

NSX Release

31 July 2025

## Quarterly Report

**For the period ended 30 June 2025**

### Highlights

- Annual General Meeting held 30 May 2025
- Unmarketable Parcel Share Buy-back completed
- Continuing to advance new opportunities in Saudi Arabia and Eritrea
- Completed the quarter with a strong cash balance of \$30.3m

Danakali Limited (NSX: DNK, **Danakali**, or the **Company**) is pleased to provide this quarterly update on the activities and financial position of the Company.

### Annual General Meeting

The Company's Annual General Meeting was held on 30 May 2025. All resolutions tabled at the meeting (being Resolutions 1, 2, 3, 4 and 6) were decided by way of a poll and passed.

### Unmarketable Parcel Share Buy-back

On 17 February 2025, the Company announced a minimum holding buy-back for holders of unmarketable parcels of fully paid ordinary shares in the Company (**Buy-back**). The Buy-back was completed during the June quarter, resulting in a total of 4,836,824 Shares (from 1,520 holders) being bought back. Post Buy-back, the Company has 363,497,522 fully paid ordinary shares on issue and 907 holders.

### Saudi-Arabia Opportunities

During the quarter, Danakali visited the Kingdom of Saudi Arabia to strengthen our newly formed joint venture with MASADAR AL-ZAMARDA For Mining (Emerald). Meetings were held with Emerald's directors, His Royal Highness Prince Mohammad Bin Nahar Bin Saud Al Saud and Mr. Hamid Suliman H Al Qurashi. In collaboration with Emerald, we continue to identify and evaluate prospective areas that align with our strategic goals for resource exploration

### Eritrea

During the quarter, Mr. Cornelius visited Eritrea to continue our engagement with the relevant ministries concerning the Ela Gedel application. The visit also provided an opportunity to explore additional prospects across the country, including discussions with other active mineral exploration companies. We remain committed to securing an exploration opportunity in Eritrea, aiming to unlock the nation's significant and largely untapped mineral potential.

## **Corporate Development**

Danakali is actively progressing its corporate development strategy, with a focus on evaluating prospective exploration projects targeting precious and critical mineral resources. We continue to assess several mineral exploration and development opportunities and will inform the market of any material information as and when required.

## **Capital**

### **Cash**

Consolidated cash on hand was A\$30.3 million on 30 June 2025. Please refer to the Statement of Cash Flows for the quarter.

### **Securities**

As at 30 June 2025, there were 363,497,522 fully paid ordinary shares on issue. During the quarter, a total of 4,836,824 shares were cancelled in relation to the Buy-Back. No shares were issued during the quarter.

As at 30 June 2025, there are 19,725,000 options on issue. During the quarter, a total of 9,725,000 options exercisable at \$0.084 expiring 11 June 2028 were issued. There were no other movements in options during the quarter.

### **Related Party Transactions**

Payments to related parties of the Company and their associates during the quarter totalled \$138,000 in relation to Director fees and remuneration.

Refer to the Remuneration Report in the Financial Report for further details on director remuneration.

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

For more information, please contact:

**Danakali**

Seamus Cornelius  
*Executive Chairman*  
scornelius@danakali.com  
+61 450 649 311

Greg MacPherson  
*Chief Financial Officer*  
gmacpherson@danakali.com  
+61 426 967 683

**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.

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. The Company and each of its affiliates accordingly disclaims, to the fullest extent permitted by law, all and any liability whether arising in court, contract or otherwise which it might otherwise have in respect of this announcement.

# Quarterly Report

Name of entity

DANAKALI LIMITED

ABN

57 097 904 302

Quarter ended ("current quarter")

30 June 2025

## Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) staff costs	(420)	(834)
	(b) advertising and marketing	-	-
	(c) research and development	-	-
	(d) leased assets	-	-
	(e) other working capital	(235)	(426)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	250	634
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material) <sup>1</sup>	-	(15)
	<b>Net operating cash flows</b>	<b>(405)</b>	<b>(641)</b>
	<sup>1</sup> <i>Exploration &amp; Evaluation</i>		

		Current quarter \$A'000	Year to date (6 months) \$A'000
1.8	Net operating cash flows (carried forward)	(405)	(641)
1.9	<b>Cash flows related to investing activities</b>		
	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.11	Loans to other entities	-	-
1.12	Loans repaid by other entities	-	-
1.13	Other (provide details if material)	-	-
		-	-
	<b>Net investing cash flows</b>		
1.14	<b>Total operating and investing cash flows</b>	(405)	(641)
	<b>Cash flows related to financing activities</b>		
1.15	Proceeds from issues of shares, options, etc.	-	-
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	-
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Other- Payment for share buyback	(218)	(218)
		(218)	(218)
	<b>Net financing cash flows</b>		
	<b>Net increase (decrease) in cash held</b>	(623)	(859)
1.21	Cash at beginning of quarter/year to date	30,943	31,182
1.22	Exchange rate adjustments	(1)	(4)
1.23	<b>Cash at end of quarter</b>	30,319	30,319

**Payments to directors of the entity and associates of the directors****Payments to related entities of the entity and associates of the related entities**

	Current quarter \$A'000
1.24 Aggregate amount of payments to the parties included in item 1.2	139
1.25 Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions
Payments included in 1.24 relates to payment of director fees.	

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

--

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

--

**Financing facilities available**

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

## Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	297	533
4.2	Deposits at call	30,022	30,410
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)		30,319	30,943

## Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	-	-
5.2	Place of incorporation or registration	-	-
5.3	Consideration for acquisition or disposal	-	-
5.4	Total net assets	-	-
5.5	Nature of business	-	-

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to NSX.
- 2 This statement does give a true and fair view of the matters disclosed.

Approved by: The Audit & Risk Committee

Date: 31 July 2025

---

## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a) - policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
3. **Accounting Standards.** NSX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.