

28 October 2016

Placement to Sprott Affiliate raising \$1.42M Completed

Deep Yellow Limited (ASX: DYL) is pleased to confirm that the non-brokered private placement ("**Placement**") as announced on 24 October 2016 has been completed.

Placement

Exploration Capital Partners 2014 Limited Partnership ("**ECP**"), an affiliate of Sprott Global Resource Investments, Ltd. ("**Sprott**"), has subscribed for 321,648,376 fully paid ordinary shares ("**Shares**") in the issued capital of DYL at A\$0.0044 per Share for gross proceeds of A\$1,415,252.85. Following completion, ECP has become the Company's largest shareholder and, in accordance with the terms of the Placement, has nominated a Non-Executive Director to the board.

As previously advised, it is the intention of DYL and Sprott to develop a strategic relationship, and subject to ASX granting a waiver to Listing Rule 6.18, DYL will also grant Sprott a "top up right"¹ to allow ECP to maintain its equity position in DYL. The "top up right" will cease if ECP's holding in DYL falls below 10%.

The funds raised from the Placement will strengthen DYL's balance sheet as it embarks on a strategic review of the uranium sector to evaluate growth opportunities, advance existing assets and for general working capital purposes.

The issue is being made in accordance with DYL's existing placement capacity under listing rule 7.1. An Appendix 3b and S708A cleansing Notice is appended for immediate release.

Non-Executive Director Appointment

Pursuant to the Placement, DYL has appointed Mr. Justin Reid to the Board.

Mr Reid is a geologist and capital markets executive with over 20 years of experience focused exclusively in the mineral resource space. Mr. Reid started his career as a geologist with SGS and Cominco Ltd after which he became a partner and senior mining analyst at Cormark Securities Inc. in Toronto.

Mr. Reid then assumed an executive role at Paladin Energy Ltd, where he was responsible for leading all merger and acquisition, corporate and market related activities. He is the former Managing Director Global Mining Sales at National Bank Financial, where he directed the firm's sales and trading in the mining sector. Most recently, he acted as President and Director of Sulliden Gold Corporation, until its acquisition by Rio Alto Mining Ltd. in 2014 and is now President/CEO of Sulliden Mining Capital Inc.

Mr. Reid holds a B.Sc. from the University of Regina, a M.Sc. from the University of Toronto and an MBA from the Kellogg School of Management at Northwestern University. He is based in Toronto, Canada.

¹ The "top up right" will not apply in circumstances where DYL issues securities in relation to an off-market takeover bid or a scheme of arrangement, securities issued on conversion of convertible securities, securities issued pursuant to compensation or incentive schemes or securities issued pursuant to a dividend reinvestment plan or bonus share plan.

Placement Completes Raising \$1.42M



Commenting on Mr Reid's appointment, Rudolf Brunovs, Chairman of the DYL Board said: "*We welcome Justin to the Board and are very pleased to have gained someone with relevant industry and corporate experience.*"

ENDS

For further information regarding this announcement, contact:

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Managing Director/CEO

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For further information on the Company and its projects
- visit the website at www.deepyellow.com.au

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Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

DEEP YELLOW LIMITED

ABN

97 006 391 948

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Fully Paid Ordinary Shares
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	321,648,376
3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	N/A

+ See chapter 19 for defined terms.

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4	<p>Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes, from the date of issue</p>
5	<p>Issue price or consideration</p>	<p>\$0.0044 per share</p>
6	<p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The funds raised will strengthen the Company's balance sheet as it embarks on a strategic review of the uranium sector to evaluate growth opportunities, advance existing assets and for general working capital purposes.</p>
6a	<p>Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>No</p>
6b	<p>The date the security holder resolution under rule 7.1A was passed</p>	<p>N/A</p>
6c	<p>Number of ⁺securities issued without security holder approval under rule 7.1</p>	<p>N/A</p>
6d	<p>Number of ⁺securities issued with security holder approval under rule 7.1A</p>	<p>N/A</p>
6e	<p>Number of ⁺securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p>	<p>N/A</p>

6f	Number of +securities issued under an exception in rule 7.2	N/A	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A	
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	28 October 2016	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		2,465,970,880	Ordinary

+ See chapter 19 for defined terms.

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (<i>including</i> the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		14,185,000	Unvested Performance Share Rights subject to various vesting conditions
		10,000,000	Unvested Performance Share Rights held by the Former Managing Director at the discretion of the Board.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the ⁺ securities will be offered	
14	⁺ Class of ⁺ securities to which the offer relates	
15	⁺ Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	

21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements <i>in full</i> through a broker?	
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do security holders dispose of their entitlements (except by sale through a broker)?	
33	+Issue date	

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ⁺Securities described in Part 1

(b) All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

38 Number of ⁺securities for which ⁺quotation is sought

39 ⁺Class of ⁺securities for which quotation is sought

40 Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?

If the additional ⁺securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another ⁺security, clearly identify that other ⁺security)

	Number	⁺ Class
42 Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the ⁺ securities in clause 38)		

⁺ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.


- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 28 October 2016
(Director/Company secretary)

Print name: MARK PITTS
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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	N/A
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	
“A”	

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Step 2: Calculate 15% of "A"	
"B"	0.15 <i>[Note: this value cannot be changed]</i>
Multiply "A" by 0.15	
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
"C"	
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 <i>Note: number must be same as shown in Step 2</i>	
Subtract "C" <i>Note: number must be same as shown in Step 3</i>	
Total ["A" x 0.15] – "C"	N/A <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	N/A
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	N/A

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<p>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</p>	
<p>“A” x 0.10 <i>Note: number must be same as shown in Step 2</i></p>	
<p>Subtract “E” <i>Note: number must be same as shown in Step 3</i></p>	
<p>Total [“A” x 0.10] – “E”</p>	<p>N/A <i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

28 October 2016

Notice Under Section 708A (5)

We refer to the Appendix 3B released to ASX on 28 October 2016 concerning the placement of 321,648,376 ordinary shares at 0.44 cents per share (**Placement Shares**). The placement was completed within the Company's 15% capacity as a non-brokered private placement and an excluded offer.

The Placement Shares have been allotted and issued on 28 October 2016.

The Corporations Act 2001 (**Act**) restricts the on-sale of securities without disclosure, unless the sale is exempt under sections 708 or 708A of the Act. By the Company giving this notice, sale of the Placement Shares will fall within the exemption offered by section 708A(5) of the Act.

The Company hereby notifies the ASX under section 708A(5)(e) of the Act that:

1. The Placement Shares were issued without disclosure to investors under Part 6D.2 of the Act.
2. The Company, as at the date of this notice has complied with:
 - (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (b) section 674 of the Act.
3. The Company confirms that, as at the date of this notice, there is no information that:
 - (a) has been excluded from a continuous disclosure notice given to ASX in accordance with the ASX Listing Rules; and
 - (b) investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to Placement Shares, to the extent to which it would be reasonable for investors and their professional advisers to expect to find such information in a disclosure document.

Yours faithfully



MARK PITTS
Company Secretary