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ASX Release **30 June 2016**

Project Presentation

Danakali Limited (ASX:DNK) ("Danakali" or the "Company") is pleased to provide a copy of an presentation pack, which is being rolled out by Danakali Managing Director, Paul Donaldson commencing today. The presentation provides an overview of the world class Colluli Potash project and its key competitive strengths.

Last week the company hosted a visit to the Colluli potash project site in Eritrea, East Africa with Baillieu Holst analyst, Warren Edney, and a team of representatives from various ministries within the Eritrean government as part of the mining license approvals process.

The Colluli project definitive feasibility study (DFS) was completed in November 2015, and is currently awaiting mining license approvals. Funding discussions are underway and the company has signed memorandums of understanding for 800,000 tonnes of sulphate of potash per annum. The DFS indicates industry leading capital intensity, bottom quartile operating costs and an ore reserve of 1.1 billion tonnes.

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About Danakali Limited

Danakali is an ASX listed company and 50% owner of the Colluli Potash Project in Eritrea, East Africa. The company is currently developing the Colluli Project in partnership with ENAMCO. Colluli is 100% owned by CMSC, which is a 50:50 joint venture between Danakali and ENAMCO.

The project is located in the Danakil Depression region of Eritrea, and is c. 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.

In November 2015, Danakali released a positive DFS for Colluli which demonstrates industry leading capital intensity and the lowest development costs relative to all SOP projects at DFS level in the world. Bottom quartile operating costs are predicted and mine life is estimated at over 200 years at the DFS production rate, providing the project with substantial growth potential.

SOP is a chloride free, specialty fertiliser which carries a substantial price premium relative to the more common potash type; potassium chloride. 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 potassium bearing resource of the Danakil Depression has the unique capability to produce three of the four potash types in the global potash market which comprises potassium chloride (muriate of potash or MOP), potassium sulphate (sulphate of potash or SOP), potassium magnesium sulphate (sulphate of potash magnesia or SOP-M) and potassium nitrate (nitrate of potash or NOP). While CMSC is concentrating on achieving SOP production in the near-term, the focus is on developing a multi agri-commodity and salt business in the medium term.

The resource is favourably positioned to supply the world's fastest growing markets.

Our vision is to bring the Colluli project into production using the principles of risk management, resource utilisation and modularity, using the starting module as a growth platform to develop the resource to its full potential.

Mineral Resource Statements

The 2015 Colluli Potash Mineral Resource is reported according to the JORC Code and estimated at 1,289Mt @11% K_2O Equiv. The Mineral Resource is classed as 303Mt @ 11% K_2O Equiv Measured, 951Mt @ 11% K_2O Equiv Indicated and 35Mt @ 10% K_2O Equiv Inferred. The Competent Person for this estimate is Mr. Stephen Halabura, M. Sc., P. Geo., Fellow of Engineers Canada (Hon), Fellow of Geoscientists Canada, and a geologist with over 25 years' experience in the potash mining industry. Mr. Halabura is a member of the Association of Professional Engineers and Geoscientists of Saskatchewan, a Recognised Professional Organisation (RPO) under the JORC Code and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code.

The 2015 Colluli Rock Salt Mineral Resource is reported according to the JORC Code and estimated at 347Mt @96.9% NaCl. The Mineral Resource is classed as 28Mt @ 97.2% NaCl Measured, 180Mt @ 96.6% NaCl Indicated and 139Mt @ 97.2% NaCl Inferred. The Competent Person for this estimate is Mr. John Tyrrell, a geologist with more than 25 years' experience in the field of Mineral Resource estimation. Mr Tyrrell is a member of the AusIMM, is a full time employee of AMC Consultants Pty Ltd and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code.

Mr. Tyrell & Mr. Halabura consent to the inclusion of information relating to the Mineral Resource Statements in the form and context in which they appear.

Ore Reserve Statement

The November 2015 Colluli Ore Reserve is reported according to the JORC Code and estimated at 1,113Mt @10% K_2O Equiv. The Ore Reserve is classed as 286Mt @ 11% K_2O Equiv Proved and 827Mt @ 10% K_2O Equiv Probable. The Competent Person for the estimate is Mr Mark Chesher, a mining engineer with more than 30 years' experience in the mining industry. Mr. Chesher is a Fellow of the AusIMM, a Chartered Professional, a full-time employee of AMC Consultants Pty Ltd, and has sufficient open pit mining activity experience relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the JORC Code. Mr Chesher consents to the inclusion of information relating to the Ore Reserve in the form and context in which it appears.

In reporting the Mineral Resources and Ore Reserves referred to in this public release, AMC Consultants Pty Ltd acted as an independent party, has no interest in the outcome of the Colluli Project and has no business relationship with Danakali Ltd 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 Consultants Pty Ltd and the Competent Persons believe that there is no conflict of interest in undertaking the assignments which are the subject of the statements.

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create. nurture. grow.

The premier potash and multi agri-commodity opportunity

Melbourne and Sydney Luncheon Presentation

Paul Donaldson, Managing Director

Forward looking statements and disclaimer

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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 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 the Colluli Project 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 presentation. Recipients should make their own enquiries in relation to any investment decisions.

Mineral Resource, Ore Reserve and financial assumptions made in this presentation are consistent with assumptions detailed in the Company's ASX announcements dated 4 March 2015, 23 September 2015, 30 November 2015 and 29 January 2016 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.

Overview

- Corporate snapshot
- SOP – the premium potash type
- Colluli – a positively unique resource
- Simple, proven process
- Superior resource size and feed grade
- Superior economics
- De-risked development approach
- Significant social, environmental and economic benefits
- Significant upside

Corporate snapshot

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COLLULI IS A PREMIER POTASH DEPOSIT LOCATED IN THE WORLD CLASS DANAKIL BASIN

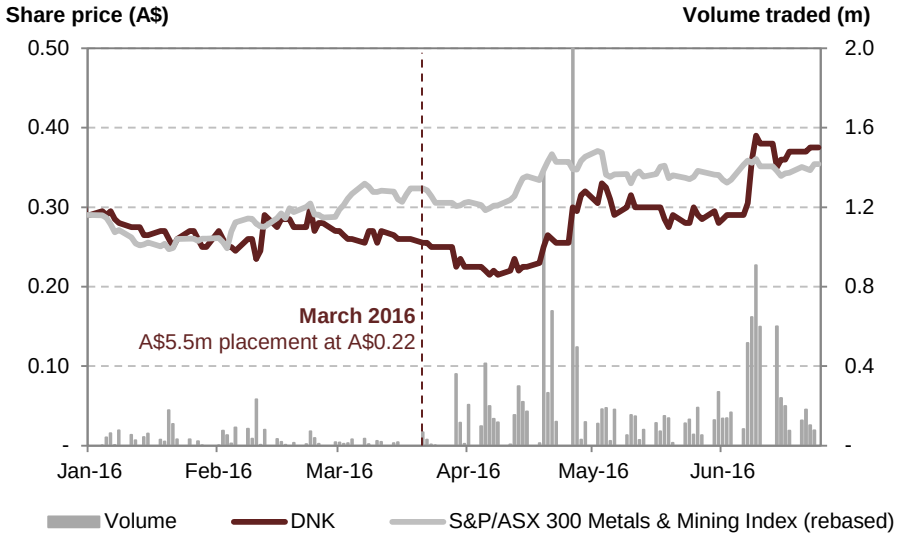
Financial information

(As of 24 June 2016)

Share price	A$0.380
Number of shares	200.6m
Market capitalisation	**A$76.3m**
Cash (31-Mar-16)	A$6.1m
Debt (31-Mar-16)	Nil
Enterprise value	**A$70.2m**

Source: Broker reports

Share price performance (YTD)



Top shareholders

Well Efficient *Hong Kong private investor*	15.1%
Kam Lung Investment Dev. *Chinese investor*	5.0%
Danakali Board members	12.2%

Source: IRESS

Fertiliser growth underpinned by population growth

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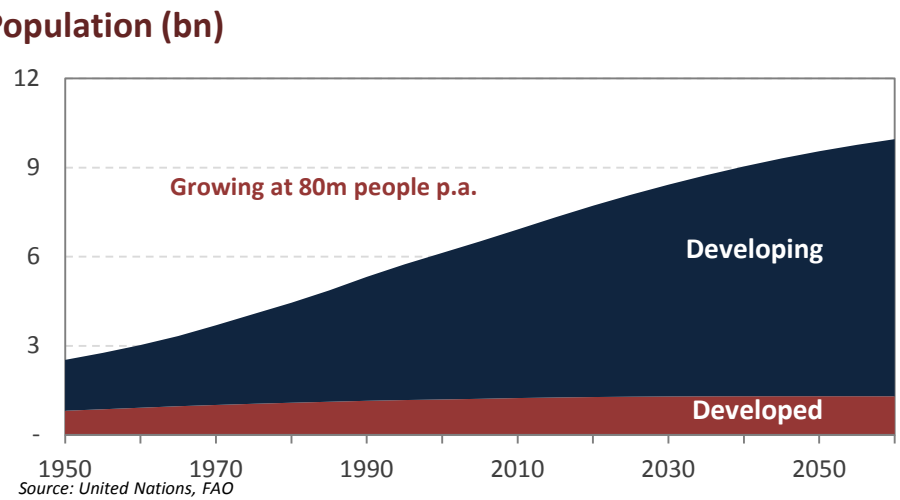

