NSX Release 31 July 2026

# Quarterly Report

## For the period ended 30 June 2026

**Highlights**

- Completed initial field reconnaissance and soil and rock-chip sampling across four Gascoyne and Murchison project areas in Western Australia.
- Scheduled follow-up fieldwork at the Orson and Jonas prospects.
- Incorporated Danakali Mineral Exploration LLC, Danakali's Saudi Arabian joint venture company.
- Submitted applications for two exploration licences in prospective areas of the Arabian-Nubian Shield.
- All resolutions at the 2026 Annual General Meeting were passed.
- Completed the quarter with a strong cash balance of $13.7m plus liquid investment grade bonds of $14.3m

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

## Western Australian Exploration

### Gascoyne and Murchison field activities

The Company's technical team completed field reconnaissance across four northern project areas in the Gascoyne and Murchison regions, including Turkish, Chelios, Orson and Jonas. Ultra Fine Fraction (UFF) soil and rock-chip samples were collected from priority geophysical and geochemical targets and submitted for multi-element analysis. Assay results are expected in August 2026, following which the results will be interpreted and reported to the market as appropriate.

### Regional setting

The prospectivity and geological context of all projects has been researched and compiled, and fieldwork programs for priority projects are planned for the 2026 field season. The Gascoyne is emerging as an under-explored region with the potential to host large gold resources. Benz Mining have recently announced a >10Moz Au Exploration Target at the Glenburgh Gold Project[i] (Figure 2). The Gascoyne also has demonstrated potential to host base metals and critical mineral resources (Figure 3).

