FEED overview

FEED completion confirms Colluli as the most advanced and economically attractive SOP greenfield development project

- Enhanced project economics
- Considerably higher level of accuracy than in DFS\(^9\)
- Industry leading capital intensity
- Forecast first quartile operating costs
- Project level NPV of US$902M with IRR of 29.9% for Modules I and II
- Critical milestone for finalisation of offtake and debt processes
- Multi-commodity potential of Colluli provides major additional upside

### Key Colluli FEED economic estimates and outcomes\(^1\)

<table>
<thead>
<tr>
<th>100% of the Project (equity / pre-debt basis)</th>
<th>Module I(^2)</th>
<th>Modules I &amp; II(^3,4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annualised SOP production</td>
<td>472ktpa</td>
<td>944ktpa</td>
</tr>
<tr>
<td>Strip ratio (waste:ore)</td>
<td>1.9</td>
<td>2.1</td>
</tr>
<tr>
<td>Module I development capital(^5)</td>
<td>US$302M</td>
<td></td>
</tr>
<tr>
<td>Incremental Module II development capital(^4,5)</td>
<td></td>
<td>US$202M</td>
</tr>
<tr>
<td>Capital intensity(^5)</td>
<td>US$640/t</td>
<td>US$534/t</td>
</tr>
<tr>
<td>Incremental Module II capital intensity(^5)</td>
<td></td>
<td>US$427/t</td>
</tr>
<tr>
<td>Average mine gate cash costs(^6)</td>
<td>US$165/t</td>
<td>US$149/t</td>
</tr>
<tr>
<td>Average total cash costs(^6,7)</td>
<td>US$258/t</td>
<td>US$242/t</td>
</tr>
<tr>
<td>Average annual undiscounted free cash flows(^6)</td>
<td>US$88M</td>
<td>US$173M</td>
</tr>
<tr>
<td>Post tax NPV (10% real)</td>
<td>US$505M</td>
<td>US$902M</td>
</tr>
<tr>
<td>Post tax IRR</td>
<td>28.1%</td>
<td>29.9%</td>
</tr>
<tr>
<td>Module I payback period(^8)</td>
<td>3.25 years</td>
<td></td>
</tr>
</tbody>
</table>

Danakali’s 50% share of the Project (post finance basis)

| Average annual undiscounted free cash flows\(^6\) | US$43M | US$85M |
| Post finance NPV (10% real)                      | US$242M| US$439M|
| Post finance IRR                                 | 29.7% | 31.3% |

---

1. Economic estimates and outcomes reported in US$ real
2. Assumed that Module I is 60% debt / 40% equity funded
3. Module II production expected to commence in year 6
4. Assumed 100% funded from project cash flows and third-party debt
5. Including contingency, excluding sustaining and working capital
6. Average for first 60 years of production
7. Includes mine gate cash costs, product logistics, and royalties
8. Represents payback from date of first production

---

ASX announcement 30 November 2015
FEED accuracy

Operating and capital cost accuracy level of ±10%

- Undertaken by highly qualified, industry recognised consultants
- Optimisation opportunities included in the final assessment
- Majority of cost estimates supported by formal vendor/contractor pricing
- No other known SOP greenfield development project that has completed FEED
- The typical accuracy levels of other studies illustrate the advanced stage that FEED represents

Typical accuracy levels of mining project study phases

Source: AACE
Colluli overview

Positively unique suite of characteristics that allows for simple, proven, low risk and low-cost mining, processing and logistics

<table>
<thead>
<tr>
<th>Mining</th>
<th>Processing</th>
<th>Logistics</th>
</tr>
</thead>
</table>
| • Massive 1.1Bt Ore Reserve\(^1\)  
• Shallowest evaporite deposit in the world  
• Simple, low cost, open-cut mining  
• Conventional truck and shovel methods utilised, complemented by continuous surface miners | • Simple, energy efficient, commercially-proven processing  
• Unique and favourable combination of potassium bearing salts  
• Colluli salt composition ideal for low energy, high yield conversion to SOP at ambient temperatures  
• No pre-evaporation ponds necessary, reducing capex requirements and time to revenue | • Closest SOP project to a coastline  
• Favourable logistics unlock product diversification potential  
• 230km by road to the well-established Massawa port  
• 75km to Anfile Bay, potential site for future port development |

Other SOP greenfield development projects typically face challenges such as depth of ore body, brine complexities, lack of scale, inconsistent grade, high energy processing, extensive evaporation pond requirements, and/or great distances to export facilities

\(^1\) ASX announcement 29-Jan-18
Industry leading economics

Colluli is without peer on capital intensity or valuation bases

Estimated capital intensity, development capex, annual SOP production and IRR for selected global PFS+ SOP development projects

Source: Company announcements
Industry leading economics cont.