Source: United Nations, FAO

- Potash: potassium bearing minerals and manufactured chemicals used primarily as fertiliser
  - **Essential to the world's food supply** with **no known substitute**
- **Global population growth** and **reduction in arable land** driving demand for higher yielding crops [1]
  - 98% of population growth will be driven by less developed regions; **62% of the population increase and a large portion of potash demand from Africa alone[1]**
  - Developing country population growth will be a key driver of future potash demand[1]

1 *United Nations world population prospects, 2015*

Potash comes in a variety of forms

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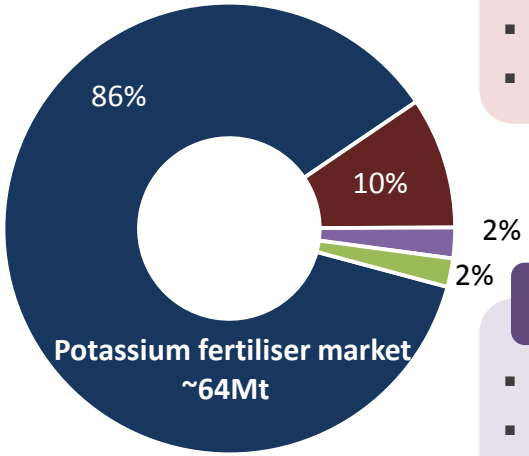
SOP AND SOP-M ARE PREMIUM PRODUCTS THAT REALISE HIGHER PRICES AND HAVE LIMITED ECONOMICALLY EXPLOITABLE RESOURCES

Muriate of potash ("MOP")

- Potassium chloride
- Most common form of potash
- Can be harmful to sensitive crops
- Market is well supplied by global potash majors

Sulphate of potash ("SOP")

- Suitable for chloride intolerant crops
- Global supply shortage of primary resources
- Sulphur is a key nutrient
- Fewer natural sources



Sulphate of potash magnesia ("SOP-M")

- Specialty fertiliser
- Used as a source of potassium, sulphur and magnesium
- Used for high value crops

Potassium nitrate ("NOP")

- Provides both potassium and nitrogen
- Used for chloride sensitive crops that require additional nitrogen

Source: UN FAO, BMO Capital Markets

Suphate of Potash (SOP) is the PREMIUM POTASH TYPE

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SOP IS A PREMIUM AGRICULTURAL COMMODITY

Chloride Free Potassium

- Potassium is an essential, consumed, non-substitutable macro-nutrient
- SOP critical for chloride intolerant crops such as fruits and vegetables
- Multi-nutrient – also provides sulphur which is considered to be the fourth macro-nutrient

Limited supply

- Limited economically exploitable primary resources
- Over 50% of world's supply from high cost secondary production
  - Secondary production facilities need to contend with acid sourcing and disposal issues

High Value Crops

- Application of SOP most suited to high value crops such as fruits, vegetables and nuts
- SOP suited to arid operating environments focussed on high water efficiency

Premium Price

- Sustained price premium of over 50% relative to MOP[1]
- Secondary production provides high margins for primary producers

Source: Greenmarkets

1 MOP prices based on FOB Vancouver prices, SOP prices based on FOB Utah prices

SOP achieves a significant price premium over the more common potash type, potassium chloride

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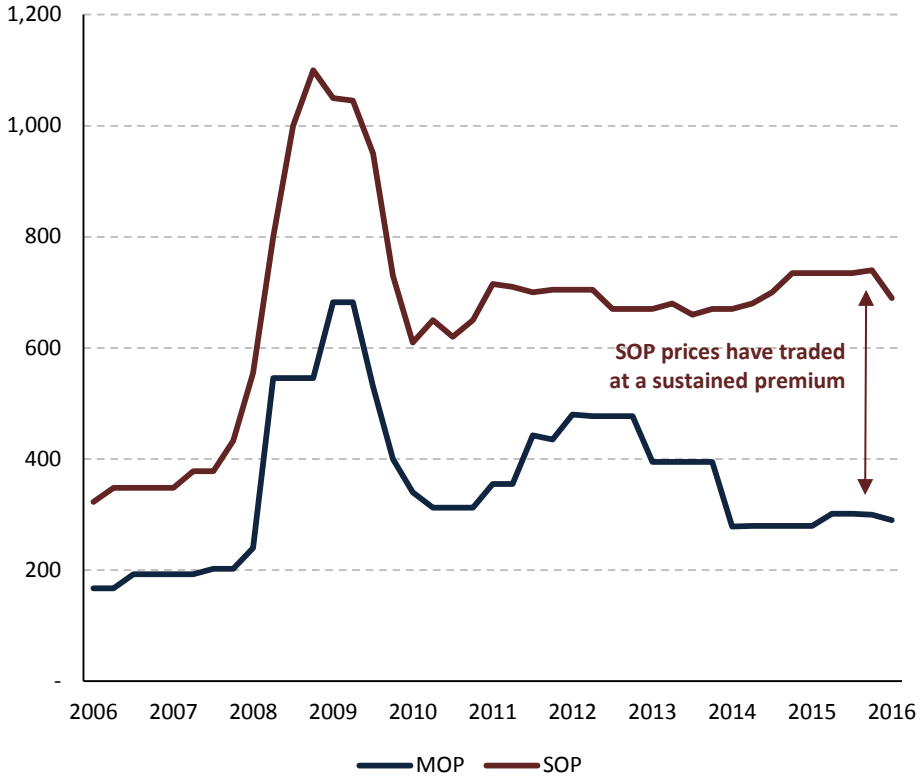
ECONOMICALLY EXPLOITABLE RESOURCES FOR PRIMARY PRODUCTION OF SOP ARE GEOLOGICALLY SCARCE

- SOP is a premium, chloride free multi-nutrient potash type
- Used on high quality crops such as fruits, nuts and vegetables
- Only four projects in the world at DFS level (including Colluli)
- Colluli demonstrates the lowest development capital, bottom quartile operating costs, low incremental growth capital, unrivalled project upside and substantial mine life

Historic MOP and SOP prices (US$/t)[1]



Source: Greenmarkets

1 MOP prices based on FOB Vancouver prices, SOP prices based on FOB Utah prices

Fertiliser demand growth will continue; the world needs to eat!

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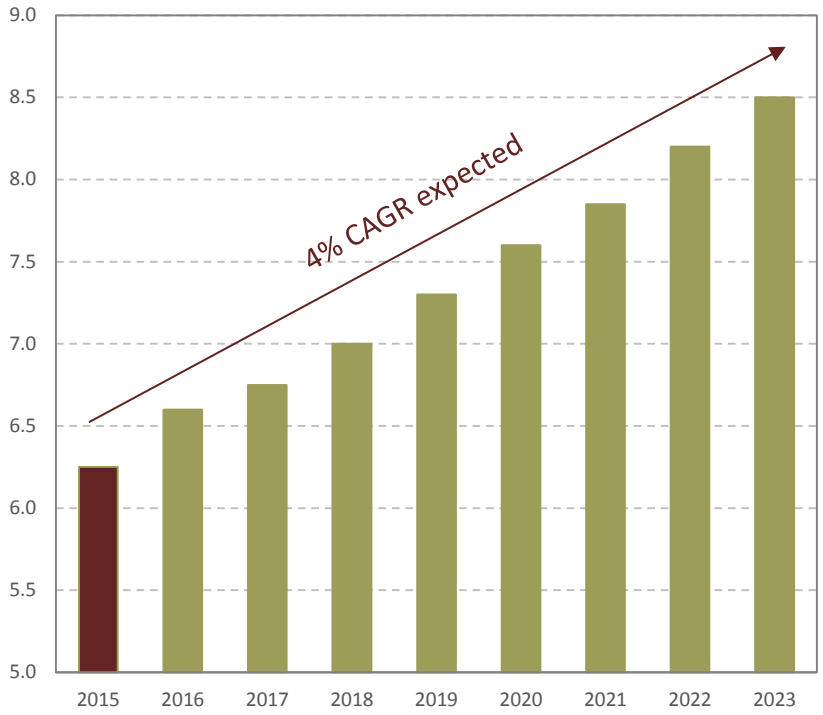
POTASSIUM IS AN ESSENTIAL, NON-SUBSTITUTABLE NUTRIENT, WHICH IS PROVIDED BY THE ADDITION OF POTASH FERTILISER

- SOP is a multi-nutrient potash type that provides both potassium and sulphur to crops
- SOP has limited primary production centres globally
- Economically exploitable SOP primary resources are geologically scarce
- SOP ideal for high value, chloride intolerant crops including fruits, nuts and vegetables
- SOP demand forecast to grow by at least 4% per annum

Historic and forecast global SOP demand (Mtpa)



Source: CRU, IFA, FAO, Company Research

1 FAO

Chloride free fertilisers are becoming increasingly important

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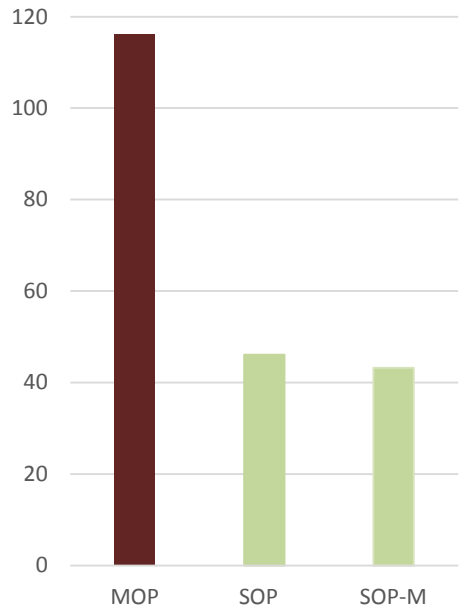
- 25% of the world's irrigated land **is affected by salinity**[1]
- 2000 hectares of farm soil lost daily to **salt induced degradation**[1]
- Recommended action for dealing with salinity is to **avoid fertilisers containing chloride -** replace muriate of potash with sulphate of potash and use nitrogen, phosphorus and potassium (NPK) fertilisers which contain sulphate of potash[2]

