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ASX Release

29 September 2023

Receipt of US\$16m Final Payment from Sale of Colluli

Danakali Limited (ASX: DNK) (**DNK, Danakali, or the Company**) is pleased to announce receipt of the US\$16 million second tranche payment from the sale of its interest in the Colluli Potash Project in Eritrea to Sichuan Road and Bridge Group Co Ltd (**SRBG**).

The Tranche 2 payment brings total proceeds from the Colluli sale to US\$121 million. Net proceeds from the transaction in Australian dollars before any FX adjustment amounted to A\$173 million.

Danakali has completed the handover of Colluli to SRBG under a short-term consultancy agreement. Any further consulting work on the project by Danakali personnel in further optimising the project will be on standard commercial terms.

Danakali Executive Chairman Seamus Cornelius thanked ENAMCO, the Eritrean Ministry of Mines and Energy and SRBG for completing the handover on time and in good order, and wishes them well with the continued development of the Colluli Project.

A meeting of Danakali shareholders will be called shortly to approve the distribution of returns to shareholders of approximately 90% of the net returns from the Colluli sale.

Shareholder Elections – Updating Email Address and Bank Instructions

In preparation for distribution of proceeds from the Colluli sale, 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

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