ANNUAL REPORT 2016

Deep Yellow Limited

ABN 97 006 391 948

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Mr Rudolf Brunovs	Chairman (Non-executive)
Mr Greg Cochran	Managing Director
Mr Mervyn Greene	Non-executive Director
Ms Gillian Swaby	Non-executive Director
Mr Christophe Urtel	Non-executive Director

REGISTERED OFFICE

Unit 1, Spectrum Building
100-104 Railway Road
Subiaco Western Australia 6008
Telephone: + 61 8 9286 6999
Facsimile: + 61 8 9286 6969
Email: info@deepyellow.com.au

COMPANY SECRETARY

Mr Mark Pitts

POSTAL ADDRESS

PO Box 1770
Subiaco Western Australia 6904

STOCK EXCHANGE LISTINGS

Australian Securities Exchange (ASX) Code: DYL
Namibian Stock Exchange (NSX) Code: DYL

AUDITOR

Ernst & Young
11 Mounts Bay Road
Perth Western Australia 6000

WEBSITE ADDRESS

www.deepyellow.com.au

SHARE REGISTRY

Computershare Investor Services Pty Limited
Level 11
172 St George's Terrace
Perth Western Australia 6000
Telephone: 1300 787 272
Facsimile: +61 8 9323 2033

AUSTRALIAN BUSINESS NUMBER

97 006 391 948

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SUMMARY INFORMATION

COMPANY PROFILE

Deep Yellow Ltd ('DYL' or the 'Company') is an advanced stage uranium exploration and aspiring development company. The Company's focus is in Namibia, where exploration is conducted by its wholly-owned subsidiary Reptile Uranium Namibia (Pty) Ltd ('RUN').

Namibia is a top-ranked mining destination in Africa with a long history of safely and effectively regulating uranium mining. It hosts two large operating uranium mines, one major development project soon to commence production and a number of well-advanced projects.

The Company holds 100% of two Exclusive Prospecting Licences ('EPLs') via RUN and is also the major shareholder and operator of two separate joint ventures that hold further EPLs. The Company's most advanced projects, being the rapidly advancing Tumas (Palaeochannel) Project, the Omahola Project and the Tubas Sands Project, are all located on RUN's wholly-owned EPLs.

CORPORATE STRATEGY

DYL's strategy is to successfully make the transition from advanced uranium explorer to developer and producer by single-mindedly focussing on advancing its Namibian projects. Specifically, DYL believes that its Tumas Project, allied to a novel yet relatively simple beneficiation process, has the potential to be Namibia's next uranium mine within the next three to four years. This is considered to be ideal timing as it would coincide with the forecast recovery in the uranium market.

HIGHLIGHTS OF THE 2016 FINANCIAL YEAR

TUMAS PROJECT

* A bulk sample metallurgical testwork program, supervised by Marenica Energy Ltd ("MEY"), was conducted and completed on schedule.
* The objective of the testwork program was to confirm the amenability of Tumas ore to MEY's *U-pgrade*™ beneficiation process, purported to be capable of achieving high levels of uranium recovery in a low mass pull.
* The program was conducted at laboratories in Perth on two bulk samples with combined mass in excess of 1 tonne of Tumas ore generated from an excavation started in December 2015 and completed in January 2016.
* Whilst still awaiting the final report at year-end, DYL released interim results during the testwork program which were largely in line with, and in some cases even exceeded expectations.
* The results indicated that processing Tumas ore through the *U-pgrade*™ process had the potential to reject up to 98% of the mass whilst recovering over 82% of the uranium, which implies that the project could produce a high grade concentrate in excess of 13,000 ppm U3O8 from ore with a resource grade of some 350 ppm U3O8.
* A project incorporating the *U-pgrade*™ beneficiation process as an integral part of the overall flowsheet has the potential to have comparatively low capital and operating costs and an accelerated development timeline.

NAMIBIAN LICENCE APPLICATIONS

* Renewal confirmations for Exclusive Prospecting Licences (EPLs) 3496 and 3497 were received during the March 2016 quarter.
* This is the fourth renewal for these two EPLs and allows DYL to continue to progress its attractive Projects.
* The Namibian Ministry of Mines and Energy declined the Mining Licence Applications lodged in 2011 for the INCA and the Tubas Red Sands Projects on economic grounds.
* Realistically this had no impact on DYL because the INCA Project has been superseded by the much larger Omahola Heap Leach Project and the Tubas Sand Project is, at current prices, clearly uneconomic.
* The Tubas Sand Project was placed on hold by the Company in 2014 specifically for economic reasons.

PROJECT LOCALITY MAP

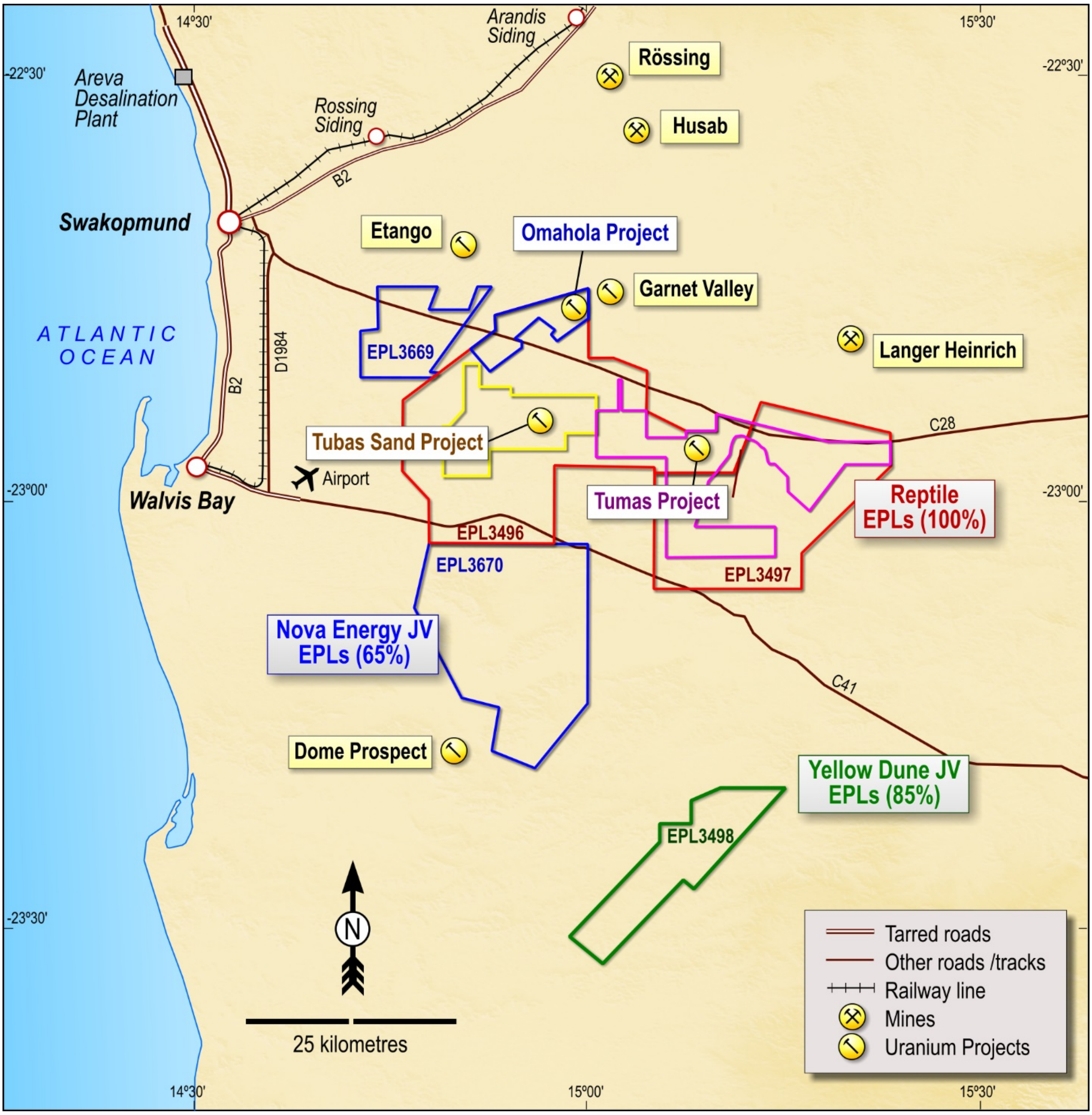

Figure 1: Locality map showing DYL's interests in Namibia as well as uranium mines and projects held by other companies in the region

CHAIRMAN'S LETTER

Dear Shareholders

It is pleasing to be able to report that there appears to be general consensus as to the positive outlook for the uranium market. This view is not only for the longer term but also for the medium term.

Demand for uranium is continuing to grow faster than production. Forecasts are indicating that by 2020 excess of supply from both primary and secondary sources will narrow so as to be approximately 3%. This represents a significant tightening in the supply / demand equation.

Growth in both the medium term (being the period to 2020) as well as the longer term will be primarily driven by three countries - China, India and Japan. Russia and to a lesser degree the Middle East will also be significant contributors. The raw data on the numbers of reactors under construction and planned is a telling indicator.

China has 33 reactors in operation with a further 22 under construction. By 2020 it is expected that nuclear capacity will increase by approximately 100% on current levels. India has 21 operational reactors and 5 under construction. However a further 22 are planned. Japanese restarts are headline material. It is notable that in September 2016 the 5th reactor restarted. However a further 20 reactors are currently moving through the restart process. Russia, also a major player in the industry, has 35 reactors and 8 under construction domestically to be completed before 2020. In addition to its domestic market Russia is supporting the construction of reactors in 7 other countries.

As you are all aware climate change and carbon dioxide emission reduction are very significant issues. As a response there is a clear move to renewable and nuclear generation of electricity. This is in a world where the population is continuing to grow and at the same time where energy is recognised as a critical foundation stone underpinning an improved standard of living for all emerging nations. Nuclear energy is increasingly being accepted as a major contributor to the overall solution.

The very clear message from all of the above is that many countries are not only committed to nuclear power but are planning to significantly grow the amount of power generated from this reliable source of clean, base load electricity.

Your company is well positioned to benefit from the positive cycle of increasing demand and tightening supply. In the short term Deep Yellow Ltd is primarily focused on the Tumas Project. The timing for this project fits very well with the aforementioned cycle, offering Deep Yellow shareholders the opportunity to benefit from the development of Namibia's next potential uranium mine.

To this end your management team has been working on a metallurgical testwork program and the results to date are very encouraging and in line with our expectations. The next step is to finalise a commercial agreement with Marenica Energy Ltd as the owner of the process used in that testwork program. Following that we propose to undertake a drilling program to expand the Project's resource base to ensure it will have a mine life in excess of ten years and conduct a pre-feasibility study.

Our Managing Director, Greg Cochran, has presented an overview of the results achieved in the past year in the "Highlights of the 2016 Financial Year" and has covered each of the Company's key three Namibian projects in considerable detail in the "Project description and review" section contained in this annual report.

Both management and the directors of Deep Yellow Ltd have a shared goal of successfully developing the Tumas Project. We believe that this success in turn will result in a significant share market rerating of your company. We still maintain great confidence in our future because of the positive global prospects for the nuclear and uranium industry and due to the Company's major projects in Namibia.

I want to thank all Deep Yellow Ltd personnel for continuing to focus on progressing our projects and working together cooperatively in what has been an environment with its fair share of challenges.

To our shareholders who supported us in our recent share purchase plan, I say... Thank You. The $752,600 (before costs) raised will enable us to progress our short term goals on the Tumas Project thus taking us a lot closer to our ultimate goal.

Yours sincerely

Rudolf Brunovs

PROJECT DESCRIPTIONS AND REVIEW

TUMAS PROJECT

The Tumas (Palaeochannel) Project (and its extension into the Tubas Palaeochannel) straddles EPLs 3496 and 3497 (see Figure 1). It contains secondary uranium mineralisation (carnotite in calcretes and gypcretes) hosted in some areas by shallow fluviatile sheetwash sands and gravels and in other areas, more deeply incised channels.

These shallow resources will likely be amenable to free dig mining with some drill and blast sections. Alternatively, surface miners could be used although the nature of the shallow resources implies relatively low cost mining for either mining option. Ore sourced from these deposits can effectively be upgraded, either by relatively simple scrubbing and attritioning followed by screening, or more elaborately with processes such as Marenica Energy's *U-pgrade™* technology. The product from such beneficiation processes could be transported to an in-country existing uranium mine to be used as satellite feed. For the more basic beneficiation approach the product would require an existing alkali leach processing plant (such as the nearby Langer Heinrich uranium mine) however it is believed that the more sophisticated *U-pgrade™* process offers the potential for acid leach processing (such as at the Rössing Uranium Mine or the soon to be commissioned Husab Mine) either offsite or importantly, even a standalone operation producing a saleable yellowcake product.

A standalone operation would require the addition of a comparatively small acid leach circuit and a conventional refining circuit to produce a saleable yellowcake product.

REVIEW

Introduction

After the successful outcome of an infill drill program conducted in the previous financial year within the Tumas Zone 1 area (see Figures 2 and 3) and the remodelling of all of RUN's extensive palaeochannel system using sophisticated Layered Earth Inversion ("LEI") software (see Figures 4 and 5) the Company had the confidence to proceed with the next phase of the Tumas Project.

In the infill drill program uranium grades obtained by downhole gamma logging and validated by ICP-MS assay were a good match in tenor with historical results and confirmed the existing mineral resource model. Mineralisation was found to be confined to the channel sediments with limited amounts of internal dilution, factors that could make mining simpler and processing relatively straight forward. It was also found that the base of the palaeochannel was confirmed to be gently undulating and appeared to have no influence on the mineralisation, uranium grade or thickness.

As a part of the overall assessment an internal study predicted the calcrete-hosted tonnes uranium per lineal kilometre that might be present along the Tumas drainage channel (and by extrapolation potentially the Tubas channel as well). Predictions ranged between 1.8 and 3Mlbs U_3O_8 per kilometre although these figures should be discounted by 50% in recognition of the relatively low level of definition of the palaeochannel system. Mineralisation grade, consistency and thickness assumptions were made by interpolating historical drilling. The latest drilling results provided evidence to support the prediction and assumptions, albeit over a limited area.

The most encouraging result of the LEI geophysical interpretation (Figures 4 and 5) was the confirmation of the lateral extent and potential depth of the palaeochannel system across RUN's two EPLs. The palaeochannel system is well over 100 kilometres in extent and in places reaches depths of 130 metres.

Metallurgical Testwork Program

DYL closely monitored the progress of Marenica Energy Limited ('MEY') over the past years as it developed its *U-pgrade™* process (see Figure 6). Recognising its potential, DYL was one of the first companies to engage with MEY and sent samples for analysis from all of its calcrete style deposits in Namibia as well as its Tubas Sand Deposit and the Napperby Project located in the Northern Territory. In that first step MEY conducted detailed mineralogical characterisations on the samples and concluded that the conventional calcretes would likely be amenable to processing via *U-pgrade™*.

Also, as Tumas and Tubas were the last remaining higher grade calcrete deposits in Namibia (with over three times the grade of any of the other deposits) DYL concluded that these deposits had the best chance of success if the *U-pgrade™* process proved successful.

Once the exploration program and geophysical assessment were successfully completed DYL began preparations to conduct metallurgical testwork and this culminated in the excavation of a test pit (see Figure 3) to generate a bulk sample. The two phase excavation began at the end of 2015 and was completed early in 2016. Once both samples (with combined mass in excess of 1 tonne of Tumas ore) had arrived in Perth the testwork program began and proceeded smoothly to on time completion at the end of June 2016.

The program was conducted at the CSIRO and Nagrom Laboratories in Perth under the supervision of MEY. Whilst the final report has not yet been presented at year-end the results will not vary materially from the interim conclusions released during the testwork program. The testwork provided confidence that a high recovery of uranium into a low mass, high grade concentrate can be achieved. This was as a result of the extensive mineralogical analysis completed by the CSIRO on the feed sample and interim testwork products.

Inter alia, the testwork program demonstrated that:

- in the first step of the *U-pgrade™* process, scrubbing of the Tumas ore produced good liberation of carnotite;
- gravity processing of the mid-size scrub product from the *U-pgrade™* process produced a concentrate with grade exceeding 13,000ppm U_3O_8; and
- the crucial de-slime and carbonate removal step of the *U-pgrade™* process worked effectively.

The results determined that application of Marenica's *U-pgrade*TM process to the Tumas bulk samples can effectively reject over 95% of the carbonate minerals. The de-sliming step rejected approximately 27% of the mass as fine particulate material. Overall, the process achieved a reject up to 98% of the mass and retain greater than 82% of the uranium. Indications are that a high grade concentrate in excess of 13,000 ppm U_3O_8 can be produced by application of the process to the 368 ppm U_3O_8 Tumas ore. Importantly, having removed most (if not all) of the gangue acid consumers the high grade concentrate product could be leached in a very small, conventional acid leach circuit. A standard yellowcake product could be produced on site with the addition of a refining circuit. Alternatively the concentrate produced from the *U-pgrade*TM circuit may be safely and cost-effectively transported to third parties for final processing.

As a result of the significant mass reduction, a project incorporating the beneficiation process as an integral part of the overall flowsheet has the potential to have comparatively low capital and operating costs and an accelerated development timeline.

Background to the MEY *U-pgrade*TM process

The proposed metallurgical *U-pgrade*TM process, developed by Marenica, has a patent pending and DYL has executed a strict Confidentiality Agreement to gain access to the technology.

The process in its simplest form involves the physical beneficiation of the sample through two key stages before moving to concentrate the remaining uranium minerals.

Calcrete ores such as Tumas are characterised by carbonate minerals and fine particulate material. The presence of carbonate minerals excludes the use of acid leaching due to the high acid consumption and thus the conventional approach is to leach these ore types with alkali, a high temperature, slow kinetics and relatively high cost process. The inclusion of fine particulate material in the ores produces materials handling issues, which result in higher operating costs and reduced uranium recovery.

Removal of carbonate minerals produces a concentrate with minimal acid consumers, a suitable feed for the faster kinetics, lower operating and capital cost acid leach process. Removal of the fine particulate material greatly improves the materials handling characteristics, which is a significant advantage for a beneficiation process and subsequent leach and solid/liquid separation stages.

