



12 February 2018

## DRILLING COMMENCES TO TEST HIGHLY PROSPECTIVE PALAEOCHANNELS

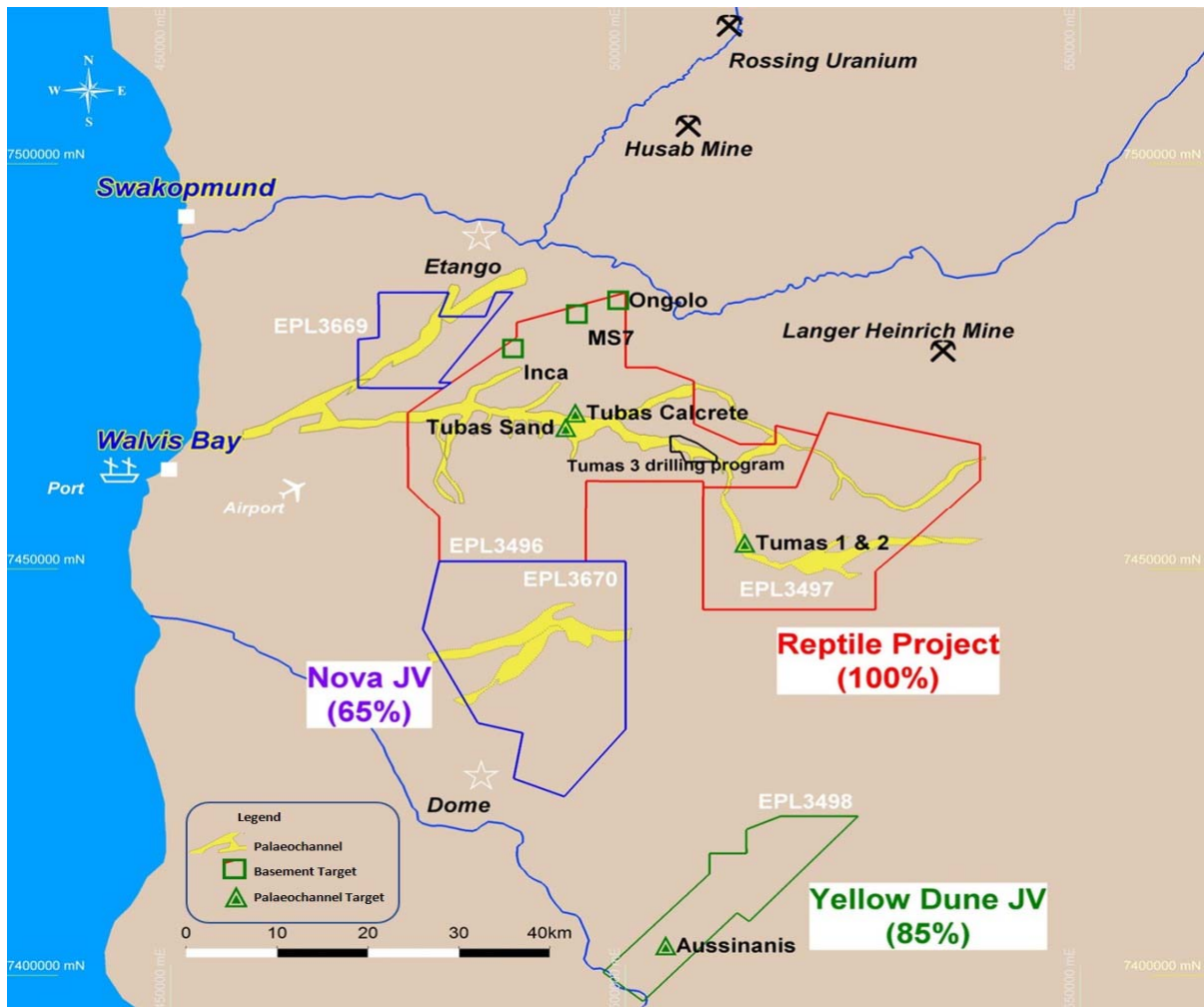
Deep Yellow Limited (**Deep Yellow**) is pleased to advise that a 10,000m RC drilling program commenced 12 February 2018 on the Reptile Project within EPLs 3496 and 3497 and held by its wholly-owned subsidiary Reptile Uranium Namibia (Pty) Ltd as shown in Figure 1

The drilling has a two-fold focus:

- Assess approximately 40km of the 100km of highly prospective palaeochannel system that has been delineated and remaining to be tested. This system includes the Tumas 3 discovery which was made in 2017. Seven semi-regional target zones have been defined for testing.
- Test the extensions of Tumas 1, 2 & 3 deposits for future resource enhancement.

The target zones isolated for the 2018 drilling investigations are a direct consequence of the successes of the 2017 work on EPLs 3496 and 3497. These positive results confirmed the high prospectivity of the palaeochannels, newly interpreted using the available historic exploration data base with the discovery of the Tumas 3 deposit. Over 100km of channel systems were identified as inadequately tested for Langer Heinrich style calcrete deposits.

Drill line spacing on these priority target zones will be 400 to 800m drilled on 200m intervals. Drilling is expected to be of an average depth of 30 to 40m. This program is expected to be completed by the end of June 2018.



**Figure 1:** EPLs 3496, 3497 showing Tumas 3 and main prospect locations over prospective palaeochannels

This drilling program is expected to delineate new mineralised areas over the 40km of palaeochannels that will be tested in this phase and some of which may be, if time allows, followed up in the current program.

The drilling program is continuing the exploration push to increase the inferred resource base of the calcrete type uranium mineralisation in palaeochannels towards the target of circa 150Mlb U<sub>3</sub>O<sub>8</sub> in the grade range of 350 to 500ppm U<sub>3</sub>O<sub>8</sub>.

Yours faithfully

**JOHN BORSHOFF**  
 Managing Director/CEO  
 Deep Yellow Limited