTOR – PAUL DONALDSON**

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Paul Donaldson, having been appointed by other Directors on 11 October 2021 in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

### **2.1. Qualifications and other material directorships**

Mr Donaldson holds a Master's Degree - Mining Engineering, Master's Degree - Business and Technology, BEng Chemical (Honours, University Medal), Assoc Dip. Applied Science (Metallurgy). He has over 30 years' experience in senior management at BHP, Danakali and Pacific National. Mr Donaldson held a series of senior management roles spanning over 20 years with BHP Billiton where he managed large scale open-cut mining operations, headed the BHP Carbon Steel Materials Technical Marketing Team, managed the Port Hedland iron ore facility, as well as key roles in product and infrastructure planning across large scale supply chains. He also has extensive experience in high level business improvement and logistics from base metal operations and a high degree of integrated supply chain management, technical operational management and frontline leadership experience in the steel industry.

Mr Donaldson has a very deep knowledge of Colluli, having previously held positions in Danakali over almost an 8-year period from 2012 to 2020. He held roles of Chief Operating Officer, Chief Executive Officer, Managing Director and Non-Executive Director. Mr Donaldson's reappointment was considered timely given the stage of development Colluli is at, and he not only brings a wealth of knowledge of the Colluli project he

brings a long history of significant mining experience in the areas of technical, operational, logistics and mine development.

Upon his appointment, Mr Donaldson has assumed the roles of Chairman of the Audit and Risk Committee and member of the Remuneration and Nomination Committee.

## **2.2. Independence**

Paul Donaldson has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers Paul Donaldson will be an independent Director.

## **2.3. Other material information**

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history.

## **2.4. Board recommendation**

The Board has reviewed Mr Donaldson's performance since his appointment to the Board and considers that Mr Donaldson's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Paul Donaldson and recommends that Shareholders vote in favour of Resolution 2.

# **3. RESOLUTION 3 – ISSUE OF OPTIONS TO RELATED PARTY – SEAMUS CORNELIUS**

## **3.1. General**

The Company has agreed, subject to obtaining Shareholder approval, to issue 4,000,000 Options to Seamus Cornelius (or their nominee) on the terms and conditions set out below.

Resolution 3 seeks Shareholder approval for the issue of the Options to Seamus Cornelius (or their nominee).

## **3.2. Chapter 2E of the Corporations Act**

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (a) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Options to Seamus Cornelius (or their nominee) constitutes giving a financial benefit and Seamus Cornelius is a related party of the Company by virtue of being a Director.

The Directors (other than Seamus Cornelius who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Options because the agreement to issue the Options, reached as part of the remuneration package

for Seamus Cornelius, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

### **3.3. Listing Rule 10.11**

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders

The issue of Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolution 3 seeks the required Shareholder approval for the issue of the Options under and for the purposes of Listing Rule 10.11.

### **3.4. Technical information required by Listing Rule 14.1A**

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Options to Seamus Cornelius within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Options and Seamus Cornelius will not be remunerated in any other way in lieu of the Options.

### **3.5. Technical information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 3:

- (a) the Options will be issued to Seamus Cornelius (or their nominee), who falls within the category set out in Listing Rule 10.11.1 as Seamus Cornelius is a related party of the Company by virtue of being a Director[
- (b) the maximum number of Options to be issued is 4,000,000;
- (c) the terms and conditions of the Options are set out in Schedule 1;

- (d) the Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (e) the issue price of the Options will be nil. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Options);
- (f) the purpose of the issue of the Options is to provide a performance linked incentive component in the remuneration package for Seamus Cornelius to motivate and reward their performance as a Director and to provide cost effective remuneration to Seamus Cornelius, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Seamus Cornelius;
- (g) the current total remuneration package for Seamus Cornelius is \$247,500 per annum, comprising of directors' salary of \$225,000 and a superannuation payment of \$22,500. If the Options are issued, the total remuneration package of Seamus Cornelius will increase by \$293,818 to \$541,318, being the value of the Options (based on the Black Scholes methodology); and
- (h) the Options are not being issued under an agreement.