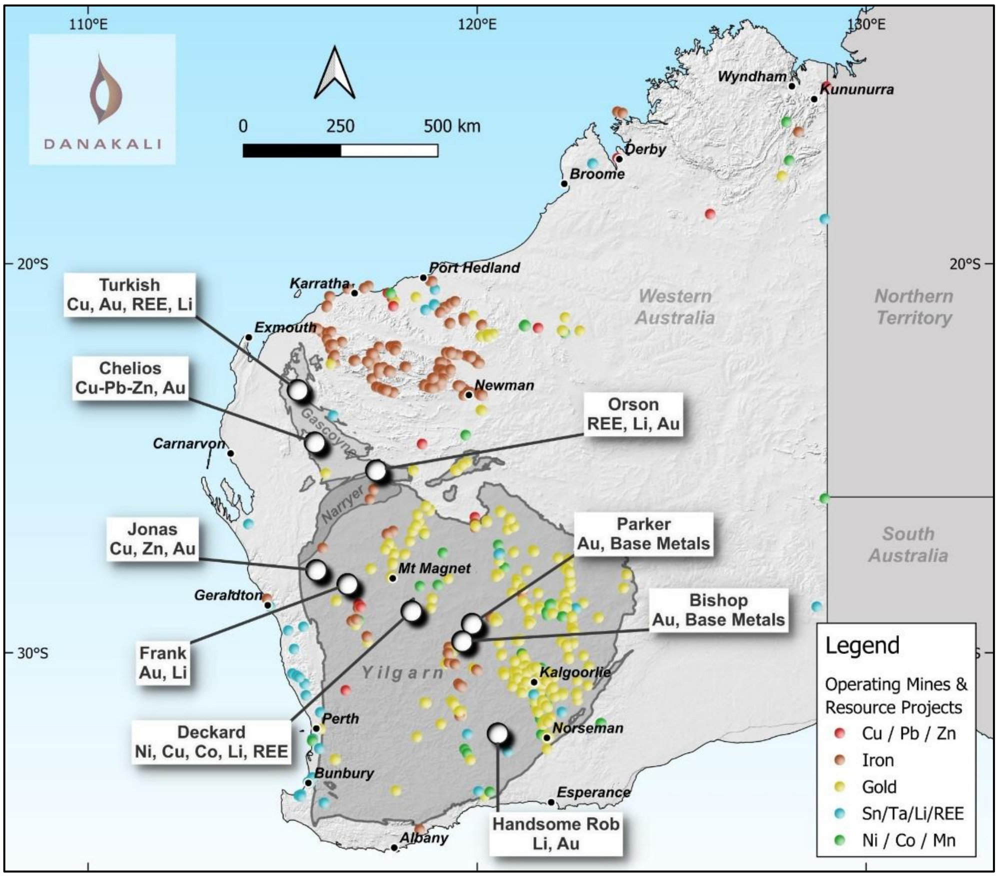


*Figure 1 Danakali project locations, Western Australia*

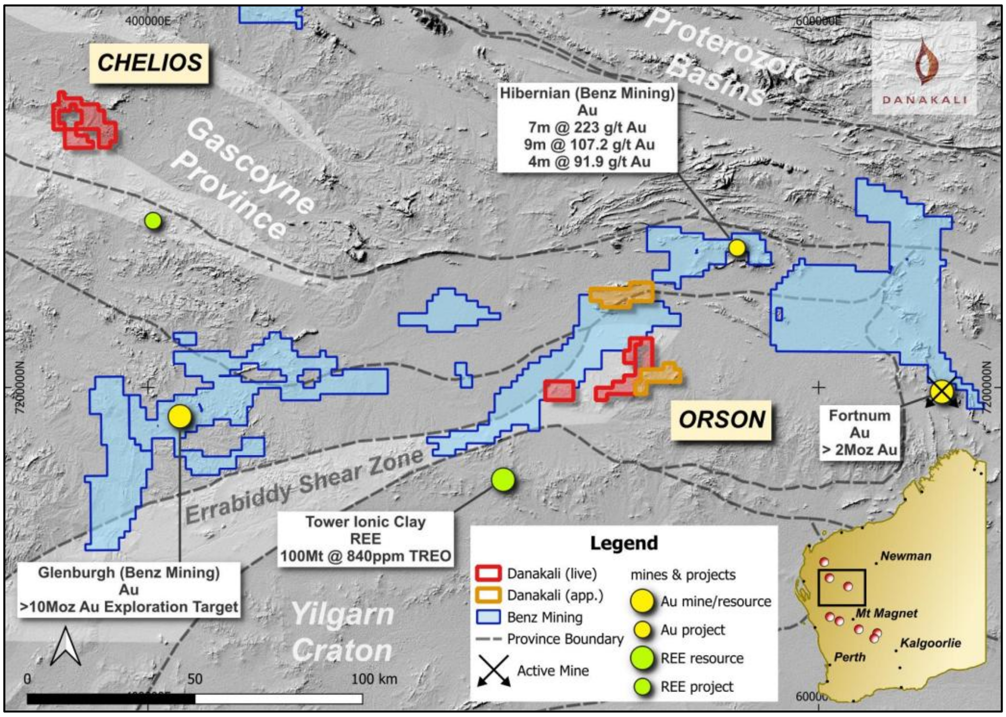


*Figure 2 Regional Setting of Orson Project relative to the rapidly developing Glenburgh and Hibernian goldfields, Gascoyne Region*

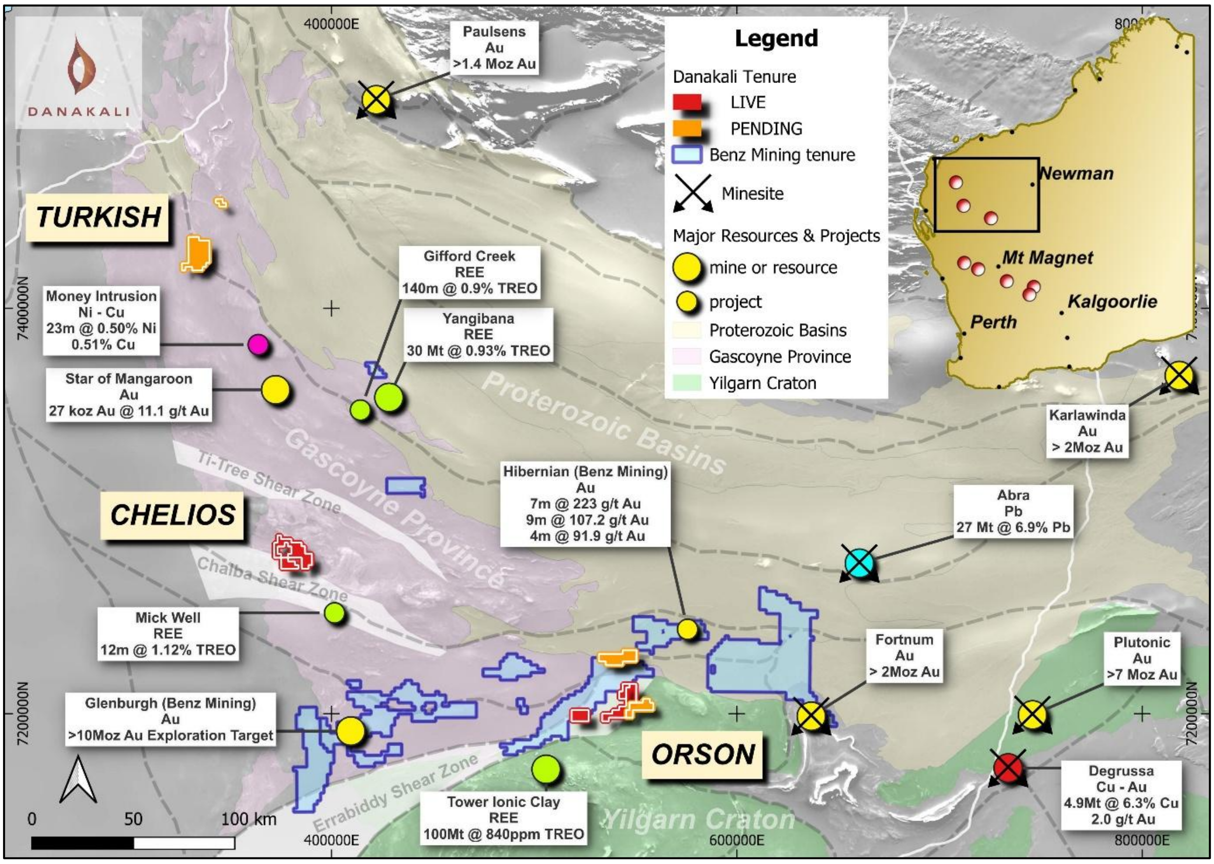


*Figure 3 Gascoyne overview, highlighting gold, critical mineral and base metal resources*

### Further work

- Return to the Orson and Jonas prospects for follow-up geological mapping and additional soil and rock-chip sampling.
- Ultra Fine Fraction (UFF) soil sampling of Handsome Rob Li-Au project near Lake Johnson.
- Field reconnaissance and soil sampling at Deckard Project (Murchison Region).
- Continue assessment of the broader Western Australian portfolio and potential value-accretive opportunities.

