



Colluli Product Specifications Complete

Danakali Limited (ASX: DNK) is pleased to advise that product specification sheets (**Spec Sheets**) for Colluli's high-purity SOP-Granular, SOP-Standard and SOP-Soluble products have been released and are available on our website. This compliments the 300kg of SOP (**Potassium Sulphate** or **Sulphate of Potash**) product samples produced earlier this year.

Danakali Managing Director, Paul Donaldson said, *"The ability to provide detailed specifications of products produced from Colluli is a major milestone internally and facilitates our ongoing marketing process."*

"Whilst discussions with potential off-take parties to secure product sales agreements continue, completion of the production specification sheets represents an important milestone and requirement for securing product sales agreements, an important facet of our project funding process."

"We remain confident that the high quality nature of Colluli products will secure product sales agreements as the project advances."

Chemical assays including for heavy metals; particle size distributions of the granular, standard and soluble products; angles of repose; density and solubility tests have all been conducted to Australian Standards on Colluli SOP product, produced from pilot plant tests, and are presented in the Spec Sheets.

The SOP product has been generated exclusively from potash salts extracted from the Colluli Resource in Eritrea, East Africa and demonstrates Colluli's favourable salt combination to simply and economically produce high purity SOP.

Approximately 4 tonnes of Colluli drill core material have been processed at the Saskatchewan Research Council (**SRC**) in Canada for specific bench testing and pilot plant trials to produce SOP, which was delivered in soluble, standard and granular forms. Over 100kg of Colluli product was tested at Ludman Industries in the USA for product compaction behaviour. Materials handling trials have also been completed to determine the anti-caking requirements for the final SOP product.

The products generated from the tests are being showcased around the world as part of the marketing process. The Product Specification and Material Safety Data Sheets (**MSDS**) can be found on the Danakali website.

The Colluli Project will be developed by the Colluli Mining Share Company (**CMSC**), a 50:50 Joint Venture between Danakali Limited and the Eritrean National Mining Company (**ENAMCO**). The Definitive Feasibility Study (**DFS**) for Colluli is underway with completion expected in Q4 2015.



The potassium bearing salts within the Colluli Resource have the unique capability of producing a diverse range of potash types including sulphate of potash (**SOP** or **potassium sulphate**), muriate of potash (**MOP** or **potassium chloride**) and sulphate of potash magnesia (**SOPM** or **potassium magnesium sulphate**).

Substantial upside for the project exists from the exploitation of other contained products within the resource such as high purity **rock salt** and **magnesium chloride** and other identified minerals within the project license such as gypsum (**Calcium Sulphate**).

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About Danakali Limited

Danakali is an ASX listed company and 50% owner of the Colluli Potash Project in Eritrea, East Africa. The company is currently developing the Colluli Project in partnership with the Eritrean National Mining Company (ENAMCO).

The project is located in the Danakil Depression region of Eritrea, and is ~75km from the Red Sea coast, making it one of the most accessible potash deposits globally. Mineralisation within the Colluli resource commences at just 16m, making it the world's shallowest potash deposit. The resource is amendable to open pit mining, which allows higher overall resource recovery to be achieved, is generally safer than underground mining and is highly advantageous for modular growth.

The company has completed a prefeasibility study for the production of potassium sulphate, otherwise known as SOP. SOP is a chloride free, specialty fertiliser which carries a substantial price premium relative to the more common potash type; potassium chloride. Economic resources for production of SOP are geologically scarce. The unique composition of the Colluli resource favours low energy input, high potassium yield conversion to SOP using commercially proven technology. One of the key advantages of the resource is that the salts are present in solid form (in contrast with production of SOP from brines) with which reduces infrastructure costs and substantially reduces the time required to achieve full production capacity.

The resource is favourably positioned to supply the world's fastest growing markets.

Our vision is to bring the Colluli project into production using the principles of risk management, resource utilisation and modularity, using the starting module as a growth platform to develop the resource to its full potential.