#### **4. RESOLUTION 4 – APPROVAL OF 7.1A MANDATE**

##### **4.1. General**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

Resolution 4 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 4 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 4 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

##### **4.2. Technical information required by Listing Rule 7.1A**

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 4:

###### **(a) Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expiring on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (i) the time and date of the Company's next annual general meeting; and

- (ii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) **Minimum Price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 4.2(b)(i), the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for the development and construction of the Colluli Sulphate of Potash Project in the Danakil Depression of Eritrea, East Africa, and for general working capital purposes.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 11 April 2022.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.



Variable 'A'	Number of Shares issued and funds raised under the Additional 10% Placement Capacity and dilution effect	Dilution		
		\$0.142 Issue Price at half the current market price	\$0.285 Issue Price at current market price	\$0.570 Issue Price at double the current market price
<b>Current Variable 'A'</b> 368,334,346 Shares	<b>Shares issued</b>	36,833,435	36,833,435	36,833,435
	<b>Funds raised</b>	\$5,248,764	\$10,497,529	\$20,995,058
	<b>Dilution</b>	10%	10%	10%
<b>50% increase in current Variable 'A'</b> 552,501,519 Shares	<b>Shares issued</b>	55,250,152	55,250,152	55,250,152
	<b>Funds raised</b>	\$7,873,147	\$15,746,293	\$31,492,587
	<b>Dilution</b>	10%	10%	10%
<b>100% increase in current variable 'A'</b> 736,668,692 Shares	<b>Shares issued</b>	73,666,869	73,666,869	73,666,869
	<b>Funds raised</b>	\$10,497,529	\$20,995,058	\$41,990,115
	<b>Dilution</b>	10%	10%	10%

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

1. There are currently 368,334,346 Shares on issue (being Shares on issue on 11 April 2022).
2. The issue price set out above is the closing market price of the Shares on the ASX on 11 April 2022.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options or Performance Rights are exercised or converted into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

**(e) Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
  - (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
  - (iii) the effect of the issue of the Equity Securities on the control of the Company;
  - (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
  - (v) prevailing market conditions; and
  - (vi) advice from corporate, financial and broking advisers (if applicable).
- (f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 30 July 2021 (**Previous Approval**).

The Company has not issued Equity Securities during pursuant to Listing Rule 7.1A under the Previous Approval.

## GLOSSARY

**\$** means Australian dollars.

**Accounting Standards** has the meaning given to that term in the Corporations Act.

**Annual General Meeting** or **Meeting** means the meeting convened by this Notice.

**Annual Report** means the annual report of the Company for the year ended 31 December 2021.

**Associate** has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the “designated body” for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**Auditor** means the Company’s auditor from time to time (if any).

**Auditor’s Report** means the report of the Auditor contained in the Annual Report for the year ended 31 December 2021.

**AWST** means western standard time as recognised in Perth, Western Australia.

**Board** means the Directors.

**Chair or Chairman** means the individual elected to chair any meeting of the Company from time to time.

**Child Entity** has the meaning given to that term in the Listing Rules.

**Closely Related Party** has the meaning given in section 9 of the Corporations Act and includes, in relation to Key Management Personnel of the Company, a spouse, dependent and certain other close family members, as well as companies controlled by key management personnel of the Company.

**Company** or **DNK** means Danakali Limited ACN 097 904 302.

**Constitution** means the Company’s constitution up to and as at the date of the Meeting.

**Corporations Act** means *Corporations Act 2001* (Cth).

**Directors** mean the directors of the Company.

**Director’s Report** means the report of the Directors contained in the Annual Report for the year ended 31 December 2021.

**Equity Securities** has the same meaning given in the Listing Rules.

**Explanatory Memorandum** means the explanatory memorandum accompanying this Notice.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

**Key Management Personnel** has the meaning given to that term in the Accounting Standards.

**Listing Rules** means the ASX Listing Rules.

**Meeting** means the Annual General Meeting convened by the Notice.

**Notice** means this Notice of Annual General Meeting, as does **Notice of Annual General Meeting**.

**Option** means an option to acquire a Share in the Company.

**Performance Rights** means the performance rights in the Company.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the remuneration report set out in the Annual Report for the year ended 31 December 2021.