If operating in 2016, Danakali would have been the lowest cost SOP producer outside of China

Mine gate cash costs outside of China in 2016 (US$/t)

Source: Integer Research and internal Company analysis

Opportunity for Colluli to displace high cost SOP supply

Colluli – Module I

SOP production capacity (kt)

US$/t

500
450
400
350
300
250
200
150
100
50

Eritrea overview

Eritrea has experienced strong recent economic growth, and is focused on health, education and infrastructure

- One of the fastest growing economies globally\(^1\)
  - Drivers include mineral exports, agricultural output and infrastructure development
- Stable government with 26 years of independence
- Only sub-Saharan African country to meet its Millennium Development Goals by 2015\(^2\)
  - Large reductions in malaria, maternal mortality, and HIV/AIDS prevalence
  - Improved access to potable water and almost doubled adult literacy rates

Mining in Eritrea

- Successful track record in mining operations
- Danakali has a strong, effective working relationship with the Eritrean government through the CMSC JV
- Initial capital requirements will be funded equally by Danakali and the Eritrean government

Major Eritrean mining projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Ownership</th>
<th>Development Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bisha (Au, Ag, Cu, Zn)</td>
<td>Nevsun 60% / ENAMCO 40%</td>
<td>Undergoing third expansion</td>
</tr>
<tr>
<td>Zara (Au)</td>
<td>SFECO 60% / ENAMCO 40%</td>
<td>Commissioned and producing</td>
</tr>
<tr>
<td>Asmara (Cu, Zn, Au)</td>
<td>Sichuan Road &amp; Bridge Mining Corp. 60% / ENAMCO 40%</td>
<td>Advanced stages of development</td>
</tr>
</tbody>
</table>

---

1. World Bank, The Economist
2. World Health Organisation

Asmara cycling race

City of Asmara
Colluli’s impact

Eritrea stands to benefit from the long term economic, social and community dividends that Colluli will generate

• Positive impact through *infrastructure, job creation, taxes, royalties, and associated economic development*

• Creation of **hundreds of permanent jobs for Eritrean nationals**

• **Long term training** for trades and professionals

• **Stakeholder engagements** have been held with representatives of various local communities

• Deep **understanding of each communities’ interests** developed

• **Social and Environmental Impact Assessments and Management and Monitoring Plans have been developed** in line with the Equator Principles\(^1\)

• **Strong ongoing community support** for the Project

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\(^1\) The Equator Principles are a risk management framework used to manage the environmental and social risk in projects, see Danakali’s website for the SEIA and SEMPs -
With the Project’s study phase complete, Danakali is focusing on securing bankable offtake agreements, advancing debt funding, executing the equity strategy and project execution.

Colluli’s progression since 2015 – study phase

<table>
<thead>
<tr>
<th>Task</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>PFS completed</td>
<td>✓</td>
</tr>
<tr>
<td>Successful completion of Colluli pilot test program</td>
<td>✓</td>
</tr>
<tr>
<td>DFS completed</td>
<td>✓</td>
</tr>
<tr>
<td>Rock salt, SOP-M and kieserite established as viable Colluli products</td>
<td>✓</td>
</tr>
<tr>
<td>Social and Environmental Impact Assessment approved</td>
<td>✓</td>
</tr>
<tr>
<td>Mining Agreement signed and Mining Licences awarded – Colluli fully permitted</td>
<td>✓</td>
</tr>
<tr>
<td>Operational contract processes commenced</td>
<td>✓</td>
</tr>
<tr>
<td>FEED completed</td>
<td>✓</td>
</tr>
</tbody>
</table>