Figure 2: Tumas Palaeochannel Drilling on EPL 3497 In December 2014

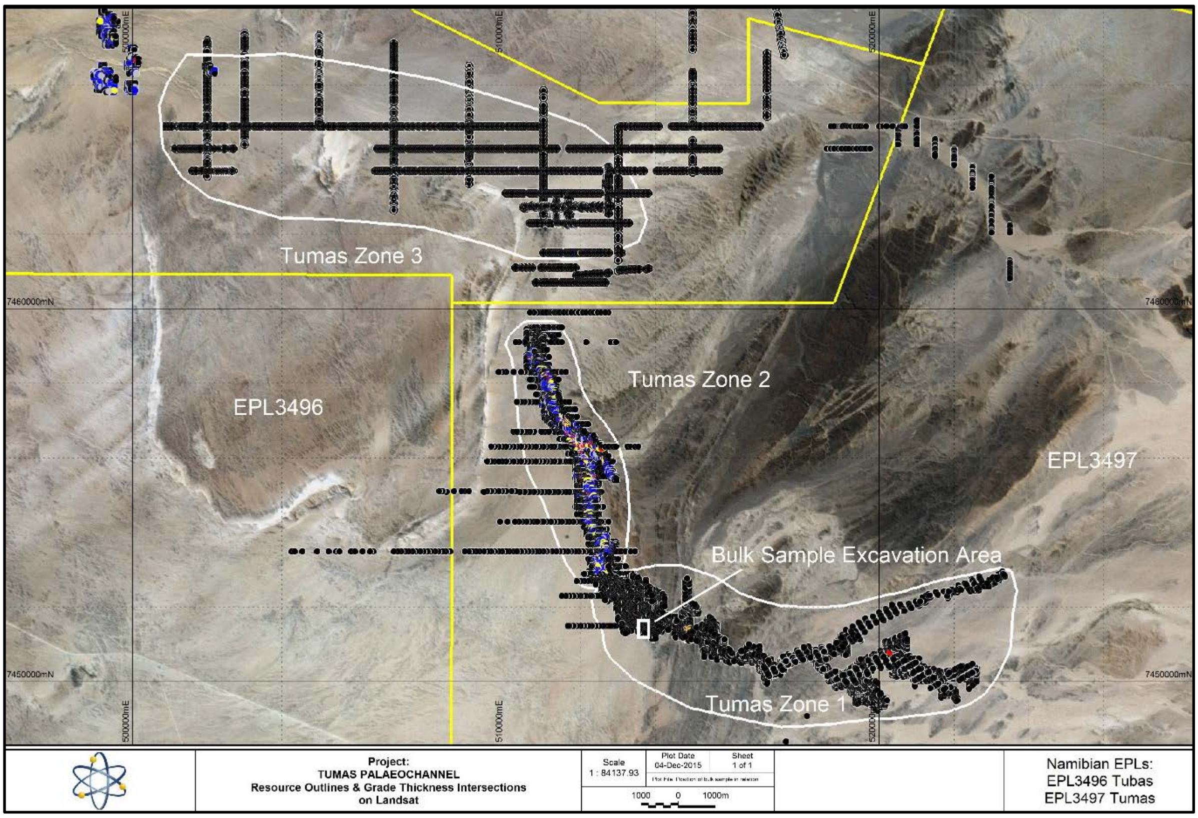

Figure 3: Tumas Palaeochannel on EPLs 3496 and 3497 showing location of Infill Drilling and Bulk Sample Excavation Area

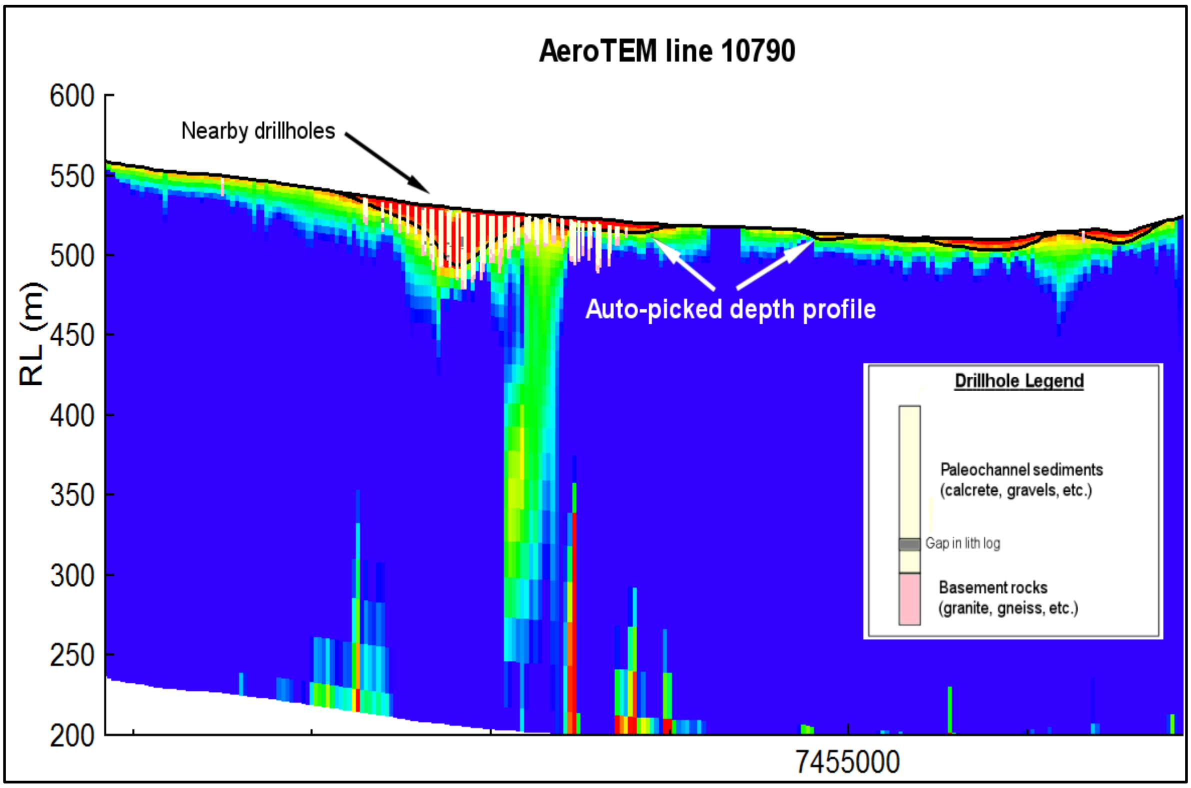

Figure 4: LEI-section showing the good correlation between bedrock depth from drilling and the depth-to-bedrock from the auto-picking routine

Resource Potentials Geophysical Interpretation – Palaeochannel Interpretation

In 2008 an extensive AeroTEM helicopter electromagnetic survey was flown for RUN covering EPL3496 and EPL3497. A total of 4,107 survey line km were flown at a broad 500m line spacing.

Resource Potentials was commissioned to convert the AeroTEM EM time channel data to conductivity-depth values and then run an auto-picking processing routine on the conductivity-depth data to determine the thickness of conductive cover above fresh bedrock "basement", and produce a set of georeferenced data products.

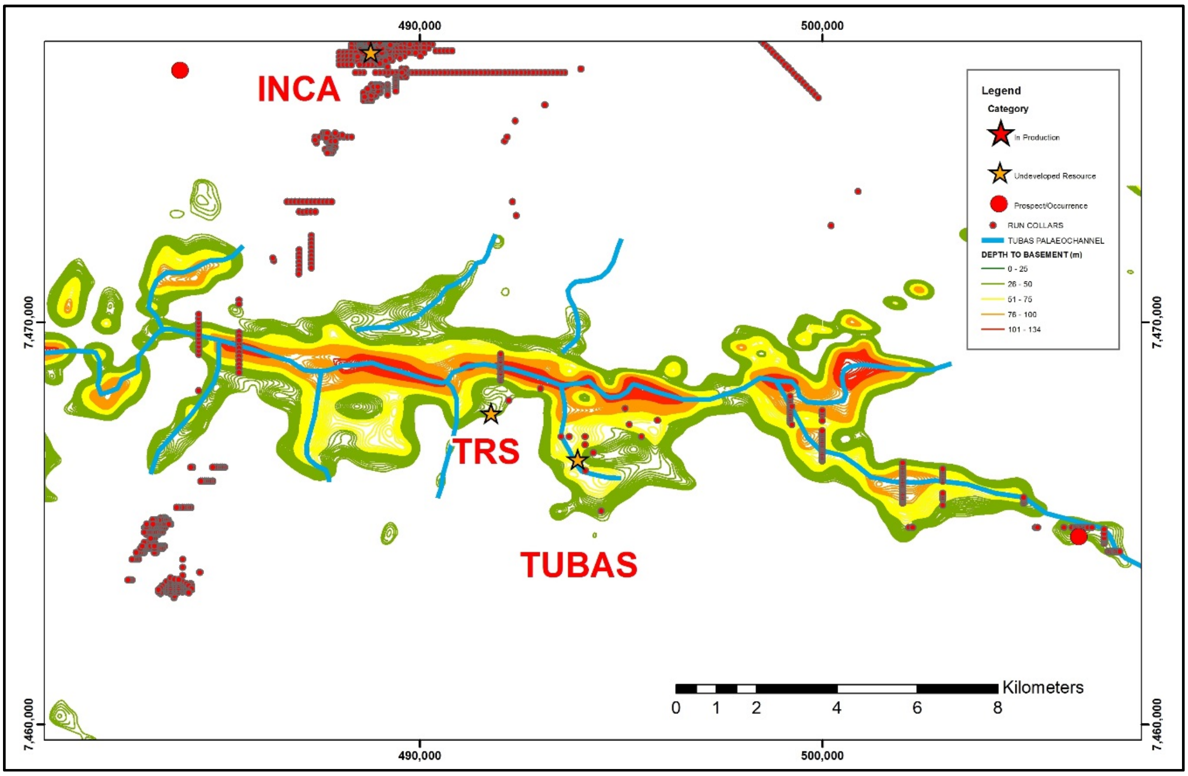

Figure 5: Map showing interpretation of depth to basement of the palaeochannel system across EPL 3496. Note: The red dots show historical holes drilled deeper than 50m

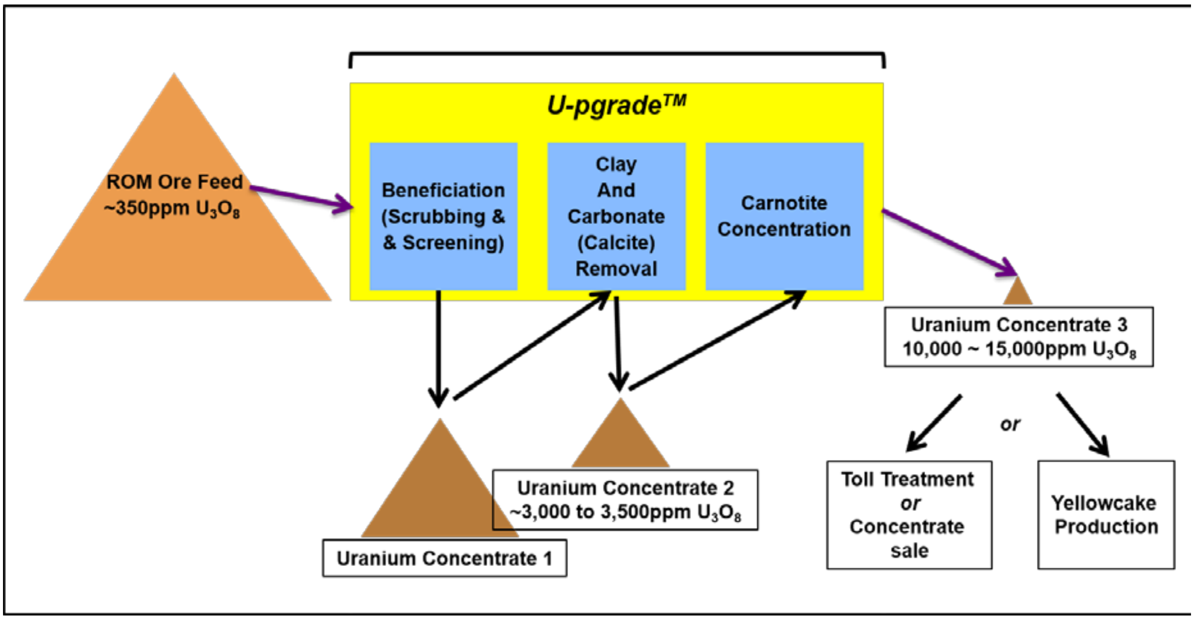

Figure 6: A schematic representation of Marenica Energy's *U-pgrade™* process

Exploration Results Competent Persons' Statement

The information in this report that relates to the Tumas Zone 1 Infill Drilling Exploration Results and for previous Exploration Results for the Tumas Deposit is based on and fairly represents information and supporting documentation prepared or reviewed by Mr Martin Hirsch, M.Sc .Geology, who is a member of the Institute of Materials, Minerals and Mining (UK) and the South African Council for Natural Science Professionals. Mr. Hirsch is the Manager: Geology for Reptile Uranium Namibia (Pty) Ltd, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2012 Edition). Mr. Hirsch consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to previous Exploration Results for the Tumas Deposit is based on information compiled by Mr. Martin Hirsch, M.Sc .Geology, who is a member of the Institute of Materials, Minerals and Mining (UK) and the South African Council for Natural Science Professionals. Mr. Hirsch is the Manager: Geology for Reptile Uranium Namibia (Pty) Ltd, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2012 Edition). Mr. Hirsch consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to previous Exploration Results for the Tubas Calcrete and Tumas Mineral Resources is based on information compiled by Dr Katrin Kärner who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM CP(Geo)). Dr Katrin Kärner, who was the Exploration Manager for Reptile Uranium Namibia (Pty) Ltd during 2013, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2004 Edition). Dr Katrin Kärner consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

The information in this report that relates to the Tubas Calcrete Mineral Resource is based on information compiled by Mr Willem H. Kotzé Pr.Sci.Nat MSAIMM. Mr Kotzé is a Member and Professional Geoscientist Consultant of Geomine Consulting Namibia CC. Mr Kotzé has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2004 Edition). Mr Kotzé consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Tumas Mineral Resources is based on work completed by Mr Jonathon Abbott who is a full time employee of MPR Geological Consultants Pty Ltd and a Member of the Australian Institute of Geoscientists. Mr Abbott has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2004 Edition') and as a Qualified Person as defined in the AIM Rules. Mr Abbott consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information relating to Tubas-Tumas Mineral Resource Estimates was prepared and first disclosed under the JORC Code 2004. These have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Geophysical Results: Resource Potentials

The information in this report that relates to Geophysical Results and Interpretation is based on information compiled by Dr Jayson Meyers who is a Fellow of the Australian Institute of Geoscientists. Dr Meyers is a full time employee of Resource Potentials Pty Ltd. Dr Meyers has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Meyers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

OMAHOLA PROJECT

The Omahola Project is the Company's flagship project which consists of three relatively shallow open pitable hard rock deposits – the Ongolo and MS7 Alaskite deposits and the INCA deposit (Figure 7).

Omahola's current JORC (2004) Compliant Measured, Indicated and Inferred Mineral Resource is 48.7 Mt at 420 ppm U_3O_8 for 45.1 Mlbs U_3O_8 at a 250 ppm cut-off. However, the relatively high cut-off grade of 250 ppm was the historical approach to ensure an average project grade above 400 ppm which was believed to be the grade required for an economically attractive, shallow open pit acid tank leach uranium mining project. Subsequent analysis has demonstrated that this is not the case.

As reported previously an internally conducted preliminary economic exercise confirmed that an acid heap leach development strategy would be more economically attractive than a tank leach. Those results were reinforced by independent consultants who were engaged in the 2015 financial year to review and enhance the previous year's work. The work by the consultants has been completed and reinforced the results obtained by DYL's own in-house project team. It should be noted that extensive metallurgical testwork will be required in future to ensure technical feasibility of this concept.

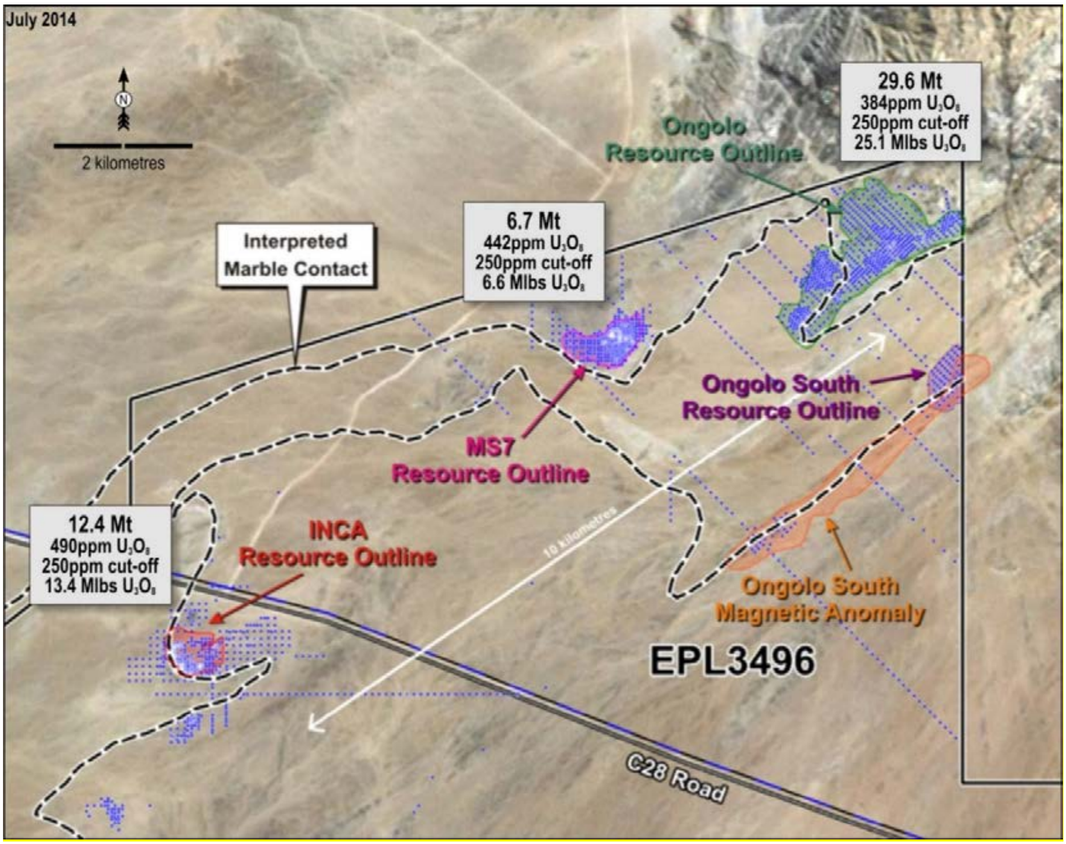

Figure 7: Omahola Project – Resource Outlines and Drilling – Ongolo - MS7 - INCA Area

Omahola Project Competent Persons' Statements

Exploration Results and Mineral Resource Statement (JORC 2004)

The information in this report that relates to Exploration Results for the Ongolo, MS7 and INCA deposits is based on information compiled by Dr Katrin Kärner who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM CP(Geo)). Dr Kärner, who was the Exploration Manager for Reptile Uranium Namibia (Pty) Ltd, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2004 Edition). Dr Kärner consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

The information in this report that relates to the Ongolo and MS7 Mineral Resources is based on information compiled by Malcolm Titley of CSA Global UK Ltd. Malcolm Titley takes overall responsibility for the Report. He is a Member of the Australasian Institute of Geoscientists ('AIG') and the Australasian Institute of Mining and Metallurgy ('AusIMM') and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2004 Edition). Malcolm Titley consents to the inclusion of such information in this Report in the form and context in which it appears.

The information in this report that relates to the INCA Mineral Resource Estimates is based on information compiled by Neil Inwood who is a Fellow of the AUSIMM. Mr Inwood was employed by Coffey Mining as a consultant to the Company at the time of the resource estimates and public release of results. As Mr Inwood is no longer employed by Coffey Mining, Coffey Mining has reviewed this report and consents to the inclusion, form and context of the relevant information herein as derived from the original resource reports for which Mr Inwood's consents have previously been given. Mr Inwood has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2004 Edition).

The information in this report relating to the Omahola Project Exploration Results and Mineral Resource Estimates was prepared and first disclosed under the JORC Code 2004 and has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

TUBAS SAND PROJECT

The Tubas Sand Project consists primarily of a low grade secondary uranium mineralisation deposit (carnotite) in well-sorted aeolian (windblown) sand within the Tubas palaeochannel. The mineralisation is classified as free-dig sand and the gravel produced amenable to upgrading via physical beneficiation. Pilot plant testwork in 2011 demonstrated that the deposit could readily be physically beneficiated in a relatively low cost process to produce a low carbonate, uranium rich sand concentrate amenable to alkali or acid leach processing. The results of a resource upgrade to JORC 2012 were released to ASX on 24 March 2014.

Deep Yellow has long pursued a dual development strategy for this project – one being to produce an intermediate product which could be sold to an existing Namibian uranium producer whilst the other is to ultimately supply the Company's own Omahola Project. The strategies are not mutually exclusive.

