

25 August 2014

ASX ANNOUNCEMENT

PLACEMENT TO RAISE \$3 MILLION

Key Points

- Firm commitments received from Sophisticated and Institutional Investors for a placement of approximately \$3 million.
- Cash resources in excess of \$5 million on completion which places Deep Yellow in a strong position to continue advancing its projects in Namibia.
- The Company remains well positioned to benefit from any upturn in the uranium price.

Advanced stage uranium explorer Deep Yellow Limited ('Deep Yellow' or the 'Company') (ASX:DYL) is pleased to advise that the Company has received firm commitments from sophisticated and institutional investors for approximately \$3 million.

The placement to sophisticated and institutional investors will be for a total of approximately 179.4m shares at 1.7 cents.

The placement will consist of two tranches, the first tranche being in satisfaction of the non-renounceable entitlement issue shortfall of 113.1m shares equating to \$1.9 million and the second tranche being an excluded placement made pursuant to the Company's 15% placement capacity for approximately 66.3m shares equating to \$1.1 million. The two tranches will be settled and resulting shares issued at the same time.

Deep Yellow's Chairman Mr Tim Netscher noted that, "the placement, completed with the support of the Company's advisors will place Deep Yellow in a sound position for the short to medium term, enabling us to maintain our momentum by utilising the funds to progress the flagship Omahola Project and the Tubas Sand Project. We will continue to carefully monitor all expenditure to ensure we extract the maximum value from these funds and to remove the need to return to the market in the foreseeable future."

"Deep Yellow remains highly leveraged to any positive movement in the spot price and we believe that the current level of unsustainable uranium prices should provide the impetus for a correction in the medium term."

Following the receipt of cleared funds the Company will complete the share allotment and make application for quotation.

Yours faithfully



MARK PITTS
Company Secretary