

Deep Yellow Limited: Successful Placement of \$40.8M to Fund Future Growth

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Perth, Australia - The Directors of [Deep Yellow Ltd.](#) (ASX:DYL) (FRA:JMI) (OTCMKTS:DYLLF) are pleased to announce that the Company has received commitments from qualified, institutional, sophisticated and professional investors to raise approximately A\$40.8M (before costs) through the issue of 62,768,803 fully paid ordinary shares (Shares) at an issue price of A\$0.65 per Share (Placement).

The Placement was very well received, with demand exceeding the funds the Company sought to raise through the Placement. Following the successful outcome of the Tumas Pre-Feasibility Study, the funds raised will enable Deep Yellow to rapidly advance its dual-pillar growth strategy as it works towards becoming a global, tier-one uranium producer.

To enable eligible shareholders the opportunity to participate in the capital raising at A\$0.65 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 25 February 2021 to raise up to a further A\$2M on similar terms to the Placement. The Company has a number of shareholders with unmarketable parcels of Shares and the SPP provides eligible shareholders with an unmarketable parcel of Shares the opportunity to obtain a marketable parcel without the usual transaction costs such as brokerage.

Commenting on the successful Placement, Deep Yellow's Managing Director & CEO, John Borshoff said:

"We are very pleased with the response to our placement and would like to thank all current and new investors for their support, as we take the next major step towards establishing a tier-one uranium company.

"This impressive raising places Deep Yellow in a very strong financial position to advance our stated and differentiated growth strategy to propel the Company into the top league of aspiring uranium developers.

"Deep Yellow is led by a management and technical team with proven uranium credentials. Importantly, since 2016, management has demonstrated the ability to efficiently and effectively utilise funds to advance key strategic areas and create shareholder value. This is highlighted by the tripling of the Reptile uranium resource base at a discovery cost of 11.5 cents/lb and successful completion of the Tumas PFS, with significant upside potential remaining to be unlocked on this exciting project.

"We now turn our attention to the completion of the Tumas DFS, along with advancing targeted M&A opportunities, as we continue to progress towards our primary objective of creating a 5-10Mlb low cost, multi-project, global uranium company."

Use of funds raised under the Placement and SPP Funds raised from the Placement and SPP will be applied towards:

1. completion of a Definitive Feasibility Study (DFS) and early development preparation at the Company's flagship Tumas Project (to be completed by mid-late 2022);
2. ongoing exploration and resource enhancement programs at the Company's 100%-owned Reptile Project and the Nova JV, with a focus on unlocking palaeochannel and basement targets;
3. disciplined value-creation via selective project acquisition; and
4. general working capital purposes.

Deep Yellow is applying a dual-pillar growth strategy for expansion of the Company, which is focused on organic development through its existing Namibian project portfolio and inorganic expansion through acquisition of third party uranium projects to establish its project pipeline ready for future development.

In reference to the Company's organic development, completion of the Tumas DFS is a priority.

Since current management became involved in the Company four years ago, excellent progress has been made across its Namibian projects, highlighted by an impressive threefold increase to the overall

calcrete-related uranium resource base (with much upside to improve this even further) and the successful completion of the Tumas Pre-Feasibility Study, which demonstrates the technical and economic viability of the Tumas Project.

In relation to the Company's inorganic growth objective, Deep Yellow has been continually evaluating various third party targets for project expansion, to achieve this key component of its stated strategy. The quality of the Company's management and leadership team, along with its proven track record of achievement in the uranium sector, continue to offer 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 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 pillars of this growth strategy to be further developed.

Euroz Hartleys Securities Limited and Aitken Murray Capital Partners Pty Ltd acted (and continue to act) as Joint Lead Managers to the Placement. They will be paid a total fee of 5% of funds raised under the Placement.

Placement

The Placement will be made at an issue price of A\$0.65 per Share raising approximately A\$40.8M (before costs). The issue price represents a discount of 13.7% to the 10-day VWAP prior to launch.

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

The Company will issue a total of 62,768,803 Shares at an issue price of A\$0.65 per Share to raise approximately A\$40.8M (before costs). The Shares are expected to be issued on 24 February 2021 under the Company's Listing Rule 7.1 (37,305,082 Shares) and Listing Rule 7.1A (25,463,721 Shares) placement capacity and the issue is therefore not subject to shareholder approval.

To view more details, please visit:
<https://abnnewswire.net/Ink/UQX04Z03>

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.](#)

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