Tubas Sand Project Competent Persons' Statement

Mineral Resource Update – JORC 2012

Where the Company refers to the Tubas Sand Project resource upgrade in this report (referencing the release made to the ASX on 24 March 2014 entitled "Tubas Sand Project – Resource update"), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the resource estimate with that announcement continue to apply and have not materially changed.

Forward Looking Statements

Certain statements made in this report, including, without limitation, those concerning the preliminary economic analysis of the Omahola Project and the results from the exploration work conducted on the Tumas Project contain or comprise certain forward-looking statements regarding DYL's exploration operations, economic performance and financial condition. Although DYL believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metals prices and exchange rates and business and operational risk management. DYL undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.

The Company notes that an inferred resource has a lower level of confidence than an indicated or measured resource. The Company believes that based on the geological nature of its deposits and the work done over several years by its geological team and its Competent Person that there is a high degree of probability that the inferred resources will upgrade to indicated resources with further exploration work.

The Company

Namibia

Deposit	Category	Cut-off (ppm U3O8)	Tonnes (M)	U3O8 (ppm)	U3O8 (t)	U3O8 (Mlb)
Omahola Project - JORC 2004						
INCA Deposit ♦	Indicated	250	7.0	470	3,300	7.2
INCA Deposit ♦	Inferred	250	5.4	520	2,800	6.2
Ongolo Deposit #	Measured	250	7.7	395	3,000	6.7
Ongolo Deposit #	Indicated	250	9.5	372	3,500	7.8
Ongolo Deposit #	Inferred	250	12.4	387	4,800	10.6
MS7 Deposit #	Measured	250	4.4	441	2,000	4.3
MS7 Deposit #	Indicated	250	1.0	433	400	1.0
MS7 Deposit #	Inferred	250	1.3	449	600	1.3
Omahola Project Total			**48.7**	**419**	**20,400**	**45.1**
Tubas Sand Project - JORC 2012						
Tubas Sand Deposit #	Indicated	100	10.0	187	1,900	4.1
Tubas Sand Deposit #	Inferred	100	24.0	163	3,900	8.6
Tubas Sand Project Total			**34.0**	**171**	**5,800**	**12.7**
Tubas-Tumas Palaeochannel - JORC 2004						
Tumas Deposit ♦	Indicated	200	14.4	366	5,300	11.6
Tumas Deposit ♦	Inferred	200	0.4	360	100	0.3
Tubas Calcrete Deposit	Inferred	100	7.4	374	2,800	6.1
Tubas-Tumas Palaeochannel Total			**22.2**	**369**	**8,200**	**18.0**
Aussinanis Project - JORC 2004						
Aussinanis Deposit ♦	Indicated	150	5.6	222	1,200	2.7
Aussinanis Deposit ♦	Inferred	150	29.0	240	7,000	15.3
Aussinanis Project Total			**34.6**	**237**	**8,200**	**18.0**
TOTAL RESOURCES			**139.5**	**305**	**42,600**	**93.8**

Notes: Figures have been rounded and totals may reflect small rounding errors
XRF chemical analysis unless annotated otherwise
♦ eU3O8 - equivalent uranium grade as determined by downhole gamma logging
Combined XRF Fusion Chemical Assays and eU3O8 values

Where eU3O8 values are reported it relates to values attained from radiometrically logging boreholes with Auslog equipment using an A675 slimline gamma ray tool. All probes were calibrated at the Pelindaba Calibration facility in South Africa in 2007 and sensitivity checks were conducted by periodic re-logging of a test hole to confirm operation between 2008 and 2013. During drilling, probes were checked daily against a standard source. Auslog probes were re-calibrated at the calibration pit located at Langer Heinrich Minesite in 2014 and 2015.

Review of Material Changes

There were no material changes during the financial year to the mineral resource estimates previously announced and since the Company's 2015 Annual Report as shown in the Resource table above.

Competent Person Statement

The information in this Annual Mineral Resource Statement is based on and fairly represents information and supporting documentation prepared or reviewed by Mr Martin Hirsch, a Competent Person who is a Member of the Institute of Materials, Mining and Metallurgy (IMMM) in the UK. Mr Hirsch, who is currently the Exploration Manager for Reptile Uranium Namibia (Pty) Ltd, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hirsch consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Australia

Deposit	Category	Cut-off (ppm U_3O_8)	Tonnes (M)	U_3O_8 (ppm)	U_3O_8 (t)	U_3O_8 (Mlb)
Napperby Project (Northern Territory) - JORC 2004						
Napperby	Inferred	200	9.3	359	3,351	7.4
Napperby Total			**9.3**	**359**	**3,351**	**7.4**
TOTAL RESOURCES			**9.3**	**359**	**3,351**	**7.4**

Notes: Figures have been rounded and totals may reflect small rounding errors
XRF chemical analysis unless annotated otherwise

Review of Material Changes

There have been no material changes to the Company's Australian resource base as shown in the Resource Table above during the past financial year.

Competent Person Statement

The information in this Annual Mineral Resource Statement is based on and fairly represents information and supporting documentation prepared or reviewed by Mr Geoffrey Gee, a Competent Person who is a Member of the Australasian Institute of Geoscientists. Mr Gee, who was previously employed as an Exploration Geologist with Deep Yellow, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Gee consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Governance and Internal Controls

The Company maintains thorough QAQC protocols for conducting exploration, site practice, sampling, safety, monitoring and rehabilitation which are documented in the company's various standard operating procedure manuals (SOPs).

Drilling methods vary according to the nature of the prospect under evaluation. These can include auger, sonic, air core or reverse circulation drilling for unconsolidated formations; to reverse circulation (hammer) and diamond core drilling (HQ & NQ) for hard rock formations. Typically resource estimations are based on a mix of downhole radiometric sampling and chemical assaying. Assay samples are collected over one metre intervals. Radiometric data is acquired at 5 cm intervals and composited to one metre intervals. Where statistical validation confirms radiometric and chemical assay equivalence, the resource estimate is primarily based on the radiometric data.

All radiometric data is acquired digitally by in-house personnel trained to operate the Company's fleet of Auslog downhole probes. These probes are calibrated at the Pelindaba pits in South Africa. QAQC controls for radiometrically acquired data comprises daily calibration sleeve checks and periodic comparison at a Reptile Uranium Ltd test hole in Namibia. Assay samples are acquired by a three tier riffle splitter or cone splitter at the drill site. Duplicate samples are inserted at 1:20 frequency. Diamond core samples are assayed as quarter-core over one metre intervals. Anomalously radioactive samples are assayed at Reptile's in-house laboratory in Swakopmund, by loose powder XRF. QAQC is maintained by incorporating industry standard blanks, duplicates and external reference materials, and are statistically validated. Referee assays are obtained from Scientific Services Laboratories, Cape Town or local Namibian external laboratories. External laboratories assay for uranium by either pressed powder XRF or fused bead XRF. Characterisation of radiometric equilibrium is periodically assessed by submission of samples to ANSTO Minerals Laboratory in Sydney, Australia.

Drill hole collars are DGPS-surveyed by in-house operators, after an initial pick-up by hand-held GPS. Downhole directional surveys are outsourced to independent contractors.

Drill hole sample logging captures a suite of lithologic, alteration, mineralogic and hand-held radiometric data, at one metre intervals. This data is captured as permanent hard copy prior to digital input onto an in-house GBIS database. The parallel collection of drill sample and wireline probe data enables error recognition in depth discrepancies and confirmation of sampling accuracy. Digital data validation is done in-house prior to confirmatory database validation by external resource consultants, commonly either Coffey Mining Pty Ltd, Perth or CSA Global, Johannesburg.

Drill plans and sections generated from drilling and surface mapping are used to constrain wireframe mineralisation models; upon which resource estimations are made. Resource estimations for currently quoted prospects have been calculated by independent third party consultants.

CORPORATE GOVERNANCE STATEMENT

GOVERNANCE FRAMEWORK

The Board of Deep Yellow Limited (DYL) has responsibility for corporate governance for the Company and its subsidiaries (the Group) and has implemented policies, procedures and systems of control with the intent of providing a strong framework and practical means for ensuring good governance outcomes which meet the expectations of all stakeholders.

The Corporate Governance Statement, dated 30 June 2016 and approved by the Board on 8 September 2016, sets out corporate governance practices of the Group which, taken as a whole, represents the system of governance.

The framework for corporate governance follows the 3rd Edition of the ASX Corporate Governance Council's Principals and Guidelines. The Directors have implemented policies and practices which they believe will focus their attention and that of their Executives on accountability, risk management and ethical conduct. The Board will continue to review its policies to ensure they reflect any changes within the Group, or to accepted principals and good practice.

Where the Board considers the Group is not of sufficient size or complexity to warrant adoption of all the recommendations set out in the ASX Corporate Governance Council's published guidelines, these instances have been highlighted.

This statement is available on our website at http://www.deepyellow.com.au/corporate/governance.html along with the ASX Appendix 4G (http://www.deepyellow.com.au/corporate/news/asx-announcements.html), a checklist cross-referencing the ASX Principles and Recommendations to disclosures in this statement and copies and summaries of charters, principles and policies referred to in this statement.

DIRECTORS' REPORT

The Directors present their report on Deep Yellow Limited (Company) and the entities it controlled at the end of, and during the year ended 30 June 2016 (the Group).

DIRECTORS

The names and details of the Directors of Deep Yellow Limited in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Rudolf Brunovs *FCA FAICD MBA*
Non-executive Chair

Mr Brunovs has been an independent non-executive Director of the Company since August 2007 and has been appointed as interim Chairman effective 1 January 2016. He is a former Partner of Ernst & Young, an international accounting firm. He practiced in a number of offices in Australia and overseas and for a period of 12 years he held the position of Managing Partner of the Parramatta NSW and subsequently the Perth office of the firm. He was a member of the Minerals and Energy Industry Group with Ernst & Young. He had no involvement with the audit of Deep Yellow Limited whilst a partner of the firm. He continues to be a director of Lions Eye Institute Limited, a major WA based not for profit organisation, a position he has held for more than 10 years.

Mr Brunovs serves on the Remuneration Committee and is the Chair of the Audit Committee of the Group.

Greg Cochran M*Sc Eng (Mining and Mineral Economics), MBA, FAusIMM, MAICD, MSAIMM*
Managing Director

Mr Cochran has almost 30 years' experience in international mining in various commodities including gold, coal, base metals and uranium. He has held senior executive roles in projects, operations, finance and business development. Most recently he was CEO of Terramin Australia Limited and prior to that he was Executive Vice President: Australia & Asia for Uranium One. Mr Cochran also worked for Mitsubishi Development whilst the earlier part of his career was spent with BHP Billiton and predecessor companies in the Billiton/Gencor group.

Mervyn Greene *MA (Maths) BAI (Engineering) MBA*
Non-executive Director

Mr Greene is an investment banker and serial entrepreneur based in Ireland who has worked in the US, Europe and Africa for more than 30 years. Between 1997 and 2005 Mr Greene was the London based partner of Irwin Jacobs Greene (IJG), one of Namibia's premier stockbroking, private equity and corporate finance advisory firms. In the early stages of his career, before doing an MBA at the London Business School in 1993, Mr Greene worked for Morgan Stanley in New York and London. His focus more recently has been at the helm of a number of property and other businesses by way of Private Equity Investment.

Mr Greene serves on the Audit Committee of the Group.

Gillian Swaby *BBus FCIS FAICD*
Non-executive Director

Ms Swaby has been involved in financial and corporate administration, as both Director and Company Secretary covering a broad range of industry sectors, for more than 30 years. Ms Swaby has extensive experience in the area of secretarial practice, corporate governance, management accounting and corporate and financial management. Ms Swaby is the principal of a corporate consulting company and past Chair of the Western Australian Council of Chartered Secretaries of Australia and a former Director on their National Board. She previously held the position of EGM-Corporate Services and Company Secretary of Paladin Energy Limited and was a Director of that Company for almost 10 years since listing in 1993. She is also a director of the Australia-Africa Minerals and Energy Group (AAMEG) and sits on the Western Australia Division Council of the Australian Institute of Company Directors (AICD).

Ms Swaby serves on the Audit Committee and is the Chair of the Remuneration Committee of the Group.

During the past three years Ms Swaby has also served as a Director of the following listed company:
Comet Ridge Limited - appointed 9 January 2004. *

* Denotes current directorship

Christophe Urtel MSc BSc
Non-executive Director

Mr Urtel has more than 15 years' industry experience. He is currently Head of Corporate Strategy and Capital EMEA for the Noble Group. Prior to joining Noble in 2014 he was a Fund Manager at Liberum Capital and an Executive Director in J.P.Morgan's Principal Investment franchise in London responsible for natural resources investments. Previously he worked in J.P.Morgan and its predecessor organisations from 1999 to 2008, specialising in the mining and metals sector, providing M&A advice and raising capital on the equity and debt markets.

Mr Urtel graduated with a MSc (Mining and Finance) and BSc (First Class Honours – Geology with Engineering Geology) from the Royal School of Mines, Imperial College, London.

Mr Urtel serves on the Remuneration Committee of the Group.

Tim Netscher BSc (Eng) (Chemical), B.Com., MBA, CEng, FIChemE, MAICD
Chairman (Resigned 31 December 2015)

Mr Netscher served as director of the Company since 2 January 2013 and was Chairman since 1 September 2013. He resigned as director and Chair of the Company effective 31 December 2015.

During the past three years Mr Netscher has also served as a Director of the following listed companies:
Gold Road Resources Limited *– appointed 2 September 2014;
Western Areas Limited * – appointed 1 August 2014;
St Barbara Limited * – appointed 17 February 2014;
Toro Energy Limited - appointed 1 November 2015 and resigned 1 September 2016
Aquila Resources Limited – appointed 8 November 2013 and resigned 29 July 2014;
Gindalbie Metals Limited – appointed 30 April 2011 and resigned 31 October 2013;

* Denotes current directorship

Directors' Interests

As at the date of this report, the Directors' interests in securities of the Company were:

Director	Ordinary Shares	Performance Rights
Rudolf Brunovs	6,315,069	-
Greg Cochran	26,636,930	35,000,000
Mervyn Greene	53,354,231	-
Gillian Swaby	56,164,490	-
Christophe Urtel	8,247,294	-

Company Secretary

Mark Pitts *BBus FCA*

Mr Pitts is a Chartered Accountant with more than 25 years' experience in statutory reporting and business administration. He has been directly involved with, and consulted to a number of public companies holding senior financial management positions. He is a Partner in the corporate advisory firm Endeavour Corporate providing company secretarial support; corporate and compliance advice to a number of ASX listed public companies.

Dividends

No dividend has been paid since the end of the previous financial year and no dividend is recommended for the current year.

Principal Activities

The principal activities during the financial year of entities within the Group were:

Core Namibian projects
* Pre-development activities to progress the Tumas Project; and
* Reassessment of the Omahola Project

Other
* Uranium mineral exploration in Namibia; and
* Activities associated with the divestment of non-core projects in Namibia and Australia

There were no significant changes in these activities during the financial year.

Review of Operations

A detailed review of the Group's operations in each of the key regions is set out in the 'Review of Operations' on pages 4 to 10 in this Annual Report.

Review of Financial Condition

Operating Results for the Year

The Group's net loss after income tax for the financial year is $1,756,596 (2015: loss $20,813,757). There were no significant items to highlight.

Financial Position

At the end of the financial year the Group had $1,579,488 (2015: $3,926,631) in cash and at call deposits prior to raising $752,600 (before costs) with a Share Purchase Plan that closed on 1 July 2016. Capitalised mineral exploration and evaluation expenditure carried forward was $49,039,393 (2015: $53,301,619).

The Group has net assets of $50,942,856 (2015: $57,600,489).

Business Strategies and Prospects for Future Financial Years

The Group's focus remains on the near-term development of a low cost, low technical risk project within Namibia, a leading African mining jurisdiction. Projects are progressed cautiously whilst conserving cash to be well positioned at market recovery. Specifically, the Group is advancing its Tumas Project where it has been shown after successful test work that it could be developed with comparably low capital and operating costs.

Management and the Board monitor the Group's overall performance against strategic operating plans and financial forecasts. The Board, together with management, have identified key operational milestones that are used to monitor performance. Management monitor the achievement of operational milestones on a regular basis and report back to the Board regularly during board meetings. In developing the Group's strategy, the Board regularly review risks associated with the strategy in order to identify key risks.

Dynamics of the Business

While uranium prices remain weak and have continued the slow drift down that started in 2008, investors continue to anticipate an eventual rise in uranium prices. Management remains confident that the long-term outlook for the uranium industry is very strong, despite current market uncertainty. The fundamentals for a sustained upturn in the uranium price are still intact based on supply and-demand dynamics. The world's energy demand is expected to grow substantially with much of that demand to be met by building nuclear reactors. The Group's cash resources are carefully managed and nurtured awaiting the predicted upturn. The Group also continues to protect its core assets in Namibia and keep them in good standing to position itself to take advantage of the inevitable price rebound.

Significant Changes in the State of Affairs

Significant changes in the state of affairs of the Group during the financial year were as follows:

* On 23 December 2015 the Company announced that Mr Rudolf Brunovs had been appointed as Chairman of the Board effective 1 January 2016, succeeding Mr Tim Netscher;
* On 28 April 2016 the Company announced that the Ministry of Mines and Energy of the Republic of Namibia has renewed Exclusive prospecting Licences (EPLs) 3496 and 3497 for a further two years, expiring 5 June 2017. EPL3499 also known as Ripnes was voluntarily relinquished; and
* The Company completed a metallurgical testwork program on bulk samples from the Tumas Project in Namibia. Results from the testwork imply that the project could produce a high grade concentrate to be sent to an existing uranium operation for final processing. This would enable comparatively lower capital costs and a faster development schedule.

Significant Events after Balance Date

On 31 May 2016 the Company announced a Share Purchase Plan (SPP) which closed on 1 July 2016 with subscriptions for 188,150,000 ordinary shares raising a total of $752,600 (before costs).

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Group are set out in the 'Project description and Review' section on pages 4 to 10 in this Annual Report.

Environmental Regulation and Performance

The Group holds various exploration licences by the relevant authorities that regulate its exploration activities in Namibia and Australia. These licences include conditions and regulations with respect to the rehabilitation of areas disturbed during the course of the Group's exploration activities.

There have been no significant known breaches of the Group's licence conditions or any environmental regulations to which it is subject.

Shares under Option

As at the date of this report, there were no unissued ordinary shares under options and no shares have been issued during the financial year as a result of the exercise of options.

As at the date of this report, there were 49,185,000 Performance Rights outstanding (61,821,000 at the reporting date). Refer to Note 14 for further details of the Performance Rights outstanding.

Performance Right holders do not have any right, by virtue of the Performance Right, to participate in any share issue of the Company or any related body corporate.

During the financial year, 6,141,110 shares have been issued at a weighted average issue price of 2.43 cents per share in relation to Performance Rights that vested

The outstanding balance of Performance Rights at the date of this report is:

Number of Rights	Vesting Performance Conditions	Date rights granted	Vesting Date
1,000,000	Time based	29-Oct-13	1-Dec-16
2,000,000	Market price	29-Oct-13	1-Dec-16
2,115,000	Time based	10-Nov-14	1-Jul-17
1,910,000	Market price	10-Nov-14	1-Jul-17
2,500,000	Time based	10-Nov-14	1-Jul-17
2,500,000	Market price	10-Nov-14	1-Jul-17
10,425,000	Time based	6-Nov-15	1-Jul-17
4,750,000	Market price	6-Nov-15	1-Jul-17
13,255,000	Time based	6-Nov-15	1-Jul-18
4,980,000	Market price	6-Nov-15	1-Jul-18
3,750,000	Market price	6-Nov-15	1-Jul-18
49,185,000			

Indemnification and Insurance of Directors and Officers

During or since the financial year, the Company has paid premiums to insure certain officers of the Company. The officers of the Company covered by the insurance policy include the Directors and the Company Secretary named in this report.

