



NSX Release

30 April 2026

Quarterly Report

For the period ended 31 March 2026

Highlights

- Exploration project highlights:
 - New high resolution GSWA geophysical data released over Danakali's Orson Tenements
 - Multiple previously unexplored intrusive magnetic anomalies identified
 - Highly prospective geological setting for REE and critical minerals
 - Strong monazite (thorium) anomalism confirmed and
 - Carbonatite and ionic-clay hosted REE potential highlighted
- Saudi Arabian joint venture company, Danakali Mineral Exploration LLC, incorporated on 29 March 2026.
- Resignation of Non-Executive Director Jonathan Coates on 31 March 2026
- Completed the quarter with a strong cash balance of \$14.2 plus liquid investment grade bonds of \$14.4m.

Danakali Limited (NSX: DNK, **Danakali**, or the **Company**) is pleased to provide this quarterly update on the activities and financial position of the Company.

Orson REE/Th Prospect

As previously announced, Danakali has been granted the following exploration licenses within the Peak Hill Mineral Field, Western Australia:

- E52/4503 – Errida Creek (Granted 3 November 2025)
- E52/4504 – Errabiddy (Granted 3 November 2025)

These tenements are located approximately 190 km northwest of Meekatharra.

Danakali has also made two new applications (E52/4578,4593) (Figure 2).

The Orson Project tenements are situated along the north-western margin of the Archaean Yilgarn Craton, within the eastern extension of the Earabiddy Shear Zone (Figure 2). Based on 1:100,000 scale bedrock geology mapping, the area is dominated by granite–gneiss basement rocks, with local occurrences of high-grade Proterozoic gneiss belonging to the Yarlalweelor Gneiss Complex, adjacent to the Gascoyne Complex.



During the March 2026 quarter, the Company announced that the GSWA has released new detailed aeromagnetic and radiometric survey¹ data which covers the project area. The tenements are prospective for Rare Earth Elements (REEs), Heavy Mineral Sands (monazite), gold and Ni-Cu-PGE.

Review of the new magnetic data has revealed numerous circular and arcuate anomalies within E52/4503 that are characteristic of ultramafic and/or alkaline mantle intrusives and/or dyke/blow complexes (Figure 1). Ultramafic and alkaline intrusive rock types have been identified at numerous sites across the region by past explorers (Figure 1, Figure 2). No historical exploration of the magnetic anomalies identified in E52/4503 has been recorded.

Numerous sites of REE and Nb mineralisation are known through the region (Figure 2), including the Tower ionic-clay REE resource (100Mt @ 840ppm TREO MRE²) and the Stone Tank Nb/REE prospect with interpreted carbonatite gravity target (Figure 2).

The new detailed 100m flight line spacing (f.l.s.) data has permitted the discrimination of the subtle intrusive magnetic anomalies from the abundant strongly magnetic E-W trending Proterozoic dolerite dykes (Figure 1), which was not possible with the existing 500m f.l.s. data.