Focus areas in 2018 – project execution phase

<table>
<thead>
<tr>
<th>Area</th>
<th>Task</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offtake</td>
<td>Progress negotiations to final bankable offtake agreements</td>
</tr>
<tr>
<td>EPCM</td>
<td>Finalise negotiations with shortlisted bidders</td>
</tr>
<tr>
<td>Mining</td>
<td>Finalise negotiations with shortlisted bidders</td>
</tr>
<tr>
<td>Power</td>
<td>Finalise negotiations with preferred power provider Inglett and Stubbs International</td>
</tr>
<tr>
<td>Equity</td>
<td>Dual listing on the London Stock Exchange</td>
</tr>
<tr>
<td>Debt</td>
<td>Finalise arrangements with commercial lenders</td>
</tr>
</tbody>
</table>
Offtake, funding and project execution cont.

FEED is the final stage before project execution, and provides offtakers and funders with a high level of study detail and accuracy

**Offtake**
- FEED provides additional confidence on Project certainty and fundability, which **supports finalisation of bankable offtake agreements**
- Negotiations with **multiple SOP distributors and traders** advancing as planned
- Aiming to achieve the **highest possible netback price for each tonne of SOP sold**

**Equity**
- FEED provides equity investors with a **rigorous valuation basis**
- Dual listing on the LSE is a **key enabler of Danakali’s equity strategy**
- The LSE opens the Company to a **wider and deeper range of institutional investors**

**Debt**
- FEED further supports the investment proposition and underpins the Financial Model
- Completion of well-defined procurement and supplier lists **concludes prerequisites for Export Credit Agencies**

**Project execution**
- Mining, power and EPCM contracts are entering the **final negotiation phases**
- Mining contractors shortlisted to **2 competitive bids from highly qualified bidders**
- Seeking to **commence negotiations with preferred EPCM consultants by March 2018**
SOP products

CMSC will produce a high grade premium SOP product

- Representative CMSC SOP samples have been assessed and well received by prospective offtakers
- Interest in procuring future CMSC SOP products remains high

CMSC SOP products
Standard, Granular and Soluble (all 96% $\text{K}_2\text{SO}_4$ / 52% $\text{K}_2\text{O}$)$^1$

SOP is used on high value, chloride intolerant crops
Fruits, vegetables, nuts, coffee and tea

Multi-commodity potential

Modular development approach underpins highly scalable, long life project

- **~200 years of mining** at FEED SOP production rates\(^1\)
- **Low incremental growth capital for further modules** given open-cut mining
- **Favourable logistics**
- Potassium salt combination suitable for production of SOP, SOP-M and MOP
- Appreciable amounts of **rock salt** (within overburden), gypsum, kieserite and magnesium chloride\(^1\)
- SOP-M and rock salt **product specifications have been developed**\(^2\)

<table>
<thead>
<tr>
<th>Product</th>
<th>Resource/Reserve</th>
<th>K(_2)O equiv.</th>
</tr>
</thead>
<tbody>
<tr>
<td>SOP-M</td>
<td>1.3Bt</td>
<td>11%</td>
</tr>
<tr>
<td>SOP</td>
<td>1.1Bt</td>
<td>10.5%</td>
</tr>
<tr>
<td>Kieserite</td>
<td>85Mt</td>
<td>7%</td>
</tr>
<tr>
<td>Rock salt</td>
<td>347Mt</td>
<td>97%</td>
</tr>
</tbody>
</table>


Gypsum and magnesium chloride detected but not yet assessed

**Significant expansion and multi-commodity potential**
Danny Goeman, a highly experienced mining industry professional, recently assumed the role of CEO

**Danny Goeman – Chief Executive Officer**

- Joined Danakali in 2016 and has since developed the offtake strategy and offtake contract frameworks, and led the offtake negotiations on behalf of CMSC
- More than 25 years’ experience in sales and marketing, strategy development, and high level commercial negotiations
- More than 20 years with the Rio Tinto group of companies
- Experience across multiple commodities in multiple jurisdictions, and has significant customer engagement and international experience
- Master’s Degree in Business Administration

**Stuart Tarrant – Chief Financial Officer**

- Extensive exposure in the mining industry
- Financial modelling, financial systems deployment, procurement, budgeting, and cost analysis and optimisation experience
- Previously a finance manager at BHP

**Tony Harrington – Project Manager**

- Over 30 years’ experience across a range of mining projects in various African countries, China, Europe, UK and Australia
- Project Manager for US$0.3B Kwale Minerals Sands Project in Kenya and US$330M Chimimiwango expansion at the Lumwana Copper Mine in Zambia

**William Sandover – Head of Corporate Development & External Affairs**

- Extensive investment banking and corporate advisory experience at UBS, Macquarie and Vesparum
- Has been involved in raising more than A$10B in equity and hybrid capital for ASX-listed companies
Danakali investment case

Colluli is the most advanced and economically attractive SOP greenfield development project globally with the platform in place to secure bankable offtake agreements, achieve financial close and execute the Project.

