

# Danakali Ltd

15:31 08 Aug 2010

## Argonaut Securities places Buy Recommendation on South Boulder Mines

Argonaut Securities has placed a Speculative Buy recommendation on South Boulder Mines as a part of a review of the STB:

South Boulder Mines (STB)

Current Price:

Recommendation:

\$0.65

Speculative Buy

EVENT: Attention grabber

"South Boulder Mines (ASX: STB) was one of the few fresh stories to snare Argonaut's attention at the 2010 Diggers and Dealers with the promising early stage Duketon nickel sulphide JV:

- Mineralisation defined over 750m strike (open) and 400m dip (open)
- Drill results up to 3.3m (true width) @ 9.1% Ni / 1.1% Cu / 0.2% Co and 7.1g/t PGEs
- Extensive down hole EM conductors
- 80km north of the Windarra Ni deposit

### IMPACT

It is the actions of well funded sophisticated explorer and JV partner IGO (earning 70%) that say the most.

IGO is building a large exploration camp indicative of an intense drilling effort. Once permitting is sorted a 3-4 rig Scoping Study drill out is anticipated to define an initial resource.

IGO also applied for Mining Lease in May 2010. IGO has mining credentials at Long mine in Kambalda.

### COMMENT

STB's other projects include:

- Duketon gold (100%) - Same belt as RRL's >1.5Moz Moolart Well, includes the shallow Terminator prospect with best hole 60m @ 1.3g/t from 2m
- Colluli potash, Eritrea (100%) - Targeting a 1.5Mtpa solution mine but ASX investors do not understand potash or Eritrea, could spin out onto TSX. Given the global scarcity of high grade massive nickel sulphides the upcoming drill campaign at Duketon deserves close investor attention.

STB has a ~\$42m market cap, \$4m cash, and \$2m of listed investments. The MD is Geologist Lorry Hughes and Terry Grammar is Non Exec Chairman."

**Price:** 0.64

**Market Cap:** \$169.98 m

### 1 Year Share Price Graph



### Share Information

**Code:** DNK

**Listing:** ASX

**52 week High Low**  
0.82 0.575

**Sector:** Rare earths & specialist minerals

**Website:** www.danakali.com.au

### Company Synopsis:

*Danakali Ltd (ASX:DNK) is developing the Colluli Potash Project, a world class greenfield SOP development project.*

action@proactiveinvestors.com

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 [action@proactiveinvestors.com](mailto:action@proactiveinvestors.com)

### No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of Danakali Ltd named herein, including the promotion by the Company of Danakali Ltd in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to Twenty Five Thousand dollars (\$25,000).