Salinity index for potash types



Source: Compass Minerals, Yara International

SOP SALINITY INDEX LESS THAN HALF THAT OF MOP

1. *United Nations University*
2. *Australian department of agriculture and food*

Colluli – a positively unique resource

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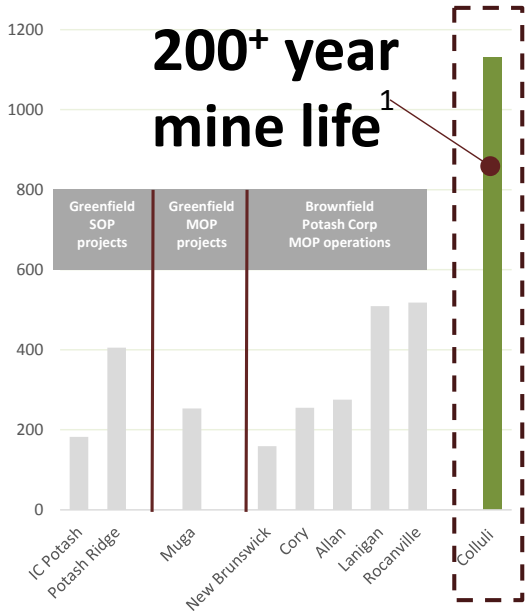
- **There is only one Colluli**
- Shallow mineralisation (16-140m) allows open cut mining. If everyone could do it, they would!
  - A proven, safer method than underground mining
  - Massive conversion of resource to reserve (over 85%)
  - Low incremental growth capital
  - Monetisation of other salts extracted as waste
  - Reduced risk and complexity – no aquifer freezing, no seismic issues, low geotechnical risk, no risk of loss of access to resource, no risk of catastrophic sinkholes associated with underground evaporite deposits
- Massive 1.1 billion tonne ore reserve
- The most favourable combination of potassium bearing salts suitable for production of SOP, SOP-M and MOP
- Unrivalled diversification potential – appreciable amounts of gypsum, kieserite, rock salt and magnesium chloride

Large, low cost, long life potash resource in close proximity to the coast

Ore Reserve estimates for selected potash (MOP and SOP) projects[2]
Million tonnes

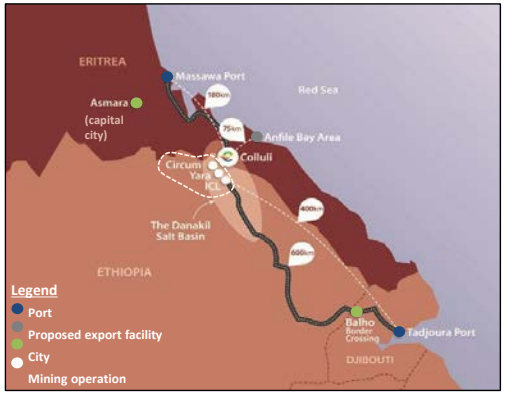


Sealed road running from Massawa towards Colluli

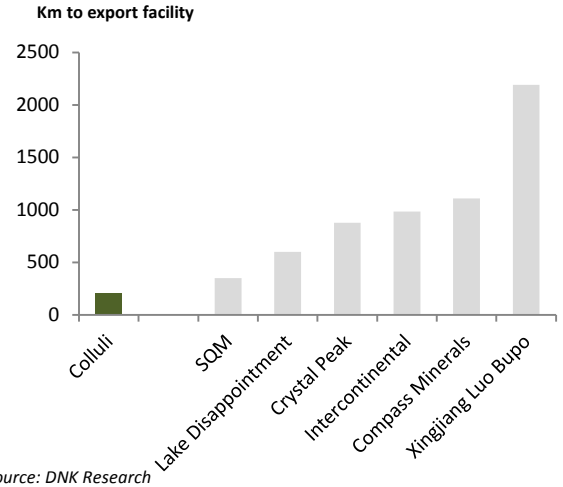
All weather coastal road from Massawa runs within 50km of Colluli

Well established shipping infrastructure at the Port of Massawa

Colluli has the best and simplest logistics in the Danakil



Colluli is the closest sulphate of potash project to export infrastructure anywhere in the world



Source: DNK Research

1 *The Colluli resource remains open to the North West and South East*
2 *Company websites*

Eritrea is on the doorstep of key markets

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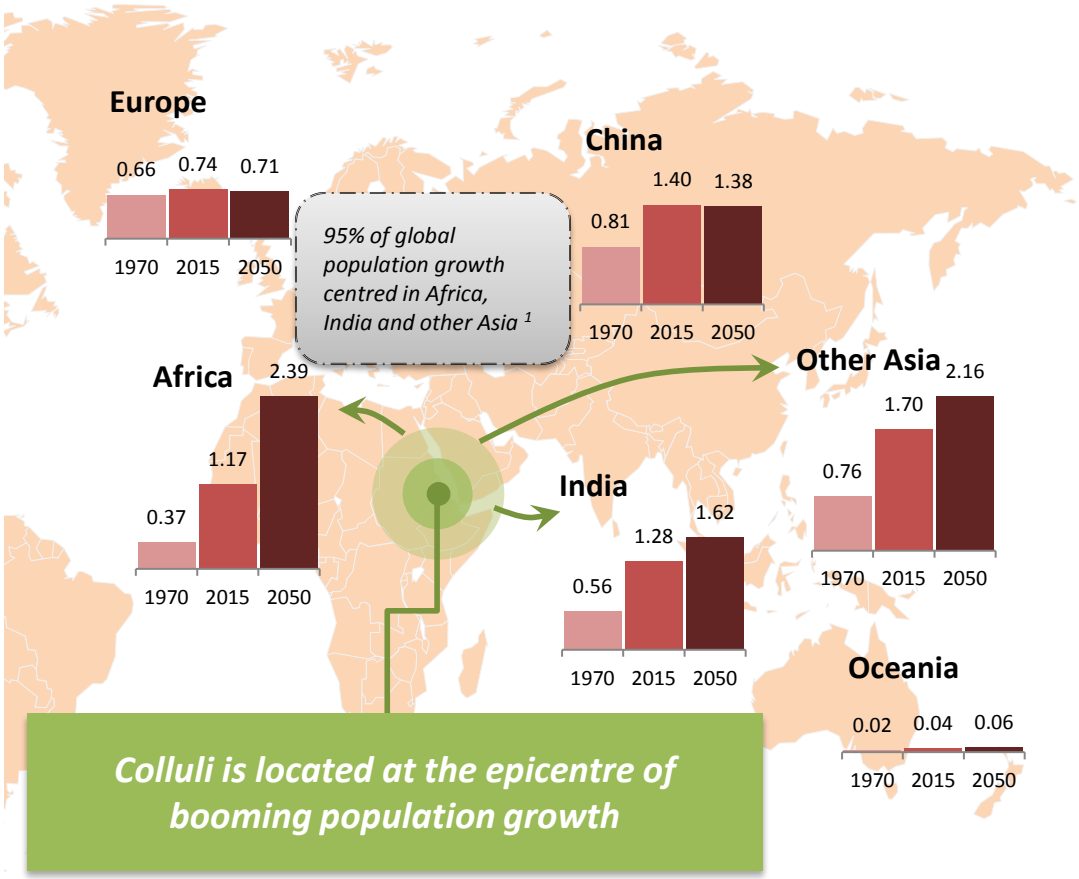
Historical and forecast global population growth (billions)[1]



1 United Nations world population prospects, 2015

Simple commercially proven technology

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PRODUCTION OF SOP FROM COLLULI SALTS OCCURS WITH SIMPLE PROCESSES INCLUDING **FLOTATION, MIXING AND DRYING**

Colluli plant design

Colluli plant image

Simple processing

Crush – Float – Mix – Dry - Truck

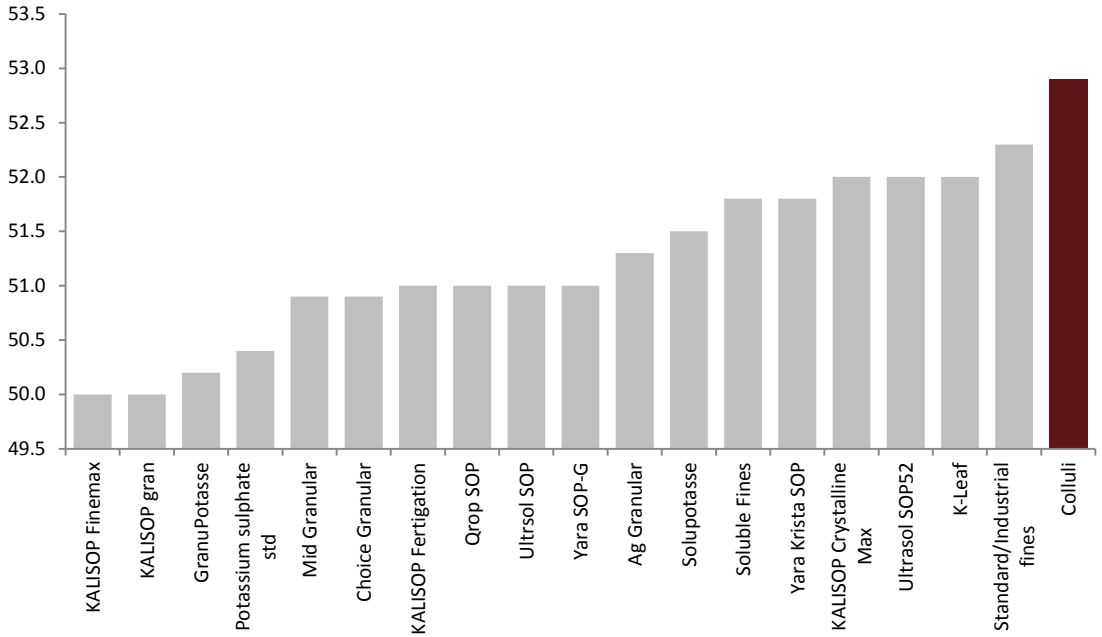
Notes:
1 Sourced from Gustavson Associates
2 Sourced from company website
3 Sourced from DNK research