The Directors and Officers Liability insurance provides cover against all costs and expenses that may be incurred in defending civil proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young during or since the financial year.

Directors' Meetings

The number of meetings of Directors (including meetings of committees of directors) held during the year ended 30 June 2016, whilst each Director was in office, and the number of meetings attended by each Director was:

	Director's meetings	Meetings of Committees	
		Audit	Remuneration
Number of meetings held:	18	2	2
Number of meetings attended:			
Rudolf Brunovs	18	2	2
Greg Cochran	18	-	-
Mervyn Greene	17	2	-
Tim Netscher	11	-	-
Gillian Swaby	16	2	2
Christophe Urtel	17	-	2

All Directors were eligible to attend all meetings held, except for Tim Netscher who was eligible to attend eleven directors' meetings.

Committee Membership

As at the date of this report, the Company had an Audit Committee and Remuneration Committee of the board of directors.

Members acting on the committees of the board during the year were:

Audit	Remuneration
Rudolf Brunovs ©	Gillian Swaby ©
Mervyn Greene	Rudolf Brunovs
Gillian Swaby	Christophe Urtel

Notes
© designates the chair of the committee

Non-audit Services and Auditor's Independence Declaration

During the 2016 financial year Ernst & Young, the Group's auditor, has not provided any non-audit services in addition to their statutory duties

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act is set out on page 26.

Remuneration Report (Audited)

The Directors present the Remuneration Report (the Report) for the Group for the year ended 30 June 2016. This Report forms part of the Director's Report and outlines the remuneration arrangements of the Group's key management personnel (KMP) in accordance with the requirements of the *Corporations Act 2001* (the Act) and its regulations. This information has been audited as required by section 300A of the Act. Any non-IFRS financial information contained in the Remuneration Report has not been audited or reviewed in accordance with Australian Auditing Standards.

The remuneration report is presented under the following sections:

1. Introduction
2. Remuneration governance
3. Executive remuneration arrangements
   (a) Remuneration principles and strategy
   (b) Approach to setting remuneration
   (c) Detail of incentive plans
4. Group performance and Executive remuneration outcomes for 2016
5. Non-executive Director (NED) fee arrangements
6. Statutory and share based reporting
   (a) Executive KMP remuneration
   (b) NED remuneration
   (c) Disclosures relating to performance and share rights and ordinary shares
   (d) Loans to KMP and their related parties
   (e) Other transactions and balances with KMP and their related parties
7. Actual remuneration earned by executives

1. Introduction

For the purposes of this report, KMP of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Parent and include:

* Non-executive directors; and
* Executives

For the purpose of this report, the term 'Executive' includes executive directors, senior executives, country managers and company secretaries of the Parent and the Group. The table below outlines the KMP of the Group during the financial year ended 30 June 2016. Unless otherwise indicated, the individuals were KMP for the entire financial year.

Name	Position	Term as KMP
Executive Director		
Greg Cochran	Managing Director	Full financial year
Other executives		
Peter Christians	Country Manager: Namibia	Ceased 30 November 2015
Mark Pitts	Company Secretary	Full financial year
Non-executive directors (NEDs)		
Tim Netscher	Chairman	Ceased 31 December 2015
Rudolf Brunovs *	Chairman	Full financial year
Mervyn Greene	Non-executive Director	Full financial year
Gillian Swaby	Non-executive Director	Full financial year
Christophe Urtel	Non-executive Director	Full financial year

* Mr Brunovs has been an independent non-executive Director of the Company since August 2007 and has been appointed as interim Chairman effective 1 January 2016.

There were no other persons having the authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, during the financial year.

There were no changes to KMP after the reporting date and before the date the financial report was authorised for issue.

2. Remuneration Governance

Remuneration Committee

The Board has appointed a Remuneration Committee to assist the Board by making recommendations on remuneration packages for Executive and Non-executive Directors and where appropriate, other executives.

The Remuneration Committee is responsible for reviewing the overall remuneration philosophy, strategy, plans, policies and practices (including performance management methodology) to implement the remuneration objective. In making recommendations to the Board, the Remuneration Committee ensure a clear link between performance and remuneration. This is achieved by a combination of fixed remuneration and short (STI) and long term incentives (LTI) with appropriate performance based hurdles which reflect short and long term performance of the Executives and the Group. The Board review and approve the remuneration arrangements as recommended by the Remuneration Committee. The Board also sets the aggregate remuneration pool for NEDs (which is subject to shareholder approval) and individual NED fee levels based on recommendations made by the Remuneration Committee.

In making recommendations to the Board, the Remuneration Committee assesses the appropriateness of the nature and amount of remuneration on a periodic basis by reference to the status of the Group and the stage of development of its assets, the skill sets required, trends in comparative ASX listed companies and the need for a balance between fixed remuneration and short and long term cash and non-cash incentives. The process includes a review of Group and individual performances, broad market remuneration data and relevant comparative remuneration externally and internally.

The Remuneration Committee consists only of NEDs and meets regularly through the year. The Managing Director attends certain Remuneration Committee meetings by invitation, where management input is required. The Managing Director is not present during any discussions related to his own remuneration arrangements.

Use of Remuneration Consultants

To ensure the Remuneration Committee is fully informed when making remuneration decisions, it from time to time obtains external advice from an independent consultant who provides no other services to the Group. During the financial year, the remuneration committee has not sought formal external advice due to its continued focus on cost reductions in ongoing volatile markets. Reductions in base salaries and fees of the Managing Director, Non-executive Directors and Executives were implemented during the 2014 financial year. Further reviews with resultant reductions occurred in both the 2015 and 2016 financial years.

Clawback of Remuneration

The Board has the discretion to reduce or cancel any unvested LTI if a KMP acts in a manner of:

* Wilful misconduct bringing disrepute to the Group;
* Repeated disobedience or incompetence in the performance of duties, after prior written warning; or
* Fraud, dishonesty or a material breach of their obligations to the Group

Share Trading Policy

The Group's Security Trading Policy applies to all KMP. The policy prohibits employees from dealing in the Company's securities while in possession of material non-public information relevant to the Group. Additional restrictions are placed on Restricted Employees whereby they are prohibited from dealing in the Company's securities during prescribed closed periods. Directors and Employees are further prohibited from engaging in hedging arrangements over unvested Securities to protect the value of their unvested LTI awards.

Executive Contracts

Remuneration arrangements for Key Management Personnel are formalised in service agreements. Details of these contracts are provided below:

Mr G Cochran – Managing Director
The terms of the employment contract as disclosed to the ASX on 24 January 2011 are as follows:

* No fixed term, but reviewed annually;
* Total Fixed remuneration of $490,500 per annum including statutory superannuation. This has subsequently been reduced to $275,000 plus the issue of shares to the value of $80,000 per annum;
* Eligibility to receive an annual STI cash bonus of up to 20% of fixed base remuneration which was $251,142 in 2016;
* LTI of 30,000,000 performance rights (details provided in Section 6(c)); and
* Termination provisions
    1. Either party may terminate the contract on 6 months' notice or in the case of the Company; termination of the contract can result in a payment equivalent to the notice period remuneration; or
    2. No notice required when terminating for cause.

The following arrangements applied to outgoing executives in office during the 2016 financial year:

Mr P Christians – Country Manager: Namibia

* Mr Christians resigned from his position effective 30 November 2015; and
* He forfeited his unvested performance rights in accordance with the terms of the Awards Plan.

3. Executive Remuneration Arrangements

a) Remuneration Principles and Strategy

The Group's remuneration objective is to adopt policies, processes and practices to ensure that reward programs are fair and responsible and in compliance with the Corporations Act and the ASX Listing Rules and are also in accordance with principles of good corporate governance. The key objectives of the Group's award framework are to ensure that remuneration practices:

* Aim to align the interests of Executives with shareholder objectives;
* Attract, motivate and retain high performing individuals who will add value to the Group;
* Result in competitive remuneration, benchmarked against peer groups;
* Reward Executives for performance with a strong linkage to Group performance; and
* Create a culture that promotes safety, diversity and stakeholder satisfaction.

Align the interests of Executives with shareholders

* The remuneration framework incorporates "at-risk" components through short and long term incentives; and
* For short term incentives, performance is assessed against non-financial measures linked to the strategic and operational plans and for long term incentives; performance is primarily linked to the market value of Company shares.

Attract, motivate and retain high performing individuals

* The remuneration offered is competitive for companies of a similar industry, size and complexity; and
* Longer term remuneration encourages retention and multi-year performance focus.

b) Approach to Setting Remuneration

The Group aims to reward Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group.

The Group's remuneration structure for Executives can include a mix of:

* Fixed remuneration
* Short term incentive
* Long term incentive

The **fixed remuneration** component is represented by total employment cost and comprises base salary, statutory superannuation contributions (where applicable) and other benefits. It is paid by the Group to compensate fully for all requirements of the Executives employment with reference to the market and the individual's role and experience. It is subject to annual review considering market data and the performance of the Group and individual. Executive contracts of employment do not include any guaranteed base pay increases. The Group benchmarks the fixed component against appropriate market comparisons with the comparator group criteria being market capitalisation and sub-sector grouping. The Group also pays particular attention to protecting the Company's cash resources. This has led to continuous reductions in Executive salaries since the 2012 financial year despite the Executive's skills, job requirements and experience specific to the Group's needs.

The **short term incentive** (STI) component is in the form of a cash bonus to the Managing Director of up to 20% of base salary. Payment of the cash bonus is entirely discretionary and rewards the Managing Director for his contribution to achievement of business goals. The business goals are determined annually by the Board and are linked to the strategic and operational plans of the Group, including budgets agreed for each financial year.

The **long term incentive** (LTI) component is in the form of Performance Rights. It rewards the Executives for their contribution to the creation of shareholder value over the longer term. Vesting of Performance Rights is dependent on certain time and market price conditions and/or business goals being met.

c) Detail of Incentive Plans

Short Term Incentive (STI)

Under the STI, the Managing Director has the opportunity to earn an annual incentive awards which is delivered in cash and recognises and rewards short term performance. Actual STI payments awarded to the Managing Director are subject to the achievement of clearly defined business goals covering financial and non-financial performance measures. A summary of these measures and weightings in relation to the 2016 financial year are set out below. These measures were chosen as they represent the key drivers for the short term success of the business and provide a framework for delivering long-term value.

Performance measures	Proportion of STI award measure applies to
Financial measures: * Maximising value of strategic disposals * Appropriate funding arrangements	25%
Non-financial measures: * Strategic tenement retention and exploration * Resource and development progressing * Market and competitive positioning * Risk management * Leadership / team contribution * Stakeholder communication	75%

The Managing Director's STI award is usually determined within three months of the financial year, after consideration of performance against the various business goals. The Remuneration Committee recommends for Board approval the amount, if any, to be paid. Cash bonus payments are made in the following reporting period. If the Managing Director leaves, the Company will pay any STI earned to the termination date and not previously paid.

For the 2015 financial year, a maximum STI cash bonus of $51,993 (excluding statutory superannuation) was available to the Managing Director and nil was paid.

The maximum STI cash bonus available to the Managing Director for the 2016 financial year was $50,228 (excluding statutory superannuation). Although the Managing Director has largely achieved the clearly defined business goals covering financial and non-financial measures no STI cash bonus was paid to him. He agreed to forego any entitlement to a STI cash bonus for the 2016 financial year in an effort to protect the Company's cash resources in the current market conditions.

Long Term Incentive (LTI)

LTI awards are made annually to Executives in order to align remuneration with shareholder wealth over the long-term and delivered in the form of performance rights under The Deep Yellow Limited Awards Plan ("Awards Plan"). Each right upon vesting entitles the holder to one fully paid ordinary share in the Company. The rights vest over a period of up to 37 months so as to retain Executives and are subject to meeting various vesting conditions:

* Time based – must remain in employ for a specified period of up to 3 years from date of grant; and/or
* Market price performance measuring the increase in share price over the vesting period.

These conditions were chosen as it reflects an appropriate balance between individual reward and market performance. Financial based performance conditions such as Total Shareholder Return and Return on Equity Earnings are not chosen as a performance measure for the LTI plan as these are difficult to measure in the present operating environment.

Vesting conditions are tested annually to determine the number of performance rights that vest on pre-determined vesting dates. Performance rights lapse unexercised if the vesting conditions are not met.

Rights were deliberately chosen because they provide an appropriate level of incentive in a competitive environment and are cost effective in that there is no cash outlay for the Group which is appropriate given the Group's exploration status. The agreement entered into with the Managing Director includes an obligation to provide performance based components. Agreements entered into with other Executives do not include an obligation to provide performance based components but do provide for consideration of them in accordance with the Group policies and practices.

Where a participant ceases employment prior to the vesting of their award, the rights are forfeited unless the Board exercises its discretion to allow vesting at or post cessation of employment.

In the event of a change of control of the Group, the Board may determine, in its absolute discretion, that some or all of the unvested rights will become vested rights (disregarding any Performance Hurdle).

Participants do not receive distributions or dividends on performance rights that have not vested.

Rights were granted under the Awards Plan to a number of Executives during November 2015. Details in respect of the awards are provided in Table 1(a).

4. Group Performance and Executive Remuneration Outcomes for 2016

Actual Remuneration Earned

The actual remuneration earned by Executives in the 2016 financial year is set out in section 7 below. This provides shareholders with a view of the remuneration actually paid to Executives for performance in the 2016 financial year and the value of LTIs that vested during the period.

LTI Vesting Outcomes

The vesting of performance rights granted to Executives is driven by time and market price vesting conditions.

The table below outlines current and expected vesting outcomes for outstanding awards at 30 June 2016. Projected outcomes for the future vesting of market price awards are based on the assumption that the current share price will remain unchanged at the future testing date.

Market price test	FY 2014 grant 6-15 cents	FY 2015 grant 3-7 cents	FY 2016 grant 1.8-3.5 cents
Implication for vesting	32% of awards vested during the 2014, 2015 and 2016 financial years as time based vesting conditions were met	13% of awards vested during the 2016 financial year as time based vesting conditions were met	60% of awards will vest during the 2017, 2018 and 2019 financial years if time based vesting conditions are met
	12% of awards will vest during the 2017 financial year if time based vesting conditions are met	44% of awards will vest during the 2017 and 2018 financial years if time based vesting conditions are met	40% of awards will be cancelled unexercised during the 2017, 2018 and 2019 financial years if the market price test is not met
	34% of awards were cancelled unexercised as market price test was not met	7% of awards were cancelled unexercised as market price test was not met	
	22% of awards will be cancelled unexercised during the 2017 financial year if the market price test is not met	36% of awards will be cancelled unexercised during the 2017 and 2018 financial years if the market price test is not met	

Group Performance

The table below shows the performance of the Group as measured by its earnings per share and its share price over the past five years. The movement in share price shown in the table is a reflection of the volatility in the price of U_3O_8 whereby historical U_3O_8 prices have continued to decrease from 2012 as indicated below.

	30 June 2016 Cents	30 June 2015 Cents	30 June 2014 Cents	30 June 2013 Cents	30 June 2012 Cents
Share price	0.4	1.0	1.9	3.3	4.6
U_3O_8 spot price (US$/lb)	27.15	36.5	28.2	39.65	50.83
Earnings/(Loss) per share	(0.09)	(0.08)	(1.22)	(0.6)	(4.31)

5. Non-executive Director (NED) fee arrangements

Remuneration Structure

The structural component of NED fees is separate and distinct from Executive remuneration. It is designed to attract and retain Directors of the highest calibre who can discharge the roles and responsibilities required in terms of good governance, whilst incurring a cost that is acceptable to shareholders.

Fee Policy

The remuneration of NEDs consists of directors' fees and shares in lieu of fees in an effort to preserve cash and includes base and committee fees. The payment of additional fees for serving on a committee recognises the additional time commitment required by NEDs who serve on sub-committees. The chair of the board attends all committee meetings but does not receive any additional committee fees in addition to base fee.

The table below summarises Board and Committee fees paid to NEDs for the 2016 financial year (inclusive of superannuation):

Board fees		Cash	Shares	Total
Chair		63,000	31,264	94,264
Interim Chair		47,940	42,477	90,417
NED		30,600	27,113	57,713
Committee fees				
Chair	Audit and Remuneration	2,025	1,822	3,847

NEDs may be reimbursed for expenses reasonable incurred in attending to the Group's affairs. NEDs do not receive retirement benefits, nor do they participate in any incentive programs.

Determination of Fees and Maximum Aggregate NED Fee Pool

NED fees are determined within an aggregate NED fee pool limit, which is periodically determined by a general meeting. The latest determination was at the Annual General Meeting held on 19 November 2009 when shareholders approved a maximum amount which could be paid as NED fees of $450,000 per annum to be apportioned between the NEDs as determined by the Board. The maximum aggregate fee pool and the fee structure are reviewed on a periodic basis against fees paid to NEDs of comparable companies.

The Board will not seek any increase for the NED pool at the 2016 AGM. In an effort to preserve cash a component of NED fees have been remunerated by way of issuing shares in lieu of fees during the 2016 financial year.

6. Statutory and Share-based Reporting

a) Executive KMP remuneration for the years ended 30 June 2015 and 30 June 2016

	Short-term benefits			Post employment	Long-term benefits	Share-based payments				
	Financial year	Base Emolument	Other	Superannuation Contributions	Long service leave	Shares (i)	Share Rights (ii)	Performance Rights	Total	Performance Related (iii) %
Executive Directors										
G Cochran	2016	251,142	-	23,858	7,466	105,206	-	162,827	**550,499**	9.3
	2015	259,963	-	24,696	10,386	64,004	7,188	126,338	**492,575**	11.77
Other KMP										
P Christians (iv)	2016	93,750	-	-	-	22,484	-	-	**116,234**	-
	2015	230,250	-	-	-	22,295	11,889	49,087	**313,521**	2.71
M Pitts	2016	-	60,000	-	-	-	-	16,116	**76,116**	2.57
	2015	-	60,000	-	-	-	-	13,423	**73,423**	2.75
Total Executive KMP	**2016**	**344,892**	**60,000**	**23,858**	**7,466**	**127,690**	**-**	**178,943**	**742,849**	
	2015	**490,213**	**60,000**	**24,696**	**10,386**	**86,299**	**19,077**	**188,848**	**879,519**	

(i) Shares have been issued in lieu of fees as approved by shareholders at the 2015 AGM. The fair value has been recognised based on the share price at 5 November 2015 (AGM date) when shareholder approval was obtained. The actual value received has been indicated in sub-section 7 below.
(ii) Share rights in lieu of fees have been allocated for the month of June 2015 and shares issued during the 2016 financial year. The fair value has been recognised based on the share price at 6 November 2014 (AGM date) when shareholder approval was obtained.
(iii) Performance measures are based on the market related component of Performance rights.
(iv) Mr Christians resigned effective 30 November 2015 and as a result he forfeited his unvested performance rights in accordance with the terms of the Awards Plan.

b) NED remuneration for the years ended 30 June 2015 and 30 June 2016

		Short term benefits		Post Employment	Share based Payments		
	Financial year	Fees Cash	Other Benefits	Superannuation Contributions	Shares (i)	Share Rights (ii)	Total
Non-executive Directors							
T Netscher (iii)	2016	30,898	-	2,935	17,376	-	**51,209**
	2015	64,976	-	6,173	22,874	3,121	**97,144**
R Brunovs	2016	37,781	-	3,589	50,136	-	**91,506**
	2015	34,301	-	3,259	21,582	2,911	**62,053**
M Greene	2016	31,733	-	-	36,719	-	**68,452**
	2015	35,727	-	-	20,026	2,707	**58,460**
G Swaby	2016	30,685	-	2,915	39,497	-	**73,097**
	2015	34,041	-	3,234	21,618	2,911	**61,804**
C Urtel	2016	31,733	-	-	36,719	-	**68,452**
	2015	35,442	-	-	20,061	2,707	**58,210**
Total NED	**2016**	**162,830**	**-**	**9,439**	**180,447**	**-**	**352,716**
	2015	**204,487**	**-**	**12,666**	**106,161**	**14,357**	**337,671**

(i) Shares have been issued in lieu of fees as approved by shareholders at the 2015 AGM. The fair value has been recognised based on the share price at 5 November 2015 (AGM date) when shareholder approval was obtained. The actual value received has been indicated in sub-section 7 below.
(ii) Share rights in lieu of fees have been allocated for the month of June 2015. The fair value has been recognised based on the share price at 6 November 2014 (AGM date) when shareholder approval was obtained.
(iii) Mr Netscher resigned effective 31 December 2015.

c) Disclosures relating to performance and share rights and ordinary shares

This section sets out the additional disclosures required under the *Corporations Act 2001*.

