Danakali Ltd

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Danakali achieves key milestones towards developing Colluli Potash Project

Danakali Ltd (ASX:DNK) is making significant progress towards securing the necessary financing and commencing development of the Colluli Potash Project in Eritrea, East Africa.

The project is a 50:50 joint venture between Danakali and the Eritrean National Mining Corporation (ENAMCO).

Danakali executive chairman Seamus Cornelius said: "We have made significant progress in the first half of this year, achieving key milestones on the path to securing the necessary financing and commencing development of the Colluli Potash Project, including confirming a take-or-pay offtake agreement for up to 100% (minimum 87%) of Colluli Module I SOP production with EuroChem and listing on the LSE Main Market in July.

READ: Danakali lists on the London Stock Exchange

"We have also made good progress on the development of operational and in-country readiness systems and structures, which puts us in a good position to commence the next stages in the project development on completion of financing.

"We are pleased to see that SOP demand growth continues to outpace low cost supply growth, resulting in a robust pricing environment, and welcome the significant positive developments in Eritrean-Ethiopian relations including the peace treaty signing, which provides a platform of stability for the region."

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