Colluli salts and process design yield the highest quality product

DEMONSTRATED CAPACITY TO PRODUCE A HIGH QUALITY SOP PRODUCT

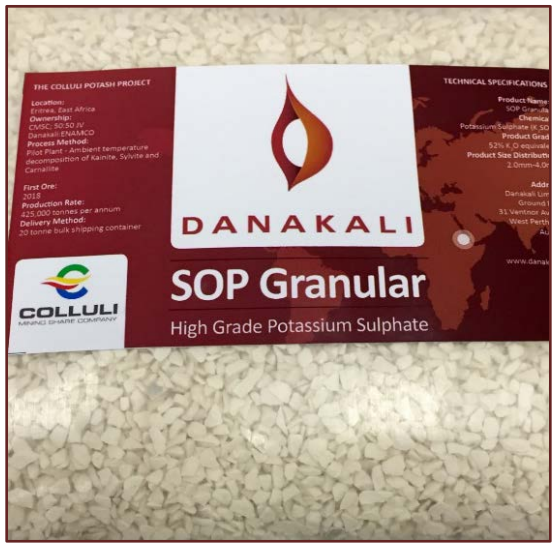
- Over 300kg of high grade SOP produced from Colluli salts in pilot tests
- Colluli SOP is at the top end of the quality spectrum

SOP products (%K_2O vs. product)



Source: Company websites

Granular SOP from Colluli salts



Unrivalled feed grade for SOP production

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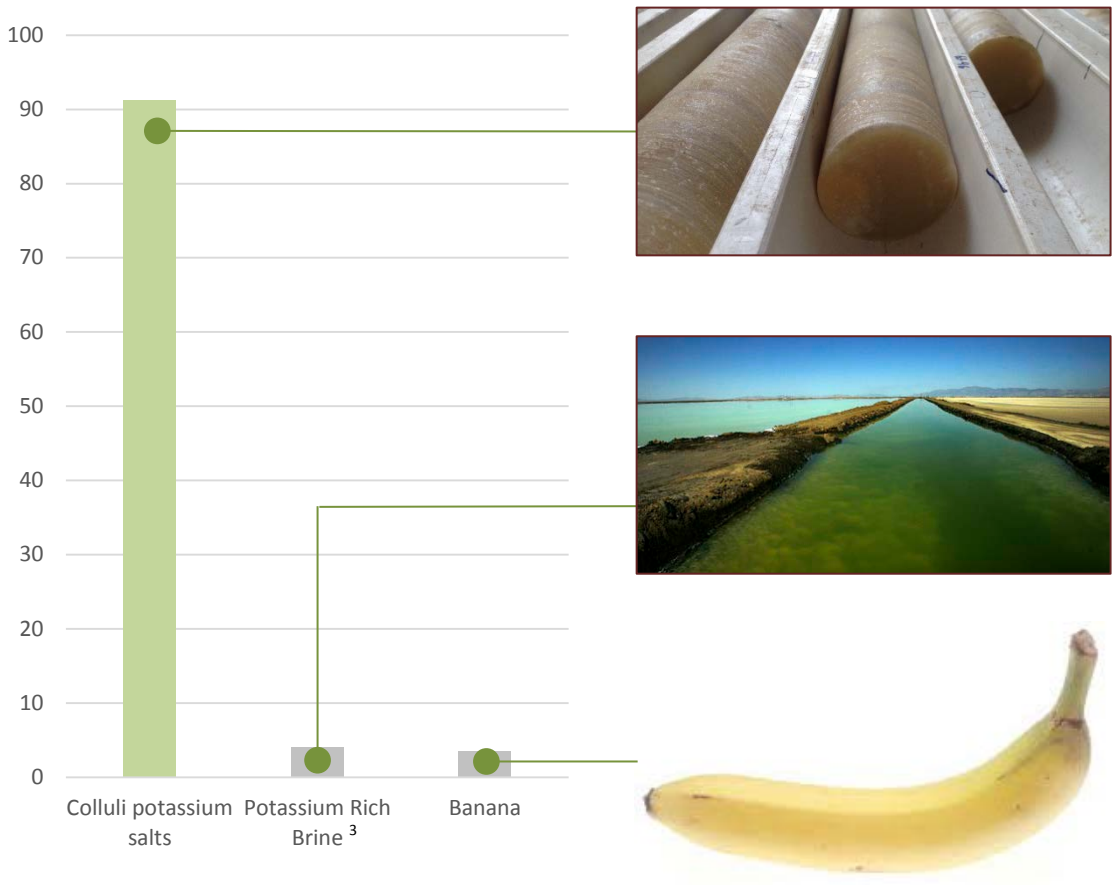
INDUSTRY LEADING CAPITAL INTENSITY FACILITATED BY EXTRACTING AND PROCESSING SALTS IN SOLID FORM

- Colluli is the **only resource in the world** that has the ideal composition of salts for SOP production that can be extracted in solid form
- This is directly related to the **shallow mineralisation and open cut mining method**
- Potassium salts mined from Colluli have a potassium concentration approximately **25x that of potassium rich brines** [1]
- A potassium rich brine on a weight basis has similar potassium concentration to a banana[2]



1. *Calculated from Colluli resource data and published brine compositions*
2. *United States department of agriculture*
3. *Salt Lake Potash Website*

Grade is king – superior grade of Colluli means lower capital expenditure and intensity

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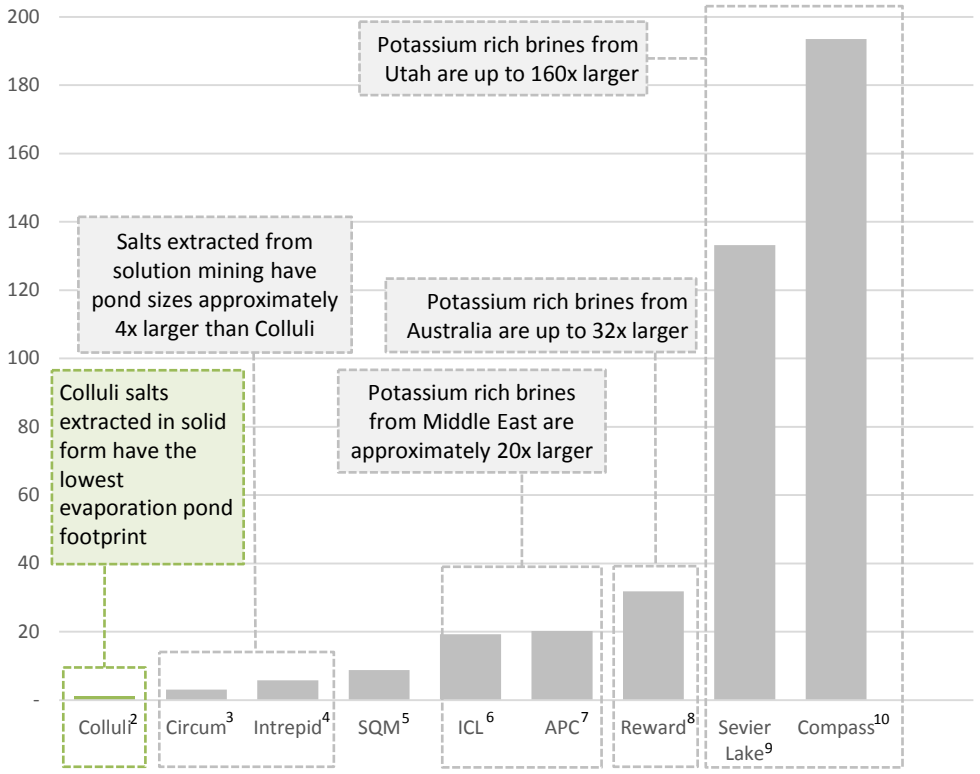
EVAPORATION POND FOOTPRINT UP TO 160x SMALLER THAN BRINE OPERATIONS FOR EQUIVALENT PRODUCTION

Smaller ponds = lower costs

Colluli ponds are:

- **160x** smaller than potassium brines in Utah
- **32x** smaller than potassium brines in Australia
- **20x** smaller than potassium brines in Middle East
- **4x** smaller than solution mine

Pond size (km²) for SOP projects – normalised for 425ktpa SOP production rate[1]



Notes:
1 Calculated by dividing published evaporation pond areas by annual production rate and multiplying by 425kt to achieve equivalent area
2 Sourced from Colluli DFS
3 Sourced from Bloomberg
4 Sourced from Sunrise engineering website
5 Sourced from handbook of lithium and natural calcium chloride
6 Sourced from Financial Times
7 Sourced from Arab Potash website
8 Sourced from Reward investor presentation 2012
9 Sourced from EPM Mining prefeasibility study
10 Sourced from Great Salt Lake Minerals website

