



Danakali

Feb 25th 2016

Danakali completes first step of mining approvals process

Danakali (ASX:DNK) has made the formal submission of the Colluli Potash Project Definitive Feasibility Study (DFS) to the Eritrean Ministry of Energy and Mines.

This represents the first step in the mining approvals process.

Colluli is 100% owned by the Colluli Mining Share Company, which is a 50:50 joint venture between Danakali and the Eritrean National Mining Company.

The project is located in the Danakil Depression region, 75 kilometres from the Red Sea coast, making it one of the most accessible potash deposits globally.

Mineralisation commences at just 16 metres, making it the world's shallowest potash deposit, and amendable to open pit mining.

Paul Donaldson, managing director, commented:

"We are delighted to have formally submitted the Colluli DFS to the Ministry of Energy and Mines.

"The initiation of the approvals process symbolises the commencement of the next chapter of the project following the completion of the positive DFS.

"We now look forward to completing and submitting the SEIA and SEMP to accompany the project study documents following a very successful and supportive series of stakeholder engagements.

The stakeholder engagement following the completion of the DFS is an important step in involving those impacted most by the Colluli development in the project development path.

"We look forward to building on the positive relationships that have been formed with the local communities and other stakeholders over the past few years as we continue to advance the project."

DFS stakeholder engagements

Danakali said that over the past two weeks, post DFS stakeholder engagements have been held with representatives and members of communities proximate to the project and transportation route.

The results of these engagements will be integrated with the social and environmental impact assessments (SEIA) and management plans (SEMP), which are being conducted according to the Equator Principles.

The Equator Principles are a risk management framework adopted by financial institutions for determining, assessing and managing environmental and social risk in projects.

The engagements revealed overwhelmingly positive support for the project.

Upon integration of the final stakeholder engagements, the SEIA and SEMP will be submitted and, along with the DFS,

Price: A\$0.27

Market Cap: A\$45.701M

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.

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will allow the mining application to be submitted.

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