During the financial year no options were granted as equity compensation benefits to key management personnel and none vested.

The tables below disclose the rights granted to Executives during the 2016 financial year. They do not carry any voting or dividend rights and will automatically be exercised once the vesting conditions have been met, until their expiry date.

Table 1(a): Performance rights: Granted, vested and lapsed during the year ended 30 June 2016

							Number		Value	
	Financial year	Number granted	Grant Date	Fair Value per right at grant date (cents)	Vesting date	Expiry date	Vested during year and shares issued	Lapsed during year	Granted during year (i) A$	Vested during year and shares issued (ii) A$
Executive directors										
G Cochran	2016	2,500,000	6-Nov-15	0.6	1-Jul-18	6-Nov-22	-	-	15,000	-
G Cochran	2016	3,750,000	6-Nov-15	0.5	1-Jul-18	6-Nov-22	-	-	18,750	-
G Cochran	2016	8,750,000	6-Nov-15	1.0	1-Jul-18	6-Nov-22	-	-	87,500	-
G Cochran	2016	7,250,000	6-Nov-15	1.0	1-Jul-17	6-Nov-22	-	-	72,500	-
G Cochran	2016	4,750,000	6-Nov-15	0.5	1-Jul-17	6-Nov-22	-	-	23,750	-
G Cochran	2016	1,500,000	6-Nov-15	1.0	1-Jul-16	6-Nov-22	-	-	15,000	-
G Cochran	2016	1,500,000	6-Nov-15	0.4	1-Jul-16	6-Nov-22	-	-	6,000	-
G Cochran	2015	-	10-Nov-14	1.8	1-Jul-15	-	1,000,000	-	-	18,000
G Cochran	2015	-	10-Nov-14	0.7	1-Jul-15	-	-	1,000,000	-	-
G Cochran	2014	-	29-Oct-13	2.0	1-Dec-15	-	750,000	-	-	15,000
G Cochran	2014	-	29-Oct-13	0.6	1-Dec-15	-	-	750,000	-	-
G Cochran	2014	-	29-Oct-13	0.4	1-Dec-15	-	-	1,000,000	-	-
G Cochran	2013	-	6-Dec-12	5.2	1-Dec-15	-	500,000	500,000	-	26,000
G Cochran	2013	-	6-Dec-12	2.3	1-Dec-15	-	-	500,000	-	-
G Cochran	2013	-	6-Dec-12	2.0	1-Dec-15	-	-	1,250,000	-	-
Other KMP										
P Christians	2015	-	10-Nov-14	1.8	1-Jul-15	-	600,000	-	-	10,800
P Christians	2015	-	10-Nov-14	1.8	1-Jul-16	-	-	750,000	-	-
P Christians	2015	-	10-Nov-14	1.8	1-Jul-17	-	-	900,000	-	-
P Christians	2015	-	10-Nov-14	0.9	1-Jul-17	-	-	750,000	-	-
P Christians	2014	-	8-Jul-13	4.3	1-Feb-16	-	-	750,000	-	-
P Christians	2014	-	8-Jul-13	2.6	1-Feb-16	-	-	375,000	-	-
P Christians	2014	-	8-Jul-13	2.1	1-Feb-16	-	-	375,000	-	-
M Pitts	2016	700,000	6-Nov-15	1.0	1-Jul-18	6-Nov-22	-	-	7,000	-
M Pitts	2016	400,000	6-Nov-15	0.6	1-Jul-18	6-Nov-22	-	-	2,400	-
M Pitts	2016	500,000	6-Nov-15	1.0	1-Jul-17	6-Nov-22	-	-	5,000	-
M Pitts	2016	400,000	6-Nov-15	1.0	1-Jul-16	6-Nov-22	-	-	4,000	-
M Pitts	2015	-	10-Nov-14	1.8	1-Jul-15	-	200,000	-	-	3,600
M Pitts	2014	-	29-Oct-13	2.0	1-Jul-15	-	150,000	-	-	3,000
M Pitts	2013	-	3-Oct-12	4.4	1-Jul-14	-	78,630	-	-	3,460
M Pitts	2013	-	3-Oct-12	2.8	1-Jul-14	-	-	78,630	-	-

(i) Determined at the time of grant per the AASB2.
(ii) Determined at time of vesting at intrinsic value.

The Performance rights issued in November 2015 are subject to a range of vesting and performance conditions:

G Cochran

3,000,000 rights vest subject to Mr Cochran being and remaining employed up to the 1 July 2016 test date of which:

- 1,500,000 will vest only by reason of Mr Cochran being and remaining employed by the Company as at the relevant Test Date;
- 1,500,000 will vest subject to the 10 day VWAP of trading in the Shares up to the relevant Test Date being at least 1.8 cents per Share; and

12,000,000 rights vest subject to Mr Cochran being and remaining employed up to the 1 July 2017 test date of which:

- 7,250,000 will vest only by reason of Mr Cochran being and remaining employed by the Company as at the relevant Test Date;
- 4,750,000 will vest subject to the 10 day VWAP of trading in the Shares up to the relevant Test Date being at least 2.5 cents per Share; and

15,000,000 rights vest subject to Mr Cochran being and remaining employed up to the 1 July 2018 test date of which:

- 8,750,000 will vest only by reason of Mr Cochran being and remaining employed by the Company as at the relevant Test Date;
- 2,500,000 will vest subject to the 10 day VWAP of trading in the Shares up to the relevant Test Date being at least 2.5 cents per Share; and
- 3,750,000 will vest subject to the 10 day VWAP of trading in the Shares up to the relevant Test Date being at least 3.5 cents per Share

M Pitts

400,000 rights vest on 1 July 2016 subject to Mr M Pitts being and remaining employed by the Company up to the Vesting Date;

500,000 rights vest on 1 July 2017 subject to Mr M Pitts being and remaining employed by the Company up to the Vesting Date;

1,100,000 rights vest subject to Mr Pitts being and remaining employed up to the 1 July 2018 test date of which:

- 700,000 will vest only by reason of Mr Pitts being and remaining employed by the Company as at the relevant Test Date;
- 400,000 will vest subject to the 10 day VWAP of trading in the Shares up to the relevant Test Date being at least 3.5 cents per Share.

Table 1(b): Share rights: Allocated, vested and lapsed during the year ended 30 June 2016

	Financial year	Number allocated (i)	Grant Date (i)	Fair Value per right at grant date (cents) (ii)	Vesting date (i)	Vesting conditions	No. vested during year (ii)	Value of rights vested during the year ($)	No. lapsed during year
Executive Director									
G Cochran	2016	-	-	1.20	N/A	N/A	598,971	7,188	-
G Cochran	2015	598,971	-	1.20	N/A	N/A	-	-	-
Other KMP									
P Christians	2016	-	-	2.00	N/A	N/A	594,460	11,899	-
P Christians	2015	594,460	-	2.00	N/A	N/A	-	-	-
Non-executive Directors									
R Brunovs	2016	-	-	1.20	N/A	N/A	242,583	2,911	-
R Brunovs	2015	242,583	-	1.20	N/A	N/A	-	-	-
M Greene	2016	-	-	1.20	N/A	N/A	225,550	2,707	-
M Greene	2015	225,550	-	1.20	N/A	N/A	-	-	-
T Netscher	2016	-	-	1.20	N/A	N/A	260,088	3,121	-
T Netscher	2015	260,088	-	1.20	N/A	N/A	-	-	-
G Swaby	2016	-	-	1.20	N/A	N/A	242,583	2,911	-
G Swaby	2015	242,583	-	1.20	N/A	N/A	-	-	-
C Urtel	2016	-	-	1.20	N/A	N/A	225,550	2,707	-
C Urtel	2015	225,550	-	1.20	N/A	N/A	-	-	-

(i) Share rights were allocated as follows at 30 June 2015. Shares in relation to allocated share rights were issued on 24 July 2015:
- Executive and Non-executive directors - In lieu of June 2015 fees as approved by shareholders at the 2014 AGM.
- Mr P Christians - In lieu of April, May and June 2015 salary.

(ii) The fair value of the outstanding share rights at 30 June 2015 has been determined as follows:
- Executive and Non-executive directors -Share price at the date shareholder approval was obtained, being 6 November 2014
- Mr P Christians - Share price at the date of mutually agreeing to the arrangement, being 22 August 2014

Shares in relation to the vested share rights were issued on 24 July 2015

For details on the valuation of performance and share rights, including models and assumptions used, please refer to Note 14.

The performance and share rights were provided at no cost to the recipients.

There were no alterations to the terms and conditions of performance and share rights granted as remuneration since their grant date.

Table 1(c): Performance right holdings

2016 Name	Balance at start of the year	Granted as remuneration during the year	Vested as shares during the year	Net other changes during the year	Balance at the end of the year
Executive director					
G Cochran	18,250,000	30,000,000	(2,250,000)	(5,000,000)	41,000,000
Other KMP					
Peter Christians	4,500,000	-	(600,000)	(3,900,000)	-
M Pitts	1,757,260	2,000,000	(428,630)	(78,630)	3,250,000

Table 1(d): Share right holdings

2016 Name	Balance at start of the year (i)	Allocated as remuneration during the year (ii)	Vested as shares during the year (i)	Net other changes during the year	Balance at the end of the year (ii)
Executive director					
G Cochran	598,971	-	(598,971)	-	-
Other KMP					
P Christians	594,460	-	(594,460)	-	-
Non-executive Directors					
M Greene	225,550	-	(225,550)	-	-
G Swaby	242,583	-	(242,583)	-	-
R Brunovs	242,583	-	(242,583)	-	-
T Netscher	260,088	-	(260,088)	-	-
C Urtel	225,550	-	(225,550)	-	-

(i) Share rights in lieu of Executive and Non-executive director fees have been allocated for the month of June 2015. Shares in relation to the rights have been issued on 24 July 2015.

Table 1(e): Shareholdings *

2016 Name	Balance at start of the year	Received during the year on performance rights vesting	Received during the year on share rights vesting (i)	Received during the year in lieu of fees and salary (ii)	Net other changes during the year (iii)	Balance at the end of the year
Executive directors						
G Cochran	10,022,966	2,250,000	598,971	10,264,993	-	23,136,930
Other KMP						
P Christians (iv)	2,114,753	600,000	594,460	1,124,180	-	4,433,393
M Pitts	2,056,523	428,630	-	-	(119,048)	2,366,105
Non-executive Directors						
M Greene	49,552,987	-	225,550	3,575,694	-	53,354,231
G Swaby	52,075,716	-	242,583	3,846,191	-	56,164,490
R Brunovs	2,245,986	-	242,583	4,910,070	(2,333,570)	5,065,069
T Netscher (iv)	2,354,038	-	260,088	1,626,569	-	4,240,695
C Urtel	1,946,050	-	225,550	3,575,694	-	5,747,294

* Includes shares held directly, indirectly and beneficially by KMP

(i) Shares rights in lieu of Executive and Non-executive director fees have been allocated for the month of June 2015. Shares in relation to the rights have been issued on 24 July 2015.

(ii) Shares have been issued in lieu of fees for the 2016 FY as approved by shareholders at the 2015 AGM

(iii) All equity transactions with KMP other than those arising from the vesting of performance rights or issue of shares in lieu of fees have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

(iv) Balance at date of resignation

d) Loans to KMP and their related parties

No loans were made to any Director or Key Management Personnel or any of their related entities during the reporting period.

e) Other transactions and balances with KMP and their related parties

There were no other transactions with any Director or Key Management Personnel or any of their related entities during the reporting period.

7. Actual Remuneration Earned by Executives in the 2016 FY

The actual remuneration earned by executives in the 2016 FY is set out below. This information is considered to be relevant as it provides shareholders with a view of the remuneration actually paid to executives for performance in the 2016 FY and the value of LTIs that vested during the period. This differs from the remuneration details prepared in accordance with statutory obligations and accounting standards on page 22 of this report, as those details include the values of performance rights that have been awarded but which may or may not vest.

2016 Name	Fixed cash remuneration (i)	Shares in lieu of fees / salary (ii)	STI (FY15 performance) (iii)	LTI award vested (iv)	Total remuneration received
Executive director					
G Cochran	275,000	63,019	-	19,250	357,269
Other KMP					
P Christians (v)	93,750	11,242	-	4,800	109,792
M Pitts	60,000	-	-	3,429	63,429
Non-executive Directors					
M Greene	31,733	22,328	-	-	54,061
G Swaby	33,600	24,017	-	-	57,617
R Brunovs	41,370	28,272	-	-	69,642
T Netscher (vi)	33,833	15,761	-	-	49,594
C Urtel	31,733	22,328	-	-	54,061

(i) Base salary and superannuation

(ii) Share rights in lieu of Executive and Non-executive director fees have been allocated for the month of June 2015 and issued on 24 July 2015. Shares in lieu of fees and salary for the 2016 FY have been issued throughout the financial year. The value is based on the number of shares issued multiplied by the share price on the date of issue. The value for statutory purposes has been indicated in sub-sections 6(a) and (b) above.

(iii) The Managing Director has voluntarily forfeited his STI for the 2015 FY which would ordinarily be paid during the 2016 FY. No other KMP is entitled to a STI.

(iv) The value is based on the number of performance rights vested multiplied by the share price on the date of share issue.

(v) Mr Chritians resigned effective 30 November 2015

(vi) Mr Netscher resigned effective 31 December 2015

End of Remuneration Report (Audited)

This report is made in accordance with a resolution of the Directors.

DATED at Perth this 9th day of September 2016

Greg Cochran
Managing Director

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Auditor's independence declaration to the Directors of Deep Yellow Limited

As lead auditor for the audit of Deep Yellow Limited for the year ended 30 June 2016, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Deep Yellow Limited and the entities it controlled during the financial year.

Ernst & Young

G H Meyerowitz
Partner
9 September 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

		Consolidated	
	Note	**2016** **$**	2015 $
Interest revenue	5(a)	**75,211**	126,579
Other income	5(b)	**52,615**	561,296
Revenue and Other Income		**127,826**	687,875
Depreciation and amortisation expenses	6	**(31,442)**	(33,417)
Marketing expenses		**(17,105)**	(18,249)
Occupancy expenses		**(87,424)**	(89,028)
Administrative expenses		**(896,772)**	(1,061,253)
Employee expenses	6	**(729,382)**	(649,638)
Impairment of capitalised mineral exploration and evaluation expenditure	11	**(121,938)**	(19,649,774)
Loss before income tax		**(1,756,237)**	(20,813,484)
Income tax expense	7(b)	**(359)**	(273)
Loss for the period after income tax		**(1,756,596)**	(20,813,757)
Other comprehensive income			
Items to be reclassified to profit and loss in subsequent periods, net of tax			
Foreign currency translation (loss)/gain		**(5,392,798)**	2,100,613
Other comprehensive (loss)/income for the year, net of tax		**(5,392,798)**	2,100,613
Total comprehensive loss for the year, net of tax		**(7,149,394)**	(18,713,144)
Earnings per share for loss attributable to the ordinary equity holders of the Company.		Cents	Cents
Basic loss per share	26	**(0.09)**	(1.12)
Diluted loss per share	26	**(0.09)**	(1.12)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Note	Consolidated 2016 $	Consolidated 2015 $
ASSETS			
Current assets			
Cash and cash equivalents	8	**1,579,488**	3,926,631
Trade and other receivables	9(a)	**71,619**	80,582
Other assets	9(b)	**98,897**	107,124
Total current assets		**1,750,004**	4,114,337
Non-current assets			
Property, plant and equipment	10	**442,607**	491,568
Capitalised mineral exploration and evaluation expenditure	11	**49,039,393**	53,301,619
Total non-current assets		**49,482,000**	53,793,187
Total assets		**51,232,004**	57,907,524
LIABILITIES			
Current liabilities			
Trade and other payables	12	**289,148**	307,035
Total current liabilities		**289,148**	307,035
Total liabilities		**289,148**	307,035
Net assets		**50,942,856**	57,600,489
EQUITY			
Issued equity	13(a)	**222,055,441**	221,601,827
Accumulated losses	13(d)	**(161,726,145)**	(159,969,549)
Employee equity benefits reserve	13(d)	**10,442,849**	10,404,702
Foreign currency translation reserve	13(d)	**(19,829,289)**	(14,436,491)
Total equity		**50,942,856**	**57,600,489**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	Issued Equity	Accumulated losses	Employee equity benefits reserve	Foreign currency translation reserve	Total Equity
	$	$	$	$	$
At 1 July 2015	**221,601,827**	**(159,969,549)**	**10,404,702**	**(14,436,491)**	**57,600,489**
Loss for the period	-	(1,756,596)	-	-	(1,756,596)
Other comprehensive loss	-	-	-	(5,392,798)	(5,392,798)
Total comprehensive loss for the period	-	(1,756,596)	-	(5,392,798)	(7,149,394)
Capital raising costs	(37,061)	-	-	-	(37,061)
Vesting of performance rights	149,105	-	(149,105)	-	-
Vesting of share rights	33,433	-	(33,433)	-	-
Share based payments	308,137	-	220,685	-	528,822
At 30 June 2016	**222,055,441**	**(161,726,145)**	**10,442,849**	**(19,829,289)**	**50,942,856**

	Issued Equity	Accumulated losses	Employee equity benefits reserve	Foreign currency translation reserve	Total Equity
	$	$	$	$	$
At 1 July 2014	**216,816,003**	**(139,155,792)**	**10,652,329**	**(16,537,104)**	**71,775,436**
Loss for the period	-	(20,813,757)	-	-	(20,813,757)
Other comprehensive income	-	-	-	2,100,613	2,100,613
Total comprehensive loss for the period	-	(20,813,757)	-	2,100,613	(18,713,144)
Issue of share capital	4,538,617	-	-	-	4,538,617
Capital raising costs	(254,110)	-	-	-	(254,110)
Vesting of performance rights	264,908	-	(264,908)	-	-
Vesting of share rights	30,095	-	(30,095)	-	-
Share based payments	206,314	-	47,376	-	253,690
At 30 June 2015	**221,601,827**	**(159,969,549)**	**10,404,702**	**(14,436,491)**	**57,600,489**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

		Consolidated	
	Note	2016 $	2015 $
Cash flows from operating activities			
Interest received		80,478	121,592
Payments to suppliers and employees		(1,099,062)	(1,310,052)
R&D tax refund	5(b)	50,323	421,852
Other receipts		2,292	-
Income tax paid	7(a)	(359)	(273)
Net cash used in operating activities	8	(966,328)	(766,881)
Cash flows from investing activities			
Exploration expenditure		(1,226,317)	(1,315,412)
Payments for property, plant and equipment		(52,349)	(11,253)
Proceeds on sale of property, plant and equipment		-	439,011
Payment of security deposits		(12,863)	-
Refund of security deposits		2,500	6,209
Net cash used in investing activities		(1,289,029)	(881,445)
Cash flows from financing activities			
Proceeds from the issue of shares		-	4,538,617
Other (Capital raising costs)		(37,061)	(254,111)
Net cash (used in) / from financing activities		(37,061)	4,284,506
Net (decrease) / increase in cash and cash equivalents		(2,292,418)	2,636,180
Effects on cash of foreign exchange		(54,725)	54,797
Cash and cash equivalents at the beginning of the financial year		3,926,631	1,235,654
Cash and cash equivalents at the end of the financial year	8	1,579,488	3,926,631

The above cash flow statement should be read in conjunction with the accompanying notes.