Stand out Ore Reserve Estimate

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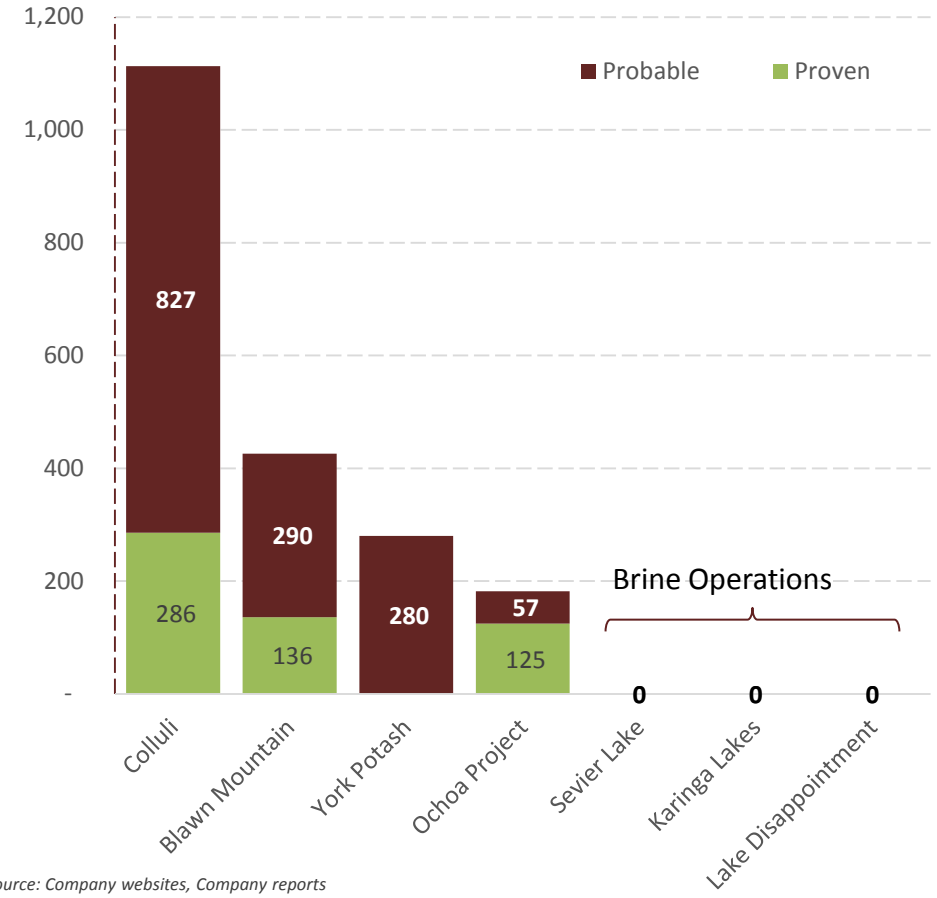
COLLULI HAS THE HIGHEST MINING CERTAINTY WITH THE LARGEST PROVEN RESERVES

Ore Reserves (mt)



Source: Company websites, Company reports

- Colluli is a world class resource
- Massive **1.1 Billion Tonne** Ore Reserve with high conversion from **1.3 Billion tonne Mineral Resource** gives over **200 years of mine life at DFS production rates**
- Low cost drilling of shallow resource provides high confidence for mining with **100% of mining in Proven or Probable Ore**
- **Open cut is a proven mining** technique for salts with high selectivity and minimal dilution

Outstanding DFS economics

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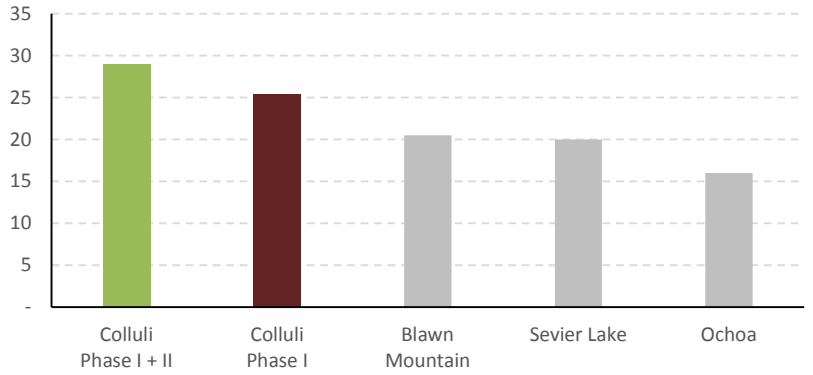
COLLULI DOMINATES OTHER PROJECTS WITH RESPECT TO VALUATION OUTCOMES

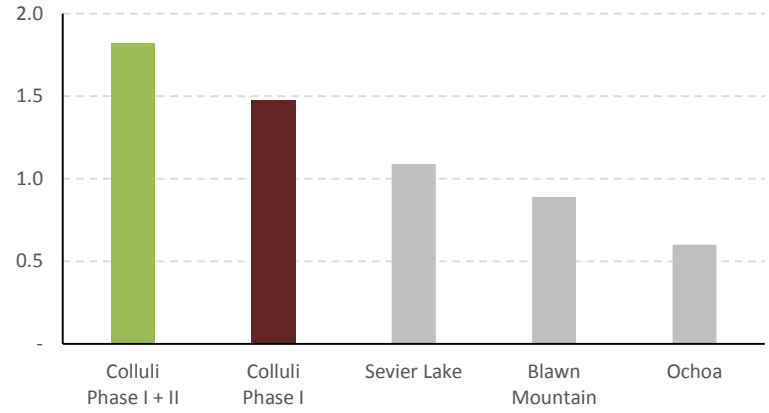
Key DFS results

Metric	Phase I	Phase I and II
Production	425kt	850kt
Strip ratio	1.91	1.93
Post tax NPV (10% real)	US$439m	US$860m
Post tax IRR	25.4%	29.0%
Capital	US$298m	
Incremental Phase II capital		US$175m

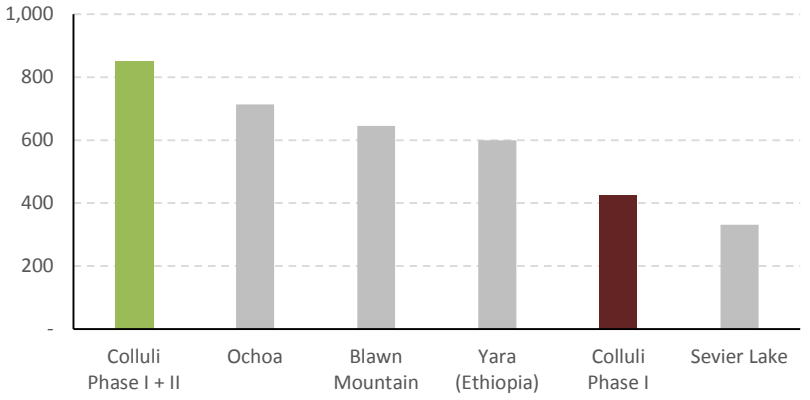
Post-tax IRR (%)



NPV_{10} / capex (x)



Annual production (ktpa)



Source: DNK Company announcements, Company websites

Industry leading capital intensity

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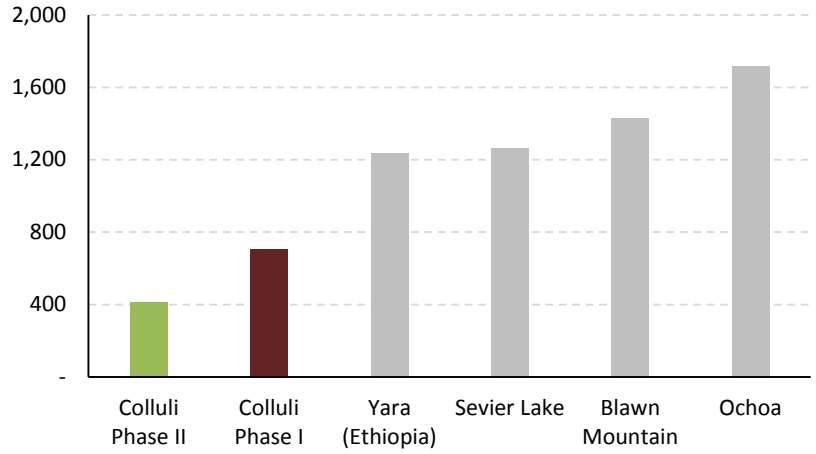
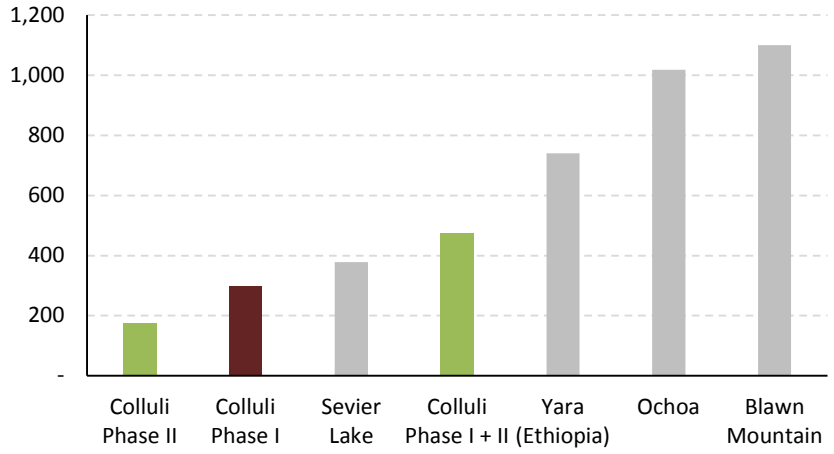
INDUSTRY LEADING CAPITAL INTENSITY AND LOW DEVELOPMENT CAPITAL RENDERS COLLULI HIGHLY FUNDABLE