## Saudi Arabia Growth Strategy

### Exploration licence applications

The joint venture submitted applications for two exploration licences in prospective areas of the Arabian-Nubian Shield. The target areas are considered prospective for orogenic gold, volcanogenic massive sulphide and polymetallic mineralisation, and are situated within or adjacent to recognised mineralised belts.


### Round 11 – Advanced Exploration Programme (AEP) Sites

Danakali intends to participate in **Round 11** of Saudi Arabia's mineral exploration licensing programme through its joint venture. The Company views Round 11 as an attractive opportunity to secure additional prospective exploration ground within the Arabian Shield, leveraging the extensive geological data generated through the Kingdom's Advanced Exploration Programme. Participation in the tender is consistent with Danakali's strategy of building a diversified portfolio of high-quality exploration assets in Saudi Arabia and advancing long-term value for shareholders.

## Eritrea

The Company continued discussions with the relevant Eritrean ministries regarding the Ela Gedel exploration licence application. Danakali remains focused on progressing opportunities in Eritrea and is committed to advancing exploration activities aimed at unlocking the country's significant mineral potential.

## Corporate Matters

### Annual General Meeting

The Company held its Annual General Meeting on 28 May 2026. All resolutions were decided by poll and passed. Zhang Jing was re-elected as a director.

### Unclaimed shareholder distributions

The Company continued to assist shareholders in claiming outstanding distributions relating to the $162 million ($0.44 per share) distributed following the sale of the Colluli Potash Project in 2024. As at 22 July 2026, unclaimed funds totalled $807,613. Shareholders who have not received payment are encouraged to update their details with Computershare.

## Capital

### Cash

Consolidated cash on hand was $13.7 million on 30 June 2026. Investment in liquid investment grade bonds amounted to $14.3 million. Please refer to the Statement of Cash Flows for the quarter.

### Securities

As at 30 June 2026, there were 363,497,522 fully paid ordinary shares on issue. No shares were issued during the quarter.

As at 30 June 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 $127,000 in relation to Director fees and remuneration.

Refer to the Remuneration Report in the 2025 Annual 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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#### 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.

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[i] https://api.investi.com.au/api/announcements/bnz/9bf5f3b9-2d9.pdf

# Quarterly Report

Name of entity

DANAKALI LIMITED

| ABN | Quarter ended ("current quarter") |
|---|---|
| 56 097 904 302 | 30 June 2026 |

## Consolidated statement of cash flows

| Cash flows related to operating activities | | Current quarter $A'000 | Year to date (6 months) $A'000 |
|---|---|---|---|
| 1.1 | Receipts from customers | - | - |
| 1.2 | Payments for | | |
| | (a) staff costs | (326) | (681) |
| | (b) advertising and marketing | - | - |
| | (c) research and development | - | - |
| | (d) leased assets | - | - |
| | (e) other working capital | (140) | (302) |
| 1.3 | Dividends received | - | - |
| 1.4 | Interest and other items of a similar nature received | 392 | 637 |
| 1.5 | Interest and other costs of finance paid | - | - |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Other (provide details if material)[1] | (232) | (284) |
| | **Net operating cash flows** | (306) | (630) |
| | [1] *Exploration & Evaluation* | | |

| | | Current quarter $A'000 | Year to date (6 months) $A'000 |
|---|---|---|---|
| 1.8 | Net operating cash flows (carried forward) | **(306)** | **(630)** |
| | **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 | (3) | (101) |
| 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 | (169) | (169) |
| 1.12 | Loans repaid by other entities | - | - |
| 1.13 | Other (Fixed Income Bonds) | - | (10,932) |
| | **Net investing cash flows** | (172) | (11,202) |
| **1.14** | **Total operating and investing cash flows** | (478) | (11,832) |
| | **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** | (478) | (11,832) |
| 1.21 | Cash at beginning of quarter/year to date | 14,156 | 25,510 |
| 1.22 | Exchange rate adjustments | (2) | (2) |
| 1.23 | **Cash at end of quarter** | 13,676 | 13,676 |

## 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 | 127 |
| 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

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

## 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 | 1,176 | 1,156 |
| 4.2 | Deposits at call | 12,500 | 13,000 |
| 4.3 | Bank overdraft | - | - |
| 4.4 | Other (provide details) | - | - |
| | **Total: cash at end of quarter** (item 1.22) | 13,676 | 14,156 |

## 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: 31 July 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.