



ASX Release

4 September 2023

Market Update

Danakali Limited (ASX: DNK, Danakali, or the Company) is pleased to provide shareholders with an update on the Company's activities.

Final Settlement of Colluli Sale

Final settlement on the sale of the Colluli Potash project remains on track, with the balance of approximately US\$16 million (Tranche 2) due to be received from SRBG on 30 September 2023.

Danakali has completed the handover of Colluli to SRBG, though Company personnel continue to provide consulting support to the new technical team as they progress the project. A long-term consultancy arrangement is being considered by CMSC for ongoing advice.

Distribution of Funds

The ATO has reviewed our Class Ruling request and our tax advisor has responded to the ATO's queries. Our approach to preparing the Class Ruling has expedited the process and at current, all ATO queries have been responded to.

Once we have received confirmation from the ATO that there are no further queries in relation to the Class Ruling, the Company will call an Extraordinary General Meeting (**EGM**) to approve the distribution. The timing of the EGM is subject to the ATO class ruling process and the ASX review of the Notice of Meeting.

Corporate Development

Danakali is continuing long-standing activities as an exploration and development company, with a focus on potash and critical minerals.

The Company is currently undertaking technical due diligence and engaging in commercial negotiations on a number of highly prospective exploration opportunities. The company is in advanced negotiations and will update the market when appropriate.

ASX Suspension

The Company's securities remain suspended from quotation on the Australian Securities Exchange (**ASX**), as the ASX has determined that Danakali's current operations, post-sale of Colluli, are not adequate to warrant the continued quotation of its securities. The suspension will continue until Danakali demonstrates compliance with Listing Rule 12.1 of the listing rules, which relates to continuing business activities.



Shareholder Elections – Updating Email Address and Bank Instructions

Danakali strongly encourages all shareholders to update their Email address, tax file number (if applicable) and banking details online through Computershare's Investor Centre website at www.computershare.com.au/easyupdate/DNK. Alternatively, shareholders may contact Computershare on 1300 850 505 (within Australia) or + 61 3 9415 4000 (outside Australia).

This announcement has been authorised for release by the Executive Chairman of Danakali Limited.

Danakali

Seamus Cornelius
Executive Chairman

Greg MacPherson
Chief Financial Officer

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Forward looking statements and disclaimer

The information in this document is published to inform you about 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 document, other than statements of historical facts, that 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 events may differ materially from those in forward-looking statements.

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