Capital intensity (US$/t)



Development capital (US$m)



The Colluli resource is positively unique:

- Colluli has the **right combination of potassium salts** for low cost, high yield SOP production
- It is the **shallowest evaporite deposit in the world** – making it amenable to open cut mining
- Extraction of salts in solid form **negates the need for large evaporation ponds** – reducing capital intensity
- Mining and processing salts in solid form will result in **stable, consistent, and reliable production**

Source: DNK Company announcements, Company websites

Colluli will be in the bottom quartile of the SOP cash cost curve

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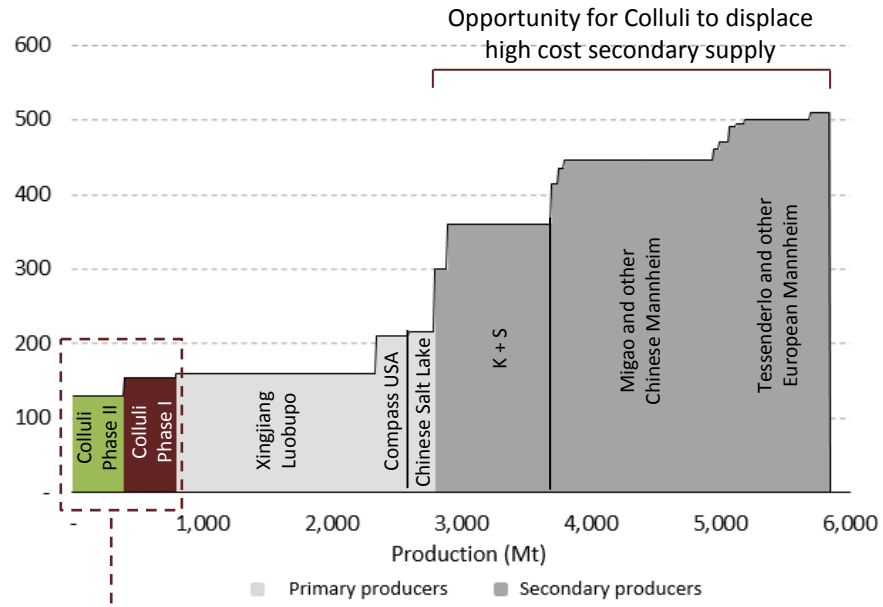
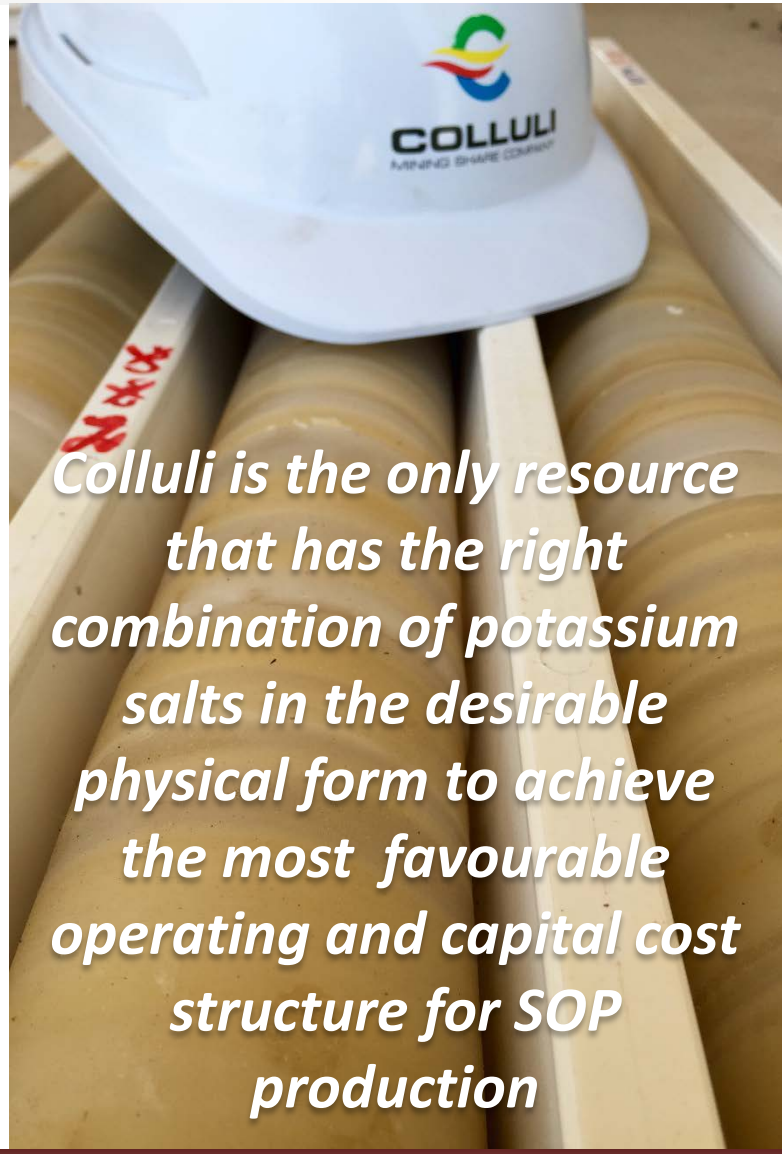
Ex-works cash costs for SOP production (US$/t)



- ✓ Bottom quartile cost position
- ✓ Provides insulation in the event of a SOP price decline
- ✓ Anticipated rock salt production (which would otherwise be overburden) to further reduce cash costs

Source: CRU, Integer, Company Research

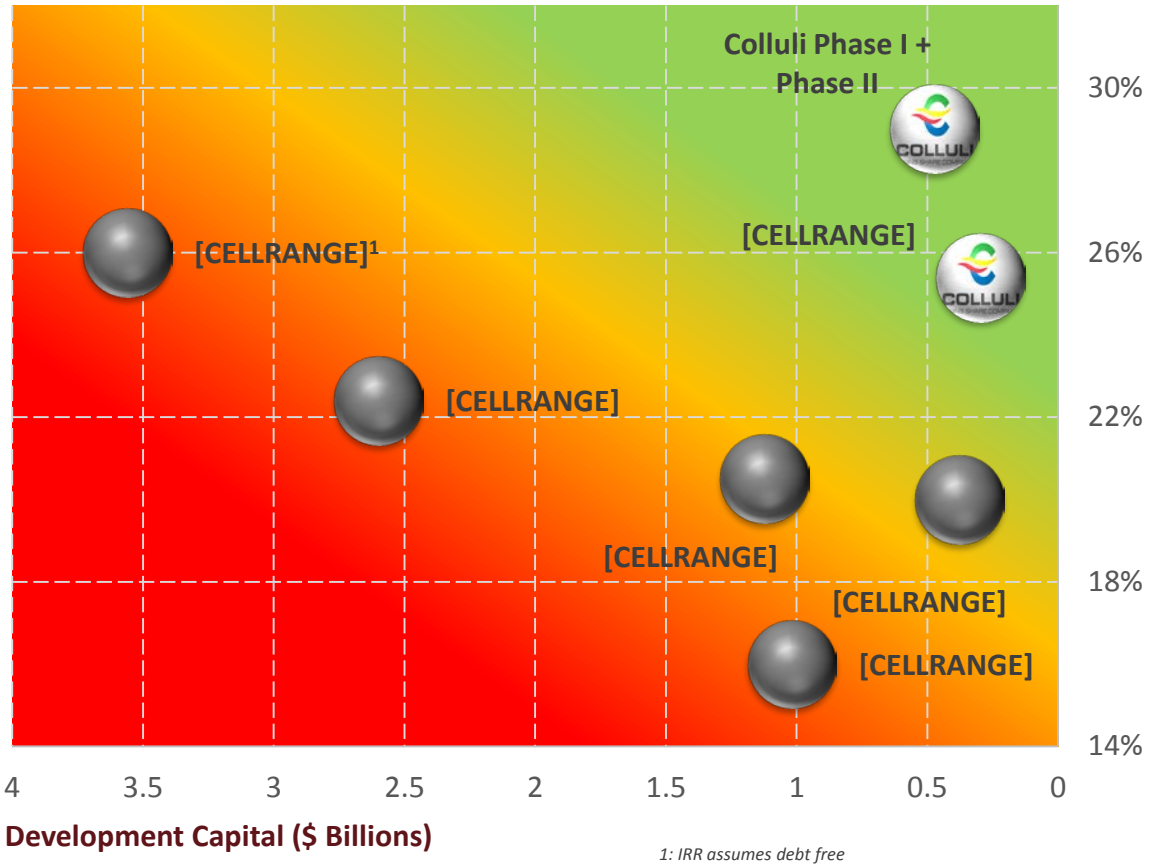


Colluli is the only resource that has the right combination of potassium salts in the desirable physical form to achieve the most favourable operating and capital cost structure for SOP production

