

Danakali Ltd

10:31 20 Feb 2020

Danakali non-executive chairman shows faith in SOP strategy with on-market share purchase

Danakali Ltd's (ASX:DNK) (LON:DNK) (OTCMKTS:SBMSF) non-executive chairman Seamus Cornelius has demonstrated his confidence in the company's sulphate of potash (SOP) strategy through an on-market share purchase.

Cornelius purchased 62,960 shares on February 19 in a transaction valued at more than A\$35,700.

He now holds more than 4.894 million fully paid ordinary shares in a direct holding along with almost 5.5 million shares in two indirect holdings.

The company, which has a market cap of approximately A\$184.9 million last traded at A58 cents, up from A54.5 cents on February 17.

EPCM process underway

Danakali has entered the first phase of the Engineering, Procurement and Construction Management (EPCM) process at the world-class Colluli Sulphate of Potash (SOP) Project in Eritrea.

The board of Colluli Mining Share Company (CMSC), which holds the project and is 50%-owned by Danakali, has approved establishment of the Owner's Project Team.

This team, which includes key project personnel led by project director Tony Harrington, has been embedded into the project team of EPCM consultant DRA Global.

FEED review

The EPCM consultant has started a review of the Front End Engineering Design (FEED), which includes developing and establishing of project systems, project controls and progress measurement monitoring.

Since issuing a Notice to Proceed, DRA has also started project management activities and mobilised its own engineering group for the process plant and associated infrastructure work, which is underway in Johannesburg.

New chief sustainability officer

The company last month created the role of chief sustainability officer with Todd Romaine appointed to oversee the Environmental, Social and Governance (ESG) programs and agenda.

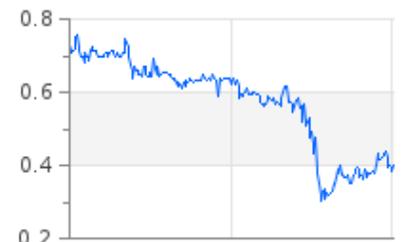
At the time chief executive officer Niels Wage said: "Danakali is strongly committed to ensuring the development and operation of Colluli is executed in the most sustainable manner.

"We want to help further shape sustainable mining and agriculture in Africa, and with Todd's significant previous experience, also in Eritrea, we will ensure Danakali works in collaboration with partners and stakeholders to deliver a world-class ESG program."

Price: 0.4

Market Cap: \$127.5 m

1 Year Share Price Graph



June 2019 December 2019 June 2020

Share Information

Code: DNK

Listing: ASX

52 week High Low
0.77 0.285

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.

action@proactiveinvestors.com.au

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Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

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