



# Danakali

Aug 3<sup>rd</sup> 2015

## Danakali completes successful pilot tests for Colluli sulphate of potash

Danakali (ASX:DNK) has delivered another milestone from the Colluli Potash Project in Eritrea, East Africa.

The company has now completed successful pilot tests for the Colluli sulphate of potash (SOP) production process.

The program was initiated in December 2014 and comprised five discreet pilot runs of progressively increasing duration.

In addition to validating and optimising the process plant design, the key objectives of the program were to prove process repeatability, test grade variability, test temperature range tolerance and test the impact of water quality variation.

The pilot tests have resulted in the generation of over 300kg of high purity SOP.

Importantly, the quality achieved is at the highest end of the quality spectrum.

Colluli is a 50/50 joint venture between the Eritrean National Mining Company (ENAMCO).

The project is located in the emerging potash province of Danakil, which is one of the largest unexploited potash basins in the world.

To date over 6 billion tonnes of potassium bearing salts suitable for the production of potash fertilisers have been identified.

The potash potential has attracted a number of major international potash producers including both Yara International and ICL who are advancing projects in the region.

Paul Donaldson, managing director, commented: "We are pleased with the outcomes of the piloting work.

"The repeatability of performance and product quality demonstrates the robustness of the process.

"Having a substantial amount of product from the Colluli salts to assist vendors in equipment selection is a major benefit, as is having a generous amount of real product from the resource to engage potential offtakers."

### Details of the pilot testing

Standard, granular and soluble forms of SOP have been generated from the pilot plant product and are currently being used for marketing purposes.

Product generated in the pilot tests has also been distributed to vendors to determine the appropriate sizing and operating parameters for drying and compaction equipment for the Definitive Feasibility Study (DFS).

### Next news on testing

Anti-caking tests are now underway at the Saskatchewan Research Council (SRC) with the Colluli SOP product to

**Price:** A\$0.355

**Market Cap:** A\$61.842M

### 1 Year Share Price Graph



### Share Information

**Code:** DNK

**Listing:** ASX

**Sector:** General Mining

**Website:** www.danakali.com.au

### Company Synopsis:

*Danakali (ASX:DNK) formally known as South Boulder Mines is focussed on the world class Colluli Potash Project in Eritrea.*

**Author:**

**Proactive Investors** +61 2 9299 5001

action@proactiveinvestors.com.au



determine the most appropriate anti-caking agent and application rate.

Results will be incorporated in the DFS.

The first pilot test was utilised to modify the overall process design to improve SOP product quality.

Subsequent tests consistently demonstrated high quality SOP product from the Colluli potassium salts, and repeatability of process performance.

Final analysis of temperature, water quality variation and feed grade variation tests are pending and will be completed within the next two weeks.

## Analysis

The Colluli Potash Project has a world-class 1.1 billion tonne Ore Reserve Estimate, comprising 287 million tonnes of Proved and 820 million tonnes of Probable Ore Reserve.

Danakali has now ticked off another milestone with the successful completion of pilot tests for the Colluli sulphate of potash (SOP) production process.

The program was initiated in December 2014 and comprised five discreet pilot runs of progressively increasing duration.

Danakali is well-funded with \$7.9 million in cash.

## Upcoming milestones:

September quarter milestones include: Delivery of JORC compliant rock salt resource; Completion of water reduction testwork; and Preparation work for Colluli mining agreement.

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