

Danakali Ltd

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Danakali confirms DRA Global as preferred EPCM contractor for Colluli

Danakali Ltd (ASX:DNK) has confirmed DRA Global as the preferred engineering, procurement, construction and management (EPCM) provider for its Colluli Potash Project in Eritrea.

The appointment was made on behalf of the Colluli Mining Share Company (CMSC), a 50:50 joint venture between Danakali and the Eritrean government.

Danakali executive chairman and CMSC director Seamus Cornelius said the company was pleased to confirm DRA, "a global engineering firm of strong repute with extensive experience operating in Africa", as preferred contractor.

Cornelius said: "We look forward to working with DRA in finalising the last few project sign-off gates and to commence project execution."

READ: Danakali's advanced Colluli Potash Project in Eritrea is a cut above the rest

A competitive EPCM tender process and evaluation was conducted for Colluli, based on the front-end engineering design study.

The tenders were assessed by Danakali and engineering consultants Turner & Townsend against strict evaluation criteria, with DRA the standout in a premium field of global engineering groups.

READ: Danakali achieves key milestones towards developing Colluli Potash Project

DRA Global chief executive officer Wray Carvelas said the award for the execution of Colluli to DRA was a testament to the contractor's position as the preferred technical partner for projects in Africa.

He said: "We have put together a very strong team for the successful delivery of the project and both our project manager and proposed in-country manager have experience in delivering projects in Eritrea."

DRA will be responsible for all aspects of design, project management, procurement, construction management and supervision, as well as commissioning of the process plant and related infrastructure.

The engineering company will also be responsible for awarding contracts for earthworks, structural, mechanical, piping, electrical and instrumentation works, a laboratory and a permanent camp.

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Colluli comprises a massive ore reserve estimate of 1.1 billion tonnes grading 10.5% potassium oxide for 203 million tonnes of contained sulphate of potash equivalent.

The deposit is amenable to simple, low cost, open-cut mining with a progressive working face that provides access to

Price: 0.52

Market Cap: \$165.74 m

1 Year Share Price Graph



Share Information

Code: DNK

Listing: ASX

52 week High Low
0.82 0.52

Sector: Rare earths & specialist minerals

Website: 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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each of the mineralised layers simultaneously.

It is the shallowest evaporite deposit in the world, with mineralisation starting at just 16 metres allowing open-cut mining.

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