<table>
<thead>
<tr>
<th>Feature</th>
<th>Advantage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fully permitted</td>
<td>High grade</td>
</tr>
<tr>
<td>1.1Bt Ore Reserve¹</td>
<td>Low cost, open-cut mining</td>
</tr>
<tr>
<td>~200 year mine life¹</td>
<td>Simple mineral processing</td>
</tr>
<tr>
<td>Shallowest evaporite deposit</td>
<td>High product yield</td>
</tr>
<tr>
<td>Significant diversification potential</td>
<td>Favourable logistics</td>
</tr>
<tr>
<td></td>
<td>Industry leading economics</td>
</tr>
<tr>
<td></td>
<td>Strong Board and management</td>
</tr>
<tr>
<td></td>
<td>Supportive JV partner</td>
</tr>
<tr>
<td></td>
<td>High profile share register</td>
</tr>
<tr>
<td></td>
<td>Outstanding social dividend</td>
</tr>
</tbody>
</table>

1. ASX announcement 29-Jan-18
Appendix

FEED comparison with DFS
Colluli introduction
Solid form potassium salts vs. brines
Corporate snapshot
Danakali Board
Technical glossary
<table>
<thead>
<tr>
<th>Module</th>
<th>DFS² I</th>
<th>DFS² I &amp; II4,5</th>
<th>FEED I</th>
<th>FEED I &amp; II4,5</th>
<th>Variance from DFS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>100% of the Project (equity / pre-debt basis)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annualised SOP production</td>
<td>425ktpa</td>
<td>850ktpa</td>
<td>472ktpa</td>
<td>944ktpa</td>
<td>↑ 11%</td>
</tr>
<tr>
<td>Strip ratio (waste:ore)</td>
<td>1.9</td>
<td>1.9</td>
<td>1.9</td>
<td>2.1</td>
<td>-</td>
</tr>
<tr>
<td>Module I development capital</td>
<td>US$298M</td>
<td></td>
<td>US$302M</td>
<td></td>
<td>↑ 1%</td>
</tr>
<tr>
<td>Incremental Module II development capital5,6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital intensity</td>
<td>US$701/t</td>
<td>US$556/t</td>
<td>US$640/t</td>
<td>US$534/t</td>
<td>↓ 9%</td>
</tr>
<tr>
<td>Incremental Module II capital intensity6</td>
<td></td>
<td>US$412/t</td>
<td>US$427/t</td>
<td></td>
<td>↑ 4%</td>
</tr>
<tr>
<td>Working capital requirement7,8</td>
<td>US$38M</td>
<td></td>
<td>US$20M</td>
<td></td>
<td>↓ 47%</td>
</tr>
<tr>
<td>Average mine gate cash costs</td>
<td>US$168/t</td>
<td>US$141/t</td>
<td>US$165/t</td>
<td>US$149/t</td>
<td>↓ 2%</td>
</tr>
<tr>
<td>Average total cash costs9,10</td>
<td>US$255/t</td>
<td>US$227/t</td>
<td>US$258/t</td>
<td>US$242/t</td>
<td>↑ 1%</td>
</tr>
<tr>
<td>Average forecast SOP price11</td>
<td>US$572/t</td>
<td>US$572/t</td>
<td>US$569/t</td>
<td>US$569/t</td>
<td>↓ 1%</td>
</tr>
<tr>
<td>Cumulative undiscounted free cash flows12</td>
<td>US$4,539M</td>
<td>US$9,637M</td>
<td>US$4,944M</td>
<td>US$10,019M</td>
<td>↑ 9%</td>
</tr>
<tr>
<td>Average annual undiscounted free cash flows9</td>
<td>US$81M</td>
<td>US$166M</td>
<td>US$88M</td>
<td>US$173M</td>
<td>↑ 9%</td>
</tr>
<tr>
<td>Post tax NPV (10% real)</td>
<td>US$439M</td>
<td>US$860M</td>
<td>US$505M</td>
<td>US$902M</td>
<td>↑ 15%</td>
</tr>
<tr>
<td>Post tax IRR</td>
<td>25.4%</td>
<td>29.0%</td>
<td>28.1%</td>
<td>29.9%</td>
<td>↑ 11%</td>
</tr>
<tr>
<td>Module I payback period13</td>
<td>3.5 years</td>
<td></td>
<td>3.25 years</td>
<td></td>
<td>↓ 7%</td>
</tr>
</tbody>
</table>

