

Deep Yellow Limited: Placement and Share Purchase Plan to Advance Growth Strategy

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Perth, Australia - The Directors of [Deep Yellow Ltd.](#) ABN 97 006 391 948 (ASX:DYL) (OTCMKTS:DYLLF) (DYL or Company) are pleased to announce that the Company has received commitments from qualified, institutional, sophisticated and professional investors to raise approximately \$9 million (before costs) through the issue of 29,032,258 fully paid ordinary shares in the Company (Shares) at an issue price of \$0.31 per Share (Placement).

The Placement was very well received, with demand exceeding the funds the Company sought to raise through the Placement.

To enable eligible shareholders the opportunity to participate in a capital raising at \$0.31 per Share, the Company is also pleased to announce the details of a Share Purchase Plan (SPP), which will be offered to eligible shareholders on or about 7 June 2019 to raise up to a further \$2.5 million on similar terms to the Placement on a first come, first served basis. The Company has a number of shareholders with unmarketable parcels of Shares and the SPP provides eligible shareholders with an unmarketable parcel of Shares with the opportunity to obtain a marketable parcel without the usual transaction costs such as brokerage.

Use of funds raised under the Placement and SPP

The Company has a clear vision and capability, with an appropriate strategy that is aligned to capitalise on emerging opportunities in a contrarian manner. The Company intends to use the funds raised under the Placement and the SPP to fund short term working capital requirements to continue advancing the Company's well-articulated two-limbed growth strategy:

1. to further expand the existing uranium resource base of its Namibian projects; and
2. to evaluate the best approach to advance its project acquisition growth strategy, taking advantage of the current uranium downturn.

In reference to the first objective, the Company has, since new management became involved two years ago, already delivered an impressive twofold increase to the overall calcrete-related uranium resource base with much upside remaining to improve this even further. (see Note below)

In relation to the second objective, the Company has been exploring various approaches for project expansion involving some sector consolidation to achieve this key component of its stated strategy. The quality of the DYL management and leadership, with its proven track record of achievement in the uranium sector, offers the Company attractive options to consider for the development of a multi-project, globally diversified uranium platform. A variety of expansion opportunities exist in this period of uranium downturn. In this context, the Company is currently engaged in discussions with multiple parties and further work is required to determine the most optimal avenue to maximise shareholder return.

The funds raised pursuant to the Placement and the SPP will enable both limbs of this growth strategy to be further developed.

Aitken Murray Capital Partners Pty Ltd acted as Sole Lead Manager to the Placement.

Commenting on the fundraising, [Deep Yellow Ltd.](#)'s Managing Director & CEO, John Borshoff said:

"This is a very important moment in the development of our company. Our consistent, differentiating strategy for growth, at a time when the uranium sector is in downturn, has resonated - attracting quality institutional and long-term investors into this very well received placement. The support has been most heartening, strengthening the Company's share register for its next stage of growth as [Deep Yellow Ltd.](#) builds on its stated objectives. These are exciting times for the Company and our shareholders".

Placement

The Placement will be made at an issue price of \$0.31 per Share raising approximately \$9 million (before

costs). The Placement is priced at a discount of 2.5 cents (7.4% to the closing price of Shares traded on the Australian Securities Exchange on 30 May 2019 the trading day before the commencement of the trading halt prior to announcement of the capital raising).

The Placement will be made to a number of unrelated qualified, institutional, sophisticated and professional investors.

The Company will issue a total of 29,032,258 Shares at an issue price of \$0.31 per Share to raise approximately \$9 million (before costs). The Shares are expected to be issued on 11 June 2019 under the Company's Listing Rule 7.1 placement capacity and the issue is therefore not subject to shareholder approval.

Share Purchase Plan

The Company will offer Eligible Shareholders (as defined below) the opportunity to participate in the SPP by subscribing for up to \$15,000 worth of fully paid ordinary shares in the Company (Shares) (subject to any scale back or non-fulfilment of application) at an issue price of \$0.31 (Issue Price) per Share (being the same issue price as the Placement) without having to pay brokerage or other transaction costs (SPP Offer). The Issue Price represents a 9.8% discount to the 5 day VWAP up to and including close on 30 May 2019.

Under the terms of the SPP Offer, Eligible Shareholders will be offered the option to subscribe for \$1,000, \$2,500, \$5,000, \$7,500, \$10,000 or \$15,000 worth of Shares.

The Company will issue up to a maximum of 8,064,516 Shares (subject to rounding) under the SPP Offer which would raise approximately \$2.5 million. The Company intends to close the SPP Offer when it becomes aware the maximum allocation has filled. Applications will be accepted on a first come first served basis and the Directors reserve the right to scale back applications in the event of contemporaneous applications, in their absolute discretion.

Participation in the SPP Offer is optional, and is open to all shareholders who were registered as a holder of Shares as at 5.00pm (WST) on Monday, 3 June 2019 (Record Date) and whose registered address is in Australia, New Zealand, Hong Kong, Ireland, Namibia, Panama or the United Kingdom (Eligible Shareholders).

Any Shares not subscribed for under the SPP Offer may be offered to qualified, institutional, sophisticated or professional investors as a separate placement using the Company's Listing Rule 7.1 capacity at the discretion of the Board.

The proposed timetable for the SPP Offer is set out below however the Directors reserve the right to vary the dates and times without notice.

Date: 5.00pm Perth time 3 June 2019

Event: Record Date

Description: Date on which the Company determined the eligible shareholders

Date: 7 June 2019

Event: Despatch SPP Offer Document

Description: Offer materials dispatched to eligible shareholders including a personalised application form.

Date: 7 June 2019

Event: Opening Date

Description: Offer opens at 9.00am WST.

Date: 28 June 2019

Event: Closing Date

Description: Offer closes. Applications must be received by 5.00pm WST on the Closing Date.

Date: 5 July 2019

Event: Issue Date

Description: Shares issued

Date: 8 July 2019

Event: Despatch Date

Description: Holding statements sent to shareholders

Full details of the Offer will be set out in a letter to shareholders, the SPP Terms and Conditions and an

Application Form for Eligible Shareholders (SPP Documents). A copy of the SPP Documents will also be lodged with the ASX.

If shareholders have any enquiries in relation to the SPP, please call the [Deep Yellow Ltd.](#) Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside of Australia).

Note: 1 Refer to ASX announcement entitled 'Uranium Resources Expanded by 51% at Tumas 1, 2 and 3 Deposits' and dated 27 March 2019, which is available to review on the Company's website at www.deepestyellow.com.au

About Deep Yellow Limited:

[Deep Yellow Ltd.](#) (ASX:DYL) (OTCMKTS:DYLLF) (Namibian Stock Exchange:DYL) is a specialist differentiated uranium company implementing a new contrarian strategy to grow shareholder wealth. This strategy is founded upon growing the existing uranium resources across the Company's uranium projects in Namibia and the pursuit of accretive, counter-cyclical acquisitions to build a global, geographically diverse asset portfolio. The Company's cornerstone suite of projects in Namibia is situated within a top-ranked African mining destination in a jurisdiction that has a long, well regarded history of safely and effectively developing and regulating its considerable uranium mining industry.

Source:

[Deep Yellow Ltd.](#)

Contact:

John Borshoff Managing Director/CEO T: +61-8-9286-6999 Email: john.borshoff@deepestyellow.com.au
www.deepestyellow.com.au

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