

ASX Release

11 December 2024

## Formal Application and Approval for Voluntary Delisting from the ASX

### Highlights

- Danakali has formally applied to be delisted from the Australian Securities Exchange (**ASX**) and has received formal approval from ASX to do so.
- Danakali applies to list on the National Stock Exchange of Australia (**NSX**) and expects to be trading this calendar year providing shareholder liquidity.
- The NSX is a fully regulated main board stock exchange.

Danakali Limited (ASX: DNK) (**Danakali** or **the Company**) advises that it has made a formal application to the ASX to be removed from the official list of the ASX (**Official List**) and ASX has provided formal approval for the Company to delist from the Official List. Pursuant to ASX's formal approval, the Company's delisting is subject to compliance with the following conditions:

- a) the Company receives confirmation from the NSX that its fully paid ordinary shares will be quoted on NSX;
- b) the Company makes an announcement and writes to all to all security holders in form and substance satisfactory to ASX, setting out:
  - i. the nominated time and date at which the Company will be removed from the ASX official list;
  - ii. the Company's securities will remain suspended from trading on ASX during the de-listing process; and
  - iii. what security holders will need to do if they wish to sell their securities on the NSX; and
- c) the Company releases the full terms of ASX's formal decision (as set out in this announcement).

### 1. Reasons for Delisting

Following a detailed review, the board of directors of the Company (**Board**) have unanimously determined that the delisting is in the best interests of security holders for the following reasons:

#### *a) Suspension*

The Company was suspended from trading on the ASX since 3 April 2023 and has been suspended since that date (**Suspension**).

The Company understands that in order for its shares to be re-instated to trading on ASX, it would need to re-comply with Chapters 1 and 2 of the ASX Listing Rules. Given that there are currently no prospects of the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules, it makes practical sense for the Company to delist.

***b) Lack of liquidity***

As noted above, ASX suspended the Company from official quotation on 3 April 2023. As such, there has been no trading in the Company's shares on ASX since that time.

Given the Company will not be able to re-comply with Chapters 1 and 2 of the ASX Listing Rules in the foreseeable future, and, in any case, prior to the automatic removal date of 2 April 2025, the Company's lack of liquidity will not change.

***c) Proposed listing on the NSX***

Given the matters set out in (a) and (b) above, the Board has been considering alternative listing platforms for the Company.

On 30 August 2024, the Company submitted a Suitability for Listing Submission (SIL) to the National Stock Exchange of Australia (NSX). On 9 September 2024, the Company received written confirmation from the NSX that it "is welcome to lodge a complying listing application". The successful completion of a listing on the NSX is subject to:

- i. lodgement of a formal letter of application and supporting documents, as described in the NSX Listing Rules;
- ii. compliance with all NSX Listing Rules, (or waivers granted where relief is sought); and
- iii. the approval of the NSX Listings and Admissions Committee.

The Company lodged an information memorandum, formal letter of application and supporting documents with NSX on 12 November 2024 and is awaiting the approval of the NSX Listing and Admissions Committee in respect of its application.

***d) Minority shareholders***

Delisting of the Company will not result in any substantial diminution of the protection for minority shareholders given that the Company's shareholders do not presently have the benefit of liquidity in their shares.

**2. Consequences for Delisting**

The consequences for the Company and its security holders if the Company is removed from the Official List are as follows:

- a) The Company's securities will no longer be quoted on ASX and will no longer be traded on the ASX. However, security holders have been unable to sell their securities on ASX

since 3 April 2023 as the Company's securities are suspended from quotation and are not trading.

- b) Shareholdings will continue to be registered on one of two sub-registers, the electronic CHESS sub-register or an issuer sponsored sub-register (Computershare). There are three scenarios on how shareholdings may be affected:
- i. A shareholder who is a participant in CHESS and whose Broker is a participant of the NSX, will continue to be registered on the CHESS sub-register. There will be no change.
  - ii. A shareholder who is a participant in CHESS and whose Broker is not a participant of the NSX, will need to provide instruction to their Broker to either:
    - move their holdings to a participating Broker to continue to be registered on the CHESS sub-register, or;
    - move to the issuer-sponsored sub-register. If a shareholder elects to move to the issuer-sponsored sub-register, they will need to contact their existing participating broker and request for the shares to move to the issuer-sponsored sub-register. Upon the move, you will be sent an initial holding statement setting out the number of shares held and a new Shareholder Reference Number (**SRN**).
  - iii. A shareholder who is a participant on the issuer sponsored sub-register will have no change.
- c) Security holders seeking to sell their shares following the delisting will be able to trade their shares on the NSX once the Company's official listing and quotation of shares on NSX commences.
- d) The delisting is conditional upon the Company receiving confirmation from the NSX that its fully paid ordinary shares will be quoted on NSX. As such, the Company will continue to be a listed public company, subject to continuous disclosure obligations under the Corporations Act 2001 (Cth) (**Corporations Act**), and the NSX Listing Rules once the Company's fully paid ordinary shares are quoted on NSX. The Company will provide disclosure to shareholders of material matters in accordance with the NSX Listing Rules and the Corporations Act on the NSX's market announcements platform and the Company's website.
- e) It is expected that it will be a condition to the Company's admission to the official list of NSX that the Company's constitution be updated for compliance with the NSX Listing Rules following its next annual general meeting. However, shareholders' rights will remain unchanged following the delisting, such that shareholders will continue to have the right to:
- i. receive notices of meetings and other notices issued by the Company;
  - ii. exercise voting rights attached to Shares; and



- iii. entitlement to receive dividends declared and payable by the Company from time to time.

### 3. Shareholder Remedies Available

In circumstances where a security holder considers the delisting to be contrary to the interests of security holders as a whole or oppressive to, unfairly prejudicial to, or unfairly discriminatory against a security holder or group of security holders, that security holder may apply to the Court for an order under Part 2F.1 of the Corporations Act. Under section 233 of the Corporations Act, the Court can make any order that it considers appropriate in relation to the Company, including an order that the Company be wound up or an order regulating the conduct of the Company's affairs in the future.

In circumstances where a security holder considers the delisting involves 'unacceptable circumstances', that security holder may apply to the Takeovers Panel for a declaration of unacceptable circumstances and other orders under Part 6.10 Division 2 Subdivision B of the Corporations Act. Under section 657D of the Corporations Act, if the Takeovers Panel has declared circumstances to be unacceptable, it may make any order that it thinks appropriate to protect the rights or interests of any person or group of persons, where the Takeovers Panel is satisfied that those rights or interests are being affected, or will be or are likely to be affected, by the circumstances.

### 4. Indicative Timetable

The indicative timetable for the proposed delisting is set out below.

EVENT	DATE
Formal application submitted to ASX	19 November 2024
Receipt of ASX's approval of the formal application	10 December 2024
Expected date for satisfaction of ASX's conditions for removal of the Company from the Official List	13 December 2024
Expected date of removal of the Company from the Official List (prior to commencement of trading)	18 December 2024
Expected date of quotation of Company's shares on NSX	19 December 2024

**Note:**

*The dates above are indicative only and subject to change by the Company or ASX. The Company will inform security holders of any changes to the indicative timetable referred to above by announcement made via the ASX market announcements platform.*

This announcement has been authorised by the Board of Directors of Danakali Limited.

For more information, please contact:

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