Danakali’s 50% share of the Project (post-debt basis)

| Post finance NPV (10% real)                                          | US$206M| US$415M     | US$242M| US$439M      | ↑ 17%            |
| Post finance IRR                                                     | 25.2%  | 29.3%       | 29.7%  | 31.3%        | ↑ 18%            |

1 Economic estimates and outcomes reported in US$ real
2 ASX announcement 30 November 2015
4 Assumed Module II is funded from project cash flows and third-party debt
8 Module II working capital requirements funded from project cash flows
10 Includes mine gate cash costs, product logistics, and royalties
11 Composite price for Standard (56%) and Granular (44%) SOP products
13 Represents payback from date of first production

Key Colluli FEED economic estimates and outcomes¹

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Colluli introduction

- Located in the Danakil Depression (salt basin) on the Eritrean side of the Eritrea-Ethiopia border
  - Several other development projects exist in the Danakil Depression on the Ethiopian side, but their deposits are at a greater depth with a greater distance to port
- Colluli is 50% owned by Danakali and 50% owned by ENAMCO\(^1\)
- Colluli will be developed utilising a modular development approach
  - Module I expected to produce 472ktpa of premium SOP
  - Module II, commencing production in year 6 of the Project, will increase total SOP production to 944ktpa

\(^1\) Danakali’s disclosed economics reflect the dynamics of the Shareholder’s Agreement
Solid form potassium salts vs. brines

Colluli has extensive advantages over potassium bearing brines

1. Superior feed grade and higher potassium yields
2. Surface level deposit
3. Simplicity
   • Colluli processing plant utilises simple, proven, mineral processing units
   • Brine chemistry management is complex
4. Lower energy input
   • Colluli salts require no heating
   • In contrast, potassium brines can require heating to over 50°C for thermal decomposition¹
5. Consistent, predictable feed grade
6. Production rates are faster, predictable and not weather dependent
   • Production rates from brine projects are slower and directly proportional to weather conditions
7. Smaller footprint and water requirements
   • Colluli has no need for generation of harvest salt, no pre-production ponds, small evaporation ponds, and lower processing water requirements
   • Brine processes have large areas of inefficient evaporation ponds


Source: Salt Lake Potash (ASX: SO4) announcement
Corporate snapshot

Danakali has experienced strong share price performance during the progression of the Colluli study phase, and a reasonable capital buffer and high profile share register are in place.

Share price and liquidity since January 2015

Capital structure
As at 30 January 2018
Share price  A$0.78
Shares on issue¹  251.7M
Market capitalisation  A$196.3M
Cash (31-Dec-17)  A$15.5M
Debt (31-Dec-17)  -
Enterprise value  A$180.8M

Key shareholders
Well Efficient
Chinese private equity  11.9%
JPMorgan AM UK
Global fund manager  8.7%
Capital Group
Global fund manager  6.6%
Chairman
Seamus Cornelius  3.9%
Non-Executive Director
Paul Donaldson  1.1%

¹ "Shares on issue" does not include 19.2M unlisted options with exercise prices ranging from A$0.35 to A$0.96 and expiry dates ranging from 30-Mar-18 to 19-May-20, or 1.4M performance rights.