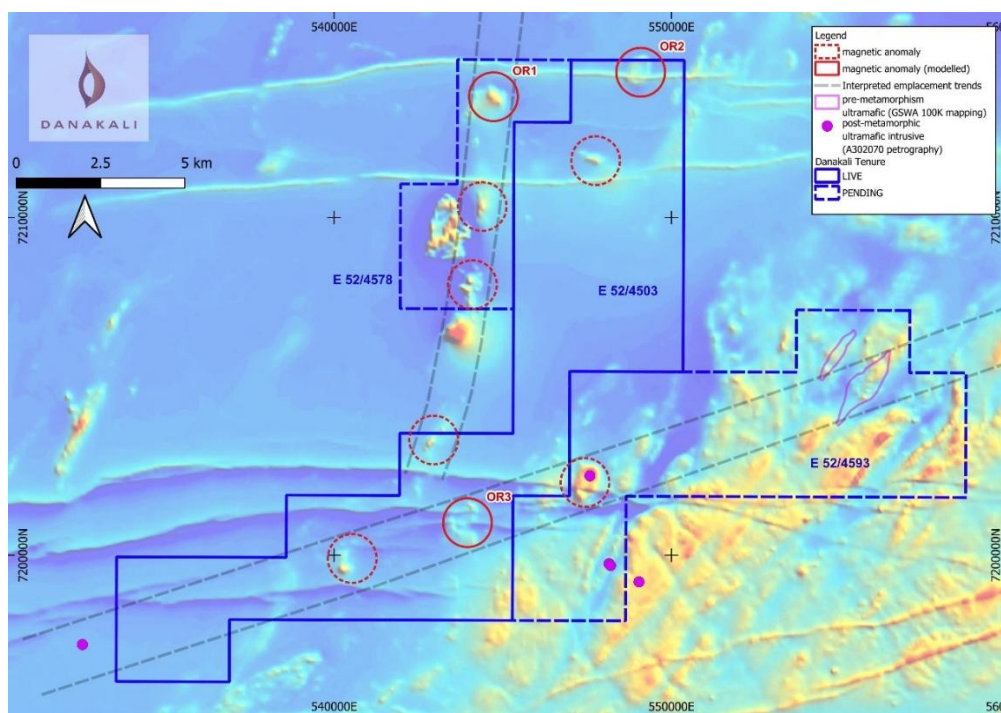


Figure 1 Interpreted intrusive magnetic anomalies (TMI RTP) in recently released GSWA mag/rad survey R72696 over the Orson Project.

¹ Narryer 2024-2025 Regional Airborne Magnetic and Radiometric Survey R72696 <https://magix.dmirs.wa.gov.au/surveys/view-survey/4128>

² Krakatoa Resources <https://www.ktaresources.com/mt-clere-rare-earth-project/>

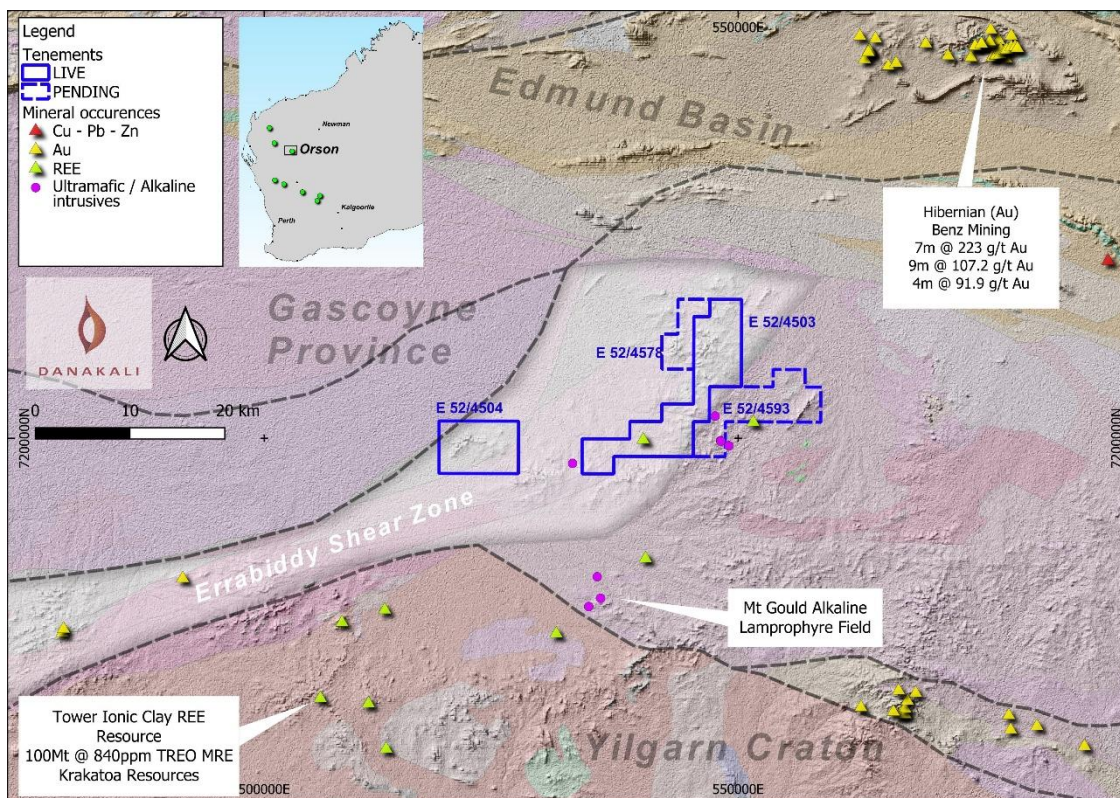


Figure 2 The Orson project is situated within the Earabiddy Shear Zone at the junction of the Yilgarn and Gascoyne Province

The interpreted intrusive magnetic anomalies may represent mafic, ultramafic or alkaline intrusives. The Mt Gould Alkaline Complex³ occurs only 15km to the south of the Errida Ck Project. The occurrence of mantle derived alkaline rocktypes at Mt Gould suggests the region is prospective for carbonatite-style intrusives, which are highly prospective for REE mineralisation.

