



## **Annual General Meeting Chairman's Address**

Good morning and welcome to the Annual General Meeting of Danakali Limited (ASX: DNK, **Danakali**, or the **Company**).

It's a time to look back on 2023 as a year of significant developments for Danakali and to look forward to the time ahead with potential new projects and a re-quotations of the Company's shares on the Australian Securities Exchange (**ASX**).

Much has happened since last year's AGM, notably completion of the sale of our share of the Colluli Potash Project in Eritrea and the return to shareholders of 42 cents per share in the form of capital returns and dividends.

This translates into total payments to shareholders of \$154.7 million, recognition that this capital sits more appropriately in the pockets of investors.

The year since the last AGM has also been marked by the continued suspension of Danakali shares from trading on the ASX.

This has been a matter of great frustration to the Board and Danakali shareholders alike. Liquidity is essential for investors in listed companies and, as Directors, we are hugely disappointed the pathway to re-quotations has been so long.

We are continuing to work with the ASX regarding the Company's requirements for re-quotations as a result of the potential change in the nature of its activities, including shareholder approval under ASX Listing Rule 11.1.2 and re-compliance with Chapters 1 and 2 of the ASX Listing Rules.

Danakali is considering new initiatives for the Company and, as a matter of confidentiality and good governance, it's not possible to go into detail on these activities until they are finalised.

However, it is important to point out that any new major undertaking by Danakali will require shareholder approval, at which point further details will be released.

Your Board is acutely aware of the damaging impact of the liquidity issue, which was the prime driver of our announcement last month of a further distribution of funds to shareholders.

The proposed distribution, to be voted on by shareholders at today's meeting, is a mix of special dividend of approximately 0.924 cps and capital return of approximately 1.076 cps.



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If approved, the distribution will leave Danakali with cash reserves of approximately \$32.4 million, which gives your Company an outstanding capital base from which to pursue its corporate strategy, while maintaining sufficient reserves to satisfy any potential obligations that may arise under warranties in respect of the sale of the Colluli Potash Project.

In essence, Danakali is looking to acquire development projects in critical minerals and precious metals in Australia and Africa with a view to repeating the value add delivered on Colluli.

Danakali is pursuing its vision with an energised team and a Board boosted by the recent appointment of Jon Coates as a Non-Executive Director.

Jon is a respected global resources executive who brings outstanding experience and skills to Danakali. He spent the majority of his career to date with Shell/Billiton, where his last position was Chief Geoscientist in the metals exploration team of BHP Billiton.

Jon and the rest of your Board look forward to the prolonged ASX suspension ending, subject to satisfying ASX requirements for re-quotations, so Danakali can focus entirely on its mission to responsibly develop outstanding mining projects for the benefit of our valued investors.

That is our mission and also our track record – setting a plan, executing it, doing what we have said we will do. That's how it was with Colluli and that's what we intend it will be in the future.

I'll now move to the formal business of the meeting.

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Announcement authorised for release by the Executive Chair of Danakali.

**Danakali**

Seamus Cornelius  
Executive Chair

Greg MacPherson  
Chief Financial Officer

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