Source: BellDirect
An experienced, multi-disciplinary and international Board

Seamus Cornelius – Chairman
• Corporate lawyer with over 20 years experience in the resource sector
• Former partner at one of Australia’s leading law firms
• Chairman of Duketon Mining, Montezuma Mining, and Buxton Resources

Bob Connochie – Non-Executive Director
• Highly experienced potash and mining specialist with over 40 years industry experience
• Previously Chairman of potash exporter Canpotex, former Chairman and CEO of Potash Company of America

John Fitzgerald – Non-Executive Director
• Chartered Accountant with over 30 years finance and corporate advisory experience in the resource sector
• Previously held senior position at Rothschild, Investec and HSBC
• Non-executive Chairman of Carbine Resources, and Non-Executive Director of Northern Star Resources

Andre Liebenberg – Non-Executive Director
• Mining industry professional with extensive investor market, finance, business development and leadership experience
• Over 25 years in private equity and investment banking, and senior roles at BHP Billiton and QKR Corporation

Paul Donaldson – Non-Executive Director
• 25 years industry experience in senior management roles at BHP
• Extensive experience in technical project management, open cut mining operations, marketing and supply chain
• Roles at BHP included: Head of the BHP Carbon Steel Materials Technical Marketing Team, management of the Port Hedland iron ore export facility, GM of Mining Area C

Zhang Jing – Non-Executive Director
• Previously held project management roles in publicly listed companies in China
• Over 15 years of international trading and business development experience in China
### Technical Glossary

<table>
<thead>
<tr>
<th>Term</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMSC</td>
<td>• Colluli Mining Share Company, the 50:50 joint venture vehicle owned by Danakali and ENAMCO that 100% owns Colluli</td>
</tr>
<tr>
<td>Colluli</td>
<td>• The Colluli Potash Project</td>
</tr>
<tr>
<td>The Company</td>
<td>• Danakali Limited, DNK.ASX</td>
</tr>
<tr>
<td>Danakali</td>
<td>• Danakali Limited, DNK.ASX</td>
</tr>
<tr>
<td>DFS</td>
<td>• Definitive Feasibility Study, refer ASX announcement 30 November 2015 for the Colluli results</td>
</tr>
<tr>
<td>ENAMCO</td>
<td>• The Eritrean government owned Eritrean National Mining Company (owns 50% of Colluli)</td>
</tr>
<tr>
<td>EPCM</td>
<td>• Engineering, Procurement and Construction Management</td>
</tr>
<tr>
<td>Evaporite</td>
<td>• A natural salt or mineral deposit left after the evaporation of a body of water</td>
</tr>
<tr>
<td>FEED</td>
<td>• Front End Engineering Design, refer ASX announcement 29 January 2018 for the Colluli results</td>
</tr>
<tr>
<td>IRR</td>
<td>• Internal Rate of Return, the discount rate at which the net present value of all the cash flows from a project equal zero</td>
</tr>
<tr>
<td>Kieserite</td>
<td>• MgSO₄.2H₂O</td>
</tr>
<tr>
<td>MOP</td>
<td>• Muriate of Potash (KCl)</td>
</tr>
<tr>
<td>NPV</td>
<td>• Net Present Value, the difference between the present value of cash inflows and the present value of cash outflows over a period of time</td>
</tr>
<tr>
<td>PFS</td>
<td>• Pre-Feasibility Study, refer ASX announcement 4 March 2015 for the Colluli results</td>
</tr>
<tr>
<td>The Project</td>
<td>• The Colluli Potash Project</td>
</tr>
<tr>
<td>SEIA</td>
<td>• Social and Environmental Impact Assessment</td>
</tr>
<tr>
<td>SEMP</td>
<td>• Social and Environmental Management and Monitoring Plans</td>
</tr>
<tr>
<td>SOP</td>
<td>• Sulphate of Potash (K₂SO₄)</td>
</tr>
<tr>
<td>SOP-M</td>
<td>• Sulphate of Potash Magnesia (K₂SO₄·MgSO₄·4H₂O)</td>
</tr>
</tbody>
</table>
Forward looking statements and disclaimer

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.

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Mineral Resources and Ore Reserves have been reported according to the JORC Code, 2012 Edition. Mineral Resource, Ore Reserve and financial assumptions made in this presentation are consistent with assumptions detailed in the Company’s ASX announcements dated 25 February 2015, 4 March 2015, 19 May 2015, 23 September 2015, 30 November 2015, 15 August 2016 and 1 February 2017 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.

Refer ASX announcement on 29 January 2018, “FEED completion”, for further FEED results detail.