The intrusive anomalies are also prospective for Ni-Cu-PGE mineralisation associated with layered sulphide rich mafic-ultramafic intrusives.

Monazite (Thorium) Anomalism in Errida Creek

Stream sampling in the Errida Creek region by BHP in 1990⁴ identified widespread sites of highly anomalous monazite heavy mineral concentrations in stream sampling. Monazite is a thorium + REE phosphate mineral that commonly occurs in granite/gneiss, pegmatites, carbonatites and ionic clay REE deposits.

The recent thorium channel radiometric data (Figure 3) clearly identifies the extent and consistency of thorium anomalism in the Errida Creek alluvium. The source of the monazite within the Errida Creek catchment is not clear. It may be attributable to erosion of monazite-

³ Ceplecha, J. 1997 The Mt Gould Alkaline Lamprophyres – A New Field of Alkaline Magmatism, Status Report, Dec. 12 1997, Astro Mining NL.

⁴ BHP 1990 A30270

bearing country rock gneiss, undiscovered pegmatites, or ultramafic/alkaline intrusions such as those indicated in the new magnetic data. Whilst the thorium/monazite anomalism of Errida Creek catchment has been established, the REE content of the area is much more poorly defined, and further work is required. New tenement application E52/4593 covers a portion of regolith with elevated thorium (Figure 3), possibly attributable to monazite content, or associated ionic-clay style REE mineralisation. Field investigation is planned for June 2026.

