



Danakali Half Year Financial Report

Danakali Limited (ASX: DNK, LSE: DNK, **Danakali** or the **Company**), focused on the development of the Colluli Sulphate of Potash Project (**Colluli**, or the **Project**), is pleased to release its Financial Report for the six month period ended 30 June 2019 (**Half Year Financial Report**).

Key achievements:

- Credit approval received for US\$200M senior debt facility, funded and underwritten equally by Mandated Lead Arrangers Africa Finance Corporation (**AFC**) and African Export Import Bank (**Afreximbank**);
- Credit approval received by Inglett & Stubbs International from Afreximbank for US\$42M guarantee to facilitate senior debt funding for the Colluli power plant;
- Appointment of Mr. Niels Wage as Chief Executive Officer;
- Promotion of Mr. Tony Harrington to Project Director; and
- United Nations Development Programme report released highlighting Colluli's potential to contribute to Eritrean economy and 13 of the 17 United Nations Sustainable Development Goals.

Expectations for the remainder of 2019:

- Advance remaining project funding requirements; and
- Commence project execution.

Chief Executive Officer of Danakali, Niels Wage said: "During 2019, we have continued to achieve important milestones as we progress towards bringing Colluli into production. With credit approval secured, we have a large proportion of the development capex for Module I (US\$302M) secured, and an aim to commence development later this year. This financial achievement was secured in the context of the UNDP report released earlier in 2019, which highlighted the Project's potential for contributing significantly to sustainable development in Eritrea.

"With the support of AFC and Afreximbank, two leading African development finance institutions, and Standard Chartered Bank acting as our corporate financial adviser, we are assessing a range of options for funding the balance of the funding required to maintain momentum and begin development. We look forward to unlocking operational catalysts in the coming months."



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For more information, please contact:

Danakali

Niels Wage
Chief Executive Officer
+61 8 6189 8635

William Sandover
Head of Corporate Development & External Affairs
+61 499 776 998

Corporate Broker – Numis Securities

John Prior / Matthew Hasson / James Black /
Paul Gillam
+44 (0)20 7260 1000

UK IR/PR – Instinctif Partners

David Simonson / Sarah Hourahane / Dinara
Shikhametova
danakali@instinctif.com
+44 (0)207 457 2020

Visit the Company's website: www.danakali.com

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