Danakali Ltd has project approvals on track for Colluli Potash

Danakali Ltd (ASX:DNK) continues to advance the Colluli project, which is one of the most advanced sulphate of potash (SOP) projects in the world.

Danakali has a 50% equity interest in Colluli through a joint venture with the Eritrean National Mining Company.

The company has now outlined that it has project approvals on track, with positive outcomes from the Social and Environmental Impact Assessment and Management Plan review.

All documentation was made publically available for the two-month review period, and Danakali said that only positive feedback was received on content, quality and comprehensiveness of the assessment and management plans.

Paul Donaldson, managing director, commented:

“This is a great outcome and reinforces the excellent work done to date to support the project development.

“The work was effectively made available to the international community, and received only positive feedback.

“We are also happy to have hosted a site visit, in recent weeks, from the relevant Eritrean ministries to support the mining license application process.”

The company added that the mining license application process continues with positive progress and relevant government ministry representation visiting the future Colluli mine site last week.

World-class Colluli

The Colluli project is a tier 1 asset, and the DFS indicates industry leading capital intensity, bottom quartile operating costs and an ore reserve of 1.1 billion tonnes.

Funding discussions are underway and the company has signed memorandums of understanding for 800,000 tonnes of sulphate of potash per annum.

Broker interest

Baillieu Holst has and recently initiated coverage with a Buy recommendation and $0.50 per share price target.

Hartleys has a 12-month price target of $0.66, with Somers and Partners having assigned a Buy recommendation and target of $1.03.

Proactive Investors Australia is the market leader in producing news, articles and research reports on ASX emerging companies with distribution in Australia, UK, North America and Hong Kong / China.
You understand and agree that no content published constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential advisability, value or suitability of any particular security, portfolio of securities, transaction, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including company related products and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made.

However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The contributors make every effort to ensure that the information and material contained in this report is accurate and correct and has been obtained from reliable sources. However, no representation is made about the accuracy or completeness of the information and material and it should not be relied upon as a substitute for the exercise of independent judgment. Proactive Investors does not accept any liability, including negligence, for any loss or damage arising from the use of, or reliance on, the material contained in this report. There are general risks associated with any investment in securities. Investors should be aware that these risks might result in loss of income and capital invested.

WARNING: No recipients should rely on any recommendation (whether express or implied) contained in this document without obtaining specific advice from their advisers. All investors should therefore consider the appropriateness, in light of their own objectives, financial situation and/or needs, before acting on the advice.

DISCLOSURE: The Company, its directors, associates, employees or representatives may not effect a transaction upon its or their own account in the investments referred to in this report or any related investment until the expiry of 24 hours after the report has been published.