

# Danakali Ltd

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## Danakali further de-risks Colluli Potash Project and enhances economics on completion of EPCM phase-2

Danakali Ltd (ASX:DNK) (LON:DNK) (OTCMKTS:SBMSF) has completed EPCM phase two work for the Colluli Potash Project in Eritrea, East Africa, with the updated FEED and schedule providing a more defined scope and de-risked design.

The completed phase 1 and 2 EPCM work, which relates to the process plant and associated infrastructure work, also confirms the robustness of the FEED results for the world-class project.

These outcomes follow a third-party review of the work by DRA Global.

Colluli is 100%-owned by the Colluli Mining Share Company (CMSC), a 50:50 joint venture between Danakali and the Eritrean National Mining Corporation (ENAMCO).

### Review "validates" project robustness

Chief executive officer Niels Wage said: "I am pleased to announce the results of this review update giving increased certainty and understanding of the Colluli Project schedule.

"The detail review process again validates the robustness of the project and previous technical studies.

"It is also pleasing to see that a number of optimisation opportunities in the process are established that will further de-risk the project".

### Design optimisations

Design optimisations have been identified with environmental and economic improvement such as:

- Beach well intake confirmed for the Water Intake Treatment Area (WITA) with lower environmental impact;
- Dry harvesting method from backend recovery ponds with less complex processing design; and
- Selection of RA International as camp provider gives Colluli access to a fit for purpose, manufactured camp.

Optimisation of the Beach Wells is beneficial to the environment as it minimises the risk to the subsea and coastal habitats by avoiding onshore pipeline construction and offshore installation.

The design also eliminates chlorine dosing and improves the quality of the discharge water as the pre-treatment feedwater requires less chemicals.

### "Lower environmental impact"

Project director Tony Harrington said: "In phases 1 and 2 of the EPCM work we have been working closely with DRA on the review of the 2018 FEED study.

**Price:** 0.415

**Market Cap:** \$132.28 m

#### 1 Year Share Price Graph



#### Share Information

**Code:** DNK

**Listing:** ASX

**52 week High Low**  
0.67 0.285

**Sector:** Rare earths & specialist minerals

**Website:** [www.danakali.com.au](http://www.danakali.com.au)

#### Company Synopsis:

*Danakali Ltd (ASX:DNK) is developing the Colluli Potash Project, a world class greenfield SOP development project.*

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"I am pleased to see that original FEED study is very robust and we have progressed to a more defined scope and de-risked design.

"An example of this that I am proud of is our WITA study results that among other things demonstrates a lower environmental impact than in our already approved Social Environmental Impact Assessment and the Social Environmental Management Plan."

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