Note 1 Corporation information and summary of significant accounting policies

The consolidated financial statements of Deep Yellow Limited and its subsidiaries ('the Group') for the year ended 30 June 2016 were authorised for issue in accordance with a resolution of Directors on 8 September 2016, subject to minor changes.

Deep Yellow Limited is a for profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

Information on the nature of the operations and principal activities of the Group are described in the Directors' Report. Information on the Group's structure is provided in Note 3 and information on other related party relationships is provided in Note 22.

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001,* Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has been prepared on a historical cost basis.

The financial report is presented in Australian dollars and all values are rounded to the nearest dollar.

The consolidated financial statements provide comparative information in respect of the previous period.

(b) Compliance with International Financial Reporting Standards (IFRS)

The financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

(c) Changes in accounting policies, disclosures, standards and interpretations

(i) Changes in accounting policies, new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year. From 1 July 2015, Deep Yellow Limited has adopted all Australian Accounting Standards and Interpretations effective from 1 July 2015, including:

Reference	Title	Application date of standard*	Application date for Group*
AASB 2013-9	*Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments* The Standard contains three main parts and makes amendments to a number of Standards and Interpretations. Part A of AASB 2013-9 makes consequential amendments arising from the issuance of AASB CF 2013-1. Part B makes amendments to particular Australian Accounting Standards to delete references to AASB 1031 and also makes minor editorial amendments to various other standards. Part C makes amendments to a number of Australian Accounting Standards, including incorporating Chapter 6 *Hedge Accounting* into AASB 9 *Financial Instruments*.	1 January 2015	1 July 2015
AASB 2015-3	Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 *Materiality* The Standard completes the AASB's project to remove Australian guidance on materiality from Australian Accounting Standards.	1 July 2015	1 July 2015
AASB 2015-4	Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent The amendment aligns the relief available in AASB 10 *Consolidated Financial Statements* and AASB 128 *Investments in Associates and Joint Ventures* in respect of the financial reporting requirements for Australian groups with a foreign parent.	1 July 2015	1 July 2015

* Designates the beginning of the applicable annual reporting period unless otherwise stated.

The adoption of the above amendments resulted in changes to presentation and disclosures, but had no material impact on the financial position or financial performance of the Group.

(ii) Accounting Standards and Interpretations issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting period ended 30 June 2016 are outlined in the table below:

Reference	Title	Summary	Application date of standard *	Application date for Group *
AASB 9	*Financial Instruments*	AASB 9 (December 2014) is a new standard which replaces AASB 139. This new version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting. AASB 9 is effective for annual periods beginning on or after 1 January 2018. However, the Standard is available for early adoption. The own credit changes can be early adopted in isolation without otherwise changing the accounting for financial instruments. Classification and measurement AASB 9 includes requirements for a simpler approach for classification and measurement of financial assets compared with the requirements of AASB 139. There are also some changes made in relation to financial liabilities. The main changes are described below. ***Financial assets*** a. Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows. b. Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument. c. Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases. ***Financial liabilities*** Changes introduced by AASB 9 in respect of financial liabilities are limited to the measurement of liabilities designated at fair value through profit or loss (FVPL) using the fair value option. Where the fair value option is used for financial liabilities, the change in fair value is to be accounted for as follows: ► The change attributable to changes in credit risk are presented in other comprehensive income (OCI) ► The remaining change is presented in profit or loss AASB 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains or losses attributable to changes in the entity's own credit risk would be recognised in OCI. These amounts recognised in OCI are not recycled to profit or loss if the liability is ever repurchased at a discount. **Impairment** The final version of AASB 9 introduces a new expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis. **Hedge accounting** Amendments to AASB 9 (December 2009 & 2010 editions and AASB 2013-9) issued in December 2013 included the new hedge accounting requirements, including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures. Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7, AASB 2010-10 and AASB 2014-1 – Part E. AASB 2014-7 incorporates the consequential amendments arising from the issuance of AASB 9 in Dec 2014. AASB 2014-8 limits the application of the existing versions of AASB 9 (AASB 9 (December 2009) and AASB 9 (December 2010)) from 1 February 2015 and applies to annual reporting periods beginning on after 1 January 2015.	1 January 2018	1 July 2018

Reference	Title	Summary	Application date of standard *	Application date for Group *
AASB 15	Revenue from Contracts with Customers	AASB 15 *Revenue from Contracts with Customers* replaces the existing revenue recognition standards AASB 111 *Construction Contracts*, AASB 118 *Revenue* and related Interpretations (Interpretation *13 Customer Loyalty Programmes*, Interpretation 15 *Agreements for the Construction of Real Estate,* Interpretation 18 *Transfers of Assets from Customers*, Interpretation 131 *Revenue—Barter Transactions Involving Advertising Services* and Interpretation 1042 *Subscriber Acquisition Costs in the Telecommunications Industry*). AASB 15 incorporates the requirements of IFRS 15 *Revenue from Contracts with Customers* issued by the International Accounting Standards Board (IASB) and developed jointly with the US Financial Accounting Standards Board (FASB). AASB 15 specifies the accounting treatment for revenue arising from contracts with customers (except for contracts within the scope of other accounting standards such as leases or financial instruments).The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps: (a) Step 1: Identify the contract(s) with a customer (b) Step 2: Identify the performance obligations in the contract (c) Step 3: Determine the transaction price (d) Step 4: Allocate the transaction price to the performance obligations in the contract (e) Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation AASB 2015-8 amended the AASB 15 effective date so it is now effective for annual reporting periods commencing on or after 1 January 2018. Early application is permitted. AASB 2014-5 incorporates the consequential amendments to a number Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. AASB 2016-3 *Amendments to Australian Accounting Standards – Clarifications to AASB 15* amends AASB 15 to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence and provides further practical expedients on transition to AASB 15.	1 January 2018	1 July 2018
AASB 2014-3	Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]	AASB 2014-3 amends AASB 11 *Joint Arrangements* to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. The amendments require: (a) the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in AASB 3 *Business Combinations*, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11 (b) the acquirer to disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations This Standard also makes an editorial correction to AASB 11.	1 January 2016	1 July 2016
AASB 2014-4	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)	AASB 116 *Property Plant and Equipment* and AASB 138 *Intangible Assets* both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendment also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.	1 January 2016	1 July 2016

Reference	Title	Summary	Application date of standard *	Application date for Group *
AASB 1057	Application of Australian Accounting Standards	This Standard lists the application paragraphs for each other Standard (and Interpretation), grouped where they are the same. Accordingly, paragraphs 5 and 22 respectively specify the application paragraphs for Standards and Interpretations in general. Differing application paragraphs are set out for individual Standards and Interpretations or grouped where possible. The application paragraphs do not affect requirements in other Standards that specify that certain paragraphs apply only to certain types of entities.	1 January 2016	1 July 2016
AASB 2014-9	Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements	AASB 2014-9 amends AASB 127 *Separate Financial Statements*, and consequentially amends AASB 1 *First-time Adoption of Australian Accounting Standards* and AASB 128 *Investments in Associates and Joint Ventures*, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements. AASB 2014-9 also makes editorial corrections to AASB 127. AASB 2014-9 applies to annual reporting periods beginning on or after 1 January 2016. Early adoption permitted.	1 January 2016	1 July 2016
AASB 2014-10	Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	AASB 2014-10 amends AASB 10 C*onsolidated Financial Statements* and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require: (a) A full gain or loss to be recognised when a transaction involves a business (whether it is housed in a subsidiary or not) (b) A partial gain or loss to be recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. AASB 2014-10 also makes an editorial correction to AASB 10. AASB 2015-10 defers the mandatory effective date (application date) of AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2016.	1 January 2018	1 July 2018

Reference	Title	Summary	Application date of standard *	Application date for Group *
AASB 2015-1	Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle	The subjects of the principal amendments to the Standards are set out below: AASB 5 *Non-current Assets Held for Sale and Discontinued Operations:* • Changes in methods of disposal – where an entity reclassifies an asset (or disposal group) directly from being held for distribution to being held for sale (or visa versa), an entity shall not follow the guidance in paragraphs 27–29 to account for this change. AASB 7 *Financial Instruments: Disclosures:* • Servicing contracts - clarifies how an entity should apply the guidance in paragraph 42C of AASB 7 to a servicing contract to decide whether a servicing contract is 'continuing involvement' for the purposes of applying the disclosure requirements in paragraphs 42E–42H of AASB 7. • Applicability of the amendments to AASB 7 to condensed interim financial statements - clarify that the additional disclosure required by the amendments to AASB 7 *Disclosure–Offsetting Financial Assets and Financial Liabilities* is not specifically required for all interim periods. However, the additional disclosure is required to be given in condensed interim financial statements that are prepared in accordance with AASB 134 *Interim Financial Reporting* when its inclusion would be required by the requirements of AASB 134. AASB 119 *Employee Benefits*: • Discount rate: regional market issue - clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. Further it clarifies that the depth of the market for high quality corporate bonds should be assessed at the currency level. AASB 134 *Interim Financial Reporting:* • Disclosure of information 'elsewhere in the interim financial report' - amends AASB 134 to clarify the meaning of disclosure of information 'elsewhere in the interim financial report' and to require the inclusion of a cross-reference from the interim financial statements to the location of this information.	1 January 2016	1 July 2016
AASB 2015-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	The Standard makes amendments to AASB 101 *Presentation of Financial Statements* arising from the IASB's Disclosure Initiative project. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. The amendments also clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.	1 January 2016	1 July 2016
AASB 2015-9	Amendments to Australian Accounting Standards – Scope and Application Paragraphs [AASB 8, AASB 133 & AASB 1057]	This Standard inserts scope paragraphs into AASB 8 and AASB 133 in place of application paragraph text in AASB 1057. This is to correct inadvertent removal of these paragraphs during editorial changes made in August 2015. There is no change to the requirements or the applicability of AASB 8 and AASB 133.	1 January 2016	1 July 2016

Reference	Title	Summary	Application date of standard *	Application date for Group *
AASB 16	Leases	The key features of AASB 16 are as follows: **Lessee accounting** • Lessees are required to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. • A lessee measures right-of-use assets similarly to other non-financial assets and lease liabilities similarly to other financial liabilities. • Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. • AASB 16 contains disclosure requirements for lessees. **Lessor accounting** AASB 16 substantially carries forward the lessor accounting requirements in AASB 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. • AASB 16 also requires enhanced disclosures to be provided by lessors that will improve information disclosed about a lessor's risk exposure, particularly to residual value risk. AASB 16 supersedes: (a) AASB 117 Leases (b) Interpretation 4 Determining whether an Arrangement contains a Lease (c) SIC-15 Operating Leases—Incentives (d) SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease The new standard will be effective for annual periods beginning on or after 1 January 2019. Early application is permitted, provided the new revenue standard, AASB 15 Revenue from Contracts with Customers, has been applied, or is applied at the same date as AASB 16.	1 January 2019	1 July 2019
2016-1	Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses [AASB 112]	This Standard amends AASB 112 *Income Taxes* (July 2004) and AASB 112 *Income Taxes* (August 2015) to clarify the requirements on recognition of deferred tax assets for unrealised losses on debt instruments measured at fair value.	1 January 2017	1 July 2017
2016-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	This Standard amends AASB 107 *Statement of Cash Flows* (August 2015) to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.	1 January 2017	1 July 2017
2016-4**	Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities [AASB 136]	This Standard amends AASB 136 to remove references to depreciated replacement cost as a measure of value in use for not-for-profit entities and clarify that not-for-profit entities holding non-cash-generating specialised assets at fair value in accordance with AASB 13 [under the revaluation model in AASB 116 and AASB 138] no longer need to consider AASB 136. Not-for-profit entities holding such assets at cost will determine recoverable amounts using current replacement cost in AASB 13.	1 January 2017	1 July 2017
AASB 2016-5 Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions	Classification and Measurement of Share-based Payment Transactions [Amendments AASB 2]	This standard amends to AASB 2 *Share-based Payment*, clarifying how to account for certain types of share-based payment transactions. The amendments provide requirements on the accounting for: ► The effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments ► Share-based payment transactions with a net settlement feature for withholding tax obligations ► A modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled	1 January 2018	1 July 2018

* Designates the beginning of the applicable annual reporting period unless otherwise stated.

The Group has not yet determined the likely impact of each of the above amendments, if any, on the Group.

(iii) Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

(d) Significant accounting policies

(i) Basis of consolidation

The consolidated financial statements comprise the financial statements of Deep Yellow Limited and its subsidiaries as at and for the period ended 30 June each year (the Group). Control is achieved when the Group is exposed, or has the rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- ► Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ► Exposure, or rights, to variable returns from its involvement with the investee, and
- ► The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption, and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- ► The contractual arrangement with the other vote holders of the investee
- ► Rights arising from other contractual arrangements
- ► The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in ownership interest in a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

(ii) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to sold or consumed in the Group's normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in the Group's normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(iii) Foreign currency translation

The functional currencies of Deep Yellow Limited and its overseas controlled entities are Australian dollars, Namibian dollars and US dollars. These consolidated financial statements are presented in Australian dollars being the functional currency of the Parent entity.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange prevailing at balance date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Exchange differences arising from these procedures are recognised in profit and loss for the year.

On consolidation, the assets and liabilities of foreign operations are translated into Australian dollars at the rate prevailing at the reporting date and their statements of profit or loss are translated at the average exchange rate for the year.. The exchange differences arising on translation for consolidation purposes are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

(iv) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The specific recognition criteria below must also be met before revenue is recognised.

Interest income

Interest income is recognised as it accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(v) Income Tax

Current income tax
The current income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the notional income tax rate enacted or substantively enacted at balance date for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to the temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax
Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to those timing differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss. In addition, no deferred tax is recognised in respect of goodwill.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying value of deferred tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be realised.

Unrecognised deferred tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax amounts attributable to amounts recognised directly in equity are also recognised directly in equity.

Tax consolidation

(i) Members of the tax consolidated group and the tax sharing arrangement
Deep Yellow Limited and its 100% owned Australian resident subsidiaries formed a tax consolidated group with effect from 2 February 2007. Deep Yellow Limited is the head entity of the tax consolidated group.

Members of the group have entered into a tax sharing agreement that provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement on the basis that the possibility of default is remote.

The amounts receivable or payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments.

(ii) Tax effect accounting by members of the tax consolidated group
Measurement method adopted under UIG 1052 Tax Consolidated Accounting
The head entity and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The Group has applied the group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group. The current and deferred tax amounts are measured in a systematic manner that is consistent with the broad principles in AASB 112 *Income Taxes*.

Goods and services tax (GST)
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as a part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority, are presented as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(vi) Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the written down value method or straight line method to allocate their cost, net of residual values, over their estimated useful lives, as follows:

Office equipment and fittings	12.5% – 33% of cost	Site equipment	25% of cost
Motor vehicles	25% of cost	Leasehold property and buildings	5% of cost

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note (d)(ix)).

An item of property, plant and equipment is derecognised on disposal or when no further future economic benefits are expected from its use. Any gain or loss arising on derecognition of an asset (calculated as the difference between net disposal proceeds and the carrying amount of the asset) is included in profit and loss in the year the asset is derecognised.

(vii) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Leases are classified as operating leases where substantially all the risks and benefits remain with the lessor. Payments in relation to operating leases are recognised as expenses in the income statement on a straight line basis over the lease term.

Lease incentives under operating leases are recognised in the statement of comprehensive income as an integral part of the total lease expense.

(viii) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

(ix) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in the expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(x) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(xi) Mineral exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable Area of Interest. An Area of Interest is generally defined by the Group as a number of geographically proximate exploration permits which could form the basis of a project. These costs are only carried forward to the extent that the Group's rights of tenure to that Area of Interest are current and that the costs are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area of interest are written off in full in the Statement of Comprehensive Income in the year in which the decision to abandon the area is made.

A bi-annual review is undertaken of each Area of Interest to determine the appropriateness of continuing to carry forward costs in relation to that Area of Interest.

(xii) Restoration and rehabilitation policy

Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits and environmental legislation.

Site rehabilitation is required to decommission and rehabilitate exploration sites to a condition acceptable to the relevant authority. Costs are included in mineral exploration and evaluation expenditure as and when incurred. No provision is made for cost that might be incurred in the future.

(xiii) Joint arrangements

The Group has interests in joint arrangements that are joint operations. A joint operation is a type of joint arrangement whereby the parties have a contractual agreement to undertake an economic activity that is subject to joint control. A joint operation involves use of assets and other resources of the ventures rather than the establishment of a separate entity. The Company recognises its interest in the joint operations by recognising its interest in the assets and liabilities of the joint operation, including its share of any assets held any liabilities incurred jointly. The Group also recognises the expenses that it incurs and its share of the income that it earns from the sale of goods and services by the joint operations, including any expenses incurred and revenue received jointly. Details relating to the joint operations, are set out in note 24.

(xiv) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.
The amounts are unsecured and usually paid within 30 days of recognition.

(xv) Provisions

General
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discontinued using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Wages, salaries and sick leave
Liabilities for wages and salaries, including non-monetary benefits, which are expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Long service leave and annual leave
The Group does not expect its long service leave or annual leave benefits to be settled wholly within 12 months of each reporting date. The Group recognises a liability for long service leave and annual leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(xvi) Share based payments

Share based compensation payments are made available to Executive Directors and employees of the Group, whereby Executive Directors and employees render services in exchange for rights over shares.

The fair value of these equity settled transactions is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the award.

At each subsequent reporting date until vesting, the cumulative charge to the statement of comprehensive income is the product of:

i. the grant date fair value of the award;
ii. the current best estimate of the number of options or rights that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and
iii. the expired portion of the vesting period.

The charge to the statement of comprehensive income for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding entry to equity.

Share based compensation payments are granted by the parent company to employees of the Group. The expense recognised by the Group is the total expense associated with all such awards.

The fair value at grant date is independently determined using a binomial option pricing model or the Monte-Carlo simulation model, as appropriate, that takes into account the exercise price, the term of the option or right, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk free rate for the term of the option and the probability of market based vesting conditions being realised.

The fair value of the award granted is adjusted to reflect market vesting conditions. Non-market vesting conditions are included in assumptions about the number of awards that are expected to become exercisable. At each balance date, the entity revises its estimate of the number of awards that are expected to become exercisable. The employee benefit expense recognised each period, takes into account the most recent estimate.

Upon the exercise of awards, the balance of the share based payments reserve relating to those awards is transferred to share capital and the proceeds received, net of any directly attributable transaction costs, are credited to share capital.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(xvii) Issued equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(xviii) Trade and other receivables

Trade and other receivables are recognised and carried at original invoice amount less any allowance for any uncollectible amounts, and generally have 30 day terms. An allowance for a doubtful debt is made when there is objective evidence that the Group will not be able to collect the debt. Bad debts are written off when identified.

(xix) Investments and other financial assets

Financial assets in the scope of AASB139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets at initial recognition.

All regular way purchases and sales of financial assets are recognised on the trade date, i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the marketplace.

Financial assets at fair value through profit or loss
Financial assets classified as held for trading are included in the category 'financial assets at fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading. Gains or losses on investments held for trading are recognised in profit or loss.

Held-to-maturity investments
Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. After initial measurement, held to maturity investments are measured at amortised cost using the EIR, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss as finance costs. The Group did not have any held-to-maturity investments during the years ended 30 June 2016 and 2015.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Available-for-sale investments
Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for-sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

(xx) Financial liabilities

All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs. The Group's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings, financial guarantee contracts, and derivative financial instruments. The subsequent measurement of financial liabilities depends on their classification, described as follows:

Loans and borrowings
After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of comprehensive income.

Financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if:

* There is a currently enforceable legal right to offset the recognised amounts
* There is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

(xxi) Impairment of financial assets

Available-for-sale investments
If there is objective evidence that an available-for-sale investment is impaired, an amount comprising the difference between its cost (net of any principal repayment and amortisation) and its current fair-value, less any impairment loss previously recognised in profit or loss, is transferred from equity to the income statement. The prolonged or significant decline in the market value of the investments is taken as an impairment indicator. Reversals of impairment losses for equity instruments classified as available-for-sale are not recognised in profit. Reversals of impairment losses for debt instruments are reversed through profit or loss if the increase in an instrument's fair value can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

(xxii) Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity issued by the acquirer, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured at fair value as at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with AASB 139 either in profit or loss or in other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured.

Note 2 Critical accounting estimates and judgements

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets and liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties include:

* Capital management	Note 17
* Financial risk management objectives and policies	Note 16
* Sensitivity analyses disclosures	Note 16

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Accounting for capitalised mineral exploration and evaluation expenditure
The Group's accounting policy is stated at note 1(d)(xi). A regular review is undertaken of each Project Area to determine the reasonableness of the continuing carrying forward of costs in relation to that Project Area.

Share based payments
The Group's accounting policy is stated at note 1(d)(xvi). The Group uses independent advisors to assist in valuing share based payments. Refer Note 14 for details of estimates and assumptions used.

Note 3 Information about subsidiaries

The consolidated financial statements of the Group include:

Name	Principal activities	Country of incorporation	Equity interest 2016	Equity interest 2015
Deep Yellow Namibia (Pty) Ltd	Investment	Mauritius	100	100
Superior Uranium Pty Ltd	Uranium exploration	Australia	100	100
Reptile Mineral Resources and Exploration(Pty) Ltd	Investment	Namibia	100	100
Reptile Uranium Namibia (Pty) Ltd	Uranium exploration	Namibia	100	100
Omahola Uranium (Pty) Ltd	Uranium exploration	Namibia	100	100
Nova Energy (Namibia)(Pty) Ltd	Uranium exploration	Namibia	65	65
Shiyela Iron (Pty) Ltd	Iron ore exploration	Namibia	95	95
Sand and Sea Property Number Twenty Four (Pty) Ltd	Property investment	Namibia	100	100
Tarquin Investments (Pty) Ltd	Property investment	Namibia	100	100
QE Investments (Pty) Ltd	Property investment	Namibia	100	100
Inca Mining (Pty) Ltd	Uranium exploration	Namibia	95	95
TRS Mining Namibia (Pty) Ltd	Uranium exploration	Namibia	95	95
Yellow Dune Uranium (Pty) Ltd	Uranium exploration	Namibia	85	85

The holding company
The next senior and the ultimate holding company of the Group is Deep Yellow Ltd which is based and listed in Australia.

Note 4 Segment information

An operating segment is a distinguishable component of an entity that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about how resources should be allocated to the segment and assess its performance and for which discrete financial information is available.

Operating segments have been identified based on the information provided to the chief operating decision maker – being the Group Managing Director and Executive management team.

The Group has identified its operating segments based on internal reports that are used by the executive management team in assessing performance and in determining the allocation of resources. The operating segments are identified based on country of operation as this is the area that has the most effect on allocation of resources. The Group conducts uranium exploration and pre-development activities in Australia and Namibia. Mauritius as country of operation has been aggregated to form the reportable operating segment for Australia.

The following items and associated assets and liabilities are not allocated to operating segments as the underlying instruments are managed on a Group basis and are not considered as part of the core operations of both segments:

* Interest Income
* Research and development tax incentive
* Foreign currency gains and losses
* Fair value gains/losses on available-for-sale assets
* Fair value gains/losses on held for trading assets
* Liabilities are not allocated to the segments as they are not monitored by the executive management team on a segment by segment basis

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Note 4 Segment information (Cont'd)

	Australia $	Namibia $	Total $
Year Ended 30 June 2016			
Revenue and other income	-	2,292	2,292
Unallocated			
Interest income			**75,211**
Research and development tax incentive			**50,323**
Total revenue and other income			**127,826**
Expenses			
Impairment of capitalised mineral exploration and evaluation expenditure	(41,854)	(80,084)	(121,938)
Profit and Loss			
Pre-tax segment loss	**(1,538,804)**	**(342,967)**	**(1,881,771)**
Unallocated			
Interest income			**75,211**
Research and development tax incentive			**50,323**
Income tax expense			**(359)**
Loss from continuing operations after income tax			**(1,756,596)**
Year Ended 30 June 2016			
Segment Assets			
Segment operating assets	**103,078**	**49,477,819**	**49,580,897**
Unallocated assets			
Cash			**1,579,488**
Receivables			**71,619**
Total assets			**51,232,004**

	Australia $	Namibia $	Total $
Year Ended 30 June 2015			
Revenue and other income	79,209	60,235	139,444
Unallocated			
Interest income			**126,579**
Research and development tax incentive			**421,852**
Total revenue and other income			**687,875**
Expenses			
Impairment of capitalised mineral exploration and evaluation expenditure	(89,948)	(19,559,826)	(19,649,774)
Profit and Loss			
Pre-tax segment loss	**(1,452,715)**	**(19,909,200)**	**(21,361,915)**
Unallocated			
Interest income			**126,579**
Research and development tax incentive			**421,852**
Income tax expense			**(273)**
Loss from continuing operations after income tax			**(20,813,757)**
Year Ended 30 June 2015			
Segment Assets			
Segment operating assets	**93,595**	**53,806,716**	**53,900,311**
Unallocated assets			
Cash			**3,926,631**
Receivables			**80,582**
Total assets			**57,907,524**

Note 5 Revenue and other income

	Consolidated	
	2016 $	2015 $
a) Revenue		
Interest received and receivable	**75,211**	126,579
	75,211	126,579
b) Other income		
Gain on sale of non-current assets	**-**	138,962
Research and development tax incentive	**50,323**	421,852
Other	**2,292**	482
	52,615	561,296

Note 6 Expenses

	Consolidated	
	2016	2015
	$	$
Loss before income tax includes the following specific expenses:		
Depreciation expense:		
Office equipment and fittings	**9,597**	7,291
Site equipment	**-**	118
Buildings	**21,845**	26,008
	31,442	33,417
Depreciation capitalised to mineral exploration and evaluation expenditure	**3,869**	7,698
Total depreciation and amortisation expense reflected in Note 10	**35,311**	41,115
Employee expenses:		
Wages, salaries and fees	**487,543**	463,633
Superannuation	**18,621**	18,340
Share based payments	**223,218**	167,665
Total Employee Expenses	**729,382**	649,638
Rental expenses on operating leases	**65,090**	69,582

Note 7 Income tax

The major components of income tax expense for the years ended 30 June 2015 and 30 June 2016 are:

	Consolidated	
	2016	**2015**
	$	**$**
a) *Income tax expense*		
Current income tax:		
Current income tax charge/(benefit)	**-**	-
Adjustments in respect of current income tax of previous year	**359**	273
Deferred income tax:		
Relating to origination and reversal of timing differences	**(229,592)**	(234,683)
(Under)/Over provision in prior year	**(41,145)**	146,367
Carry forward tax losses not brought to account	**270,737**	88,316
Income tax expense reported in the statement of comprehensive income	**359**	273
b) *Reconciliation of income tax expense to prima facie tax payable*		
Loss before income tax expense	**(1,756,237)**	(20,813,484)
Tax at the Australian rate of 30% (2014– 30%)	**(526,871)**	(6,244,045)
Effect of tax rates in foreign jurisdictions*	**177,135**	241,423
Tax effect:		
Non-deductible share based payment	**119,259**	60,329
Other expenditure not deductible	**15,982**	14,166
(Under)/over provision in prior year	**(40,786)**	146,640
Non-assessable income: Research and development incentive	**(15,097)**	(126,556)
Carry forward tax losses not brought to account	**270,737**	5,908,316
Tax expense	**359**	273

Note 7 Income tax (Cont'd)

	Consolidated 2016 $	Consolidated 2015 $
c) Deferred tax – Statement of financial position		
Liabilities		
Prepayments	**836**	1,044
Accrued Income	**525**	2,105
	1,361	3,149
Assets		
Revenue losses available to offset against future taxable income	**12,007,521**	11,720,078
Income recognised in advance for tax	**75,000**	75,000
Accrued expenses	**47,376**	42,447
Deductible equity raising costs	**41,911**	89,361
Capitalised exploration and evaluation expenditure	**11,023,054**	10,999,029
Deferred tax assets not brought to account	**(23,193,501)**	(22,922,766)
	1,361	3,149
Net deferred tax asset / (liability)	**-**	-
d) Deferred tax – Statement of Comprehensive Income		
Liabilities		
Prepayments	**208**	(313)
Accrued Income	**1,580**	(1,496)
Assets		
Decrease in tax losses carried forward	**287,443**	90,096
Accruals	**4,929**	(2,666)
Deductible equity raising costs	**(47,450)**	(45,253)
Capitalised exploration expenses	**24,025**	5,867,948
Carry forward tax losses not brought to account	**(270,735)**	(5,908,316)
Deferred tax expense / (benefit)	**-**	-

e) Unrecognised temporary differences

At 30 June 2016, there are temporary differences to the value of $11,023,054 in relation to capitalised exploration and evaluation expenditure associated with the Group's investment in subsidiaries. It represents a deferred tax asset which would be realised once the subsidiary is in a tax paying position. (2015: $10,999,029).

*The Namibian subsidiaries operate in a jurisdiction with higher corporate tax rates.

Note 8 Current assets - Cash and short term deposits

	Consolidated	
	2016 $	2015 $
Cash at bank and on hand	**829,488**	1,426,631
Short-term deposits	**750,000**	2,500,000
	1,579,488	3,926,631

The carrying amounts of cash and cash equivalents represent fair value. See Note 15 for the Group's fair value disclosures.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group and earn interest at respective short-term deposit rates.

Cash flow reconciliation:

	Consolidated	
	2016 $	2015 $
Loss after income tax	**(1,756,596)**	(20,813,757)
Depreciation and amortisation	**31,442**	33,417
Loss/(Gain) on sale of non-current assets	**146**	(138,962)
Impairment of capitalised mineral exploration and evaluation expenditure	**121,938**	19,649,774
Share based payments expense	**553,867**	388,446
Change in operating assets and liabilities:		
Decrease in receivables	**20,509**	42,898
Increase in payables	**62,366**	71,303
Net cash flows used in operating activities	**(966,328)**	(766,881)

Non-cash financing and investing activities

The Group has not entered into any transaction during the current or prior financial year which had material non-cash components.

Note 9 Current assets – Trade, other receivables and other assets

	Consolidated	
	2016	**2015**
	$	**$**
a) Receivables		
GST recoverable	**68,652**	73,563
Other receivables	**2,967**	7,019
	71,619	80,582
b) Other assets		
Environmental, tenement and vehicle bonds	**64,590**	54,482
Prepayments	**34,307**	52,642
	98,897	107,124

GST recoverable relates to Australia and Namibia. Interest is not normally charged and collateral is not normally obtained.

Note 10 Non-current assets – Property, plant and equipment

	Consolidated	
	2016	2015
	$	$
Buildings		
At cost	**442,573**	518,225
Accumulated depreciation	**(202,716)**	(211,457)
	239,857	306,768
Office equipment and fittings		
At cost	**208,222**	204,892
Accumulated depreciation	**(175,529)**	(179,169)
	32,693	25,723
Motor vehicles		
At cost	**325,131**	298,382
Accumulated depreciation	**(269,810)**	(278,242)
	55,321	20,140
Site equipment		
At cost	**260,878**	305,471
Accumulated depreciation	**(146,142)**	(166,534)
	114,736	138,937
	442,607	491,568
Reconciliation		
Buildings		
Net book value at start of the year	**306,768**	559,532
Exchange adjustment	**(45,066)**	34,204
Disposals	**-**	(260,960)
Depreciation	**(21,845)**	(26,008)
Net book value at end of the year	**239,857**	306,768
Office equipment and fittings		
Net book value at start of the year	**25,723**	21,364
Exchange adjustment	**(2,396)**	863
Additions	**19,111**	11,247
Disposals	**(148)**	(460)
Depreciation	**(9,597)**	(7,291)
Net book value at end of the year	**32,693**	25,723
Motor vehicles		
Net book value at start of the year	**20,140**	30,433
Exchange adjustment	**(2,940)**	1,854
Additions	**38,121**	-
Disposals	**-**	(12,147)
Depreciation	**-**	-
Net book value at end of the year	**55,321**	20,140
Site equipment		
Net book value at start of the year	**138,937**	165,885
Exchange adjustment	**(20,332)**	10,122
Additions	**-**	-
Disposals	**-**	(29,254)
Depreciation	**(3,869)**	(7,816)
Net book value at end of the year	**114,736**	138,937

(i) Security
No items of property, plant and equipment have been pledged as security by the Group.

Note 11 Non-current assets – Capitalised mineral exploration and evaluation expenditure

	Consolidated	
	2016	2015
	$	$
In the exploration and evaluation phase		
Cost brought forward	**53,301,619**	69,830,701
Exploration expenditure incurred during the year at cost	**1,085,080**	1,110,995
Exchange adjustment	**(5,225,368)**	2,009,697
Impairment of capitalised mineral exploration and evaluation expenditure	**(121,938)**	(19,649,774)
Cost carried forward	**49,039,393**	53,301,619

Impairment of capitalised mineral exploration and evaluation expenditure relates mostly to Namibian assets for which the expenditure are not expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale.

A summary of capitalised mineral exploration and evaluation expenditure by country of operation is as follows:

	Consolidated	
	2016	2015
	$	$
Australia	**-**	-
Namibia	49,039,393	53,301,619
Cost carried forward	**49,039,393**	53,301,619

Note 12 Current liabilities – Trade and other payables

	Consolidated	
	2016	2015
	$	$
Trade payables and accruals	**59,677**	152,986
Other payables	**102,502**	30,413
Employee leave liabilities	**126,969**	123,635
	289,148	307,035

Trade payables and accruals are non-interest bearing and normally settled on 30 day terms.

Details of the Group's exposure to interest rate risk and fair value in respect of its liabilities are set out in note 16. There are no secured liabilities as at 30 June 2016.

Note 13 Issued capital and reserves

		Consolidated		Consolidated	
		2016	2015	2016	2015
		No.	No.	$	$
a) Share capital					
Issued and fully paid share capital		**1,947,777,004**	1,910,322,720	**222,055,441**	221,601,827
b) Share movements during the year	*Issue price (cents)*				
At the beginning of the year		**1,910,322,720**	1,617,041,367	**221,601,827**	216,816,003
Issued on vesting of performance rights		**6,141,110**	7,957,080	**149,105**	264,908
Issued on vesting of share rights	1.2	**2,389,785**	2,507,917	**33,433**	30,095
Issued in lieu of salaries and fees		**28,923,389**	15,839,164	**308,137**	206,341
Issued under capital raising	1.7	**-**	266,977,192	**-**	4,538,617
Less: costs related to shares issued / to be issued	-	**-**	-	**(37,061)**	(254,137)
At the end of the year		**1,947,777,004**	1,910,322,720	**222,055,441**	221,601,827

c) Ordinary shares
The Holding Company, Deep Yellow Limited is incorporated in Perth, Western Australia.

The Holding Company's shares are limited and entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Note 13 Issued capital and reserves (Cont'd)

d) Other reserves

2016	Accumulated losses $	Consolidated Employee equity benefits reserve (i) $	Foreign Currency Translation Reserve (ii) $
Balance at 1 July 2015	(159,969,549)	10,404,702	(14,436,491)
Loss for year	(1,756,596)	-	-
Transfer to issued capital in respect of performance rights vested	-	(149,105)	-
Transfer to issued capital in respect of share rights vested	-	(33,433)	-
Recognition of performance rights issued	-	220,685	-
Movement for the year	-	-	(5,392,798)
Balance at 30 June 2016	(161,726,145)	10,442,849	(19,829,289)

2015	Accumulated losses $	Consolidated Employee equity benefits reserve (i) $	Foreign Currency Translation Reserve (ii) $
Balance at 1 July 2014	(139,155,792)	10,652,328	(16,537,104)
Loss for year	(20,813,757)	-	-
Transfer to issued capital in respect of performance rights vested	-	(264,908)	-
Transfer to issued capital in respect of share rights vested	-	(30,095)	-
Recognition of performance and share rights issued	-	47,376	-
Movement for the year	-	-	2,100,613
Balance at 30 June 2015	(159,969,549)	10,404,702	(14,436,491)

(i) Employee equity benefits reserve
The previous option plan was replaced by an awards plan which allows the offer of either options or performance rights. Options over unissued shares are issued and performance rights are granted at the discretion of the Board. Information relating to options issued and performance rights granted are set out in Note 14.

The employee equity benefits reserve is used to recognise the fair value of options and performance rights issued as remuneration. It further recognises the value of share rights issued in lieu of director fees and executive remuneration. Performance and share rights vested during the year have been previously recognised as an expense and included in the reserve. A transfer is now required from the Employee equity benefits reserve to issued equity (Note 14).

(ii) Foreign currency translation reserve
The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. The majority of the movement arises from the translation of assets recorded in Namibian dollars.

Note 14 Share based payment plans

a) Types of share based payments

Performance rights
Awards are made in order to align remuneration with shareholder wealth over the long-term and assist in attracting and retaining talented employees. Rights are granted under the Awards Plan for no consideration. Each right upon vesting entitles the holder to one fully paid ordinary share in the capital of the Company if certain time, market price and/or performance measures are met in the measurement period.

The Rights issued to employees in the 2016 financial year are subject to a combination of conditions:

* **Time-based** conditions which prescribe a period of time that the employee must stay employed by the Company prior to automatic vesting.
* **Market price** condition measures the increase in share price of the Company. Rights subject to the Market Price Condition will vest if, at the end of the measurement period, the share price of the Company has reached a pre-determined market price.

If at any time prior to the Vesting Date an employee voluntarily resigns from employment with the Group or is terminated the Rights automatically lapse and are forfeited, subject to the discretion of the Board.

Share rights
The Company allocated share rights on a progressive monthly basis to directors in lieu of fees and salaries in a continued effort to conserve cash reserves. The number of shares to be allocated are based on the 5-Day VWAP for the relevant month. The 5-Day VWAP is the volume weighted average share price for the 5 days on which Shares traded up to but excluding the 20th of the relevant month. Shares in relation to the allocated share rights are issued twice a year, usually during June and December.

b) Recognised share based payment expenses in the form of performance rights
The expense recognised for employee services during the year, arising from equity-settled share based payment transactions in the form of performance rights is shown in the table below:

	Consolidated 2016 $	2015 $
Amount recognised as employee expenses in the consolidated statement of comprehensive income	**223,218**	167,665
Amount recognised as capitalised mineral exploration and evaluation expenditure	**18,393**	(120,289)
	241,611	47,376

The Company's long-term incentive plan, the Awards Plan has the ability to offer options or performance rights to an Eligible Person. There have been no cancellations or modifications to the Awards Plan during the 2016 financial year.