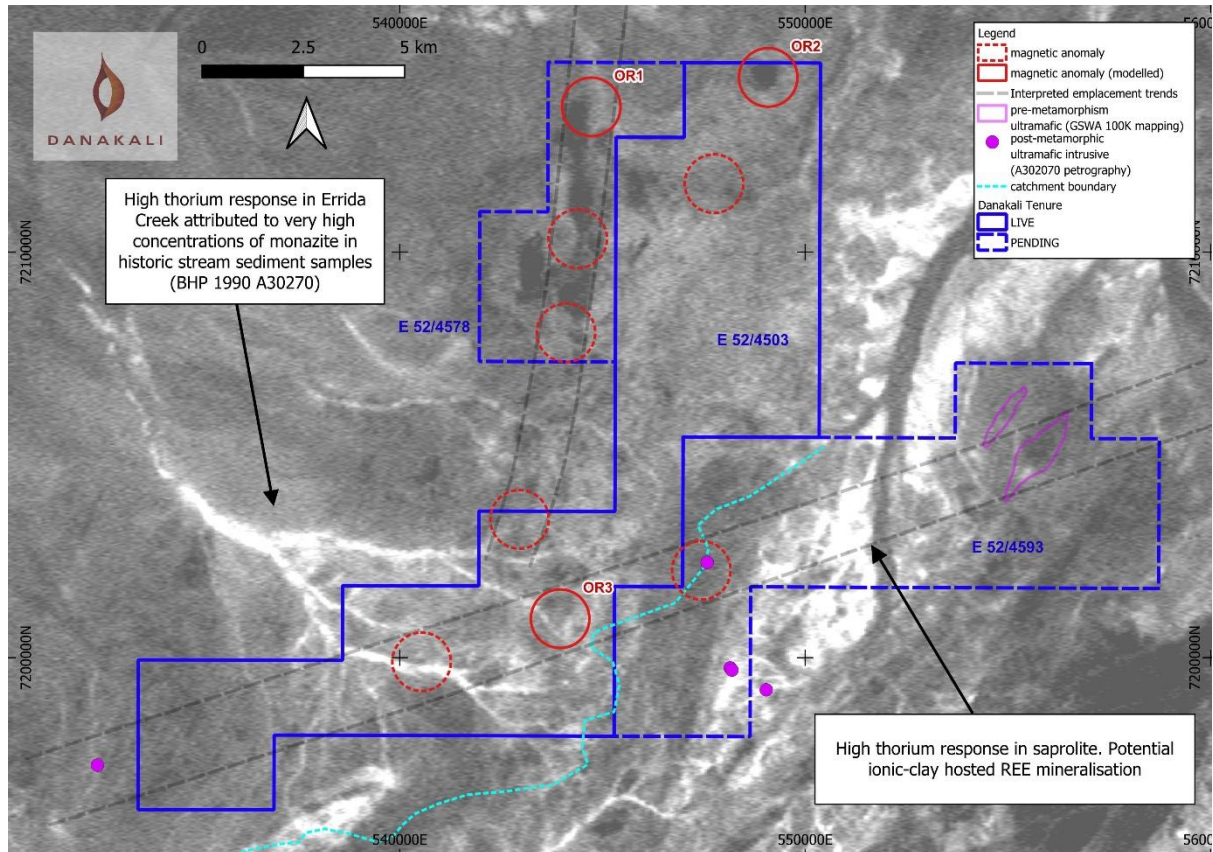


Figure 3 Thorium channel radiometric data showing strong anomalism attributed to monazite in Errida Creek

Saudi-Arabia Opportunities

During the quarter, the joint venture with MASADAR AL-ZAMARDA For Mining (Emerald) was established, and Danakali Mineral Exploration LLC was incorporated on 29 March 2029. This marks an important advancement, as the joint venture has now obtained its commercial registration and is positioned to apply directly for exploration licenses through the Ministry of Industry and Mineral Resources, rather than participating in the general tender process. We have identified promising locations aligned with our strategic objectives and intend to submit our applications in the upcoming quarter. We are currently assembling our team within the country and expect to announce key appointments in the near future.

Eritrea



The Company continued to communicate with the relevant ministries about the Ela Gedel application. We are committed to securing exploration rights in Eritrea and helping to develop its significant, but mostly untapped, mineral resources.

Board Change

Mr Jonathan Coates tendered his resignation as a Non-Executive Director of the Company effective 31 March 2026.

The Board does not have any immediate plans to appoint a new director. The Company continues to assess the composition of the Board. The composition of the Company's Audit & Risk Committee and Remuneration & Nomination Committee will be reviewed for any required changes in due course.

Capital

Cash

Consolidated cash on hand was \$14.2 million at 31 March 2026. Investment in liquid investment grade bonds amounted to \$14.4 million. Please refer to the Statement of Cash Flows for the quarter.

Securities

As at 31 March 2026, there were 363,497,522 fully paid ordinary shares on issue. No shares were issued during the quarter.

As at 31 March 2026, there are 9,725,000 options on issue. There were no other movements in options during the quarter.

Related Party Transactions

Payments to related parties of the Company and their associates during the quarter totalled \$141,000 in relation to Director fees and remuneration.

Refer to the Remuneration Report in the Financial Report for further details on director remuneration.

This announcement has been authorised for release by the Executive Chairman of Danakali Limited.



For more information, please contact:

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Competent Person's Statement

The information in this announcement that relates to exploration results is based on information compiled by David Bebbington, a Competent Person who is a Member of the Australian Institute of Geoscientists and a consultant to Danakali Ltd. David Bebbington has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". David Bebbington consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

Forward looking statements and disclaimer

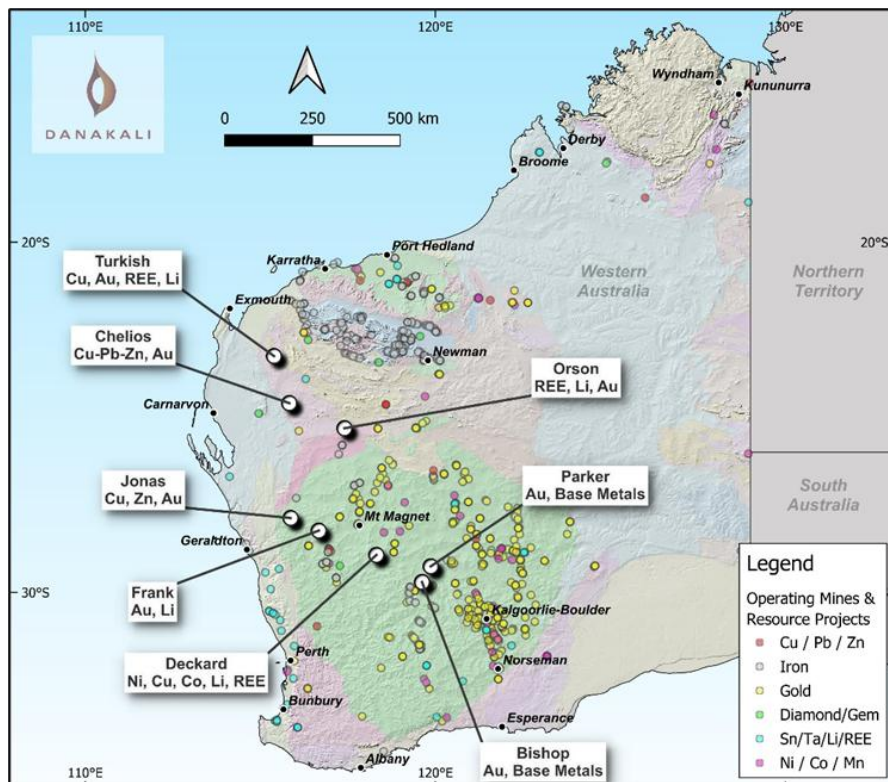
The information in this document is published to inform you about DNK and its activities. DNK has endeavoured to ensure that the information enclosed is accurate at the time of release, and that it accurately reflects the Company's intentions. All statements in this document, other than statements of historical facts, that corporate transactions and events or developments that the Company expects to occur, are forward-looking statements. Although the Company believes the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual events may differ materially from those in forward-looking statements.

To the extent permitted by law, the Company accepts no responsibility or liability for any losses or damages of any kind arising out of the use of any information contained in this document. Recipients should make their own enquiries in relation to any investment decisions. The Company and each of its affiliates accordingly disclaims, to the fullest extent permitted by law, all and any liability whether arising in court, contract or otherwise which it might otherwise have in respect of this announcement.



Appendix – Australian Tenements

Project Name	Tenement	Prospect	Status
Orson	E 52/4503	Errida Creek	Granted
	E 52/4504	Errabiddy	Granted
	E 52/4578	Errida Creek	Pending
Deckard	E 59/3011	Narndee	Granted
	E 59/3012	Dongquan	Granted
	E 59/3013	Mr Magoo	Granted
	E 59/3020	Dongquan West	Granted
	E 59/3027	Bungar	Granted
	E 59/3017	Boodanoo North	Granted
	E 59/3018	Boodanoo South	Granted
	E 59/3019	Meeline	Pending
	E 59/3023	Tinderlong	Pending
Parker	E 29/1315	Bandy Boy	Granted
Turkish	E 08/3839	Wynne	Pending
	E 08/3840	Maroonah	Pending
Chelios	E 09/3033	Browns	Pending
	E 09/3034	Lyons River	Pending
Frank	E 59/3029	Blue Lepidolite Main	Pending
	E 59/3031	Blue Lepidolite South	Pending
Sabbath	E 63/2534	Sabbath	Pending
Bishop	E 77/3338	Giles	Pending



Quarterly Report

Name of entity

DANAKALI LIMITED

ABN

56 097 904 302

Quarter ended ("current quarter")

31 March 2026

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) staff costs	(355)	(355)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(161)	(161)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	245	245
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material) ¹	(53)	(53)
	(324)	(324)
Net operating cash flows		
<i>¹ Exploration & Evaluation</i>		

	Current quarter \$A'000	Year to date (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	(324)	(324)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	(98)	(98)
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (Fixed Income Bonds)	(10,932)	(10,932)
	-	-
Net investing cash flows		
1.14 Total operating and investing cash flows	(11,030)	(11,030)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other- Payment for share buyback	-	-
	-	-
Net financing cash flows		
Net increase (decrease) in cash held	(11,354)	(11,354)
1.21 Cash at beginning of quarter/year to date	25,510	25,510
1.22 Exchange rate adjustments	-	-
1.23 Cash at end of quarter	14,156	14,156

Payments to directors of the entity and associates of the directors**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	141
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Payments included in 1.24 relates to payment of director fees.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	1,156	12,510
4.2	Deposits at call	13,000	13,000
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)		14,156	25,510

Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	-	-
5.2	Place of incorporation or registration	-	-
5.3	Consideration for acquisition or disposal	-	-
5.4	Total net assets	-	-
5.5	Nature of business	-	-

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to NSX.
- 2 This statement does give a true and fair view of the matters disclosed.

Approved by: The Audit & Risk Committee

Date: 30 April 2026

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** NSX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.