A lower risk development path

COLLULI HAS THE LOWEST DEVELOPMENT CAPITAL AND THE HIGHEST RETURN OF ALL ADVANCED DEVELOPMENTS

- **Colluli represents the most fundable long life potash project in the world**
- **Salts for SOP production extracted in solid form provides Colluli with industry leading capital intensity and improved IRR relative to brine operations**
  - Solid form salts negates the need for large evaporation ponds
  - Revenue generation occurs immediately on completion of processing plant – no need to wait for lengthy evaporation process



1: IRR assumes debt free
Source: Company websites, Company reports, Media releases

Large scale potash developments carry high cost over run risk

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COLLULI CAN BE DEVELOPED FOR LESS THAN THE COST OF LARGE SCALE PROJECT OVER RUN

Recent potash projects demonstrate shaft sinking represents a high capital risk[1-3]

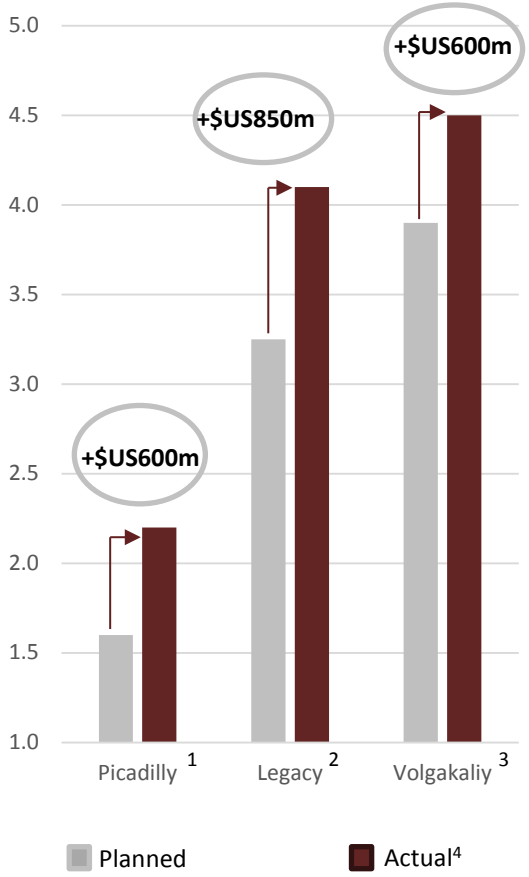
Potash Corp. sues over alleged flaws in construction of $2.2-billion New Brunswick mine

Russia EuroChem claims $800 mln from Shaft Sinkers

Friday, 5 Oct 2012 | 6:19 AM ET

MOSCOW, Oct 5 (Reuters) - EuroChem, Russia's top mineral fertilizer producer, said on Friday it has filed a $800 million claim with international chambers of commerce against Shaft Sinkers for "failure to complete the construction of the cage shaft".

Capital costs US$b



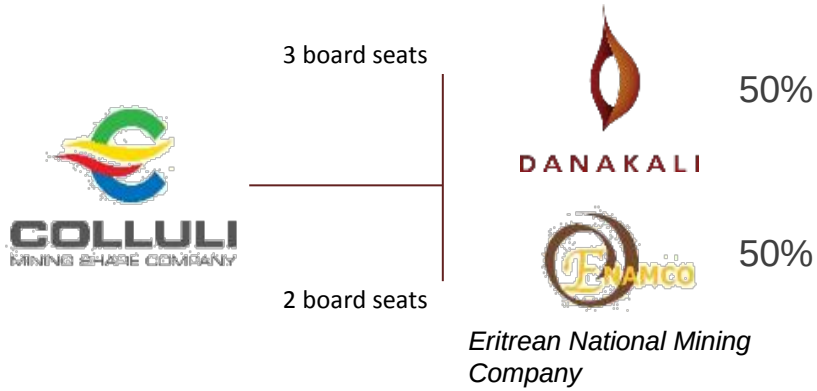
1 *Financial Post*
2 *Canadian Mining Journal*
3 *Reuters*
4 *Note – still under construction*

Working in partnership with ENAMCO

DNK AND ENAMCO ARE ADVANCING A WORLD CLASS POTASH PROJECT

- The Colluli project is 100% owned by the Colluli Mining Share Company (“CMSC”)
- The share company has equal ownership between Danakali and the Eritrean National Mining Company (“ENAMCO”)
- **The relationship is a key enabler to project success**
- All projects in Eritrea to date that have completed positive DFS studies have advanced to construction and production
- Danakali and ENAMCO are working collaboratively on the development of the Colluli potash project
- CMSC board has agreed to progress the project following a positive DFS

CMSC structure



Eritrea – a misunderstood jurisdiction

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DANAKALI HAS BEEN OPERATING IN ERITREA SINCE 2009 AND HAS FOUND IT TO BE SAFE, STABLE AND DEVELOPMENT FOCUSED

Positive Eritrean outlook

- The Danakali experience in Eritrea:
  - Safe and friendly
  - High degree of focus on health and education
  - Development focussed with an emphasis on the agricultural, industrial and mining sectors
  - Stable government
  - Building up a track record of success in a maturing mining industry
  - No evidence of corruption
  - Gender equality
- CMSC (ENAMCO and Danakali) are progressing a sustainable development framework that addresses the policy, management plans and compliance monitoring in key areas including:
  - Human rights
  - Anti-corruption
  - Communities
  - Health and safety

Tour of Eritrea cycling race (April 2016)

Development at the Massawa port

Significant benefits for a developing economy

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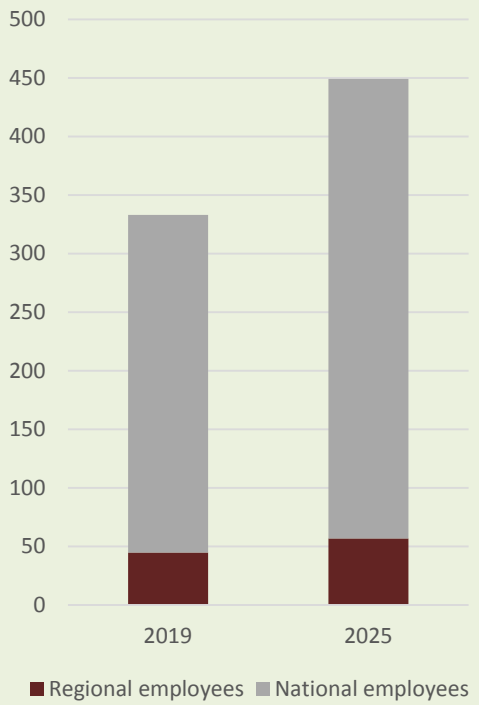
ENGAGEMENT WITH COMMUNITY AND KEY STAKEHOLDERS HAS GENERATED STRONG SUPPORT FOR COLLULI DEVELOPMENT

Expectations for Eritrean employee numbers at Colluli



Colluli will create over 300 permanent jobs for locals and Eritrean nationals by 2019, and over 450 by 2025

On top of excellent economics, Colluli has unrivalled multi agri-commodity potential

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THE COLLULI RESOURCE CONTAINS A DIVERSE RANGE OF FERTILISER PRODUCTS WITH ESTABLISHED MARKETS

MOP

- Improves yield for wide range of crops
- Most concentrated form of granular potassium
- Demand is elastic (easy to substitute)
- Market is well supplied by global potash majors
- Generally higher development costs

~85% of potash supply

SOP

- **Danakali's key focus**
- Improves yield of **high value crops**
- **Suitable for chloride intolerant crops**
- Demand is **inelastic** (not as easy to substitute, premium product leads to sticky demand)
- Global **supply shortage of primary resources**
- Sulphur is a **key nutrient**
- **Fewer natural sources**
- **Higher margin**

~10% of potash supply

SOP-M

- **Demonstrated production from Colluli**
- **Limited supply** and carries a **price premium**
- **High grade, chloride free** premium fertiliser
- **Multi-nutrient fertiliser** suitable for crops where three major nutrients are required
- **SOP-M production ability confirms Colluli's multi agri-commodity business potential**

~3% of potash supply

Major potassium products [1]

Kieserite

- An effective source of **both magnesium and sulphur (magnesium sulphate)**
- Suitable for **all types of crops and use in any soil type**
- **Identified in potassium salt seams**
- **Volumes currently being evaluated**

Gypsum

- Source of **calcium and sulphur**
- **Improves acid soils** and treats aluminium toxicity
- **Improves soil structure and water infiltration**
- **Reduces run off erosion**
- **Detected within the Colluli tenements**