**Resolution** means a resolution contained in the Notice.

**Restricted Securities** has the same meaning as in the Listing Rules.

**Restricted Voter** means Key Management Personnel and their Closely Related Parties as at the date of the Meeting.

**Section** means a section of the Explanatory Memorandum.

**Shareholder** means a member of the Company from time to time.

**Shares** means fully paid ordinary shares in the capital of the Company.

**Spill Meeting** has the meaning set out in Section 1.

**Spill Resolution** has the meaning set out Section 1.

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules.

## SCHEDULE 1

### TERMS AND CONDITIONS OF OPTIONS

#### Resolution 3 – Options to be issued to Related Party – Seamus Cornelius

- (a) Each Option shall be issued for no consideration.
- (b) Each Option entitles the holder to subscribe for one Share in the Company upon payment of the exercise price, as calculated at the higher of:
  - 143% of the closing Share price on the date that Shareholder approval is obtained for the issue of the options; or
  - \$0.429,(the **Exercise Price**).
- (c) The Options will lapse at 5.00 pm, Western Standard Time on 31 December 2024 (**Expiry Date**). The Options may otherwise lapse and be cancelled prior to the Expiry Date in accordance with clause (f).
- (d) Each Option is non-transferrable.
- (e) The Options shall vest and become exercisable immediately from date of issue.
- (f) Subject to clause (g), in the event that Seamus Cornelius resigns or is terminated from the position of Director for any reason, all unexercised Options will lapse immediately, unless otherwise determined by the Board.
- (g) In the event that, prior to the Expiry Date:
  - (vii) a bona fide Takeover Bid (as defined in the Corporations Act) to acquire Shares is declared unconditional, and the bidder has acquired a Relevant Interest (as defined in the Corporations Act) in at least 50.1% of the Company's issued Shares;
  - (viii) a court approves, under section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
  - (ix) in any other case, a person obtains Voting Power (as defined in the Corporations Act) in the Company that the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board,and Seamus Cornelius resigns or is terminated from the position of Director as a result of any one of the above, the Options will not lapse or be cancelled.
- (h) There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
- (i) If the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (j) If the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
- (k) The Options shall be exercisable in whole or in part at any time and from time to time until the Expiry Date (**Exercise Period**) by the delivery to the Company Secretary of one or more notices in writing (each a **Notice**) stating the intention of the Option holder to exercise all or a specified number of Options held by

them accompanied by an Options certificate and payment to the Company of an amount in cleared funds equal to the Exercise Price multiplied by the number of Options.

The Notice and cleared funds must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Options holder to the balance of the Options held by it.

- (l) The Company shall as soon as practicable, and no later than 5 business days of exercise of the Options, allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number.
- (m) The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.



**DANAKALI**  
**Danakali Limited**  
ABN 56 097 904 302

DNK

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Need assistance?



**Phone:**  
1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (AWST) on Tuesday, 24 May 2022.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

## PARTICIPATING IN THE MEETING

### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**  
**SRN/HIN: I999999999**  
**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



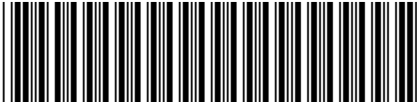
**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

☐

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

# Proxy Form

Please mark ☒ to indicate your directions

Step 1

Appoint a Proxy to Vote on Your Behalf

XX

I/we being a member/s of Danakali Limited hereby appoint

☐ the Chairman of the Meeting

OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to 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, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Danakali Limited to be held at The Celtic Club, Presidents Room, 48 Ord Street, West Perth, WA 6005 on Thursday, 26 May 2022 at 10:00am (AWST) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 3 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1 and 3 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 3 by marking the appropriate box in step 2.

Step 2

Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Non-Binding Resolution to adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Paul Donaldson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of Options to Related Party - Seamus Cornelius	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of 7.1A Mandate (Special Resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3

Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/

/

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically