



DANAKALI

Danakali Ltd
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12 November 2024

To: National Stock Exchange of Australia Listing Committee

National Stock Exchange of Australia
1 Bligh Street
Sydney
NSW 2000
Australia

Dear NSX Listing Committee

APPENDIX 1: LETTER OF APPLICATION

We refer to the letter received from the National Stock Exchange of Australia (**NSX**) dated 9 September 2024 advising Danakali Ltd (**DNK** or **the Company**) that the Company was suitable to lodge a listing application. Danakali Ltd would like to proceed and formally requests for the listing of the 368,334,346 fully paid ordinary shares in the Company to be listed on the NSX.

The following is the information requested per Appendix 1: Form of letter application:

1) GENERAL

a) the name of the applicant and the date and place of incorporation;

Danakali Ltd (ACN 097 904 302) incorporated in Western Australia on 21 August 2001.

b) if not incorporated in Australia, the date on which the applicant became registered under the Corporations Act;

N/A.

c) the address of the principal registered office and the address of each office at which a share register is kept;

Registered Office: Level 1, Unit 2A, 300 Fitzgerald Street, North Perth, WA 6006

Share Registry Office: Computershare Investor Services Pty Ltd, Level 17, 221 St Georges Terrace, Perth WA 6000

d) a formal request for the listing of the securities in respect of which application is made, specifying the nature of the securities and the amount, class, the voting rights attached and whether they are to be fully paid;

Danakali Ltd formally requests for the listing of the 368,334,346 fully paid ordinary shares in the Company.

Voting rights

Subject to any rights or restrictions attached to any class or classes of shares and to the constitution of the Company (**Constitution**), at a meeting of members:

- i. on a show of hands, every member present has one vote; and
- ii. on a poll, for each fully paid share held by a member, one vote.

The vote may be exercised in person or by proxy, body corporate representative or attorney, or subject to the Constitution, by direct vote.

e) the proposed method by which the securities are to be brought to listing and details of any proposed distribution of the securities;

The securities are to be brought to listing by way of a compliance listing on the NSX.

f) the estimated market capitalisation of the securities for which a listing is sought;

The estimated market capitalisation of the securities for which a listing is sought is \$31,000,000 based on the Company's cash balance (refer to the Company's Quarterly Cashflow Report released on its ASX announcements platform on 30 October 2024).

g) an estimate of the net proceeds of any proposed issue and the intended use of the proceeds; and

Not applicable – there is no proposed issue in connection with the application for listing.

h) the name of any other stock exchange on which any securities of the issuer are already listed and/or traded.

Australian Securities Exchange (**ASX**). The Company has received in-principle approval from ASX that it will remove the Company from the official list of ASX when the Company receives confirmation from the NSX that its fully paid ordinary shares will be quoted on NSX.

2) SHARE CAPITAL AND OWNERSHIP

a) A list in tabular form of:

- i) the designation or title of each class of share;
- ii) the number of shares issued;
- iii) the voting rights attached to each share;
- iv) the amount of fully paid up shares;
- v) the shareholdings of the directors and officers of the issuer; and
- vi) so far as is known, or can be ascertained after reasonable enquiry, the names of all shareholders of the issuer who own five percent (5%) or more of the shares of the issuer and their respective shareholdings.

Refer to Annexure A.

- b) A list in tabular form of the names of all shareholders of the issuer including the dates that the shares were allotted to them, the consideration that they provided and the number of shares that are held.

Refer to the shareholder list and holdings provided in Excel format accompanying this application.

3) SECURITIES

An outline of the principal terms of the *securities* the applicant wishes to list.

Refer to Section 9.2 of the Information Memorandum accompanying this application.

4) HISTORY AND NATURE OF BUSINESS

A short introductory paragraph describing the general nature of the business and products of the applicant. A brief history of the *issuer* for the last five (5) years or, if later, from inception to the date of the application. A description of the business now conducted by the *issuer* and its *child entities*, including principal products manufactured, services performed or investments held, principal markets for products and raw materials, method of marketing, annual turnover for the preceding three (3) financial years and for the current financial year to the latest date available.

Refer to Section 3 of the Information Memorandum accompanying this application.

5) SUMMARY OF EARNINGS

A summary of earnings, on a consolidated basis if the applicant has *subsidiaries*, for the last three (3) financial years, showing sales, earnings before charges for depreciation, interest and tax (if any), the amount of each of those charges, net income before extraordinary items, extraordinary items, net income and earnings per share.

Refer to Annexure B.

6) TABULATION OF BALANCE SHEET

A tabulation of its balance sheet for each of the last three (3) financial years (on a consolidated basis if the *issuer* has *subsidiaries*) or from the date of incorporation, if shorter. The tabulation should include a calculation of the net asset value per *security* for each of the three (3) financial years.

Refer to Section 6.2 of the Information Memorandum accompanying this application.

7) EMPLOYEES

A statement as to the total number of persons regularly employed and, if subject to seasonal fluctuations, the maximum and minimum numbers employed during the preceding twelve (12) months.

The total number of persons regularly employed is as follows:

(5 x Directors, 4 x Employees, 2 x Company Secretaries)

Directors:

Seamus Cornelius (Director)

Taiwo Adeniji (Director)

Jonathan Coates (Director)
 Paul Donaldson (Director)
 Jing Zhang (Director)

Joint Company Secretary:

Catherine Grant-Edwards (Joint Company Secretary)
 Melissa Chapman (Joint Company Secretary)

Employees:

Greg MacPherson (Chief Financial Officer)
 Tony Harrington (Technical Director)
 Rod McEachern (Technical Director)
 Reva Ganesh (Senior Financial Accountant)

8) CHILD ENTITIES

A tabular list of all *child entities* showing in respect of each such corporation:-

- a) the name of the corporation;**
- b) a brief statement of the nature of its business and its relationship to the operations of the entire enterprise; and**
- c) share capital by classes, showing the amount issued and the amount owned by the *holding entity*.**

Name of Corporation	Nature of business	Percentage ownership
Danakali Investments Pty Ltd	Holding company for investments in Eritrea	100%
Danakali (KSA) Pty Ltd	Holding company for investments in the Kingdom of Saudi Arabia	100%

9) DIVIDEND RECORD

State the number of consecutive years in which dividends have been paid. State the amount of dividend (per share and in the aggregate) paid by the applicant (and its *child entities*) for each of the three (3) preceding years. Indicate whether dividends have been paid on a quarterly, semi-annual or annual basis. State the record date, payment date and the date of declaration with respect to each dividend paid during the past two (2) years.

The Company has declared dividends in the past two years as follows:

Year	Dividends & Return of Capital	Dividend & Return of Capital per share	Declaration date	Record Date	Payment Date
2024	\$3,403,409 (Div) \$3,963,278 (Cap)	\$0.00924 (Div) \$0.01076 (Cap)	31 May 2024	1 July 2024	8 July 2024
2023	\$54,233,691 (Div) \$100,466,735 (Cap)	\$0.147 (Div) \$0.273 (Cap)	24 November 2023	2 January 2024	8 January 2024
2022	Nil	Nil	Nil	Nil	

There is no regular pattern of the Company declaring a dividends.

10) PROPERTIES

Describe briefly the general character of the properties of the applicant and its *child entities*, including:

- a) location;
 - i) Perth office – Level 3, 22 Mount Street, Perth WA 6000;
- b) area;
 - i) 143 m²;
- c) number of buildings;
 - i) one (1);
- d) aggregate floor area of buildings; and
 - i) 3,500m²

- e) whether properties are owned or leased, and if leased, state total rental paid for each of the three (3) preceding financial years and average term of years.
- i) Premises Leased

Year	Annual Rental	Term
2024	\$80,400	3 Year
2023	\$64,500	1 Year
2022	\$64,500	3 year

11) LITIGATION

Particulars of any litigation or claims of material importance made against any member of the group in the last five (5) years or which is pending or threatened against any member of the group, or an appropriate negative statement.

There is no litigation or claims of material importance that have been made against any member of the group in the last five (5) years or is pending or threatened against any member of the group.

12) Management

- a) the full name, residential address and description (being his or her qualifications or area of expertise or responsibility) of every director or proposed director and any person who performs an important administrative, management or supervisory function and particulars of the principal functions performed by each of them within the group if significant to the group;

- i) **Seamus Ian Cornelius**

LLM, LLB

66A Johnston Street, Mosman Park WA 6012

Executive Chair

- ii) **Jing Zhang**

MCom (Consultancy and Accounting)

No 401, Unit 9, Building 10, Tuer Hutong Dongcheng District, Beijing, China

Non-Executive Director

- iii) **Taiwo Olasupo Adeniji**

MSc (Banking and Finance), BAgric (Economics)

23 Turnbull Road, Ikoyi, Lagos, Nigeria

Non-Executive Director

- iv) **Paul Michael Donaldson**

BEng (Chem), MEng (Mining), MBA

31A Gilmore Street, Adelong NSW 2729

Non-executive Director

v) Jonathan Harry Coates

MBA, MSc (Mineral Process Design), BSc (Mining Geology)

137 Sunset Way 07-16#, Clementi Park, 597159, Singapore

Non-executive Director

vi) Catherine Julie Grant-Edwards

CA, BCom

52 Hampshire Street, East Victoria Park WA 6101 *Joint Company Secretary*

vii) Melisa Chapman

CPA, BCom, AICG, AICD

76 Northwood Street, West Leederville WA 6007 *Joint Company Secretary*

viii) Greg Macpherson

CA, PGDip (Fin), BCom (Hons)

168 Cook Avenue, Hillarys, WA 6025

Chief Financial Officer

b) (the nature of any family relationship between the persons mentioned in (1);

N/A

c) a brief account of the business experience of each of these persons during the last five (5) years;

Refer to Sections 4.1 and 4.2 of the Information Memorandum accompanying this application.

d) indicate any other directorships held by each director or proposed director in any publicly listed or traded companies; and

i) Seamus Ian Cornelius

Buxton Resources Ltd (Non-Executive Chair)

Duketon Mining Ltd (Non-Executive Chair)

ii) Jing Zhang

N/A

iii) Taiwo Olasupo Adeniji

N/A

iv) Paul Michael Donaldson

N/A

v) Jonathan Harry Coates

N/A

- e) state if any director or proposed director has, in any jurisdiction, been convicted in any criminal proceeding or has had a bankruptcy petition filed against him or her or any partnership in which he was a partner or any body corporate of which he was a director or has been sanctioned or otherwise disciplined by any self regulatory securities association of which he or she is or has been a member or any securities supervisory or regulatory body or any such event is pending.

No director has, in any jurisdiction, been convicted in any criminal proceeding or has had a bankruptcy petition filed against him or her or any partnership in which he was a partner or anybody corporate of which he was a director or has been sanctioned or otherwise disciplined by any self-regulatory securities association of which he or she is or has been a member or any securities supervisory or regulatory body or any such event is pending.

13) SPONSORS, BANKERS, ETC.

- a) the names and addresses of the issuer's sponsor, financial advisers, principal bankers, nominated adviser, share registrar/transfer agent and solicitors; and

Refer to Corporate Directory at Section 11 of the Information Memorandum accompanying this application.

- b) the name, address and professional qualifications of the issuer's auditors.

Refer to Corporate Directory at Section 11 of the Information Memorandum accompanying this application.

14) STATEMENT OF NON-COMPLIANCE

A statement of any requirements of the *Listing Rules* which cannot be met by the applicant and detailed arguments to support any request for a waiver or modification of the normal requirements.