Additional agri-product potential

1. CRU

Global potash and agri-commodity peers

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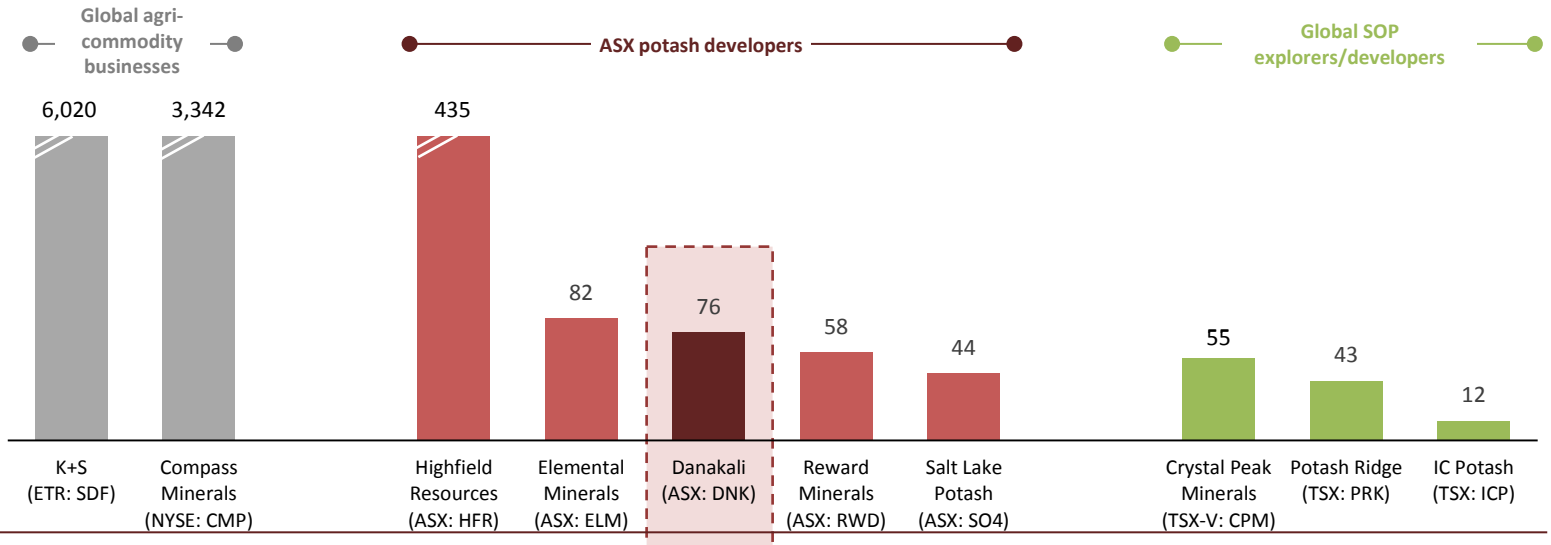
MULTI AGRI-COMMODITY POTENTIAL COULD PLACE DANAKALI IN THE LEAGUE OF LARGE GLOBAL PRODUCERS

Market value of listed potash peers (A$m)[1]



	K+S (ETR: SDF)	Compass Minerals (NYSE: CMP)	Highfield Resources (ASX: HFR)	Elemental Minerals (ASX: ELM)	Danakali (ASX: DNK)	Reward Minerals (ASX: RWD)	Salt Lake Potash (ASX: SO4)	Crystal Peak Minerals (TSX-V: CPM)	Potash Ridge (TSX: PRK)	IC Potash (TSX: ICP)
SOP	✓	✓	(✓)		✓	✓	✓	✓	✓	✓
Completed DFS	✓	✓	✓		✓					✓
Multi agri-commodity (potential)	✓	✓			(✓)					

Source: Bloomberg, company disclosure

1 As at 24 June 2016; based on AUD:USD = 0.76, AUD:EUR = 0.67 and CAD:USD = 0.78

Colluli is the best SOP project in the world and Danakali has a compelling investment case

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- SOP is a **high quality, chloride free potash** with **limited economically exploitable primary resources**
- Colluli is an advanced stage project and is the most **fundable, scalable, long life, low operating cost SOP project** with **access to global markets** and is in **close proximity to established infrastructure**
- Colluli has **standout economics relative to peers**
- Colluli has **unrivalled product diversification potential**
- Colluli has **significant upside on top of superior economic returns**
- **Colluli is the best SOP project in the world**

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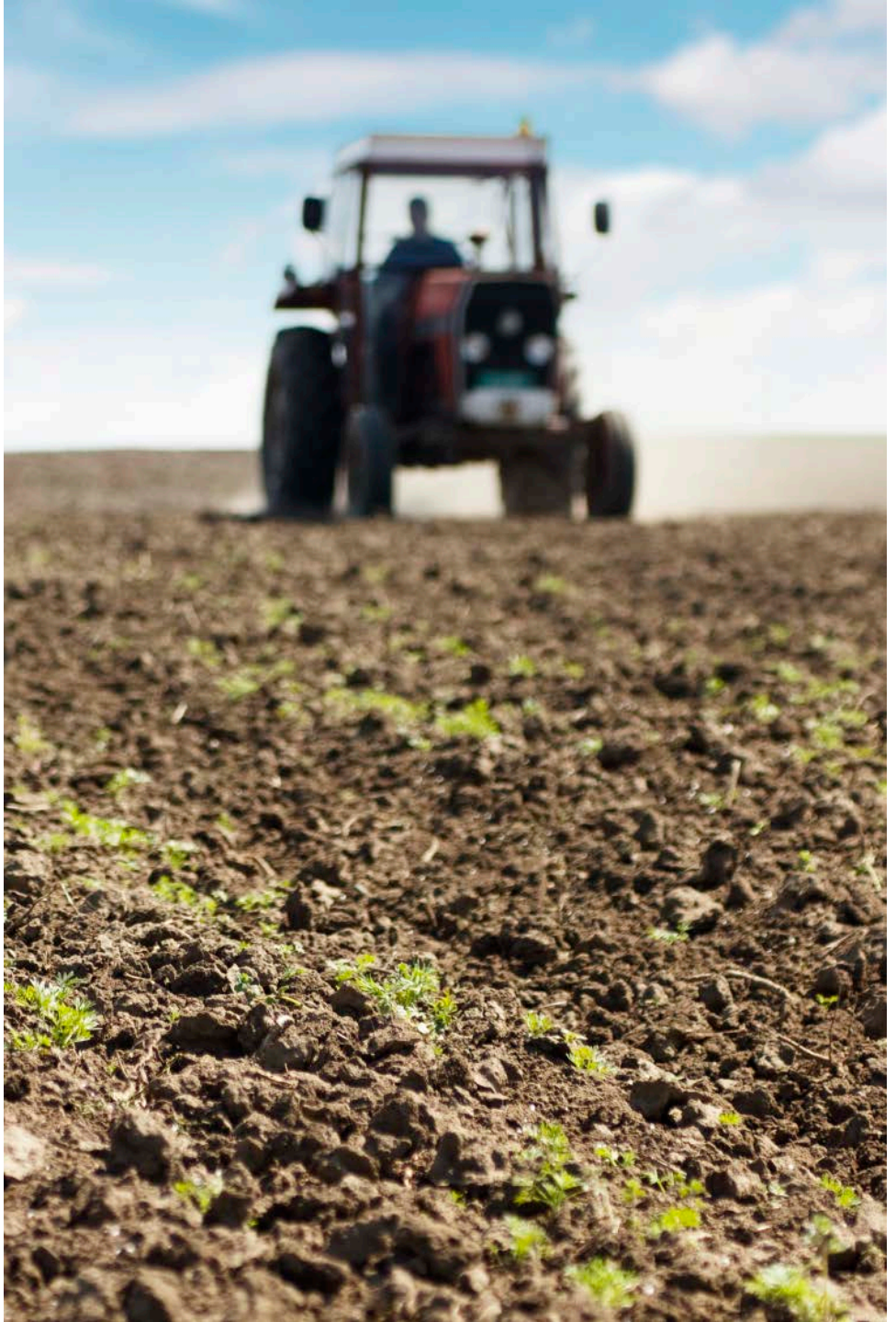
create. nurture. grow.

Colluli - Positively Unique



Competent persons statement

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Resource statement

The 2015 Colluli Potash Mineral Resource is reported according to the JORC Code and estimated at 1,289Mt @11% K2O Equiv. The Mineral Resource is classed as 303Mt @ 11% K2O Equiv Measured, 951Mt @ 11% K2O Equiv Indicated and 35Mt @ 10% K2O Equiv Inferred. The Competent Person for this estimate is Mr. Stephen Halabura, M. Sc., P. Geo., Fellow of Engineers Canada (Hon), Fellow of Geoscientists Canada, and a geologist with over 25 years' experience in the potash mining industry. Mr. Halabura is a member of the Association of Professional Engineers and Geoscientists of Saskatchewan, a Recognised Professional Organisation (RPO) under the JORC Code and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code.

The 2015 Colluli Rock Salt Mineral Resource is reported according to the JORC Code and estimated at 347Mt @96.9% NaCl. The Mineral Resource is classed as 28Mt @ 97.2% NaCl Measured, 180Mt @ 96.6% NaCl Indicated and 139Mt @ 97.2% NaCl Inferred. The Competent Person for this estimate is Mr. John Tyrrell, a geologist with more than 25 years' experience in the field of Mineral Resource estimation. Mr Tyrrell is a member of the AusIMM, is a full time employee of AMC Consultants Pty Ltd and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code.

Mr. Tyrell & Mr. Halabura consent to the inclusion of information relating to the Mineral Resource Statements in the form and context in which they appear.

Ore Reserve statement

The November 2015 Colluli Ore Reserve is reported according to the JORC Code and estimated at 1,113Mt @10% K2O Equiv. The Ore Reserve is classed as 286Mt @ 11% K2O Equiv Proved and 827Mt @ 10% K2O Equiv Probable. The Competent Person for the estimate is Mr Mark Chesher, a mining engineer with more than 30 years' experience in the mining industry. Mr. Chesher is a Fellow of the AusIMM, a Chartered Professional, a full-time employee of AMC Consultants Pty Ltd, and has sufficient open pit mining activity experience relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the JORC Code. Mr Chesher consents to the inclusion of information relating to the Ore Reserve in the form and context in which it appears.

In reporting the Mineral Resources and Ore Reserves referred to in this public release, AMC Consultants Pty Ltd acted as an independent party, has no interest in the outcome of the Colluli Project and has no business relationship with Danakali Ltd 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 Consultants Pty Ltd and the Competent Persons believe that there is no conflict of interest in undertaking the assignments which are the subject of the statements.