Note 14 Share based payment plans (cont.)

c) Summaries of Rights granted under the Awards Plan

The following table illustrates the number (No.) and weighted average exercise price (WAEP) of, and movements in, performance rights during the year:

	2016 No.	2016 WAEP (cents)	2015 No.	2015 WAEP (cents)
Outstanding at the start of the year	**36,626,020**	**1.70**	24,983,100	2.33
Granted during the year	**43,900,000**	**0.83**	21,300,000	1.45
Forfeited during the year	**(6,863,800)**	**1.84**	(2,200,000)	1.18
Expired during the year	**(5,700,110)**	**1.71**	-	-
Vested during the year	**(6,141,110)**	**2.43**	(7,457,080)	3.26
Outstanding at the end of the year	**61,821,000**	**0.99**	36,626,020	1.70

Subsequent to the reporting date and prior to signing this report 8,395,500 rights vested and 4,240,500 rights expired.

d) Weighted average remaining contractual life

The weighted average remaining contractual life for the rights outstanding as at 30 June 2016 is 15.90 months (2015: 12.69 months).

e) Rights pricing model

The fair value of the rights granted under the plan is estimated as at the grant date.

The following table lists the inputs to the model used for the years ended 30 June 2016 and 30 June 2015

	Grants	
	6 November 2015	10 November 2014
Rights pricing model	Black Scholes (i) Monte-Carlo simulation using hybrid pricing model (ii)	Black Scholes (i) Monte-Carlo simulation using hybrid pricing model (ii)
Dividend yield (%)	Zero	Zero
Expected volatility (%)	95	95
Risk-free interest rate (%)	2.09	2.79
Expected life of rights (years)	7	7
Closing share price at grant date (cents)	1.0	1.8
Fair value per right at grant date (cents)		
* Time based vesting conditions	1.0	1.8
* Time and market price vesting conditions	0.4-0.6	0.7-0.9

(i) Rights subject to non-market based vesting conditions
(ii) Rights subject to market based vesting conditions

Note 15 Fair value measurement

Set out below is a comparison, by class of the carrying amounts shown in the statement of financial position and fair value of the Group's financial instruments:

Consolidated	2016 Carrying amount $	2016 Fair value $	2015 Carrying amount $	2015 Fair value $
Cash and cash equivalents	**1,579,488**	**1,579,488**	3,926,631	3,926,631
Trade and other receivables	**71,619**	**71,619**	80,582	80,582
Trade and other payables	**(289,148)**	**(289,148)**	(183,399)	(183,399)
	1,361,959	**1,361,959**	3,823,814	3,823,814

The determination of fair values for the above financial assets and liabilities have been performed on the following basis:

Cash and cash equivalents, trade and other receivables and trade and other payables approximate their carrying amounts largely due to the short term maturities of these instruments.

AASB 7 Financial Instruments require disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) Quoted prices in active markets (Level 1);
(b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
(c) Inputs that are not based on observable market data (Level 3).

Note 16 Financial instruments risk management objectives and policies

Financial assets

The Group's principal financial assets include trade and other receivables and cash and short-term deposits that originate from its operations.

Financial liabilities

The Group's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance and support the Group's operations.

The Group is exposed to a variety of risks arising from its use of financial instruments. This note presents information about the Group's exposure to the specific risks, and the policies and processes for measuring and managing those risks. The Board has the overall responsibility for the risk management framework while senior management oversees the management of these risks.

Note 16 Financial instruments risk management objectives and policies (Cont'd)

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate, currency and other price risk, such as equity price risk and commodity risk. The financial instrument affected by market risk is deposits.

The sensitivity analyses in the following sections relate to the position as at 30 June 2016 and 30 June 2015.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group has cash assets which may be susceptible to fluctuations in changes in interest rates. Whilst the Group requires the cash assets to be sufficiently liquid to cover any planned or unforeseen future expenditure, which prevents the cash assets being committed to long term fixed interest arrangements; the Group does mitigate potential interest rate risk by entering into short to medium term fixed interest deposits. The Group does not employ interest rate swaps or enter into any other hedging activity with regards to its interest bearing investments.

At the reporting date the interest rate profile of the Group's interest bearing financial instruments was:

	Consolidated	
	2016	**2015**
	$	**$**
Cash and cash equivalents	**829,488**	1,426,631
Other short-term bank deposits	**750,000**	2,500,000
	1,579,488	3,926,631

Interest rate sensitivity

A change of 1% in interest rates at the reporting date as per management's best estimate would have increased/(decreased) other comprehensive income and profit and loss by the amounts shown below. This analysis assumes all other variables remain constant. The same sensitivity analysis has been performed for the comparative reporting date.

	Profit and Loss		Other Comprehensive Income	
	1%	**1%**	**1%**	**1%**
	Increase	**Decrease**	**increase**	**Decrease**
30 June 2016				
Cash and cash equivalents	**15,795**	**(15,795)**	**-**	**-**
30 June 2015				
Cash and cash equivalents	39,266	(39,266)	-	-

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Financial assets in overseas Group companies are not generally material in the context of financial instruments entered into by the Group as a whole, as they generally relate to funds advanced to fund short term exploration and administration activities of the overseas operations. Once the funds are expended they are no longer classified as financial assets. Advancing of funds to overseas operations on a needs basis, is an effective method for the management of currency risk. The Group's investments in overseas subsidiary companies are not hedged as they are considered to be long term in nature.

As a result of significant investment in Namibia, the Group's statement of financial position can be affected by movements in the Namibian dollar/Australian dollar/US dollar exchange rates. The Group does not consider there to be a significant exposure to the Namibian dollar or US dollar as they represent the functional currencies of controlled entities.

(c) Equity price risk

The Group is no longer exposed to equity price risk as they do not hold any investments in the ordinary share capital of entities listed on the Australian Securities Exchange or options to acquire ordinary shares.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from transactions with customers and investments. The Group is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks and foreign exchange transactions.

(a) Trade and other receivables

The receivables that materialise through the Group's normal course of business are short term in nature and the risk of non-recovery of receivables is considered to be negligible. The Board does not consider there to be a significant exposure to credit risk in relation to trade and other receivables.

(b) Cash at bank

Credit risk from balances with banks and financial institutions is managed by the Group Financial Controller and reviewed by the Board. Investments of surplus funds are made only with approved counterparties. The Group's primary banker is Westpac Banking Corporation Limited. At reporting date all current accounts are with this bank, other than funds transferred to Namibia to meet the working capital needs of the controlled entity, Reptile Uranium Namibia (Pty) Ltd. The cash needs of the controlled entity's operations are monitored by the parent company and funds are advanced to the Namibian operations as required.

The Directors believe this is the most efficient method of combining the monitoring and mitigation of potential credit risks arising out of holding cash assets in overseas jurisdictions, and the funding mechanisms required by the Group.

(c) Deposits at call

In addition the Group has cash assets on deposit with Bankwest. The Board considers this financial institution, which have a short-term credit rating of A-1+ and long term rating of AA- from Standard & Poor's, to be appropriate for the management of credit risk with regards to funds on deposit.

Note 16 Financial instruments risk management objectives and policies (Cont'd)

Except for the matters above, the Group currently has no significant concentrations of credit risk.
The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Consolidated	
	2016	2015
	$	$
Cash and cash equivalents	**829,488**	1,426,631
Other short-term bank deposits	**750,000**	2,500,000
Other receivables	**71,619**	80,582
	1,651,107	4,007,213

The Group has no trade receivables at the reporting date.

Liquidity risk
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's only liabilities are short term trade and other payables.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Management manages its liquidity risk by monitoring its cash reserves and forecast spending, and is cognisant of the future demands for liquid financial resources to finance the Group's current and future operations, and consideration is given to the liquid assets available to the Group before commitment is made to future expenditure or investment.

The Group's expenditure commitments are taken into account before entering into fixed term investments and short and medium term exploration programmes are tailored within current cash resources.

The Group's trade payables of $59,677 (2015:$152,986) are settled on 30 day trading terms.

Note 17 Capital management

The Board's policy is to maintain an adequate capital base so as to maintain investor and creditor confidence, and to sustain future development of the business. The Group does not actively issue dividends; repurchase its own shares or any other form of capital return to shareholders at the current exploration stage of the Group's activities. The Group does not monitor returns on capital or any other financial performance measure as the indicators of success are quantifiable by physical results from operations. The Group manages its funding by way of issue of shares.

The Group does not have capital requirements imposed on it by any external party. It is however exposed to Namibian tax law which has an influence on debt to equity ratios at the Namibian subsidiary level, which are monitored by management and the treatment of investments or other advances for the funding of operations are executed within these guidelines.

The Group's approach to capital management has not changed during the financial year. Capital is comprised of shareholders' equity as disclosed in the statement of financial position.

Note 18 Dividends

No dividends were paid or proposed during the financial year (2015: Nil).

The Company has no franking credits available as at 30 June 2016 (2015: Nil).

Note 19 Key Management Personnel disclosures

Transactions with Key Management Personnel

There were no loans to or transactions with any Director or Key Management Personnel or any of their related entities during the reporting period.

Compensation of Key Management Personnel

	Consolidated	
	2016	2015
	$	$
Short-term employee benefits	**567,722**	754,700
Post employment benefits	**33,297**	37,362
Long-term employee benefits	**7,466**	10,386
Share based payment	**487,080**	414,742
Total compensation paid to Key Management Personnel	**1,095,565**	1,217,190

The amounts disclosed in the table are the amounts recognised as a cost during the reporting period related to Key Management Personnel.

Other transactions with Key Management Personnel

There were no other transactions with any Director or Key Management Personnel or any of their related entities during the reporting period.

Note 20 Remuneration of auditors

The auditor of the Deep Yellow Limited Group is Ernst & Young

	Consolidated	
	2016 $	2015 $
Amounts received or due and receivable by Ernst & Young for:		
Audit or review of the financial report of the entity and any other entity in the Consolidated Group	**56,432**	58,891
Taxation and other services in relation to the entity and any other entity in the Consolidated Group	**-**	-
	56,432	58,891

Note 21 Commitments and contingencies

(a) Exploration

The Group has certain obligations to perform minimum exploration work on mineral leases held. These obligations may vary over time, depending on the Group's exploration programmes and priorities and may be reduced by the surrendering of tenements. These obligations are also subject to variations by farm-out arrangements or sale of the relevant tenements. This commitment does not include the expenditure commitments which are the responsibility of the joint venture partners. As at balance date, the Group has no outstanding commitment for exploration expenditure.

The Group acquired tenement EL24246 (Napperby) and in consideration for the transfer of the tenements, the Group has agreed to pay the Vendor a royalty. The Vendor is entitled to the royalty from the commencement of commercial production on the tenements in accordance with a set formula equal to 2% of the Total Sales Return generated from the sale of any product. The Royalty shall be calculated by the Group each calendar year and paid within 30 days of the end of the Royalty Period. Since the date of acquisition and up to the date of this report, there has been no commercial production on EL24246 which would give rise to a liability.

(b) Operating lease commitments

Commitments for minimum lease payments in relation to non-cancellable operating leases are as follows:

	Consolidated	
	2016 $	2015 $
Within one year	**47,521**	31,978
Later than one year but not later than five years	**91,359**	-
	138,880	31,978

(c) Contractual commitments

There are no contracted commitments other than those disclosed above.

(d) Contingent liabilities

There were no material contingent liabilities as at 30 June 2016 other than:

Native Title and Aboriginal Heritage
Native title claims have been made with respect to areas within Australia which include tenements in which the Group has an interest. The Group is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Group or its projects. Agreement is being or has been reached with various native title claimants in relation to Aboriginal Heritage issues regarding certain areas in which the Group has an interest.

Note 22 Related party transactions

There were no related party transactions during the year other than those disclosed in Note 19 on Key Management Personnel.

Note 23 Parent Entity Information

	2016 $	2015 $
Information relating to Deep Yellow Limited:		
Current assets	**1,414,435**	3,573,228
Total assets	**61,722,798**	62,399,019
Current liabilities	**244,217**	246,412
Total liabilities	**244,217**	246,412
Issued capital	**222,055,441**	221,601,827
Accumulated losses	**(171,019,710)**	(169,853,922)
Equity compensation reserve	**10,442,849**	10,404,702
Total shareholders' equity	**61,478,580**	62,152,607
Loss of the parent entity	**(1,165,788)**	(20,008,806)
Total comprehensive loss of the parent entity	**(6,558,586)**	(17,908,193)

Contingent liabilities of the parent entity
Native title claims have been made with respect to areas which include tenements in which the parent entity has an interest. The parent entity is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the parent entity or its projects. Agreement is being or has been reached with various native title claimants in relation to Aboriginal Heritage issues regarding certain areas in which the parent entity has an interest.

Note 24 Interests in joint operations

Joint arrangements have been entered into with third parties, whereby the Group or the third parties can earn an interest in exploration areas by expending specified amounts in the exploration areas.

There are no assets employed by these joint operations and the Group's expenditure in respect of them is brought to account initially as capitalised exploration and evaluation expenditure. The Group is currently in the earn-in phase of its joint operations.

The Group's interest in joint operations is as follows:

* On 22 January 2013 the Company announced the execution of a Heads of Agreement with Epangelo Mining Company (Pty) Ltd ("Epangelo") to progress the Aussinanis project ("Aussinanis") in Namibia. Epangelo, a private company owned by the Government of the Republic of Namibia has acquired 5% of Aussinanis by funding testwork. Epangelo can earn up to 50% of the project by funding the Project through to a bankable feasibility study.

Note 25 Events occurring after balance date

The Company has successfully raised $752,600 (before costs) through a Share Purchase Plan that closed on Friday, 1 July 2016 with subscriptions for 188,150,000 ordinary shares at 0.4 cents per share.

Note 26 Earnings per share (EPS)

Basic earnings per share
Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary equity holders of the Company, excluding any costs of servicing equity other than dividends, by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share
Diluted earnings per share is calculated by dividing the net profit attributable to ordinary equity holders of the Company, excluding any costs of servicing equity other than dividends, by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

Diluted EPS is the same as basic EPS in 2016 and 2015 as the Group is in a loss position.

The following reflects the income and share data used in the basic and diluted EPS computations:

	Consolidated	
	2016	**2015**
	$	**$**
a) Loss attributable to ordinary equity holders of the Company		
• Continuing operations	**(1,756,237)**	(20,813,757)
b) Weighted average number of ordinary shares for basic and diluted EPS	**1,925,317,392**	1,864,848,385

c) Information concerning the classification of securities

Rights
Performance rights granted that are subject to market price and other performance vesting conditions that had not vested at the reporting date are considered to be contingently issuable shares. There are 24,130,500 instruments excluded from the calculation of diluted earnings per share that could potentially dilute basic earnings per share in the future because they are anti-dilutive for either of the periods presented. These shares have not been included in the determination of basic earnings per share.

196,545,500 shares were issued on 6 July 2016 following the vesting of Performance Rights and the completion of a Share Purchase plan. This would not have a significant impact on the number of ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Deep Yellow Limited ('the Company'), I state that:

1. In the opinion of the Directors:

(a) the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:

(i) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and

(ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the year ended on that date;

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 1; and

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2016

On behalf of the Board

Greg Cochran
Managing Director
9th day of September 2016

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Independent auditor's report to the members of Deep Yellow Limited

Report on the financial report

We have audited the accompanying financial report of Deep Yellow Limited, which comprises the consolidated statement of financial position as at 30 June 2016, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

In our opinion:

a. the financial report of Deep Yellow Limited is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the year ended on that date

   ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*

b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Report on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2016. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the remuneration report of Deep Yellow Limited for the year ended 30 June 2016 complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

G H Meyerowitz
Partner
Perth
9 September 2016

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 2 September 2016.

A. Distribution of Equity Securities

2,144,322,504 fully paid ordinary shares are held by 6,966 individual shareholders.

In accordance with the Company's Constitution, voting rights in respect of ordinary shares are on a show of hands whereby each member present in person or by proxy shall have one vote and upon a poll, each share will have one vote. All issued ordinary shares carry the rights to dividends.

The number of shareholders by size of holding are:

Distribution	Number of Shareholders	Number of Shares	Percent of Issued Capital
1 – 1,000	300	85,775	0.00
1,001 – 5,000	1,167	4,031,281	0.22
5,001 – 10,000	1,144	9,023,187	0.50
10,001- 100,000	2,983	106,552,926	6.16
More than 100,000	1,372	2,024,629,335	93.12
Totals	**6,966**	**2,144,322,504**	**100.00**

There were 5,918 shareholders holding less than a marketable parcel of ordinary shares.

B. Substantial Shareholders

An extract of the Company's Register of Substantial Shareholders (who hold 5% or more of the issued capital) is set out below:

Shareholder Name	Issued Ordinary Shares	
	Number	Percentage Quoted
Paladin Energy Ltd	317,806,155	14.82
HSBC Custody Nominees (Australia) Limited	252,025,882	11.75
National Nominees Limited	180,999,358	8.44

C. Twenty Largest Shareholders

The names of the twenty largest holders of quoted shares are listed below:

Shareholder Name	Listed Ordinary Shares	
	Number	Percentage Quoted
Paladin Energy Ltd	317,806,155	14.82
HSBC Custody Nominees (Australia) Limited	252,025,882	11.75
National Nominees Limited	180,999,358	8.44
Gillian Swaby	52,482,966	2.45
Citicorp Nominees Pty Ltd	38,929,029	1.82
JP Morgan Nominees Australia Limited	25,894,682	1.21
Ms Mei-Ling Fu	25,600,000	1.19
Mr Gregory Allan Cochran	25,286,930	1.18
Elegant World Pty Ltd <M I T Partners A/C>	24,300,000	1.13
Mr Mervyn Patrick Greene	23,807,564	1.11
IJG Securities Pty Ltd	17,088,604	0.80
Mr Zac Rossi + Mrs Thelma Rossi	12,772,795	0.60
Mr Jay Evan Dale Hughes <Inkese Family A/C>	12,000,000	0.56
Mr Anthony Koroman + Mrs Deley Sangmo Bhutia	12,000,000	0.56
Mr Giovanni Italiano	11,750,000	0.55
Walkabout Superannuation Fund Pty Limited <Walkabout Super Fund A/C>	11,124,742	0.52
Mr Tom Tung Pao Chen + Mrs Grace Lee Ping Chen<Tom&Grace Chen Super Fund A/C	10,218,688	0.48
Mrs Heather Joy Buchanan	10,016,750	0.47
Rookharp Investments Pty Limited	10,000,000	0.47
Grekar Pty Ltd <Princess Super Fund A/C>	8,750,000	0.41
Totals	**1,082,854,145**	**50.52**

D. Restricted Securities

As at 30 June 2016 there were no restricted securities.

SCHEDULE OF MINERAL TENURE – JUNE 2016

NAMIBIA

Number	Name	Interest	Expiry Date	JV Parties	Approx. Area (km²)
EPL 3496	Tubas	100%	05.06.2017	-	709
EPL 3497	Tumas	100%	05.06.2017	-	422
EPL 3498	Aussinanis	85%	07.05.2016 #1	5% Epangelo #3 10% Oponona#4	253
EPL 3669	Tumas North	65%	20.11.2015#1	25% Nova (Africa) #5 10% Sixzone #6	163
EPL 3670	Chungochoab	65%	20.11.2015#1		640
ML 176 #2	Shiyela	95%	05.12.2027	5% Oponona #4	54

#1 Renewal documentation has been submitted and the Company awaits the administrative process to be finalised
#2 Located entirely within EPL3496
#3 Epangelo Mining (Pty) Ltd
#4 Oponona Investments (Pty) Ltd
#5 Nova (Africa) (Pty) Ltd
#6 Sixzone Investments (Pty) Ltd

Sub-Total	2,241

NORTHERN TERRITORY

Number.	Name	Interest	Expiry Date	JV Parties	Approx. Area (km²)
EL 24246	Napperby	100%	10.10.16	-	234

Sub-Total	234
DYL Total	2,475

AGREEMENTS

	Approx. Area (km²)
ABM Resources NL - Northern Territory (100% uranium rights stay with DYL)	5,775
Sub-Total	5,775
Total Area	8,250

Unit 1, Spectrum Building 100-104 Railway Road, Subiaco Western Australia 6008
Tel: 61 8 9286 6999   Fax: 61 8 9286 6969
www:deepyellow.com.au