Not applicable.

15) DECLARATION

A declaration, stated to be to the best of the *issuer's* knowledge, information and belief that:

- a) save as specified in the application letter, all the qualifications for listing set out in Chapter 3 of Section IIA of the Listing Rules have, in so far as applicable and required to be met and fulfilled prior to application, been met or fulfilled in relation to the issuer and the securities of the issuer the subject of the application;
- b) all information required to be included in the disclosure document pursuant to Rule 4.8 and the Corporations Act will be included; and
- c) there are no other facts bearing on the issuer's application for listing which, in the issuer's opinion, should be disclosed to the Exchange.

Refer to Declaration accompanying this application.

Yours sincerely



Seamus Cornelius
Executive Chair

ANNEXURE A

SHARE CAPITAL AND OWNERSHIP

(a) **the designation or title of each class of share;**

All shares currently on issue are fully paid ordinary shares.

(b) **the number of shares issued;**

The Company currently has 368,334,346 fully paid ordinary shares on issue.

(c) **the voting rights attached to each share;**

Subject to any rights or restrictions attached to any class or classes of shares and to the constitution of the Company (**Constitution**), at a meeting of members:

- (i) on a show of hands, every member present has one vote; and
- (ii) on a poll, for each fully paid share held by a member, one vote.

The vote may be exercised in person or by proxy, body corporate representative or attorney, or subject to the Constitution, by direct vote.

(d) **the amount of fully paid up shares;**

All shares currently on issue and issued under the offer are fully paid ordinary shares.

(e) **the shareholdings of the directors and officers of the issuer; and**

Director, Officers and Management	Shares	Options	Percentage (%) (Undiluted)	Percentage (%) (Diluted)
Seamus Cornelius	14,741,126	2,000,000	4.0%	4.3%
Jing Zhang	Nil	Nil	Nil	Nil
Taiwo Adeniji	Nil	Nil	Nil	Nil
Paul Donaldson	1,145,693	Nil	0.3%	0.3%
Joanathan Coates	Nil	Nil	Nil	Nil
Cathrine Grant-Edwards	38,156	Nil	0.01%	0.01%
Melissa Chapman	38,156	Nil	0.01%	0.01%
Greg MacPherson	Nil	2,000,000	Nil	0.5%

- (f) so far as is known, or can be ascertained after reasonable enquiry, the names of all shareholders of the issuer who own five percent (5%) or more of the shares of the issuer and their respective shareholdings.

Shareholder	Shares	Percentage (%) (Undiluted)
AFC Equity Investments Limited	52,958,908	14.38%
Well Efficient Limited	35,000,000	9.50%
NGE Capital Limited	20,000,000	5.43%

ANNEXURE B
SUMMARY OF EARNINGS

	Half year 30 June 2024	31 December 2023	31 December 2022	31 December 2021
	\$	\$	\$	\$
Loss relating to joint venture: Share of net gain/(loss)	-	-	-	(4,371,666)
Loss relating to joint venture: Gain/(loss) on financial assets classified as FVTPL	-	-	-	(3,458,248)
Other items	(1,618,066)	(4,308,717)	(4,581,598)	(2,243,987)
Earnings before Interest, Tax & Depreciation	(1,618,066)	(4,308,717)	(4,581,598)	(10,073,901)
Interest Received	874,555	5,829,251	89,484	43,142
Income Tax	-	-	-	-
Depreciation	(8,495)	(5,089)	(8,335)	(6,409)
Net Income before extraordinary items	(752,006)	1,515,444	(4,500,449)	(10,037,168)
Profit from discontinued operations	-	132,271,689	998,098	-
Other comprehensive income (share of foreign currency translation reserve)	-	(2,590,023)	-	1,064,052
Total comprehensive income	(752,006)	131,197,110	(3,502,352)	(8,973,116)
Earnings per share (Cents)	(0.20)	36.32	(0.95)	(2.87)